



Legislation Text

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File #: Res 1491-2020, Version: \*

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**THE COUNCIL OF THE CITY OF NEW YORK  
RESOLUTION NO. 1491**

**Resolution approving an Urban Development Action Area Project and waiving the urban development action area designation requirement and the Uniform Land Use Review Procedure pursuant to Article 16 of the General Municipal Law, and approving a real property tax exemption pursuant to Article XI of the Private Housing Finance Law for property located at 505 West 134<sup>th</sup> Street (Block 1988, Lot 27); 523 West 134<sup>th</sup> Street (Block 1988, Lot 12); and 527 West 134<sup>th</sup> Street (Block 1988, Lot 8), Borough of Manhattan;, Community District 9 (Preconsidered L.U. No. 688; 20215006 HAM).**

**By Council Members Salamanca and Adams**

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on September 18, 2020 its request dated September 18, 2020 that the Council take the following actions regarding the proposed Urban Development Action Area Project (the "Project") located at 505 West 134<sup>th</sup> Street (Block 1988, Lot 27); 523 West 134<sup>th</sup> Street (Block 1988, Lot 12); and 527 West 134<sup>th</sup> Street (Block 1988, Lot 8), Community District 9, Borough of Manhattan (the "Disposition Area or Exemption Area"):

1. Find that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project is consistent with the policy and purposes of Section 691 of the General Municipal Law;
2. Waive the area designation requirement of Section 693 of the General Municipal Law pursuant to Section 693 of the General Municipal Law;
3. Waive the requirements of Sections 197-c and 197-d of the Charter pursuant to Section 694 of the General Municipal Law;
4. Approve the project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law; and
5. Approve an exemption of the Exemption Area from real property taxes pursuant to Section 577 of Article XI of the Private Housing Finance Law.

WHEREAS, the Project is to be developed on land that is an eligible area as defined in Section 692 of the General Municipal Law, consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings, and does not require any change in land use permitted under the New York City Zoning Resolution;

WHEREAS, upon due notice, the Council held a public hearing on the Project on October 8, 2020; and

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Project.

RESOLVED:

The Council finds that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the City of New York and that a designation of the Project as an Urban Development Action Area Project is consistent with the policy and purposes stated in Section 691 of the General Municipal Law.

The Council waives the area designation requirement pursuant to Section 693 of the General Municipal Law.

The Council waives the requirements of Sections 197-c and 197-d of the New York City Charter pursuant to Section 694 of the General Municipal Law.

The Council approves the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law.

The Project shall be developed in a manner consistent with the Project Summary that HPD has submitted to the Council on September 18, 2020, a copy of which is attached hereto.

Pursuant to Section 577 of Article XI of the Private Housing Finance Law, the Council approves an exemption of the Exemption Area from real property taxes as follows:

- a. All of the value of the property in the Disposition 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 taxation, other than assessments for local improvements, for a period commencing upon the later of (i) the date of conveyance of the Disposition Area to the Sponsor, or (ii) the date that HPD and the Sponsor enter into a regulatory agreement governing the operation of the Disposition Area ("Effective Date") and terminating upon 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 between HPD and the Sponsor, or (iii) the date upon which the Disposition Area ceases to be owned by either a housing development fund company or an entity wholly controlled by a housing development fund company ("Expiration Date").
- b. Notwithstanding any provision hereof to the contrary, the exemption from real property taxation provided hereunder ("Exemption") shall terminate if HPD determines at any time that (i) the Disposition Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the Disposition Area is not being operated in accordance with the requirements of the regulatory agreement between HPD and the Sponsor, (iii) the Disposition 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 demolition of any private or multiple dwelling on the Disposition Area has commenced without the prior written consent of HPD, or (v) the Disposition Area is conveyed without the prior written consent of HPD. HPD shall deliver written notice of any such determination to the owner of the Disposition Area 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 herein, the Exemption shall prospectively terminate.

- c. In consideration of the Exemption, the Sponsor and any future owner of the Disposition Area, for so long as the Exemption shall remain in effect, shall 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.
- d. The exemption shall not apply to buildings that do not exist on the Effective Date

**PROJECT SUMMARY**

- 1. **PROGRAM:** Affordable  
Neighborhood Cooperative Program
- 2. **PROJECT:** 505 West 134 Street Cluster
- 3. **LOCATION:**
  - a. **BOROUGH:** Manhattan
  - b. **COMMUNITY DISTRICT:** 9
  - c. **COUNCIL DISTRICT:** 7
  - d. **DISPOSITION AREA:**

<u>LOTS</u>	<u>BLOCKS</u> <u>ADDRESSES</u>
27 Street	1988 505 West 134
12 Street	1988 523 West 134
8 Street	1988 527 West 134
- 4. **BASIS OF DISPOSITION PRICE:** Nominal (\$1.00 per building). The Sponsor will also deliver a note and mortgage for the remainder of the appraised value ("Land Debt"). For a period of up to sixty (60) years, the Land Debt or the City's capital subsidy may be repayable out of resale or refinancing profits. The remaining balance, if any, may be forgiven in the final year of that period.
- 5. **TYPE OF PROJECT:** Rehabilitation

6. **APPROXIMATE NUMBER OF BUILDINGS:** 3 Multiple Dwellings
7. **APPROXIMATE NUMBER OF UNITS:** 69 cooperative units
8. **HOUSING TYPE:** Cooperative. If units remain unsold at the end of the marketing period and HPD determines in writing that (i) sale is not feasible within a reasonable time, and (ii) a rental fallback is the best available alternative, then HPD will select a new owner to operate the building as rental housing in accordance with the written instructions of HPD.
9. **ESTIMATE OF INITIAL PRICE:** The cooperative interests attributed to occupied apartments will be sold to the existing tenants for \$2,500 per apartment. The cooperative interests attributable to vacant apartments will be sold for a price affordable to families earning no more than 165% of the area median income.
10. **INCOME TARGETS:** The Disposition Area contains three occupied buildings which will be sold subject to existing tenancies. After sale, units must be resold in compliance with federal regulations, where applicable. Units not subject to such regulation may be resold to purchasers with annual household incomes up to 165% of the area median.
11. **PROPOSED FACILITIES:** N/A
12. **PROPOSED CODES/ORDINANCES:** None
13. **ENVIRONMENTAL STATUS:** Type II
14. **PROPOSED TIME SCHEDULE:** Approximately 36 months from closing to cooperative conversion.

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 \_\_\_\_\_, 2020, on file in this office.

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City Clerk, Clerk of The Council