



New York State FY25 Budget

NYS  **FAH**

NEW YORK STATE ASSOCIATION FOR AFFORDABLE HOUSING

Housing: What's in for You?

- Insurance Anti-Discrimination
- Increases FAR Cap
- NYC Tax Exemptions: 421a & 485X
- Outside of NYC Tax Exemptions: 421p & 421pp
- Creates New Optional Tax Exemptions Outside of NYC
- Good Cause Eviction
- Pro-Housing Communities Program
- Develop Housing on State Property
- Commercial Conversion

Insurance Anti-Discrimination

- Prohibits insurers from inquiring on an application, canceling, refusing to issue, refusing to renew, or increasing premiums on a policy covering loss or damage to real property or legal liability of an owner, based on
 - Real property containing residential dwelling units that must be affordable to residents
 - Real property owner or residents receiving government housing
 - Level or source of income of tenants
 - Whether such residential building is owned by a limited-equity cooperative; owned by a public housing authority; or owned by a cooperative housing corporation.

Increases Floor Area Ratio (FAR) Cap

- Lifts the cap on NYC's residential Floor Area Ratio
- Current cap limits residential space to 12x the size of a lot
- Gives NYC the option to rezone areas to allow for greater density
- Allows for more office-to-residential conversions w/many office buildings having FAR above 12

421a and 485x

- Extends the 421-a Construction Deadline:
 - Projects with 6 or more units;
 - Commenced between 12/31/15 and 6/15/22;
 - Completion deadline on or before 6/15/31;
 - Must comply with affordability provisions.

- Creates new Affordable Neighborhoods for New Yorkers Tax Incentive (485x):
 - Provides a property tax exemption of up to 40 years & not less than 10 years – depending on project size;
 - Construction wage requirements for project w/more than 100 units or more;
 - Requires 20-25% of units to be set aside for tenants at 60% or 80% of AMI depending on location and size
 - Project commencement before 6/15/34 and completion on or before 6/15/38.

421p and 421pp

- Statewide opt-in for newly constructed rental multiple dwellings;
- Authorizes municipality to opt-in to provide a 28-year tax exemption;
- Decreasing amounts for residential multiple dwellings of 10 units;
- At least 25% of units must be affordable (at or below 60% AMI up to 80%AMI);
- All building service employees employed by covered building must receive prevailing wage.

Good Cause Eviction

○ Evictions Based on Good Cause:

- Non-payment, violation of tenancy, nuisance, substantial damage to premises or building, illegal occupancy, illegal use, refusal of access for repairs, owner occupancy as a prime residence, demolition, withdrawal from rental housing market, failure to agree to lease changes.

○ Limits Rent Increases:

- New limit is 10% or consumer price index plus 5 percentage points, whichever is lower;
- Excludes higher-priced market units – if rent is 245% of Fair Market Rent;

○ Exemptions:

- Small landlords with a portfolio of 10 units or less;
- Owner occupied building with 10 units or less;
- Municipalities outside of NYC may opt out.

Pro-Housing Communities Program

- Incentivizes municipalities to adopt pro-housing policies;
- Establishes eligibility for \$650M in State Funding

Develop Housing on State Property

- Identified publicly owned sites to accommodate 15K new units of housing;
- Authorizes SUNY Trustees to make land available at SUNY Stony Brook & Farmingdale to develop, construct, maintain & operate multi-purpose facilities to support housing needs and amenities;
- Authorizes the Commissioner of Transportation to transfer and convey 2 parcels of State-owned land in the Town of Babylon (Suffolk);
- Appropriates \$250M to ESD to support initiative.

Commercial Conversion

- Establishes the Affordable Housing from Commercial Conversion Tax Incentive Benefit (AHCC) Program
- Provides tax exemption for commercial to residential conversions that produce 6 or more residential units
- Requires at least 0% of units be affordable & at least 5% to households at or below 40%AMI & all affordable units averaging at or below 80% AMI w/no units exceeding 100% of AMI
- Terms of abatement to be determined by HCR and HPD
- Affordable units subject to rent stabilization during benefit period
- Subject to prevailing wage, except in buildings w/less than 30 units or that receive substantial government assistance or subsidy for the development of affordable housing

Capital Appropriations

☐ Include Charts?

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