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Center *for an*
Urban
Future

Ideas for Reducing Bureaucratic Barriers in NYC



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5 Ideas for Reducing Bureaucratic Barriers in NYC is a publication of the Center for an Urban Future.

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Introduction

MAYOR MAMDANI'S COMMISSION ON GOVERNMENT EFFICIENCY (COGE) has advanced five promising ballot proposals to make city government work more efficiently. But there are numerous other opportunities to eliminate unnecessary bureaucratic hurdles that slow government down, increase costs, and make it harder to get things done in New York, many of which do not require charter changes. Reducing these frustrating, costly, and time-consuming bureaucratic rules and processes will be critical in the coming months and years as New York works to tackle serious affordability and competitiveness challenges amid growing fiscal constraints.

In researching this report, the Center for an Urban Future heard about dozens of specific rules, regulations, and processes that add significant time and cost to projects large and small or make getting things done virtually impossible. These barriers contribute to the city's sky-high housing costs, squeeze already narrow margins for small businesses and vendors, slow infrastructure projects that help prepare the city for climate change, and even contribute to staff vacancies across government. They force nonprofits to hire extra staff to navigate duplicative contracting and reporting requirements, prompt BIDs and community groups to abandon plans for block parties and other public realm events, and drive up the cost of seemingly straightforward projects, like building a park bathroom or renovating a branch library.

This report shines a light on five especially maddening bureaucratic barriers that have not yet been addressed.

These hurdles across city government get in the way of progress in New York and are ripe for reform. The five ideas include:

1. Revise the city's plumbing code to allow greater use of PVC piping, bringing New York City in line with the rest of the country.
2. Stop the city's Office of Management and Budget from re-underwriting every affordable housing project.
3. Clear the approval bottlenecks holding back battery energy storage from strengthening the grid.
4. Eliminate civil service restrictions that make it difficult for the city to hire people with the most in-demand technology skills.
5. Make joint bidding permanent to cut delays and costs on city infrastructure projects.

This is the latest in a series of policy reports outlining concrete ideas to keep New York City competitive amid growing fiscal and economic challenges. It follows our February 2026 report, *5 Revenue-Raising Ideas for NYC*.

The series was produced in partnership with, and with support from, Winston C. Fisher and Fisher Brothers Foundation.

1

Revise the city's plumbing code to allow greater use of PVC piping, bringing New York City in line with the rest of the country.

NEW YORKERS FACE SOME OF THE HIGHEST HOUSING costs in the nation in part because it is extraordinarily expensive to build housing in the city. While there is a long list of things that add to the expense of building here—from land costs to labor and materials—the city's onerous regulatory requirements contribute to the challenge. One of the best opportunities to simplify these requirements and reduce the cost of building is to bring New York in line with nearly every other city across the country and allow the use of polyvinyl chloride (PVC) piping in the construction of multi-family residential buildings.

PVC is lightweight, durable, resistant to corrosion, and significantly less expensive than traditional cast iron piping. Because it is a lot lighter and easier to transport and install than metal piping, the use of PVC can significantly reduce both material and labor costs. But in New York City, PVC piping is still sharply restricted by the city's Plumbing Code.

Across the city, PVC is generally limited to sanitary drainage—the network that carries wastewater from toilets, sinks, showers, and dishwashers out of buildings. Even for sanitary drainage, PVC can only be used in residential buildings of five stories or less. As a result, most multifamily buildings must rely on more expensive materials, including cast iron pipes.

New York City did loosen its plumbing code in 2022 to allow PVC piping in residential buildings up to five stories tall (the previous limit was three stories). But New York is still an outlier, imposing restrictions that are far more stringent than nearly every other U.S. city and every other city in the state.

Most large U.S. cities follow the International Plumbing Code (IPC) or Uniform Plumbing Code (UPC),

which allow PVC piping more broadly, subject to modern fire protection requirements rather than blanket height restrictions. Cities such as Los Angeles, Seattle, Houston, Denver, and many others do not impose a height restriction comparable to New York's.

Even among cities that limit the use of plastic piping, New York City remains among the most restrictive. Washington, DC does not impose a special local height limit comparable to New York City's five-story rule; instead, it relies on fire protection measures such as firestopping requirements and rated assemblies. Boston allows PVC in residential buildings up to 10 stories. Philadelphia has a slightly higher threshold than New York (allowing PVC in residential buildings of 75 feet or less), while Chicago is roughly in line with New York (with a 60-foot building limit for PVC).

Outside New York City, there is no comparable statewide restriction. Municipalities including New Rochelle, White Plains, Albany, Buffalo, Rochester, Syracuse, and Yonkers generally follow the New York State Uniform Fire Prevention and Building Code, which recognizes PVC as an approved material for sanitary drainage and vent systems without New York City's five-story limitation.

Similarly, the new residential towers built across the Hudson River in Jersey City have generally been built with PVC piping.

Aligning New York City's Plumbing Code with national best practices would reduce material and labor costs, speed construction, and help make housing development more affordable without compromising fire safety and building performance standards. There have not been any recent studies detailing the cost differential in New York,

but a 2017 report by Philadelphia's Building Industry Association estimated that using PVC instead of metal piping in a 240-unit high-rise residential building could reduce overall construction costs by 16.7 percent. In New York City, this would translate to savings of hundreds of thousands or even millions of dollars per building, depending on the size of the project.

"PVC is one of the low-hanging fruit, easy building code changes to help with costs," says David Kramer, president of Hudson Companies, a New York-based housing developer.

"It's a much lower material cost," adds the head of pre-construction for another housing developer, who wished to remain anonymous. "The handling on site is significantly easier. It's not as heavy, so you can transport it more efficiently. It's less corrosive. We regularly use PVC piping outside of New York. We do it because there are major cost savings."

New York's longtime restrictions on PVC have largely been based on fire-safety concerns. Unlike cast iron, PVC can burn or melt when exposed to fire, producing smoke and corrosive gases and potentially leaving openings where pipes pass through fire-rated walls and floors. But building codes elsewhere address these risks through tested firestop systems, fire-rated assemblies, and other installation requirements. Some buildings also use a hybrid approach, retaining cast iron for the main vertical stacks that run from floor to floor while using less expensive PVC for the smaller branch lines that connect individual apartments and fixtures.

Several people we interviewed say that the plumbers' union has been the main opponent of greater use of PVC piping, in large part because lightweight plastic piping requires fewer hours of labor to transport and install than cast iron. But lowering the cost of individual projects could also allow scarce public housing dollars to support more projects overall—particularly at HPD, where the number of affordable housing developments that can move forward each year is constrained by available capital funding.

Retaining well-paying union jobs is undoubtedly important. But so is solving the city's affordability crisis, and reasonable reforms to allow PVC in more buildings would lower development costs and spark the new housing that New York so badly needs, without compromising safety.

Mayor Mamdani can help make this happen. He should start by directing the Department of Buildings to

review the city's Plumbing Code and assess the viability of raising the five-story limitation for PVC piping systems. DOB should examine national best practices, consult fire safety experts, and determine whether revised rules could allow greater use of PVC while maintaining rigorous fire safety and building performance standards. The administration should then work with the City Council to advance any necessary changes to the Plumbing Code.

Mayor Mamdani should also consider two other related reforms to reduce development costs by allowing greater use of plastic piping:

Reduce restrictions on nonmetallic sprinkler piping.

Currently, nonmetallic sprinkler piping is permitted in residential buildings only up to six stories high; taller residential buildings must use metallic piping. But the building experts we interviewed say these restrictions merit another look. Because water in sprinkler systems generally sits at ambient temperature rather than cycling continuously between hot and cold, they argue that approved nonmetallic piping could be used more broadly without compromising safety. "Using PVC sprinkler pipe would be an appropriate use even for a conservative building code," says the preconstruction head for a housing development company. Former FDNY Commissioner Laura Kavanagh adds: "We've approached the safety question with too narrow a lens. Yes, a foot of metal pipe will always carry a better fire rating than a foot of PVC pipe. But sprinklered buildings are the single most effective way to protect people from fire, and the real safety question isn't which pipe performs better on paper, it's how many buildings actually get sprinklers installed. If allowing PVC means more retrofits and more new construction come with sprinkler systems, that's a measurable, system-wide safety gain for New Yorkers."

End the ban on PEX piping for potable water.

While PVC is allowed for sanitary piping in some low-rise buildings, PEX—a flexible plastic tubing widely used elsewhere for hot- and cold-water supply lines—is entirely prohibited from potable water distribution throughout the city. New York is one of just two major U.S. cities (Chicago is the other) that prohibit its use for potable water. Expanding the use of PEX could significantly lower building costs. "If you take a copper pipe and replace it with PEX, you are going to save 30 percent on the materials and labor hours it takes," says the pre-construction leader.

2

Stop OMB from re-underwriting every affordable housing project.

THE MAMDANI ADMINISTRATION'S BLOCK BY BLOCK

housing plan calls for building 200,000 new affordable homes and preserving another 200,000 over the next decade, backed by \$22 billion in city capital funding over five years. His administration has also launched the SPEED initiative, which aims to shorten environmental review, permitting, and lease-up and cut at least eight months from the development timeline for affordable-housing projects. But one major source of delay remains largely untouched: The Office of Management and Budget's (OMB) practice of conducting another detailed financial review after the city's housing experts have already approved a project.

By the time an affordable-housing development seeks a Certificate to Proceed from OMB, a project manager at the Department of Housing Preservation and Development (HPD) has evaluated its construction budget, operating costs, rents, financing, and need for city subsidy. Supervisors and senior HPD officials review the deal, HPD's Credit Committee approves it, and private lenders, attorneys, appraisers, and other specialists conduct their own due diligence. Yet the project generally cannot close on its financing and begin construction until OMB issues its Certificate to Proceed.

That final review can take several months and revisit many of the same questions. A December 2025 New York Housing Conference brief found that OMB subjects every capital-funded housing project to a document containing more than 40 questions, including projects that comply with term sheets OMB has already approved. OMB may request detailed explanations of individual budget lines, rents, financing terms, and site conditions, along with copies of appraisals, ground leases, and other materials

previously reviewed by HPD, its lawyers, lenders, and the Credit Committee. HPD project managers can face several rounds of questions and document requests lasting weeks or months.

Rachel Fee, executive director of the New York Housing Conference and a former HPD project manager, says developers routinely allow at least six months for the Certificate to Proceed process. Preparing the submission and answering follow-up questions can consume days of a project manager's time and draw in directors, assistant commissioners, and HPD's budget office. "For OMB to re-underwrite a project is insane," Fee says. "You just had experts at the agency and private industry and a private lender all agree this deal makes sense."

The city comptroller's office documented the same problem in a 2024 review based on nearly 40 interviews with current and former staff, developers, and nonprofit organizations. The report found that OMB had become increasingly involved in individual project underwriting, providing rounds of comments that added significant time. The report traced much of the problem to outdated HPD term sheets—the rules that establish program requirements, loan conditions, and subsidy limits. Because many developments no longer fit within OMB-approved terms, OMB had greater latitude to negotiate deals one at a time. These additional reviews, the comptroller concluded, added delays "with little benefit or cost savings to the City."

OMB disputes the claim that its review adds another sequential approval. At a June 2026 City Council budget hearing, an OMB official said the agency reviews projects concurrently with HPD and therefore does not add time to the overall development process. But concurrent review does not mean that OMB causes no delay: a project cannot

close on its financing until OMB issues a Certificate to Proceed, and developers and housing officials report that unresolved OMB questions can hold up that final approval for weeks or months. The city comptroller likewise found that repeated rounds of OMB comments add significant time to the development process. OMB says it uses the review to confirm that expenses qualify for capital funding and comply with approved term sheets. But those objectives do not explain why projects that already conform to OMB-approved rules should undergo another detailed underwriting review.

The wider costs of slow loan processing can add up quickly. In a 2025 survey covering 21 affordable-housing projects and 4,700 apartments, the New York Housing Conference found that HPD loan processing took an average of 47 months. Among projects that quantified the financial impact, delays added an average of \$1.2 million per project. At that rate, just 25 delayed projects would incur \$30 million in additional costs—roughly equivalent to the HPD capital subsidy needed to finance 200 additional affordable homes for New Yorkers. OMB review was one of several causes cited, alongside HPD staffing, interagency approvals, land-use review, and other internal processes.

The financial consequences of delay are especially serious when borrowing costs are elevated and tariffs have added uncertainty. While a project awaits approval, developers continue paying interest, insurance, taxes, and other costs associated with controlling the site. Construction bids can expire, financing assumptions can shift, and a deal that worked when HPD approved it may require more city subsidy several months later.

“Every month of delay increases costs and makes it harder to address the housing crisis at the scale required,” Fee said when the Mamdani administration released its SPEED reforms in May. A process intended to protect city funds can therefore consume scarce staff time and enlarge the financing gap the city must eventually fill.

To overcome this bureaucratic obstacle to housing production, Mayor Mamdani should direct HPD and OMB to replace routine project-by-project re-underwriting with a two-track approval system: An expedited path for projects that conform to current program rules, and a fuller review reserved for the exceptions that actually warrant it. The two agencies should regularly update each major loan program's term sheet to reflect market

conditions and the administration's affordability goals, and OMB should approve annual funding levels for each program. Once those rules and budgets are set, HPD should have clear responsibility for underwriting and selecting projects within them—with OMB's per-project role limited to confirming that a deal fits the terms it already approved.

Once HPD's Credit Committee approves a development that conforms to a current term sheet, OMB should conduct an expedited review limited primarily to capital eligibility and basic fiscal compliance. More intensive review should be reserved for projects that materially exceed established subsidy limits, depart from program requirements, use an unusual financing structure, or present a specific financial risk. This closely follows the comptroller's recommendation that OMB approve current term sheets and then limit its review of individual projects to capital eligibility.

The administration should also establish firm deadlines for routine Certificate to Proceed reviews, require OMB to identify its substantive concerns in the first round of comments, and publish quarterly data showing how many projects are awaiting approval and how long they have been pending. The reporting should also show how often OMB's review produces a meaningful reduction in city subsidy or another material change to the deal. That would allow City Hall to judge the process by its results rather than assuming that additional review necessarily produces additional value.

Mayor Mamdani has already begun shortening the path through site selection, environmental review, permitting, and lease-up. He should now address the last stretch between HPD approval and construction closing. Once a development meets current rules that OMB itself has approved, the city's housing professionals should have the authority to move it forward.

3

Clear the approval bottlenecks holding back battery storage.

BUILDING OUT BATTERY ENERGY STORAGE SYSTEMS

across the five boroughs will be essential to meeting New York’s clean-energy goals, modernizing the city’s aging electrical grid, and maintaining reliable power as buildings and vehicles electrify. By charging when electricity demand is lower and releasing power when demand is highest, batteries can reduce reliance on polluting peaker plants, while easing pressure on the grid during surges in demand, from heat waves to cold snaps. To meet these goals, New York State’s energy storage roadmap projects that New York City will need roughly 2,000 megawatts of storage by 2030. Yet as of the end of 2025, the city had just 84 operating battery-storage facilities totaling about 115 megawatts—less than 6 percent of that anticipated need.

The stakes for New Yorkers are significant. New York State estimates that meeting its energy-storage target would save nearly \$2 billion by reducing the need for more expensive power plants and other costly grid investments. In New York City, batteries can also reduce reliance on highly polluting and costly peaker plants that run mainly when demand is highest. One analysis found that city ratepayers spent about \$4.5 billion over a decade just to keep those plants available when needed.

The barrier to battery storage is no longer principally zoning. New York City has made community-scale battery storage broadly allowable as of right and established some of the nation’s most rigorous safety standards. But the city has yet to create the coordinated systems for permitting, utility interconnection, and community engagement needed to move more projects from proposal to operation. A single community-scale installation can require as many as 16 permits from six city agencies—a

process that can easily take more than a year, not including major delays connecting a permitted installation to the grid. “We’re grateful to operate under the nation’s leading safety standards when it comes to BESS, but we do face a challenge of multiple permitting processes that happen sequentially and aren’t coordinated,” says Sam Brill, vice president of strategic development at NineDot Energy, a Brooklyn-based developer of community-scale battery systems.

The clearest example is the relationship between the Fire Department and the Department of Buildings’ Office of Technical Certification and Research, or OTCR. FDNY approves the battery equipment and conducts a site-specific safety review. The project then proceeds to OTCR, where experts say the review covers many of the same questions, before undergoing standard plan review and other approvals. Developers and city officials describe waiting three or four months for an FDNY response, replying within 48 hours, and then waiting several more months—only to begin a separate OTCR review that can add approximately three more months. The city itself recognized the need for reform in its 2023 PowerUp NYC plan, which committed to cutting energy-storage permitting delays by 50 percent. But review times remain lengthy and variable, even as far more projects prepare to enter the system.

Community-scale storage is only one key challenge. Bringing batteries directly into residential and commercial buildings may prove just as consequential for meeting the city’s climate and resiliency goals, by helping buildings manage peak demand, reducing pressure on the grid, and maintaining power during outages. Yet today, according to a top city economic development official, city-issued

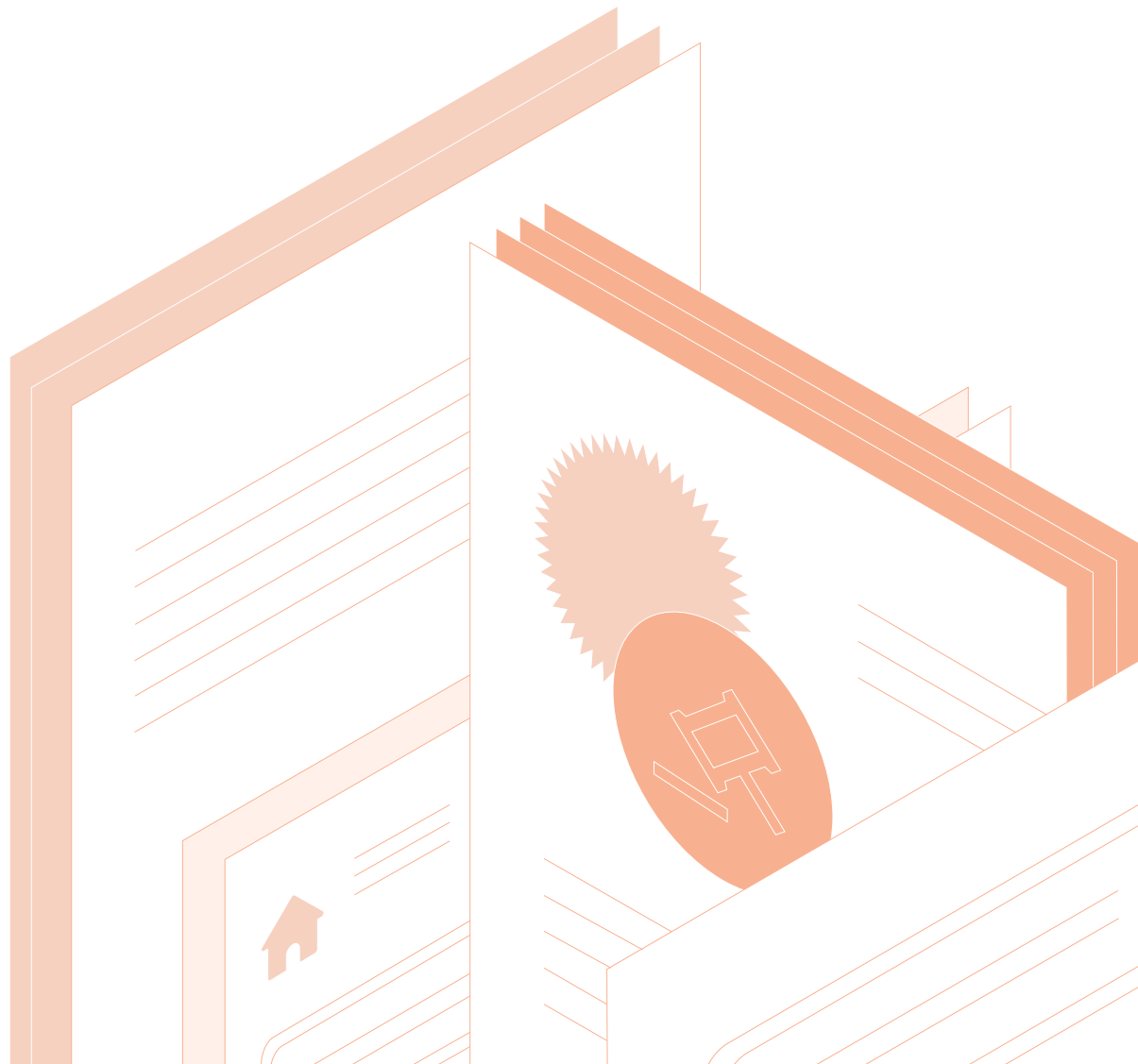
certifications for previously approved residential-scale products have lapsed, leaving no active product approved for this use.

“Currently, while there are a handful of residential battery storage products on the Certificate of Approval list, their approval expired in May 2025, effectively making residential battery deployment impossible today,” the official says. When it comes to indoor units, requirements for remote monitoring, extensive fire suppression, and specially designed containment rooms make this option prohibitively expensive for most property owners.

The process is also understaffed. Experts say that FDNY’s civilian team responsible for product certification and site approvals has just a handful of full-time staff and has not grown enough to keep pace, despite temporary support from the New York State Energy Research and Development Authority. “The top priority that needs to be addressed is the staffing capacity issue,” the economic development official says.

City permits are not the only hurdle. Battery projects also need Con Edison’s approval to connect to the electrical grid, and changes the utility made to its interconnection process beginning in 2025 have sharply increased costs for projects in areas it considers constrained. Industry groups say 34 projects reviewed under the new methodology faced an average increase of \$21 million in required grid upgrades, rendering many projects financially unworkable. Con Edison maintains that the additional scrutiny is necessary to ensure that batteries do not strain an aging electrical network, but developers and city officials argue that the methodology overstates the risk by counting speculative projects that may never be built and failing to account for batteries’ ability to limit when and how quickly they charge.

Other states are beginning to tackle similar problems. Massachusetts regulators are exploring whether batteries can connect under enforceable limits on when and how quickly they charge, how to remove inactive projects from the interconnection queue, and which projects should



qualify for expedited review. The state is also testing an approach in which the upfront cost of grid upgrades can be spread among future projects that benefit from the added capacity, rather than requiring the first project to bear the full cost.

To make progress on battery storage, policymakers will have to address these roadblocks, with the most immediate opportunity for reform resting within city government itself. Mayor Mamdani should start by directing FDNY and DOB to establish a single coordinated permitting pathway for battery storage. The agencies should review applications concurrently, use a shared submission and checklist, and either eliminate OTCR review where it duplicates FDNY’s technical and safety analysis or confine it to distinct building-code questions. To address the immediate backlog, the city should permanently expand FDNY’s civilian staff and DOB’s battery-storage review capacity, while establishing a pool of qualified third-party engineers who can conduct technical reviews under FDNY standards and final authority—building on the interim assistance NYSEDA is already supporting. The administration should also publish quarterly data on the number, status, and elapsed review time of applications and establish clear review targets for each stage of the process.

For smaller residential battery systems using approved products and standardized designs, New York should also create an expedited pathway. Austin now accepts third-party review and inspection of home backup installations—including battery-storage systems of up to 600 volts—for one- and two-family homes. Once a licensed engineer, master electrician, or certified inspector attests that the installation meets

city codes, Austin verifies the documentation and issues the permit within three business days. New York would need safeguards tailored to its denser building stock, but the principle is sound: qualified outside experts could review standardized installations under FDNY rules, while the city retains oversight and final authority.

The city should also work with the state to resolve the interconnection barriers threatening otherwise viable projects. Although New York City does not regulate Con Edison, the Mamdani administration can press the Public Service Commission and Department of Public Service to bring Con Edison, developers, independent engineers, and city officials together to address the current impasse. The process should remove inactive and speculative projects from the queue, allow batteries to connect under enforceable limits on when and how quickly they charge, and develop a fairer approach to sharing the cost of grid upgrades that benefit multiple projects and customers.

These reforms would preserve substantive protections for residents and first responders while moving the city much closer to achieving its climate, reliability, and resiliency goals. New York has already determined that battery storage is essential and changed its zoning to make room for it. The next step is to remove the bureaucratic and procedural barriers that are stymieing the deployment of this vital infrastructure at scale.

4

Eliminate civil service restrictions that make it difficult for the city to hire people with the most in-demand technology skills.

IT IS NOT JUST SMALL BUSINESSES, HOUSING developers, and construction contractors that struggle to get things done in New York City because of unnecessary and outdated bureaucratic rules. City government itself is affected by one of the biggest bureaucratic barriers of all: a civil service system that makes it nearly impossible to hire people with the most in-demand technology skills.

Today, city agencies have hundreds of vacant technology-related positions, in large part because the city's civil service rules make it difficult to recruit and hire workers with rapidly evolving technology skills. And because city government has struggled to build sufficient technology capacity in-house, it regularly turns to outside consulting firms, spending hundreds of millions of dollars on work that could otherwise be performed by city employees. Perhaps most frustratingly, at a moment when artificial intelligence, data analytics, and other technologies hold enormous potential to make government faster, more responsive, and more effective, the city's overly rigid civil service system makes it harder to hire the people needed to seize this opportunity.

Tackling this problem presents policymakers with a win-win: Modernizing technology hiring could create pathways into well-paying jobs for New Yorkers while saving the city money by reducing its reliance on expensive outside consultants.

These civil service rules impose significant restrictions and can cause long delays in hiring across city agencies. But the consequences are especially severe for technology-related positions, where the skills needed are changing rapidly. Indeed, the civil service system was designed for a very different labor market—not one in which job responsibilities and required skills can shift

dramatically every year or two. “We have a system that was designed for the prior era,” says a tech policy expert who once served as the city’s chief technology officer. “Technology roles are changing so fast.”

City agencies increasingly need people with highly specific technology skills—including data architects, machine-learning engineers, cloud engineers, cybersecurity specialists, data scientists, product managers, and AI specialists. But the civil service system often produces the opposite result: candidate pools organized around broad technology titles—including “computer associate,” “computer specialist,” “computer systems manager,” “telecommunications associate,” “city research scientist,” “certified IT administrator,” and “IT security specialist”—that often fail to align with the highly specific, up-to-date skills an agency is seeking. The civil service candidate may be qualified to administer a legacy computer system but lack the expertise needed to design modern data architecture or oversee projects involving cloud computing, machine learning, or artificial intelligence.

These rigid hiring rules greatly limit what agencies can achieve, and they carry a heavy cost. “Let’s say the Department of Social Services wants to build a database showing who gets SNAP and where the city could distribute that benefit more efficiently,” says Andrew Rasiej, a technology strategist and founder of Civic Hall @ Union Square. “Current civil service rules define ‘technologist’ so broadly that the agency can’t hire for what it actually needs: a tech project manager, data scientists, and AI engineers. The technologists it can hire were trained on older systems and have little experience building state-of-the-art technology, especially in the age of AI. So the agency brings in outside consultants

at \$300 or more an hour. That costs the city far more than it should and builds no skills inside government. And because the agency still can't hire the right people, the consultants stay on for years after the database is built to maintain it.”

The civil service system was designed with good intentions—to guard against patronage and ensure that hiring is based on merit rather than political connections—but too often it also makes hiring much slower and less flexible. For most city government positions, candidates first take a competitive civil service examination and, if they pass, are placed on an eligible list, ranked by their exam scores. Agencies with a staff vacancy must then work through that list and follow the city’s rules for identifying and appointing an eligible candidate, rather than simply recruiting and hiring whoever appears best qualified. The Department of Citywide Administrative Services (DCAS) says it generally takes up to a year after an exam is administered just to establish the eligible list from which agencies can hire.

Even without this delay-riddled hiring process, city government would be at a significant disadvantage competing for technology workers with private sector companies, which often have the capacity to pay higher salaries. But the civil service system makes it significantly more difficult for government. By the time an agency completes a lengthy recruitment process, the skills it originally sought may have changed—or the candidates who possessed those skills may have accepted jobs elsewhere.

Indeed, then Comptroller Brad Lander’s 2022 *Title Vacant* report found that the city was having difficulty filling positions that compete directly with the private sector. For example, the report noted that the NYC Cyber Command had a 36 percent vacancy rate.

It’s time for city leaders to consider reforms to the cumbersome and costly civil service system, starting with the hiring process for technology workers. Modernizing technology titles, qualifications, examinations, and hiring procedures would allow agencies to build more capable internal teams, fill persistent vacancies, and reduce unnecessary dependence on expensive consultants. It would also enable the city to take advantage of today’s transformative technologies to make government faster, more responsive, and more effective.

The Mamdani administration should take steps to give agencies substantially more flexibility to recruit for technology positions based on the skills actually required. More specifically, the mayor should direct DCAS and the Office of Technology and Innovation (OTI) to create technology-specific civil service titles in high-demand fields such as data science, data architecture, AI and machine learning, cybersecurity, and cloud engineering; establish a process for regularly updating technology job classifications; replace rigid degree requirements with skills- and experience-based qualifications where appropriate; expand non-exam hiring pathways for specialized technology positions where exams do not effectively measure the skills agencies need; create expedited hiring procedures for hard-to-fill technology positions; and give agencies greater flexibility to recruit candidates directly from the broader labor market.

To win support for these changes, the administration should work to find common ground with the city’s municipal labor unions, including DC37—perhaps by committing to a major new city effort to upskill municipal workers in exchange for support for relaxing some civil service rules around technology hiring. The mayor should also work closely with the City Council and build on recent Council efforts, including proposed 2026 legislation that would require a study of 20 new technology-based civil service positions with more flexible educational pathways, as well as a resolution calling on DCAS to modernize technology-title qualifications and recognize experience gained through apprenticeships, technology training programs, and other nontraditional pathways.

While these and other tweaks to the civil service system are the necessary starting point, Mayor Mamdani and the City Council should also aim to make more fundamental changes: A holistic digital transformation for city government that modernizes city processes for everything from hiring and procurement to the way the city controls its data.

In today’s digital age, New York needs to be able to hire a workforce that has the skills and credentials needed for the technology of today and tomorrow, not the technology of decades past. The first step is to modernize how the city hires technology workers.

5

Make joint bidding permanent to cut delays and costs on city infrastructure projects.

SOME OF NEW YORK CITY'S MOST COSTLY CONSTRUCTION

delays start with a problem most New Yorkers never see. When the city replaces a water main, rebuilds a sewer, or reconstructs a street, the work often runs into electrical conduits, gas mains, telecommunications lines, and other privately owned infrastructure buried beneath the same pavement. Historically, the city would hire a contractor and open the street before the utility company negotiated with that same contractor over the cost of moving its equipment. With little practical ability to bring in another firm, those negotiations could drag on while construction stopped and streets remained torn up.

The city has a proven way to avoid this mess. Under joint bidding, the city competitively bids its own infrastructure work and the necessary utility work together, before construction begins. The city's Department of Design and Construction (DDC) estimates that this relatively obscure procurement reform saves the city more than \$107 million annually and has reduced average utility-related delays from roughly 28 months to seven.

But after operating for years under long-term state authorization, joint bidding has been caught in a bureaucratic entanglement of its own. First authorized for Lower Manhattan in 2004, following September 11, and later expanded citywide, joint bidding most recently operated under a ten-year authorization that expired at the end of 2024. Since then, the authority has been subject to an annual negotiation in Albany, resulting in a series of one-year extensions. That forces city infrastructure planners to build multiyear projects around a procurement authority that extends little more than a year into the future and sends DDC back to Albany

year after year to preserve a tool that has already proved its value.

Governor Hochul and the State Legislature should end this cycle by making joint bidding permanent—or, at minimum, restoring a ten-year authorization.

The problem joint bidding solves is remarkably straightforward. Private utilities are generally responsible for moving or protecting their equipment when it interferes with a city project. But under the traditional process—known as Section U—the city's contractor is already on the job by the time that work has to be arranged. Because only one contractor can generally hold the permit for an open street, the utility has little leverage to shop the work around. It negotiates with the city's contractor, often after excavation has begun, while the city waits for the two sides to reach a deal. DDC describes utilities as having “no other feasible option but to hire the winning bidder,” with resulting deadlocks leaving public works projects “stalled for months and sometimes years on end.”

“The contractors know they have the upper hand in these negotiations,” says an official with a utility company, who requested anonymity to speak candidly. “This kind of interference work is a utility's legal obligation, and the cost of this work is paid by customers. Without more robust cost protections in the contracting process, some private contractors will use their position to gouge the utility companies, resulting in delays and increased costs for ratepayers.”

Data provided to CUF by a utility illustrates how large the difference can be. The utility says a manhole rebuild that costs roughly \$250,000 to \$350,000 when competitively bid has cost between \$750,000 and \$2

million when negotiated as interference work on a city project. In another case, it says a roughly 70-foot gas-service installation in Manhattan cost more than \$3 million, compared with an estimated competitive price of roughly \$100,000.

DDC's own analysis offers more evidence of the savings. Utility-related delays generated an average of \$5.8 million in additional overhead on traditional Section U projects, compared with \$1.5 million under joint bidding. Utilities also reimburse the city for a portion of shared project overhead. DDC has pointed to the \$139 million reconstruction of Downtown Far Rockaway, completed in 2022 with \$25 million in savings; the agency says that without joint bidding, the project would still have been under construction when it published its analysis two years later.

Despite that record, joint bidding has been operating on short-term extensions since 2024, as lawmakers have given the city, utilities, and contractors time to resolve longstanding disputes over how the program should operate. The Legislature passed another one-year extension this spring; as of September, the bills had passed both houses but had not yet been delivered to Governor Hochul.

Even if signed, that extension would not resolve the underlying problem. The annual cycle forces DDC staff and leadership to spend valuable time repeatedly making the case in Albany for an extension, while making it harder to plan multiyear projects and predict their costs and impacts. Utility officials also warn that repeatedly reopening the program through short-term extensions can allow some of the very inefficiencies joint bidding was created to eliminate to creep back in. Meanwhile, DDC officials say one-year authorizations are fundamentally at odds with the timescale of major infrastructure work, making it harder to reduce cost overruns and delays and improve predictability.

"The advantage of joint bidding is that the rules of engagement are clear from the beginning," says DDC

Associate Commissioner Jeffrey Margolies. "But it's not feasible to manage a multibillion-dollar, multiyear capital program with a one-year horizon."

Joint bidding is hardly a program frozen in place. It is now in its sixth iteration, and DDC recently spent 13 months and roughly 40 working sessions with contractors and utilities developing a new framework that revamped bidding, required more utility engineering upfront, clarified responsibilities during construction, and established penalties for avoidable delays.

Contractors have raised concerns about the program. The New York Road Contractors Association argued in 2024 that earlier versions set utility-work prices too low, forcing contractors to make up those costs elsewhere in their bids, and that inadequate utility engineering contributed to delays and overruns. DDC has disputed those claims but has also repeatedly modified joint bidding in response to industry concerns, including through the latest overhaul.

Those debates are an argument for keeping joint bidding flexible, not for putting its future at risk every year. DDC should keep working with contractors and utilities to improve pricing, strengthen advance planning, and hold each party responsible for delays it causes. But those questions can be worked through without requiring the city to repeatedly seek permission from Albany to use the underlying procurement tool.

Albany should provide that long-term authority—ideally by making joint bidding permanent, or at minimum by restoring a ten-year authorization. Mayor Mamdani should make that change a priority in the city's 2027 legislative agenda.

New York does not need another short-term experiment to know whether joint bidding works. It has two decades of experience, and city data showing that the program can save more than \$100 million a year and cut nearly two years from utility-related delays. The next step is to give the city the long-term authority to keep using it.

Conclusion

Reducing these frustrating, costly, and time-consuming bureaucratic rules and processes will be critical in the coming months and years as New York works to tackle serious affordability and competitiveness challenges amid growing fiscal constraints. The Mamdani administration has already taken an important step by launching the Commission on Government Efficiency and advancing five ballot proposals aimed at making city government work better. But the opportunities for reform extend well beyond the City Charter. The five barriers highlighted in this report show how outdated rules, duplicative reviews, and fragmented approval processes continue to raise costs, slow housing and infrastructure, impede clean-energy investment, and limit the city's ability to hire the talent it needs.

The administration and City Council should build on COGE's momentum and move quickly on a broader bureaucratic reform agenda, including these practical steps:

- **Allow greater use of PVC and other lower-cost piping materials** in multifamily housing while maintaining rigorous safety standards.
- **End routine OMB re-underwriting of affordable-housing projects** that already comply with approved term sheets and have cleared HPD review.
- **Create a coordinated, faster approval process for battery storage**, while pressing the state to resolve interconnection barriers.
- **Modernize civil service rules for technology hiring** so agencies can recruit workers with current, in-demand skills and reduce reliance on costly consultants.
- **Make joint bidding permanent—or at minimum restore a long-term authorization** so the city can reduce utility-related delays and costs on major infrastructure projects.

With affordability pressures mounting and fiscal constraints tightening, these reforms should be implemented swiftly in the months ahead, building on the administration's momentum to improve efficiency across government and helping create the more affordable and competitive city New Yorkers need.

