

## **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 of Local Law 117 of 2019 for the period from July 1, 2018 to June 30, 2019.

### **Local Law 117 of 2019**

By March 31, 2020 and no later than March 31 annually thereafter, HPD must describe the findings of the audits of certificates of corrections performed in the previous year pursuant to section 26-2502. HPD must audit no fewer than 15 percent of all certifications of correction of class C violations filed. The audit includes, at minimum, 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 number 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.

HPD has exceeded the minimum requirements for audits, attempting audits for 58% of certified immediately hazardous violations (class C) and completing audits for 43% of certified immediately hazardous violations.

### **Certification of Correction**

New York City HPD is responsible for enforcing State and City laws and codes relating to housing quality and safety, issuing violations of the New York State Multiple Dwelling Law (MDL) 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 Housing Maintenance Code provides the timeline for correction of and the certification of correction of all violations.

Class C violations, considered immediately hazardous violations, including conditions that range from lead-based paint, window guards, mold, mice/cockroaches, rats, heat and

hot water to conditions like signage missing which should display where the key to the boiler room is located.

In all cases except related to heat and hot water violations, service is considered completed 5 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 roached). 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 registered with HPD.

Once a violation condition is corrected, it is the property owner's responsibility to notify HPD that the condition has been corrected. Violations that are corrected must be certified with the department under the Certification of Correction process. The certification must be made in writing, under oath by the registered owner, or agent and can be done through eCertification<sup>1</sup> or by completing the violation documents and returning to our borough office. In FY19, HPD issued 128,093 immediately hazardous class C violations. Of the number of class C violations issued, 35% (44,945) filed a Certificate of Correction.

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 department that the condition was corrected. The notice provides the tenant with the option to challenge this certification; the tenant may do so by phone 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. From July 1, 2018 to June 30, 2019, HPD attempted to conduct 25,996 (58%) Certificate of Correction audits of class C violations and successfully completed 19,529 (43% of total certifications) audits.

A violation is deemed corrected seventy days from the date of receipt of such certification by the department unless the department has determined by a re-inspection made within such period that the violation still has not been corrected. HPD must record such determination upon its records and notify the person who executed the certification by registered or certified mail to the address stated in the certification that it has been set aside and the reasons therefore; a copy of such notice is sent to the complainant.

If a violation is not properly corrected, it is then considered to be false certified. The violation remains open and becomes a potential case for HPD to initiate in housing court. Cases are generated in housing court when there are five or more false certified class b or class c violations on a particular building. A person willfully making a false certification of correction of a violation is subject to a civil penalty of not less than fifty dollars nor more

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<sup>1</sup> Lead-based paint violations and mold violations cannot be eCertified.

than two hundred fifty dollars for each violation falsely certified, in addition to the other penalties herein provided. The number of audited class C Certificate of Corrections found to be false for this reporting period is 5,398 (28%). A person willfully 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. A total of 294 false certification cases have been initiated which included FY19 violations. The amount of penalties collected related to these cases is \$196,410.

Regarding the history of false certifications for the buildings which had at least one false certification in this period, 1,119 buildings) also had at least one false certification in the previous five years (FY2013-2018). On average, each building had approximately 3 class C false certifications over a 5 year period which is less than 1 false certification per year.

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

Activity Period	FY19
1. The total number of audits conducted	44,945
The total number of certified violations where HPD attempted a reinspection	25,996
The total number of certified violations where HPD completed a reinspection	19,529
2. The percentage of certifications audited;	
The percentage of certified violations where HPD attempted a reinspection	58%
The percentage of certified violations where HPD completed a reinspection	43%
3. The percentage of audited certifications of correction found to have been false	28%
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	\$196,710
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	1,119