



Legislation Text

File #: Res 0872-2007, **Version:** *

THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION NO. 872

Resolution approving a full exemption from real property taxes for property located at 37 New Lots Avenue a/k/a 230-232, 240-242, 250-252 Lott Avenue 11-21, 23-25 New Lots Avenue (Block 3628, Lot 1) Brooklyn, pursuant to Section 577 of the Real Property Tax Law (Preconsidered L.U. No. 457).

By Council Member Weprin

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated April 23, 2007 that the Council take the following action regarding a housing project to be located at 37 New Lots Avenue a/k/a 230-232, 240-242, 250-252 Lott Avenue 11-21, 23-25 New Lots Avenue (Block 3628, Lot 1) Borough of Brooklyn ("Exemption Area"):

Approve a full 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 May 30, 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:

For the purposes hereof, the following terms shall have the following meanings:

- (1) "Bond Regulatory Agreement" shall mean the regulatory agreement for this Project entered into between HDC and the New Owner.
- (2) "Commencement Date" shall mean the date of acquisition of the Project by the Sponsor.
- (3) "Exemption Area" shall mean the real property located in the Borough of

Brooklyn, City and State of New York, identified on the Tax Map of the City of New York as Block 3628, Lot 1.

(4) “Expiration Date” shall mean the earlier to occur of (i) a date which is the thirty-second (32nd) anniversary of the Commencement Date, (ii) the date upon which the Exemption Area ceases to be owned by the Sponsor or

another housing development fund company organized pursuant to Article XI of the PHFL, (iii) the date upon which the Partnership or any successor of the Partnership ceases to be controlled by the Sponsor or another housing development fund company organized pursuant to Article XI of the PHFL, or (iv) the date of the expiration or termination of the Bond Regulatory Agreement.

(5) “HDC” shall mean the New York City Housing Development Corporation.

(6) “HPD” shall mean the Department of Housing Preservation and Development of the City of New York.

(7) "Maximum Shelter Rent" shall mean (i) \$100,000, plus (ii) an additional amount equal to twenty-five percent (25%) of the amount by which the total contract rents applicable to the Exemption Area for that year (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended), exceed the total contract rents which are authorized as of the Commencement Date.

(8) "New Owner" shall mean, collectively, Sponsor and Partnership.

(9) “Partnership” shall mean Plaza Residences, L.P.

(10) “Sponsor” shall mean Plaza Housing Development Fund Company, Inc., or another housing development fund company organized pursuant to Article XI of the PHFL.

- b. All of the value of the property in the Exemption Area, including both the land and any 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 Commencement Date and terminating upon the Expiration Date.
- c. Commencing upon the Commencement Date and during each year thereafter until the Expiration Date, the New Owner shall make real property tax payments in the sum of the Maximum Shelter Rent. Notwithstanding the foregoing, the total annual real property tax payment by the New Owner shall not at any time exceed the lesser of either (i) seventeen percent (17%) of the contract rents, or (ii) the amount of real estate taxes that would otherwise be due in the absence of any form of tax exemption or abatement provided by an existing or future local, state, or federal law, rule or regulation.
- d. In consideration of the tax exemption provided hereunder, the New Owner, for so long as the partial tax exemption hereunder shall remain in effect, shall 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 May 30, 2007, on file in this office.

City Clerk, Clerk of Council