

S 21. Subdivision 5 of section 281 of the multiple dwelling law, as
29 amended by chapter 139 of the laws of 2011, is amended to read as
30 follows:

31 5. Notwithstanding the provisions of paragraphs (i), (iii) and (iv) of
32 subdivision two of this section, but subject to paragraphs (i) and (ii)
33 of subdivision one of this section and paragraph (ii) of subdivision two
34 of this section, the term "interim multiple dwelling" shall include
35 buildings, structures or portions thereof that are located in a city of
36 more than one million persons which were occupied for residential
37 purposes as the residence or home of any three or more families living
38 independently from one another for a period of twelve consecutive months
39 during the period commencing January first, two thousand eight, and
40 ending December thirty-first, two thousand nine, provided that the unit:
41 is not located in a basement or cellar and has at least one entrance
42 that does not require passage through another residential unit to obtain
43 access to the unit, has at least one window opening onto a street or a
44 lawful yard or court as defined in the zoning resolution for such muni-
45 cipality, and is at least [five hundred fifty] FOUR HUNDRED square feet
46 in area. The term "interim multiple dwelling" as used in this subdivi-
47 sion shall not include (i) any building in an industrial business zone
48 established pursuant to chapter six-D of title twenty-two of the admin-
49 istrative code of the city of New York except that a building in the
50 Williamsburg/Greenpoint or North Brooklyn industrial business zones and
51 a building located in that portion of the Long Island city industrial
52 business zone that has frontage on either side of forty-seventh avenue
53 or is located north of forty-seventh avenue and south of Skillman avenue
54 or in that portion of the Long Island city industrial business zone that
55 is located north of forty-fourth drive, south of Queens plaza north, and
56 west of twenty-third street may be included in the term "interim multi-
A. 3354 16

1 ple dwelling," or (ii) units in any building, OTHER THAN A BUILDING THAT
2 IS ALREADY DEFINED AS AN "INTERIM MULTIPLE DWELLING" PURSUANT TO SUBDI-
3 VISION ONE, TWO, THREE OR FOUR OF THIS SECTION, that, at the time this
4 subdivision shall take effect AND CONTINUING AT THE TIME OF THE
5 SUBMISSION OF AN APPLICATION FOR COVERAGE BY ANY PARTY, also contains a
6 use actively and currently pursued, which use is set forth in use groups
7 fifteen through eighteen, as described in the zoning resolution of such
8 municipality in effect on June twenty-first, two thousand ten, and which
9 the loft board has determined in rules and regulation is inherently
10 incompatible with residential use in the same building, provided that
11 THE LOFT BOARD MAY BY RULE EXEMPT CATEGORIES OF UNITS OR BUILDINGS FROM
12 SUCH USE INCOMPATIBILITY DETERMINATIONS INCLUDING BUT NOT LIMITED TO
13 RESIDENTIALLY OCCUPIED UNITS OR SUBCATEGORIES OF SUCH UNITS, AND
14 PROVIDED, FURTHER THAT if a building does not contain such active uses
15 at the time this subdivision takes effect, no subsequent use by the
16 owner of the building shall eliminate the protections of this section
17 for any residential occupants in the building already qualified for such
18 protections. The term "interim multiple dwelling," as used in this
19 subdivision shall also include buildings, structures or portions thereof
20 that are located north of West 24th Street and south of West 27th Street
21 and west of tenth avenue and east of eleventh avenue in a city of more
22 than one million persons which were occupied for residential purposes as
23 the residence or home of any two or more families living independently
24 from one another for a period of twelve consecutive months during the
25 period commencing January first, two thousand eight, and ending December
26 thirty-first, two thousand nine and subject to all the conditions and
27 limitations of this subdivision other than the number of units in the
28 building. A reduction in the number of occupied residential units in a
29 building after meeting the aforementioned twelve consecutive month
30 requirement shall not eliminate the protections of this section for any
31 remaining residential occupants qualified for such protections. Non-re-
32 sidential space in a building as of the effective date of this subdivi-

33 sion shall be offered for residential use only after the obtaining of a
34 residential certificate of occupancy for such space and such space shall
35 be exempt from this article, even if a portion of such building may be
36 an interim multiple dwelling.

37 S 22. Subdivision 2 of section 286 of the multiple dwelling law, as
38 amended by chapter 414 of the laws of 1999, subparagraphs (A) and (B) of
39 paragraph (ii) and paragraph (iii) as amended by chapter 135 of the laws
40 of 2010, is amended to read as follows:

41 2. (i) Prior to compliance with safety and fire protection standards
42 of article seven-B of this chapter, residential occupants qualified for
43 protection pursuant to this article shall be entitled to continued occu-
44 pancy, provided that the unit is their primary residence, and shall pay
45 the same rent, including escalations, specified in their lease or rental
46 agreement to the extent to which such lease or rental agreement remains
47 in effect or, in the absence of a lease or rental agreement, the same
48 rent most recently paid and accepted by the owner; if there is no lease
49 or other rental agreement in effect, rent adjustments prior to article
50 seven-B compliance shall be in conformity with guidelines to be set by
51 the loft board for such residential occupants within six months from the
52 effective date of this article.

53 (ii) In addition to any rent adjustment pursuant to paragraph (i) of
54 this subdivision, on or after June twenty-first, nineteen hundred nine-
55 ty-two, the rent for residential units in interim multiple dwellings
56 that are not yet in compliance with the requirements of subdivision one
A. 3354 17

1 of section two hundred eighty-four of this article shall be adjusted as
2 follows:

3 (A) Upon the owners' filing of an alteration application, as required
4 by paragraph (ii), (iii), (iv), (v), or (vi) of subdivision one of
5 section two hundred eighty-four of this article, an adjustment equal to
6 [six] THREE percent of the rent in effect at the time the owner files
7 the alteration application.

8 (B) Upon obtaining an alteration permit, as required by paragraph
9 (ii), (iii), (iv), (v), or (vi) of subdivision one of section two
10 hundred eighty-four of this article, an adjustment equal to [eight]
11 THREE percent of the rent in effect at the time the owner obtains the
12 alteration permit.

13 (C) Upon achieving compliance with the standards of safety and fire
14 protection set forth in article seven-B of this chapter for the residen-
15 tial portions of the building, an adjustment equal to [six] FOUR percent
16 of the rent in effect at the time the owner achieves such compliance.

17 (D) Owners who filed an alteration application prior to the effective
18 date of this subparagraph shall be entitled to a prospective adjustment
19 equal to six percent of the rent on the effective date of this subpara-
20 graph.

21 (E) Owners who obtained an alteration permit prior to June twenty-
22 first, nineteen hundred ninety-two shall be entitled to a prospective
23 adjustment equal to fourteen percent of the rent on June twenty-first,
24 nineteen hundred ninety-two.

25 (F) Owners who achieved compliance with the standards of safety and
26 fire protection set forth in article seven-B of this chapter for the
27 residential portions of the building prior to June twenty-first, nine-
28 teen hundred ninety-two shall be entitled to a prospective adjustment
29 equal to twenty percent of the rent on June twenty-first, nineteen
30 hundred ninety-two.

31 (iii) Any rent adjustments pursuant to paragraph (ii) of this subdivi-
32 sion shall not apply to units which were rented at market value after
33 June twenty-first, nineteen hundred eighty-two and prior to June twen-
34 ty-first, nineteen hundred ninety-two. This paragraph shall not apply to
35 units made subject to this article by subdivision five of section two
36 hundred eighty-one of this article.

37 (iv) Payment of any rent adjustments pursuant to paragraph (ii) of
38 this subdivision shall commence the month immediately following the

39 month in which the act entitling the owner to the adjustment occurred.

40 S 23. Subdivision 2 of section 285 of the multiple dwelling law, as
41 amended by chapter 135 of the laws of 2010, is amended to read as
42 follows:

43 2. Notwithstanding any other provision of this article, an owner may
44 apply to the loft board for exemption of a building or portion thereof
45 from this article on the basis that compliance with this article in
46 obtaining a legal residential certificate of occupancy would cause an
47 unjustifiable hardship either because: (i) it would cause an unreason-
48 ably adverse impact on a non-residential conforming use tenant within
49 the building or (ii) the cost of compliance renders legal residential
50 conversion infeasible. Residential and other tenants shall be given not
51 less than sixty days notice in advance of the hearing date for such
52 application. If the loft board approves such application, the building
53 or portion thereof shall be exempt from this article, and may be
54 converted to non-residential conforming uses, provided, however, that
55 the owner shall, as a condition of approval of such application, agree
56 to file an irrevocable recorded covenant in form satisfactory to the
A. 3354 18

1 loft board enforceable for fifteen years by the municipality, that the
2 building will not be re-converted to residential uses during such time.
3 The standard for granting such hardship application for a building or
4 portion thereof shall be as follows: (a) the loft board shall only grant
5 the minimum relief necessary to relieve any alleged hardship with the
6 understanding if compliance is reasonably possible it should be achieved
7 even if it requires alteration of units, relocation of tenants to vacant
8 space within the building, re-design of space or application for a non-
9 use-related variance, special permit, minor modification or administra-
10 tive certification; (b) self-created hardship shall not be allowed; (c)
11 the test for cost infeasibility shall be that of a reasonable return on
12 the owner's investment not maximum return on investment; (d) the test
13 for unreasonably adverse impact on a non-residential conforming use
14 tenant shall be whether residential conversion would necessitate
15 displacement. Such hardship applications shall be submitted to the loft
16 board within nine months of the establishment of the loft board (or, in
17 the case of interim multiple dwellings referred to in subdivision four
18 of section two hundred eighty-one of this article, within nine months of
19 [the effective date of such subdivision four] JULY TWENTY-SEVENTH, NINE-
20 TEEN HUNDRED EIGHTY-SEVEN or in the case of interim multiple dwellings
21 made subject to this article by subdivision five of section two hundred
22 eighty-one of this article, within nine months of the effective date of
23 such subdivision five, OR, FOR UNITS THAT BECAME SUBJECT TO THIS ARTICLE
24 PURSUANT TO THE CHAPTER OF THE LAWS OF TWO THOUSAND THIRTEEN WHICH
25 AMENDED THIS PARAGRAPH, WITHIN NINE MONTHS OF THE PROMULGATION OF ALL
26 NECESSARY RULES AND REGULATIONS PURSUANT TO SECTION TWO HUNDRED EIGHTY-
27 TWO-A OF THIS ARTICLE, but shall not be considered, absent a waiver by
28 the loft board, unless the owner has also filed an alteration applica-
29 tion. In determination of any such hardship application, the loft board
30 may demand such information as it deems necessary. In approving any such
31 hardship application, the loft board may fix reasonable terms and condi-
32 tions for the vacating of residential occupancy.

33 S 24. Paragraph (vi) of subdivision 1 of section 284 of the multiple
34 dwelling law, as amended by chapter 135 of the laws of 2010, is amended
35 to read as follows:

36 (vi) Notwithstanding the provisions of paragraphs (i) through (v) of
37 this subdivision the owner of an interim multiple dwelling made subject
38 to this article by subdivision five of section two hundred eighty-one of
39 this article (A) shall file an alteration application within nine months
40 from the effective date of the chapter of the laws of two thousand ten
41 which amended this subparagraph, OR, FOR UNITS THAT BECAME SUBJECT TO
42 THIS ARTICLE PURSUANT TO THE CHAPTER OF THE LAWS OF TWO THOUSAND THIR-
43 TEEN WHICH AMENDED THIS PARAGRAPH, WITHIN NINE MONTHS OF THE PROMULGA-
44 TION OF ALL NECESSARY RULES AND REGULATIONS PURSUANT TO SECTION TWO

45 HUNDRED EIGHTY-TWO-A OF THIS ARTICLE, and (B) shall take all reasonable
46 and necessary action to obtain an approved alteration permit within
47 twelve months from such effective date, OR, FOR UNITS THAT BECAME
48 SUBJECT TO THIS ARTICLE PURSUANT TO THE CHAPTER OF THE LAWS OF TWO THOU-
49 SAND THIRTEEN WHICH AMENDED THIS PARAGRAPH, WITHIN TWELVE MONTHS OF THE
50 PROMULGATION OF ALL NECESSARY RULES AND REGULATIONS PURSUANT TO SECTION
51 TWO HUNDRED EIGHTY-TWO-A OF THIS ARTICLE, and (C) shall achieve compli-
52 ance with the standards of safety and fire protection set forth in arti-
53 cle seven-B of this chapter for the residential portions of the building
54 within eighteen months from obtaining such alteration permit [or eigh-
55 teen months from such effective date, whichever is later], and (D) shall
56 take all reasonable and necessary action to obtain a certificate of
A. 3354 19

1 occupancy as a class A multiple dwelling for the residential portions of
2 the building or structure within [thirty-six] THIRTY months from such
3 effective date, OR FOR UNITS THAT BECAME SUBJECT TO THIS ARTICLE PURSU-
4 ANT TO THE CHAPTER OF THE LAWS OF TWO THOUSAND THIRTEEN WHICH AMENDED
5 THIS PARAGRAPH WITHIN THIRTY MONTHS OF THE PROMULGATION OF ALL NECESSARY
6 RULES AND REGULATIONS PURSUANT TO SECTION TWO HUNDRED EIGHTY-TWO-A OF
7 THIS ARTICLE. The loft board may, upon good cause shown, and upon proof
8 of compliance with the standards of safety and fire protection set forth
9 in article seven-B of this chapter, twice extend the time of compliance
10 with the requirement to obtain a residential certificate of occupancy
11 for periods not to exceed twelve months each.

12 S 25. Section 11-243 of the administrative code of the city of New
13 York is amended by adding a new subdivision ee to read as follows:

14 EE. THE DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT SHALL MAKE
15 INFORMATION RELATING TO THE PROVISIONS OF THIS SECTION AVAILABLE ON THE
16 DEPARTMENT'S WEBSITE, AND SHALL PROVIDE A CONTACT PHONE NUMBER ALLOWING
17 TENANTS TO DETERMINE BENEFITS AVAILABLE PURSUANT TO THIS SECTION. THE
18 DEPARTMENT SHALL CONVENE A TASK FORCE THAT SHALL EXAMINE AND REPORT ON
19 METHODS TO IMPROVE THE TRANSPARENCY OF THE PROGRAM ESTABLISHED PURSUANT
20 TO THIS SECTION.

21 S 26. Severability clause. If any clause, sentence, paragraph, subdi-
22 vision, section or subpart of this act shall be adjudged by any court of
23 competent jurisdiction to be invalid, such judgment shall not affect,
24 impair, or invalidate the remainder thereof, but shall be confined in
25 its operation to the clause, sentence, paragraph, subdivision, section
26 or subpart thereof directly involved in the controversy in which such
27 judgment shall have been rendered. It is hereby declared to be the
28 intent of the legislature that this act would have been enacted even if
29 such invalid provisions had not been included herein.

30 S 27. This act shall take effect immediately and shall be deemed to
31 have been in full force and effect on and after June 1, 2012; provided,
32 that:

33 (a) sections one, two and three of this act shall be deemed to have
34 been in full force and effect on and after December 31, 2011;

35 (b) the amendments made to section 489 of the real property tax law by
36 section three of this act shall not be deemed to change the eligibility
37 for benefits, pursuant to such section and any local law or ordinance
38 providing for benefits pursuant to such section, as a result of conver-
39 sions, alterations or improvements completed before December 31, 2011;

40 (c) the provisions of section fourteen of this act shall be deemed to
41 have been in full force and effect on and after December 31, 2007;

42 (d) the provisions of sections fifteen, sixteen and seventeen of this
43 act shall be deemed to have been in full force and effect on and after
44 December 28, 2010;

45 (e) with respect to any application for a preliminary certificate of
46 eligibility that is filed no later than June 24, 2012, or that is filed
47 for a project that was the subject of mortgage foreclosure proceedings
48 or other lien enforcement litigation by a lender on or before June 24,
49 2012, such project shall be subject to that portion of the definition of
50 "commence" contained in item (1) of clause (iv) of subparagraph (2) of

51 paragraph (b) of subdivision (a) of section 6-09 of title twenty-eight
52 of the rules of the city of New York;

53 (f) sections eighteen, nineteen and twenty of this act shall be deemed
54 to have been in full force and effect on and after June 1, 2011;

55 (g) notwithstanding any inconsistent provision of this act, the amend-
56 ment to subdivision 5 of section 281 of the multiple dwelling law made
A. 3354 20

1 by section twenty-one of this act in relation to the authority of the
2 loft board to exempt categories or subcategories of units or buildings
3 by rule from determinations of inherently incompatible uses shall be
4 deemed to have been in force and effect on and after June 21, 2010 and
5 to authorize rules of the loft board promulgated after such date that
6 make such exemptions; and

7 (h) sections twenty-one, twenty-two, twenty-three and twenty-four
8 shall expire and be deemed repealed on June 30, 2015.