

MAY 28 2019

Honorable Corey Johnson
Speaker of the Council
City Hall
New York, New York 10007
Attention: Jonathan Etricks

Re: Taino Towers-Building 2
Block 1787, Lot 1 (formerly Lots 1, 2, 3, 4, 5,
p/o 6, p/o 45, 46, 47, 49, and 50)
Manhattan, Community District No. 8
Council District No. 11

Dear Mr. Speaker:

The referenced property ("Exemption Area") contains one multiple dwelling known as Taino Towers-Building 2 which provides rental housing for low income families.

East Harlem Pilot Block-Building 2 Housing Development Fund Company, Inc. ("Owner"), the owner and operator, acquired the Exemption Area in 1972. The Owner developed the project using a federally-aided mortgage and tax exemption from the City of New York. On November 11, 1971 (Cal. No. 8-A), the Board of Estimate approved a tax exemption pursuant to Article XI of the Private Housing Finance Law for the Exemption Area ("Prior Resolution"). The Prior Resolution provided for a full exemption from real property taxation for the construction period, and thereafter, for as long as the HUD-insured mortgage was outstanding, but for no more than forty years from the date upon which the tax benefits first became available and effective, a payment of five percent of the annual shelter rent or carrying charges of the project ("Shelter Rent Payments").


The Owner was never billed for the Shelter Rent Payments and does not have sufficient resources to pay the accrued Shelter Rent Payments. Accordingly, HPD is requesting that the Council amend the Prior Resolution in order to provide the Exemption Area with a full exemption from real property taxation for the forty-year term approved by the Board of Estimate. This action will allow the Owner to continue to operate the Exemption Area as rental housing for low income families.

Accordingly, HPD respectfully requests that the Council amend the Prior Resolution by deleting the introductory paragraph of section 7 thereof and replacing it with the following:

7. That the Board of Estimate hereby approves the exemption from local and municipal taxes, other than assessments for local improvements, of all of the value of the property, including both the land and any improvements, for the period commencing with the closing of the mortgage and delivery of the deed, and terminating forty (40) years from the date upon which the benefits of the aforementioned tax exemption first become available and effective; provided:

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,



Louise Carroll

