

# NY's Housing Incentives, Protections Draw Mixed Reviews

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Ken Fisher was quoted in a Law360 article discussing the housing provisions in New York's latest budget, which include higher limits for rent-regulated owners to increase rent in order to pay for individual apartment improvements, but subjects some market-rate housing to rent regulation. Ken noted the state's new budget provisions were "an implicit recognition that the 2019 rent regulation reforms had gone too far." The budget also re-instituted a property tax incentive for new residential development, referred to as 485-x, and extended the deadline for projects grandfathered under the previous 421-a program. Additionally, it loosened the cap on residential density in certain neighborhoods and regulations on office-to-residential conversion.

"So they loosened the rules for rehabilitation cost recapture, which will make it possible to get some vacant apartments back on the market, but at a cost of some rent regulation for some free market units," Ken said. "The irony is that the very gentrification that 'good cause eviction' is supposed to moderate is caused by the incredible housing shortage. There were some common-sense wins in helping office-to-residential conversion, allowing more residential density in targeted areas and limited legalization of basement apartments, but these by themselves will only make a small dent in meeting the need."

To read more, [click here](#). (subscription required)

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