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Title: Resolution approving an exemption from real property taxes for property located at (Block 375, Lot 30) Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 157).

Sponsors: Julissa Ferreras-Copeland

Indexes:

Attachments: 1. Housing Preservation & Development Approval Letter, 2. Memorandum, 3. Hearing Transcript - Stated Meeting 12-8-14, 4. Minutes of the Stated Meeting - December 8, 2014

Date	Ver.	Action By	Action	Result
12/8/2014	*	Committee on Finance	P-C Item Approved by Comm	
12/8/2014	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 512

Resolution approving an exemption from real property taxes for property located at (Block 375, Lot 30) Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 157).

By Council Member Ferreras

WHEREAS, the New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated October 2, 2014 that the Council take the following action regarding a housing project located at (Block 375, Lot 30) Manhattan (“Exemption Area”):

Approve an exemption of the Project from real property taxes pursuant to Section 577 of the Private Housing Finance 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 has considered the financial implications relating to the Tax Exemption;

RESOLVED:

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 July 1, 2006.
 - (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, and identified as Block 375, Lot 30 on the Tax Map of the City of New York.
 - (d) “Expiration Date” shall mean the earlier to occur of (i) June 30, 2046, (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 The Mascot Flats Housing Development Fund Corporation.
 - (f) “HPD” shall mean the Department of Housing Preservation and Development of the City of New York.
 - (g) “Regulatory Agreement” shall mean the regulatory agreement between HPD and the HDFC establishing certain controls upon the operation of the Exemption Area on and after the date such Regulatory Agreement is executed.
 - (h) “Residential Property” shall mean all of the Exemption Area, including both the land and improvements (excluding, those portions, if any, devoted to business or commercial use).
2. All of the value of the Exemption Area shall be exempt from real property taxation, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating on June 30, 2013.
 3. All of the value of the Residential Property shall be exempt from real property taxation, other than assessments for local improvements, for a period commencing on July 1, 2013 and terminating on the Expiration Date, provided, however, that the HDFC shall make such annual real property tax payment on an assessed valuation equal to the lesser of (i) an amount equal to the full assessed valuation of the Residential Property, or (ii), an amount calculated by multiplying \$8,710 times the number of residential units included in the Exemption Area and increasing such product by three and seven tenths percent (3.7%) on July 1, 2014 and on July 1 of each successive year.
 4. Notwithstanding the foregoing, the total annual real property tax payments by the HDFC shall not at any time exceed 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.
 5. 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 owner of the Exemption Area has failed to execute the Regulatory Agreement by February 28, 2015, (iii) the Exemption Area is not being operated in accordance with the requirements of the Regulatory Agreement, (iv) 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, (v) the Exemption Area is conveyed to a new owner without the prior written approval of HPD, or (vi) the 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 not apply to any building constructed on the Exemption Area which did not have a permanent certificate of occupancy on the Effective Date.
- (c) Nothing herein shall entitle the HDFC to a refund of any real property taxes which accrued and were paid by or on behalf of the HDFC or any other owner of the Exemption Area prior to the Effective Date.

6. In consideration of the 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 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.

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 8, 2014, on file in this office.

City Clerk, Clerk of Council