

REPORT TO THE CITY COUNCIL

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, 2024 to December 31, 2024 (Calendar Year 2024 or “CY24”).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 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.

¹ Starting in 2024, HPD 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.

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 by submitting a Certification of Correction. The certification must be made in writing, with a notarized signature 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 CY24, HPD issued 298,043 class C violations, approximately 19% more than the 249,529 class C violations issued in CY23 and almost 80% more than the number issued during CY19. The increase in violations correlates with changes to inspection protocols over time. For example, new requirements that self-closing doors be inspected during each apartment visit and within an inspectors' line of travel within buildings to confirm proper operation were put in to place given multiple fatal fires over that period and significantly increased the number of violations issued for this condition; these types of violations also became class C violations. An enhanced enforcement program requiring proactive self-closing door inspections was also initiated. Based on changes to local law, HPD also began to proactively look for indications of indoor allergens (mold and pests). As a result of these changes, 24% of all class C violations issued in CY24 were related to pest (mice/cockroaches/rats) conditions and 25% were for inoperable self-closing doors.

Both the number and the percentage of certifications of correction received increased from CY23 to CY24, from over 103,000 certifications (41% of violations issued) to just under 129,000 certifications (43% of violations issued). The increase in the percentage

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

of violations certified indicates that owners are correcting more violations. Of conditions frequently cited by HPD (with a minimum of over 1,000 violations issued during the reporting period) self-closing door violations, pest violations, window guard violations, and violations issued because ready access to heating systems was not available are certified at a higher rate than other conditions. Property owners filed a Certification of Correction for approximately 55% of self-closing door violations and 50% for pest violations, as compared to 20% for all other class C violations.

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 door violations (where HPD is mandated to attempt an inspection of the certification as of January 1, 2023) and lead-based paint violations (which have required a reinspection since 2004).

In spite of the significant increase in class C violations issued, HPD continues to far exceed the 15% reinspection of certification minimum required by Local Law 117 of 2019. From January 1, 2024, to December 31, 2024, HPD attempted to conduct reinspections for 88,627 class C violations issued during CY2024 for which a Certification of Correction had been submitted (69% of certifications). Of the inspections attempted, 75% were completed, meaning that the inspector was able to observe whether the condition was corrected or not.

As provided for 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 CY24 is 22,208 (33% of completed reinspections of certifications). Despite the significant increase in reinspections completed by HPD in CY24 (66,505 versus the prior five-year average of 25,618) and the higher percentage of certifications of correction for which HPD completed

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

reinspections (52% compared to the prior five-year average of 34%), the percentage of certifications of correction found to be falsely certified was consistent: 33% in CY24 in comparison to the prior five-year average of 32%.

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

1. 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**: 53% of the time a pest violation that HPD successfully reinspected was falsely certified compared to 29% 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 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. 27% of the total number of false certifications are for pest violations.
2. 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. ~47% of the total number of false certifications are for self-closing doors.

Falsely certified violations remain open. Per HMC §27-2115(a)(4), 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 non-hazardous violation falsely certified; a civil penalty of not less than two hundred and fifty dollars nor more than five hundred dollars for each hazardous violation falsely certified; and a civil penalty of not less than five hundred dollars nor more than one thousand dollars for each immediately hazardous violation falsely certified.⁴ HPD initiated 27 false certification cases which included CY24 violations. The amount of penalties collected related to these cases was \$43,750.

⁴ In addition to the civil penalties provided in HMC §27-2115(a)(4), HMC §27-2115 provides for additional civil penalties for false certifications of correction regarding heat and hot water violations, lead-based paint, and the control of pests and other asthma allergen triggers.

HPD recommendations to increase certification and reduce false certification:

HPD wants to continue to increase the rate of certification and to reduce the percentage of false certifications submitted to HPD. To this end, HPD recommends the following:

- 1) Review the timeline for final certification of pest violations and increase the timeline for compliance to account for the time required to treat pest infestations successfully.
- 2) Review the timeline associated with other violation types as well to ensure that the correction and certification timelines are reasonable and allow for successful owner certification of correction.
- 3) Improve the certification process, including updating the technology and improving the process for eCertification. During CY24, HPD secured the funding for the replacement of the system and expects to bring on a vendor to begin building a new system in CY2026.
- 4) Dissuade property owners from filing certifications of correction without making corrections by having successfully implemented the Certification Watchlist (CWL) Program in January 2025. 100 class A multiple dwellings are selected annually for participation in the program based on criteria from the preceding year including certification of correction of at least 20 hazardous and immediately hazardous violations (class B and C), excluding violations issued for pests, and at least four violations determined to be falsely certified. Following selection for the CWL program in January each year, HPD attempts to audit all hazardous and immediately hazardous violations (excluding pest violations) certified as corrected by reinspection, at least twice, for the remainder of the calendar year.
- 5) Initiate false certification cases against properties which consistently false certify, based in part on the results of the CWL.
- 6) Explore ways to improve the tenant challenge process.
- 7) Continue outreach to property owners around the obligation to certify violations and the proper ways to correct and certify the correction of class C violations.

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

Activity Period	CY24
1. The total number of class C certifications received	128,815
a. The total number of certified violations where HPD attempted a reinspection	88,627
b. The total number of certified violations where HPD completed a reinspection	66,505
2. The percentage of certifications audited;	
a. The percentage of certified violations where HPD attempted a reinspection	69%
b. The percentage of certified violations where HPD completed a reinspection	52%
3. The percentage of audited certifications of correction found to have been false	33%
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.	\$43,750
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	3,786

As indicated in footnote 1, starting with the 2023 report, 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 CY21-23.

	CY21	CY22	CY23
1. Total number of class C certifications received	64,125	79,831	103,672
a. Total number of certified violations where HPD attempted a reinspection	25,662	20,317	70,289
b. Total number of certified violations where HPD completed a reinspection	18,779	15,602	50,803
2. Percentage of certifications audited;			
a. Percentage of certified violations where HPD attempted a reinspection	40%	25%	68%
b. Percentage of certified violations where HPD completed a reinspection	29%	20%	49%
3. Percentage of audited certifications of correction found to have been false	31%	30%	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.	\$69,560	\$85,130	\$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	1,316	1,078	2,742