

**DEPARTMENT OF PUBLIC PROPERTY  
FISCAL YEAR 2019 BUDGET TESTIMONY  
APRIL 16, 2018**

**INTRODUCTION**

Good Morning, President Clarke and Members of City Council. I am Bridget Collins-Greenwald, Commissioner. Joining me today are key members of the Department of Public Property. I am pleased to provide testimony on Public Property's Fiscal Year 2019 Operating Budget.

**DEPARTMENT MISSION & PLANS**

**Mission:** The Department of Public Property (DPP) responsibly serves the City's workforce and community by providing quality facilities and work spaces.

**Plans for Fiscal Year 2019:**

- Fully implement the Space Management System which will allow DPP and other departments access to information on the actual occupancy of the City's 20 key office buildings (owned and leased) enabling more efficient occupancy and space planning practices.
- Work with the Sheriff's Office to introduce City Hall security improvements, as recommended by the Philadelphia Police Department's Office of Homeland Security.
- Continue to work on the design and construction of the new Police Headquarters, Police Districts 6 and 9, the Unified Communications Center and the Medical Examiner's Office and related labs.
- Utilize the Public Safety Facilities Master Plan to formulate the capital budget requests for the future capital program.
- Complete the design of a new Police District 22.
- Begin the design of the interior work for complete renovation to Police District 15.
- Begin the office fit out for a new Police District 2.
- Procure a lease management system to provide consistency in lease negotiations and provide advanced notice regarding renewals.
- Procure brokerage services to assist with long-term lease opportunities and real estate asset evaluation.
- Work with the Office of Sustainability to continue to reduce our carbon footprint as well as improve safety by replacing inefficient lighting with new interior and exterior LED fixtures at facilities.
- Replace ten kitchens in fire houses to continuously improve the workplace.
- Perform preventive maintenance at our facilities to minimize unexpected issues.
- Improve police and fire facilities by replacing windows and make security and safety upgrades by replacing outdated entry doors with new low maintenance security doors.
- Complete exterior repairs to the Northeast quadrant of City Hall by replacing the North Apron sidewalk.
- Inspect and treat the envelope of the Northwest quadrant of City Hall. This will include masonry visual inspections, water intrusion inspections, and subsequent reports and repairs.
- Complete the cleaning and repairing of the high voltage switch gear for City Hall.
- Automate our inventory system to allocate materials on work completed on our facilities to provide better metrics on repair work costs performed by our staff and to aid in replenishment of materials on hand.
- Decrease the number of injuries on duty by offering mandatory safety training and development to employees who are injured and who work in the field.

**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

<b>Staff Demographics Summary (as of December 2017) <sup>1</sup></b>				
	Total	Minority	White	Female
Number of Full-Time Staff	167	83	84	37
Number of Exempt Staff	11	4	7	5
Number of Executive Staff (deputy level and above)	6	1	5	4
Average Salary, Full-Time Staff	\$58,576	\$53,346	\$63,744	\$63,229
Average Salary, Exempt Staff	\$107,286	\$92,250	\$115,878	\$107,739
Average Salary, Executive Staff	\$120,691	\$115,000	\$121,829	\$121,647
Median Salary, Full-Time Staff	\$49,106	\$45,688	\$52,585	\$49,606
Median Salary, Exempt Staff	\$107,000	\$101,000	\$113,348	\$115,000
Median Salary, Executive Staff	\$115,848	\$115,000	\$116,696	\$115,848

<b>Employment Levels (as of December 2017) <sup>1</sup></b>		
	Budgeted	Filled
Number of Full-Time Positions	187	167
Number of Exempt Positions	11	11
Number of Executive Positions (deputy level and above)	6	6
Average Salary of All Full-Time Positions	\$57,136	\$58,576
Median Salary of All Full-Time Positions	\$47,313	\$49,406

<sup>1</sup> Table represents both General and Capital Funded Staff

<b>General Fund Financial Summary by Class</b>						
	FY17 Original Appropriations	FY17 Actual Obligations	FY18 Original Appropriations	FY18 Estimated Obligations	FY19 Proposed Appropriations	Difference: FY19-FY18
Class 100 - Employee Compensation	\$8,318,847	\$8,654,937	\$8,547,886	\$8,328,751	\$8,659,293	\$330,542
Class 200 - Purchase of Services	\$159,373,457	\$158,525,684	\$156,362,300	\$159,813,059	\$162,405,495	\$2,592,436
Class 300/400 - Materials, Supplies & Equipment	\$1,338,535	\$1,314,120	\$1,338,535	\$1,338,535	\$1,338,535	\$0
Class 500 - Contributions	\$0	\$1,114,758	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$23,916,920	\$23,162,734	\$27,554,294	\$27,554,294	\$27,678,994	\$124,700
	<b>\$192,947,759</b>	<b>\$192,772,233</b>	<b>\$193,803,015</b>	<b>\$197,034,639</b>	<b>\$200,082,317</b>	<b>\$3,047,678</b>

<b>Contracts Summary (Professional Services only)</b>						
	FY13	FY14	FY15	FY16	FY17	FY18 YTD (Q1 & Q2)
Total amount of contracts	\$13,073,410	\$13,560,446	\$13,999,303	\$13,695,375	\$12,771,602	\$3,527,999
Total amount to M/W/DSBE	\$13,073,410	\$13,560,446	\$13,999,303	\$13,695,375	\$12,771,602	\$3,527,999
Participation Rate	100%	100%	100%	100%	100%	100%

<b>Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies &amp; Equipment; and Professional Services combined)</b>			
	FY17	FY18	FY19
M/W/DSBE Contract Participation Goal	65%	65%	50%

## **PROPOSED BUDGET OVERVIEW**

### **Proposed Funding Request:**

#### General Fund

The proposed Fiscal Year 2019 General Fund budget totals \$200,082,317, an increase of \$3,047,678 over Fiscal Year 2018 estimated obligation levels. This increase is primarily due to the increased match requirement for Transit Operations and Planning (SEPTA).

The proposed budget includes:

- \$8,659,293 in Class 100, a \$330,542 increase over FY18. The increase is due in part to the collective bargaining agreement increase for DC 33 employees.
- \$162,405,495 in Class 200, a \$2,592,436 increase over FY18. The increase in Class 200 is largely due to the increased match requirement for SEPTA. In addition to the \$84,776,000 for City support of SEPTA, the Class 200 General Fund request includes: \$22,457,948 for space rentals; \$25,008,269 for utility charges, and \$30,163,278 for core departmental operations.
- \$1,203,541 in Class 300; no change from FY18.
- \$134,994 in Class 400; no change from FY18.
- \$27,678,994 in Class 800, an \$124,700 increase over FY18.

### STAFFING LEVELS

The department is requesting 150 budgeted positions for FY19, a decrease of 8 positions from FY18.

The decrease in staff positions is to better align with the departmental hiring trends and use of overtime spending.

### NEW HIRES

New Hires (from 7/1/2017 to December 2017)			
	Total Number of New Hires	French	Spanish
Black or African American	3	1	-
Asian	1	-	-
White	4	-	1
Total	8	1	1

**PERFORMANCE, CHALLENGES, AND INITIATIVES**

**Administration:**

FY19 Strategic Goals				
<ul style="list-style-type: none"> <li>• Complete the automation of the inventory system.</li> <li>• Fill approximately 30% of vacancies.</li> <li>• Decrease the number of injuries on duty through increased training of employees.</li> </ul>				
FY19 Performance Measures				
Measure	FY17 Actual	FY18 YTD (Q1 + Q2)	FY18 Target	FY19 Target
Human Resources: Days to fill position after certification <sup>1</sup>	N/A	59	55	52
Human Resources: Net Hires (new hires minus separations) <sup>2</sup>	N/A	6	15	18
Human Resources: Percent of customer service survey respondents who rate DPP's service a 3 out of 5 or higher <sup>3</sup>	TBD	N/A	95.0%	95.0%
Safety: Number of injuries	22	10	20	18
Safety: Number of employees trained	111	79	125	130

<sup>1</sup> This is a new measure for FY18, so FY17 data is not available. This the average number of days to fill a position. Hard-to-fill positions in FY18 Q1 took a longer time to fill.

<sup>2</sup> This is a new measure for FY18, so FY17 data is not available.

<sup>3</sup> FY17 survey results will be available by the end of FY18. This is an annual measure.

**Capital:**

FY19 Strategic Goals				
<ul style="list-style-type: none"> <li>• Substantially complete<sup>1</sup> 42 projects.</li> <li>• Decrease time to complete design plans and specifications.</li> </ul>				
FY19 Performance Measures				
Measure	FY17 Actual	FY18 YTD (Q1 + Q2)	FY18 Target	FY19 Target
Number of substantially completed construction projects <sup>1</sup>	38	19	40	42
Number of projects that completed design <sup>2</sup>	N/A	8	20	22

<sup>1</sup> A project that is substantially complete is at least 95% complete.

<sup>2</sup> This is a new measure for FY18, so FY17 data is not available.

**Facilities Management (Field Operations):**

FY19 Strategic Goals				
<ul style="list-style-type: none"> <li>• Complete the renovation of ten fire station kitchens.</li> <li>• Increase the number of replacements of entry/security doors.</li> <li>• Increase the number of lighting replacements in Police and Fire facilities.</li> </ul>				
FY19 Performance Measures				
Measure	FY17 Actual	FY18 YTD (Q1 + Q2)	FY18 Target	FY19 Target
Facilities division work order volume	16,581	7,432	16,581	16,000
Percent of work orders completed within service level	88.5%	86.3%	90.0%	90.0%

**Facilities Management (Quad-plex):**

FY19 Strategic Goals				
<ul style="list-style-type: none"> <li>Partner with City departments to better meet deferred aesthetic needs (e.g. paint, carpets, ceiling replacements).</li> <li>Complete the cleaning and repairing of the high voltage switch gear for City Hall.</li> <li>Complete the exterior repairs to the northeast quadrant of City Hall.</li> </ul>				
FY19 Performance Measures				
Measure	FY17 Actual	FY18 YTD (Q1 + Q2)	FY18 Target	FY19 Target
Quad-Plex division work order volume	17,817	8,708	17,416	16,900
Quad-Plex division percent of work orders completed within SLA	83.1%	81.1%	83.0%	85.0%

**Real Estate and Planning:**

FY19 Strategic Goals				
<ul style="list-style-type: none"> <li>Utilize technology (asset, space/move, and lease management systems) to better inform decisions about the efficient use and occupancy of City space.</li> <li>Continue to improve leasing practices and procedures to ensure minimal financial risk to and capital investment by the City by requiring turn-key space.</li> </ul>				
FY19 Performance Measures				
Measure	FY17 Actual	FY18 YTD (Q1 + Q2)	FY18 Target	FY19 Target
Total square feet of space, owned and leased <sup>1</sup>	2,611,556	2,647,267	2,647,267	2,595,000
Owned and leased space that is vacant workspace <sup>2</sup>	42,177	42,177	42,177	41,500
Square feet of space per employee, owned vs. leased <sup>3</sup>	311	311	311	305
Lease cost per square foot <sup>4</sup>	\$18	\$19	\$20	\$21

<sup>1</sup> Values shown are the total square feet (SF) of 20 key owned (City Hall, One Parkway, Municipal Services, 500 S Broad, Police Administration, Fire Administration, 2838 Woodhaven, 5200 Wissahickon, and 6100 Rising Sun), and leased (1234 Market, 601 Walnut, 990 Spring Garden, 100 S. Broad, 300 E. Hunting Park, 1425 Arch, 1 Penn Center, 8 Penn Center, 1327 Chestnut, and 2 Penn Center) buildings. FY18 YTD split is 776,319 SF-leased and 1,870,948 SF-owned.

<sup>2</sup> FY17, FY18 Q1, FY18 Q2, and FY18 Target are based only on vacancy in two owned buildings: One Parkway and the Municipal Services Building.

<sup>3</sup> Values shown are gross SF for 20 key owned and leased buildings. FY18 split is 325 SF per employee (leased) and 306 SF per employee (owned)

<sup>4</sup> Per-square-foot rent amounts are rounded to whole dollars. Price increases are in line with the Consumer Price Index, as well as the program's use of fully furnished, turn-key spaces (meaning that departments do not have to use their own funds for furniture or tenant improvements).

Department of Public Property

**OTHER BUDGETARY IMPACTS**

**Federal and State (Where Applicable)**

N/A

**CONTRACTING EXPERIENCE**

<b>M/W/DSBE Participation on Large Professional Services Contracts</b>											
<b>Top Largest Contracts, FY18</b>											
Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBEs	Total \$ Value Participation - All DSBEs	Local Business (principal place of business located within City limits) [yes / no]	Waiver for Living Wage Compliance? [yes / no]
US Facilities	Operations, Maintenance and Support for the Triplex	\$14,932,450	4/26/2013	10/1/2013	MBE: 20-25%	100%	\$14,932,450	100%	\$14,932,450	yes	no
					WBE: 10-15%	0%	\$0				
					DSBE: 10-15%	0%	\$0				

<b>Non-Profit Vendor Demographics</b>		
Philadelphia Municipal Authority	Minority %	Female %
Workforce	100.00%	100.00%
Executive	100.00%	100.00%
Board	75.00%	25.00%

**EMPLOYEE DATA**

<b>Staff Demographics (as of December 2017)</b>					
<b>Full-Time Staff</b>			<b>Executive Staff</b>		
	Male	Female		Male	Female
	African-American	African-American		African-American	African-American
<i>Total</i>	44	18	<i>Total</i>	0	1
<i>% of Total</i>	2627%	11%	<i>% of Total</i>	0%	17%
<i>Average Salary</i>	\$50,663	53,968	<i>Average Salary</i>	N/A	\$115,000
<i>Median Salary</i>	\$45,658	\$46,163	<i>Median Salary</i>	N/A	\$115,000
	White	White		White	White
<i>Total</i>	73	11	<i>Total</i>	2	3
<i>% of Total</i>	44%	7%	<i>% of Total</i>	33%	50%
<i>Average Salary</i>	\$60,650	83,758	<i>Average Salary</i>	\$118,725	\$123,898
<i>Median Salary</i>	\$46,058	92,059	<i>Median Salary</i>	\$118,725	\$116,696
	Hispanic	Hispanic		Hispanic	Hispanic
<i>Total</i>	8	4	<i>Total</i>	0	0
<i>% of Total</i>	5%	3%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$60,933	\$49,906	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$49,950	\$48,316	<i>Median Salary</i>	N/A	N/A
	Asian	Asian		Asian	Asian
<i>Total</i>	3	3	<i>Total</i>	0	0
<i>% of Total</i>	1%	1%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$69,535	\$66,999	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$74,142	\$74,754	<i>Median Salary</i>	N/A	N/A
	Other	Other		Other	Other
<i>Total</i>	1	2	<i>Total</i>	0	0
<i>% of Total</i>	1%	1%	<i>% of Total</i>	0%	0%
<i>Average Salary</i>	\$37,307	\$46,649	<i>Average Salary</i>	N/A	N/A
<i>Median Salary</i>	\$37,307	\$46,649	<i>Median Salary</i>	N/A	N/A
	Bilingual	Bilingual		Bilingual	Bilingual
<i>Total</i>	10	6	<i>Total</i>	0	1
<i>% of Total</i>	7%	4%	<i>% of Total</i>	0%	17%
<i>Average Salary</i>	\$58,888	\$79,980	<i>Average Salary</i>	N/A	\$115,000
<i>Median Salary</i>	\$45,688	\$87,383	<i>Median Salary</i>	N/A	\$115,000
	Male	Female		Male	Female
<i>Total</i>	130	37	<i>Total</i>	2	4
<i>% of Total</i>	78%	22%	<i>% of Total</i>	33%	67%
<i>Average Salary</i>	\$57,252	\$63,229	<i>Average Salary</i>	\$118,725	\$121,674
<i>Median Salary</i>	\$49,306	\$49,606	<i>Median Salary</i>	\$118,725	\$115,848

## LANGUAGE ACCESS

**1) Has your leadership received language access training?**

The Commissioner has received language access training and we have reached out to the Office of Immigrant Affairs to schedule training for the rest of the leadership team on May 22<sup>nd</sup>.

**2) Do you currently have a language access coordinator?**

Yes, Deputy Commissioner of Administrative Services, Lori Davey.

**3) Has your department written a language access plan and is it posted online?**

DPP is currently covered by the CAO language access plan, which can be found at: <https://beta.phila.gov/documents/language-access-plans/>

**4) Explain what your department has done to improve language access services over the past year.**

We have taken measures to ensure that all customers who use the Quadplex have access to language access services when needed. In City Hall, the guards at the public access entrance on the Northeast corner know to direct anyone who needs language access services to 311's Office to use the language access line. This service is also available in the Municipal Services and One Parkway Buildings. The Criminal Justice Center has a state-run program where a sheriff calls a court liaison who assists the person(s) needing language access services.