



Legislation Text

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THE COUNCIL OF THE CITY OF NEW YORK
RES. NO. 364

Resolution approving an amendment to a previously approved exemption from real property taxes for property located at (Block 3118, Lots 42, 44, Block 3130, Lot 2) Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 95).

By Council Member Dromm

WHEREAS, the New York City Department of Housing Preservation and Development (“HPD”) requested that the Council amend a previously approved tax exemption for property located at (Block 3118, Lots 42, 44, Block 3130, Lot 2) Bronx (“Exemption Area”);

WHEREAS, HPD’s February 26, 2018 request for amendment is related to a previously approved Council Resolution adopted on May 14, 2015 (Res. 703) (the “Prior Resolution”) granting the Exemption Area an exemption from real property taxation pursuant to Section 577 of the Real Property Tax Law;

WHEREAS, HPD is requesting that the Prior Resolution be amended to correct technical errors;

RESOLVED:

Pursuant to Section 577 of the Private Housing Finance Law, the Council approves the amendment to the Prior Resolution requested by HPD as follows:

Paragraphs 1 and 4 of the Prior Resolution are deleted and replaced with the following paragraphs:

1. For the purposes hereof, the following terms shall have the following meanings:
 - (a) “Company” shall mean Aquinas Deacon Juan Santos LLC.
 - (b) “Effective Date” shall mean the date of repayment or refinancing of the HUD Mortgage.
 - (c) “Exemption Area” shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 3118, Lots 42 and 44, and Block 3130, Lot 2, 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 thirty-five (35) 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 Aquinas Deacon Juan Santos Housing Development Fund Corporation or a housing development fund company that acquires the Exemption Area with the prior written consent of HPD.
- (f) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
- (g) "HUD" shall mean the Department of Housing and Urban Development of the United States of America.
- (h) "HUD Mortgage" shall mean the original loan made by HUD to the Exemption Area in connection with the Section 202 Supportive Housing Program for the Elderly, which loan was secured by a mortgage on the Exemption Area.
- (i) "New Exemption" shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.
- (j) "Owner" shall mean, collectively, the HDFC and the Company.
- (k) "Prior Exemption" shall mean the exemption from real property taxation for a portion of the Exemption Area approved by the Board of Estimate on August 15, 1985 (Cal. No. 70) and for another portion of the Exemption Area approved by the Council of the City of New York on August 15, 1991 (Resolution No. 1213) .
- (l) "Regulatory Agreement" shall mean the regulatory agreement between HPD and the Owner establishing certain controls upon the operation of the Exemption Area during the term of the New Exemption.
- (m) "Use Agreement" shall mean the use agreement by and between the Owner and HUD which commences on or before the Effective Date, runs with the land, binds all subsequent owners and creditors of the Exemption Area, and requires that the housing project on the Exemption Area continue to operate on terms at least as advantageous to existing and future tenants as the terms required by the original Section 202 loan agreement or any Section 8 rental assistance payments contract or any other rental housing assistance contract and all applicable federal regulations.

4. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of (i) \$77,044, 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 Effective Date. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the lesser of either (a) the amount of real property taxes that would otherwise be due in the absence of any form of exemption from or abatement of real property taxation provided by an existing or future local, state, or federal law, rule or regulation, or (b) seventeen percent (17%) of the contract rents, including any federal subsidy (including, but not limited to, Section 8, rent supplements, and rental assistance), in the applicable year.

