

# Fiscal Impact Statement Prepared By New York City Mayor's Office of Management and Budget



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**Disclaimer:** This fiscal impact statement is a preliminary estimate and subject to change based upon further data analysis or changes in bill text. This legislation is summarized as understood by the administration as of the date this statement was prepared and does not include or consider subsequent text changes. This fiscal impact statement is not legally binding on the administration. "Total" columns represent the respective sum over a four-year period; note that fiscal impacts continue after year four. Unless otherwise stated, information used in the preparation of this Fiscal Impact Statement is sourced from the agencies impacted and the NYC Mayor's Office of Management and Budget.

**Proposed Intro No. / Title:** *Int. 393 / Removing construction-related equipment*

**Sponsors:** Powers, Bottcher, Sanchez, Abreu, Restler, Brewer, Hanif, Hudson, Avilés, Schulman, Krishnan, Rivera, Salaam, Banks, Louis, Marte, Dinowitz, Ung, Brooks-Powers, Ayala and Ariola (in conjunction with the Manhattan Borough President)

**Committee:** Housing and Buildings

**Summary of Legislation:** This legislation limits sidewalk shed permits to 90 days and prohibits renewal until outstanding penalties are paid. If a shed remains for over three years, penalties increase progressively: \$10 per foot per month for under three years, \$100 per foot per month for three to four years, and \$200 per foot per month beyond four years (capped at \$6,000 per month). Exceptions apply to one- and two-family homes and sheds for new construction or demolition. The bill also requires reports from design professionals justifying shed extensions.

**Effective Date:** 270 days after enactment

**First Fiscal Year Legislation Takes Effect:** Fiscal Year 2026

**First Fiscal Year with Full Impact:** Fiscal Year 2026

**Agencies Impacted:** Department of Buildings

## Fiscal Impact Analysis

### A. Total Impact (Expense and Revenue)

	Fiscal Year 1	Fiscal Year 2	Fiscal Year 3	Fiscal Year 4	Total
Expense	(\$7,130,000)	(\$5,720,000)	(\$5,720,000)	(\$5,720,000)	(\$24,290,000)
Revenue	0	0	0	0	0
Total	(\$7,130,000)	(\$5,720,000)	(\$5,720,000)	(\$5,720,000)	(\$24,290,000)

**Date Prepared:**

March 23, 2025

**B. Expense**

	<b>Fiscal Year 1</b>	<b>Fiscal Year 2</b>	<b>Fiscal Year 3</b>	<b>Fiscal Year 4</b>	<b>Total</b>
Expenditures	(\$7,130,000)	(\$5,720,000)	(\$5,720,000)	(\$5,720,000)	(\$24,290,000)

**Impact on Expenditures (Expense):**

It is anticipated DOB would require \$4,725,000 in annual Personnel Services resources for 41 staff; broken down into \$3,455,000 in total salary costs and \$1,270,000 in total fringe benefit costs. The staff include inspectors, administrative and customer service personnel, plan examiners, data analyst, and attorneys to support the increase in permit application processing, plan examinations, inspections, and penalty processing.

In year one, it is anticipated \$2,405,000 in one-time OTPS resources would be required. This includes \$665,000 for updates to the DOB NOW Public Portal to reflect changes in inspection timeframes, comprised of \$445,000 for development; \$110,000 for technical analysis; and \$110,000 for testing. An additional \$1,740,000 is required for administrative OTPS including vehicles, per capita expenses, lease costs, and lease space renovation—with \$995,000 in administrative OTPS being required annually thereafter.

**C. Revenue**

	<b>Fiscal Year 1</b>	<b>Fiscal Year 2</b>	<b>Fiscal Year 3</b>	<b>Fiscal Year 4</b>	<b>Total</b>
Revenue	0	0	0	0	0

**Impact on Revenue:**

An increase in revenue is anticipated from implementation of the legislation, however, the amount of increased revenues is presently unquantifiable.

**D. Capital**

	<b>Fiscal Year 1</b>	<b>Fiscal Year 2</b>	<b>Fiscal Year 3</b>	<b>Fiscal Year 4</b>	<b>Total</b>
Expenditures	0	0	0	0	0

**Impact on Expenditures (Capital):**

There is no anticipated impact on capital expenditures.