



Legislation Details (With Text)

File #:	Res 1726-2008	Version:	*	Name:	LU 935 - Haven Plaza, 188-198 Avenue C, 200 Avenue C 726 East 13th Street, 700-722 East 13th Street, Manhattan, Council District No. 2.
Type:	Resolution	Status:		In control:	Adopted Committee on Finance
On agenda:	12/9/2008				
Enactment date:		Enactment #:			
Title:	Resolution approving a partial exemption from real property taxes for property located at 188-198 Avenue C, 200 Avenue C, 726 East 13th Street, 700-722 East 13th Street (Block 382, Lot 1) Manhattan, pursuant to Section 577 of the Real Property Tax Law (Preconsidered L.U. No. 935).				
Sponsors:	David I. Weprin, Leroy G. Comrie, Jr.				
Indexes:					
Attachments:	1. Memorandum, 2. Hearing Transcript - Stated Meeting 12/9/08				

Date	Ver.	Action By	Action	Result
12/9/2008	*	Committee on Finance	P-C Item Approved by Comm	
12/9/2008	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION NO. 1726

Resolution approving a partial exemption from real property taxes for property located at 188-198 Avenue C, 200 Avenue C, 726 East 13th Street, 700-722 East 13th Street (Block 382, Lot 1) Manhattan, pursuant to Section 577 of the Real Property Tax Law (Preconsidered L.U. No. 935).

By Council Members Weprin and Comrie

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated December 9, 2008 that the Council take the following action regarding a housing project to be located at 188-198 Avenue C, 200 Avenue C, 726 East 13th Street, 700-722 East 13th Street (Block 382, Lot 1) Borough of Manhattan ("Exemption Area"):

Approve a partial exemption of the Project from real property taxes pursuant to Section 577 of the Real Property Tax Law (the "Tax Exemption");

WHEREAS, the project description that HPD provided to the Council states that the purchaser of the Project (the "Sponsor") is a duly organized housing development fund company under Article XI of the Private Housing Finance Law;

WHEREAS, the Council held a hearing on the Project on December 9, 2007;

WHEREAS, the Council has considered the financial implications relating to the Tax Exemption;

RESOLVED:

The Project shall be developed upon the terms and conditions set forth in the Project Summary that HPD has submitted to the Council, a copy of which is attached hereto.

The Council hereby grants an exemption from real property taxes as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - (a) "Effective Date" shall mean the later of (i) the date that HPD and Owner enter into the Regulatory Agreement, or (ii) January 1, 2009.
 - (b) "Exemption Area" shall mean the real property located in the Borough of Manhattan, City and State of New York, identified as Block 382, Lot 1 on the Tax Map of the City of New York.

Page 2 of 3

Reso. No. 1726 (Preconsidered L.U. No. 935)

- (c) "Expiration Date" shall mean the earlier to occur of (i) the financing of the New Mortgage, (ii) December 31, 2009, (iii) the date of the expiration or termination of the Regulatory Agreement, or (iv) the date upon which the Exemption Area ceases to be owned by either a housing development fund company or an entity wholly controlled by a housing development fund company.
 - (d) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - (e) "Interim Article XI Exemption" shall mean the full exemption from real property taxation provided hereunder with respect to the Original Project.
 - (f) "New Mortgage" shall mean the anticipated financing from HPD's Article 8 Loan Program to be secured by a mortgage on the Exemption Area.
 - (g) "Original Mortgage" shall mean the original loan secured by a mortgage on the Exemption Area insured by the Federal Housing Administration pursuant to Section 221(d)(3) of the National Housing Act, as amended, that matured on August 1, 2008.
 - (h) "Original Project" shall mean the Exemption Area before the New Mortgage.
 - (i) "Owner" shall mean Haven Plaza Housing Development Fund Company, Inc.
 - (j) "Regulatory Agreement" shall mean a regulatory agreement by and between Owner and HPD which runs with the land, binds all subsequent parties in interest to the Exemption Area until the earlier to occur of (i) the financing of the New Mortgage or (ii) December 31, 2009, and requires that (1) the Owner shall exercise any and all available options to renew Rental Subsidy for eligible tenants, (2) the Owner shall not cause or permit the Rental Subsidy to expire, to not be extended, to not be renewed, or to be terminated, (3) the Owner shall register all dwelling units in the Exemption Area with the New York State Division of Housing and Community Renewal, and (4) all dwelling units in the Exemption Area must, upon vacancy, be rented to families whose incomes do not exceed 165% of area median income.
 - (k) "Rental Subsidy" shall mean rental assistance provided pursuant to Section 8 of the United States Housing Act of 1937, as amended.

2. Interim Article XI Exemption.

Page 3 of 3

Reso. No. 1726 (Preconsidered L.U. No. 936)

- (a) All of the value of the property in the Original Project, including both land and improvements (excluding those portions, if any, devoted to business or commercial use), shall be exempt from real property taxes, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon the Expiration Date.
- (b) Notwithstanding any provision hereof to the contrary, the Interim Article XI Exemption shall terminate if HPD determines that (i) the housing project is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, or (ii) the demolition of an existing multiple dwelling on the Exemption Area has commenced without the prior written consent of HPD. HPD shall deliver written notice of any such determination to Owner and all mortgagees of record, which notice shall provide an opportunity to cure of not less than sixty (60) days. If the noncompliance specified in such notice is not cured within the time period specified therein, the Interim Article XI Exemption shall prospectively terminate.
- (c) The Interim Article XI Exemption shall not apply to any building constructed on the Exemption Area which did not have a permanent certificate of occupancy on or before the Effective Date.
- (d) Nothing herein shall entitle Owner to a refund of any real property taxes which accrued and were paid by or on behalf of Owner or any other owner of the Exemption Area prior to the date of the Regulatory Agreement.
- (e) In consideration of the Interim Article XI Exemption, the Owner of the Exemption Area shall (i) execute and record the Regulatory Agreement, and (ii) for so long as the Exemption shall remain in effect, waive the benefits, if any, of additional or concurrent real property tax abatement and/or tax exemption which may be authorized under any existing or future local, state or federal law, rule or regulation.

Adopted.

Office of the City Clerk, }
The City of New York } ss.:

I hereby certify that the foregoing is a true copy of a Resolution passed by The Council of the City of New York on December 9, 2008, on file in this office.

City Clerk, Clerk of Council