

REPORT TO THE CITY COUNCIL AUDITS OF CERTIFICATION OF CORRECTION CALENDAR YEAR 2023

This report was prepared by the Department of Housing Preservation and Development (HPD) in accordance with Administrative Code section 26-2503. The report describes the audits of certifications of corrections for the period from January 1, 2023 to December 31, 2023 (Calendar Year 2023 or "CY23").¹

Local Law 117 of 2019

Pursuant to Local Law 117 of 2019, no later than March 31 annually, HPD must describe the findings of the audits of certifications of corrections performed in the previous year. HPD must audit no fewer than 15 percent of all certifications of correction of class C violations filed with the agency. The audit is an inspection to ensure that the violating conditions cited in the notice of violation have been corrected. This report includes the following:

1. The total number of audits conducted;
2. The percentage of certifications of correction audited;
3. The percentage of audited certifications of correction found to have been false;
4. For audited certifications of correction found to have been false, the total amount of civil penalties collected and, if applicable, the number of additional sanctions imposed, disaggregated by type; and
5. For buildings where an audited certification of correction is found to have been false in the reporting period, whether a certification of correction filed for such building has been audited by the department in the previous five years, and whether such audit or audits resulted in a finding or findings of false certification.

Certification of Correction

HPD is responsible for enforcing State and City laws and codes relating to housing quality and safety, including issuing violations of the New York State Multiple Dwelling Law and New York City Housing Maintenance Code (HMC). The HMC has three classes of code violations: non-hazardous (class A), hazardous (class B) and immediately hazardous (class C). The HMC provides the timeline for correction and the certification of correction of all violations.

Class C immediately hazardous violations include conditions that range from lead-based paint hazards, missing or defective window guards, self-closing doors, mold, pest

¹ Starting this year, HPD has changed the reporting period from Fiscal Year to Calendar Year due to Local Law 71 of 2023 requiring HPD to establish a certification watch list starting January 2025.



condition (mice, cockroaches, and rats), and inadequate heat and hot water, to conditions like missing signage required to inform where the key to the boiler room is located.

In all cases, except related to heat and hot water violations, service is considered completed five days from the mailing of the Notice of Violation. For heat and hot water violations, service is completed at the time of the inspection because the violation is posted at the building. Within the violation classification, some class C violations have a correction period of 21 days (lead-based paint, window guards, mold, mice, and roaches). Self-closing doors have a correction period of 14 days. All other class C violations must be corrected within 24 hours of certified mail service. The Notice of Violation is mailed to the owner or the managing agent who is registered with HPD.

Immediately hazardous Violations (Class C)	Time owner has to correct from notice before civil penalties accrue
Lead-based Paint, Window Guards, Mold, Pests (mice/cockroaches/rats)	21 Days
Self-Closing Doors	14 Days
Heat and Hot Water	Immediately
All other class C	24 hours

Once a violation is corrected, it is the property owner's responsibility to notify HPD through a Certification of Correction. The certification must be made in writing, under oath by the registered owner, or managing agent by completing the violation documents and returning to the appropriate HPD borough office or can be submitted through eCertification².

In CY23, HPD issued 249,529 class C violations, 23% more than the 202,412 class C violations issued in CY22, which can be attributed to an increase in the number of housing maintenance problems received. In the number of problems reported, there was a significant increase in complaints related to rain/rain related damage. Half of this increase is in complaint categories such as mold, heavy leaks, and paint and plaster. Of violations issued in CY23, 25% were for pest (mice/cockroaches/rats) conditions and 24% were for self-closing doors.

Although there was an increase in the number of C violations issued, there was a higher increase in the percentage of violations certified. The percentage of certifications of correction received increased 42% compared to 37% of the class C violations being certified on average for CY19 through CY22. Self-closing door violations, pest violations and window guard violations are certified at a higher rate than other conditions. Property owners filed a Certification of Correction for 52% of self-closing door violations and 50% for pest violations, as compared to 33% for all other class C violations.

² Lead-based paint violations and mold violations cannot be eCertified.



Once HPD receives a proper and complete certification, a notice is generated to the tenant indicating that the owner has submitted a certification to the agency that the condition was corrected. The notice provides the tenant with the option to challenge this certification; the tenant may do so by phone, by email or by mailing a response to HPD. HPD records these tenant challenges and attempts to schedule an appointment with the tenant to reinspect that certification. In all other cases where no challenge is received, HPD may audit such submissions with a reinspection except in the case of self-closing doors where HPD is mandated to attempt an inspection of the certification as of January 1, 2023. From January 1, 2023 to December 31, 2023, HPD attempted to conduct 70,289 (68% of certifications) Certification of Correction reinspections of class C violations and successfully completed 50,803 (49% of certifications) reinspections. The reinspections completed by HPD during 2023 far exceed the 15% minimum required by Local Law 117 of 2019.

As provided in the HMC for most violations, a violation is deemed corrected and closed in seventy days from the date of receipt by HPD of such certification³ unless a reinspection made within such period finds that the violation still has not been corrected.

HPD must record the determination that the violation has not been corrected (false certification), notify the person who executed the certification by registered or certified mail to the address stated in the certification that the certification was not accepted and send a copy of the notice to the tenant.

The number of class C Certifications of Correction found to be false for CY23 is 17,466 (34% of completed reinspections of certifications). Despite the significant increase in reinspections completed by HPD in CY23 (50,803 versus the prior three-year average of 16,845) and the higher percentage of certifications of correction for which HPD completed reinspections (49% compared to the prior three-year average of 27%), the percentage of certifications of correction found to be falsely certified increased only slightly: 34% in CY23 in comparison to the prior three-year average of 31%.

When analyzing the violations which are falsely certified, there are several noteworthy data points to note:

- When factoring in the number of reinspections completed by HPD for pests compared to reinspections completed for other violation types, pest violations were found to be falsely certified **at a higher rate**: 55% of the time a pest violation that HPD successfully reinspected compared to 36% of the time for other violation types. HPD attributes this high false certification rate to the nature of pest violation correction. Even though an owner may properly treat such a condition and

³ Lead-based paint violations and B and C mold violations cannot be deemed complied (the law requires a completed reinspection).



therefore validly certify that steps were taken to address this condition, pest conditions may take many treatments to properly remediate and often require a more comprehensive pest management plan from property owners and tenants to address because the cause is not localized. 33% of the total number of false certifications are for pest violations.

- When factoring in the number of reinspections completed by HPD for self-closing doors compared to reinspections completed for other violation types, self-closing door violations were found to be falsely certified **at a lower rate**: 31% of the time a self-closing door that HPD successfully reinspected compared to 36% of the time for other violation types. 45% of the total number of false certifications are for self-closing doors.

Falsely certified violations remain open. A person making a false certification of correction of a violation is subject to a civil penalty of not less than fifty dollars nor more than two hundred fifty dollars for each violation falsely certified. HPD initiated 24 false certification cases which included CY23 violations. The amount of penalties collected related to these cases was \$58,125.

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STATISTICAL SECTION: This statistical section reflects activity related to immediately hazardous (class C) violations only.

Activity Period	CY23
1. The total number of class C certifications received	103,672
a. The total number of certified violations where HPD attempted a reinspection	70,289
b. The total number of certified violations where HPD completed a reinspection	50,803
2. The percentage of certifications audited;	
a. The percentage of certified violations where HPD attempted a reinspection	68%
b. The percentage of certified violations where HPD completed a reinspection	49%
3. The percentage of audited certifications of correction found to have been false	34%
4. For audited certifications of correction found to have been false the total amount of civil penalties collected and, if applicable the number of additional sanctions imposed, disaggregated by type.	\$58,125
5. For buildings where an audited certification of correction is found to have been false in the reporting period whether a certification of correction filed for such building has been audited by the department in the previous five years and, whether such audit or audits resulted in a finding or finding of false certification	2,742

As indicated in footnote 1, starting this year, HPD has changed the reporting period from Fiscal Year to Calendar Year due to new legislation requiring HPD to establish a certification watch list in 2025. For historical context, the table below contains statistical information from CY20-22.

	CY20	CY21	CY22
1. Total number of class C certifications received	49,698	64,125	79,831
a. Total number of certified violations where HPD attempted a reinspection	22,430	25,662	20,317
b. Total number of certified violations where HPD completed a reinspection	16,154	18,779	15,602
2. Percentage of certifications audited;			
a. Percentage of certified violations where HPD attempted a reinspection	45%	40%	25%
b. Percentage of certified violations where HPD completed a reinspection	33%	29%	20%
3. Percentage of audited certifications of correction found to have been false	32%	31%	30%
4. For audited certifications of correction found to have been false the total amount of civil penalties collected and, if applicable the number of additional sanctions imposed, disaggregated by type.	\$35,380	\$69,560	\$85,130
5. For buildings where an audited certification of correction is found to have been false in the reporting period, whether a certification of correction filed for such building has been audited by the department in the previous five years and, whether such audit or audits resulted in a finding or finding of false certification	1,322	1,316	1,078



