



Council of New York Cooperatives & Condominiums INFORMATION, EDUCATION AND ADVOCACY

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CNYC Supports the 'J-51' Program and Suggests Some Modifications

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The Council of New York Cooperatives & Condominiums, a membership organization of more than 2300 housing cooperatives and condominiums located throughout the five borough of New York City and beyond, expresses its strong support for the City's 'J-51 Program', which, over the past 70 years has been of great help to New York City property owners in maintaining the housing stock of our city. This tax incentive program provides owners of property who make qualifying improvements with tax abatements and exemptions to recover some of the cost of the work.. The City recoups its costs many times over by the improvements to the buildings themselves, to the quality of life of their residents, and ultimately to the communities where they are located.

Recognizing that newly converted cooperative or condominium buildings are often in need of significant repair and upgrade, the J-51 program provides needed tax relief for a portion of the cost incurred for work done during the first three years after closing. Thereafter, cooperatives and condominiums continue to qualify only if their assessed value averages less than \$40,000 per dwelling unit, a cut-off point which has been in place since 1992.

CNYC urges that the J-51 Program be reinstated and made permanent. We suggest the following modifications to the Program.

- 1) Certified Reasonable Costs must be adjusted upward to more closely approximate today's costs of these improvements.
- 2) Qualifying building improvements should be reviewed with an eye to expanding the list to include energy monitoring systems, security systems, solar installations, emergency equipment, etc.
- 3) The formula for determining eligibility for cooperatives after the initial three years after conversion should be reviewed, with a view to establishing a more equitable, less arbitrary formula.
- 4) Consider extending from 3 years to 7 years after conversion to cooperative or condominium status for all building to be eligible for J-51, and specify that this time begins when the shareholders or unit owners gain control of the Board.
- 5) Eligibility be extended to any and all New York City buildings---regardless of their location or their value---for any mandated building improvements, including, but not limited to switching from 'dirty fuel', façade maintenance, and compliance with requirements of the Landmark Preservation Commission and the City Planning Commission.