

**LOCAL LAWS  
OF  
THE CITY OF NEW YORK  
FOR THE YEAR 2017**

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**No. 152**

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Introduced by Council Members Kallos, Chin, Johnson, Levin, Levine, Menchaca, Mendez, Reynoso, Rosenthal, Rose, Lander, Rodriguez, Richards, Gibson, Van Bramer, Crowley, Cohen, Cumbo, Williams, Perkins, Espinal, Torres, Vacca, Dromm, Maisel, Ferreras-Copeland and Salamanca.

**A LOCAL LAW**

**To amend the administrative code of the city of New York, in relation to distressed buildings subject to foreclosure by action in rem**

*Be it enacted by the Council as follows:*

Section 1. Subdivision 4 of section 11-401 of the administrative code of the city of New York, as amended by local law number 37 for the year 1996, is amended to read as follows:

4. "Distressed property." *Any parcel of class one or class two real property that is subject to a tax lien or liens that result from an environmental control board judgment against the owner of such parcel for a building code violation with a lien or liens to value ratio, as determined by the commissioner of finance, equal to or greater than 25 percent or [Any] any parcel of class one or class two real property that is subject to a tax lien or liens with a lien or liens to value ratio, as determined by the commissioner of finance, equal to or greater than fifteen percent and that meets one of the following two criteria:*

- i. such parcel has an average of five or more hazardous or immediately hazardous violations of record of the housing maintenance code per dwelling unit; or
- ii. such parcel is subject to a lien or liens for any expenses incurred by the department of housing

preservation and development for the repair or the elimination of any dangerous or unlawful conditions therein, pursuant to section 27-2144 of this code, in an amount equal to or greater than one thousand dollars.

§ 2. Chapter 2 of title 28 of the administrative code of the city of New York is amended to add a new section 28-204.6.11 to read as follows:

**§ 28-204.6.1 Tax lien reporting.** *On December 31, 2018, the department of finance shall submit a report to the mayor and the council on tax lien activities as a result of environmental control board judgment debt. Such report shall include: (i) the number of buildings subject to tax liens for environmental control board judgment debts, disaggregated by whether the tax lien was a result of an illegal conversion, more than \$60,000 in debt, or more than \$30,000 in debt; (ii) the location of such buildings disaggregated by council district; (iii) the number of dwelling units in each building which is subject to a tax lien; and (iv) recommendations for whether a 25 percent lien to value ratio is an appropriate threshold for a property to be considered distressed and if it is not, such report shall contain recommendations for what an appropriate threshold would be.*

§ 3. Section one of this local law takes effect May 1, 2019, except that the commissioner of buildings, the commissioner of housing preservation and development and the commissioner of finance may promulgate rules or take other actions for the implementation of this local law prior to such effective date. Section two of this local law takes effect immediately.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of The City of New York, passed by the Council on August 9, 2017 and approved by the Mayor on August 30, 2017.

MICHAEL M. McSWEENEY, City Clerk, Clerk of the Council.

CERTIFICATION OF CORPORATION COUNSEL

I hereby certify that the form of the enclosed local law (Local Law No. 152 of 2017, Council Int. No. 930-A of 2015) to be filed with the Secretary of State contains the correct text of the local law passed by the New York City Council and approved by the Mayor.

STEPHEN LOUIS, Acting Corporation Counsel.