# Legislation Details (With Text)

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| **File #:** | Int 0282-2002 | **Version:** | A | **Name:** | Exemption from taxation of alterations and improvements to multiple dwellings. |
| **Type:** | Introduction | | | **Status:** | Enacted |
| | | | | **In control:** | Committee on Housing and Buildings |
| **On agenda:** | 10/9/2002 | | | | |
| **Enactment date:** | 2/28/2003 | | | **Enactment #:** | 2003/016 |

**Title:** A Local Law to amend the administrative code of the city of New York, in relation to exemption from taxation of alterations and improvements to multiple dwellings.

**Sponsors:** Madeline T. Provenzano, Leroy G. Comrie, Jr., Simcha Felder, Lewis A. Fidler, Michael C. Nelson, Helen Sears, Kendall Stewart, David I. Weprin, (by request of the Mayor)

**Indexes:**

**Attachments:** 1. Committee Report 2/3, 2. Hearing Transcript 2/3, 3. Committee Report 2/12, 4. Hearing Transcript 2/12, 5. Stated Meeting - Hearing Transcript - 2/12/03, 6. Local Law, 7. Fiscal Impact Statement

| Date | Ver. | Action By | Action | Result |
|---|---|---|---|---|
| 10/9/2002 | * | City Council | Introduced by Council | |
| 10/9/2002 | * | City Council | Referred to Comm by Council | |
| 2/3/2003 | * | Committee on Housing and Buildings | Hearing Held by Committee | |
| 2/3/2003 | * | Committee on Housing and Buildings | Laid Over by Committee | |
| 2/12/2003 | * | Committee on Housing and Buildings | Hearing Held by Committee | |
| 2/12/2003 | * | Committee on Housing and Buildings | Amendment Proposed by Comm | |
| 2/12/2003 | * | Committee on Housing and Buildings | Amended by Committee | |
| 2/12/2003 | A | Committee on Housing and Buildings | Approved by Committee | Pass |
| 2/12/2003 | A | City Council | Approved by Council | Pass |
| 2/12/2003 | A | City Council | Sent to Mayor by Council | |
| 2/28/2003 | A | Mayor | Hearing Held by Mayor | |
| 2/28/2003 | A | Mayor | Signed Into Law by Mayor | |
| 3/3/2003 | A | City Council | Recved from Mayor by Council | |

Int. No. 282-A

By Council Members Provenzano, Comrie, Felder, Fidler, Nelson, Sears, Stewart and Weprin (by request of the Mayor)

A Local Law to amend the administrative code of the city of New York, in relation to exemption from taxation of alterations and improvements to multiple dwellings.

Be it enacted by the Council as follows:



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Section 1. Subdivision b of section 11-243 of the administrative code of the city of New York, as amended by local law number 72 for the year 1999 and paragraph 9 of such subdivision, is amended to read as follows:

b. Subject to the limitations provided in subdivision d of this section and the restrictions in this section on conversion of buildings used in whole or in part for single room occupancy, any increase in the assessed valuation of real property shall be exempt from taxation for local purposes to the extent such increase results from the reasonable cost of: (1) the conversion of a class B multiple dwelling to a class A multiple dwelling except insofar as the gross cubic content of such building is increased thereby; or (2) the conversion of any nonresidential building or structure situated in the county of New York to a class A multiple dwelling except insofar as the gross cubic content of such building is increased; or (3) the conversion of any nonresidential building or structure situated in the counties of Bronx, Kings, Queens or Richmond to a class A multiple dwelling except insofar as the gross cubic content of such building or structure is increased thereby; or (4) alterations or improvements to the exterior of an otherwise eligible building or structure visible from a public street pursuant to a permit issued by the landmarks commission with respect to a designated historic or landmark site or structure; or (5) alterations or improvements constituting a moderate rehabilitation of a substantially occupied class A multiple dwelling except insofar as the gross cubic content of such building or structure is increased thereby; or (6) alterations or improvements to an otherwise eligible building or structure commenced after January first, nineteen hundred eighty designed to conserve the use of fuel, electricity or other energy sources or to reduce demand for electricity, including the installation of meters for purposes of measuring the amount of electricity consumed for each dwelling unit, and conversions of direct metering to a system that includes a master meter and submeters in any cooperative, condominium, or housing development fund company organized under article eleven of the private housing finance law; or (7) alterations or improvements to existing dwellings to eliminate existing unhealthy or dangerous conditions in any such existing dwelling or replace inadequate and obsolete sanitary facilities in any such existing dwelling, any of

which represents fire or health hazards, including as improvements asbestos abatement to the extent such asbestos abatement is required by federal, state or local law, except insofar as the gross cubic content of such existing dwelling is increased thereby; or (8) conversion of residential units qualified for the protection of article seven-C of the multiple dwelling law in buildings or portions thereof registered with the New York city loft board as interim multiple dwellings pursuant to such article to units which are in compliance with the standards of safety and fire protection set forth in article seven-B of the multiple dwelling law or to units which have a certificate of occupancy as class A multiple dwellings; or (9) alterations or improvements commenced on or after September first, nineteen hundred eighty-seven constituting a substantial rehabilitation of a class A multiple dwelling, or a conversion of a building or structure into a class A multiple dwelling, as part of a program to provide housing for low and moderate income households as defined by the department of housing preservation and development pursuant to the rules and regulations promulgated pursuant to subdivision m of this section, provided that [(i)] such alterations or improvements or conversions shall be aided by a grant, loan or subsidy from any federal, state or local agency or instrumentality, including, in the discretion of the department of housing preservation and development, a subsidy in the form of a below market sale from the city of New York[, and (ii) such property shall have been a building or buildings conveyed by the city of New York for the purpose of effectuating a substantial rehabilitation or conversion of the property with the aid of such grant, loan or subsidy]; or (10) alterations or improvements to any private dwelling or conversion of any private dwelling to a multiple dwelling or conversion of any multiple dwelling to a private dwelling, provided that such alterations, improvements or conversions are part of a project that has applied for or is receiving benefits pursuant to this section and shall be aided by a grant, loan or subsidy from any federal, state or local agency or instrumentality. Such conversions, alterations or improvements shall be completed within thirty-six months after the date on which same shall be started except that such thirty-six month limitation shall not apply to conversions of residential units which are registered with the loft board in accordance with article seven-C of the multiple dwelling law pursuant to paragraph eight of this subdivision. Notwithstanding the foregoing, a

sixty-month period for completion shall be available for alterations or improvements undertaken by a housing development fund company organized pursuant to article eleven of the private housing finance law, which are carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality or which are carried out in a property transferred from the city of New York if alterations and improvements are completed within seven years after the date of transfer. In addition, the department of housing preservation and development may grant an extension of the period of completion for any project carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality, if such alterations, improvements or conversions are completed within sixty months from commencement of construction. Provided, further, that such conversions, alterations or improvements shall in any event be completed prior to December thirty-first, two thousand [three] seven. Exemption for conversions, alterations or improvements pursuant to paragraph one, two, three, four, six, seven, eight or ten of this subdivision shall continue for a period not to exceed fourteen years and begin no sooner than the first tax period immediately following the completion of such conversions, alterations or improvements. Exemption for alterations or improvements pursuant to paragraph five or nine of this subdivision shall continue for a period not to exceed thirty-four years and shall begin no sooner than the first tax period immediately following the completion of such alterations or improvements. Such exemption shall be equal to the increase in the valuation, which is subject to exemption in full or proportionally under this subdivision for ten or thirty years, whichever is applicable. After such period of time, the amount of such exempted assessed valuation of such improvements shall be reduced by twenty percent in each succeeding year until the assessed value of the improvements is fully taxable. Provided, however, exemption for any conversions, alterations or improvements, which are aided by a loan or grant under article eight, eight-A, eleven, twelve, fifteen, or twenty -two of the private housing finance law, section six hundred ninety-six-a or section ninety-nine-h of the general municipal law, or section three hundred twelve of the housing act of nineteen hundred sixty-four (42 U.S.C.A. 1452b), or the Cranston-Gonzalez national affordable housing act, (42 U.S.C.A. 12701 et. seq.), or started after


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July first, nineteen hundred eighty-three by a housing development fund company organized pursuant to article eleven of the private housing finance law which are carried out with the substantial assistance of grants, loans or subsidies from any federal, state or local governmental agency or instrumentality or which are carried out in a property transferred from the city of New York and where alterations and improvements are completed within seven years after the date of transfer may commence at the beginning of any tax period subsequent to the start of such conversions, alterations or improvements and prior to the completion of such conversions, alterations or improvements. The assessed valuation of the land occupied by such dwelling and any increase in assessed valuation resulting from conversions, alterations, or improvements other than those made pursuant to this section shall not be affected by the provisions of this section.

§2. This local law shall take effect immediately.

01/14/03 - A-version #1
TNN