



Legislation Details (With Text)

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Indexes: Agency Rule-making Required

Attachments: 1. Summary of Int. No. 352-A, 2. Summary of Int. No. 352, 3. Int. No. 352, 4. May 5, 2022 - Stated Meeting Agenda, 5. Hearing Transcript - Stated Meeting 5-5-22, 6. Minutes of the Stated Meeting - May 5, 2022, 7. Proposed Int. No. 352-A - 6/1/23, 8. Committee Report 6/6/23, 9. Hearing Testimony 6/6/23, 10. Hearing Transcript 6/6/23

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Proposed Int. No. 352-A

By Council Members Restler, Hanks, Moya, Farías, Louis, Joseph, Ayala, De La Rosa, Marte, Abreu, Richardson Jordan, Sanchez, Williams, Riley, Nurse, Brewer and Hudson

A Local Law to amend the administrative code of the city of New York, in relation to requiring the registration of vacant commercial and residential properties

Be it enacted by the Council as follows:

Section 1. Chapter 31 of the administrative code of the city of New York, as redesignated and amended by local law number 95 for the year 2022, is amended to read as follows:

CHAPTER 31

[GROUND FLOOR AND SECOND FLOOR] COMMERCIAL PREMISES REGISTRY

§ 11-3101 Reporting of certain information relating to [ground floor and second floor] commercial premises by owner. a. Definitions. As used in this section, the following terms have the following meanings:

Commercial premises. The term “commercial premises” means a building or any leaseable unit within, including but not limited to storefronts, floors, and office space, that: (1) is leased out to a single entity to be occupied or used for commercial purposes, or (2) if such building or leaseable unit within is not leased out, could be leased out to a single entity to be occupied or used for commercial purposes. The term commercial premises does not include any building or leaseable unit within used entirely for residential purposes.

Commercial purposes. The term “commercial purposes” means the purpose of carrying on or exercising any trade, business, profession, vocation, or commercial activity.

Contact person. The term "contact person" means the person designated by the owner of a [ground floor or second floor commercial premises] commercial premises to manage such premises on behalf of the owner.

Current calendar year. The term "current calendar year" means the calendar year in which the registration statement prescribed by this chapter is required to be filed pursuant to rules of the department of finance.

Designated class one property. The term "designated class one property" means real property classified as class one pursuant to section 1802 of the real property tax law and, as of January 1st of the current calendar year, was located within a commercial district as established in the zoning resolution.

Following calendar year. The term "following calendar year" means the calendar year that follows the calendar year in which the registration statement prescribed by this chapter is required.

[Ground floor. The term "ground floor" means visible from the street and directly accessible to the public from the street.

Ground floor commercial premises. The term "ground floor commercial premises" means any ground

floor premises that is occupied or used, or could be occupied or used, for the purpose of offering or selling goods at retail.]

Lease. The term "lease" means a lease or a rental agreement, license agreement or month to month tenancy.

Occupied. The term "occupied" means in use.

Rent. The term "rent" has the same meaning as set forth in section 7-01 of title 19 of the rules of the city of New York.

[Second floor. The term "second floor" means the second floor of a building, visible from the street, and accessible to the public directly from the street or from the interior of a building.

Second floor commercial premises. The term "second floor commercial premises" means any second floor premises that is occupied or used, or could be occupied or used, for the purpose of offering of selling goods at retail.]

Tenant. The term "tenant" has the same meaning as set forth in section 7-01 of title 19 of the rules of the city of New York.

Vacancy information. The term "vacancy information" means: (i) a statement that the premises was vacant on either June 30 or December 31 of the current calendar year; and, (ii) the expiration date of the most recent lease for such premises, if any, whose start date preceded the reported vacancy date.

Vacant. The term vacant means not occupied by a commercial tenant pursuant to a lease, excluding for purposes of construction or renovation.

b. Owner's obligation to register. No later than one year after the effective date of the local law adding this section, and in each year thereafter, every owner of a [ground floor or second floor] building containing commercial premises, other than a [ground floor or second floor] commercial premises in real property classified as class one pursuant to section 1802 of the real property tax law, shall submit, in an electronic manner, to the department of finance a registration statement. Such registration statement shall include the

following information:

1. The street address of the building containing such premises, including borough, community board district, block and lot number, and zip code;

2. The tax identification number of the property owner;

3. A brief description of [the type of the] all such premises within the building, including [its] their current use;

4. The total floor space of [the] all such premises within the building, expressed in square feet, and the total square footage of such premises within the building that are vacant, as of the date of the registration statement;

5. The owner's name and contact information;

6. Contact information of an individual for each such premises who shall be the contact person [of the] for each such premises;

7. [Whether] For each such premises, whether the premises was occupied for any time period during the twelve months preceding the January 1st of the current calendar year, and the following information for each such occupancy:

(a) Whether the premises was occupied by a tenant or owner of the premises; and

(b) The type of economic activity that was or is being conducted at the premises;

8. For any such premises that was leased to a tenant for any time period during the twelve months preceding the January 1st of the current calendar year, the following:

(a) The start date and expiration or renewal date of each such lease;

(b) A schedule of rent escalations contained in each such lease, if any;

(c) A statement of whether concessions were granted to the lessee when each such lease was entered into, and if concessions were granted, a list of such concessions; and

(d) The average monthly rent per square foot charged for the premises during the twelve months

preceding the January 1st of the current calendar year, excluding any period that the premises was not leased to a tenant;

9. For any such premises that was vacant for any time period during the twelve months preceding the January 1st of the current calendar year, the date as of which the premises became vacant and the duration of such vacancy;

10. For any such premises that was not leased to a tenant during the twelve months preceding the January 1st of the current calendar year, the monthly rent per square foot paid by the most recent tenant.

11. Any additional information as the department of finance may require.

c. Class one property owner's obligation to register. No later than one year after the effective date of the local law adding this section, and in each year thereafter, every owner of a [ground floor or second floor] commercial premises in a designated class one property that has not been leased to a tenant for any time period during the twelve months preceding the January 1st of the current calendar year, shall submit, in an electronic manner, to the department of finance a registration statement. Such registration statement shall include the following information:

1. The street address of the building containing such premises, including borough, community board district, block and lot number, and zip code;

2. The tax identification number of the property owner;

3. The owner's name and contact information;

4. Contact information of an individual who shall be the contact person of [the] each such premises;

5. If any such premises was leased to a tenant for any time period during the three years preceding January 1st of the current calendar year, the following information:

(a) The expiration date of the most recent lease;

(b) The use or type of economic activity conducted at the premises under the most recent lease;

(c) The monthly rent per square foot under the most recent lease; and

(d) Whether the premises has undergone construction during the three years preceding January 1st of the current calendar year and if so, the start date and completion date of each construction project.

d. Supplemental registration. Every owner of a [ground floor or second floor] commercial premises who is required to file a registration statement pursuant to subdivision b of this section shall also submit a supplemental registration statement if such premises was vacant as of June 30 or December 31 of the current calendar year. The supplemental registration statement required to report a vacancy as of June 30 shall be due on or before August 15 of the current calendar year, and the supplemental registration statement required to report a vacancy as of December 31 shall be due on or before February 15 of the following calendar year. Such supplemental registration statement shall contain vacancy information and be filed in an electronic form and manner prescribed by the department of finance.

e. The registration statements and supplemental registration required to be filed pursuant to this subdivisions b, c and d of this section shall be filed on forms prescribed by the department of finance and shall be accompanied by an appropriate filing fee as determined by rule of the department of finance, provided that no filing fee shall be required for any building owned by a not-for-profit organization fully exempt from property taxation under section 420-a or 420-b of the real property tax law, or any federal, state or local government agency.

f. The department of finance shall require the registration statements required to be filed pursuant to subdivisions b and c of this section to be filed with the real property income and expense statement required to be submitted to such department pursuant to section 11-208.1. An owner who is not required to file a real property income and expense statement shall file the registration statement required pursuant to subdivision b or c of this section no later than the date a real property income and expense statement is required to be submitted to such department pursuant to section 11-208.1.

g. Penalty. Failure to file a registration statement or supplemental registration required by this section shall constitute a failure to file the income and expense statement required pursuant to section 11-208.1, and

any owner who fails to file any such registration may be subject to penalties pursuant to such section. An owner who is not required to file the income and expense statement but fails to submit a registration required by this section may be subject to any of the penalties provided in section 11-208.1 as if such owner had been required to file an income and expense statement but failed to do so. An owner who submits a registration required by this section and is found after audit to have substantially misrepresented information reported on such registration may also be subject to any of the penalties provided in section 11-208.1 as if such owner had been required to file an income and expense statement but failed to do so.

h. Dataset. No later than six months after receiving owner submissions required by this registry and notwithstanding subdivision f of section 11-208.1, the department of finance shall:

1. Establish public online searchable datasets. (a) One of such datasets shall be based upon registrations, including supplemental registration statements, filed during the previous year, and shall include for each [ground floor and second floor] commercial premises:

(1) The street address, block and lot number, and zip code;

(2) Whether such commercial premises was reported as being vacant as of the preceding June 30 or December 31, whichever is most recent; and

(3) The expiration date of the lease, as reported in the supplemental registration statement, to the extent applicable; and

(b) Notwithstanding the opening paragraph of this subdivision, the department shall also establish, in a manner determined by such department, a dataset based upon the vacancy information contained in the supplemental registration statements required by subdivision d of this section and update such dataset within 60 days of each August 15 and February 15.

2. Present citywide data disaggregated by council district, census tract, provided that there are at least [ten ground floor or second floor] 10 commercial premises located in any such tract, and any other geographic designation the department of finance deems appropriate. Such dataset shall be published to the city's open data

portal, and shall include, but need not be limited to, the following information:

a. The number of [ground floor or second floor] commercial premises reported as being leased to a tenant, and for such premises:

(i) The median and average total duration of leases;

(ii) The median and average remaining term to lease expiration;

(iii) The median and average size of rentable floor area per premises lease;

(iv) The number of such premises reported as being leased and vacant;

(v) The median and average rent; and

(vi) The number of such premises whose lease is due to expire within two years of June 1 of the current calendar year.

b. The number of [ground floor or second floor] commercial premises reported as not being leased to a tenant and for such commercial premises:

(i) The median and average duration of time that such premises have been reported as not being leased; and

(ii) The number of such premises reported as having construction documents on file with the department of buildings and the median and average age of such documents.

c. Any other information deemed relevant by the department of finance.

§ 2. Subdivision a of section 27-2098 of the administrative code of the city of New York is amended by adding a new paragraph (7) to read as follows:

(7) The number of dwelling units within the dwelling, and for each such dwelling unit, whether it was vacant for any period of time during the 12 months preceding the registration date of the dwelling, the date on which the dwelling unit became vacant, the number of days of such vacancy, and for each such unit that was vacant as of the registration date, whether such unit is habitable, and if not, the reason it is uninhabitable.

§ 3. Section 27-2109.2 of the administrative code of the city of New York, as amended by local law

number 109 for the year 2019, is amended to read as follows:

§ 27-2109.2 Online portfolio report of registered property owners. The department shall maintain through the department's website a publicly accessible electronic interface that reports portfolio information based on the name of a property owner. The report shall be based on the last valid information registered with the department pursuant to section 27-2097. Such report shall include (i) the address of each registered property owned by such registered owner; (ii) the current number of outstanding violations issued by the department, disaggregated by class, for each property; (iii) the number of findings of harassment currently on record with the department; (iv) the number and types of departmental orders pending on each property; (v) the number of violations issued by the department of buildings pursuant to sections 28-207.2.6 or 28-213.1.2 for each property, including the status of each violation and the date each violation was issued; (vi) findings from the appropriate state agency of rent overcharges against a property, including the reasons provided by the owner for such overcharge, if available, or why such findings could not be included; [and] (vii) findings from the appropriate state agency indicating illegal removal from rent-regulation, if available, or why such findings could not be included; and (viii) the number of dwelling units in each registered property, the number of dwelling units that were vacant for any time period during the 12 months preceding the property's most recent registration date, the date on which each such dwelling unit became vacant, the number of days of each such vacancy, and for each such unit that was vacant as of the most recent registration date, whether such unit is habitable, and if not, the reason it is uninhabitable. The department may provide the aggregate data used to create such website to the public advocate upon request in a form that permits automated processing and downloading.

§ 4. This local law takes effect 90 days after it becomes law.

Session 11

LF/ARP/MPC

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