



# Recent Laws You May Have Forgotten

**Howard Schechter, Partner**

**Eric Wohl, Partner**

**Ravi Sachania, Associate**

**June 9, 2026**

# Parking Structure Inspections

## What it does:

- Enacted in 2021; NYC developed its own program after NYS required statewide inspections
- All parking structures (residential garages, underground garages, etc.) inspected every 6 years
- Qualified Parking Structure Inspector (QPSI) classifies as SAFE, SREM, or UNSAFE
- UNSAFE triggers immediate protective measures and possible vacate orders

## Requirements / Timelines / Penalties:

- Staggered filing by district; Cycle 1C runs January 1, 2026 – December 31, 2027
- November 2023: DOB added one-time initial observation before August 1, 2024
- Annual Observation Requirement - Between Inspection Safety Net
- Penalties: Fines for late/missing filings and performance of work

## Practical Board Guidance:

- Confirm inspections performed and work completed
- Who is responsible to perform report/work – Unit Owner or Condominium?
- Budget for inspection and potential repairs

# Cooling Systems in Tenant-Occupied Dwellings

## What it does:

- Requires owners of tenant-occupied units to provide cooling systems upon request
- Buildings with central cooling must maintain 78°F or below (June 15 - Sept 15)
- For co-ops/condos: Compliance likely falls on individual shareholder/unit owner for sublets

## Requirements / Timelines / Penalties:

- March 1, 2028: Tenant opt-in begins; new leases must specify electricity cost and HPD notice
- June 1, 2030: Full compliance
- June 1, 2031: Annual inspection requirement begins
- Violations = Class C immediately hazardous; 14-day correction period
- Extensions available for financial hardship, electrical upgrades, landmarks (2-year)

## Practical Board Guidance:

- Determine who is responsible
- If central cooling, co-op may be directly liable
- Pre-war buildings: assess electrical capacity Now
- Review governing documents and alteration agreements for cooling installations

# Mandatory Co-op Purchase Application Timelines

## What it does:

- Enacted January 29, 2026 (City Council overrode mayoral veto)
- Effective July 28, 2026
- First-ever mandatory deadlines on co-op purchase application review
- Applies to cooperatives with 10+ dwelling units
- Does NOT require boards to explain rejections — only to decide on time
- Applies to purchase applications and other board-approved transfers – including trust transfers, gifts, family transfers and estate transfers

## Requirements / Timelines / Penalties:

- Must have standardized written application package
- 15 days After Submission: Written acknowledgment (email + registered mail) — complete or list missing items
- 45 days: After application deemed complete, must approve/deny/conditionally approve
- One 14-day extension to 45-day period; further extensions need purchaser consent
- Summer recess (July/August) may toll deadlines with compliant written notice
- HPD enforcement : \$1,000 / \$1,500 / \$2,000 per violation
- Exemptions: HDFC co-ops and government-supervised cooperatives

## Practical Board Guidance:

- Coordinate with Managing Agent on roles and responsibilities between Board and Managing Agents
- Prepare/Revise application package requirements, disclosures and procedures and acknowledgement forms
- Implement date-tracking system
- Determination whether failure to act within 45-day period results in deemed approval or denial
- Formally adopt summer recess notice policy

# Parapet Inspection Requirements

## What it does:

- Requires annual parapet observation for ALL buildings regardless of height
- Observation can be made by broad range of individuals

## Requirements / Timelines / Penalties:

- All buildings (except detached 1-2 family) must have parapet observed annually
- Must include close-up inspection Unsafe conditions: immediate protective measures + correction within 90 days
- No DOB filing required, but records must be maintained

## Practical Board Guidance:

- Many boards unaware this annual obligation already exists
- Document with photos and written report retained in files
- Deteriorating parapet = safety + liability catastrophe

**Ask Your Board:**

*Did we have our parapet observed this year? Is it documented?*

# Penalties for Failing to Complete Facade Repairs

## What it does:

- Part of Mayor's "Get Sheds Down" initiative (addressing ~9,000 sidewalk sheds)
- Imposes steep new fines on owners who leave sheds up without pursuing repairs
- Creates hard deadlines after sidewalk shed permit issued
- Effective January 12, 2026

## Requirements / Timelines /

### Penalties:

- After shed permit: File construction docs within 5 months, work permit within 8 months
- Complete repairs within 2 years of shed permit
- Penalties: \$5,000-\$20,000 for leaving sheds up without action
- LL48 companion: Shed permits limited to 90 days (renewable with proof of active work)
- Stalled sheds: \$10-\$200 per linear foot per month
- These fines are IN ADDITION to existing FISP penalties

## Practical Board Guidance:

- Delaying facade repairs is no longer a viable strategy
- Treat facade work as urgent capital project
- Shed up > 1 year with no construction? Immediate fine risk
- Coordinate engineer, contractor, managing agent on timeline

### Ask Your Board:

*How long has our shed been up? Do we have an active permit and work schedule?*

# Energy Efficiency Grading & Display

## What it does:

- Buildings >25,000 sq ft must display energy letter grade (A-F)
- Similar to restaurant health grades — public transparency tool
- Grades derived from Energy Star Portfolio Manager score (annual LL84 benchmarking)

## Requirements / Timelines / Penalties:

- Grades available on DOB NOW Public Portal October 1 each year
- Must download, print, display near each public entrance within 30 days (by Oct 31)
- Label at height 4-6 feet, visible year-round
- Scale: A (85+), B (70-84), C (55-69), D (<55), F (failed to benchmark), N (exempt)
- Failure to display: \$1,250 DOB violation

## Practical Board Guidance:

- Simple annual task — but routinely forgotten
- Put on October calendar every year
- D or F grade visible to everyone entering — consider energy consultant
- Post in ALL public entrances (side entrance, garage lobby)

### Ask Your Board:

*Has our LL84 benchmarking been submitted so our score is accurate?*

# Solar and Green Roof Requirements

## What it does:

- Part of Climate Mobilization Act
- 100% of "Sustainable Roofing Zone" must be solar, green roof, or combination
- Applies to: new buildings, roof enlargements, and full roof replacements
- Projects approved on or after November 15, 2019

## Requirements / Timelines / Penalties:

- Sustainable Roofing Zone excludes: mechanical equipment, fire setbacks, recreational terraces, slopes > 17%
- Filed through DOB NOW by Registered Design Professional
- Solar requires licensed electrician
- Property tax abatements available for green roofs (through June 2027)
- Non-compliance: DOB stop-work orders or permit denial

## Practical Board Guidance:

- Triggered when building does full roof replacement (~every 20-30 years)
- Solar can generate revenue via net metering
- Green roofs require ongoing maintenance budget
- Not budgeting for compliance early is a common pitfall

### Ask Your Board:

*Does our upcoming roof project trigger LL92/94?*

# Lighting Upgrades & Sub-Metering

## What it does:

- Part of Greener, Greater Buildings Plan
- Buildings >25,000 sq ft: Upgrade common-area lighting to Energy Conservation Code
- Must install sub-meters for non-residential tenant spaces >5,000 sq ft
- 2016 amendments (LL 132/134) expanded coverage

## Requirements / Timelines / Penalties:

- Compliance deadline: January 1, 2025 (PASSED)
- Must file report from registered design professional or licensed electrician
- Failure to file lighting report: \$1,500/year
- Failure to file submeter report: \$1,500/year + \$500 per uncovered tenant space/year
- If not filed, building is accruing penalties NOW

## Practical Board Guidance:

- Deadline has passed — check if penalties are accruing
- Sub-metering for ground-floor retail/offices commonly overlooked
- Lighting: lobbies, hallways, stairwells, laundry rooms
- LED retrofits pay for themselves in 2-3 years

### Ask Your Board:

*Has our LL88 report been filed? Are we accruing fines?*

# Building Emissions Caps (Climate Mobilization Act)

## What it does:

- Most ambitious building emissions law in any major U.S. city
- Sets hard carbon caps on buildings >25,000 sq ft (~50,000 buildings)
- Buildings produce ~70% of NYC greenhouse gas emissions
- Caps tighten toward net-zero by 2050

## Requirements / Timelines / Penalties:

- First compliance period: 2024; first reports due March 31, 2025 via BEAM portal
- Penalties: \$268/metric ton CO2 over cap (assessed annually)
- Late filing: up to \$0.50/sq ft/month
- False statements: up to \$500,000
- Stricter caps in 2030, 2035, 2040; net-zero by 2050
- 35%+ rent-regulated buildings: alternative prescriptive pathway

## Practical Board Guidance:

- If >25,000 sq ft, first report should already be filed
- Typical pre-war co-op with gas boiler: \$50K-\$100K+/year in penalties
- Need decarbonization plan NOW for 2030 caps
- Strategies: electrification, envelope improvements, LED lighting

### Ask Your Board:

*What is our emissions gap? What capital projects do we need for 2030?*

# Fair Chance for Housing Act

## What it does:

- Effective January 1, 2025
- Prohibits co-op and condo boards from discriminating based on criminal history
- Limits what convictions can be considered and when background checks may occur
- Addresses housing barriers for ~750,000 NYC residents with conviction records

## Requirements / Timelines / Penalties:

- Cannot inquire about criminal history in ads, applications, or interviews
- Background check ONLY after conditional offer (approved on all other criteria)
- "Reviewable" history only: felonies within 5 years of release, misdemeanors within 3 years
- Before revoking: written notice + copy of check + opportunity to respond
- Enforcement: NYC Commission on Human Rights
- Compensatory and punitive damages possible; insurance may not cover

## Practical Board Guidance:

- Remove all criminal history references from applications
- Revised process: interview, financial review, conditional approval, THEN background check
- Train ALL board members and managing agents
- Common pitfall: casual question about arrests in interview = violation

### Ask Your Board:

*Has our application package been updated? Do we have a compliant process in writing?*

# Short-Term Rental Registration

## What it does:

- Addresses proliferation of illegal short-term rentals removing housing from market
- Hosts must register with Mayor's Office of Special Enforcement (OSE)
- Booking platforms prohibited from processing unregistered transactions
- Enforcement began September 5, 2023

## Requirements / Timelines / Penalties:

- Hosts must register with OSE and receive unique registration number before listing
- Platforms must verify registration before processing bookings
- Rent-regulated, NYCHA, and Prohibited Buildings List buildings cannot register
- OSE filed first lawsuit in 2025 to reclaim illegally used apartments
- Fines and enforcement actions against violating hosts

## Practical Board Guidance:

- Add building to Prohibited Buildings List (free, via OSE portal)
- Review governing docs: Do they explicitly prohibit short-term rentals?
- If not, consider amendment to proprietary lease/bylaws
- Monitor for unauthorized listings

**Ask Your Board:**

*Are we on the Prohibited Buildings List?*

# Annual Conflicts Disclosure

## What it does:

- Effective January 1, 2018
- Promotes transparency regarding interested director transactions
- Requires annual disclosure to shareholders/unit owners of any conflicted contracts
- One of the most commonly overlooked annual obligations

## Requirements / Timelines / Penalties:

- Annually distribute copy of BCL § 713 to every board member
- Submit annual report to ALL shareholders/unit owners
- Report must be signed by EVERY director
- Disclose: considered contracts with interested directors, parties, amounts, voting record, dates
- Even if no such transactions: must deliver signed statement using statutory language
- No statutory penalty, but non-compliance invites shareholder lawsuits and AG scrutiny

## Practical Board Guidance:

- Include § 727 report with annual meeting notice package
- Every board member must sign — missing signature = non-compliant
- Board member's relative works for managing agent? That's an interested transaction
- Even if nothing to disclose, signed "no conflicts" statement required

### Ask Your Board:

*Has our § 727 report been prepared, signed by all directors, and distributed?*

06/08/2026 12:33PM, the Laws database is current through 2026 [Chapters 1-49, 55-130](#)

### **Business Corporation**

§ 713. Interested directors.

(a) No contract or other transaction between a corporation and one or more of its directors, or between a corporation and any other corporation, firm, association or other entity in which one or more of its directors are directors or officers, or have a substantial financial interest, shall be either void or voidable for this reason alone or by reason alone that such director or directors are present at the meeting of the board, or of a committee thereof, which approves such contract or transaction, or that his or their votes are counted for such purpose:

(1) If the material facts as to such director's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the board or committee, and the board or committee approves such contract or transaction by a vote sufficient for such purpose without counting the vote of such interested director or, if the votes of the disinterested directors are insufficient to constitute an act of the board as defined in section 708 (Action by the board), by unanimous vote of the disinterested directors; or

(2) If the material facts as to such director's interest in such contract or transaction and as to any such common directorship, officership or financial interest are disclosed in good faith or known to the shareholders entitled to vote thereon, and such contract or transaction is approved by vote of such shareholders.

(b) If a contract or other transaction between a corporation and one or more of its directors, or between a corporation and any other corporation, firm, association or other entity in which one or more of its directors are directors or officers, or have a substantial financial interest, is not approved in accordance with paragraph (a), the corporation may avoid the contract or transaction unless the party or parties thereto shall establish affirmatively that the contract or transaction was fair and reasonable as to the corporation at the time it was approved by the board, a committee or the shareholders.

(c) Common or interested directors may be counted in determining the presence of a quorum at a meeting of the board or of a committee which approves such contract or transaction.

(d) The certificate of incorporation may contain additional restrictions on contracts or transactions between a corporation and its directors and may provide that contracts or transactions in violation of such restrictions shall be void or voidable by the corporation.

(e) Unless otherwise provided in the certificate of incorporation or the by-laws, the board shall have authority to fix the compensation of directors for services in any capacity.

# Periodic Gas Piping Inspections

## What it does:

- Enacted after deadly gas explosions (2014 East Harlem: 8 killed, 2 buildings leveled)
- All exposed gas piping systems inspected every 4 years
- Applies to all buildings except 1-2 family homes
- Inspects for leaks, corrosion, improper installations, unsafe conditions

## Requirements / Timelines /

### Penalties:

- Inspections by Licensed Master Plumber (LMP), rotating community district schedule
- Cycle 2 deadlines: Districts 1,3,10 (12/31/2024); 2,5,7,13,18 (12/31/2025); 4,6,8,9,16 (12/31/2026); 11,12,14,15,17 (12/31/2027)
- GPS2 certification filed with DOB within 60 days of inspection
- Deficiencies: corrective certification within 120 days (180 with extension)
- Civil penalty: \$5,000 for failure to file
- DOB issuing Notices of Deficiency since January 2025 for Cycle 1 non-filers

## Practical Board Guidance:

- Identify your community district and know your deadline
- Hire LMP early — high demand near cycle deadlines
- Ensure full access: boiler rooms, mechanical rooms, corridors, commercial spaces
- Unsafe conditions trigger immediate gas shutoff possibility
- Records must be retained 10 years

### Ask Your Board:

*When is our next LL152 inspection due? Do we have GPS2 confirmation on file?*

# Natural Gas Detectors

## What it does:

- Required after East Harlem (2014) and East Village (2015) gas explosions
- Natural gas detectors in every room with gas-burning appliance
- Natural gas is explosive (unlike CO which is toxic) — early detection critical
- Delayed for years; NFPA 715 published 2022, DOB rules adopted March 2024

## Requirements / Timelines / Penalties:

- Deadline: January 1, 2027 (extended from May 2025 by LL 102/2025)
- If by July 1, 2026, fewer than 4 manufacturers exist, may extend to Jan 1, 2029
- Detectors: in each room with gas appliance, 3-10 feet from source, within 12" of ceiling
- Must be UL 1484 listed and DOB-approved
- Owners may charge tenants up to \$25/device (\$75 for combination smoke/CO/gas)
- Enforcement by HPD

## Practical Board Guidance:

- Don't wait for 2027 — supply chain issues, limited manufacturers
- Determine which rooms need detectors: kitchens, boiler rooms
- Consider building-wide bulk purchase for consistency
- Combined detectors (smoke + CO + gas) permitted
- Don't assume deadline will be extended again

### Ask Your Board:

*Have we identified rooms needing detectors? Can we order in bulk now?*

# DOB Attestation for Alteration Filings

## What it does:

- DOB reinstated requirement January 26, 2026
- Board (or representative) must sign off on permit applications in DOB NOW: build
- Confirms board is aware of and approved proposed renovation work
- Prevents shareholders from filing for major permits without board knowledge

## Requirements / Timelines / Penalties:

- Built directly into DOB NOW: build portal
- Board representative sign-off required before application is processed
- Administrative/procedural requirement with regulatory force
- Without attestation, application will NOT be approved

## Practical Board Guidance:

- Protective measure: prevents renegade shareholders from bypassing alteration agreements
- Designate specific person as authorized attestor (managing agent, board president, or counsel)
- Ensure attestor's credentials are active in DOB NOW
- Protocol: No attestation without executed alteration agreement + insurance evidence
- Common pitfall: No one registered in DOB NOW, causing delays

# Thank You!



**Howard Schechter**

Partner

212.878.1423

[hschechter@foxrothschild.com](mailto:hschechter@foxrothschild.com)



**Eric Wohl**

Partner

212.878.1421

[ewohl@foxrothschild.com](mailto:ewohl@foxrothschild.com)



**Ravi Sachania**

Associate

212.878.7944

[rsachania@foxrothschild.com](mailto:rsachania@foxrothschild.com)