

## 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 51 of Title 28 of the Rules of the City of New York to provide authorization for HPD to approve changes to Workbooks for certain Rental Projects applying for benefits pursuant to Section 421-a(16) of the Real Property Tax Law.

**When and where is the Hearing?** HPD will hold a public hearing on the proposed rules online. The public hearing will take place from 2:00 pm to 3:00 pm on Tuesday, August 4, 2026.

To participate in the public hearing, enter the Webex URL:  
<https://nychpd.webex.com/nychpd/j.php?MTID=m8eb9a1fec2bc1f3767f0cfe26535ddd5>

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

Meeting Number: 2339 738 3529

Password: G4eMPhhP9m9

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

To join by video system:

Dial 23397383529@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: 646-992-2010

Access Code: 2339 738 3529

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 David Knight, Senior Director, Policy & Special Initiatives, Department of Housing Preservation & Development, 100 Gold Street, Room 9Y-3, 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) 863-7502 or emailing [knightd@hpd.nyc.gov](mailto:knightd@hpd.nyc.gov) by August 3, 2026 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 is not held in a “Question and Answer” format.

**Is there a deadline to submit written comments?** All written comments must be submitted on or before August 4, 2026.

**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) 863-7502 or e-mail at [knightd@hpd.nyc.gov](mailto:knightd@hpd.nyc.gov). Advance notice is requested to allow sufficient time to arrange the accommodation. Please tell us by July 28, 2026.

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 City Charter and section 485-x of the 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**

The New York State program commonly called 421-a (contained in section 421-a of the New York State Real Property Tax Law, or RPTL) provides tax exemptions to certain housing developments. The 421-a exemption sunsets periodically, and its latest iteration is in RPTL section 485-x (renamed the Affordable Neighborhoods for New Yorkers tax incentives benefits program or ANNY Program benefits). However, housing developments that began before the commencement deadline and completed before the applicable completion deadline set forth in 421-a(16) are still eligible to receive the 421-a(16) exemption.

In 2024, the Legislature amended the definition of “Eligible Multiple Dwelling,” or apartment building eligible for the 421-a(16) exemption, in RPTL section 421-a(16)(a)(xxviii). This amendment extended the completion deadline from June 15, 2026 to June 15, 2031 for projects

that meet certain affordability criteria set forth in section 421-a(16) (Affordability Options A, B, D, E or F), and other obligations, including providing a Letter of Intent to HPD within the requisite time frame. The completion deadline for the other 421-a(16) affordability options (Affordability Options C and G) was not extended and remains June 15, 2026.

As part of the application process for the 421-a(16) exemption, projects must submit a “Workbook” to the Department of Housing Preservation and Development (HPD), outlining, among other things, the specific affordability option that the project proposes to meet (Affordability Options A through G). HPD’s current rules only allow Workbooks to be changed after they are approved by HPD under limited circumstances.

This poses a difficulty for projects that have submitted Workbooks for Affordability Options C or G in the hope that they would meet the June 15, 2026 completion deadline but have not been able to do so. Many of those projects also submitted a Letter of Intent to use Affordability Options A, B, D, E or F just in case they would be unable to meet the earlier deadline. However, in order to be eligible for 421-a(16) tax exemptions under Affordability Options A, B, D, E or F, such projects need to make changes to the Workbooks they had already submitted under their prior affordability option selection.

Therefore, HPD is proposing a rule change that would authorize post-approval changes to the Workbooks for projects that have filed a Notice of Intent if: (a) such project’s approved Workbook identified the project as an Affordability Option C or Affordability Option G project, and (b) such project’s Letter of Intent and amended Workbook indicate that it is changing its Affordability Option to Affordability Option A, Affordability Option B, Affordability Option E or Affordability Option F. The proposed amended rule would not allow changes to the Utility Allowance and Multifamily Tax Subsidy Project Income Limits for the New York, New York HUD FMR Area contained in the original Workbook.

HPD’s authority for these rules is found in sections 1043 and 1802 of the New York City Charter and section 421-a of the Real Property Tax Law.

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 1. Subdivision (b) of section 51-02 of chapter 51 of Title 28 of the Rules of the City of New York is amended by adding a new paragraph (4) to read as follows:

(4) Notwithstanding paragraph (1) of this subdivision, the Agency may authorize changes to a Workbook for which the Agency provided an initial approval after the Notice of Intent has been filed for the Eligible Multiple Dwelling, provided that (i) the Agency shall only authorize changes related to the selection of the Affordability Option for the Eligible Multiple Dwelling, and (ii) the Agency shall only authorize such changes if all of the following conditions are met:

(A) the Workbook for which the Agency provided an initial approval indicated that the Eligible Multiple Dwelling would comply with Affordability Option C or Affordability Option G;

(B) the Eligible Multiple Dwelling for which such Workbook was submitted provided a letter of intent in accordance with clause (2) of subparagraph (xxviii) of paragraph (a) of the Act indicating that the Eligible Multiple Dwelling would comply with Affordability Option A, Affordability Option B, Affordability Option E or Affordability Option F and therefore would be eligible for an extension of its Completion Date to no later than June 15, 2031; and

(C) such Eligible Multiple Dwelling has submitted to the Agency proposed amendments to its Workbook that change its selected Affordability Option from Affordability Option C or Affordability Option G to Affordability Option A, Affordability Option B, Affordability Option E or Affordability Option F.

**NEW YORK CITY MAYOR'S OFFICE OF OPERATIONS**

**253 BROADWAY, 10<sup>th</sup> FLOOR  
NEW YORK, NY 10007  
212-788-1400**

**CERTIFICATION / ANALYSIS  
PURSUANT TO CHARTER SECTION 1043(d)**

**RULE TITLE:** Amendment of Affordable New York Housing Program Rules

**REFERENCE NUMBER:** HPD-107

**RULEMAKING AGENCY:** Department of Housing Preservation and Development

I certify that this office has analyzed the proposed rule referenced above as required by Section 1043(d) of the New York City Charter, and that the proposed rule referenced above:

- (i) Is understandable and written in plain language for the discrete regulated community or communities;
- (ii) Minimizes compliance costs for the discrete regulated community or communities consistent with achieving the stated purpose of the rule; and
- (iii) Does not provide a cure period because it does not establish a violation, modification of a violation, or modification of the penalties associated with a violation.

/s/ Francisco X. Navarro  
Mayor's Office of Operations

May 25, 2026  
Date

**NEW YORK CITY LAW DEPARTMENT  
DIVISION OF LEGAL COUNSEL  
100 CHURCH STREET  
NEW YORK, NY 10007  
212-356-4028**

**CERTIFICATION PURSUANT TO  
CHARTER §1043(d)**

**RULE TITLE:** Amendment of Affordable New York Housing Program Rules

**REFERENCE NUMBER:** 2026 RG 036

**RULEMAKING AGENCY:** Department of Housing Preservation and Development

I certify that this office has reviewed the above-referenced proposed rule as required by section 1043(d) of the New York City Charter, and that the above-referenced proposed rule:

- (i) is drafted so as to accomplish the purpose of the authorizing provisions of law;
- (ii) is not in conflict with other applicable rules;
- (iii) to the extent practicable and appropriate, is narrowly drawn to achieve its stated purpose; and
- (iv) to the extent practicable and appropriate, contains a statement of basis and purpose that provides a clear explanation of the rule and the requirements imposed by the rule.

/s/ STEVEN GOULDEN  
Senior Counsel

Date: May 22, 2026