



Department of
Housing Preservation
& Development
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MARIA TORRES-SPRINGER
Commissioner

Office of the Commissioner
100 Gold Street
New York, N.Y. 10038

MAR 20 2017

Honorable Melissa Mark-Viverito
Speaker of the Council
City Hall
New York, New York 10007
Attention: Gary Altman

Re: Casa Cecilia
Block 2084, Lots 49 & 53
Manhattan
Community District No. 9
Council District No. 7

Dear Madame Speaker:

The referenced property ("Exemption Area") contains two multiple dwellings known as Casa Cecilia which provide rental housing for low-income families.

On April 7, 1993, Sister Cecilia Schneider Community Housing Development Fund Corporation ("HDFC") acquired the Exemption Area. The HDFC developed the project with financing from the New York State Homelessness Housing and Assistance Corporation ("HHAC") and the City of New York Department of Housing Preservation and Development ("HPD"). The Exemption Area has been subject to a low-income housing tax credit regulatory agreement with New York State Homes & Community Renewal ("HCR") as of April 26, 1996. The HDFC and HPD will enter into a regulatory agreement establishing certain controls upon the operation of the Exemption Area.

The Exemption Area previously received real property tax exemption and/or abatement benefits pursuant to Real Property Tax Law Section 489 ("J-51 Benefits"), but has been accruing tax arrears since the J-51 Benefits expired in 2013. In order to ensure the continued viability of the project, a new exemption from real property taxation is required to be effective retroactively as of July 1, 2013.

HPD respectfully requests that the Council approve, pursuant to Section 577 of the Private Housing Finance Law, an exemption from real property taxation as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - a. "Effective Date" shall mean July 1, 2013.
 - b. "Exemption" shall mean the exemption from real property taxation provided hereunder.
 - c. "Exemption Area" shall mean the real property located in the Borough of Manhattan, City and State of New York, identified as Block 2084, Lots 49 & 53 on the Tax Map of the City of New York.
 - d. "Expiration Date" shall mean the earlier to occur of (i) a date which is forty (40) years from the Effective Date, (ii) the date of the expiration or termination of the Regulatory Agreement, or (iii) 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.



- e. "HDFC" shall mean Sister Cecilia Schneider Community Housing Development Fund Corporation.
 - f. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - g. "Owner" shall mean the HDFC or any future owner of the Exemption Area.
 - h. "Regulatory Agreement" shall mean the regulatory agreement between HPD and the Owner establishing certain controls upon the operation of the Exemption Area on and after the date such regulatory agreement is executed.
2. 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, commercial or community facility use), shall be exempt from real property taxation, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon the Expiration Date.
3. Notwithstanding any provision hereof to the contrary:
- a. The Exemption shall terminate if HPD determines at any time that (i) the Exemption Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the Exemption Area is not being operated in accordance with the requirements of the Regulatory Agreement, (iii) the Exemption Area is not being operated in accordance with the requirements of any other agreement with, or for the benefit of, the City of New York, (iv) the Exemption Area is conveyed to a new owner without the prior written approval of HPD, or (v) the construction or demolition of any private or 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 for 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 Exemption shall prospectively terminate.
 - b. The Exemption shall apply to all land in the Exemption Area, but shall only apply to buildings on the Exemption Area that exist on the Effective Date.
 - c. Nothing herein shall entitle the Owner to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.
4. In consideration of the Exemption, the Owner of the Exemption Area, for so long as the Exemption shall remain in effect, shall waive the benefits of any additional or concurrent exemption from or abatement of real property taxation which may be authorized under any existing or future local, state or federal law, rule or regulation.

HPD recommends approval of this matter and requests that it be referred to the appropriate committee at the next scheduled meeting of the Council.

Sincerely,



Maria Torres-Springer

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