

## City of New York BOUNDRARY REVISION COMMISSION CITY HALL NEW YORK, NY 10007

March 23, 2009

Honorable Michael R. Bloomberg Office of the Mayor City Hall New York, NY 10007

Honorable Christine Quinn Office of the Speaker City Hall New York, NY 10007

Dear Mayor Bloomberg and Speaker Quinn:

We are pleased to submit to the Mayor and the Speaker of the City Council, the Boundary Revision Commission's (BRC) report on recommendations for revisions to the Geographic Exclusion Area (GEA) boundaries as required by New York City Administrative Code Section 11—245.1-a(d). Section 11-245.1-a(d) was added to the Administrative Code by Local Law 58 of 2006.

Since December 28<sup>th</sup>, 2006, the date when Local Law 58 of 2006 was enacted, the State legislature has passed and the Governor signed many significant changes to the 421-a Tax Exemption Program. These changes include, most significantly, the expansion of the GEA boundaries, which now include all of Manhattan, the north shore of Staten Island, Red Hook, Sunset Park, Prospect Heights, Crown Heights, Cypress Hills, Mount Hope, Belmont, the Long Island City waterfront and sections of Corona, Queens. This State expansion took effect on July 1, 2008. When the Council and the Administration passed Local Law 58, it was anticipated that one full year would elapse before the Boundary Review Commission would be issuing its recommendations, thereby enabling a detailed study to take place on the effects of the GEA on the development of affordable housing.

With the passage of the State law, which greatly expanded the GEA and delayed its effectiveness until July of this year, there is no ability to adequately assess the effect of the GEA expansions at this time. The Department of Buildings has only received 35 building permit requests for approximately 1625 units in the entire GEA between July 1<sup>st</sup> and February 1<sup>st</sup>, 2009.

Accordingly, as members of the Boundary Review Commission and in light of the new State expansions, we believe eight months is premature to assess the impact of the Council expansion of the GEA and the other indicators that we were asked to review and thus will withhold a thorough review and report until December 1, 2010.

Sincerely,

Signatures/Agency/Titles

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