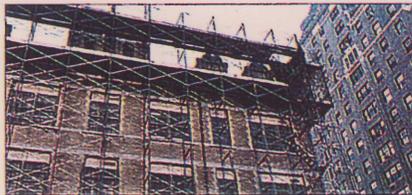


# RESIDENTIAL BUSINESS

## NEW YORK

News And Views For Owners, Developers, Brokers And Managing Agents



### AT ISSUE

## Son of '10'—Industry Assesses Potential Impact of Local Law 11



Linda S. Alexander

**T**here's a new law in this town; a law that (for property owners and managers of buildings exceeding six stories) promises to re-write the way routine structural inspections are carried out and, quite possibly, the way owners and managers comply with this revised regulatory procedure.

As written, Local Law 11 presents myriad challenges for compliance, thanks in large part to tougher inspection requirements. It's also potentially confusing, and many of the engineering firms have accordingly offered workshops and seminars to property managers to help make sense out of Local Law 11 since its passage last spring. One firm—Epstein Engineering PC—utilizes case studies to compare before-and-after costs to quantify the differences. According to Alan S. Epstein, the firm's president and chief executive officer (and an original member of the Department of Buildings' Special Task Force on Local Law 11/98), several critical amendments have been added, including:

- Inspection now encompasses all exterior walls, including those that are set-back. The only walls now exempt from examination are those less than 12 inches from the exterior wall of an adjacent building.
- Mandatory and immediate notification must be tendered to the Department of Buildings when unsafe conditions are found during the course of an inspection.
- A new rating system defining precisely what constitutes "safe walls" has been put in-place. Actual site conditions, and not the property description indicated on the Certificate of Occupancy, will determine whether an inspection is required. Moreover, the new law includes inspections for buildings with only a portion raised above six stories (such as those constructed on sloping grounds).
- The impetus of "on-going maintenance" programs has been eliminated.
- A 1-year filing period has been implemented for walls previously uninspected (including courtyard, rear and side walls, etc.), commencing Feb. 21, 1999 and due no later than Mar. 1, 2000. Additional filing of reports on walls previously inspected is also man-

-dated, due between Feb. 21, 1999 - Feb. 21, 2002.

- Hands-on examination from a scaffold or other observation platform is required for all ornamental cast stone and terra cotta decorations projecting six inches (15.24 CM) from the face of an exterior wall.
- The "precautionary conditions" designation (stating repairs must be made before the filing of the following Local Law 11 report) has been eliminated.
- All reports must now be signed by both the building owner and the on-site engineer.
- In the event of unsafe conditions, written notification must be presented to both the building owner and the Department of Buildings from the inspecting architect or engineer.

Another challenge involves economic feasibility. Obviously, financial issues are a major concern regarding any new property-inspection regulations. After all, running just one scaf-

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**Wayne Bellet**

fold down the side of a building can add considerable cost to any operations budget. Moreover, the elimination of the "on-going maintenance" category can translate into major upfront expenditures that were formerly amortized over long periods (automatically making this new set of rules/regulations controversial).

Accordingly, it should come as no surprise that, despite approving Local Law 11 in March of 1998 (in concept, anyway), the additional rules and regulations defining its effectiveness were not officially finalized until Jan. 13, 1999.

Not to be overlooked is the consensus that the timing of said deadlines for submitting inspection information

presents even more confusion. "Local Law 11 has the potential to result in 'double inspections' as previously uninspected walls must now be inspected by Mar. 1, 2000, followed by the regular fifth-cycle inspections of all walls which must take place between February of 2000 - February of 2002," Rand Engineering PC partner and director of operations Stephen Varone points out. "To avoid [placing] this excessive financial burden on building owners, the Department of Buildings will accept a single report if all four walls are inspected between Feb. 21, 1999 - Mar. 1, 2000.

"The compressed time-frame, however, launches additional issues," he adds, "including whether there is enough qualified personnel to [carry out] the necessary inspections; whether there is enough scaffolding and shed equipment available; and [how to offset] the potential for increased costs as qualified personnel become scarcer and the Mar. 1, 2000 deadline looms closer."

Lending credence to these concerns, Bellet Construction president Wayne Bellet agrees that Local Law 11 will probably place a great deal of stress on the availability of equipment and labor. "On the one hand, the new requirements raise the bar for professionalism and expertise within the industry," he says. "But the anticipated surfeit of exterior work will likely attract every Tom, Dick and Harry aiming to cash in on a potential gold-mine. As such, I foresee a number of less-qualified contractors offering discounted rates for cut-rate work...all of which could work to undermine the intent of the new law."

Despite the obvious pitfalls of the various filings, some building owners and property managers are taking the new law in stride. "It's all a matter of doing business," maintains William West, president of Charles H. Greenthal Management. "Whenever something goes wrong, they pass a law about it. They should have been inspecting all four walls from Day 1. Now it's going to cost more money. The next thing we'll be worrying about is sprinkler systems."