

# Overview of 485-x Proposed Rules

Affordable Neighborhood for New Yorkers

Project Type	Number of Units	Location	Affordability Requirements	Program Benefits	Additional Details
Small Rental	5 to 11	Outside Manhattan	50% units permanently rent stabilized	100% exemption for construction period and first 10 years	Zoning lots that permit residential floor area of no more than 12,500 SF
Modest Rental	5 to 100	-	20% units permanently rent stabilized with 80% AMI weighted average	100% exemption for construction period and first 25 years; the following 10 years' exemption equivalent to percentage of affordable units	-
Large Rental	At least 100	-	25% units permanently rent stabilized with 80% AMI weighted average	100% exemption for construction period and first 35 years	-
Very Large Rental	At least 150	Zone A: Manhattan south of 96th Street, Williamsburg, Greenpoint, Long Island City Zone B: Downtown Brooklyn, DUMBO, Brooklyn Heights, Fort Greene, Clinton Hill, Carroll Gardens, Cobble Hill, Gowanus, Red Hook, Park Slope, Prospect Heights, Astoria	25% units permanently rent stabilized with 60% AMI weighted average	Exempt from property taxes on assessed value of land and improvements during tax year prior to start of construction  Zone B: 100% exemption for extended construction period and following 40 years	-
Homeownership	-	Outside Manhattan	100% units have average assessed value per square foot of no more than \$89 upon first assessment following completion	100% exemption for construction period and following 14 years; the following 6 years is a 25% exemption	Each unit owner must agree in writing to maintain unit as primary residence for no less than five years from acquisition

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## Additional Information

Commencement Date: after June 15, 2022 and on or before June 15, 2034

Completion Date: June 15, 2038

MWBE: Projects must (over course of design and construction) make reasonable effort to spend at least 25% applicable costs on contracts with MWBEs.

Unit Mix: Affordable and market unit size mix must be proportional; alternatively, at least 50% of affordable units must have two or more bedrooms and no more than 25% can have less than one bedroom.

Common Space: Affordable and market units must share the same common entrances and common areas. Affordable units cannot be isolated to a particular floor or area.

Replacement Ratio: If the land on which a project is located contained any dwelling unit three years prior to start of construction, the project must provide at least one affordable unit (or in the case of Small Rental Projects, one restricted unit) for each unit that existed three years prior to the start of construction and was thereafter demolish, removed, or reconfigured.

Concurrent exemptions or abatements are prohibited.

Composition of Program: On any story containing one or more affordable units, at least 30% of units on that story must be market units. HPD can waive requirement if affordable units comprise more than 50% of units in eligible multiple dwelling or where there is only one unit per story.

Rent and income restrictions apply during the restriction period.

## 421-a vs. 485-x

Eliminates 421-a's Option C, a common pathway for many projects, which allowed 30% of units to be set at 130% AMI

Expands projects subject to construction minimum wage requirements and sets additional wage monitoring and reporting requirements to the NYC Comptroller's Office and HPD

Additional MWBE requirements for projects

Affordable units in rental projects must remain rent stabilized permanently.