

DEPARTMENT OF HOUSING PRESERVATION AND DEVELOPMENT

Notice of Adoption

Notice is hereby given that pursuant to the authority vested in the Commissioner of the Department of Housing Preservation and Development by Sections 1043 and 1802 of the City Charter and Section 117 of the Private Housing Finance Law, HPD repeals chapter 4 of title 28 of the Rules of the City of New York ("Redevelopment Companies Rules") governing redevelopment companies formed pursuant to Article V of the Private Housing Finance Law. This rule was identified as part of a comprehensive rules review initiative undertaken by the NYC Mayor's Office of Operations working with the City's rulemaking agencies, the Law Department, and the Office of Management and Budget.

A public hearing was held on December 28, 2016.

Statement of Basis and Purpose of Rule

Article V of the Private Housing Finance Law ("Redevelopment Companies Law") was a precursor to the Mitchell-Lama program. It authorizes the City to sell property and grant partial tax exemptions to "redevelopment companies" that develop housing projects with private financing. A sponsor's plan and project for area redevelopment requires approval by the City Planning Commission and the City Council. The City Council also approves a tax exemption for such developments and a contract with each redevelopment company regulating rents.

HPD is repealing the Redevelopment Companies Rules. The Redevelopment Companies Law provides sufficient guidance and, therefore, the rules are unnecessary.

Working with the City's rulemaking agencies, the Law Department, and the Office of Management and Budget, the Office of Operations conducted a retrospective rules review of the City's existing rules, identifying those rules that will be repealed or modified to reduce regulatory burdens, increase equity, support small businesses, and simplify and update content to help support public understanding and compliance. This rule repeal was identified through this initiative.

HPD's authority for these rules is found in sections 1043 and 1802 of the New York City Charter and section 117 of the Private Housing Finance Law.

New material is underlined.

[Deleted material is in brackets.]

Section 1. Chapter 4 of Title 28 of the Rules of the City of New York is hereby REPEALED.

Commissioner Vicki Been
January 10, 2017