

## DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

### Notice of Public Hearing and Opportunity to Comment on Proposed Rules

**What are we proposing?** The Department of Housing Preservation and Development (HPD) proposes to amend chapter 63 of Title 28 of the Rules of the City of New York, which implemented the Affordable Neighborhoods for New Yorkers Tax Incentive program adopted by the New York State Legislature in Chapter 56 of the Laws of 2024. The proposed rule establishes the amount of a penalty for failure to file a timely program application registration form.

**When and where is the Hearing?** HPD will hold a public hearing on the proposed rules online. The public hearing will take place from 12:30 pm to 1:30 pm on Thursday, March 13, 2025.

To participate in the public hearing, enter the Webex URL:  
<https://nychpd.webex.com/nychpd/j.php?MTID=m651f0fda5227a6ad8a8156836eeacad3>

If prompted to provide a password or number, please enter the following:

Meeting Number: 2343 320 5425

Password: FJamum3KX65

You may also join the hearing via device audio or dial-in via phone.

To join by video system:

Dial 23433205425@webex.com

You can also dial 173.243.2.68 and enter your meeting number.

To dial-in via phone, please use the following dial in number and participant code:

Phone Number: +1-646-992-2010

Access Code: 2343 320 5425

If you have low bandwidth or inconsistent internet connection, use the dial-in option for the hearing. This will reduce the possibility of dropped audio and stutters.

**How do I comment on the proposed rules?** Anyone can comment on the proposed rules by:

- **Website.** You can submit comments to HPD through the NYC rules Web site at <http://rules.cityofnewyork.us>.
- **Email.** You can email written comments to [rules@hpd.nyc.gov](mailto:rules@hpd.nyc.gov).
- **Mail.** You can mail written comments to John Leonard, TIP Executive Director, 100 Gold Street, Room 8D-09, New York, New York 10038.

- **Speaking at the Hearing.** Anyone who wants to comment on the proposed rules at the public hearing must sign up to speak. You can sign up before the hearing by calling (212) 863-6603 or emailing [leonardj@hpd.nyc.gov](mailto:leonardj@hpd.nyc.gov) by March 12, 2025 at 5:00 PM. While you will be given the opportunity during the hearing to indicate that you would like to provide comments, we prefer that you sign-up in advance. You can speak for up to three minutes. Please note that the hearing is for accepting oral testimony only and will not be held in a “question and answer” format.

**Is there a deadline to submit written comments?** All written comments must be submitted on or before March 13, 2025.

**What if I need assistance to participate in the Hearing?** You must tell HPD if you need a reasonable accommodation of a disability at the hearing. You must tell us if you need a sign language interpreter. You can tell us by mail at the address given above. You may also tell us by telephone at (212) 863-6603 or e-mail at [leonardj@hpd.nyc.gov](mailto:leonardj@hpd.nyc.gov). Advance notice is requested to allow sufficient time to arrange the accommodation. Please tell us by March 5, 2025.

This hearing has the following accessibility option(s) available: Simultaneous transcription for people who are deaf or hard of hearing and audio-only access for persons with vision impairments.

**Can I review the comments made on the proposed rules?** You can review the comments made online on the proposed rules by going to the website at <http://rules.cityofnewyork.us/>. A few days after the hearing, copies of all comments submitted online, copies of all written comments, and a recording of oral comments concerning the proposed rules will be available to the public.

**What authorizes HPD to make this rule?** Sections 1043 and 1802 of the New York City Charter and section 485-x of the New York State Real Property Tax Law authorize HPD to make these proposed rules. The proposed rules were included in HPD’s regulatory agenda.

**Where can I find the HPD rules?** The HPD rules are located in Title 28 of the Rules of the City of New York.

**What rules govern the rulemaking process?** HPD must meet the requirements of Section 1043 of the City Charter when creating or changing rules. This notice is made according to the requirements of Section 1043(b) of the City Charter.

### **Statement of Basis and Purpose of Proposed Rule**

#### *Statutory Background*

In 2024, the Legislature amended the New York State Real Property Tax Law (“RPTL”) by adding a new section 485-x to provide exemptions from real property taxes to housing developments that meet certain affordability thresholds. That legislation (the “Act”) created the Affordable Neighborhoods for New Yorkers Tax Incentive program (“ANNY Program Benefits” or the “Program”). ANNY Program Benefits are available to housing created from the construction of

new buildings or certain conversions of existing buildings. ANNY Program Benefits are not available to properties that are used as hotels. To receive ANNY Program Benefits, a development must contain six or more dwelling units and construction must have started after June 15, 2022, and on or before June 15, 2034, and be completed on or before June 15, 2038. The Act conferred sole rulemaking authority on HPD with respect to the Program in all areas other than construction wages and prevailing wages, about which the Comptroller has authority to promulgate rules.

In accordance with 485-x(16), prospective applicants must file a form with HPD stating their intention to apply for ANNY Program Benefits and will be subject to a penalty not to exceed 100% of the application filing fee for failure to do so. The proposed rule amendments establish the penalty as 25% of the application filing fee for projects that commenced before April 20, 2024, the effective date of the Act, and 50% of the application filing fee for projects that commenced on or after April 20, 2024.

HPD's authority for these rules is found in sections 1043 and 1802 of the New York City Charter, and section 485-x of the Real Property Tax Law. This proposed rule was not reviewed pursuant to Charter section 1043(d) because it is exempt from such review pursuant to Charter section 1043(d)(4)(ii).

New material is underlined.

[Deleted material is in brackets.]

“Shall” and “must” denote mandatory requirements and may be used interchangeably in the rules of this department, unless otherwise specified or unless the context clearly indicates otherwise.

Section one. Subdivision (a) of section 63-02 of Title 28 of the Rules of the City of New York is amended to read as follows:

(a) No Application shall be filed with respect to any Rental Project or Homeownership Project that failed to file the Applicant Registration Form and did not pay [the penalty imposed by the Agency], in accordance with subdivision 16 of the Act, either (1) for Eligible Multiple Dwellings with a Commencement Date before April 20, 2024, a penalty of twenty-five percent of the non-refundable filing fee imposed by the Act, or (2) for Eligible Multiple Dwellings with a Commencement Date on or after April 20, 2024, a penalty of fifty percent of the non-refundable filing fee imposed by the Act.