**City agencies make building in New York City difficult.**

The bureaucratic requirements vary with the scale and type of construction, but there are almost always at least three city agencies involved: the Department of Buildings, the Bureau of Electrical Control, and the Fire Department.

Costs associated with permitting usually run between $50,000 to $100,000 on a $1 million construction project, or 5% to 10% of the total cost! In contrast, the fee paid to the construction manager, the company that actually builds the job, is usually around 2% to 5%.

Most of the money paid does not go to the city (directly). It goes to “expediting” firms that are paid for their relationships in the city bureaucracy. They shake a few hands and get your paperwork pushed through in a timely manner. No one even tries to get permits without an expeditor.

You probably also have to hire a “controlled inspector” to inspect the work once it has started (since the city doesn’t have the resources to do the inspections itself). These 3rd party inspection firms are notorious for fraud. At one point in 2011, so many firms had been indicted that there were simply no certified inspectors left that could perform some types of inspection.

The documentation provided to the city for a single job application can exceed hundreds of pages and must include specialized architectural drawings that follow the unique format required by the Department of Buildings. The format is non-standard, and you have to pay an architect to prepare a special set of drawings just for the city.

And worst, in a supreme act of sadism, the City changes the rules for permits several times a year, and with no warning. Applications currently being processed may be rejected based on rules that didn’t exist when applications were submitted. Guidelines are often unclear and different City examiners interpret them differently.

All this just to start work.

To finish the project and avoid additional fines from the city, you have to schedule numerous inspections, including 2 inspections by the Fire Department. Why two? Because the fire inspectors are paid per visit and this way they double their fee. On the first visit, the fire inspector always finds a violation. Always. It’s so standard that 2 inspections are included in the boilerplate project schedules that city contractors use. That’s just how construction works in New York City.