FY 2025 Borough Budget Consultations

Manhattan - Department of Buildings

Meeting Date:

The purpose of holding the Borough Budget Consultations is to provide Community Boards with important information to assist in drafting their statement of District Needs and Budget Priorities for the upcoming fiscal year. Community Board Members do not have expertise about funding sources and the process within agencies regarding funding of various programs and initiatives. However, Community Board members are very knowledgeable about local service needs.

This year's Manhattan agendas have three sections:

I. General questions about program funding.

- <u>What programs will see a significant increase or decrease in funding overall? To what extent, if any, is the increase or decrease in funding related to non-recurring federal funding allocations?</u>

- *The Department of Buildings does not receive federal funding for services offered.*

- <u>Which programs will be new or eliminated entirely?</u>

- ***Major Project Development Programs*** *- The Department's Major Project Development Program, for an additional fee, offers dedicated project coordination services to larger and complex construction projects aimed at improving project efficiency and avoiding project delays. The goal of this program is to engage with larger construction projects even before they begin their project to review the project scope and to work together to find the best path forward. The Department is continuing this hands-on approach to help prevent delays on these larger construction sites, with the goal of keeping the industry working on safe and code compliant development projects.*
- *MPP launched in 9/2022.*
- *84 projects in the pipeline. 71 fully paid. 28 of those are confirmed affordable.*
- *A total of $3.36M projected for all projects in the pipeline. $2.85M paid in full, so far.*

- *We are expected to be at 85% of the targeted 100 project capacity for the program's first year.*

- ***Small Business Support Teams*** *- Department established a unit specialized to assist small businesses directly, which will include dedicated Project Advocates and Plan Examiners. This centralized unit has transformed our way of doing business, seeking to engage directly with our City's small business owners to increase access and transparency and deliver better customer service. This innovative program eliminates any uncertainties a business faces as they operate their business or work towards opening their business.*
- *A total of 848 individual business owners have been fully supported through the program through a total of 1248 filings and 404 SBT Help Requests.*
- *Many businesses have successfully opened or completed renovations through the program.*

MN – Does revenue go back to DOB or general fund?
DOB – General fund

MN – Budget line attached to both of these? In terms of additional work you're doing on this project? Additional staffing for these programs?
DOB – Initially, the program was fully staffed. Did have money for that.

MN – What's the status of that staffing for FY24 and FY25?
DOB – We will get back to you, but the Small Business team is fully staffed.

MN – How many staff are added? Fully staffed means positions in place, but were new people added to implement this?
DOB – yes…initially, new people were provided. We will let you know how many.

MN – You listed number of projects completed…that would be helpful.
MN – How is the program distributed.
DOB – Developer opts in voluntarily to pay the fee, but we'll check where those are.

- <u>What are your benchmarks for new and existing programs and what are your benchmarks/key performance indicators for measuring success?</u>

- *Our key performance indicators include: the time it takes for DOB to review plans for construction projects, how long our customers need to wait for development inspections, and how long the public needs to wait for a 311 complaint to be addressed. These metrics are reported and regularly updated on our Service Levels Tracker, which is available on our website.*

- <u>What are your priorities, operational goals, and capital goals for FY25 and projected priorities, operational goals, and capital goals for FY26? (Value Statement?)</u>

II. Considering the current migrant crisis in NYC, what do the impacted agencies expect regarding continued influx in FY 25 and what are plans to accommodate this.

III. What are the plans to accommodate a possible extension of PEGs into FY 25?

*The Department is covering 24 Exec Plan Citywide PEG (**$7.5M**) by implementing the following initiatives:*
  - *DOB has started to collect new fees for the review of Site Safety Plan by major development construction sites prior to issuing a construction permit. The revenues are projected to be increased by **$1.2M** in FY'24 and Outyears*
  - *DOB will update cost validation tables with the most recent RS Mean Index. The revenues are projected to be increased by **$1.3M** in FY'24 and Outyears.*
  - *DOB will collect revenues from boiler and elevator violations from property owners that fail to file the required annual inspection reports for prior years. The revenues are projected to be increased by **$4.3M** in FY'24, $4.1M in FY'25, and $3.1M in FY'26 and Outyears.*
  - *The Department's budget was reduced by **$750K** in FY'24 and Outyears. This target will be achieved by reducing the cost for temporary services contract.*
    - *49 temps employed and **$2.4M** spent via contracts at DOB in FY'22*
    - *41 temps employed and **$1.6M** spent via contract at DOB in FY'23 YTD*
      - *Temps filled clerical, administrative, IT and laborer roles.*
      - *Due to projects end dates and increased hiring effort for full time positions, the expected impact on the operations is projected to be minimal.*
  - *The Department's budget was reduced by **$908K** in FY'26 and Outyears. This target will be achieved with OTPS savings.*

IV. Lastly, the agendas may include Boards' requests on district-specific budget questions that will not be included in district level consultations. We request that the agency respond in writing, but have any further discussions on these items with the Community Boards outside of the consultation.

Please provide written responses or even a PowerPoint presentation that we can use to fully and accurately educate our Board Members.

AGENDA ITEM [1]:No-Penalty Inspection Program

1. Has the Department determined whether or not the No-Penalty Inspection Program is successful and what metrics is it using?

2. What impacts does the program have on the Department's budget and does the department plan to expand the program in the FY2025 Budget?

   MN – If something isn't in compliance after a 311 call, what happens?
   DOB – If a complaint is filed, and it's within the program, then we will speak to the owner or issue a warning to the owner. We do outreach…press releases, etc. currently offering retaining walls, etc. now unregistered boilers and elevator devices.

AGENCY RESPONSE:

1) *Since the annual No-Penalty Inspection Program for Decks and Retaining Walls was first launched by the Department in 2005, the Department has performed thousands of these no-penalty inspections, helping save New Yorkers both time and money by identifying potential safety issues and providing guidance on how to bring properties up to Code.*
2) *This year's new addition of free inspections of facades, unregistered boilers, and unregistered private elevators is the largest expansion of the program to date.*

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [2]: DOB NOW and BIS Filings?

As reported in the Mayor's Management Report, In the first four months of Fiscal 2023, job filings increased 11 percent compared to the same period in Fiscal 2022. Filings and plan reviews are

expected to continue increasing via DOB NOW as volume shifts to that system from BIS. Older buildings generally generate more issues of concern and therefore still remain in the BIS system.

1. Has DOB determined the cost to integrate the BIS and DOB NOW systems? If so, what was the approximate cost?

   AGENCY RESPONSE:

   The Department recently reached another milestone on its DOBNOW phase-in, where DOBNOW: Build will accept plan submissions for new building construction as well as major alterations that alter a building's certificate of occupancy.

   DOB NOW Funding
   - *DOB NOW funding for FY'24 was increased by **$17.2M***:
     - ***$11.6M** due to additional scope*
       - *$3M – Code Updates*
       - *$5.4M – Legislation*
       - *$3.2M – Extension of Production Support*
     - ***$5.6M** was added due to rollover request from FY'23 from original scope*

   The vision is to modernize and reengineer a 30+ years system called Buildings Information System (BIS) and paper-based process. The Department has developed a digital one-stop platform that makes construction transactions easier and maintains public safety. DOB NOW enables building owners, business, design professionals, filing representatives, and licenses to do all interactions with DOB using one self-service solution.

   - ***DOB NOW: Build**: provides online access to job filings, permits, Post Approval Amendments, Corrections, After Hour Variances, and Letters of Completion.*
     - *27 of out 33 work types are implemented already*
     - *Will be fully implemented by 2025*

   As DOB NOW has expanded to include nearly all work types, the majority of filings are now being filed via DOB NOW; this is regardless of the age of the building.

   Mandates for doing new filings in DOB NOW apply equally to 'old' and 'new' buildings alike.

   The comparatively small amount of filings that are being done in BIS are for either unique low volume work types that have yet to be added to DOB NOW (e.g. Green Roof and Solar – both of which will be added and then mandated in DOB NOW by

the end of 2023) or filings where the plans were submitted before the mandate and construction has not been signed off.

DOB – Working on this since 2017…target goal ten years from that. Huge undertaking. Will be modernizing it…one-stop shop…applications and permitting processing. Parking structure compliance filings. Licensing component. Licensing issuance.

MN – Any 311 complaint for inspect request on DOB now?
DOB – Found in our BIS…this hasn't been integrated into DOB NOW yet, but working on that.

MN – Complaints driven by non-owners…is that in the pipeline for DOB NOW?
DOB – We'll talk with our folks who are spearheading the project, but I understand we will be phasing all biz dealings and complaints should be down the line with DOB NOW.

MN – Has DOB done an assessment of what it would take to get all of the parts of BIS integrated into one system, probably DOB NOW?
DOB – Currently we're rolling out certificates of correction so people can file these certificates now on DOB.
DOB – will get back to you on how much it would cost to get these final components.

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [3]: Site Safety

1. In 2022 Construction-related accidents and construction-related injuries increased significantly. A majority of these accidents occurred at large building projects. As a result, the Department conducted 55% more unannounced monitoring inspections at larger sites. Did this have any impact on the current budget and will the funding be secured in future budgets to maintain the same level of inspections?
2. What additional funding is DOB putting towards site safety in the FY2025 budget? And how does that compare to the FY2023/FY2024 budget?
3. Dob working on this and with OMB if need more money
4. Inspector staffing for FY 2024 and 2025:

a. Please break down the staffing levels for Inspectors specifically responsible for Site Safety issues, and
b. provide the funding in FY 2024 and projected FY 2025 for this category of Inspector.

5. What, if any, budget allocation is made in FY 2024 or projected FY 2025 for constituent outreach on Site Safety issues and follow-up?

MN – Some places have greater track record of siting. How does that affect your work and budget? Or does it all?
DOB – we partner with the industry to evaluate safety needs. Building university team that works to create curricula for safety programs.
DOB – I can get numbers to you on staffing.

DOB – LL196 (construction training safety), since then, we've fortified these trainings for major construction sites. CSC unit checks for site safety requirements…appointments…quality control…do issue many violations and stop work orders, which includes checking for this site safety compliance. Make sure site safety providers are given adequate training. Ensure that if we see deficiencies…we have found locations where there's a training deficiency, but perform hundreds of audits…the course and the provider themselves. All of this now housed in DOB training connect platform.

AGENCY RESPONSE:

1. *According to our records, the budget allocations did not change to impact on the productivity.*
2. *DOB is currently evaluating the workload and staffing allocations and will work with OMB if additional resources are necessary.*
3. *DOB's inspectors are assigned to the workload as needed. FY'24 inspectorial staff consist of approximately 600 positions including all disciplines like construction, plumbing, electrical, etc. Currently DOB budget allocations do not anticipate any changes for the outyears.*
4. *There is an annual budget allocation of $950K for outreach contract for construction safety.*

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [4]: Office of Tenant Advocate

1. What is the OTA budget for FY25 compared to FY24?

2. For the last fiscal year, what is the number of complaints received by the Office of Tenant Advocate average response time, and number of summonses and stop work orders issu based on these complaints, broken down by Community District?

3. What is the current staff levels in OTA and are there any commitments to increase the staff in FY24 and or FY25?

AGENCY RESPONSE:

1) *OTA's current budget is $900K in PS (Personal Services) budget.*
   OTA's current budget is $900K in PS (Personal Services) budget.
   DOB – Not changing for FY25.
   MN – can we get it broken down (inspections) by community district?
   DOB – we can check for that.

2)

FY2023					
	Q1	**Q2**	**Q3**	**Q4**	**TOTAL**
OTA Inquiries	659	644	679	593	2,575
Referral for DOB Inspection	247	257	297	268	1,069
Other City/State/Legal services	405	352	339	281	1,377

Where a tenant inquiry requires an inspection, the Multiple Dwelling Unit (MDI) is currenlt performing such inspection within 1 day of the date of referral.

Through the first two quarters of CY 2023 – the number of OTA referrals to the Multiple Dwelling Unit related to tenant harassment and TPP compliance are:
- *316 inspections; 222 violations issued; 48 Stop Work Orders*

Additionally, the Multiple Dwelling Unit (MDI) conducts proactive TPP compliance inspections:
- *866 inspections; 116 violations issued; 18 Stop Work Orders issued*

3) *According to our records, there are 11 budgeted positions in the unit "Office of the Tenant Advocate":*
- *Executive Director – 1*
- *Plan Examiner – 3*
- *Assistant Chief Plan Examiner – 1*
- *Tenant Liaison – 3*
- *Inspector – 2*
- *Analyst – 1*

Currently there are no changes to the FY'25 budget allocation and there is no commitment to increase current staffing level. If additional staff will be required DOB will request and discuss it with OMB.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [5]: DOB Audits

1. What is the status of the staffing of the audit division and the audit module.
2. Has DOB implemented the Audit Module in BUILD and restarted the random audit prog

AGENCY RESPONSE:

1) *DOB is still actively working on developing an Audit Module in BUILD to revive its program audits.*
2) *Pro-Cert is a critical component of the City's development process, which has allowed tens of thousands of safe and compliant projects to move forward each year with minimal delay from DOB review. Our DOB NOW system was specifically designed to automatically identify many of the same issues we were previously finding in our BIS audit program, and is already helping the Department to analyze and sort out erroneous applications. Next year, we will be implementing full audit functionality for pro-cert jobs in DOB NOW, which will help us capture any other non-compliance issues found in professionally certified applications*
However, we have implemented "zoning audits" for professionally certified New Building and enlargement jobs – prior to accepting, 100 percent of these jobs are audited for zoning conformance.

3) *With the revival of Program Audits, most likely in early 2024, DOB plans to initiate a risk-based selection of professionally certified jobs to ensure compliance.*
DOB – this will be the audit module.
MN – 10 or 20 percent?
DOB – will confirm.

MN – When an audit request is made, would that be recorded or listed on BIS or somewhere?

DOB – In BIS, we do have audits and notices-to-revoke. Jesse – can a request be seen in public-facing system?
DOB – If it came through 311, then notated in the section for BIS…once in progress, then you see what notice to revoke or whatever, completed.

MN – Bigger projects are focused on, but say there's an alteration for zoning…not automatically by the system…is that part of the goal?
DOB – This is a conversation we need to have internally, but as it pertains to the audit, the manpower also for review by the planning examiners…it's in the order that we receive them, that we look at these. Another method? We have to discuss.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [6]: Unpaid Fines

As reported in the press, The Department of Buildings has one of the city's highest amounts of unpaid fines, at approximately $627 million. In addition, the Independent Budget Office has made a number of recommendations to DOB that would increase the agency's revenue by approximately $100 million a year.

1. During this time of fiscal crisis, what has the Department done to resolve the unpaid fines and retrieve badly needed revenue?

2. To what extent is DoB tracking whether the underlying violations are being cured with respect to those that are the subject of unpaid fines?
3. Would consistent follow-up on curing the violations lead to greater collections on fines?
4. How can tracking on unpaid fines be improved to ensure greater collections and improved safety?

AGENCY RESPONSE:

1) *DOB has long been committed to rigorous enforcement of building and construction regulations in the interest of promoting greater public safety, as evidenced by the tens of thousands of Code violations we issue to negligent property owners every year. DOB's Code enforcement procedures rely heavily on the issuance of civil violations to property owners and contractors who are found to have ignored safety regulations.*

2) *In order to correct a DOB-issued violation, the responsible party must both correct the underlying condition that resulted in the violation, and also submit an acceptable Certificate of Correction filing with the Department for our review*.

3) *Local Law 50 of 2022 mandates the Department to follow up and reinspect construction sites where there are open violations with immediately hazardous conditions within 60 days of the date of the notice of violation.*

4) *The Department will not issue or renew a license until debt to the City is paid.*
The Department can also revoke permits for certain types of work if there is significant debt attached to the property for which a permit is being sought.
The Department of Finance is also working on converting some DOB-issued judgements into property liens.
MN – DOB has most unpaid fines…not working…plans to try to increase the number of fines?
DOB – Some of the highest amounts of penalties and judgements too, though, so we do make up some ground in that way. Certs of correction have to be filed. They have to pay fines and penalties to correct that work.

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [7]: Community Engagement Education Programs

1. What is the funding and staffing status of Customer Service Night, After Hours, Inside the DoB, Office of Tenant Advocate customer service nights, DOB Webinar training, and DOB Docs?

Agency Response:

- *DOB staffs Buildings After Hours and its webinars with the support of existing staff. Staff that are available for Buildings After Hours are within the Borough Commissioner's Office, Borough Operations, Development Inspection, Enforcement Inspections, and Plan Examination.*
- *DOB receives funding to support 11 positions within the Office of the Tenant Advocate, which include tenant liaisons, plan examiners, and inspectors. Staff from OTA include, an Executive Director (1), Tenant Liaisons (3), Analyst (1), Inspectors (2), Plan Examiners (3), Assistant Chief Plan Examiner (1).*

- *OTA also coordinates closes with other units within the Department such as the Multiple Dwelling Unit – which conducts related TPP and tenant harassment inspections.*
- *The current budget allocations are sufficient at this time. If additional resources are necessary, DOB will communicate with OMB.*
  - Plan examiners and all kind of small biz teams. Team of 20. Manhattan is the last boro, and will be sep. 23 from 1000 – 300pm at hunter college.

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [8]:

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [9]: [Title]

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [10]: [Title]

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [11]: [Title]

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [12]: [Title]

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:
NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [13]: [Title]

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [14]: [Title]

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [15]: [Title]

[Insert Question|

AGENCY RESPONSE:

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS: