Res. No. 1517

Resolution granting additional real property tax exemptions for certain affordable housing developments.

By Council Members Mealy, Dickens, Palma and Rodriguez

Whereas, Certain housing developments owned, operated or maintained by limited-dividend housing companies organized under Article IV of the Private Housing Finance Law (collectively referred to as the "Housing Companies"), are eligible to receive real property tax exemptions from the City pursuant to applicable provisions of the Private Housing Finance Law; and

Whereas, Each of those real property tax exemptions is or was for a period of time that was limited to the length of the mortgages of the respective housing developments or was established by statute; and

Whereas, The State Legislature, by the enactment of Chapter 389 of the Laws of 2003, has authorized the local legislative body of the City of New York to grant additional periods of real property tax exemptions with respect to such housing developments; and

Whereas, Such additional real property tax exemptions may be granted for a period of up to 50 years from the expiration of the current real property tax exemption period or until such time as the housing development is no longer operated under the restrictions and for the purposes set forth in the applicable provisions of the Private Housing Finance Law; and

Whereas, An additional real property tax exemption may also be granted for the same period of time and under the same conditions with respect to a housing development whose real property tax exemption has expired; and

Whereas, The Council of the City of New York ("Council"), the local legislative body of the City, has

determined that it is in the best interests of the City to assist these Housing Companies to maintain affordable rents and carrying charges by granting an additional real property tax exemption with respect to housing developments owned, operated or maintained by such Housing Companies; and

Whereas, The Council wishes to provide an inducement to the Housing Companies to remain in the programs by which affordable rents and carrying charges are maintained; now, therefore, be it

Resolved, That the Council hereby approves for the Housing Company set forth in the Attachment where the real property tax exemption received pursuant to the Private Housing Finance Law has expired an additional real property tax exemption commencing in the tax quarter immediately following the adoption of this Resolution and terminating 50 years from the date upon which the original tax exemption for such Housing Company expired as indicated in Schedule A attached hereto, or until such time as the housing development owned, operated or maintained by such Housing Company is no longer operated under the restrictions and for the purposes set forth in the applicable provisions of the Private Housing Finance Law, or until such time as the additional real property tax exemption is otherwise terminated as provided for in this Resolution, whichever is sooner; and, be it further

Resolved, That such additional tax exemption for the housing development set forth in the Attachment, which is deemed a part hereof, shall be provided at a level that requires any such Housing Company to make real property tax payments in an amount equal to ten percent of the annual "Shelter Rent" received by such Housing Company and that "Shelter Rent" shall mean the total rents received from the occupants of the Housing Company's development, including rent subsidies and supplements received from the federal government, the state, or the City on behalf of such occupants, but shall not include interest reduction payments pursuant to subdivision (a) of section 201 of the Federal Housing and Urban Development Act of 1968, less the cost of providing to such occupants electricity, gas, heat and other utilities as the amount of such real property tax exemption may be limited by section 93 of the Private Housing Finance Law; and, be it further

Resolved, That the additional real property tax exemption shall be granted upon the condition that when the New York State Division of Housing and Community Renewal or the United States Department of Housing and Urban Development, as is applicable, deems it appropriate, an existing regulatory agreement or contract shall be extended or modified or a new agreement or contract be executed and, be it further

Resolved, That such additional real property tax exemption is further conditioned upon compliance with the applicable provisions of the Private Housing Finance Law and the applicable rules, regulations or other requirements of the New York State Division of Housing and Community Renewal or the United States Department of Housing and Urban Development, as is applicable, whether or not any regulatory agreement or contract is in effect; and, be it further

Resolved, That in the event any Housing Company for which an additional tax exemption is granted pursuant to this Resolution fails to comply with the applicable provisions of the Private Housing Finance Law, the applicable rules, regulations or other requirements of the New York City Department of Housing Preservation and Development, the New York State Division of Housing and Community Renewal or the United States Department of Housing and Urban Development, as is applicable, or the terms of any regulatory agreement or contract, the City is authorized to terminate the additional real property tax exemption herein approved for such Housing Company and, be it further

Resolved, That any resolution previously passed by the Board of Estimate or the City Council approving a real property tax exemption for any housing development set forth in the Attachment shall remain in full force and effect except as otherwise provided herein.

LS 3684
LER 9/11/12

Schedule A

HOUSING COMPANY	EXPIRATION DATE OF PRIOR REAL PROPERTY TAX EXEMPTION

| Harry Silver Housing Company, Inc. | 6/30/97 |