FY 2028 Borough Budget Consultations

Manhattan - Department of Buildings

Meeting Date: September 14th, 2026

AGENDA ITEM [1]: Impact of Measures to Close Budget Gaps and Threatened Funding Cuts on the Budget For FY 2028 and Beyond

Mayor Mamdani's Administration took office while facing a reported $5.4 Billion budget gap for Fiscal Years 2026 and projected FY 2027. While the current Fiscal Year budget gap is reported to have been closed, the Mayor's Administration continues to prioritize finding savings and efficiencies in a variety of agency operations and is convening a charter revision commission to expedite certain efforts to secure and implement those savings and efficiencies.

There are potential severe cuts to or elimination of funding and other resources from the federal government for a host of programs and initiatives. These are exacerbated by actual or virtual elimination of certain federal agencies that supported services for the most underserved.

With these developments in mind, please answer the following questions:

1. Has the funding for any programs or initiatives at your Agency allocated for FY 2026 or projected FY 2027 been cut or reduced as a result of the efforts to close City Budget gaps in FY 2026, FY 2027 or projected FY 2028?
    a. If yes:
        i. Please identify the program or initiative, and
        ii. Please provide an estimate of the amount of the funding cut or reduction in both absolute and percentage amounts.
2. Has the funding for any programs or initiatives at your Agency allocated for FY 2026 or projected FY 2027 been cut or reduced as a result of actual or threatened cuts to or reductions in funding or subsidies directly or indirectly attributable to the federal government for FY 2026, FY 2027 or projected FY 2028?
    a. If yes:
        i. Please identify the program or initiative, and
        ii. Please provide an estimate of the amount of the funding cut or reduction in both absolute and percentage amounts.
3. Has any State or federal funding streams previously earmarked or allocated for programs or initiatives at your Agency been redirected or re-allocated to other uses in order to:
    a. Close the City Budget Gap for FY 2026, FY 2027 or projected FY 2028?
        i. If yes, please provide an estimate of the funding cut or reduction in both absolute and percentage amounts.
    b. Prepare for or respond to actual or threatened cuts to or reductions in funding or subsidies directly or indirectly attributable to the federal government for FY 2026, FY 2027 or projected FY 2028?

        i. If yes, please provide an estimate of the funding cut or reduction in both absolute and percentage amounts.

4. Have any programs or initiatives, including scheduled or planned expansions of existing programs or initiatives, at your Agency been frozen, postponed, suspended or abandoned as a result, directly or indirectly, of measures taken to address either the City Budget Gap or the threats to cut or reduce federal funding in FY 2026, FY 2027 or projected FY 2028?
    a. If yes:
        i. Please identify such programs or initiatives, and
        ii. Please provide an estimate of the funding needed to restore or continue those programs and initiatives as planned.
5. What other measures is your Agency taking in connection with:
    a. The calls for greater efficiency in City government operations, or
    b. Actual or threatened cuts to or elimination of federal funding?
6. What is the vacancy rate for positions in your agency?

AGENCY RESPONSE:

1. Has the funding for any programs or initiatives at your Agency allocated for FY 2026 or projected FY 2027 been cut or reduced as a result of the efforts to close City Budget gaps in FY 2026, FY 2027 or projected FY 2028?
   During 27 Exec Plan Agency had to reduce 16 positions to achieve savings
    a. If yes:
        i. Please identify the program or initiative, and
        ii. Please provide an estimate of the amount of the funding cut or reduction in both absolute and percentage amounts. **$2.7M**
2. Has the funding for any programs or initiatives at your Agency allocated for FY 2026 or projected FY 2027 been cut or reduced as a result of actual or threatened cuts to or reductions in funding or subsidies directly or indirectly attributable to the federal government for FY 2026, FY 2027 or projected FY 2028?
    b. If yes:
        i. Please identify the program or initiative, and **Yes, EECBG Grant was earmarked for Sustainability**
        ii. Please provide an estimate of the amount of the funding cut or reduction in both absolute and percentage amounts. **Approximately $20M**
3. Has any State or federal funding streams previously earmarked or allocated for programs or initiatives at your Agency been redirected or re-allocated to other uses in order to:
    c. Close the City Budget Gap for FY 2026, FY 2027 or projected FY 2028?
        i. If yes, please provide an estimate of the funding cut or reduction in both absolute and percentage amounts.
    d. Prepare for or respond to actual or threatened cuts to or reductions in funding or subsidies directly or indirectly attributable to the federal government for FY 2026, FY 2027 or projected FY 2028?
        i. If yes, please provide an estimate of the funding cut or reduction in both absolute and percentage amounts.
4. Have any programs or initiatives, including scheduled or planned expansions of existing programs or initiatives, at your Agency been frozen, postponed, suspended or abandoned as a result, directly

or indirectly, of measures taken to address either the City Budget Gap or the threats to cut or reduce federal funding in FY 2026, FY 2027 or projected FY 2028? **No**

e. If yes:
   i. Please identify such programs or initiatives, and
   ii. Please provide an estimate of the funding needed to restore or continue those programs and initiatives as planned.

5. What other measures is your Agency taking in connection with:
   f. The calls for greater efficiency in City government operations, or
   g. Actual or threatened cuts to or elimination of federal funding?
6. What is the vacancy rate for positions in your agency? **Vacancy rate as of 6.30.26 is 8%**

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [2]: Self-Certification

What percentage of self-certified plans are audited? Of those plans which are audited, what percentage require modifications as a result of the audit? Is the percentage of audited self-certified plans that are audited consistent year-over-year?

Is there any consideration of increasing the percentage of audited self-certified plans after problems found in the midtown office to residential self-certified conversion. Is this primarily a budget decision?

What funding does DOB use to retain independent consultants and engineers when self-certified projects encounter structural problems or otherwise require remedial work? Are any of these costs to taxpayers recovered from developers or building owners?

AGENCY RESPONSE:

What funding does DOB use to retain independent consultants and engineers when self-certified projects encounter structural problems or otherwise require remedial work? Are any of these costs to taxpayers recovered from developers or building owners? **Not applicable**

Fiscal Year / Indicator / Measure

- **2024 Jobs professionally certified that were audited (post-approval) 21.4%**
- **2025 Jobs professionally certified that were audited (post-approval) 21.0%**
- **2026 Jobs professionally certified that were audited (post-approval) 21.2%**
- **2024 Of eligible audited jobs (post-approval), the percent of audits that failed 2.1%**
- **2025 Of eligible audited jobs (post-approval), the percent of audits that failed 1.5%**
- **2026 Of eligible audited jobs (post-approval), the percent of audits that failed 1.8%**

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [3]: Unpaid Penalties

Is DOB seeing success in collecting unpaid penalties? What are plans for FY27 and FY28 to catch up and stay current on collecting unpaid penalties? What are the costs versus the revenue recovered from unpaid penalties?

AGENCY RESPONSE:

Yes, there has been a measurable increase in the payments of civil penalties in the last 3 fiscal years. DOB is evaluating the option to have the Department of Finance include outstanding civil penalties on property owner's tax bills. In addition, DOB is discussing regular billing statements to property owners with outstanding civil penalties via email. Lastly, by FY'28 all DOB civil penalties owed will be visible in DOB NOW on the property profile. Paid civil penalties cover the administrative and enforcement costs.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [4]: Elevator Self-Certification

There is a tension between initiatives such as elevator self-certification to save time and money and public safety best served by DOB inspectors. How is DOB monitoring elevator self-certification?

AGENCY RESPONSE:

The DOB Elevators Unit monitors Third-Party Pilot Program (SC3) testing through four core controls:

- **10-Day Advance Notification: Approved agencies must notify the unit at least 10 calendar days before an SC3 test so supervisors can schedule spot-check inspections. Missing this deadline can result in denial of the Certificate of Compliance (COC per § 28-116.4.1).**
- **DOB NOW Test Requests: Agencies must submit a test request via DOB NOW Inspections prior to testing to maintain an electronic record. Failure to do so can also lead to COC denial.**
- **Attested ELV44 Submissions: Results are submitted via Form ELV44 with formal attestations from agency directors, inspectors, and third-party witnesses. Staff review all submissions for accuracy and request corrections before issuing a COC.**
- **System Record Updates: Upon issuing a COC, staff update DOB NOW Inspections to "Pass-Final" disposition, confirming legal operating status in the database.**

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [5]: Vacant Positions

Is recruiting to fill new positions difficult because of salary range? Is there pay parity between City technical positions and those in private sector. If not, what would be the cost to bring technical positions into parity with the private sector?

AGENCY RESPONSE:

Yes, especially for hard to recruit titles such as technical titles. Typically, private sector jobs have higher salaries.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [6]: technology

Is the full migration from BIS to DOB NOW still on schedule for FY28? What enhancements have been made in the last year and what is on schedule for coming year FY27? Has the $6.7M planned for DOB NOW (capital-$4M and expense-$2.7M) for FY27 been allocated?

AGENCY RESPONSE:

The projection for FY'27 is $28.2M(Capital -$14.5M and Expense $13.7M). Most of the funds been allocated except $1.5M pending 28November Plan

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [7]: Work without a permit

Work without permit violation cure periods have been extended to 60 days. What has the impact of this change been on the Department's revenue through fines? What percentage of this noncompliance is inspected for compliance in 60 days and what is the average time period to re-inspect?

AGENCY RESPONSE:

The OATH penalty amount remains the same. However, the DOB civil penalty for working without a permit was originally $500 for 1-2 family homes and $5,000 for all others. Effective 6/18/18, the penalty increased to $600 for 1-2 family homes and $6,000 for all others. See service notice attached and link: https://www.nyc.gov/assets/buildings/pdf/ll156_sn.pdf.

NYC Buildings

MAY 2018

SERVICE UPDATE

Changes to Assessment of Civil Penalties for Work Without a Permit (WWP)

Beginning June 18, 2018, the Department will increase the civil penalties for work without a permit per Local Law 156 of 2017.

Penalty for Work Without a Permit Violations

- **One- or two-family dwelling** - the civil penalty for work done without a permit is increased to **six times the permit fee** with an increased minimum of **$600** and a maximum of **$10,000.**
- **Buildings other than a one- or two-family dwelling** - the civil penalty for work done without a permit is increased to **21 times the permit fee** with a minimum of **$6,000** and a maximum of **$15,000.**

Payment of Civil Penalties

- Penalties for **Work Without a Permit violations** are paid at the Borough Office where the property is located.

Overrides, Reductions and Waivers of Increased Civil Penalties

- To request a waiver, reduction or override of increased civil penalties, submit an L2 Form (Form Instructions). Eligibility requirements are governed by 1 RCNY Section 102-04.

For general payment questions, contact the Department's Cash Receipts Unit at cashreceipts@buildings.nyc.gov.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [8]: Inspections and out

Last year, DOB reported on its community inspectors program. What are the benchmarks for success in this program, and does it continue to require increased funding?

AGENCY RESPONSE:

In 2023 the agency launched a six-month Community Inspector pilot program, and the program was found to be effective. We suggested the Community Board advocate on behalf of the Department for funding last year.

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS:

AGENDA ITEM [9]: Wish List

For community board advocacy, we need to know which important programs or projects are most in need of funding. If your agency were given a large amount of money, to which staffing need, program, or capital project would you assign it?

AGENCY RESPONSE:

DOB In Your Community Initiative – City-wide

MEETING NOTES:

NEW INFORMATION:

FOLLOW-UP COMMITMENTS: