



**New York City Council**

Christine C. Quinn, Speaker

**Finance Division**

Preston Niblack, Director

Jeffrey Rodus, First Deputy Director

**Hearing on the Mayor's Fiscal Year 2012 Executive Budget**

**Department of City Planning**

May 25, 2011

**The Committee on Finance**

Hon. Domenic M. Recchia, Jr., Chair

**The Committee on Land Use**

Hon. Leroy Comrie, Chair

Latonia McKinney, Deputy Director

Anthony Brito, Senior Legislative Financial Analyst

# Overview

The Department of City Planning (DCP) conducts planning related to the growth, improvement and future development of the City. It is responsible for initiating changes in the zoning maps and resolutions, providing technical and professional assistance to community boards, and preparing an annual capital needs and priorities report.

<b>Department of City Planning Financial Summary</b>						
<i>Dollars in Thousands</i>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2011</b>	<b>2012</b>	<b>*Difference</b>
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Exec. Plan</b>	<b>Exec. Plan</b>	<b>2012 - 2011</b>
<b>Budget by Unit of Appropriation</b>						
Personal Services	\$21,224	\$21,347	\$21,124	\$21,123	\$19,337	(\$1,787)
Other Than Personal Services	5,671	4,885	5,526	3,526	5,331	(195)
<b>TOTAL</b>	<b>\$26,895</b>	<b>\$26,231</b>	<b>\$26,650</b>	<b>\$26,650</b>	<b>\$24,668</b>	<b>(\$1,982)</b>
<b>Funding</b>						
City Funds	N/A	N/A	\$11,164	\$9,163	\$10,633	(\$531)
State	N/A	N/A	190	190	145	(45)
Federal-Community Development	N/A	N/A	13,246	13,245	12,802	(444)
Federal-Other	N/A	N/A	1,900	1,900	1,087	(812)
Other-Categorical	N/A	N/A	150	150	0	(150)
<b>TOTAL</b>	<b>\$26,895</b>	<b>\$26,231</b>	<b>\$26,650</b>	<b>\$26,650</b>	<b>\$24,668</b>	<b>(\$1,982)</b>
<b>Positions</b>						
Full-Time Positions	<b>274</b>	<b>253</b>	<b>270</b>	<b>270</b>	<b>245</b>	<b>(25)</b>

\* Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 Executive Plan.

## Fiscal 2012 Executive Budget Actions

The Department of City Planning's (DCP) Fiscal 2012 Executive Budget is \$24.6 million, which is approximately \$3 million less than the \$26.5 million Fiscal 2011 Adopted Budget. The overall reduction is primarily due to the actions the agency undertook since Adoption to decrease City tax levy funds in the amount of \$650,000 for the remainder of Fiscal 2011 and \$1.1 million for Fiscal 2012. In addition, DCP's Fiscal 2012 Executive Budget includes a reduction of 25 positions from the Fiscal 2011 Adopted Budget total of 270. The headcount reduction is comprised of six layoffs, twelve positions eliminated through attrition, six positions that will be funded from Community Development Block Grant (CDBG) funds rather than City tax levy dollars, and the elimination of 1 vacant position from a previous fiscal plan. The following summarizes the budgetary actions the agency has undertaken since the Fiscal 2011 Adopted Budget.

<i>Dollars in thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as of February 2011 Plan</b>	<b>\$10,350</b>	<b>\$16,054</b>	<b>\$26,404</b>	<b>\$8,076</b>	<b>\$14,478</b>	<b>\$22,554</b>
<b>Program to Eliminate the Gap (PEGs)</b>						
Financial Plan Savings	\$0	\$0	\$0	(\$13)	\$0	(\$13)
Layoffs	0	0	0	(\$100)	0	(\$100)
Vacancy Eliminations	0	0	0	(\$249)	0	(\$249)
<b>Total, PEGs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$362)</b>	<b>\$0</b>	<b>(\$362)</b>
<b>New Needs</b>						
Application Process Reform	\$0	\$0	\$0	\$2,020	\$0	\$2,020
<b>Total, New Needs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,020</b>	<b>\$0</b>	<b>\$2,020</b>
<b>Other Adjustments</b>						
CD Funding Adjustment	\$0	\$0	\$0	\$0	(\$510)	(\$510)
Heat, Light and Power	(14)	0	(14)	(113)	0	(113)
Freshkills consultant	32	0	32	0	0	0
Layoffs Fringe Benefit Offset	0	0	0	12	0	12
Lease Adjustment	0	0	0	0	66	66
OSA Collective Bargaining	54	128	182	63	152	215
Reallocation of EIS Contract Funding	(947)	\$0	(947)	947	0	947
Sheridan Expressway Grant	0	96	96	0	0	0
Vacancy Eliminations-Fringe Benefits	0	0	0	54	0	54
Waterfront Plan Printing Costs	2	0	2	0	0	0
<b>Total, Other Adjustments</b>	<b>(\$873)</b>	<b>\$224</b>	<b>(\$649)</b>	<b>\$963</b>	<b>(\$292)</b>	<b>\$671</b>
<b>Agency Budget as of Executive 2011 Plan</b>	<b>\$9,391</b>	<b>\$16,183</b>	<b>\$25,574</b>	<b>\$10,633</b>	<b>\$14,034</b>	<b>\$24,667</b>

## Programs to Eliminate the Gap (PEGs)

- Transfer of Six City Tax Levy Funded Positions.** DCP has transferred six positions that were funded by City tax levy dollars to federal funding covered by federal Community Development Block Grants (CDBG) funding. This transfer allows DCP to achieve tax levy savings in the amount of \$421,000 for the remainder of Fiscal 2011, and \$525,000 in Fiscal 2012. The value of this transfer includes credit for reducing fringe benefit costs to the City. The tax levy funded staff whose funding source was transferred to CDBG consists of two planners within the Borough Offices, three computer information services specialists, and one Zoning and Urban Design planner. These positions are eligible to be funded by CDBG since work in support of the borough offices and geographic systems are considered CDBG eligible.
- Attrition Savings.** The agency will achieve savings in the amount of \$428,000 in Fiscal 2012 increasing to \$1.7 million by Fiscal 2015 by eliminating six City tax levy funded vacancies. DCP eliminated six City tax levy vacancies throughout the agency, as opposed to concentrating

reductions in any one particular Division. Specifically, the six vacated positions will impact the Environmental Review Division, the Brooklyn and Manhattan Borough Offices, the Strategic Planning Office, and the Technical Review Division.

- ☑ **Six Layoffs.** The agency will lay off a total of six employees to achieve a savings of \$231,000 in Fiscal 2012. The impacted positions consist of one employee within the agency's Technical Review Division which oversees applications for discretionary land use actions such as the Environmental Impact Statements (EIS), and two administrative clerical staff. Another three positions that were funded by CDBG will be impacted by layoffs will total \$166,000 in Fiscal 2012. However, since these are not City tax levy savings they will not count towards the agency's PEG program. The cuts at the federal level to the CDBG budget have forced the agency to begin reducing employee headcount that was funded by this source.

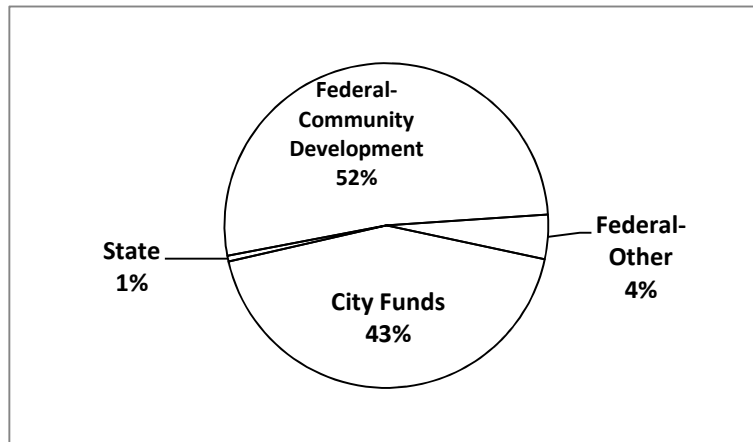
## New Needs

- ☑ **Application Processing Reform.** Beginning in Fiscal 2012 the agency will hire a consulting firm to work on reforming the process of doing applications by improving technology upgrades. This initiative will have a total cost of \$2 million in Fiscal 2012 and \$250,000 in Fiscal 2013. Approximately \$1.5 million in Fiscal 2012 will be spent on a consulting contract for Accenture, which will provide training and technical assistance to three new staff members who will acquire the skills needed to become project managers or program coordinators involved in processing of applications. The costs of these three new employees will be approximately \$270,000 in Fiscal 2012, declining to \$250,000 in Fiscal 2012, and \$125,000 in Fiscal 2014. The costs associated with these new hires will be paid for with attrition savings the agency expects to accumulate in Fiscal 2013 and 2014, which explains the declining costs.

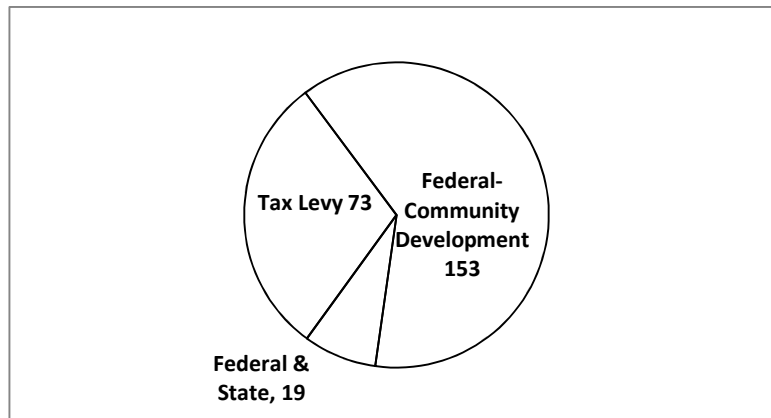
## Federal Budget Impacts

Of the \$24.6 million in funding the DCP will receive in Fiscal 2012 to run its operations, approximately 52 percent of that total, or \$12.8 million, is federal Community Development Block Grant (CDBG) funding, with another four percent, or \$1 million, coming from the Federal Highway Administration to fund the federal mandates of the New York Metropolitan Transportation Council (NMTC). Approximately 43 percent or \$10.6 million comes from City tax levy funds, while the remaining one percent in funding comes from the State of New York (See Table 1 below). Since most of the agency's funding comes from the federal government, budgetary actions in Washington D.C have greatly impact how DCP will plan its funding priorities in Fiscal 2012. The federal allocation of CDBG funds to the City from the Department of Housing and Urban Development (HUD) is \$163.3 million in Fiscal 2012, which represents a 16 percent reduction from the \$195.2 million allocated the previous fiscal year. DCP along with other City agencies will phase-in the cuts in order to prevent a drastic one-year reduction in funding to the agency. Specifically, DCP's CDBG budget will be reduced five percent or \$653,000 in Fiscal 2012 and will be reduced by another five percent in Fiscal 2014.

**Chart 1: Fiscal 2012 DPC Sources of Funding**



**Chart 2: DCP Funding Sources for 245 Employees in Fiscal 2012**



## Appendix A: Budget Actions in the November and February Plans

<i>Dollars in thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
<b>Agency Budget as of June 2010 Plan</b>	<b>\$11,163</b>	<b>\$15,487</b>	<b>\$26,650</b>	<b>\$8,524</b>	<b>\$14,478</b>	<b>\$23,002</b>
<b>Program to Eliminate the Gap (PEGs)</b>						
Attrition Savings	(\$129)	\$0	(\$129)	(\$179)	\$0	(\$179)
EIS Contract Reduction	(100)	0	(100)	0	0	0
1 Layoff	0	0	0	(60)	0	(60)
Transfer of TL Funded Position to CD	(421)	0	(421)	(526)	0	(526)
<b>Total, PEGs</b>	<b>(\$650)</b>	<b>\$0</b>	<b>(\$650)</b>	<b>(\$764)</b>	<b>\$0</b>	<b>(\$764)</b>
<b>New Needs</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total, New Needs</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Adjustments</b>						
Attrition Savings	(\$94)	\$0	(\$94)	(\$81)	\$0	(\$81)
CMAQ Project Consultant	0	369	369	0	0	0
Fringe Credit	146	0	146	167	0	167
Fiscal 2011 Bronx EDC	0	154	154	0	0	0
LGRMIF	0	41	41	0	0	0
Waterfront Plan Printing Costs	13	0	13	0	0	0
Lease Adjustment	0	3	3	0	0	0
Reallocation of EIS Contract Funding	(229)	0	(229)	229	0	229
<b>Total, Other Adjustments</b>	<b>(\$164)</b>	<b>\$567</b>	<b>\$404</b>	<b>\$315</b>	<b>\$0</b>	<b>\$315</b>
<b>Agency Budget as of February 2011 Plan</b>	<b>\$10,350</b>	<b>\$16,054</b>	<b>\$26,404</b>	<b>\$8,076</b>	<b>\$14,478</b>	<b>\$22,554</b>