

In 1982, the New York State Legislature enacted the New York City Loft Law and established the New York City Loft Board to regulate the legal conversion of certain lofts in the city from commercial/manufacturing use to residential use. Article 7-C of the Multiple Dwelling Law (MDL), also known as the Loft Law, created a new classification of buildings in New York City known as interim multiple dwellings ("IMD"). Generally, this classification encompasses formerly commercial and manufacturing loft spaces that were used as residences by at least three independent families during the period of April 1, 1980 through December 1, 1981. Because these lofts failed to meet the fire safety and other code requirements for legal residential occupancy, the Loft Law also established the Loft Board with the mission of coordinating the legal conversion of these spaces to safe residential use.

The 2010 amendment

In June of 2010, the State Legislature expanded the Loft Law to include tenants who live in a commercial or manufacturing building where three or more families have lived independently from one another for 12 consecutive months from 1/1/08 through 12/21/09, in a building that lacks a residential certificate of occupancy.

In addition, the expanded Loft Law requires that the loft unit must have at least one window that faces a street, legal yard or legal courtyard; must be at least 550 square feet and not in a basement or cellar; may not be in an industrial business zone (other than Greenpoint or Williamsburg, North Brooklyn and certain areas of the Long Island City industrial business zone); and as of June 21, 2010, the building may not have been used for certain activities that are inherently incompatible with residential use.

The 2013 amendment

The New York State Legislature further amended the Loft Law on January 30, 2013. In this amendment, the Legislature decreased the minimum square footage of a residential unit from 550 square feet to 400 square feet. The Legislature also exempted from use group consideration buildings that had already been defined as an IMD pursuant to 281(1) and (4). It also changed the date of use group consideration. Prior to this amendment, the Loft Board could only consider activities that were "inherently incompatible" on June 21, 2010. New language adds, "continuing at the time of the submission of an application for coverage by any party." The amendment also permits the Loft Board to by rule exempt categories of units or buildings from such use incompatibility determinations including but not limited to residentially occupied units or subcategories of such units.

The amendment reduced the milestone increases from 6-8-6 to 3-3-4.

For units that became subject to 7-C pursuant to the 2013 amendment – owner will be able to file a hardship application within nine months of the promulgation of all the enabling rules. Also, for units that became subject to 7-C pursuant to this

amendment there are new compliance deadlines that also run from the promulgation of all the enabling rules. The above amendments are deemed to have been in full force and effect on and after June 1, 2012. **However, amendments to 281(5) in relation to the authority of the Loft Board to exempt categories or subcategories of buildings from determinations of inherently incompatible uses shall be deemed to have been in effect on and after June 21, 2010.** All of the provisions of **this** amendment will sunset on **June 30, 2015.**

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