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**Report on the Fiscal 2025 Preliminary Plan
and the Fiscal 2024 Preliminary Mayor's
Management Report for the**

Landmarks Preservation Commission

March 21, 2024

Prepared by Daniel Kroop, Principal Financial Analyst



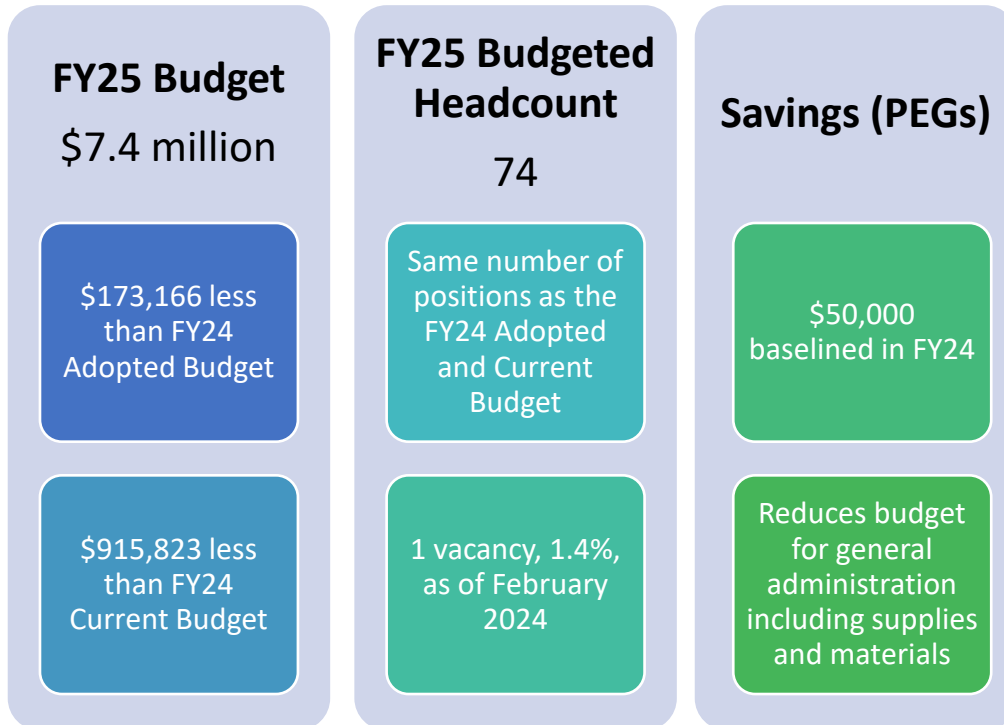
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Landmarks Preservation Commission (LPC) Overview

The Landmarks Preservation Commission (LPC, or the Commission) is responsible for protecting New York City’s architecturally, historically, and culturally significant buildings and sites by granting them landmark status and regulating them after designation. The Commission reviews applications for work on designated properties, issues permits, provides technical guidance, investigates complaints of illegal work, and initiates action to ensure compliance with the Landmarks Law. LPC also administers a federally funded Historic Preservation Grant Program that provides financial assistance to low-to-moderate income landmark property owners to help fund restoration work.¹

LPC Fiscal 2025 Budget Snapshot

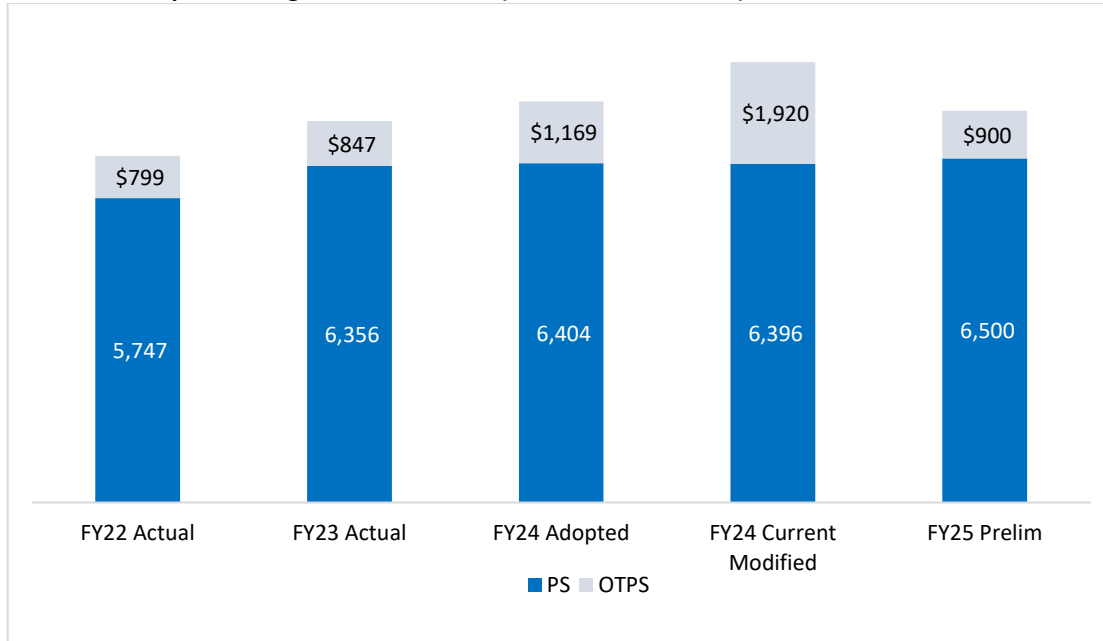


LPC Financial Plan Overview

LPC’s Fiscal 2024-2028 Preliminary Financial Plan (Preliminary Plan) includes a budget of \$7.4 million in Fiscal 2025, which represents less than one percent of the City’s \$109.4 billion Fiscal 2025 budget. LPC’s Fiscal 2025 Budget includes \$6.5 million for Personal Services (PS) to support 74 full-time positions. The agency’s Other Than Personal Services (OTPS) funding totals \$899,853 and includes \$215,827 for contractual services, the majority of which is allocated for general maintenance and repairs (\$114,790). Chart 1 presents the breakdown of the Personal Services (PS) and Other Than Personal Services (OTPS).

¹ The City of New York, *Preliminary Fiscal 2024 Mayor’s Management Report*, January 2024, available online at: https://www.nyc.gov/assets/operations/downloads/pdf/pmmr2024/2024_pmmr.pdf, pp. 353-358.

Chart 1: LPC Expense Budget – PS and OTPS, (Dollars in Thousands)



Source: New York City Office of Management and Budget

LPC Financial Summary

The Preliminary Plan includes a \$7.40 million budget for LPC in Fiscal 2025, increasing slightly to \$7.43 million by the end of the Plan period (Fiscal 2028). LPC’s budget generally reflects similar recurring costs and expectations for the agency throughout the Plan. LPC’s funding in the outyears are not impacted by the expiration of federal COVID-19 stimulus from the American Rescue Plan Act.

LPC has one Unit of Appropriation (U/A) pair, with a PS and an OTPS function. The budget is comprised of 87.8 percent PS spending and 12.2 percent OTPS spending.

Table 1: LPC Financial Summary

<i>Dollars in Thousands</i>						
	FY22	FY23	FY24	Preliminary Plan		*Difference
	Actual	Actual	Adopted	FY24	FY25	FY25 - FY24
Budget by Spending Category						
Personal Services	\$5,747	\$6,356	\$6,404	\$6,396	\$6,500	\$96
Other Than Personal Services	799	847	1,169	1,920	900	(269)
TOTAL	\$6,546	\$7,204	\$7,573	\$8,316	\$7,400	(\$173)
Funding						
City Funds			\$6,916	\$6,820	\$6,630	(\$286)
Federal - Community Development			657	1,074	669	12
Federal - Other			0	349	101	101
State			0	72	0	0
TOTAL	\$6,546	\$7,204	\$7,573	\$8,316	\$7,400	(\$173)
Budgeted Headcount						
Full-Time Positions - Civilian	65	71	74	74	74	0
Full-Time Equivalent Positions	4	4	4	4	4	0
TOTAL	69	75	78	78	78	0

*The difference of Fiscal 2024 Adopted Budget compared to Fiscal 2025 Preliminary Budget

Source: New York City Office of Management and Budget

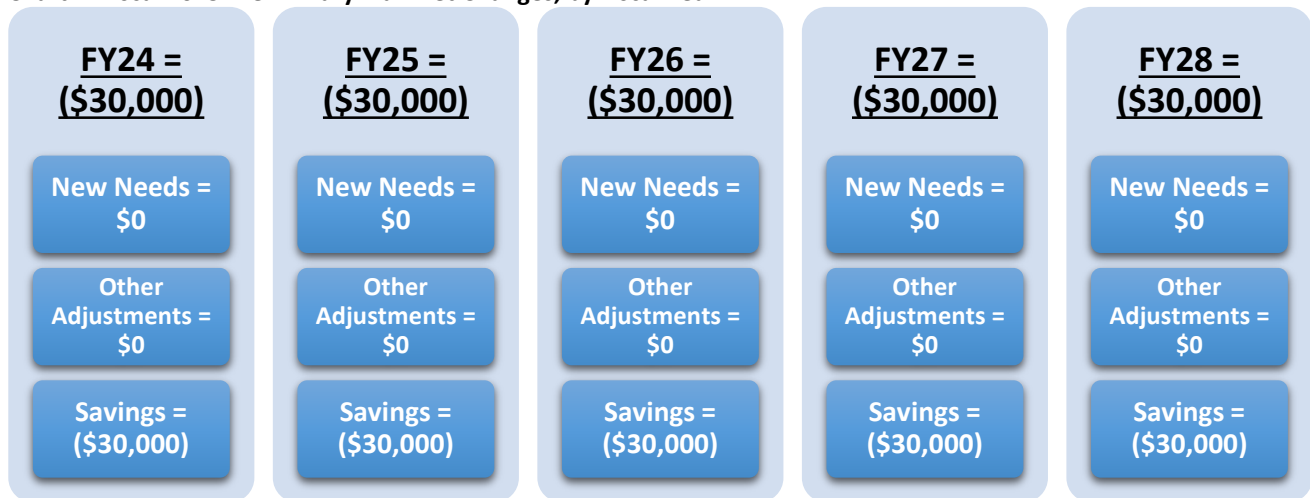
City funds comprise 89.6 percent, \$6.6 million, of LPC’s budget in Fiscal 2025. City funds are \$286,365 lower in Fiscal 2025 in the Preliminary Plan than in the Fiscal 2024 Adopted Budget. The second largest funding source is federal Community Development Block Grant (CDBG) funding, at 9.0 percent, or \$668,874 in Fiscal 2025, slightly greater than the \$656,818 at Fiscal 2024 adoption.

Fiscal 2025 Preliminary Budget Changes

The only budget action for LPC in the Preliminary Plan was a PEG savings that decreased its baselined OTPS budget by \$30,000 beginning in Fiscal 2024. There were no new needs or other adjustments.

Chart 2 provides a summary of LPC’s spending changes from the November Financial Plan to the Preliminary Financial Plan.

Chart 2: Fiscal 2025 Preliminary Plan Net Changes, by Fiscal Year*



*Savings in this chart are the sum of all expense savings, from all revenue sources, including but not limited to, City, State, and federal savings. As some agency PEGs may be revenue actions or savings from non-City sources, this number will not necessarily equal the agency’s PEG value.

Table 2 summarizes LPC’s Program to Eliminate the Gap (PEG) savings across the November and Preliminary Plans.

Table 2: LPC Total Program to Eliminate the Gap (PEG)

Actual Dollars	FY24	FY25	FY26	FY27	FY28
November Plan	(\$96,000)	(\$86,000)	(\$91,000)	(\$91,000)	(\$91,000)
Preliminary Plan	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
TOTAL PEGs	(\$126,000)	(\$116,000)	(\$121,000)	(\$121,000)	(\$121,000)

Source: New York City Office of Management and Budget

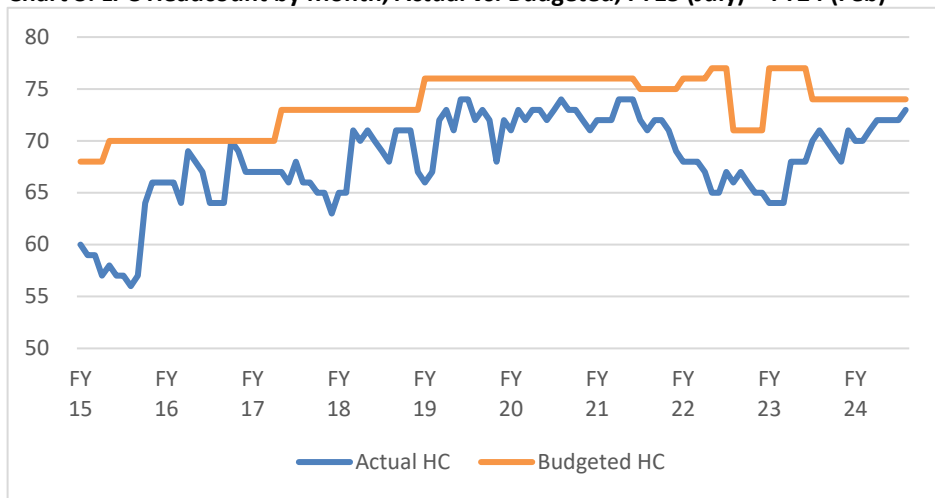
Savings/Program to Eliminate the Gap (PEG)

- OTPS Savings.** LPC has one PEG in the Preliminary Plan, from OTPS savings, which reduces the baseline budget by \$30,000 beginning in Fiscal 2024. The OTPS savings are achieved through reductions in expenditures on general administration including supplies and materials. The November Plan included PEGs for both OTPS savings (\$47,000 in Fiscal 2025 and \$52,000 in the outyears) and PS accruals (\$39,000 in the baseline).

Headcount

Chart 3 compares LPC’s actual versus budgeted agency-wide headcount from Fiscal 2015 to Fiscal 2024. As of February 2024, LPC had only one vacancy among its 74 budgeted positions, for a vacancy rate of 1.4 percent, much lower than most other City agencies. LPC appears to have regained the headcount lost during the COVID-19 pandemic, although its budgeted headcount total is currently slightly lower than it has been for much of the past five years, when there were as many as three more positions.

Chart 3: LPC Headcount by Month, Actual vs. Budgeted, FY15 (July) – FY24 (Feb)



Source: New York City Office of Management and Budget

LPC Contract Budget

The City’s Contract Budget includes all projected expenditures for personal service, technical or consulting contracts. The Contract budget is a subset of the OTPS portion of the City’s Expense Budget. Table 4 compares LPC’s Fiscal 2024 Adopted Contract Budget with its Fiscal 2025 Contract Budget in the Preliminary Plan.

Table 3: LPC FY24 Adopted vs. FY25 Preliminary Contract Budget

<i>Actual Dollars</i>				
Category	FY24 Adopted	Number of Contracts	FY25 Preliminary	Number of Contracts
Contractual Services - General	\$13,403	1	\$13,403	1
Data Processing Equipment	5,605	1	5,605	1
Maintenance and Repairs - General	114,790	12	114,790	12
Office Equipment Maintenance	5,000	2	5,000	2
Printing Contracts	9,266	1	9,266	1
Professional Services - Other	55,263	1	55,263	1
Telecommunications Maintenance	1,500	1	1,500	1
Temporary Services	11,000	1	11,000	1
TOTAL	\$215,827	20	\$215,827	20

Source: New York City Office of Management and Budget

The agency’s total Preliminary Fiscal 2025 contract budget of \$215,857 is unchanged from its Fiscal 2024 adopted contract budget. The majority of contractual spending, \$114,790, is for general maintenance and repairs. The second largest area of contract spending is for uncategorized professional services, with one contract at \$55,263. Total OTPS appropriations also include funding

for supplies, materials, technology, and temporary and other services required to support agency operations.

Fiscal 2024 Preliminary Mayor's Management Report

- **Work Permit Applications.** The Fiscal 2024 Preliminary Mayor's Management Report² (PMMR) reports that LPC received 3,873 work permit applications during the first four months of Fiscal 2024, down 8.5 percent from the 4,234 applications received during the same period in Fiscal 2023. During the first four months of Fiscal 2024, 83.0 percent of Certificates of No Effect were issued within 10 days, up from 81.0 percent in the comparative reporting period in Fiscal 2023, and 82.0 percent of Permits for Minor Work were issued within 10 days, down from 83.0 percent in the comparative reporting period in Fiscal 2023. Additionally, 100.0 percent of Expedited Certificates of No Effect were issued within two days in the first four months of Fiscal 2024, which is the same rate as the first four months in Fiscal 2023.
- **Enforcement.** During the first four months of Fiscal 2024, the Commission's enforcement department received 172 complaints, up four percent from the same period in Fiscal 2023. The enforcement department investigated 372 complaints and 313 properties in the first four months of Fiscal 2024, up 93.0 percent and 83.0 percent, respectively, from the same period in Fiscal 2023. This increase is in part due to a Commission initiative to address a backlog of complaints, which was implemented in parallel with an increase of staff at the Commission in the last quarter of Fiscal 2023 and first quarter of Fiscal 2024.

LPC's enforcement department issued 182 warning letters, Notices of Violations and Stop Work Orders in the first four months of Fiscal 2024, up 34.0 percent from 136 enforcement actions issued during the same period in Fiscal 2023. The increase in enforcement actions taken is largely a reflection of the Commission's backlog resolution initiative.³

- **Landmark Designations.** Over the first four months of Fiscal 2024 there were no individual, interior, and scenic landmarks, historic districts, or buildings designated as was the case in the same period in Fiscal 2023. However, over the reporting period, the Commission initiated the designation process for four individual landmarks and one scenic landmark by calendaring items for consideration. The proposed individual landmarks include:
 1. The Barkin, Levin & Company Office Pavilion in Long Island City, Queens, an area with few designated buildings;
 2. The Modulightor Building in East Midtown, Manhattan, an example of mid-century modern architecture;
 3. Joseph Rodman Drake Park and Enslaved People's Burial Ground in Hunts Point, Bronx, an area with a disproportionately low number of landmark designations; and
 4. The New York Public Library, Tremont Branch in Tremont, Bronx.

² *Ibid*, at 1.

³ When work is done to a landmark building without a permit, the enforcement department follows a series of steps, starting with issuing a warning letter describing the work performed without a permit and instructing the owner to submit an application to legalize or correct the work. If the warning letter is not responded to, and the violation is not cured, LPC will issue a Notice of Violation, which may require an appearance at a hearing held at the Environmental Control Board and may result in a civil penalty. In cases of ongoing illegal work, LPC will issue a Stop Work Order, in which all illegal work must stop immediately once the construction site has been made safe., *ibid*, at. 1, p. 355.

The proposed scenic landmark under consideration is the Old Croton Aqueduct Walk in University Heights, Bronx.⁴

Budget Issues and Concerns

- **Streamlining Application Processes.** In July 2023, the Commission voted to approve new rules to make the LPC application and review process faster and easier for business owners and homeowners seeking approval for specific types of work, including building updates that would improve the climate resiliency and sustainability of landmarked properties. These changes are intended to help landmarked buildings adopt climate resiliency and sustainability measures more easily. Although the PMMR shows that LPC generally has satisfactory performance on issuing the typical certificate of no effect or permit for minor work within 10 days, it continues to see many thousands of work permit applications annually, requiring ongoing monitoring to ensure appropriate staffing and processes.
- **Support for Office Accelerator Conversions.** The City launched an Office Conversion Accelerator in August 2023 to expedite complex office-to-housing conversion projects in potentially 136 million square feet of available office space in New York City. The Accelerator is designed to help analyze project feasibility, secure necessary permits, and provide a number of other functions. LPC participates in this program along with sister agencies such as the Department of Buildings (DOB), Department of Housing Preservation and Development (HPD), and Department of City Planning (DCP). Meetings are led by the Get Stuff Built Executive Director Rob Holbrook. LPC should share additional details about its work in the Accelerator, how much available space may be in landmarked buildings, and its ideas for how to move the City more quickly towards its goal of converting so much available office space into housing.
- **Increased Staffing Resulting in Additional Enforcement.** The PMMR states that the Commission has worked to address a backlog of enforcement-related complaints through increased staffing.⁵ The Administration should review if LPC's successes can be translated to other agencies that have struggled with enforcement activities and had high vacancy rates, such as DOB.

⁴ *Ibid.*

⁵ *Ibid.*

Appendices

A. Budget Actions in the November and Preliminary Plans

<i>Dollars in Thousands</i>	FY24			FY25		
	City	Non-City	Total	City	Non-City	Total
LPC Budget as of the Adopted FY24 Budget	\$6,916	\$657	\$7,573	\$6,717	\$669	\$7,386
Changes Introduced in the November Plan						
Programs to Eliminate the Gap (PEGs)						
OTPS Accrual Savings	(\$57)	\$0	(\$57)	(\$47)	\$0	(\$47)
PS Accrual Savings	(39)	0	(39)	(39)	0	(39)
Subtotal, PEGs	(\$96)	\$0	(\$96)	(\$86)	\$0	(\$86)
Other Adjustments						
FY24 CDBG FUNDS ROLLOVER	\$0	\$417	\$417	\$0	\$0	\$0
Buyers L300 CB Funding	8	0	8	7	0	7
CSBA CB Funding	14	0	14	14	0	14
CWA L1180 CB Funding	9	0	9	8	0	8
FEMA GRANT REVENUE INCREASE MO	0	349	349	0	0	101
CLG REVENUE INCREASE	0	45	45	0	0	0
To Rollover FY23 CLG into FY24	0	27	27	0	0	0
Subtotal, Other Adjustments	\$30	\$838	\$869	\$29	\$0	\$130
TOTAL, All Changes in November Plan	(\$66)	\$838	\$773	(\$57)	\$0	\$44
LPC Budget as of the November Plan	\$6,850	\$1,495	\$8,346	\$6,660	\$669	\$7,430
Changes Introduced in the Preliminary Plan						
Programs to Eliminate the Gap (PEGs)						
OTPS Savings	(\$30)	\$0	(\$30)	(\$30)	\$0	(\$30)
Subtotal, PEGs	(\$30)	\$0	(\$30)	(\$30)	\$0	(\$30)
TOTAL, All Changes in the Preliminary Plan	(\$30)	\$0	(\$30)	(\$30)	\$0	(\$30)
LPC Budget as of the Preliminary Plan	\$6,820	\$1,495	\$8,316	\$6,630	\$669	\$7,400