

FIRST *Impressions*

News for board members and building owners of properties managed by FirstService Residential



FirstService named “Organization of the Year” by SiteCompli

FirstService Residential is honored to be recognized as SiteCompli’s “2023 Organization of the Year,” a designation that acknowledges pioneers in property management who set the bar for multifamily housing compliance and operations.

“The level of innovation at FirstService Residential is rare for a property management company,” said Seth Dotterer, CEO of SiteCompli. “In the ever-evolving compliance landscape, FirstService consistently sets new benchmarks in its efforts to help boards and building owners navigate the expanding array of annual compliance requirements for multifamily buildings.”

Kudos to our compliance team, led by VP Stephanie Cardello, for their efforts to simplify compliance obligations for our property managers and clients. [Read more.](#)



SiteCompli CEO Seth Dotterer (left) presents FirstService Residential with the “Organization of the Year” award at [RealFocus](#).



At RealFocus, Cardello joined NY Fire Consultants to share resident safety best practices on the panel, “Why Back-of-Door Safety is a Top Priority.”

November/December 2023



Q&A WITH CEO DAVID DIESTEL

As a board member, you do incredible work to serve your community, and our team at FirstService Residential is committed to your success. As an organization, we continually strive to remain abreast of the shifting challenges faced by our board members, all the way from our managers to the CEO. This understanding allows us to offer customized service that cater to your specific needs.

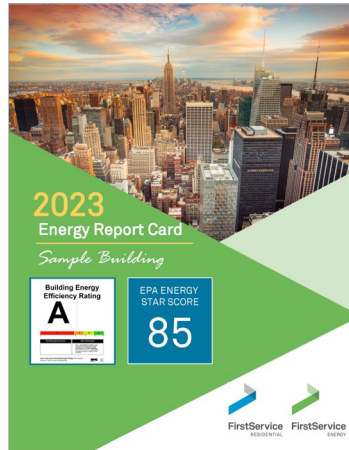
FirstService Residential CEO David Diestel shares his perspective on the industry and the obstacles faced by our boards. [Read more](#) to learn how your fellow board members are addressing the challenges they face.

2023 Energy Report Cards released

REPORT CARDS ARE INTENDED TO SERVE AS THE BASIS FOR A DISCUSSION BETWEEN YOUR BOARD AND MANAGEMENT TEAM

Annual Energy Report Cards have been issued to clients that utilize FirstService Energy for Local Law 84 (benchmarking) compliance. Our in-house experts developed a proprietary energy information management system to record and analyze your building's current and historical energy use, utility costs, typology information, carbon emissions, and operating equipment.

The data is translated into easy-to-read charts and graphs that benchmark your building against others in our portfolio, enabling our energy team to identify where your



building has the most opportunity for energy and carbon savings.

"Report Cards provide our clients with transparent, actionable data to help them make important, often costly, decisions on the right projects to undertake that will optimize energy performance, reduce emissions, and lower operating costs," says Kelly Dougherty, president of FirstService Energy. "We are the only NYC management company

to take this proactive approach to helping our clients maximize efficiency and comply with the city's local laws." [Read more.](#)

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GLOBEST. NAMES MARC KOTLER 2023 MULTIFAMILY INFLUENCER

GlobeSt. *Real Estate Forum* named Marc Kotler a 2023 Influencer in Multifamily Real Estate, a designation honoring pioneers whose efforts have a tangible impact on the multifamily sector. As president of our New Development Group, Kotler has consulted on the development of many iconic buildings, including 432 Park, One Wall Street, 53 West 53, The Beekman Hotel & Residences, and the Waldorf Astoria New York Hotel, among others. [Read more.](#)



Kotler (center) with Maria Auletta and Jeffrey Poirot, both vice presidents in FirstService's New Development Group.

HOLIDAY GIFTING

Many of our clients have inquired about their desire to convey appreciation in the form of a monetary holiday bonus to the associates dedicated to your property. While it's never suggested or required to acknowledge the efforts of your building staff and management team, we are grateful for any acknowledgment you deem appropriate.



Compliance updates | Year-end deadlines



OUR COMPLIANCE AND MANAGEMENT TEAMS ARE TRACKING DUE DATES AND WILL NOTIFY BOARDS AND OWNERS ACCORDINGLY

by Stephanie Cardello, VP of Compliance

Local Law 152 | Gas piping inspections Community Districts 11, 12, 14, 15, and 17 in all boroughs, deadline is 12/31/2023. The penalty for failure to file is \$10,000.

Annual Elevator/Boiler Inspections In accordance with the NYC Building Codes, inspections must be filed with DOB by 12/31/2023.

Local Law 11 | Facade Inspection Safety Program (FISP) Buildings in Sub-Cycle 9C must file a report by 2/21/2024.

Local Law 87 | Energy audits & retro-commissioning compliance Energy Efficiency Report (EER) for covered buildings with a last digit of "3" as the building's tax block number are due 12/31/2023. The building's energy audit and retro-commissioning work must be completed prior to filing the EER.

Local Law 126 | Periodic inspections of parking structures The parking structure report and maintenance/repair deadlines are divided into cycles, subdivided into three sub-cycles. The Community District in which the Parking Structure is located determines if the property falls into sub-cycle A, B, or C. Sub-cycle 1A includes all properties in Manhattan that fall under Community Districts 1, 2, 3, 4, 5, 6, and 7. The deadline to file is 12/31/2023.

Local Law 69 | Annual bed bug reporting

Annual report must be filed by Dec. 31. Our Compliance team will handle the filing.

Annual drinking water tank inspections Must be completed by 12/31/2023. Service providers must file with the city on behalf of the building. Your certified water tank inspector must submit the inspection report by 1/15/2024.

Annual submetering inspection reports Must be filed by 12/31/2023. The annual mailing will be distributed before 12/31/2023.

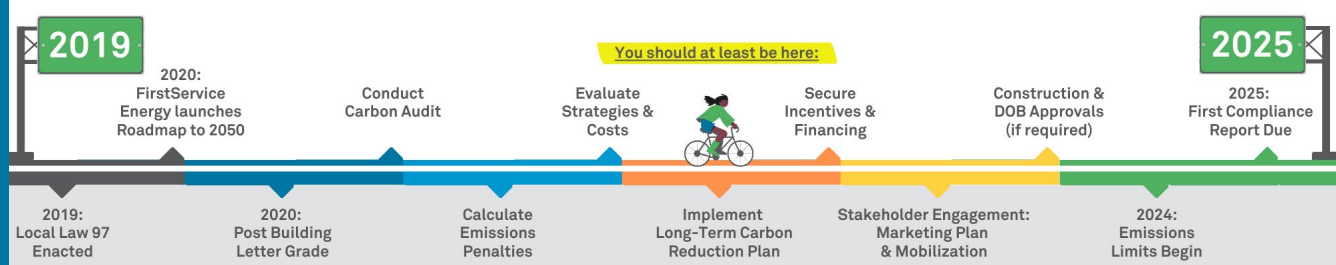
Conflict of interest Deadline for boards to distribute conflict of interest reports is 12/31/2023. As a reminder, the Business Corporation Law ("BCL"), the Not-For-Profit Corporation Law ("NFPCL"), and the real property law require co-op and condo boards subject to these laws to submit an annual report to their shareholders/unit owners disclosing all transactions involving a conflict of interest for one or more directors. Our Compliance team handled the required distribution of Section 713 of the BCL (and Section 715 of the NFPCL) to our boards in January 2023, and will do so again in early 2024. To read the memo we distributed when the law was amended, [click here](#).

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LOCAL LAW 97 COMPLIANCE

A study commissioned earlier this year by the Real Estate Board of New York estimated that nearly 15% of co-ops would be out of compliance with Local Law 97 emissions limits, facing average annual penalties of about \$57,000. Without updates, 72% of co-ops will face similar fines beginning in 2030, when the city's rules become more stringent.

Where is your building on the path to Local Law 97 compliance?



FirstService in the news

RECENT MEDIA COVERAGE FEATURING COMMENTARY FROM OUR IN-HOUSE EXPERTS

Unlocking mortgages with a split reserve study

Condos with a large commercial component are automatically deemed “non-warrantable” per new Fannie Mae/Freddie Mac guidelines, making it difficult for buyers to secure mortgage loans. With the help of Strategic Inspections, our 75 Wall Street general manager spearheaded the only potential path to reinstatement: a split reserve study. [Read more](#) in *Habitat* magazine.

CEO David Diestel discusses multifamily sector trends

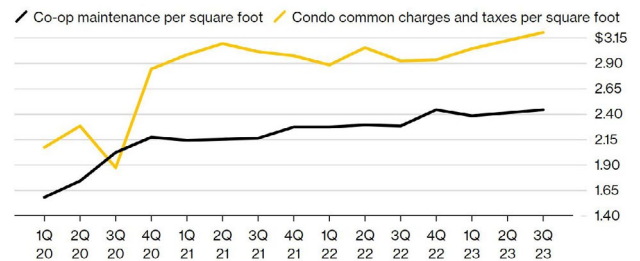
FirstService CEO David Diestel joined Schwab Network to talk about trends in the residential sector ranging from EV charging to securing insurance to our team’s focus on serving residents. [Watch now](#) on *Schwab Network*.

NYC homeowner costs rising 3x inflation rate

[Bloomberg News](#) tapped our in-house expert Sean Kent, SVP at FirstService Financial, for his view on rising insurance costs for condo and co-op boards. According to the article, “Fees paid to co-op and condo boards have soared almost three times faster than the rate of inflation. Ever-tougher rules on inspections, escalating insurance premiums, and preparations for a strict new climate law are adding hundreds or even thousands of dollars to monthly bills for residents already paying some of the world’s highest housing costs. ...

NYC Monthly Home Ownership Fees Are Rising

The costs per square feet have been increasing in recent years.



Source: Miller Samuel Inc.

Credit: Jennifer Epstein; Bloomberg

“After years of steep inflation in the US, New Yorkers aren’t alone in paying higher prices for everything from taxes to water, gas and electricity. As routine expenses have surged, so have the fees the city’s condo and co-op boards charge unit owners. Those bills meant to cover utilities, labor and basic building maintenance — jumped roughly 54% from the first quarter of 2020 to the third quarter of this year, according to appraiser Miller Samuel Inc. Across the economy, US consumer prices were up 19% in the same period. ...

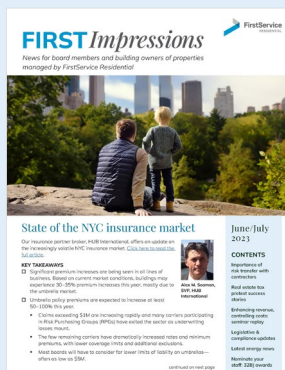
“When it comes to insurance, boards are paying more and getting less. Longtime carriers are leaving the market, forcing buildings to stitch together multiple policies to get anywhere near the coverage they had just a few years ago. One affordable co-op in the Bronx, for example, is paying 45% more for just 15% of the coverage it had previously.

“While natural disasters have sent the industry reeling nationwide, much of the pressure in New York is coming from multimillion dollar ‘nuclear verdicts,’ payouts of sometimes more than plaintiffs sought in accidents involving construction work.

“Insurers are raising prices to make up for their losses, said Kent, who works with 600 co-op and condo buildings in the city. Annual premiums at those properties rose as much as 300% this year, though the average increase was about 25%, Kent said.”

NEW TO YOUR BOARD?

Access past issues of *First Impressions*, our board member newsletter, [here](#).



TERRY SMITH NAMED REBNY 2023 BUILDING SERVICE WORKER OF THE YEAR

We are thrilled that Terry Smith, resident manager of Forest Hills Owners Corp, a building we proudly manage, was named REBNY's 2023 Building Service Employee of the Year. Smith was presented the honor at REBNY's 23rd Annual Residential Management Leadership Awards, which recognize and honor those who ensure exceptional operation of our city's residential buildings.



(l-r) 32BJ President Manny Pastreich and Building Service Employee of the Year Terry Smith.



FirstService Residential CEO David Diestel (left) with company leaders Mark Pepe, Maria Auletta, Athenes Bauza, Michael Wolfe, REBNY Residential Management Council chair, Marc Kotler, Marc Pollack, Ben Kirschenbaum, and Sebastian Morris.



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STAY CONNECTED



Know of a fellow board considering new management?
Please have them [contact our team](#).

[Click here to read our latest industry-related articles.](#)

First Impressions is published for board members and building owners of properties managed by FirstService Residential New York, Inc. While every effort is made to achieve accuracy in the information contained in this publication, it is not intended as advice to any specific property, and FirstService Residential shall not be liable for any damages resulting from reliance on the accuracy of information contained herein. The information contained herein is meant to provide general advice, and it is not intended to be applied to a specific building or situation experienced at a building. Please consult with your property manager and other professionals to address any compliance matter at your building.

We welcome your feedback. Email us at news.ny@fsresidential.com.

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