



NEW YORK STATE SENATOR

Brad Hoylman-Sigal

## Hoylman and Gottfried Pass Legislation Paving Way for 50 More Years of Affordability at Penn South

BRAD HOYLMAN June 19, 2014

| ISSUE: **HOUSING**

Albany, NY -- The New York Senate and Assembly passed legislation sponsored by Senator Brad Hoylman and Assembly Member Richard N. Gottfried ([S7709/A9937](#)) authorizing the New York City Council to renew the property tax exemption for the 2,820 unit middle-income Penn South co-op in the Chelsea neighborhood, provided it maintains its status as affordable housing.

Senator Hoylman and Assembly Member Gottfried worked closely with the de Blasio administration to enable the extension of Penn South's tax exemption, which is crucial to its continued affordability. The tax exemption would continue for another 50 years, pending City Council approval.

**Senator Hoylman said:** "Penn South is a critical oasis of affordable housing in our rapidly changing Chelsea neighborhood, where stratospheric real estate prices have forced many long-time residents to relocate. This legislation paves the way for Penn South to remain affordable for current and future generations of middle-class New Yorkers. I heartily commend the de Blasio Administration for making the preservation of Penn South's nearly 3,000 affordable apartments a priority and my colleague Assembly Member Dick Gottfried for his leadership on this issue and longstanding commitment to Penn South, as well."

**Assembly Member Gottfried said:** “Penn South is a historic part of the neighborhood. As a landmark of affordability and community solidarity, built by the ILGWU, it stands unique among more and more multi-million dollar high-rises. This legislation will enable almost 3000 households, including seniors on fixed incomes, to afford to stay in their homes, and contribute to the economic and cultural development of Chelsea. This is a good deal for New York and for Mayor de Blasio’s commitment to affordable housing. I thank him and Senator Hoylman for all they did to make sure this happened.”

**Brendan Keany, General Manager of Penn South, said:** “The passage of this important legislation permits Penn South, a middle income housing development, to continue its mission to provide affordable housing, as it has done successfully since 1962. We hope to continue to do so for decades to come.”

**Morris Benjamin, President of the Penn South Board of Directors, said:** “This bill will allow Penn South to stay affordable for many years to come. We thank our Senator Brad Hoylman and Assembly Member Dick Gottfried for helping us get it done.”

Penn South, whose official name is Mutual Redevelopment Houses, is a limited-equity cooperative established under Article V of New York’s Private Housing Finance Law. Its construction was sponsored by the International Ladies Garment Workers Union (now UNITE) and its dedication in 1962 was attended by President John F. Kennedy, Eleanor Roosevelt, Governor Nelson Rockefeller and Mayor Robert Wagner, among other dignitaries. Penn South cooperators have voted three times in its 52-year history to keep prices restricted in exchange for continued property tax breaks and other incentives, ensuring affordable housing for future generations rather than converting to a market rate co-op. The Hoylman/Gottfried legislation enables the City property tax exemption essential to keeping Penn South affordable.

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