



Rent Laws & 421a Developer's Tax Break Legislation Side-by-Side

	Current Rent Laws & 421a (Straight Extender / S.2218)	NY State Assembly Legislation (A.7256 & A.7944)	Mayor de Blasio's Legislation (A.7945)	NY State Senator Martins Legislation (S.5768)
Rent Regulation	<p>Vacancy Deregulation: units over \$2500 leave rent stabilization when a tenant vacates.</p> <p>Vacancy Bonus: Legal regulated rent increases 20% when tenancy changes.</p> <p>Preferential Rents: Subject to increase as high as the legal rent with each lease renewal.</p> <p>MCI's & IAIs: Cost from capital & apartment improvements are passed on as permanent rent increase, with little oversight.</p>	<p>Vacancy Deregulation: Repealed.</p> <p>Vacancy Bonus: Reduced to 7.5%.</p> <p>Preferential Rents: Secured for the duration of the tenancy. Only RGB increases are permitted.</p> <p>MCI's: Cost from capital improvements become temporary surcharges, disappear after improvement cost has been recouped.</p> <p>IAIs: Reduced and treated as a permanent surcharges separate from asking rent.</p>	Same as current Rent Laws: No Legislation Proposed	Same as Current Rent Laws: No Legislation Proposed
Location / Geographic Exclusion Area (GEA)	Affordability required in Manhattan, and small parts of Brooklyn, the Bronx, Queens and Staten Island.	GEA expanded Citywide: Affordability required Citywide	Eliminates the GEA: Affordability required Citywide	Same as current 421a: Affordability required in Manhattan, and small parts of Brooklyn, the Bronx, Queens and Staten Island.
Depth of Affordability	<p>Inside GEA: 20% of units at 60% AMI 75% Market Rate</p> <p>Outside GEA: No Affordability Required</p>	<p>Uniform Requirements Citywide: 15% of units at 40% AMI 10% of units at 60% AMI 5% of units at 130% AMI 70% Market Rate</p>	<p>Option A: 10% of units at 40% AMI 10% of units at 60% AMI 5% of units at 130% AMI 75% Market Rate</p> <p>Option B: 10% of units at 70% AMI 20% of units at 130% AMI 70% Market Rate</p> <p>Option C: 30% of units at 130% AMI 70% Market Rate</p>	<p>Same as current:</p> <p>Inside GEA: 20% of units at 60% AMI 75% Market Rate</p> <p>Outside GEA: No Affordability Required</p>
Length of Affordability	35 years	35 years	35 years	35 years
Exemption Length	Inside GEA, core Manhattan: 12 yr Full / 8 yr Sunset Inside GEA, remainder: 21 yr Full / 4 yr Sunset Outside GEA: 11 yr Full / 4 yr Sunset	Same as current: Inside GEA, core Manhattan: 12 yr Full / 8 yr Sunset Inside GEA, remainder: 21 yr Full / 4 yr Sunset Outside GEA: 11 yr Full / 4 yr Sunset	25 year full 100% exemption 10 year partial exemption	Same as current: Inside GEA, core Manhattan: 12 yr Full / 8 yr Sunset Inside GEA, remainder: 21 yr Full / 4 yr Sunset Outside GEA: 11 yr Full / 4 yr Sunset
Rent Protections for Affordable Units	Tenants remain rent stabilized for the duration of their occupancy.	Tenants remain rent stabilized for the duration of their occupancy.	Same as current: Tenants remain rent stabilized for the duration of their occupancy.	
Treatment of Units & Tenants	All units must be located on site .	All units must be located on site . Entrances: Requires access through the same street entrances and lobbies. Common Areas: Requires all units share the same common areas. Unit Concentration: Affordable units can not be isolated to a specific floor or area of the building. Affordable units must be equally dispersed between buildings. Unit Mix proportional to market-rate units -or- 50% of unit 2+ bedrooms, no more than 50% less than 1 bedroom.	All units must be located on site . Entrances: Requires access through the same street entrances and lobbies. No Illegal Hotels: no temporary, transient, or short-term rentals. Unit Mix proportional to market-rate units -or- 50% of unit 2+ bedrooms, no more than 25% less than 1 bedroom.	Same as current: All units must be located on site .
Double Dipping of Subsidies	No financial restrictions on additional subsidies.	Same as current: No financial restrictions on additional subsidies.	<p>Option A: No substantial assistance of grants, loans, or subsidies at the City, State or Federal level, but eligible for tax exempt bonds and 4% tax credits.</p> <p>Option B: No financial restrictions.</p> <p>Option C: No substantial assistance of grants, loans, or subsidies at the City, State or Federal level or instrumentality pursuant to a program for the development of affordable housing.</p>	Same as current: No financial restrictions on additional subsidies.
Buildings Eligible	Residential New Construction with 5+ Units	Residential New Construction with 5+ Units Condos and Coops Ineligible	Residential New Construction with 6+ Units Condos and Coops Ineligible Commerical, community facility, and assesory use space over 12% ineligible for 421a.	Same as current: Residential New Construction with 5+ Units.
Additional Tax Provisions	None included.	None included.	Mansion Tax: 1-3 family homes, Condos & Coops Transfers of \$1.75M to \$5M, 1% tax Transfers over \$5M, \$50k + 1.5% tax	None included.
Labor / Wage Requirements	<p>Building Service Employees: Prevailing wage required.</p> <p>Prevailing wages apply to buildings with more than 50 units or with less than 50% affordable units at 125%AMI.</p>	<p>Building Service Employees: Prevailing wage required.</p> <p>Construction Employees: Prevailing wage required.</p> <p>MWBE: Requires meaningful participation by Minority & Women Business Owned contractors and subcontractors.</p> <p>Prevailing wages apply to buildings with more than 30 units or with less than 50% affordable units at 125%AMI.</p>	<p>Building Service Employees: Prevailing wage required.</p> <p>Prevailing wages apply to buildings with more than 30 units or with less than 50% affordable units at 125% AMI.</p>	<p>Building Service Employees: Prevailing wage required.</p> <p>Construction Employees: Prevailing wage required.</p> <p>Prevailing wages apply to buildings with more than 50 units or with less than 50% affordable units at 125%AMI.</p>