



Legislation Text

File #: Res 1022-2011, **Version:** *

THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION NO. 1022

Resolution approving an Urban Development Action Area Project located at 1493 Park Place (Block 1368, Lot 1), 1682 Sterling Place (Block 1381, Lot 36), 518 Decatur Street (Block 1504, Lot 14), 184 Monroe Street (Block 1817, Lot 36); 1725 Sterling Place (Block 1466, Lot 65), 1719 Sterling Place (Block 1466, Lot 67), 1752 Sterling Place (Block 1470, Lot 29), 354 Saratoga Avenue (Block 1452, Lot 51), 163 Suydam Street (Block 3208, Lot 50); 89 Hart Street (Block 1767, Lot 68); and 21 Hinckley Place (Block 5342, Lot 28); Borough of Brooklyn, and waiving the urban development action area designation requirement and the Uniform Land Use Review Procedure, pursuant to Sections 693 and 694 of the General Municipal Law (Preconsidered L.U. No. 463; 20125041 HAK).

By Council Members Comrie and Levin

WHEREAS, the New York City Department of Finance ("DOF") and the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on July 5, 2011 its request dated July 5, 2011 that the Council take the following actions regarding the following Urban Development Action Area Project (the "Project") located at 1493 Park Place (Block 1368, Lot 1), 1682 Sterling Place (Block 1381, Lot 36), 518 Decatur Street (Block 1504, Lot 14), 184 Monroe Street (Block 1817, Lot 36); 1725 Sterling Place (Block 1466, Lot 65), 1719 Sterling Place (Block 1466, Lot 67), 1752 Sterling Place (Block 1470, Lot 29), 354 Saratoga Avenue (Block 1452, Lot 51), 163 Suydam Street (Block 3208, Lot 50); 89 Hart Street (Block 1767, Lot 68); and 21 Hinckley Place (Block 5342, Lot 28); Community District Nos. 3, 4, 8, 12, and 16, Borough of Brooklyn, Council District Nos. 34, 36, 40, and 41 (the "Transfer Area"):

1. Find that the present status of the Transfer 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. Approve the project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law; and
4. Approve an exemption of the Project from real property taxes pursuant to Sections 577 of Article XI of the Private Housing Finance Law; and Section 696 of the General Municipal Law (the "Tax Exemption");

WHEREAS, upon due notice, the Council held a public hearing on the Project on September 6, 2011;

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 Transfer 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;

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

The Council approves an exemption of the Project from real property taxes pursuant to Sections 577 of Article XI of the Private Housing Finance Law; and Section 696 of the General Municipal Law (the "Tax Exemption");

The Project shall be disposed of and developed upon the terms and conditions set forth in the Project Summary that HPD has submitted to the Council, a copy of which is attached hereto.

The Council approves the Tax Exemptions as follows:

1. Pursuant to Section 577 of the Private Housing Finance Law as follows:
 - a. All of the value of the property in the Transfer Area, including both the land and any improvements, shall be exempt from real property taxes, other than assessments for local improvements, for a period commencing upon the date of conveyance of the Transfer Area to the transferee ("Article XI Commencement Date") and terminating upon the earlier to occur of (i) the fortieth anniversary of the Article XI Commencement Date, (ii) the date of reconveyance of the Transfer Area to an owner which is not a housing development fund company, or (iii) the date upon which the owner of the Transfer Area voluntarily surrenders and revokes such exemption by written notice to the Department of Finance ("Article XI Expiration Date").
 - b. In consideration of the tax exemption pursuant to Section 577 of the Private Housing Finance Law provided hereunder ("Article XI Exemption"), the owner of the Transfer Area shall waive the benefits, if any, of additional or concurrent real property tax abatement and/or tax exemption which may be authorized under any existing or future local, state, or federal law, rule, or regulation ("Alternative Tax Benefit"), for so long as the Article XI Exemption shall remain in effect; provided, however, that the owner of the Transfer Area may (i) voluntarily surrender and revoke the Article XI Exemption at any time by written notice to the Department of Finance, and (ii) following the effective date of the surrender and revocation stated in such written notice, utilize any Alternative Tax Benefit for the Transfer Area.
 - c. The provisions of the Article XI Exemption shall apply separately to each individual property comprising the Transfer Area, and a sale or other event which would cause the expiration, termination, or revocation of the Article XI Exemption with respect to one property in the Transfer Area shall not affect the continued validity of the Article XI Exemption with respect to other properties in the Transfer Area.
2. Pursuant to Section 696 of the General Municipal Law as follows:
 - a. All of the value of the buildings, structures, and other improvements situated on the Transfer Area shall be exempt from local and municipal taxes, other than assessments for local improvements and land value, for a period of twenty years commencing on the Article XI Expiration Date ("UDAAP Commencement Date"); provided, however, that such exemption shall decrease in ten equal annual decrements commencing upon the July

1st immediately preceding the tenth anniversary of the UDAAP Commencement Date.

- b. In consideration of the tax exemption pursuant to Section 696 of the General Municipal Law provided hereunder (“UDAAP Exemption”), the owner of the Transfer Area shall waive the benefits, if any, of any Alternative Tax Benefit for so long as the UDAAP Exemption shall remain in effect; provided, however, that the owner of the Transfer Area may (i) voluntarily surrender and revoke the UDAAP Exemption at any time by written notice to the Department of Finance, and (ii) following the effective date of the surrender and revocation stated in such written notice, utilize any Alternative Tax Benefit for the Transfer Area.
- c. The UDAAP Exemption shall terminate with respect to all or any portion of the Transfer Area if the Department of Housing Preservation and Development (“HPD”) determines that such real property has not been, or is not being, developed, used, and/or operated in compliance with the requirements of all applicable agreements made by the transferee or any subsequent owner of such real property with, or for the benefit of, the City of New York. HPD shall deliver written notice of any such determination of noncompliance to the owner of such real property and all mortgagees of record, which notice shall provide for an opportunity to cure of not less than ninety (90) days. If the noncompliance specified in such notice is not cured within the time period specified therein, the UDAAP Exemption shall prospectively terminate with respect to the real property specified therein.
- d. Notwithstanding any other provision to the contrary, the combined duration of the Article XI Exemption and the UDAAP Exemption shall not exceed forty (40) years.
- e. The provisions of the UDAAP Exemption shall apply separately to each individual property comprising the Transfer Area, and a sale or other event which would cause the expiration, termination, or revocation of the UDAAP Exemption with respect to one property in the Transfer Area shall not affect the continued validity of the UDAAP Exemption with respect to other properties in the Transfer Area.

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 September 8, 2011, on file in this office.

City Clerk, Clerk of The Council