

## NOTICE OF ADOPTION OF RULE

**NOTICE IS HEREBY GIVEN**, pursuant to the authority vested in the Commissioner of the Department of Buildings by Section 643 of the New York City Charter and in accordance with Section 1043 of the Charter, that the Department of Buildings hereby adopts the amendments to Section 3606-01 of Subchapter G of Chapter 3600 of Title 1 of the Official Compilation of the Rules of the City of New York, regarding the determination of market value of alteration applications for buildings in special flood hazard areas to increase the threshold for submitting calculations.

This set of rule amendments was first published on May 12, 2015 and a public hearing thereon was held on June 12, 2015. No comments were submitted either prior to or during the hearing.

Dated: \_\_\_\_\_

6.22.15  
New York, New York



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Rick D. Chandler, P.E.  
Commissioner

### Statement of Basis and Purpose of Rule

Prior to the revisions that have been adopted, this rule set out methods for calculating the market value of a structure to determine if a structure has been or will be substantially damaged or substantially improved as such term is defined in Appendix G of the New York City Building Code. This rule also mandated that when the cost of an alteration exceeds \$40,000, calculations must be submitted to the Department to verify that a building will not be substantially improved as a result of such alteration.

Subdivision (e) of this rule has been amended to clarify that signed-off work is not counted as part of the cost calculation.

Subdivision (g) of this rule has been amended to alter the trigger for which calculations are required to be submitted. The amendment allows the Department to effectively enforce the requirement of Appendix G both for structures of low and high market value. Applying the \$40,000 trigger universally over the entire stock of buildings in New York City is not the most effective use of either the City's or the building owner's resources, as buildings of substantial market value can perform alterations of significant scope without being deemed substantially improved.

For buildings of significant value this rule amendment allows smaller alterations that exceed \$40,000 dollars to proceed without presenting calculations to the Department, which will result in faster plan review and approval without compromising effective enforcement of the Department's regulations.

The Department of Buildings' authority for promulgating this rule and amendments thereto is found in sections 643 and 1043 of the New York City Charter, section 28-104.7.11 of the New York City Administrative Code and section G 201.2 of the New York City Building Code.

New material is underlined.

[Deleted material is in brackets.]

"Shall" and "must" denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

Section 1. Paragraph (1) of subdivision (e) of Section 3606-01 of Subchapter G of Chapter 3600 of Title 1 of the Rules of the City of New York is amended to read as follows:

(e) Calculation of cost. To determine the cost of repairs, reconstructions, rehabilitations, additions or improvements of a building or structure, the applicant shall add together:

- (1) The costs for the given application, regardless of the time it takes to complete [and sign-off] the work, plus
- (2) The cost of all other work to be performed during the same period, including work filed under separate application(s) and including any minor alterations and ordinary repairs.

§2. Subdivision (g) of Section 3606-01 of Subchapter G of Chapter 3600 of Title 1 of the Rules of the City of New York is amended to read as follows:

(g) Application for construction document approval. For an alteration [exceeding \$40,000] that is not a substantial improvement with a cost exceeding the greater of (1) \$40,000 or (2) 25% of the market value of the structure as calculated in subdivision (d) of this section, the applicant shall include calculations of the market value of the structure and costs as outlined in this rule, and shall include any relevant backup documentation including either the online printout of the Department of Finance Final Assessment Roll or a copy of the real estate appraisal.

