

# STATE OF NEW YORK

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2092

2019-2020 Regular Sessions

## IN ASSEMBLY

January 22, 2019

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Introduced by M. of A. BRAUNSTEIN, BENEDETTO, MOSLEY, JAFFEE, DenDEKKER, COLTON, O'DONNELL -- Multi-Sponsored by -- M. of A. COOK, LALOR, RIVERA -- read once and referred to the Committee on Real Property Taxation

AN ACT to amend the administrative code of the city of New York and the real property tax law, in relation to increasing the average assessed value threshold; and to amend the real property tax law, in relation to the eligibility for J-51 tax abatements

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subparagraph (ii) of paragraph 3 of subdivision d of  
2 section 11-243 of the administrative code of the city of New York, as  
3 amended by local law number 49 of the city of New York for the year  
4 1993, is amended to read as follows:  
5 (ii) is owned as a condominium and is occupied as the residence or  
6 home of three or more families living independently of each other;  
7 provided, however, that, in addition to all other conditions of eligi-  
8 bility for the benefits of this section, except for multiple dwellings  
9 in which units have been newly created by substantial rehabilitation of  
10 vacant buildings or conversions of non-residential buildings, the avail-  
11 ability of benefits under this section for such multiple dwellings,  
12 buildings or structures shall be conditioned on the following: (a)  
13 alterations or improvements to at least one building-wide system are  
14 part of the application for benefits, and (b) (i) the assessed valuation  
15 of such multiple dwelling, building, or structure, including land, shall  
16 not exceed an average of [~~thirty~~ **fifty**] thousand dollars per dwelling  
17 unit at the time of the commencement of the alterations or improvements,  
18 and (ii) during the three years immediately preceding the commencement  
19 of the alterations or improvements the average per room sale price of  
20 the dwelling units or the stock allocated to such dwelling units shall  
21 have been no greater than thirty-five percent of the maximum mortgage

EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets [~~-~~] is old law to be omitted.

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1 amount for a single family home eligible for purchase by the Federal  
2 National Mortgage Association; provided that if less than ten percent of  
3 the dwelling units or an amount of stock less than the amount allocable  
4 to ten percent of such dwelling units was not transferred during such  
5 preceding three year period, eligibility for benefits shall be condi-  
6 tioned upon the multiple dwelling, building, or structure having an  
7 assessed valuation per dwelling unit of no more than twenty-five thou-  
8 sand dollars at the time of the commencement of the alterations or  
9 improvements. Provided, further, that such benefits shall be available  
10 only for alterations or improvements commenced on or after June first,  
11 nineteen hundred eighty-six.

12 § 2. The opening paragraph of paragraph (a) of subdivision 1 of  
13 section 489 of the real property tax law, as amended by section 19 of  
14 part A of chapter 20 of the laws of 2015, is amended to read as follows:

15 Any city to which the multiple dwelling law is applicable, acting  
16 through its local legislative body or other governing agency, is hereby  
17 authorized and empowered, to and including January first, two thousand  
18 ~~nineteen~~ twenty-three, to adopt and amend local laws or ordinances  
19 providing that any increase in assessed valuation of real property shall  
20 be exempt from taxation for local purposes, as provided herein, to the  
21 extent such increase results from:

22 § 3. The closing paragraph of subparagraph 6 of paragraph (a) of  
23 subdivision 1 of section 489 of the real property tax law, as amended by  
24 section 20 of part A of chapter 20 of the laws of 2015, is amended to  
25 read as follows:

26 Such conversion, alterations or improvements shall be completed within  
27 thirty months after the date on which same shall be started except that  
28 such thirty month limitation shall not apply to conversions of residen-  
29 tial units which are registered with the loft board in accordance with  
30 article seven-C of the multiple dwelling law pursuant to subparagraph  
31 one of this paragraph. Notwithstanding the foregoing, a sixty month  
32 period for completion shall be available for alterations or improvements  
33 undertaken by a housing development fund company organized pursuant to  
34 article eleven of the private housing finance law, which are carried out  
35 with the substantial assistance of grants, loans or subsidies from any  
36 federal, state or local governmental agency or instrumentality or which  
37 are carried out in a property transferred from such city if alterations  
38 and improvements are completed within seven years after the date of  
39 transfer. In addition, the local housing agency is hereby empowered to  
40 grant an extension of the period of completion for any project carried  
41 out with the substantial assistance of grants, loans or subsidies from  
42 any federal, state or local governmental agency or instrumentality, if  
43 such alterations or improvements are completed within sixty months from  
44 commencement of construction. Provided, further, that such conversion,  
45 alterations or improvements shall in any event be completed prior to  
46 June thirtieth, two thousand ~~nineteen~~ twenty-three. Exemption for  
47 conversions, alterations or improvements pursuant to subparagraph one,  
48 two, three or four of this paragraph shall continue for a period not to  
49 exceed fourteen years and begin no sooner than the first quarterly tax  
50 bill immediately following the completion of such conversion, alter-  
51 ations or improvements. Exemption for alterations or improvements pursu-  
52 ant to this subparagraph or subparagraph five of this paragraph shall  
53 continue for a period not to exceed thirty-four years and shall begin no  
54 sooner than the first quarterly tax bill immediately following the  
55 completion of such alterations or improvements. Such exemption shall be  
56 equal to the increase in the valuation which is subject to exemption in

1 full or proportionally under this subdivision for ten or thirty years,  
2 whichever is applicable. After such period of time, the amount of such  
3 exempted assessed valuation of such improvements shall be reduced by  
4 twenty percent in each succeeding year until the assessed value of the  
5 improvements are fully taxable. Provided, however, exemption for any  
6 conversion, alterations or improvements which are aided by a loan or  
7 grant under article eight, eight-A, eleven, twelve, fifteen or twenty-  
8 two of the private housing finance law, section six hundred ninety-six-a  
9 or section ninety-nine-h of the general municipal law, or section three  
10 hundred twelve of the housing act of nineteen hundred sixty-four (42  
11 U.S.C.A. 1452b), or the Cranston-Gonzalez national affordable housing  
12 act (42 U.S.C.A. 12701 et. seq.), or started after July first, nineteen  
13 hundred eighty-three by a housing development fund company organized  
14 pursuant to article eleven of the private housing finance law which are  
15 carried out with the substantial assistance of grants, loans or subsi-  
16 dies from any federal, state or local governmental agency or instrumen-  
17 tality or which are carried out in a property transferred from any city  
18 and where alterations and improvements are completed within seven years  
19 after the date of transfer may commence at the beginning of any tax  
20 quarter subsequent to the start of such conversion, alterations or  
21 improvements and prior to the completion of such conversion, alterations  
22 or improvements.

23 § 4. Subparagraph (iv) of paragraph (c) of subdivision 17 of section  
24 489 of the real property tax law, as added by chapter 388 of the laws of  
25 2016, is amended to read as follows:

26 (iv) Notwithstanding anything to the contrary contained herein, the  
27 assessed value limitation shall not at any time exceed [~~thirty-five~~  
28 fifty] thousand dollars.

29 § 5. This act shall take effect immediately.