

**DEPARTMENT OF PUBLIC PROPERTY
FISCAL YEAR 2025 BUDGET TESTIMONY
APRIL 10, 2024**

INTRODUCTION

Good Morning, President Johnson and members of City Council. I am Bridget Collins-Greenwald, and I am representing the Department of Public Property (DPP). With me is Joe Brasky, the newly appointed interim Commissioner of DPP. I am pleased to provide testimony on the Department's Fiscal Year 2025 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 workspaces enabling the City's workforce to take meaningful steps to meet the Mayor's policy goals to make Philadelphia the safest, cleanest, and greenest big city in the nation with economic opportunity for everyone.

Plans for Fiscal Year 2025:

- Continue monitoring and evaluating the operation and the response time provided to meet the needs of clients. DPP will continue to work on improving strategies and evaluate daily operations. DPP will remain flexible to meet the demands requiring the most attention as the equipment in City facilities continues to age. These initiatives are an ongoing process as DPP strives to balance workload with available resources due to recruitment struggles.
- Focus on diversifying new hires with targeted recruitment efforts.
- Continue to beautify City Hall's courtyard and surrounding aprons to accentuate the beauty of the building, encourage a sense of positivity to its visitors, and promote sustainability efforts such as enabling declining pollinator species and capturing stormwater through strategic plantings.
- Centralize administrative functions, which currently reside in each operational unit, to streamline process and reduce redundant work.
- Use input from client departments and departmental master facility plans to prioritize projects based on the current critical level of need to determine project lists.
- Continue to monitor, evaluate, and improve service request administration and execution.
- Partner with the new Capital Programs Office (CPO) to ensure a smooth transition.
- Provide proactive communication and data sharing between DPP divisions and City departments.
- Continue to improve upon the space allocation process with the space allocation committee and look at space from a holistic standpoint.
- Implement modern space standards to City departments with funding to right-size their workspaces.
- Coordinate with the Office of Special Events to provide barricade and stage installations.

- Improve City-owned assets to be a good neighbor with area residents.

PROPOSED BUDGET OVERVIEW

General Fund Financial Summary by Class						
	FY23 Original Appropriations	FY23 Actual Obligations	FY24 Original Appropriations	FY24 Estimated Obligations	FY25 Proposed Appropriations	Difference: FY25-FY24
Class 100 - Employee Compensation	\$12,050,817	\$10,279,133	\$12,395,405	\$12,395,405	\$9,499,821	(\$2,895,584)
Class 200 - Purchase of Services	\$204,587,912	\$215,687,698	\$226,662,338	\$227,372,743	\$247,051,367	\$19,678,624
Class 300/400 - Materials, Supplies & Equipment	\$1,338,535	\$1,330,799	\$1,405,461	\$1,905,461	\$1,354,966	(\$550,495)
Class 500 - Contributions	\$0	\$5,245,295	\$0	\$0	\$0	\$0
Class 800 - Payment to Other Funds	\$27,184,004	\$27,184,004	\$33,373,310	\$31,367,327	\$28,589,244	(\$2,778,083)
Total	\$245,161,268	\$259,726,929	\$273,836,514	\$273,040,936	\$286,495,398	\$13,454,462

Proposed Funding Request:

The proposed Fiscal Year 2025 General Fund budget totals \$286,495,398, an increase of \$13,454,462 over Fiscal Year 2024 estimated obligation levels. This increase is primarily due to the SEPTA state match requirement.

The proposed budget includes:

- \$9,499,821 in Class 100, a \$2,895,584 decrease from FY24 due to the transfer of funding from DPP to MDO for the new Capital Project Office.
- \$247,051,367 in Class 200, a \$19,678,624 increase over FY24. The increase is due primarily to the increase in the SEPTA match requirement, as well as the increase for security costs for the Municipal Services Building and the One Parkway Building.
- \$1,354,966 in Class 300/400, a \$550,495 decrease from FY24. The decrease is due to an internal transfer from Class 200 to Class 300/400 to purchase construction materials for repairs that took place in FY2024.
- \$28,589,244 in Class 800, a decrease of \$2,778,083 from FY24. The decrease is due to an estimated change in interfund service charges.

STAFFING LEVELS

The department is requesting 140 budgeted positions for FY25, a decrease of 36 positions from FY24. The decrease is due to the transfer of the Capital Program Division from the Department of Public Property to the newly formed Capital Projects Office in MDO.

Employment Levels (as of December 2023)		
	FY25 Budgeted	Filled as of December 2023
Number of Full-Time Positions	140	135
Number of Exempt Positions	12	12
Number of Executive Positions (deputy level and above)	5	5
Average Salary of All Full-Time Positions	\$72,939	\$72,939
Median Salary of All Full-Time Positions	\$61,917	\$61,917

NEW HIRES

New Hires (from 7/1/2023 to December 2023)		
	Total Number of New Hires	Spanish
Black or African American	25	
Asian	1	
Hispanic or Latino	4	1
White	3	
Other	1	
Total	34	1

PROGRAM BASED BUDGETING:

Program Name: Administration

Program Number: 2007

FY25 Proposed General Fund: \$33,763,460

Program Description: This program includes the Human Resources Unit, which maximizes DPP’s human capital and handles risk management; the Fiscal/Budgeting unit, which manages the budget, invoicing, and spending analysis; and the Inventory/Procurement unit, which provides goods and services that support the Department in achieving its mission.

FY25 Strategic Goals:

- Focus on diversifying new hires with targeted recruitment efforts.
- Work with the Workforce Development Team to train existing staff in hard-to-fill positions.
- Implement DEI initiatives that were created as part of the City’s DEI cohort.
- Centralize the administrative functions of the department.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Human Resources: days to fill position after certification*	37	35	35
Human Resources: net hires**	22	12	12
Safety: number of injuries	9	Decrease from prior year	Decrease from prior year
Safety: number of employees trained***	145	100	100
Administration: invoices – days to pay median (from date of receipt to date of submission to Finance)	9	10	10

*The number of days to fill is impacted by names on eligible list available for certification and pre-employment hurdles.

**DPP is still staffing up the Special Events unit (20 additional semi-skilled laborer positions).

***This measure captures the number of attendees at trainings each year and may include duplicates if someone attends more than one training. Trainings are expected to be down due to the retirement of the Department’s Safety Officer.

Program Name: Facilities Management (Field Operations)

Program Number: 2014

FY25 Proposed General Fund: \$25,915,907

Program Description: This program manages facilities within the Philadelphia Police and Fire Departments, the Managing Director’s Office, the Department of Fleet Services, and the Department of Licenses and Inspections locations, among others.

FY25 Strategic Goals:

- Monitor mechanical equipment in all facilities and replace as necessary
- Continue Fire Department kitchen replacements at Engine 3, 19, 40, 41, 44, and 54, and Marine Unit 2
- Complete Fire Department window replacements at Engine 3, 19, 40, 41, 44 and 54 and Marine Unit 2.
- Work with Office of Sustainability in replacing outdated lighting with LEDs.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Field Operations: Facilities division internal work order volume*	6,604	8,000	8,000
Field Operations: Percent of work orders completed within service level**	79.60%	80.00%	80.00%

*DPP ended FY23 below the target as fewer issues were reported by departments for resolution than had been anticipated.

** DPP’s vacancies caused this measure to be slightly below target. DPP is taking steps to fill its vacancies moving forward.

Program Name: Facilities Management (Quad-Plex)

Program Number: 2013

FY25 Proposed General Fund: \$27,747,235

Program Description: This program encompasses facilities management for City Hall, the Philadelphia Public Safety Building (PPSB), and the Triplex, which consists of the One Parkway Building (OPB), the Municipal Services Building (MSB), and the Stout Criminal Justice Center (SCJC). Quadplex tenants include the Mayor’s Office, City Council, The First Judicial District, the Managing Director’s Office, and many City finance and operating agencies.

FY25 Strategic Goals:

City Hall:

- Begin City Hall Tower/clock renovations and waterproofing.
- Continue to provide ceiling and floor renovations, including upgraded LED lighting in hallways.
- Provide an electrical upgrade (panels and switch-gear) and HVAC upgrades.

Tri-Plex

- Paint all mechanical rooms in the One Parkway Building.
- Upgrade components in the Building Automation System at One Parkway Building.
- Conduct National Emergency Management Association (NEMA) testing/inspections of all high voltage equipment throughout the Triplex to improve overall custodial services in all buildings.

Philadelphia Public Safety Building

- Complete the chiller redundancy project.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Quad-Plex: work order volume*	14,586	15,000	15,000
Quad-Plex: Percent of work orders completed within SLA**	93.7%	75.0%	85.0%

*The number of work requests in FY23 has decreased from prior years. This is reflected in the FY23 actual and FY24/FY25 target.

**There was a transition from the previous vendor for the Municipal Services Building, Criminal Justice Center and the One Parkway Building. The work orders that were left over are being evaluated and completed by the new vendor. This clean-up of the work orders is still in process, resulting in lower projections.

Program Name: Real Estate and Space Planning

Program Number: 2003

FY25 Proposed General Fund: \$987,178

Program Description: This program is responsible for lease negotiations for the City as a tenant and as a landlord; the disposition of vacant land; the purchase of property for City-sponsored programs; strategic planning for conveyance of City-owned property to facilitate development; the planning and design of City-owned and leased space for occupancy by City departments; and the management of staff relocations.

FY25 Strategic Goals:

- Implement new space guidelines for space modernization and efficient solutions via touchdown and collaborative spaces.
- Equitable hiring to help services in City-occupied buildings that benefit both City employees and the public.
- Review lease portfolio and consolidate square footage to optimize space environments.
- Work with City Council and the Land Bank on ways to streamline the disposition process.

FY25 Performance Measures:

Measure	FY23 Actual	FY24 Target	FY25 Target
Lease Cost Per Square Foot	\$20.00	\$20.50	\$20.50
Total square feet of space	1,907,855	1,850,000	1,850,000
Square feet of space per employee	255	225	225

OTHER BUDGETARY IMPACTS

Federal and State (Where Applicable)

Not applicable.