

May 10, 2016

Hon. Kathleen Burgess
Secretary
New York State Public Service Commission
State of New York
3 Empire State Plaza
Albany, NY 12223

RE: CASE # 15-E-0319 Petition to sub-meter electricity at 49 E. 34th Street,
New York, New York 10016

Dear Secretary Burgess,

The New York State Public Service Commission requested more details about 49 East 34th Street's participation in New York City's 421-a property tax exemption program, which specifies rent stabilization, but does not require low income housing for participating owners.

The 421-a program was put in place in the 1970s to encourage development of housing units in New York City. It was updated in the 1980s. Under this program, developers in various parts of the city may obtain an exemption from increased real estate taxes for a set period of time in return for constructing housing in the form of condos, coops, or rental housing. Rental units are not required to provide affordable, low cost or subsidized housing unless they are constructed under an enhanced abatement period (20 years), but are required to be registered under the rent stabilization system.

Accordingly, 49 East 34th Street was constructed under the 10-year exemption program available to developers in midtown Manhattan. The units are rented at market rates, which are not subsidized or low income. The units are registered as rent stabilized for the purpose of maintaining the ten-year exemption.

Should you have questions, please contact the undersigned at 301-280-3861 or by e-mail at gseekins@cingroup.com.

Sincerely,

47 East 34th Street (NY) L.P.
CIM Group LP, as Agent
Gail Seekins
Regional Vice President – Property Management