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Int. No. 1443-A

By Council Members Nurse, Louis, Brewer, Hanif, Stevens, Marte, Farías and the Public Advocate (Mr. Williams)

A Local Law to amend the administrative code of the city of New York, in relation to the citywide percentage of rental units in projects receiving city financial assistance that must be affordable for extremely low-income and very low-income households

Be it enacted by the Council as follows:

Section 1. The chapter heading of chapter 38 of title 26 of the administrative code of the city of New York, as added by a local law amending the New York city charter and the administrative code of the city of New York, relating to the citywide percentage of rental units in projects receiving city financial assistance that must be 2- and 3-bedroom units and amending the city's fair housing plan, as proposed in introduction number 1433-A for the year 2025, is amended to read as follows:

CHAPTER 38

ALLOCATION OF AFFORDABLE UNITS BY HOUSEHOLD SIZE AND INCOME BAND

§ 2. Section 26-3801 of the administrative code of the city of New York is amended by adding new definitions of "covered project for income bands", "extremely low-income household", and "very low-income household" in alphabetical order to read as follows:

Covered project for income bands. The term "covered project for income bands" means a project that receives city financial assistance to newly construct a dwelling unit, which did not previously exist, and that is required to be offered for occupancy on a rental basis, except that a covered project for income bands shall not include a project where:

(i) The buildings consist of less than 75 dwelling units;

(ii) The council has approved a land use special permit subject to compliance with a site plan, as of December 18, 2025, or projects that have filed an application with the department of city planning for such a special permit, as of December 18, 2025, and the city planning commission has certified such application by May 31, 2026;

(iii) The city planning commission has approved a land use authorization subject to compliance with a site plan or a phasing plan, as of December 18, 2025; and

(iv) Projects for which a new building or alteration application, including a complete zoning analysis, has been filed with the department of buildings as of August 31, 2026, and the department of buildings has issued a phased or partial approval, pursuant to Section 28-104.2.5, for such application, as of June 30, 2027.

Extremely low-income household. The term "extremely low-income household" means a household that has an income of no more than 30 percent of the area median income, adjusted for the size of the household.

Very low-income household. The term "very low-income household" means a household that has an income of more than 30 percent of the area median income but no more than 50 percent of the area median income, adjusted for the size of the household.

§ 3. Sections 26-3803, 26-3804, 26-3805 of the administrative code of the city of New York, as added by a local law amending the New York city charter and the administrative code of the city of New York, relating to the citywide percentage of rental units in projects receiving city financial assistance that must be 2- and 3-bedroom units and amending the city's fair housing plan, as proposed in introduction number 1433-A for the year 2025, are amended to read as follows:

§ 26-3803[Reserved.] Minimum percentages of affordable rental units. a. During the period beginning July 1, 2027, and ending September 30, 2031, and for every 5-year period thereafter, the department shall execute agreements regarding covered projects for income bands so that at least 50 percent of the aggregate number of dwelling units so created shall be affordable for extremely low-income households and very low-income households, provided that at least 30 percent of such aggregate dwelling unit count shall be affordable

for extremely low-income households.

b. For the purposes of this section, a dwelling unit in a covered project for income bands that receives project-based rental assistance shall be considered affordable for an extremely low-income household.

§ 26-3804 Report. As part of the long-term housing needs assessment required by subdivision c of section 16-a of the charter, the department shall demonstrate compliance with the requirements of [section] sections 26-3802 and 26-3803.

§ 26-3805 Adjustments to allocation of unit type. a. Starting with the period beginning July 1, 2027, and ending September 30, 2031, and every 5-year period thereafter, the department may adjust the percentages required by [section] sections 26-3802 and 26-3803 pursuant to subdivision b of this section. Such adjustments shall only be effective within the given period during which such adjustments were implemented.

b. The department may adjust the percentages required by [section] sections 26-3802 and 26-3803 if the department determines that it is not financially feasible in the given period to achieve such percentages due to either (i) a 50 percent or more decrease in federal housing resources to the department over the prior 4 years or (ii) the complete loss of availability of such resources to fund newly constructed affordable housing. The department's determination, pursuant to subdivision b of this section, shall specify the adjustments to the percentages required by [section] sections 26-3802 and 26-3803 for the given 5-year period.

c. Ninety days prior to issuing such determination, the department shall notify in writing the speaker of the council and each borough president of the adjustments that the department intends to make pursuant to this section.

§ 4. This local law takes effect on the same day that a local law amending the New York city charter and the administrative code of the city of New York, relating to the citywide percentage of rental units in projects receiving city financial assistance that must be 2- and 3-bedroom units and amending the city's fair housing plan, as proposed in introduction number 1433-A for the year 2025, takes effect.

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