



Legislation Text

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Int. No. 490

By Council Members Palma, Yassky, James, Mark-Viverito, Liu, Reyna, de Blasio, Mendez, Recchia Jr., Foster, Stewart, Gentile, Gerson, Sanders Jr., Mealy, Vann, Nelson, Gonzalez, Brewer, Fidler, and Barron

A Local Law to amend the administrative code of the city of New York, in relation to limitations on the eligibility for benefits pursuant to section four hundred twenty-one-a of the real property tax law relating to affordability of the dwelling units.

Be it enacted by the Council as follows:

Section 1. Declaration of Legislative Findings and Intent. When the City confers benefits pursuant to section four hundred twenty-one-a of the real property tax law, it has an interest in ensuring that those benefits maximize the creation of affordable housing and do not undermine the City's existing tax base.

§2. Chapter 2 of title 11 of the administrative code of the city of New York is hereby amended by adding a new section 11-245.1-a to read as follows:

§11-245.1-a. (a) Notwithstanding any provision of law to the contrary, no benefits under section four hundred twenty-one-a of the real property tax law shall be available for any new multiple dwelling on any tax lots now existing or hereafter created for which construction is commenced on or after the effective date of this section unless no fewer than thirty percent of the dwelling units in any such multiple dwelling shall be occupied or made available for occupancy by individuals or families whose incomes at the time of the tenant's or resident's initial occupancy does not exceed fifty percent of the area median income adjusted for family size and shall be known as affordable dwelling units.

(b) Unless the affordable dwelling units in any such multiple dwelling are developed under a federal, state or city program having contrary requirements, any such multiple dwelling must meet one of the following conditions:

(1) The affordable dwelling units shall have bedrooms that are of comparable size to the bedrooms in the market rate dwelling units and the multiple dwelling shall have a mix of dwelling units where the distribution of bedrooms in the affordable dwelling units is proportionate to the distribution of bedrooms in market rate units; or

(2) At least fifty percent of the affordable dwelling units must have two or more bedrooms and no more than fifty percent of the remaining dwelling units shall be smaller than one bedroom.

(c) Unless the affordable dwelling units are developed under a federal, state or city program having contrary requirements, residents of the local community in which such dwelling units are located shall be given a priority status for the purchase or rental of no less than fifty percent of the affordable dwelling units in any such multiple dwelling to which this section applies.

(d) In order to be eligible for benefits pursuant to section four hundred twenty-one-a of the real property tax law, the owner of the property upon which the dwelling units will be created shall enter into agreement with the department of housing preservation and development prior to commencement of the construction of the multiple dwelling that the affordable dwelling units will remain affordable at the designated income level for the life of the multiple dwelling. The department of housing preservation and development and any successor agency shall develop and employ mechanisms, including, but not limited to, regulatory agreements, deed restrictions, resale restrictions, occupancy requirements, and such other legally enforceable mechanisms or requirements as it may deem necessary to provide for such commitment, and shall establish legal remedies to enforce such mechanisms or requirements.

(e) For the purposes of this section, the following terms shall have the following meanings:

“Affordable” means that no more than thirty percent of the annual household income of a household is spent on: (a) in the case of a rental dwelling unit, rental expense, or (b) in the case of the sale of a multiple dwelling, condominium or cooperative dwelling unit, the mortgage principal and interest, real property taxes, property insurance, and condominium fees and cooperative maintenance charges or assessments; and

“Area median income” or “AMI” means area median income for the New York primary metropolitan statistical area as determined by the United States department of housing and urban development.

§3. If any sentence, paragraph, subdivision, section or part of this local law shall be adjudged invalid by a court of competent jurisdiction such judgment shall not impair or invalidate the remainder thereof but shall be confined to that part deemed invalid.

§4. This local law shall take effect one year after the date of its enactment, except that the department of housing preservation and development shall promulgate rules and take such other measures necessary for the implementation of this local law prior to such effective date.

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