

# STATE OF NEW YORK

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1931--A

2021-2022 Regular Sessions

## IN ASSEMBLY

January 13, 2021

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Introduced by M. of A. L. ROSENTHAL -- read once and referred to the Committee on Real Property Taxation -- recommitted to the Committee on Real Property Taxation in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to repeal section 421-a of the real property tax law, relating to the affordable New York housing program; to amend the real property tax law, the administrative code of the city of New York, and the private housing finance law, in relation to making necessary technical and conforming changes; and to repeal certain sections of the administrative code of the city of New York relating thereto

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

1 Section 1. Section 421-a of the real property tax law is REPEALED.  
2 § 2. Section 11-245 of the administrative code of the city of New York  
3 is REPEALED.  
4 § 3. Section 11-245.1 of the administrative code of the city of New  
5 York is REPEALED.  
6 § 4. Section 11-245.1-a of the administrative code of the city of New  
7 York is REPEALED.  
8 § 5. Section 11-245.1-b of the administrative code of the city of New  
9 York is REPEALED.  
10 § 6. The thirteenth undesignated paragraph of subdivision a of section  
11 6-130 of the administrative code of the city of New York, as amended by  
12 local law number 212 of the city of New York for the year 2019, is  
13 amended to read as follows:  
14 "Lease" means any agreement whereby a contracting agency contracts  
15 for, or leases or rents, commercial office space or commercial office  
16 facilities of 10,000 square feet or more from a non-governmental entity  
17 provided the city, whether through a single agreement or multiple agree-  
18 ments, leases or rents no less than 51 percent of the total square

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

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1 footage of the building to which the lease applies, or if such space or  
2 such facility is entirely located within the geographic area in the  
3 borough of Staten Island[~~, or in an area not defined as an exclusion~~  
4 ~~area pursuant to section 421-a of the real property tax law~~] on the date  
5 of enactment of the local law that added this section, then no less than  
6 80 percent of the total square footage of the building to which the  
7 lease applies. Such agreements do not include agreements between not-  
8 for-profit organizations and a contracting agency.

9 § 7. Subdivision 1 of section 11-239 of the administrative code of the  
10 city of New York, as amended by local law number 40 of the city of New  
11 York for the year 2007, is amended to read as follows:

12 1. For fiscal years beginning the first of July, two thousand three  
13 and ending the thirtieth of June, two thousand nine, a rebate in the  
14 amount of the lesser of four hundred dollars or the annual tax liability  
15 imposed on the property shall be paid to an owner or tenant-stockholder  
16 who, as of the date the application provided for in subdivision four of  
17 this section is due, owns a one, two or three family residence or a  
18 dwelling unit in residential property held in the condominium or cooper-  
19 ative form of ownership that is the owner or tenant-stockholder's prima-  
20 ry residence and meets all other eligibility requirements of this  
21 section. If, with respect to the fiscal year beginning on the first of  
22 July, two thousand eight and ending on the thirtieth of June, two thou-  
23 sand nine, an increase in average real property tax rates would other-  
24 wise be necessary in the resolution of the city council fixing real  
25 property tax rates for such fiscal year pursuant to the charter, then  
26 the rebate to be paid for such fiscal year shall be reduced or elimi-  
27 nated as follows: where the sum to be raised by such increase is less  
28 than seven hundred fifty million dollars, then such rebate shall be  
29 reduced by fifty cents for each dollar of increase, and where the sum to  
30 be raised by such increase is seven hundred fifty million dollars or  
31 more, then such rebate shall be eliminated. Notwithstanding anything to  
32 the contrary in sections [~~four hundred twenty-one-a,~~] four hundred twen-  
33 ty-one-b or four hundred twenty-one-g of the real property tax law, an  
34 owner or tenant-stockholder whose property is receiving benefits pursu-  
35 ant to such sections shall not be prohibited from receiving a rebate  
36 pursuant to this section if such owner or tenant-stockholder is other-  
37 wise eligible to receive such rebate. Tenant-stockholders of dwelling  
38 units in a cooperative apartment corporation incorporated as a mutual  
39 company pursuant to article two, four, five or eleven of the private  
40 housing finance law shall not be entitled to the rebate authorized by  
41 this section. Such rebate shall be paid by the commissioner of finance  
42 to eligible owners or tenant-stockholders in accordance with rules  
43 promulgated by the commissioner of finance.

44 § 8. Subdivision h of section 26-901 of the administrative code of the  
45 city of New York, as added by local law number 44 of the city of New  
46 York for the year 2012, is amended to read as follows:

47 h. "Housing development project" means construction, rehabilitation or  
48 alteration of any residential building, residential facility or residen-  
49 tial structure by a developer (1) which creates or preserves at least  
50 one dwelling unit; (2) which is funded in whole or in part by city  
51 financial assistance other than non-discretionary tax abatements or  
52 benefits approved or administered in accordance with [~~sections 421-a or~~  
53 ~~489~~] section four hundred eighty-nine of the [~~New York state~~] real prop-  
54 erty tax law or other similar programs and (3) where the developer of  
55 such project was not selected more than five years prior to the effec-  
56 tive date of this chapter. The term "housing development project" shall

1 not include emergency repairs performed by or on behalf of the depart-  
2 ment pursuant to section 27-2125 of this code, work performed by or on  
3 behalf of the department pursuant to section 27-2153 of this code, demo-  
4 lition work performed by or on behalf of the department pursuant to  
5 articles two hundred fifteen or two hundred sixteen of chapter two of  
6 title twenty-eight of this code, or work funded by the department pursu-  
7 ant to article ~~[seven-a]~~ seven-A of the ~~[New York state]~~ real property  
8 actions and proceedings law.

9 § 9. Subdivision 18 of section 654-d of the private housing finance  
10 law, as amended by chapter 703 of the laws of 1992, is amended to read  
11 as follows:

12 18. Rentals. Notwithstanding the provisions of, or any regulation  
13 promulgated pursuant to, the emergency housing rent control law, the  
14 local emergency housing rent control act or local law enacted pursuant  
15 thereto, all dwelling units in a multiple dwelling the rehabilitation of  
16 which commenced after July first, nineteen hundred seventy-seven and  
17 which is financed by a mortgage loan insured by the subsidiary corpo-  
18 ration (including, but not limited to, mortgage loans insured pursuant  
19 to mortgage insurance contracts and housing insurance contracts), except  
20 for dwelling units occupied by reason of ownership of stock in a cooper-  
21 ative and except for dwelling units that constitute condominiums, shall  
22 be subject to the rent stabilization law of nineteen hundred sixty-nine,  
23 beginning immediately after initial rents, as established under applica-  
24 ble provisions of this chapter, ~~[section four hundred twenty-one-a of~~  
25 ~~the real property tax law,~~ section four hundred eighty-nine of the real  
26 property tax law and/or subparagraph (m) of paragraph one of subdivision  
27 g of section 26-405 of the administrative code of the city of New York  
28 for such dwelling units to become effective on the basis of such reha-  
29 bilitation, provided that any occupant in possession of a dwelling unit  
30 that first becomes subject to the rent stabilization law of nineteen  
31 hundred sixty-nine pursuant to this section shall be offered a two-year  
32 lease notwithstanding any contrary provisions of, or regulations adopted  
33 pursuant to, such rent stabilization law, at the initial rent estab-  
34 lished for such dwelling unit and provided further that such dwelling  
35 units, other than those dwelling units, the initial rents of which are  
36 established under subparagraph (m) of paragraph one of subdivision g of  
37 section 26-405 of the administrative code of the city of New York, shall  
38 remain subject to the rent stabilization law in accordance with the  
39 provisions of this chapter~~[, section four hundred twenty-one-a of the~~  
40 ~~real property tax law]~~ and/or section four hundred eighty-nine of the  
41 real property tax law as the case may be. Except to the extent to which  
42 dwelling units, which are controlled under other provisions of law,  
43 become subject to the rent stabilization law of nineteen hundred sixty-  
44 nine pursuant to the preceding sentence, no dwelling unit shall become  
45 subject to the rent stabilization law solely by reason of insurance of a  
46 mortgage loan by the subsidiary corporation.

47 § 10. Subdivision 6 of section 421-m of the real property tax law, as  
48 added by section 43 of part B of chapter 97 of the laws of 2011, is  
49 amended to read as follows:

50 6. The exemption authorized by this section shall not be available in  
51 a jurisdiction to which the provisions of section ~~[four hundred twenty-~~  
52 ~~one-a-or]~~ four hundred twenty-one-c of this article are applicable.

53 § 11. Subdivision 1 of section 467-e of the real property tax law, as  
54 amended by chapter 483 of the laws of 2007, is amended to read as  
55 follows:

1 1. Generally. Notwithstanding any provision of any general, special or  
2 local law to the contrary, any city having a population of one million  
3 or more is hereby authorized and empowered to adopt and amend local laws  
4 in accordance with this section to grant a rebate of real property taxes  
5 for fiscal years beginning on the first of July, two thousand three and  
6 ending on the thirtieth of June, two thousand nine in the amount of the  
7 lesser of four hundred dollars or the annual tax liability imposed on  
8 the property. No such local law may be adopted unless, as originally  
9 adopted, it authorizes such rebate to be granted in accordance with this  
10 section for three consecutive fiscal years beginning with the fiscal  
11 year beginning on the first of July, two thousand three. No such rebate  
12 shall be granted by local law for any fiscal year beginning on or after  
13 the first of July, two thousand nine, unless the council of such city,  
14 in fixing the annual tax rates for any such fiscal year, shall have  
15 uniformly reduced such rates for all classes of property in order to  
16 produce real property tax relief among such classes of property in an  
17 amount not less than, in the aggregate, the aggregate amount of rebate  
18 paid in such fiscal year. No such local law implementing the provisions  
19 of this section, as amended by ~~[the]~~ chapter four hundred eighty-three  
20 of the laws of two thousand seven ~~[which added this sentence]~~, may be  
21 adopted unless, as originally adopted, such local law authorizes such  
22 rebate to be granted in accordance with this section for three consec-  
23 utive fiscal years beginning with the fiscal year beginning on the first  
24 of July, two thousand six. Any rebate authorized by local law in accord-  
25 ance with this section shall be paid in the fiscal year following the  
26 fiscal year for which the rebate is granted. If, with respect to the  
27 fiscal year of such city beginning on the first of July, two thousand  
28 eight and ending on the thirtieth of June, two thousand nine, an  
29 increase in average real property tax rates would otherwise be necessary  
30 in the resolution of such city council fixing real property tax rates  
31 for such fiscal year pursuant to the charter of such city, then the  
32 rebate to be paid for such fiscal year shall be reduced or eliminated as  
33 follows: where the sum to be raised by such increase is less than seven  
34 hundred fifty million dollars, then such rebate shall be reduced by  
35 fifty cents for each dollar of increase, and where the sum to be raised  
36 by such increase is seven hundred fifty million dollars or more, then  
37 such rebate shall be eliminated. The determination of the reduction or  
38 elimination of such rebate shall be set forth in such resolution after  
39 consultation with the department of finance of such city and shall take  
40 effect upon the final adoption of such resolution. Such rebate shall be  
41 paid to an owner or tenant-stockholder who, as of the date the applica-  
42 tion provided for in subdivision four of this section is due, owns a  
43 one, two or three family residence or a dwelling unit in residential  
44 property held in the condominium or cooperative form of ownership that  
45 is the owner or tenant-stockholder's primary residence and meets all  
46 other eligibility requirements of this section. Notwithstanding  
47 anything to the contrary in sections ~~[four hundred twenty-one-a,]~~ four  
48 hundred twenty-one-b or four hundred twenty-one-g of this title, an  
49 owner or tenant-stockholder whose property is receiving benefits pursu-  
50 ant to such sections shall not be prohibited from receiving a rebate  
51 pursuant to this section if such owner or tenant-stockholder is other-  
52 wise eligible to receive such rebate. Tenant-stockholders of dwelling  
53 units in a cooperative apartment corporation incorporated as a mutual  
54 company pursuant to article two, four, five or eleven of the private  
55 housing finance law shall not be entitled to the rebate authorized by  
56 this section. Such rebate shall be paid by the commissioner of finance

1 to eligible owners or tenant-stockholders in accordance with rules  
2 promulgated by the commissioner of finance.

3 § 12. Paragraph (b) of subdivision 1-a of section 489 of the real  
4 property tax law, as added by chapter 450 of the laws of 2003, is  
5 amended to read as follows:

6 (b) for tax lots in the city of New York now existing or hereafter  
7 created within the following area in the borough of Manhattan, such  
8 conversions, alterations or improvements are aided by a grant, loan or  
9 subsidy from any federal, state or local agency or instrumentality:  
10 beginning at the intersection of the United States pierhead line in the  
11 Hudson river and the center line of Chambers street extended, thence  
12 easterly to the center line of Chambers street and continuing along the  
13 center line of Chambers street to the center line of Centre street,  
14 thence southerly along the center line of Centre street to the center  
15 line of the Brooklyn Bridge to the intersection of the Brooklyn Bridge  
16 and the United States pierhead line in the East river, thence northerly  
17 along the United States pierhead line in the East river to the inter-  
18 section of the United States pierhead line in the East river and the  
19 center line of One Hundred Tenth street extended, thence westerly to the  
20 center line of One Hundred Tenth street and continuing along the center  
21 line of One Hundred Tenth street to its westerly terminus, thence  
22 westerly to the intersection of the center line of One Hundred Tenth  
23 street extended and the United States pierhead line in the Hudson river,  
24 thence southerly along the United States pierhead line in the Hudson  
25 river to the point of beginning. For purposes of this subdivision,  
26 "floor area" shall ~~[have the same meaning as in paragraph b of subdivi-~~  
27 ~~sion one of section four hundred twenty one a of this title]~~ mean the  
28 horizontal areas of the several floors or any portion thereof of a  
29 dwelling or dwellings and accessory structures on a lot measured from  
30 the exterior faces of exterior walls or from the center line of party  
31 walls. Nothing in this subdivision shall be construed to provide bene-  
32 fits pursuant to subdivision two of this section for the costs attribut-  
33 able to the increased cubic content in any such building or structure.

34 § 13. This act shall take effect immediately.