

**LOCAL LAWS
OF
THE CITY OF NEW YORK
FOR THE YEAR 1995**

No. 58

Introduced by Council Members O'Donovan, Fisher and Fusco (in conjunction with the Mayor) (Passed under a Message of Necessity from the Mayor)

A LOCAL LAW

To amend the administrative code of the city of New York, in relation to real property tax exemption for certain industrial and commercial properties and tax abatement of certain industrial properties.

Be it enacted by the Council as follows:

Section 1. Subdivision a of section 11-256 of the administrative code of the city of New York, is amended to read as follows:

a. "Applicant" means any person obligated to pay real property taxes on the property for which an exemption from or *abatement or* deferral of real property tax payments is sought, or in the case of exempt property, the record owner or lessee thereof.

§2. Subdivision f of section 11-256 of such code is amended to read as follows:

f. "Commercial property" means nonresidential property: (1) on which will exist after completion of commercial construction work, a building or structure used for the buying, selling or otherwise providing of goods or services including hotel services, or for other lawful business, commercial or manufacturing activities; and (2)(a) where, except as provided in subparagraph (b) of this paragraph, not more than fifteen per centum of the total net square footage of any building or structure on such property was used for manufacturing activities at any one or more times during the twenty-four months immediately preceding the date of application for a certificate of eligibility or (b) where not more than fifteen per centum of the total net square footage of any building or structure on such property was used for manufacturing activities at any one or more times during the sixty months immediately preceding the date of application for a certificate of eligibility if such property is located, in whole or in part, in the area in the borough of Manhattan lying south of *the center line of 96th Street*; or, forty-eight months, in the area in the borough of Queens delineated by a line beginning at a point where the center line of Vernon Boulevard would intersect with the center line of Bridge Plaza South and running easterly parallel with Bridge Plaza South; continuing easterly parallel with Queens Plaza South to the center line of 23rd Street; thence southerly parallel to 23rd Street to the center line of 44th Drive; thence westerly parallel to 44th Drive to the center line of Vernon Boulevard; thence northerly parallel to Vernon Boulevard to the point of beginning.

§3. Paragraphs (1), (2), (3) and (4) of subdivision i of section 11-256 of such code is amended to read as follows:

(1) For purposes of computing the exemption pursuant to subdivision a, b, c or d of section 11-257 of this part, "exemption base" shall mean, with respect to property that is the subject of a certificate of eligibility with an effective date of June 30, 1992 or before: (a) for the first, second and third taxable years following the [issuance] *effective date* of a certificate of eligibility, the assessed value of improvements made since the effective date of such certificate which are attributable exclusively to commercial or industrial construction work described in approved plans; and (b) for all other years, the assessed value of such improvements which have been made before the fourth taxable status date following the [issuance] *effective date* of such certificate.

(2) For purposes of computing the exemption pursuant to subdivision c, d or e of section 11-257 of this part, "exemption base" shall mean, with respect to property that is the subject of a certificate of eligibility with an effective date of July 1, 1992 or after: (a) for the first through fifth taxable years following the [issuance] *effective date* of a certificate of eligibility, the assessed value of improvements made since the effective date of such certificate which are attributable exclusively to commercial or renovation construction work described in approved plans; and (b) for all other years, the assessed value of such improvements which have been made before the sixth taxable status date following the [issuance] *effective date* of such certificate.

(3) For purposes of computing the exemption pursuant to subdivision a or b of section 11-257 of this part, "exemption base" shall mean, with respect to property that is the subject of a certificate of eligibility with an effective date of July 1, 1992 or after: (a) for the first through fifth taxable years following the [issuance] *effective date* of a certificate of eligibility, the assessed value of improvements made since the effective date of such certificate which are attributable exclusively to commercial or industrial construction work described in approved plans plus any equalization increases or minus any equalization decreases in the assessed value of the property so improved (excluding the land) occurring subsequent to the effective date of such certificate; and (b) for all other years, the assessed value of such improvements made before the sixth taxable status date following the [issuance] *effective date* of such certificate plus any equalization increases or minus any equalization decreases in the assessed value of the property so improved (excluding the land) occurring subsequent to the effective date of such certificate but before the fourteenth taxable status date following the [issuance] *effective date* of such certificate. For purposes of the preceding sentence: no adjustment shall be made to the assessed value of the improvements referred to in subparagraphs (a) and (b) of this paragraph for any portion of an equalization increase or decrease which is being phased in pursuant to section eighteen hundred five of the real property tax law subsequent to the effective date of the certificate of eligibility if such increase or decrease occurred prior to such effective date; which respect to any taxable year, an adjustment for an equalization increase or decrease shall reflect only the portion of such increase or decrease which is being phased in during such taxable year or which was phased in during a prior taxable year; no adjustment for an equalization decrease shall reduce the exemption base to an amount less than the assessed value of the improvements referred to in subparagraphs (a) and (b) of this paragraph, and, to the extent that any such decrease would reduce the exemption base below such amount, such decrease shall reduce the taxable portion of the assessed value; and no adjustment shall be made for an equalization increase or decrease if the

improvements referred to in subparagraphs (a) and (b) of this paragraph do not result in a physical increase in the assessed value of the property.

(4) Notwithstanding paragraph (1) of this subdivision, for purposes of computing the exemption pursuant to subdivision a of section 11-257 of this part, "exemption base" shall mean, with respect to industrial property that is located in the area in the borough of Manhattan lying north of *the center line of 96th Street*, or that is located in the Bronx, Brooklyn, Queens or Staten Island; and that is the subject of a certificate of eligibility with an effective date after December 31, 1989 and before July 1, 1992: (a) for the first, second and third taxable years following the [issuance] *effective date* of a certificate of eligibility, the assessed value of improvements made since the effective date of such certificate which are attributable exclusively to industrial construction work described in approved plans; and (b) for all other years, the assessed value of such improvements made before the fourth taxable status date following the [issuance] *effective date* of such certificate plus any equalization increases or minus any equalization decreases in the assessed value of the property so improved (excluding the land) occurring subsequent to the fourth taxable status date following the [issuance] *effective date* of such certificate but before the fourteenth taxable status date following the [issuance] *effective date* of such certificate. For purposes of the preceding sentence: no adjustment shall be made to the assessed value of the improvements referred to in subparagraphs (a) and (b) of this paragraph for any portion of an equalization increase or decrease which is being phased in pursuant to section eighteen hundred five of the real property tax law subsequent to the effective date of the certificate of eligibility if such increase or decrease occurred prior to such effective date; with respect to any taxable year, an adjustment for an equalization increase or decrease shall reflect only the portion of such increase or decrease which is being phased in during such taxable year or which was phased in during a prior taxable year; no adjustment for an equalization decrease shall reduce the exemption base to an amount less than the assessed value of the improvements referred to in subparagraphs (a) and (b) of this paragraph, and, to the extent that any such decrease would reduce the exemption base below such amount, such decrease shall reduce the taxable portion of the assessed value; and no adjustment shall be made for an equalization increase or decrease if the improvements referred to in subparagraphs (a) and (b) of this paragraph do not result in a physical increase in the assessed value of the property.

§4. Paragraph 5 of subdivision i of section 11-256 of such code is relettered paragraph 6 and a new paragraph 5 is added to read as follows:

(5) *For purposes of computing the exemption: (a) pursuant to subdivision e.1 of section 11-257 of this part, "exemption base" shall mean, with respect to property that is the subject of a certificate of eligibility with an effective date of July 1, 1995 or after and that is located in the new construction exemption area specified in paragraph (1) of subdivision e of section 11-258 of this part: for any taxable year following the effective date of a certificate of eligibility, the assessed value of improvements made since the effective date of such certificate which are attributable exclusively to the construction of a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part as described in approved plans, provided such improvements are made within thirty-six months of the effective date of such certificate or by December 31, 1999, whichever is earlier; and (b) pursuant to subdivision e.1 of section 11-257 of this part, "exemption base" shall mean, with respect to property that is the subject of a certificate of eligibility with an effective date of July 1, 1995 or after and that is located in the new*

construction exemption area specified in paragraph (2) of subdivision e of section 11-258 of this part: for any taxable year following the effective date of a certificate of eligibility, the assessed value of improvements made since the effective date of such certificate which are attributable exclusively to the construction of a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part as described in approved plans, provided such improvements are made within forty-two months of the effective date of such certificate.

§5. Subdivision n of section 11-256 of such code is amended to read as follows:

n. "Minimum required expenditure" means expenditure for commercial, renovation or industrial construction work in an amount equal to twenty per centum of the initial assessed value; provided, however, that with respect to a recipient who filed an application on or after July 1, 1995 for a certificate of eligibility for industrial construction work or for commercial construction work in a special exemption area or a regular exemption area, minimum required expenditure means expenditure for such work in an amount equal to ten per centum of the initial assessed value; provided, however, that with respect to a recipient who filed an application on or after July 1, 1995 for a certificate of eligibility for industrial construction work and for the purpose of receiving an abatement of real property taxes in accordance with paragraph (3) of subdivision a of section 11-257 of this part, minimum required expenditure means expenditure for such work in an amount equal to twenty-five per centum of the initial assessed value; and provided further that if the department of finance, after consultation with the deputy mayor for finance and economic development, determines that a greater expenditure is required to encourage significant industrial and commercial development it may establish by [regulation] rule a higher percentage of initial assessed value, not to exceed fifty per centum thereof, as the minimum required expenditure. Expenditure for residential construction work shall not be included in the minimum required expenditure; provided, however, that for mixed-use property, expenditures for construction work related to the common areas and systems of such property shall be allocated, in accordance with rules promulgated by the department of finance, between the residential and nonresidential portions of the property. If real property was used for both residential and nonresidential purposes on the effective date of the certificate of eligibility, the initial assessed value of such real property, for purposes of this subdivision, shall be the initial assessed value apportioned to the nonresidential portions thereof.

§6. Subdivision u of section 11-256 of such code is amended to read as follows:

u. "Special exemption area" means an area in which the commission has determined that a special exemption from real property taxes in accordance with subdivision b of section 11-257 of this part shall be available to a recipient who performs commercial construction work and, in addition, means the area specified in paragraph (4) of subdivision c of section 11-258 of this part.

§7. Section 11-256 of such code is amended by adding a new subdivision y to read as follows:

y. "New construction exemption areas" means the areas specified in subdivision e of section 11-258 of this part in which an exemption from real property taxes in accordance with subdivision e.1 of section 11-257 of this part shall be available to a recipient who constructs a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part.

§8. The opening paragraph of section 11-257 of such code is amended to read as follows:

The city shall be divided into [five] *six* classes of areas as provided in this part and pursuant to designation of areas to be made by a temporary commercial incentive area boundary commission. Within such areas, the following benefits shall be available to qualified recipients:

§9. Subdivisions a, b, c, d and e of section 11-257 of such code are amended to read as follows:

a. (1) A recipient who, following the [issuance] *effective date* of a certificate of eligibility, has performed industrial construction work in any area of such city shall be eligible for an exemption from real property taxes as follows: For the first thirteen tax years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following nine tax years, the recipient shall be exempt from taxation on a percentage *of the exemption* base beginning at ninety per centum thereof in the fourteenth tax year and decreasing by ten per centum of said exemption base each year.

The following table shall illustrate the computation of the exemption for industrial construction work:

Tax year following <i>effective</i> date of [issuance of] certificate of eligibility:	Amount of exemption:
1 through 13	Tax on 100% of exemption base
14	Tax on 90% of exemption base
15	Tax on 80% of exemption base
16	Tax on 70% of exemption base
17	Tax on 60% of exemption base
18	Tax on 50% of exemption base
19	Tax on 40% of exemption base
20	Tax on 30% of exemption base
21	Tax on 20% of exemption base
22	Tax on 10% of exemption base

(2) *Notwithstanding paragraph (1) of this subdivision, a recipient who filed an application for a certificate of eligibility for industrial construction work in any area of such city on or after July 1, 1995, and who, following the effective date of such certificate of eligibility, has performed such industrial construction work shall be eligible for an exemption from real property taxes as follows: for the first sixteen tax years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following nine tax years, the recipient shall be exempt from taxation on a percentage of the exemption base beginning at ninety per centum thereof in the seventeenth tax year and decreasing by ten per centum of said exemption base each year.*

The following table shall illustrate the computation of the exemption for industrial construction work pursuant to this paragraph:

<i>Tax year following effective date of certificate of eligibility:</i>	<i>Amount of exemption:</i>
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1 through 16	Tax on 100% of exemption base
17	Tax on 90% of exemption base
18	Tax on 80% of exemption base
19	Tax on 70% of exemption base
20	Tax on 60% of exemption base
21	Tax on 50% of exemption base
22	Tax on 40% of exemption base
23	Tax on 30% of exemption base
24	Tax on 20% of exemption base
25	Tax on 10% of exemption base

(3) (a) A recipient who filed an application for a certificate of eligibility for industrial construction work in any area of such city on or after July 1, 1995, and who, following the effective date of such certificate of eligibility, both commenced and completed such work, shall be eligible for an abatement of real property taxes as follows: for the first tax year immediately following completion of such work, and for the second, third and fourth tax years following completion of such work, the abatement shall equal fifty per centum of the real property tax that was imposed on the property which is the subject of the certificate of eligibility for the tax year immediately preceding the effective date of such certificate of eligibility, provided, however, that if such property was fully or partially exempt from real property taxes during such tax year, then the abatement shall equal fifty per centum of the real property tax that would have been imposed on such property but for such full or partial exemption. For the fifth and sixth tax years, the abatement shall equal forty per centum of such amount; for the seventh and eighth tax years, the abatement shall equal thirty per centum of such amount; for the ninth and tenth tax years, the abatement shall equal twenty per centum of such amount; and for the eleventh and twelfth tax years, the abatement shall equal ten per centum of such amount. Notwithstanding any inconsistent provision of this paragraph, a recipient shall not be eligible for an abatement for the first tax year following completion of such work, unless the recipient submits proof satisfactory to the department of finance that such work was completed on or before the taxable status date for such first tax year no later than thirty days after such taxable status date. Where the recipient fails to submit such proof in accordance with the foregoing sentence, a recipient shall not be eligible for an abatement until the second tax year following completion of such work. In such case, a recipient shall submit proof satisfactory to the department of finance that such work was completed on or before the taxable status date for such first tax year no later than thirty days after the taxable status date for such second tax year. A recipient whose abatement begins in the second tax year following completion of such work shall not thereby have his or her twelve-year benefit period shortened.

The following table shall illustrate the computation of the abatement for industrial construction work pursuant to this paragraph:

Tax year following completion of industrial construction work:	Amount of abatement:
1	50%
2	50%

3	50%
4	50%
5	40%
6	40%
7	30%
8	30%
9	20%
10	20%
11	10%
12	10%

(b) If, due to a determination of the department of finance or tax commission of such city or a court, the real property tax imposed on such property for the tax year immediately preceding the effective date of such certificate of eligibility is changed, then any abatement that was granted in accordance with this paragraph prior to such reduction shall be recalculated and any abatement to be granted in accordance with this paragraph shall be based on the real property tax imposed on such property for the tax year immediately preceding the effective date of such certificate of eligibility, as changed by such determination. The amount equal to the difference between the abatement originally granted and the abatement as so recalculated shall be deducted from any refund otherwise payable or remission otherwise due as a result of a change due to such determination, and any balance of such amount remaining unpaid after making any such deduction shall be paid to the department of finance within thirty days from the date of mailing by the department of finance of a notice of the amount payable. Such amount payable shall constitute a tax lien on such property as of the date of such notice and, if not paid within such thirty-day period, penalty and interest at the rate applicable to delinquent taxes on such property shall be charged and collected on such amount from the date of such notice to the date of payment.

(c) No property which is the subject of a certificate of eligibility pursuant to this part shall receive more than one abatement pursuant to this part and no abatement shall exceed one consecutive twelve-year period as specified in subparagraph (a) of this paragraph.

(d) In no event shall an abatement granted pursuant to this part exceed in any tax year the real property taxes imposed on the property which is the subject of a certificate of eligibility pursuant to this part.

(e) For the purpose of calculating an abatement of real property taxes pursuant to this part, where a tax lot contains more than one building or structure and not all of the buildings or structures comprising such tax lot are the subject of a certificate of eligibility for industrial construction work pursuant to this part, the real property taxes imposed on such tax lot for the year immediately preceding the effective date of such certificate of eligibility shall be apportioned among the buildings, structures and land comprising such tax lot and only such real property taxes as are allocable to the property which is the subject of the certificate of eligibility pursuant to this part shall be abated in accordance with this paragraph. Such apportionment shall be in accordance with rules promulgated by the department of finance.

b. (1) A recipient who, following the [issuance] effective date of a certificate of eligibility, has performed commercial construction work in a special exemption area shall be eligible for an exemption from real property taxes as follows: For the first thirteen tax

years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following nine tax years, the recipient shall be exempt from taxation on a percentage of the exemption base beginning at ninety per centum thereof in the fourteenth tax year and decreasing by ten per centum of said exemption base each year.

The following table shall illustrate the computation of the exemption for commercial construction work in a special exemption area:

Tax year following <i>effective</i> date of [issuance of] certificate of eligibility:	Amount of exemption:
1 through 13	Tax on 100% of exemption base
14	Tax on 90% of exemption base
15	Tax on 80% of exemption base
16	Tax on 70% of exemption base
17	Tax on 60% of exemption base
18	Tax on 50% of exemption base
19	Tax on 40% of exemption base
20	Tax on 30% of exemption base
21	Tax on 20% of exemption base
22	Tax on 10% of exemption base

(2) Notwithstanding paragraph (1) of this subdivision, a recipient who filed an application for a certificate of eligibility for commercial construction work in a special exemption area on or after July 1, 1995, and who, following the effective date of such certificate of eligibility, has performed such commercial construction work shall be eligible for an exemption from real property taxes as follows: For the first sixteen tax years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following nine tax years, the recipient shall be exempt from taxation on a percentage of the exemption base beginning at ninety per centum thereof in the seventeenth tax year and decreasing by ten per centum of said exemption base each year.

The following table shall illustrate the computation of the exemption for commercial construction work in a special exemption area pursuant to this paragraph:

Tax year following <i>effective</i> date of <i>certificate of</i> <i>eligibility:</i>	Amount of exemption:
1 through 16	Tax on 100% of exemption base
17	Tax on 90% of exemption base
18	Tax on 80% of exemption base
19	Tax on 70% of exemption base
20	Tax on 60% of exemption base
21	Tax on 50% of exemption base
22	Tax on 40% of exemption base
23	Tax on 30% of exemption base
24	Tax on 20% of exemption base
25	Tax on 10% of exemption base

c. (1) A recipient who, following the [issuance] *effective date* of a certificate of eligibility, has performed commercial construction work in a regular exemption area shall be eligible for an exemption from *real property* taxes as follows: For the first eight tax years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following four tax years, the recipient shall be exempt from taxation on a percentage of the exemption base beginning at eighty per centum thereof in the ninth tax year and decreasing by twenty per centum of said exemption base each year.

The following table shall illustrate the computation of the exemption for commercial construction work in a regular exemption area:

Tax year following <i>effective date</i> [of issuance] of certificate of eligibility:	Amount of exemption:
1 through 8	Tax on 100% of exemption base
9	Tax on 80% of exemption base
10	Tax on 60% of exemption base
11	Tax on 40% of exemption base
12	Tax on 20% of exemption base

(2) *Notwithstanding paragraph (1) of this subdivision, a recipient who filed an application for a certificate of eligibility for commercial construction work in a regular exemption area on or after July 1, 1995, and who, following the effective date of such certificate of eligibility, has performed such commercial construction work shall be eligible for an exemption from real property taxes as follows: For the first eleven tax years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following four tax years, the recipient shall be exempt from taxation on a percentage of the exemption base beginning at eighty per centum thereof in the twelfth tax year and decreasing by twenty per centum of said exemption base each year.*

The following table shall illustrate the computation of the exemption for commercial construction work in a regular exemption area pursuant to this paragraph:

Tax year following <i>effective date of certificate of eligibility</i> :	Amount of exemption:
1 through 11	Tax on 100% of exemption base
12	Tax on 80% of exemption base
13	Tax on 60% of exemption base
14	Tax on 40% of exemption base
15	Tax on 20% of exemption base

d. Except as provided in paragraphs (2) and (3) of subdivision d of section 11-258 of this part, a recipient who, following the [issuance] *effective date* a certificate of eligibility, has performed commercial construction work in a deferral area shall be eligible for a deferral of tax payments as follows: For the first three tax years following the [issuance] *effective date* of a certificate of eligibility, the tax payment on one hundred per

centum of the exemption base shall be deferred. For the following four tax years, the tax payment on a percentage of the exemption base beginning at eighty per centum thereof in the fourth tax year and decreasing by twenty per centum each year shall be deferred. The total amount of tax payments deferred pursuant to this part shall be paid subsequently over the course of ten tax years as follows: Commencing in the eleventh tax year following the [issuance] *effective date* of the certificate of eligibility, through and including the twentieth tax year following such [issuance] *effective date*, an amount equal to ten per centum of the total amount of tax payments deferred pursuant to this section shall be added to the amount of tax otherwise assessed and payable in each such tax year on the property subject to such deferral.

The following table shall illustrate the computation of deferral and payment of taxes for commercial construction work in a deferral area:

Tax year following <i>effective date</i> [of issuance] of certificate of eligibility:	Amount of tax payments to be deferred or paid:
1 through 3	Deferral of tax payment on 100% of the exemption base
4	Deferral of tax payment on 80% of the exemption base
5	Deferral of tax payment on 60% of the exemption base
6	Deferral of tax payment on 40% of the exemption base
7	Deferral of tax payment on 20% of the exemption base
8 through 10	No tax payments are to be deferred and no deferred tax payments are required to be made
11 through 20	Payment each year of 10% of total dollar amount of tax payments deferred pursuant to this part

e. A recipient who, following the [issuance] *effective date* of a certificate of eligibility, has performed renovation construction work in a renovation exemption area shall be eligible for an exemption from real property taxes as follows: For the first eight tax years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following four tax years, the recipient shall be exempt from taxation on a percentage of the exemption base beginning at eighty per centum thereof in the ninth tax year and decreasing by twenty per centum of said exemption base each year.

The following table shall illustrate the computation of the exemption for renovation construction work in a renovation exemption area:

Tax year following <i>effective date</i> [of issuance] of certificate of eligibility:	Amount of exemption:
1 through 8	Tax on 100% of exemption base
9	Tax on 80% of exemption base
10	Tax on 60% of exemption base
11	Tax on 40% of exemption base
12	Tax on 20% of exemption base

§10. Section 11-257 of such code is amended by adding a new subdivision e.1 to read as follows:

e.1. A recipient who, following the effective date of a certificate of eligibility, constructs a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part in the new construction exemption area specified in paragraph (1) or paragraph (2) of subdivision e of section 11-258 of this part shall be eligible for an exemption from real property taxes as follows: for the first four tax years, the recipient shall be exempt from taxation on one hundred per centum of the exemption base. For the following four tax years, the recipient shall be exempt from taxation on a percentage of the exemption base beginning at eighty per centum thereof in the fifth tax year and decreasing by twenty per centum of said exemption base each year.

The following table shall illustrate the computation of the exemption for the construction of a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part in the new construction exemption area specified in paragraph (1) or paragraph (2) of subdivision e of section 11-258 of this part:

<i>Tax year following effective date of certificate of eligibility:</i>	<i>Amount of exemption:</i>
<i>1 through 4</i>	<i>Tax on 100% of exemption base</i>
<i>5</i>	<i>Tax on 80% of exemption base</i>
<i>6</i>	<i>Tax on 60% of exemption base</i>
<i>7</i>	<i>Tax on 40% of exemption base</i>
<i>8</i>	<i>Tax on 20% of exemption base</i>

§11. Paragraphs (1) and (2) of subdivision c of section 11-258 of such code are amended to read as follows:

(1) The commission may designate any area other than the area lying south of *the center line of 96th Street* in the borough of Manhattan, to be a special exemption area if it determines that market conditions in the area are such that the availability of a special exemption is required in order to encourage commercial construction work in such area. In making such determination, the commission shall consider, among other factors, the existence in such area of a special need for commercial and job development, high unemployment, economic distress or unusually large numbers of vacant, underutilized, unsuitable or substandard structures, or other substandard, unsanitary, deteriorated or deteriorating conditions, with or without tangible blight.

(2) Any other area in such city, other than the area lying south of *the center line of 96th Street*, which the commission has not designated as a special exemption area shall be a regular exemption area.

§12. Subdivision c of section 11-258 of such code is amended by adding a new paragraph (4) to read as follows:

(4) *Notwithstanding any other provision of this part, any area in the city of New York designated as an economic development zone in accordance with article eighteen-b of the general municipal law, which the commission has not designated as a special exemption area, shall be a special exemption area as of July 1, 1995 or as of the date of the designation of such area as an economic development zone, whichever is later.*

§13. Paragraph 1, 2, 3 and 4 of subdivision d of section 11-258 of such code are amended to read as follows:

d. (1) The following area in the borough of Manhattan shall, except as otherwise provided in paragraphs (2), (3) and (4) of this subdivision *and subdivision e of this section*, be an excluded area: the area in the borough of Manhattan lying south of *the center line of 96th Street* and north of *the center line of 23rd Street*.

(2) The following areas in the borough of Manhattan shall, except as otherwise provided in paragraph (4) of this subdivision *and subdivision e of this section*, be excluded areas as of July 1, 1992; provided, however, that if an application for a certificate of eligibility has been filed for commercial construction work in such areas on or before December 31, 1992 and the recipient presents evidence satisfactory to the department of finance: (a) (i) for a new building or structure, that construction has been completed on a foundation, as described in approved plans, on or before June 30, 1993; or (ii) for an existing building or structure, that at least five per centum of the minimum required expenditure has been made for commercial construction work, as described in approved plans, on or before June 30, 1993; and (b) that all other requirements of this part have been met; then, a deferral of tax payments pursuant to subdivision d of section 11-257 of this part shall be granted for such commercial construction work, except that no deferral of tax payments shall be granted for commercial construction work on mixed-use property:

(i) the area delineated by a line beginning at the point where the center line of 96th Street would intersect the Hudson River Pierhead line and running easterly along the center line of 96th Street to the center line of Central Park West; thence southerly along said center line to the center line of 59th Street; thence westerly along said center line to the Hudson River Pierhead line; thence northerly along said Pierhead line to the point of beginning; and

(ii) the area delineated by a line beginning at a point where the center line of 59th Street would intersect with a point one hundred fifty feet west of the center line of 8th Avenue and running easterly along the center line of 59th Street to a point one hundred fifty feet west of the center line of the Avenue of the Americas; thence southerly parallel to the Avenue of the Americas to a point which is the midpoint between the center line of 42nd Street and the center line of 41st Street; thence westerly parallel to 41st Street to a point one hundred fifty feet west of the center line of 8th Avenue; thence northerly parallel to 8th Avenue to the point of beginning.

(3) The following area in the borough of Manhattan shall, except as otherwise provided in paragraph (4) of this subdivision *and subdivision e of this section*, be an excluded area as of January 1, 1993; provided, however, that if an application for a certificate of eligibility has been filed for commercial construction work in such area on or before December 31, 1992 and the recipient presents evidence satisfactory to the department of finance: (a)(i) for a new building or structure, that construction has been completed on a foundation, as described in approved plans, on or before December 31, 1993; or (ii) for an existing building or structure, that at least five per centum of the minimum required expenditure has been made for commercial construction work, as described in approved plans, on or before December 31, 1993; and (b) that all other requirements of this part have been met, then, a deferral of tax payments pursuant to subdivision d of section 11-257 of this part shall be granted for such commercial construction work, except that no deferral of tax payments shall be granted for commercial construction work on mixed-use property: the area delineated by a line beginning at the point where the center line of 59th Street would intersect with the Hudson River Pierhead

line; thence southerly along said Pierhead line to the center line of Liberty Street; thence easterly along said center line to the center line of Church Street; thence northerly along said center line to the center line of Fulton Street; thence easterly along said center line to the East River Pierhead line; thence northerly along said Pierhead line to a point which is the midpoint between the center line of 34th Street and the center line of 33rd Street; thence westerly parallel to 33rd Street to a point one hundred fifty feet west of the center line of the Avenue of the Americas; thence northerly parallel to the Avenue of the Americas to a point which is *the* midpoint between the center line of 42nd Street and the center line of 41st Street; thence westerly parallel to 41st Street to a point one hundred fifty feet west of the center line of 8th Avenue; thence northerly parallel to 8th Avenue to the center line *center line* of 59th Street; thence westerly along said center line to the point of beginning.

(4) Notwithstanding the provisions of paragraphs (1), (2) and (3) of this subdivision, the following areas in the borough of Manhattan shall be renovation exemption areas: (a) as of July 1, 1992 and [thereafter] *until June 30, 1999*: the area in the borough of Manhattan lying south of *the center line of 23rd Street*; [and] (b) as of July 1, 1992 and until January 31, 1995: the area in the borough of Manhattan lying south of *the center line of 96th Street and north of the center line of 23rd Street*; and (c) *as of July 1, 1995 and until June 30, 1999: the area in the borough of Manhattan lying south of the center line of 59th Street and north of the center line of 23rd Street.*

§14. Section 11-258 of such code is amended by adding a new subdivision e to read as follows:

e. Notwithstanding the provisions of subdivision d of this section, the areas in the borough of Manhattan specified in paragraphs (1) and (2) of this subdivision, except the "Project Area" described in a lease held by the Battery Park City Authority as tenant and originally dated as of November 24, 1969 and thereafter from time to time amended, shall be new construction exemption areas: (1) as of July 1, 1995 and until December 31, 1996: the area in the borough of Manhattan lying south of the center line of 96th Street, excluding the area specified in paragraph (2) of this subdivision; and (2) as of July 1, 1995 and until June 30, 1999: the area in the borough of Manhattan bounded by Murray Street on the north starting at the intersection of West Street and Murray Street; running easterly along the center line of Murray Street; connecting through city hall park with the center line of Frankfort Street and running easterly along the center line of Frankfort and Dover Streets to the intersection of Dover Street and South Street; running southerly along the center line of South Street to Peter Minuit Plaza; connecting through Peter Minuit Plaza to the center line of State Street and running northwesterly along the center line of State Street to the intersection of State Street and Battery Place; running westerly along the center line of Battery Place to the intersection of Battery Place and West Street; and running northerly along the center line of West Street to the intersection of West Street and Murray Street.

§15. Subdivision a of section 11-259 of such code is amended to read as follows:

a. A recipient of a certificate of eligibility with an effective date of June 30, 1992 or before must make one half the minimum required expenditure within eighteen months of the effective date of such recipient's certificate of eligibility, and make the minimum required expenditure within thirty-six months of the effective date of such certificate to be eligible to receive the benefits of this part. A recipient of a certificate of eligibility with an effective date of July 1, 1992 or after must make one-half the minimum required

expenditure within thirty months of the effective date of such recipient's certificate of eligibility, and make the minimum required expenditure within sixty months of the effective date of such certificate to be eligible to receive the benefits of this part; provided, however, that a recipient of a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (b) of paragraph (4) of subdivision d of section 11-258 of this part must make one-half the minimum required expenditure within eighteen months of the effective date of such recipient's certificate of eligibility, or by December 31, 1994, whichever is earlier, and make the minimum required expenditure within thirty-six months of the effective date of such certificate, or by December 31, 1995, whichever is earlier, to be eligible to receive the benefits of this part; provided, further, however, that a recipient who filed an application for a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (b) of paragraph (4) of subdivision d of section 11-258 of this part on or after July 1, 1994, but before February 1, 1995, must make one-half the minimum required expenditure within eighteen months of the effective date of such certificate, or by July 31, 1995, whichever is earlier, and make the minimum required expenditure within thirty-six months of the effective date of such certificate, or by July 31, 1996, whichever is earlier, to be eligible to receive the benefits of this part, *provided, further, however, that a recipient who filed an application for a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (a) or (c) of paragraph (4) of subdivision d of section 11-258 of this part on or after July 1, 1995, must make one-half the minimum required expenditure within eighteen months of the effective date of such certificate, and make the minimum required expenditure within thirty-six months of the effective date of such certificate, to be eligible to receive the benefits of this part.* Any recipient who shall fail to make such expenditures shall become ineligible and shall pay, with interest, any taxes for which an exemption or deferral was claimed pursuant to this section. *This subdivision shall not apply to the recipient of a certificate of eligibility for construction of a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part in a new construction exemption area.*

§16. Subdivision c of section 11-259 of such code is amended by adding a new paragraph (4) to read as follows:

(4) Notwithstanding paragraph (1) of this subdivision, an applicant may file an application for benefits pursuant to this part for renovation construction work for property located in the renovation exemption area specified in subparagraph (c) of paragraph (4) of subdivision d of section 11-258 of this part within sixty days of the date of enactment of this paragraph that added this sentence, regardless of whether a building permit for such work was issued before such application was filed, provided that such permit was not issued before February 1, 1995, and provided further that a final application is filed with, and accepted by, the department of finance, on or before December 31, 1995. The department of finance shall issue a certificate of eligibility to such an applicant upon determining that the applicant satisfied all other requirements of this part. The effective date of such certificate shall be the date of acceptance by the department of finance of a final application containing such information as prescribed by rule of the department of finance. No benefits pursuant to this part shall be granted for construction work performed before the effective date of such certificate of eligibility.

§17. Subdivisions f and g of section 11-259 of such code are amended to read as follows:

f. If any person described in the statement required by paragraph (2) of subdivision e of this section is finally adjudicated by a court of competent jurisdiction to be guilty of any charge listed in such statement, the recipient shall cease to be eligible for benefits pursuant to this part and shall pay with interest any taxes for which an exemption, *abatement* or deferral was claimed pursuant to this part.

g. In addition to any other qualifications for exemption from or *abatement* or deferral of payment of taxes set forth in this part, an applicant must be:

(1) obligated to pay real property tax on the property for which an exemption, *abatement* or deferral is sought, whether such obligation arises because of record ownership of such property, or because the obligation to pay such tax has been assumed by contract; or

(2) the record owner or lessee of property which is exempt from real property taxation who has entered into an agreement to sell or lease such property to another person. Such person shall be a co-applicant with such owner or lessee.

§18. Section 11-259 of such code is amended by adding a new subdivision i to read as follows:

i. (1)(a) *No benefits pursuant to this part shall be granted for construction of a new building or structure in the new construction exemption area specified in paragraph (1) of subdivision e of section 11-258 of this part unless (i) construction of the foundation of such building or structure has been completed within twelve months of the effective date of the recipient's certificate of eligibility, or by December 31, 1997, whichever is earlier; and (ii) construction of such building or structure has been completed within thirty-six months of the effective date of the recipient's certificate of eligibility, or by December 31, 1999, whichever is earlier. (b) No benefits pursuant to this part shall be granted or reconstruction of a new building or structure in the new construction exemption area specified in paragraph (2) of subdivision e of section 11-258 of this part unless: (i) construction of the foundation of such building or structure has been completed within twenty-four months of the effective date of the recipients' certificate of eligibility; and (ii) construction of such building or structure has been completed within forty-two months of the effective date of the recipient's certificate of eligibility.*

(2) *No benefits pursuant to this part shall be granted for construction of a new building or structure in a new construction exemption area unless such building or structure meets the requirements set forth in subparagraphs (a) and (b) of this paragraph and, in addition, meets at least two of the five requirements set forth in subparagraphs (c) through (g) of this paragraph.*

(a) *The height of at least fifty per centum of the floors in such building or structure shall be not less than twelve feet, nine inches measured from the top of the slab comprising the floor to the bottom of the slab comprising the ceiling;*

(b) *Such building or structure shall be served by fiber optic telecommunications wiring and shall contain vertical penetrations for the distribution of fiber optic cabling to individual tenants on each floor;*

(c) *The total square footage of such building or structure is not less than five hundred thousand gross square feet;*

(d) *A minimum of two hundred thousand gross square feet or twenty-five per centum of such building or structure is comprised of floors of not less than forty thousand gross square feet;*

(e) *At least ten per centum of the gross square footage of such building or structure is comprised of floors that contain no more than eight structural columns, excluding any columns within the core or on the periphery of such building or structure;*

(f) *The electrical capacity of such building or structure is not less than six watts per net square foot;*

(g) *Emergency backup power sufficient to accommodate a need of six watts per net square foot is available in at least two hundred thousand gross square feet or twenty-five per centum of such building or structure.*

§19. Subdivisions a, b, d, f and g of section 11-260 of such code are amended to read as follows:

§11-260 Application for certificate of eligibility. a. Application for a certificate of eligibility pursuant to this part may be made immediately and continuing until June thirtieth, nineteen hundred ninety-nine; provided, however, that application for a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (b) of paragraph (4) of subdivision d of section 11-258 of this part may not be made after January 31, 1995; *provided, further, however, that application for a certificate of eligibility for construction of a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part in the new construction exemption area specified in paragraph (1) of subdivision e of section 11-258 of this part may not be made after December 31, 1996; and provided, further, however, that no benefits pursuant to this part shall be granted for construction work performed pursuant to a building permit issued after July 31, 1999.* Such application shall state whether it is for industrial, commercial or renovation construction work, and shall be filed with the department of finance. In addition to any other information required by such department, the application shall include cost estimates or bids for the proposed construction and an affidavit of a professional engineer or architect of the applicant's choice, certifying that detailed plans for the construction work have been submitted to the department of buildings. Such application shall also state that the applicant agrees to comply with and be subject to the rules [and regulations] issued from time to time by the department of finance to secure compliance with all applicable city, state and federal laws or which implement mayoral directives and executive orders designed to ensure equal employment opportunity. Such application shall also certify that all taxes currently due and owing on the property which is the subject of the application have been paid or are currently being paid in timely installments pursuant to written agreement with the department of finance.

b. The burden of proof shall be on the applicant to show by clear and convincing evidence that the requirements for granting an exemption from or *abatement* or deferral of payment of taxes pursuant to this part have been satisfied. The department of finance shall have the authority to require that statements in connection with the application be made under oath.

d. The department of finance shall issue a certificate of eligibility upon determining that the applicant satisfies the requirements for industrial, commercial or renovation construction work in an area where benefits are available for such work. Such certificate shall state whether such benefits are to be granted for industrial, commercial or renovation

construction work, and in which class of area the property is located. The effective date of such certificate, except as provided in paragraph (2) *or paragraph (4)* of subdivision c of section 11-259 of this part, shall be the earlier of (1) the date on which a building permit for the construction work is issued by the department of buildings, or (2) the last day before the effective date of any designation of boundaries by the commission which changes the class of area in which the property is located so as to reduce the level of benefits for commercial construction work on such property. Where the effective date of the certificate of eligibility is July 1, 1992 or after, the benefits granted for industrial, commercial or renovation construction work pursuant to this part shall be in accordance with the provisions of this part as amended by the provisions of local law number 73 for the year 1992, *and as amended by the provisions of local law number 40 for the year 1994* and as *further* amended by the provisions of the local law which added this clause. Where the effective date of the certificate of eligibility is June 30, 1992 or before, the benefits granted for industrial or commercial construction work pursuant to this part shall be in accordance with the provisions of this part as it was in effect until June 30, 1992 immediately prior to its amendment by local law number 73 for the year 1992. No recipient whose property is the subject of a certificate of eligibility for commercial construction work in a deferral area shall be eligible to apply for a certificate of eligibility for renovation construction work on the same property, where the renovation construction work is the same as, or similar to, the commercial construction work for which the deferral area certificate was issued, until three years after the effective date of the deferral area certificate. No recipient shall receive a tax deferral and a tax exemption for the same expenditure on eligible construction work.

f. [After the issuance of a certificate of eligibility, the recipient shall apply to the city tax commission, during the period provided by law for filing an application for correction of assessed valuation, for an exemption from or deferral of tax payments as provided in section 11-257 of this part. Such application shall be accompanied by a copy of the certificate of eligibility.

g.] The department of finance may provide by [regulation] *rule* for reasonable administrative charges or fees necessary to defray expenses in administering the benefit program provided by this part.

§20. Subdivisions b and d of section 11-261 of such code are amended to read as follows:

b. For the duration of the benefit period the recipient shall file annually with the [tax commission and the] department of finance, on or before the taxable status date, a certificate of continuing use stating the purposes for which the property described in the certificate of eligibility is being used and the net square footage allotted to each such purpose. Such certificate of continuing use shall be on a form prescribed by the [tax commission and the] department of finance and shall state the total number of workers employed on the property and the number of such workers who are city residents. The [tax commission] *department of finance* shall have authority to terminate benefits pursuant to this part upon failure of a recipient to file such certificate by the taxable status date. The burden of proof shall be on the recipient to establish continuing eligibility for benefits and the [tax commission and the] department of finance shall have the authority to require that statements made in such certificate shall be made under oath.

d. No later than eighteen months after the effective date of a certificate of eligibility with an effective date of June 30, 1992 or before, the recipient shall present evidence to

the department of finance demonstrating that the recipient has made one-half of the minimum required expenditure. Not later than thirty-six months after the effective date of such certificate, such recipient shall present evidence to such department demonstrating that the recipient has made the minimum required expenditure. Not later than thirty months after the effective date of a certificate of eligibility with an effective date of July 1, 1992 or after, the recipient shall present evidence to the department of finance demonstrating that the recipient has made one-half of the minimum required expenditure; provided, however, that a recipient of a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (b) of paragraph (4) of subdivision d of section 11-258 of this part shall present such evidence not later than eighteen months after the effective date of such certificate, or by December 31, 1994, whichever is earlier; provided, further, however, that a recipient who filed an application for a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (b) of paragraph (4) of subdivision d of section 11-258 of this part on or after July 1, 1994, but before February 1, 1995, shall present such evidence not later than eighteen months after the effective date of such certificate, or by July 31, 1995, whichever is earlier, *provided, further, however, that a recipient who filed an application for a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraphs (a) or (c) of paragraph (4) of subdivision d of section 11-258 of this part on or after July 1, 1995, shall present such evidence not later than eighteen months after the effective date of such certificate.* Not later than sixty months after the effective date of a certificate of eligibility with an effective date of July 1, 1992 or after, the recipient shall present evidence to such department demonstrating that the recipient has made the minimum required expenditure; provided, however, that a recipient of a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (b) of paragraph (4) of subdivision d of section 11-258 of this part shall present such evidence not later than thirty-six months after the effective date of such certificate, or by December 31, 1995, whichever is earlier; provided, further, however, that a recipient who filed an application for a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraph (b) of paragraph (4) of subdivision d of section 11-258 of this part on or after July 1, 1994, but before February 1, 1995, shall present such evidence not later than thirty-six months after the effective date of such certificate, or by July 31, 1996, whichever is earlier, *provided, further, however, that a recipient who filed an application for a certificate of eligibility for renovation construction work for property located in the renovation exemption area specified in subparagraphs (a) or (c) of paragraph (4) of subdivision d of section 11-258 of this part on or after July 1, 1995, shall present such evidence not later than thirty-six months after the effective date of such certificate.* Such evidence shall be presented in the form and manner prescribed by such department. The burden of proof shall be on the recipient to show by clear and convincing evidence that the required expenditures have been made. *This subdivision shall not apply to the recipient of a certificate of eligibility for construction of a new building or structure that meets the requirements set forth in subdivision i of section 11-259 of this part in a new construction exemption area.*

§21. Section 11-261 of such code is amended by adding a new subdivision e to read as follows:

e. A recipient of a certificate of eligibility for construction of a new building or structure in a new construction exemption area shall present evidence to the department of finance demonstrating that the requirements of subdivision i of section 11-259 of this part have been met. Such evidence shall be presented in the form and manner and at the time prescribed by such department. The burden of proof shall be on the recipient to show by clear and convincing evidence that such requirements have been met.

§22. The opening paragraph of subdivision b and subdivision c of section 11-262 of such code, are amended to read as follows:

b. Any recipient whose property is the subject of a certificate of eligibility for industrial construction work, and who, prior to the expiration of the benefit period, uses such property as commercial property, shall cease to be eligible for further exemption *or abatement* for industrial construction work as of the last date to which such recipient proves by clear and convincing evidence that such property was used as industrial property, and shall pay with interest any taxes for which an exemption *or abatement* was claimed after such date, except that:

c. Except as provided in subdivision d of this section, any recipient whose property is the subject of a certificate of eligibility for commercial, industrial or renovation construction work, and who uses such property as residential property or for any restricted activity prior to the expiration of the benefit period, shall cease to be eligible for further exemption, *abatement* or deferral as of the date such property was first used as residential property or for any restricted activity. In the case of property in an area that was designated as an exemption area at the time the certificate of eligibility was issued, such recipient shall pay with interest any taxes for which an exemption was claimed after such date, including the pro rata share of tax for which any exemption was claimed during the tax year in which such use occurred. *In the case of industrial property, such recipient shall pay with interest any taxes for which an exemption or abatement was claimed after such date, including the pro rata share of tax for which any exemption or abatement was claimed during the tax year in which such use occurred.* In the case of property in an area that was designated as a deferral area at the time the certificate of eligibility was issued, all deferred tax payments on the property shall become due and payable immediately.

§23. Paragraphs (3), (4) and (6) of subdivision a and subdivision b of section 11-263 of such code are amended to read as follows:

(3) To receive evidence of expenditures made for construction, and where such expenditures do not equal the amount required to qualify for exemption from or *abatement* or deferral of tax payments to [notify the tax commission that the recipient has failed to meet the conditions for the grant of exemption from or deferral of tax payments] *take appropriate action, including but not limited to denying, reducing, suspending, terminating or revoking benefits pursuant to this part.*

(4) To enter and inspect property to determine whether it is industrial or commercial or mixed-use and to [notify the tax commission whenever] *determine whether* (a) any such property is being used for any restricted use, or (b) any property which is the subject of a certificate of eligibility for industrial construction work is being used as commercial property, or (c) any industrial or commercial property is being used as residential or mixed-use property, or (d) all or part of the nonresidential portion of mixed-use property is being used as residential property.

(6) To collect all real property taxes, with interest, due and owing as a result of reduction [or], *suspension*, termination or *revocation* of any exemption from or *abatement* or deferral of taxes granted pursuant to this part.

[b. The tax commission of such city shall have the following functions, powers and duties:

(1) To receive certificates of continuing use and to terminate exemption from or deferral of tax payments granted to any recipient who fails timely to file such certificate.

(2) To deny, reduce, suspend, revoke or terminate the exemption or deferral, as required by this part.]

§24. Subdivision a of section 11-264 of such code is amended to read as follows:

a. All taxes plus interest required to be paid retroactively pursuant to this part shall constitute a tax lien as of the date it is determined such taxes and interest are owed. All interest shall be calculated from the date the taxes would have been due but for the exemption, *abatement* or deferral claimed pursuant to this part at three per centum above the applicable rate of interest imposed by such city generally for non-payment of real property tax on such date.

§25. Subdivisions a and b of section 11-265 of such code are amended to read as follows:

a. The department of finance may deny, reduce, suspend, revoke or terminate any exemption from or *abatement* or deferral of tax payments pursuant to this part whenever (1) a recipient fails to comply with the requirements of this part or the rules and regulations promulgated by the department of finance pursuant thereto; or (2) an application, certificate, report or other document delivered by an applicant or recipient hereunder contains a false or misleading statement as to a material fact or omits to state any material fact necessary in order to make the statements therein not false or misleading, and may declare any applicant or recipient who makes such false or misleading statement or omission to be ineligible for future exemption, *abatement* or deferral pursuant to this part for the same or other property.

b. Notwithstanding any other law to the contrary, a recipient shall be personally liable for any taxes owned pursuant to this part whenever such recipient fails to comply with such law and rules or makes such false or misleading statement or omission, and the [tax commission or the]department of finance determines that such act was due to the recipient's willful neglect, or that under the circumstances such act constituted a fraud on the [tax commission] *department of finance* or a buyer or prospective buyer of the property. The remedy provided herein for an action in personam shall be in addition to any other remedy or procedure for the enforcement of collection of delinquent taxes provided by any general, special or local law. Any lease provision which obligates a tenant to pay taxes which become due because of willful neglect or fraud by the recipient, or otherwise relieve or indemnify the recipient from any personal liability arising hereunder, shall be void as against public policy except where the imposition of such taxes or liability is occasioned by actions of the tenant in violation of the lease.

§26. Notwithstanding subdivision d of section 11-260 of such code, the provisions of sections three and nine of this local law, to the extent such provisions delete the word "issuance" and add the phrase "effective date", shall apply to certificates of eligibility with effective dates of June 30, 1992 or before.

§27. This local law shall take effect as of July 1, 1995, provided that if it shall have become a law subsequent to such date, this local law shall take effect immediately and

shall be retroactive to and deemed to have been in full force and effect as of July 1, 1995, and provided, further, that any actions, including the promulgation of rules, necessary to carry out the purposes of this act may be taken before the effective date of this local law, provided that such rules shall not take effect before the effective date of this local law, and provided, further, however, that this local law shall not take effect earlier than the effective date of a chapter of the laws of 1995 amending the real property tax law, in relation to tax exemption for certain industrial and commercial properties and tax abatement for certain industrial properties in a city of one million or more persons, as proposed in legislative bill number A.8077.

THE CITY OF NEW YORK, OFFICE OF THE CITY CLERK, s.s.:

I hereby certify that the foregoing is a true copy of a local law of the City of New York, passed by the Council on June 14, 1995, and approved by the Mayor on June 27, 1995.

CARLOS CUEVAS, City Clerk, Clerk of the Council

CERTIFICATION PURSUANT TO MUNICIPAL HOME RULE LAW §27

Pursuant to the provisions of Municipal Home Rule Law §27, I hereby certify that the enclosed Local Law (Local Law 58 of 1995, Council Int. No. 580) contains the correct text and:

Received the following vote at the meeting of the New York City Council on June 14, 1995: 41 for, 9 against.

Was approved by the Mayor on June 27, 1995.

Was returned to the City Clerk on June 28, 1995.

JEFFREY D. FRIEDLANDER, Acting Corporation Counsel