

FY 2028 Borough Budget Consultations

Manhattan - Department of Design and Construction

AGENDA ITEM [1]: Impact of Measures to Close Budget Gaps and Threatened Funding Cuts on the Budget For FY 2028 and Beyond

Mayor Mamdani's Administration took office while facing a reported \$5.4 Billion budget gap for Fiscal Years 2026 and projected FY 2027. While the current Fiscal Year budget gap is reported to have been closed, the Mayor's Administration continues to prioritize finding savings and efficiencies in a variety of agency operations and is convening a charter revision commission to expedite certain efforts to secure and implement those savings and efficiencies.

There are potential severe cuts to or elimination of funding and other resources from the federal government for a host of programs and initiatives. These are exacerbated by actual or virtual elimination of certain federal agencies that supported services for the most underserved.

With these developments in mind, please answer the following questions:

1. Has the funding for any programs or initiatives at your Agency allocated for FY 2026 or projected FY 2027 been cut or reduced as a result of the efforts to close City Budget gaps in FY 2026, FY 2027 or projected FY 2028?
 - a. If yes:
 - i. Please identify the program or initiative, and
 - ii. Please provide an estimate of the amount of the funding cut or reduction in both absolute and percentage amounts.
2. Has the funding for any programs or initiatives at your Agency allocated for FY 2026 or projected FY 2027 been cut or reduced as a result of actual or threatened cuts to or reductions in funding or subsidies directly or indirectly attributable to the federal government for FY 2026, FY 2027 or projected FY 2028?
 - a. If yes:
 - i. Please identify the program or initiative, and
 - ii. Please provide an estimate of the amount of the funding cut or reduction in both absolute and percentage amounts.
3. Has any State or federal funding streams previously earmarked or allocated for programs or initiatives at your Agency been redirected or re-allocated to other uses in order to:
 - a. Close the City Budget Gap for FY 2026, FY 2027 or projected FY 2028?

- i. If yes, please provide an estimate of the funding cut or reduction in both absolute and percentage amounts.
 - b. Prepare for or respond to actual or threatened cuts to or reductions in funding or subsidies directly or indirectly attributable to the federal government for FY 2026, FY 2027 or projected FY 2028?
 - i. If yes, please provide an estimate of the funding cut or reduction in both absolute and percentage amounts.
- 4. Have any programs or initiatives, including scheduled or planned expansions of existing programs or initiatives, at your Agency been frozen, postponed, suspended or abandoned as a result, directly or indirectly, of measures taken to address either the City Budget Gap or the threats to cut or reduce federal funding in FY 2026, FY 2027 or projected FY 2028?
 - a. If yes:
 - i. Please identify such programs or initiatives, and
 - ii. Please provide an estimate of the funding needed to restore or continue those programs and initiatives as planned.
- 5. What other measures is your Agency taking in connection with:
 - a. The calls for greater efficiency in City government operations, or
 - b. Actual or threatened cuts to or elimination of federal funding?
- 6. What is the vacancy rate for positions in your agency?

AGENCY RESPONSE:

In Fiscal 2026, the Agency received a reduction of 1.5% in the overall agency budget. The Agency identified 2.5% savings for FY 2027 as per directive from the Office of the Mayor. Please note that the agency does not execute programming or initiatives and remains steadfast in its commitment to designing and building capital reconstruction projects efficiently. The Agency is dedicated to streamlining capital reconstruction processes and policies through its implementation of *Alternative Delivery*. The Agency itself receives no federal funding but its sponsor agencies such as NYCDEP and NYCDOT do. The vacancy rate is just under 8%. The Agency has over 1100 employees presently.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [2]: Project Completion Times

How has Design-Build affected the FY26 DDC budget in relation to prior years and are you anticipating construction savings for projected FY 27 and FY 28 from that program or any other new programs?

Are there particular categories of projects that particularly benefit from Design-Build?

AGENCY RESPONSE:

The Agency has successfully completed several high-profile projects such as the Shirley Chisholm Recreation Center, began construction of the Roy Wilkins Recreation Center and continues to make steady progress on the Eastside Coastal Resiliency (ESCR). While there are no categories of projects, the Agency awards *Design Build* contracts on projects over \$10 million. Projects may include but are not limited to critical underground infrastructure and new public buildings such as precincts, firehouses and libraries. For further information, the Agency highlights all projects' cost saving in our December 16, 2025 press release which you can find at <https://www.nyc.gov/site/ddc/about/press-releases/2025/pr-121625-AdamsAdmin.page>.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [3]: Community Engagement and Project Tracking

Has the budget changed for the community engagement aspect of projects in FY26 or for FY27?

Has interagency response to mitigate for disruptive, long-term projects - such as the 7th Ave Water Main project from 14th-34th St - been budgeted through DDC or other agencies? An example would be SBS resources to help struggling businesses on construction corridors.

AGENCY RESPONSE:

The Agency prioritizes and executes community engagement through our extensive intergovernmental affairs team and our Office of Community Outreach and Notification

(OCON) by providing advance notice to allow residents and business to prepare for disruptions such as water shutdowns. The Agency prioritizes interagency coordination all throughout a project's duration. The Agency partners and shares all community advisories with sponsor agencies.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [4]: Staffing

What are the current staff levels and do you expect that to change for FY28?
How many Manhattan projects are scheduled for FY 27 and 28 and is this a significant change from prior years?

AGENCY RESPONSE:

In FY2027, the Agency headcount is just over 1,100 staff members and has remained unchanged in FY2025 and FY2026. FY 2028, the Agency does not foresee any significant changes. The Agency works closely alongside with OMB to identify agency needs.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [5]: Staging Areas

Is there any funding to locate staging areas for DDC construction equipment on private land instead of public land in residential areas?

AGENCY RESPONSE:

The Agency does not receive funding for the placement and staging of construction materials. The Agency encourages off-street storage where possible. Additionally, NYCDOT requires permits for all materials on streets. The Agency thanks Community Boards for recommending its advocacy in helping find off-street staging locations.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [6]: Interagency Construction Coordination

To what extent does DDC participate in interagency planning to maximize the opportunity for improvements during each construction project and save money? Has DDC worked with other agencies toward a “Dig Once” policy?

AGENCY RESPONSE:

DDC remains in constant communication with not only its sponsor agencies but utility companies to ensure that roadways and/or sidewalks are under construction simultaneously if feasible. Moreover, various pipes such as sewers and water mains are in different areas and depths within a given street bed. The reconstruction for each type of pipe is a linear operation performed concurrently. A dig-once in NYC require a permanent full street closing for a certain period which the Agency tries to prevent. Lastly, the Agency holds alignment meetings with utility agencies to better communicate logistics.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [7]: Wish List

For community board advocacy, we need to know which important programs or projects are most in need of funding. If your agency were given a large amount of money, to which staffing need, program, or capital project would you assign it?

AGENCY RESPONSE:

Community Boards can help spread the message of the successes of Joint Bidding and Alternative Delivery as part of the Public Works Investment Act (PWIA). The Agency is completing projects quicker, more efficiently and underbudget since its passage. The Agency welcomes Community Boards support. The Agency is grateful for its partnership with its community boards and asks that the community boards in all five boroughs continue to advocate for critical public infrastructure through sponsor agencies such as NYCDOT, NYCDEP and public libraries. The Agency stands ready to effectively and efficiently project manage capital reconstruction projects of all scopes to meet the needs of all communities.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS: