

**LOCAL LAWS  
OF  
THE CITY OF NEW YORK  
FOR THE YEAR 2017**

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**No. 160**

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Introduced by Council Members Vacca, Rose, Chin, Grodenchik, Williams, Kallos, Rosenthal, Salamanca, Cohen, Gentile, Vallone and Ulrich.

**A LOCAL LAW**

**To amend the administrative code of the city of New York, in relation to the denial of certain building permits where outstanding charges are owed to the city**

*Be it enacted by the Council as follows:*

Section 1. Article 105 of title 28 of the administrative code of the city of New York is amended by adding a new section 28-105.1.2 to read as follows:

**§ 28-105.1.2 Denial of permits for certain arrears.** *The commissioner shall not issue a permit for a new building, demolition, place of assembly or major alteration that will change the use, egress or occupancy for a property if \$25,000 or more in covered arrears is owed to the city with respect to such property or if the owners of such property owe, in aggregate, \$25,000 or more in covered arrears to the city, provided that, where a dwelling unit within a property is owned as a condominium or held by a shareholder of a cooperative corporation under a proprietary lease, covered arrears owed to the city for such unit shall not be considered covered arrears owed to the city for such property. For the purposes of this section, the term “covered arrears” may include any of the following, but shall not include any such items that are currently in the appeals process:*

- 1. Unpaid fines, civil penalties or judgments entered by a court of competent jurisdiction or the environmental control board pursuant to chapter 2 of this title or chapter 2 of title 28 of the code; and*
- 2. Unpaid and past due fees or other charges lawfully assessed by the commissioner.*

***Exceptions:***

- 1. The commissioner may issue a permit for a property if the applicant submits a certification from the department of finance that binding agreements are in force requiring payment of all covered arrears owed by the owners of such property, and such owners are in compliance with such agreement.*

2. *The commissioner may issue a permit for a property where the issuance of such permit is necessary to correct an outstanding violation of this code, the housing maintenance code or any other applicable provisions of law or rule or where the commissioner determines that issuance of such permit is necessary to perform work to protect public health and safety.*
3. *The commissioner may issue a permit for a portion of a property occupied by a tenant who is not an owner of such property or responsible for any covered arrears owed with respect to such property.*
4. *The commissioner may issue a permit, for a dwelling unit within a property that is owned by a condominium or held by a shareholder of a cooperative corporation under a proprietary lease, if the owners of record for such unit do not owe, in aggregate, \$25,000 or more in covered arrears to the city.*
5. *The commissioner may issue a permit where a property was the subject of an in rem foreclosure judgment in favor of the city and was transferred by the city to a third party pursuant to section 11-412.1 of the code.*
6. *The commissioner may issue a permit where a property is the subject of a court order appointing an administrator pursuant to article 7-a of the real property actions and proceedings law in a case brought by the department of housing preservation and development.*
7. *The commissioner may issue a permit where a property is the subject of a loan provided by or through the department of housing preservation and development or the New York city housing development corporation for the purpose of rehabilitation that has closed within the five years preceding the application for such permit.*
8. *The commissioner may issue a permit for a property where the department of housing preservation and development or the New York city housing development corporation notifies the commissioner that the permit is required for participation in a program that involves rehabilitation of such property.*

§ 2. Article 105 of title 28 of the administrative code of the city of New York is amended by

adding a new section 28-105.5.2 to read as follows:

**§ 28-105.5.2 Owner statement.** *All applications for permits shall include a certification by the owner of the property for which the permit is sought stating the following:*

1. *A statement as to whether \$25,000 or more in covered arrears, that are not currently in the appeals process, are owed to the city with respect to such property;*

2. *A statement as to whether the owners of the property owe, in aggregate, \$25,000 or more in covered arrears to the city;*

3. *For each owner of the property:*

*3.1. The person's full name and business address;*

*3.2. A list of properties in the city for which the person owes covered arrears to the city and, for each such property, the amount of such covered arrears owed; and*

*3.3. A list of properties in the city for which the person is an owner;*

4. *If an exception to section 28-105.1.2 of the code applies to such owner, a description of such exception.*

**§ 28-105.5.2.1 Audit.** *The commissioner shall each year, in consultation with the department of finance and each other appropriate city agency, audit at least 25 percent of the statements submitted under section 28-105.5.2 of the code.*

§ 3. This local law takes effect 120 days after it becomes law, except that the commissioner of buildings may take such measures as are necessary for its implementation, including the promulgation of rules, prior to such effective date.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on August 9, 2017 and approved by the Mayor on August 30, 2017.

MICHAEL M. McSWEENEY, City Clerk, Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 160 of 2017, Council Int. No. 1133-A of 2017) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council and approved by the Mayor.

STEPHEN LOUIS, Acting Corporation Counsel.