

STATE OF NEW YORK

7068--B

2019-2020 Regular Sessions

IN ASSEMBLY

April 4, 2019

Introduced by M. of A. LENTOL -- read once and referred to the Committee on Housing -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York, in relation to enacting the "adjoining owners' bill of rights"

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. This act shall be known and may be cited as the "adjoining
2 owners' bill of rights".

3 § 2. The administrative code of the city of New York is amended by
4 adding a new section 28-103.34 to read as follows:

5 § 28-103.34 Adjoining owners' bill of rights. 1. Definitions. As used
6 in this section, the following terms shall have the following meanings:

7 ADJOINING OWNER. A property owner who either:

8 (i) is the owner of any property which shares a property line with the
9 property for which a developer has applied for a permit; or

10 (ii) is the owner of any historic structure, the nearest property
11 lines of which are contiguous with or within a lateral distance of nine-
12 ty feet from the edge of the lot line of a property for which a devel-
13 oper has applied for a permit.

14 BILL OF RIGHTS. The adjoining owners' bill of rights, published by the
15 commissioner on the department of buildings' website.

16 DEVELOPER. Any individual, corporation, or other entity who has
17 applied for a building permit involving the demolition or alteration of
18 an existing building and/or the construction of a new building.

19 2. The commissioner shall cause to be published on the website of the
20 city of New York's department of buildings, an adjoining owners' bill
21 of rights, as set forth by this section. The commissioner shall further
22 require each and every developer to both hand deliver and send by

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 certified mail to each adjoining owner, one copy of the notification
2 required by section 2209.1.1 of the New York city building code and one
3 copy of the bill of rights, where the permit applied for by such devel-
4 oper includes: (i) an excavation occurring within five feet from an
5 adjoining owner's property line; (ii) work performed on a shared and/or
6 party wall and/or encroachment in any manner; (iii) an excavation to a
7 depth of more than ten feet anywhere on such developer's property;
8 and/or (iv) an underpinning, and/or encroachment in any manner on such
9 adjoining owner's property.

10 3. The notification and bill of rights shall be delivered to each
11 adjoining owner not less than sixty days prior to the grant of a permit
12 by the department of buildings, advising such adjoining owners of their
13 rights under sections 3309 and 2209.1.1 of the New York city building
14 code. Where no response is received from an adjoining owner by a devel-
15 oper with respect to negotiation of a license agreement as required
16 under the New York city building code, a second copy of the notification
17 and bill of rights shall be delivered by certified mail to such adjoin-
18 ing owner not more than forty-five calendar days, and not less than
19 thirty calendar days prior to the department of building's grant of a
20 permit to such developer.

21 4. The bill of rights shall include, at a minimum, the following
22 language:

23 "PREAMBLE: This is to advise you that _____,
24 (name of entity applying for the permit) hereafter "DEVELOPER", with a
25 business address at _____, and a telephone number at
26 _____, has applied for a permit from the Department of
27 Buildings to develop _____,
28 (street address of the property for which DEVELOPER has applied for a
29 permit from the Department of Buildings) hereafter "SUBJECT PROPERTY",
30 adjacent to or contiguous with your property at _____
31 _____, (address of adjoining or contiguous property being
32 notified) at which address DEVELOPER plans work as set forth in its
33 permit application, including one or more of the types of work described
34 in Subdivision 2 of Section 28-103.34 of the New York City Building
35 Code. You are receiving this notice because you and your property may
36 be entitled to protections under law, at the expense of the DEVELOPER,
37 including those set forth in the Bill of Rights below. You may also be
38 receiving this notice if you own a historic property within 90 lateral
39 feet of a property line of the SUBJECT PROPERTY, in which case you are
40 entitled to vibration and crack monitoring at the expense of DEVELOPER
41 pursuant to Section 2209.4.4 of the New York City Building Code.

42 ADJOINING OWNERS' BILL OF RIGHTS:

43 1. RIGHT TO WRITTEN NOTIFICATION: You have a right to written notifi-
44 cation, to be received by you via certified mail from the DEVELOPER not
45 less than 60 days prior to the grant of any permit relating to the work
46 set forth above, that a permit has been applied for by DEVELOPER for one
47 or more of the activities set forth in Section 28-103.34 of the New York
48 City Building Code. The notification shall describe the nature of the
49 work, estimated, schedule and duration, details of inspections,
50 protections, and/or monitoring to be performed on the adjoining proper-
51 ty, protection to be installed on the adjoining property, and contact
52 information for the project. This notification will also include a copy
53 of this Adjoining Owners' Bill of Rights. Where no response is received,
54 a second written notification shall be made no more than 45 calendar
55 days, and not less than 30 calendar days, prior to the Building Depart-
56 ment's grant of a permit for the work.

1 2. RIGHT TO PROTECTION AT DEVELOPER'S EXPENSE: Under the New York City
2 Building Code, it is the responsibility of the DEVELOPER to protect any
3 adjoining owner's property from damage caused by the DEVELOPER's activ-
4 ities, such as demolition, underpinning, excavation, and/or related
5 activities.

6 3. RIGHT TO A NEGOTIATED LICENSE AGREEMENT: You are well advised to
7 hire an experienced construction attorney to negotiate the license
8 agreement. You are additionally advised to hire an engineer of your
9 choice to review plans provided by the DEVELOPER, in order to determine
10 whether the work proposed jeopardizes your property, and to conduct an
11 informed negotiation of the license agreement, including protective
12 measures for your property, to be installed at the DEVELOPER's expense,
13 including but not limited to monitoring of any movement of your proper-
14 ty through the installation of vibration monitors and crack gauges, and
15 limitations on permissible hours of work. The license agreement should
16 provide that the DEVELOPER obtain required insurance coverage and indem-
17 nify you for any damages you or your property may sustain. The negoti-
18 ation may provide that the DEVELOPER reimburse you for your attorney's
19 and engineer's fees. Your attorney will also review the DEVELOPER's
20 insurance policy to ensure proper and required coverage and to check for
21 any exclusions to required coverage and/or any exclusions prohibited
22 under Section 3309.2 of the New York City Building Code or Section
23 100-08 of the Rules of the City of New York.

24 4. IF A LICENSE AGREEMENT CANNOT BE AGREED UPON: Under the New York
25 City Building Code and applicable case law, an owner of adjoining prop-
26 erty cannot simply refuse to enter into a license agreement with a
27 DEVELOPER unless the structural engineer selected by such adjoining
28 property owner's attorney determines that the proposed activities of the
29 DEVELOPER will endanger such adjoining property owner's property. In the
30 event that an adjoining property owner and the DEVELOPER cannot agree on
31 a license agreement, or if such adjoining property owner refuses to
32 discuss the same, the DEVELOPER has the right to file a court proceed-
33 ing pursuant to Section 881 of the Real Property Actions and
34 Proceedings Law, asking that the court compel such adjoining property
35 owner to permit access to their property. In the event that the court
36 rules in favor of the DEVELOPER, the adjoining property owner will be
37 compelled to permit the access requested, and the burden of protecting
38 such adjoining property then shifts to the owner of such property. In
39 this instance, the adjoining owner is not generally entitled to recover
40 legal fees and may not be granted a license fee by the court. It is thus
41 often in the best interest of the adjoining owner to negotiate a license
42 agreement with DEVELOPER.

43 5. RIGHT TO A PRECONSTRUCTION SURVEY: No excavation work of a depth
44 of 5 feet to 10 feet within 10 feet of an adjacent building, or an exca-
45 vation over 10 feet anywhere on the site shall commence until the DEVEL-
46 OPER has documented the existing conditions of all adjacent buildings in
47 a preconstruction survey, pursuant to Section 3309.4.3 of the New York
48 City Building Code. The DEVELOPER must obtain a license agreement in
49 order to access to the adjacent property to document its condition.
50 Section 3309.4.4 of the New York City Building Code also sets out moni-
51 toring requirements, and particular protections for adjacent historic
52 structures that are contiguous to a lateral distance of 90 feet.

53 6. RIGHT TO INSURANCE UNDER THE DEVELOPER'S POLICY: Homeowner's
54 insurance policies do not include coverage for earth movement-related
55 activities or the consequences of the same. Any exclusion of coverage by
56 the DEVELOPER's insurance policy of any of the DEVELOPER's activities on

1 the work site is prohibited under Section 101-08 of the Rules of the
2 City of New York. Your attorney should therefore review the policy care-
3 fully for compliance, before you sign a license agreement.

4 NONE OF THE ABOVE IS TO BE CONSTRUED AS LEGAL ADVICE. Your attorney
5 should also be aware of, and research, any relevant New York City Code
6 amendments and current case law on the subjects above, which may affect
7 his or her representation in the particular circumstances of your case.
8 THEREFORE, upon receiving this notice, you should immediately retain
9 competent legal counsel, with expertise in construction law, to negoti-
10 ate a license agreement with the DEVELOPER."

11 5. The department of buildings shall not grant any permit to a devel-
12 oper whose permit application includes demolition, construction, exca-
13 vation, earth movement, alteration, and/or encroachment on the property
14 of an adjoining owner requiring either a license agreement or permission
15 from a court pursuant to a final decision in a proceeding under section
16 eight hundred eighty-one of the real property actions and proceedings
17 law, unless and until said developer provides to the department of
18 buildings:

19 (i) proof that the bill of rights and notification was mailed via
20 certified mail to all adjoining owners; and

21 (ii) either (1) an executed and notarized copy of a license agreement
22 between the developer and any and all adjoining owners, allowing access
23 required for said demolition, construction, excavation, alteration,
24 and/or encroachment; or (2) a copy of a final order from a court of
25 competent jurisdiction in a proceeding pursuant to section eight hundred
26 eighty-one of the real property actions and proceedings law permitting
27 required access to the adjoining property, as well as said demolition,
28 construction, excavation, alteration, and/or encroachment.

29 6. Any application submitted by a developer for a change or amendment
30 to a permit application that alters its previously filed plans for which
31 a permit has already been filed and/or granted by the department of
32 buildings as set forth in subdivision five of this section shall require
33 such developer to notify any and all adjoining owners of such applica-
34 tion for an amendment by certified mail. Such notification shall be
35 delivered to any adjoining owners not less than sixty days prior to any
36 permit, approval, or grant of permission from the department of build-
37 ings for any and all amendments or changes to original plans sought by
38 such developer, and shall require such developer to secure either an
39 amended and executed license agreement, or a final ruling by a court
40 pursuant to a proceeding brought under section eight hundred eighty-one
41 of the real property actions and proceedings law, permitting the change
42 of plans sought by such developer, subject to the requirements of subdi-
43 vision five of this section, as a condition precedent to the grant by
44 the department of buildings of permission to amend or change such
45 developer's original plans pursuant to which a permit was initially
46 granted.

47 7. Copies of the bill of rights shall be provided by the commissioner
48 to all state and local elected officials, community boards, and any
49 other organizations as the commissioner shall deem appropriate.

50 8. The bill of rights shall have appended to it the following informa-
51 tion, in addition to any other information the commissioner shall deem
52 appropriate:

53 (i) contact information for construction attorneys and structural
54 engineers for use by adjoining owners and developers;

55 (ii) a list of the services such attorneys and engineers can be
56 expected to provide;

1 (iii) a schedule of any "homeowner's rights" held by the department of
2 buildings at its borough offices in New York city to review plans
3 submitted by developers, and the addresses of such offices; and

4 (iv) contact information and other resources within the department of
5 buildings or city emergency services related to demolition, excavation,
6 earth movement, underpinning and encroachment, development plans, and
7 permits in the event of damage caused by a developer that may require
8 an immediate stop work order or other preventative measures by either
9 the department of buildings or city emergency services.

10 § 3. This act shall take effect on the one hundred eightieth day after
11 it shall have become a law. Effective immediately the addition, amend-
12 ment and/or repeal of any rule or regulation necessary for the implemen-
13 tation of this act on its effective date are authorized to be made and
14 completed on or before such effective date.