

7806

2013-2014 Regular Sessions

I N A S S E M B L Y

June 4, 2013

Introduced by M. of A. SILVER, FARRELL, WRIGHT, GLICK, O'DONNELL, KELLNER, QUART, RODRIGUEZ, ROSA -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to exempting tangible personal property purchased by a tenant for use directly and exclusively to furnish and equip the tenant's leased premises for use as a commercial office space; and to amend part C of chapter 2 of the laws of 2005 amending the tax law relating to exemptions from sales and use taxes, in relation to the effectiveness thereof (Part A); to amend the real property tax law, in relation to real property tax abatements; and to amend the administrative code of the city of New York, in relation to exemptions and deductions from base rent; and providing for the repeal of such provisions upon the expiration thereof (Part B); to amend the real property tax law and the administrative code of the city of New York, in relation to applications for tax abatements for industrial and commercial construction work on properties in a city of one million or more persons (Part C); to amend the general city law and the administrative code of the city of New York, in relation to extending the relocation and employment assistance program and the Lower Manhattan relocation and employment assistance program (Part D); to amend the general city law and the administrative code of the city of New York, in relation to extending the special rebates and discounts provided pursuant to the energy cost savings program and the Lower Manhattan energy program (Part E); to amend the administrative code of the city of New York, in relation to the amount of special reduction allowed (Part F); and to amend the real property tax law, in relation to a real estate tax abatement program for certain commercial, industrial and manufacturing properties in a city of one million or more persons (Part G)

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

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

LBD11345-02-3

1 Section 1. This act enacts into law major components of legislation
2 relating to lower Manhattan. Each component is wholly contained within
3 a Part identified as Parts A through G. The effective date for each
4 particular provision contained within such Part is set forth in the last
5 section of such Part. Any provision in any section contained within a
6 Part, including the effective date of the Part, which makes a reference
7 to a section "of this act", when used in connection with that particular
8 component, shall be deemed to mean and refer to the corresponding
9 section of the Part in which it is found. Section three of this act sets
10 forth the general effective date of this act.

11 PART A

12 Section 1. Subparagraph (A) of paragraph 7 of subdivision (ee) of
13 section 1115 of the tax law, as amended by chapter 203 of the laws of
14 2009 is amended to read as follows:

15 (A) "Tenant" means a person who, as lessee, enters into a space lease
16 with a landlord for a term of ten years or more commencing on or after
17 September first, two thousand five, but not later than, in the case of a
18 space lease with respect to leased premises located in eligible areas as
19 defined in clause (i) of subparagraph (D) of this paragraph, September
20 first, two thousand thirteen and, in the case of a space lease with
21 respect to leased premises located in eligible areas as defined in
22 clause (ii) of subparagraph (D) of this paragraph not later than Septem-
23 ber first, two thousand fifteen, of premises for use as commercial
24 office space in buildings located or to be located in the eligible
25 areas. NOTWITHSTANDING ANY PROVISION OF LAW TO THE CONTRARY, COMMENCING
26 AFTER SEPTEMBER FIRST, TWO THOUSAND THIRTEEN, "TENANT" MEANS A PERSON
27 WHO, AS LESSEE, ENTERS INTO A SPACE LEASE WITH A LANDLORD FOR A TERM OF
28 FIVE YEARS OR MORE, BUT NOT LATER THAN, IN THE CASE OF A SPACE LEASE
29 WITH RESPECT TO LEASED PREMISES LOCATED IN ELIGIBLE AREAS AS DEFINED IN
30 CLAUSE (I) OF SUBPARAGRAPH (D) OF THIS PARAGRAPH, SEPTEMBER FIRST, TWO
31 THOUSAND FIFTEEN AND, IN THE CASE OF A SPACE LEASE WITH RESPECT TO
32 LEASED PREMISES LOCATED IN ELIGIBLE AREAS AS DEFINED IN CLAUSE (II) OF
33 SUBPARAGRAPH (D) OF THIS PARAGRAPH NOT LATER THAN SEPTEMBER FIRST, TWO
34 THOUSAND SEVENTEEN, OF PREMISES FOR USE AS COMMERCIAL OFFICE SPACE IN
35 BUILDINGS LOCATED OR TO BE LOCATED IN THE ELIGIBLE AREAS.

36 A person who currently occupies premises for use as commercial office
37 space under an existing lease in a building in the eligible areas shall
38 not be eligible for exemption under this subdivision unless such exist-
39 ing lease, in the case of a space lease with respect to leased premises
40 located in eligible areas as defined in clause (i) of subparagraph (D)
41 of this paragraph expires according to its terms before September first,
42 two thousand thirteen or such existing lease, in the case of a space
43 lease with respect to leased premises located in eligible areas as
44 defined in clause (ii) of subparagraph (D) of this paragraph and such
45 person enters into a space lease, for a term of ten years or more
46 commencing on or after September first, two thousand five, of premises
47 for use as commercial office space in a building located or to be
48 located in the eligible areas, provided that such space lease with
49 respect to leased premises located in eligible areas as defined in
50 clause (i) of subparagraph (D) of this paragraph commences no later than
51 September first, two thousand thirteen, and provided that such space
52 lease with respect to leased premises located in eligible areas as
53 defined in clause (ii) of subparagraph (D) of this paragraph commences
54 no later than September first, two thousand fifteen and provided,

1 further, that such space lease shall expire no earlier than ten years
2 after the expiration of the original lease. NOTWITHSTANDING ANY
3 PROVISION OF LAW TO THE CONTRARY, AFTER SEPTEMBER FIRST, TWO THOUSAND
4 THIRTEEN, A TENANT WHO CURRENTLY OCCUPIES PREMISES FOR USE AS COMMERCIAL
5 OFFICE SPACE UNDER AN EXISTING LEASE IN A BUILDING IN THE ELIGIBLE AREAS
6 SHALL NOT BE ELIGIBLE FOR EXEMPTION UNDER THIS SUBDIVISION UNLESS SUCH
7 EXISTING LEASE, IN THE CASE OF A SPACE LEASE WITH RESPECT TO LEASED
8 PREMISES LOCATED IN ELIGIBLE AREAS AS DEFINED IN CLAUSE (I) OF SUBPARA-
9 GRAPH (D) OF THIS PARAGRAPH EXPIRES ACCORDING TO ITS TERMS BEFORE
10 SEPTEMBER FIRST, TWO THOUSAND FIFTEEN OR SUCH EXISTING LEASE, IN THE
11 CASE OF A SPACE LEASE WITH RESPECT TO LEASED PREMISES LOCATED IN ELIGI-
12 BLE AREAS AS DEFINED IN CLAUSE (II) OF SUBPARAGRAPH (D) OF THIS PARA-
13 GRAPH EXPIRES ACCORDING TO ITS TERMS BEFORE SEPTEMBER FIRST, TWO THOU-
14 SAND SEVENTEEN, PROVIDED THAT SUCH SPACE LEASE WITH RESPECT TO LEASED
15 PREMISES LOCATED IN ELIGIBLE AREAS AS DEFINED IN CLAUSE (I) OF SUBPARA-
16 GRAPH (D) OF THIS PARAGRAPH COMMENCES NO LATER THAN SEPTEMBER FIRST, TWO
17 THOUSAND FIFTEEN, AND PROVIDED THAT SUCH SPACE LEASE WITH RESPECT TO
18 LEASED PREMISES LOCATED IN ELIGIBLE AREAS AS DEFINED IN CLAUSE (II) OF
19 SUBPARAGRAPH (D) OF THIS PARAGRAPH COMMENCES NO LATER THAN SEPTEMBER
20 FIRST, TWO THOUSAND SEVENTEEN AND PROVIDED, FURTHER, THAT SUCH SPACE
21 LEASE SHALL EXPIRE NO EARLIER THAN FIVE YEARS AFTER THE EXPIRATION ON
22 THE ORIGINAL LEASE.

23 S 2. Section 2 of part C of chapter 2 of the laws of 2005 amending the
24 tax law relating to exemptions from sales and use taxes, as amended by
25 chapter 203 of the laws of 2009, is amended to read as follows:

26 S 2. This act shall take effect September 1, 2005 and shall expire and
27 be deemed repealed on December 1, [2016] 2018, and shall apply to sales
28 made, uses occurring and services rendered on or after such effective
29 date, in accordance with the applicable transitional provisions of
30 sections 1106 and 1217 of the tax law; except that clause (i) of subpar-
31 agraph (D) of paragraph seven of subdivision (ee) of section 1115 of the
32 tax law, as added by section one of this act, shall expire and be deemed
33 repealed December 1, [2014] 2016.

34 S 3. This act shall take effect immediately; provided, however, that
35 the amendments to subparagraph (A) of paragraph 7 of subdivision (ee) of
36 section 1115 of the tax law made by section one of this act shall not
37 affect the repeal of such subdivision and shall be deemed repealed ther-
38 ewith.

39

PART B

40 Section 1. Subdivision 1 of section 499-a of the real property tax
41 law, as amended by chapter 629 of the laws of 1997, is amended to read
42 as follows:

43 1. "Abatement base." The lesser of (a) two dollars and fifty cents of
44 the tax liability per square foot or (b) fifty per centum of the tax
45 liability per square foot; provided, however, that with respect to a
46 lease commencing on or after April first, nineteen hundred ninety-seven,
47 the abatement base shall equal the tax liability per square foot subject
48 to a maximum of two dollars and fifty cents per square foot. PROVIDED,
49 HOWEVER, WITH RESPECT TO A LEASE COMMENCING ON OR AFTER APRIL FIRST, TWO
50 THOUSAND THIRTEEN, THE ABATEMENT BASE SHALL EQUAL THE TAX LIABILITY PER
51 SQUARE FOOT SUBJECT TO A MAXIMUM OF FIVE DOLLARS PER SQUARE FOOT.

52 S 2. Subdivision 5 of section 499-a of the real property tax law, as
53 amended by chapter 22 of the laws of 2010, is amended to read as
54 follows:

1 5. "Benefit period." The period commencing with the first day of the
2 month immediately following the rent commencement date and terminating
3 no later than sixty months thereafter, provided, however, that with
4 respect to a lease commencing on or after April first, nineteen hundred
5 ninety-seven with [an initial] A lease term of less than five years, but
6 not less than three years, the period commencing with the first day of
7 the month immediately following the rent commencement date and terminat-
8 ing no later than thirty-six months thereafter. PROVIDED FURTHER THAT
9 WITH RESPECT TO A LEASE COMMENCING ON OR AFTER APRIL FIRST, TWO THOUSAND
10 THIRTEEN WITH A LEASE TERM OF TEN YEARS OR GREATER, THE PERIOD COMMENC-
11 ING WITH THE FIRST DAY OF THE MONTH IMMEDIATELY FOLLOWING THE RENT
12 COMMENCEMENT DATE AND TERMINATING NO LATER THAN ONE HUNDRED TWENTY
13 MONTHS THEREAFTER. Notwithstanding the foregoing sentence, a benefit
14 period shall expire no later than March thirty-first, two thousand
15 [twenty] TWENTY-SIX.

16 S 3. Subdivision 8 of section 499-a of the real property tax law, as
17 added by chapter 4 of the laws of 1995, is amended to read as follows:

18 8. "Eligible building." A non-residential or mixed-use building
19 located in the abatement zone which received its initial certificate of
20 occupancy or initial temporary certificate of occupancy prior to January
21 first, nineteen hundred seventy-five; provided that if no certificate of
22 occupancy was required at the time the building was constructed, other
23 proof acceptable to the department of finance is submitted which demon-
24 strates that the building was constructed prior to January first, nine-
25 teen hundred seventy-five; [and] provided [further that], HOWEVER, WITH
26 RESPECT TO A LEASE COMMENCING ON OR AFTER APRIL FIRST, TWO THOUSAND
27 THIRTEEN, ELIGIBLE BUILDING SHALL BE A NON-RESIDENTIAL OR MIXED-USE
28 BUILDING LOCATED IN THE ABATEMENT ZONE WHICH RECEIVED ITS INITIAL
29 CERTIFICATE OF OCCUPANCY NO LATER THAN MARCH THIRTIETH, TWO THOUSAND
30 SIXTEEN. SUCH eligible building shall not include any building owned by
31 a governmental agency. PROVIDED, FURTHER, FOR A LEASE COMMENCING ON OR
32 AFTER APRIL FIRST, TWO THOUSAND THIRTEEN, ELIGIBLE BUILDING SHALL
33 INCLUDE NON-TAXABLE PROPERTY THAT MAKES PAYMENTS IN LIEU OF TAXES
34 LOCATED WITHIN THE ABATEMENT ZONE AND ANY PAYMENTS IN LIEU OF TAXES
35 SHALL BE REDUCED BY AN AMOUNT EQUAL TO THE REAL PROPERTY TAX ABATEMENT
36 PURSUANT TO SECTION FOUR HUNDRED NINETY-NINE-B OF THIS TITLE. Each
37 condominium unit in a building which meets the requirements of this
38 subdivision shall be considered a separate eligible building.

39 S 4. Subdivision 9 of section 499-a of the real property tax law, as
40 amended by chapter 22 of the laws of 2010, is amended to read as
41 follows:

42 9. "Eligibility period." The period commencing April first, nineteen
43 hundred ninety-five and terminating March thirty-first, two thousand
44 [fourteen] SIXTEEN.

45 S 5. The opening paragraph of subdivision 1 and subdivision 5 of
46 section 499-b of the real property tax law, the opening paragraph of
47 subdivision 1 as amended by chapter 629 of the laws of 1997, subdivision
48 5 as amended by chapter 424 of the laws of 2006, are amended and a new
49 subdivision 1-b is added to read as follows:

50 Except as provided in [subdivision] SUBDIVISIONS one-a AND ONE-B of
51 this section, within a city having a population of one million or more,
52 eligible buildings containing eligible premises shall receive an abate-
53 ment of real property taxes during the benefit period as follows:

54 1-B. WITHIN A CITY HAVING A POPULATION OF ONE MILLION OR MORE, ELIGI-
55 BLE BUILDINGS CONTAINING ELIGIBLE PREMISES OCCUPIED OR USED BY A TENANT
56 PURSUANT TO A LEASE HAVING A LEASE COMMENCEMENT DATE ON OR AFTER APRIL

FIRST, TWO THOUSAND THIRTEEN WITH AN INITIAL LEASE TERM OF TEN YEARS OR GREATER SHALL RECEIVE AN ABATEMENT OF REAL PROPERTY TAXES DURING THE BENEFIT PERIOD AS FOLLOWS:

(A) FOR THE FIRST SIX YEARS OF THE BENEFIT PERIOD, THE ABATEMENT SHALL BE EQUAL TO THE PRODUCT OBTAINED BY (I) MULTIPLYING THE TENANT'S PERCENTAGE SHARE BY THE NUMBER OF SQUARE FEET IN THE ELIGIBLE BUILDING, AS LISTED ON THE RECORDS OF THE DEPARTMENT OF FINANCE AND (II) MULTIPLYING THE PRODUCT OBTAINED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH BY THE ABATEMENT BASE;

(B) FOR THE SEVENTH YEAR OF THE BENEFIT PERIOD, THE ABATEMENT SHALL BE EQUAL TO EIGHTY PERCENT OF THE ABATEMENT IN THE FIRST YEAR OF THE BENEFIT PERIOD.

(C) FOR THE EIGHTH YEAR OF THE BENEFIT PERIOD, THE ABATEMENT SHALL BE EQUAL TO SIXTY PERCENT OF THE ABATEMENT IN THE FIRST YEAR OF THE BENEFIT PERIOD.

(D) FOR THE NINTH YEAR OF THE BENEFIT PERIOD, THE ABATEMENT SHALL BE EQUAL TO FORTY PERCENT OF THE ABATEMENT IN THE FIRST YEAR OF THE BENEFIT PERIOD.

(E) FOR THE TENTH YEAR OF THE BENEFIT PERIOD, THE ABATEMENT SHALL BE EQUAL TO TWENTY PERCENT OF THE ABATEMENT IN THE FIRST YEAR OF THE BENEFIT PERIOD.

[5. (a) A tenant who occupies or uses eligible premises for which a certificate of abatement is issued pursuant to this title shall not be eligible to receive a second certificate of abatement for the same eligible premises. A tenant who occupies or uses eligible premises for which a certificate of abatement is issued pursuant to this title and who, upon the expiration of the lease for such eligible premises, relocates to otherwise eligible premises, shall not be eligible to receive a certificate of abatement for such otherwise eligible premises, except to the extent that the square footage of such otherwise eligible premises exceeds the square footage of all eligible premises previously occupied or used by such tenant for which such tenant held a certificate of abatement. If the square footage of such otherwise eligible premises exceeds the square footage of all such eligible premises previously occupied or used by such tenant and if there is any variation in the tax liability per square foot of such otherwise eligible premises, then, for purposes of determining which square footage in such otherwise eligible premises is entitled to an abatement pursuant to this title, square footage with the greatest tax liability per square foot, in an amount equal to the square footage of all such eligible premises previously occupied or used by such tenant, shall first be excluded.

(b) Notwithstanding the provisions of paragraph (a) of this subdivision, a tenant who is eligible in accordance with the provisions of this title, who occupies or uses eligible premises for which a certificate of abatement is issued pursuant to this title and who, upon the termination of the lease for such premises as a result of a taking by eminent domain, relocates to otherwise eligible premises, shall be eligible to receive a second certificate of abatement for such eligible premises; provided, however, that such tenant shall have eighteen months from the date that the lease has terminated, as a result of the taking by eminent domain, or eighteen months from the effective date of this paragraph, whichever is later, to relocate to such eligible premises.]

S 6. Clause (ii) of subparagraph 2 of paragraph (a) of subdivision 1 of section 499-c of the real property tax law, as amended by chapter 629 of the laws of 1997, is amended to read as follows:

1 (ii) if, by the sixtieth day following the rent commencement date,
2 such new or renewal tenant employs more than one hundred twenty-five
3 employees in the eligible premises, the initial lease term is for a
4 period of at least ten years PROVIDED, HOWEVER, WITH RESPECT TO A LEASE
5 COMMENCING ON OR AFTER APRIL FIRST, TWO THOUSAND THIRTEEN, IF, BY THE
6 SIXTIETH DAY FOLLOWING THE RENT COMMENCEMENT DATE, SUCH NEW OR RENEWAL
7 TENANT EMPLOYS MORE THAN ONE HUNDRED TWENTY-FIVE EMPLOYEES IN THE ELIGI-
8 BLE PREMISES, THE INITIAL LEASE TERM IS FOR A PERIOD OF AT LEAST FIVE
9 YEARS; and

10 S 7. Clause (ii) of subparagraph 2 of paragraph (b) of subdivision 1
11 of section 499-c of the real property tax law, as amended by chapter 629
12 of the laws of 1997, is amended to read as follows:

13 (ii) if, by the sixtieth day following the rent commencement date,
14 such expansion tenant employs more than one hundred twenty-five employ-
15 ees in such expansion premises, the initial lease term for the expansion
16 premises is for a period of at least ten years PROVIDED, HOWEVER, WITH
17 RESPECT TO A LEASE COMMENCING ON OR AFTER APRIL FIRST, TWO THOUSAND
18 THIRTEEN, IF, BY THE SIXTIETH DAY FOLLOWING THE RENT COMMENCEMENT DATE,
19 SUCH EXPANSION TENANT EMPLOYS MORE THAN ONE HUNDRED TWENTY-FIVE EMPLOY-
20 EES IN THE EXPANSION PREMISES, THE INITIAL LEASE TERM FOR THE EXPANSION
21 PREMISES IS FOR A PERIOD OF AT LEAST FIVE YEARS; and

22 S 8. Paragraph (a) of subdivision 3 of section 499-c of the real prop-
23 erty tax law, as amended by chapter 22 of the laws of 2010, is amended
24 to read as follows:

25 (a) For purposes of determining whether the amount of expenditures
26 required by subdivision one of this section have been satisfied, expend-
27 itures on improvements to the common areas of an eligible building shall
28 be included only if work on such improvements commenced and the expendi-
29 tures are made on or after April first, nineteen hundred ninety-five and
30 on or before September thirtieth, two thousand [fourteen] SIXTEEN;
31 provided, however, that expenditures on improvements to the common areas
32 of an eligible building made prior to three years before the lease
33 commencement date shall not be included.

34 S 9. Subparagraph (a) of paragraph 2 of subdivision i of section
35 11-704 of the administrative code of the city of New York, as amended by
36 chapter 22 of the laws of 2010, is amended to read as follows:

37 (a) An eligible tenant of eligible taxable premises shall be allowed a
38 special reduction in determining the taxable base rent for such eligible
39 taxable premises. Such special reduction shall be allowed with respect
40 to the rent for such eligible taxable premises for a period not exceed-
41 ing sixty months or, with respect to a lease commencing on or after
42 April first, nineteen hundred ninety-seven with an initial lease term of
43 less than five years, but not less than three years, for a period not
44 exceeding thirty-six months, commencing on the rent commencement date
45 applicable to such eligible taxable premises, provided, however, that in
46 no event shall any special reduction be allowed for any period beginning
47 after March thirty-first, two thousand [twenty] TWENTY-SIX. For
48 purposes of applying such special reduction, the base rent for the base
49 year shall, where necessary to determine the amount of the special
50 reduction allowable with respect to any number of months falling within
51 a tax period, be prorated by dividing the base rent for the base year by
52 twelve and multiplying the result by such number of months.

53 S 10. This act shall take effect immediately and shall apply to any
54 certificate of abatement applied on or after such date and shall expire
55 and be deemed repealed on March 31, 2026.

1

PART C

2 Section 1. Paragraph (a) of subdivision 1 of section 489-ddddddd of the
3 real property tax law, as amended by chapter 28 of the laws of 2011, is
4 amended to read as follows:

5 (a) Application for benefits pursuant to this title may be made imme-
6 diately following the effective date of a local law enacted pursuant to
7 this title and continuing until March first, two thousand [fifteen]
8 SEVENTEEN.

9 S 2. Subdivision 3 of section 489-ddddddd of the real property tax
10 law, as added by chapter 28 of the laws of 2011, is amended to read as
11 follows:

12 3. (a) No benefits pursuant to this title shall be granted for
13 construction work performed pursuant to a building permit issued after
14 April first, two thousand [fifteen] SEVENTEEN.

15 (b) If no building permit was required, then no benefits pursuant to
16 this title shall be granted for construction work that is commenced
17 after April first, two thousand [fifteen] SEVENTEEN.

18 S 3. Paragraph 1 of subdivision a of section 11-271 of the adminis-
19 trative code of the city of New York, as amended by chapter 28 of the
20 laws of 2011, is amended to read as follows:

21 (1) Application for benefits pursuant to this part may be made imme-
22 diately following the effective date of the local law that added this
23 section and continuing until March first, two thousand [fifteen] SEVEN-
24 TEEN.

25 S 4. Subdivision c of section 11-271 of the administrative code of
26 the city of New York, as added by chapter 28 of the laws of 2011, is
27 amended to read as follows:

28 c. (1) No benefits pursuant to this part shall be granted for
29 construction work performed pursuant to a building permit issued after
30 April first, two thousand [fifteen] SEVENTEEN.

31 (2) If no building permit was required, then no benefits pursuant to
32 this part shall be granted for construction work that is commenced after
33 April first, two thousand [fifteen] SEVENTEEN.

34 S 5. This act shall take effect immediately.

35

PART D

36 Section 1. Subdivision (b) of section 25-z of the general city law, as
37 amended by chapter 131 of the laws of 2008, is amended to read as
38 follows:

39 (b) No eligible business shall be authorized to receive a credit under
40 any local law enacted pursuant to this article until the premises with
41 respect to which it is claiming the credit meet the requirements in the
42 definition of eligible premises and until it has obtained a certifi-
43 cation of eligibility from the mayor of such city or an agency desig-
44 nated by such mayor, and an annual certification from such mayor or an
45 agency designated by such mayor as to the number of eligible aggregate
46 employment shares maintained by such eligible business that may qualify
47 for obtaining a tax credit for the eligible business' taxable year. Any
48 written documentation submitted to such mayor or such agency or agencies
49 in order to obtain any such certification shall be deemed a written
50 instrument for purposes of section 175.00 of the penal law. Such local
51 law may provide for application fees to be determined by such mayor or
52 such agency or agencies. No such certification of eligibility shall be
53 issued under any local law enacted pursuant to this article to an eligi-

1 ble business on or after July first, two thousand [thirteen] FIFTEEN
2 unless:

3 (1) prior to such date such business has purchased, leased or entered
4 into a contract to purchase or lease particular premises or a parcel on
5 which will be constructed such premises or already owned such premises
6 or parcel;

7 (2) prior to such date improvements have been commenced on such prem-
8 ises or parcel, which improvements will meet the requirements of subdivi-
9 sion (e) of section twenty-five-y of this article relating to expendi-
10 tures for improvements;

11 (3) prior to such date such business submits a preliminary application
12 for a certification of eligibility to such mayor or such agency or agen-
13 cies with respect to a proposed relocation to such particular premises;
14 and

15 (4) such business relocates to such particular premises not later than
16 thirty-six months or, in a case in which the expenditures made for the
17 improvements specified in paragraph two of this subdivision are in
18 excess of fifty million dollars within seventy-two months from the date
19 of submission of such preliminary application.

20 S 2. Subdivision (b) of section 25-ee of the general city law, as
21 amended by chapter 131 of the laws of 2008, is amended to read as
22 follows:

23 (b) No eligible business or special eligible business shall be author-
24 ized to receive a credit against tax under any local law enacted pursu-
25 ant to this article until the premises with respect to which it is
26 claiming the credit meet the requirements in the definition of eligible
27 premises and until it has obtained a certification of eligibility from
28 the mayor of such city or any agency designated by such mayor, and an
29 annual certification from such mayor or an agency designated by such
30 mayor as to the number of eligible aggregate employment shares main-
31 tained by such eligible business or such special eligible business that
32 may qualify for obtaining a tax credit for the eligible business' taxa-
33 ble year. No special eligible business shall be authorized to receive a
34 credit against tax under the provisions of this article unless the
35 number of relocated employee base shares calculated pursuant to subdivi-
36 sion (o) of section twenty-five-dd of this article is equal to or great-
37 er than the lesser of twenty-five percent of the number of New York city
38 base shares calculated pursuant to subdivision (p) of such section and
39 two hundred fifty employment shares. Any written documentation submitted
40 to such mayor or such agency or agencies in order to obtain any such
41 certification shall be deemed a written instrument for purposes of
42 section 175.00 of the penal law. Such local law may provide for applica-
43 tion fees to be determined by such mayor or such agency or agencies. No
44 certification of eligibility shall be issued under any local law enacted
45 pursuant to this article to an eligible business on or after July first,
46 two thousand [thirteen] FIFTEEN unless:

47 (1) prior to such date such business has purchased, leased or entered
48 into a contract to purchase or lease premises in the eligible Lower
49 Manhattan area or a parcel on which will be constructed such premises;

50 (2) prior to such date improvements have been commenced on such prem-
51 ises or parcel, which improvements will meet the requirements of subdivi-
52 sion (e) of section twenty-five-dd of this article relating to expendi-
53 tures for improvements;

54 (3) prior to such date such business submits a preliminary application
55 for a certification of eligibility to such mayor or such agency or agen-
56 cies with respect to a proposed relocation to such premises; and

1 (4) such business relocates to such premises as provided in subdivi-
2 sion (j) of section twenty-five-dd of this article not later than thir-
3 ty-six months or, in a case in which the expenditures made for the
4 improvements specified in paragraph two of this subdivision are in
5 excess of fifty million dollars within seventy-two months from the date
6 of submission of such preliminary application.

7 S 3. Subdivision (b) of section 22-622 of the administrative code of
8 the city of New York, as amended by chapter 131 of the laws of 2008, is
9 amended to read as follows:

10 (b) No eligible business shall be authorized to receive a credit
11 against tax or a reduction in base rent subject to tax under the
12 provisions of this chapter, and of title eleven of the code as described
13 in subdivision (a) of this section, until the premises with respect to
14 which it is claiming the credit meet the requirements in the definition
15 of eligible premises and until it has obtained a certification of eligi-
16 bility from the mayor or an agency designated by the mayor, and an annu-
17 al certification from the mayor or an agency designated by the mayor as
18 to the number of eligible aggregate employment shares maintained by such
19 eligible business that may qualify for obtaining a tax credit for the
20 eligible business' taxable year. Any written documentation submitted to
21 the mayor or such agency or agencies in order to obtain any such certif-
22 ication shall be deemed a written instrument for purposes of section
23 175.00 of the penal law. Application fees for such certifications shall
24 be determined by the mayor or such agency or agencies. No certification
25 of eligibility shall be issued to an eligible business on or after July
26 first, two thousand [thirteen] FIFTEEN unless:

27 (1) prior to such date such business has purchased, leased or entered
28 into a contract to purchase or lease particular premises or a parcel on
29 which will be constructed such premises or already owned such premises
30 or parcel;

31 (2) prior to such date improvements have been commenced on such prem-
32 ises or parcel which improvements will meet the requirements of subdivi-
33 sion (e) of section 22-621 of this chapter relating to expenditures for
34 improvements;

35 (3) prior to such date such business submits a preliminary application
36 for a certification of eligibility to such mayor or such agency or agen-
37 cies with respect to a proposed relocation to such particular premises;
38 and

39 (4) such business relocates to such particular premises not later than
40 thirty-six months or, in a case in which the expenditures made for
41 improvements specified in paragraph two of this subdivision are in
42 excess of fifty million dollars within seventy-two months from the date
43 of submission of such preliminary application.

44 S 4. Subdivision (b) of section 22-624 of the administrative code of
45 the city of New York, as amended by chapter 131 of the laws of 2008, is
46 amended to read as follows:

47 (b) No eligible business or special eligible business shall be author-
48 ized to receive a credit against tax under the provisions of this chap-
49 ter, and of title eleven of the code as described in subdivision (a) of
50 this section, until the premises with respect to which it is claiming
51 the credit meet the requirements in the definition of eligible premises
52 and until it has obtained a certification of eligibility from the mayor
53 or an agency designated by the mayor, and an annual certification from
54 the mayor or an agency designated by the mayor as to the number of
55 eligible aggregate employment shares maintained by such eligible busi-
56 ness or special eligible business that may qualify for obtaining a tax

1 credit for the eligible business' taxable year. No special eligible
2 business shall be authorized to receive a credit against tax under the
3 provisions of this chapter and of title eleven of the code unless the
4 number of relocated employee base shares calculated pursuant to subdivi-
5 sion (o) of section 22-623 of this chapter is equal to or greater than
6 the lesser of twenty-five percent of the number of New York city base
7 shares calculated pursuant to subdivision (p) of such section 22-623,
8 and two hundred fifty employment shares. Any written documentation
9 submitted to the mayor or such agency or agencies in order to obtain any
10 such certification shall be deemed a written instrument for purposes of
11 section 175.00 of the penal law. Application fees for such certif-
12 ications shall be determined by the mayor or such agency or agencies. No
13 certification of eligibility shall be issued to an eligible business on
14 or after July first, two thousand [thirteen] FIFTEEN unless:

15 (1) prior to such date such business has purchased, leased or entered
16 into a contract to purchase or lease premises in the eligible Lower
17 Manhattan area or a parcel on which will be constructed such premises;

18 (2) prior to such date improvements have been commenced on such prem-
19 ises or parcel, which improvements will meet the requirements of subdivi-
20 sion (e) of section 22-623 of this chapter relating to expenditures
21 for improvements;

22 (3) prior to such date such business submits a preliminary application
23 for a certification of eligibility to such mayor or such agency or agen-
24 cies with respect to a proposed relocation to such premises; and

25 (4) such business relocates to such premises not later than thirty-six
26 months or, in a case in which the expenditures made for the improvements
27 specified in paragraph two of this subdivision are in excess of fifty
28 million dollars within seventy-two months from the date of submission of
29 such preliminary application.

30 S 5. This act shall take effect immediately.

31

PART E

32 Section 1. Paragraph 1 of subdivision (b) of section 25-s of the
33 general city law, as amended by chapter 406 of the laws of 2010, is
34 amended to read as follows:

35 (1) non-residential premises that are wholly contained in property
36 that is eligible to obtain benefits under title two-D or two-F of arti-
37 cle four of the real property tax law, or would be eligible to receive
38 benefits under such article except that such property is exempt from
39 real property taxation and the requirements of paragraph (b) of subdivi-
40 sion seven of section four hundred eighty-nine-dddd of such title two-D,
41 or the requirements of subparagraph (ii) of paragraph (b) of subdivision
42 five of section four hundred eighty-nine-ccccc of such title two-F,
43 whichever is applicable, have not been satisfied, provided that applica-
44 tion for such benefits was made after May third, nineteen hundred eight-
45 y-five and prior to July first, two thousand [thirteen] FIFTEEN, that
46 construction or renovation of such premises was described in such appli-
47 cation, that such premises have been substantially improved by such
48 construction or renovation so described, that the minimum required
49 expenditure as defined in such title two-D or two-F, whichever is appli-
50 cable, has been made, and that such real property is located in an
51 eligible area; or

52 S 2. Paragraph 3 of subdivision (b) of section 25-s of the general
53 city law, as amended by chapter 406 of the laws of 2010, is amended to
54 read as follows:

1 (3) non-residential premises that are wholly contained in real proper-
2 ty that has obtained approval after October thirty-first, two thousand
3 and prior to July first, two thousand [thirteen] FIFTEEN for financing
4 by an industrial development agency established pursuant to article
5 eighteen-A of the general municipal law, provided that such financing
6 has been used in whole or in part to substantially improve such premises
7 (by construction or renovation), and that expenditures have been made
8 for improvements to such real property in excess of ten per centum of
9 the value at which such real property was assessed for tax purposes for
10 the tax year in which such improvements commenced, that such expendi-
11 tures have been made within thirty-six months after the earlier of (i)
12 the issuance by such agency of bonds for such financing, or (ii) the
13 conveyance of title to such property to such agency, and that such real
14 property is located in an eligible area; or

15 S 3. Paragraph 5 of subdivision (b) of section 25-s of the general
16 city law, as amended by chapter 406 of the laws of 2010, is amended to
17 read as follows:

18 (5) non-residential premises that are wholly contained in real proper-
19 ty owned by such city or the New York state urban development corpo-
20 ration, or a subsidiary thereof, a lease for which was approved in
21 accordance with the applicable provisions of the charter of such city or
22 by the board of directors of such corporation, and such approval was
23 obtained after October thirty-first, two thousand and prior to July
24 first, two thousand [thirteen] FIFTEEN, provided, however, that such
25 premises were constructed or renovated subsequent to such approval, that
26 expenditures have been made subsequent to such approval for improvements
27 to such real property (by construction or renovation) in excess of ten
28 per centum of the value at which such real property was assessed for tax
29 purposes for the tax year in which such improvements commenced, that
30 such expenditures have been made within thirty-six months after the
31 effective date of such lease, and that such real property is located in
32 an eligible area; or

33 S 4. Paragraph 2 of subdivision (c) of section 25-t of the general
34 city law, as amended by chapter 406 of the laws of 2010, is amended to
35 read as follows:

36 (2) No eligible energy user, qualified eligible energy user, on-site
37 cogenerator, or clean on-site cogenerator shall receive a rebate pursu-
38 ant to this article until it has obtained a certification from the
39 appropriate city agency in accordance with a local law enacted pursuant
40 to this section. No such certification for a qualified eligible energy
41 user shall be issued on or after November first, two thousand. No such
42 certification of any other eligible energy user, on-site cogenerator, or
43 clean on-site cogenerator shall be issued on or after July first, two
44 thousand [thirteen] FIFTEEN.

45 S 5. Paragraph 1 of subdivision (a) of section 25-aa of the general
46 city law, as amended by chapter 406 of the laws of 2010, is amended to
47 read as follows:

48 (1) is eligible to obtain benefits under title two-D or two-F of arti-
49 cle four of the real property tax law, or would be eligible to receive
50 benefits under such title except that such property is exempt from real
51 property taxation and the requirements of paragraph (b) of subdivision
52 seven of section four hundred eighty-nine-dddd of such title two-D, or
53 the requirements of subparagraph (ii) of paragraph (b) of subdivision
54 five of section four hundred eighty-nine-ccccc of such title two-F,
55 whichever is applicable, of the real property tax law have not been
56 satisfied, provided that application for such benefits was made after

1 the thirtieth day of June, nineteen hundred ninety-five and before the
2 first day of July, two thousand [thirteen] FIFTEEN, that construction or
3 renovation of such building or structure was described in such applica-
4 tion, that such building or structure has been substantially improved by
5 such construction or renovation, and (i) that the minimum required
6 expenditure as defined in such title has been made, or (ii) where there
7 is no applicable minimum required expenditure, the building was
8 constructed within such period or periods of time established by title
9 two-D or two-F, whichever is applicable, of article four of the real
10 property tax law for construction of a new building or structure; or

11 S 6. Paragraphs 2 and 3 of subdivision (a) of section 25-aa of the
12 general city law, as amended by chapter 406 of the laws of 2010, are
13 amended to read as follows:

14 (2) has obtained approval after the thirtieth day of June, nineteen
15 hundred ninety-five and before the first day of July, two thousand
16 [thirteen] FIFTEEN, for financing by an industrial development agency
17 established pursuant to article eighteen-A of the general municipal law,
18 provided that such financing has been used in whole or in part to
19 substantially improve such building or structure by construction or
20 renovation, that expenditures have been made for improvements to such
21 real property in excess of twenty per centum of the value at which such
22 real property was assessed for tax purposes for the tax year in which
23 such improvements commenced, and that such expenditures have been made
24 within thirty-six months after the earlier of (i) the issuance by such
25 agency of bonds for such financing, or (ii) the conveyance of title to
26 such building or structure to such agency; or

27 (3) is owned by the city of New York or the New York state urban
28 development corporation, or a subsidiary corporation thereof, a lease
29 for which was approved in accordance with the applicable provisions of
30 the charter of such city or by the board of directors of such corpo-
31 ration, as the case may be, and such approval was obtained after the
32 thirtieth day of June, nineteen hundred ninety-five and before the first
33 day of July, two thousand [thirteen] FIFTEEN, provided that expenditures
34 have been made for improvements to such real property in excess of twen-
35 ty per centum of the value at which such real property was assessed for
36 tax purposes for the tax year in which such improvements commenced, and
37 that such expenditures have been made within thirty-six months after the
38 effective date of such lease; or

39 S 7. Subdivision (f) of section 25-bb of the general city law, as
40 amended by chapter 406 of the laws of 2010, is amended to read as
41 follows:

42 (f) Application and certification. An owner or lessee of a building or
43 structure located in an eligible revitalization area, or an agent of
44 such owner or lessee, may apply to such department of small business
45 services for certification that such building or structure is an eligi-
46 ble building or targeted eligible building meeting the criteria of
47 subdivision (a) or (q) of section twenty-five-aa of this article.
48 Application for such certification must be filed after the thirtieth day
49 of June, nineteen hundred ninety-five and before a building permit is
50 issued for the construction or renovation required by such subdivisions
51 and before the first day of July, two thousand [thirteen] FIFTEEN,
52 provided that no certification for a targeted eligible building shall be
53 issued after October thirty-first, two thousand. Such application shall
54 identify expenditures to be made that will affect eligibility under such
55 subdivision (a) or (q). Upon completion of such expenditures, an appli-
56 cant shall supplement such application to provide information (i) estab-

1 lishing that the criteria of such subdivision (a) or (q) have been met;
2 (ii) establishing a basis for determining the amount of special rebates,
3 including a basis for an allocation of the special rebate among eligible
4 revitalization area energy users purchasing or otherwise receiving ener-
5 gy services from an eligible redistributor of energy or a qualified
6 eligible redistributor of energy; and (iii) supporting an allocation of
7 charges for energy services between eligible charges and other charges.
8 Such department shall certify a building or structure as an eligible
9 building or targeted eligible building after receipt and review of such
10 information and upon a determination that such information establishes
11 that the building or structure qualifies as an eligible building or
12 targeted eligible building. Such department shall mail such certif-
13 ication or notice thereof to the applicant upon issuance. Such certif-
14 ication shall remain in effect provided the eligible redistributor of
15 energy or qualified eligible redistributor of energy reports any changes
16 that materially affect the amount of the special rebates to which it is
17 entitled or the amount of reduction required by subdivision (c) of this
18 section in an energy services bill of an eligible revitalization area
19 energy user and otherwise complies with the requirements of this arti-
20 cle. Such department shall notify the private utility or public utility
21 service required to make a special rebate to such redistributor of the
22 amount of such special rebate established at the time of certification
23 and any changes in such amount and any suspension or termination by such
24 department of certification under this subdivision. Such department may
25 require some or all of the information required as part of an applica-
26 tion or other report be provided by a licensed engineer.

27 S 8. Paragraph 1 of subdivision (i) of section 22-601 of the adminis-
28 trative code of the city of New York, as amended by chapter 406 of the
29 laws of 2010, is amended to read as follows:

30 (1) Non-residential premises that are wholly contained in property
31 that is eligible to obtain benefits under part four or part five of
32 subchapter two of chapter two of title eleven of this code, or would be
33 eligible to receive benefits under such chapter except that such proper-
34 ty is exempt from real property taxation and the requirements of para-
35 graph two of subdivision g of section 11-259 of this code, or the
36 requirements of subparagraph (b) of paragraph two of subdivision e of
37 section 11-270 of this code, whichever is applicable, have not been
38 satisfied, provided that application for such benefits was made after
39 May third, nineteen hundred eighty-five and prior to July first, two
40 thousand [thirteen] FIFTEEN, that construction or renovation of such
41 premises was described in such application, that such premises have been
42 substantially improved by such construction or renovation so described,
43 that the minimum required expenditure as defined in such part four or
44 part five, whichever is applicable, has been made, and that such real
45 property is located in an eligible area; or

46 S 9. Paragraph 3 of subdivision (i) of section 22-601 of the adminis-
47 trative code of the city of New York, as amended by chapter 406 of the
48 laws of 2010, is amended to read as follows:

49 (3) non-residential premises that are wholly contained in real proper-
50 ty that has obtained approval after October thirty-first, two thousand
51 and prior to July first, two thousand [thirteen] FIFTEEN for financing
52 by an industrial development agency established pursuant to article
53 eighteen-A of the general municipal law, provided that such financing
54 has been used in whole or in part to substantially improve such premises
55 (by construction or renovation), and that expenditures have been made
56 for improvements to such real property in excess of ten per centum of

1 the value at which such real property was assessed for tax purposes for
2 the tax year in which such improvements commenced, that such expendi-
3 tures have been made within thirty-six months after the earlier of (i)
4 the issuance by such agency of bonds for such financing, or (ii) the
5 conveyance of title to such property to such agency, and that such real
6 property is located in an eligible area; or

7 S 10. Paragraph 5 of subdivision (i) of section 22-601 of the adminis-
8 trative code of the city of New York, as amended by chapter 406 of the
9 laws of 2010, is amended to read as follows:

10 (5) non-residential premises that are wholly contained in real proper-
11 ty owned by such city or the New York state urban development corpo-
12 ration, or a subsidiary thereof, a lease for which was approved in
13 accordance with the applicable provisions of the charter of such city or
14 by the board of directors of such corporation, and such approval was
15 obtained after October thirty-first, two thousand and prior to July
16 first, two thousand [thirteen] FIFTEEN, provided, however, that such
17 premises were constructed or renovated subsequent to such approval, that
18 expenditures have been made subsequent to such approval for improvements
19 to such real property (by construction or renovation) in excess of ten
20 per centum of the value at which such real property was assessed for tax
21 purposes for the tax year in which such improvements commenced, that
22 such expenditures have been made within thirty-six months after the
23 effective date of such lease, and that such real property is located in
24 an eligible area; or

25 S 11. Paragraph 1 of subdivision (c) of section 22-602 of the adminis-
26 trative code of the city of New York, as amended by chapter 406 of the
27 laws of 2010, is amended to read as follows:

28 (1) No eligible energy user, qualified eligible energy user, on-site
29 cogenerator, clean on-site cogenerator or special eligible energy user
30 shall receive a rebate pursuant to this chapter until it has obtained a
31 certification as an eligible energy user, qualified eligible energy
32 user, on-site cogenerator, clean on-site cogenerator or special eligible
33 energy user, respectively, from the commissioner of small business
34 services. No such certification for a qualified eligible energy user
35 shall be issued on or after July first, two thousand three. No such
36 certification of any other eligible energy user, on-site cogenerator or
37 clean on-site cogenerator shall be issued on or after July first, two
38 thousand [thirteen] FIFTEEN. The commissioner of small business
39 services, after notice and hearing, may revoke a certification issued
40 pursuant to this subdivision where it is found that eligibility criteria
41 have not been met or that compliance with conditions for continued
42 eligibility has not been maintained. The corporation counsel may main-
43 tain a civil action to recover an amount equal to any benefits improper-
44 ly obtained.

45 S 12. This act shall take effect immediately.

46 PART F

47 Section 1. Subparagraph (b-2) of paragraph 2 of subdivision i of
48 section 11-704 of the administrative code of the city of New York, as
49 amended by chapter 203 of the laws of 2009, is amended to read as
50 follows:

51 (b-2) The amount of the special reduction allowed by this subdivision
52 with respect to a lease other than a sublease commencing between July
53 first, two thousand five and June thirtieth, two thousand [thirteen]

1 FIFTEEN with an initial or renewal lease term of at least five years
2 shall be determined as follows:
3 (i) For the base year the amount of such special reduction shall be
4 equal to the base rent for the base year.
5 (ii) For the first, second, third and fourth twelve-month periods
6 following the base year the amount of such special reduction shall be
7 equal to the lesser of (A) the base rent for each such twelve-month
8 period or (B) the base rent for the base year.
9 S 2. This act shall take effect immediately.

PART G

11 Section 1. Subdivision 9 of section 499-aa of the real property tax
12 law, as amended by chapter 306 of the laws of 2010, is amended to read
13 as follows:
14 9. "Eligibility period." The period commencing April first, nineteen
15 hundred ninety-five and terminating March thirty-first, two thousand
16 one, provided, however, that with respect to eligible premises defined
17 in subparagraph (i) of paragraph (b) of subdivision ten of this section,
18 the period commencing July first, two thousand and terminating June
19 thirtieth, two thousand [fourteen] SIXTEEN, and provided, further,
20 however, that with respect to eligible premises defined in subparagraph
21 (ii) of paragraph (b) or paragraph (c) of subdivision ten of this
22 section, the period commencing July first, two thousand five and termi-
23 nating June thirtieth, two thousand [fourteen] SIXTEEN.
24 S 2. Subparagraph (iii) of paragraph (a) of subdivision 3 of section
25 499-cc of the real property tax law, as amended by chapter 306 of the
26 laws of 2010, is amended to read as follows:
27 (iii) With respect to the eligible premises defined in subparagraph
28 (ii) of paragraph (b) or paragraph (c) of subdivision ten of section
29 four hundred ninety-nine-aa of this title and for purposes of determin-
30 ing whether the amount of expenditures required by subdivision one of
31 this section have been satisfied, expenditures on improvements to the
32 common areas of an eligible building shall be included only if work on
33 such improvements commenced and the expenditures are made on or after
34 July first, two thousand five and on or before December thirty-first,
35 two thousand [fourteen] SIXTEEN; provided, however, that expenditures on
36 improvements to the common areas of an eligible building made prior to
37 three years before the lease commencement date shall not be included.
38 S 3. This act shall take effect immediately.
39 S 2. Severability clause. If any clause, sentence, paragraph, subdivi-
40 sion, section or part of this act shall be adjudged by any court of
41 competent jurisdiction to be invalid, such judgment shall not affect,
42 impair, or invalidate the remainder thereof, but shall be confined in
43 its operation to the clause, sentence, paragraph, subdivision, section
44 or part thereof directly involved in the controversy in which such judg-
45 ment shall have been rendered. It is hereby declared to be the intent of
46 the legislature that this act would have been enacted even if such
47 invalid provisions had not been included herein.
48 S 3. This act shall take effect immediately provided, however, that
49 the applicable effective date of Parts A through G of this act shall be
50 as specifically set forth in the last section of such Parts.