



Legislation Text

File #: Res 0062-2014, **Version:** A

Res. No. 62-A

Resolution granting additional real property tax exemptions for certain affordable housing developments (Harry Silver Housing Company, property located at 811 Rutland Rd., identified by block 4590, lot 51 in Brooklyn).

By Council Members Mealy, Dickens, Levine, King, Ferreras, Cornegy, Rose, Palma, Lancman, Rosenthal, Miller and Espinal

Whereas, housing companies organized under Articles II and IV of the Private Housing Finance Law provide low cost housing to thousands of low and moderate income New Yorkers; and

Whereas, These housing companies receive real property tax exemptions which help allow them to keep their rents affordable; and

Whereas, The duration of the real property tax exemption is generally limited to the length of the mortgages of the respective housing developments, or established by statute; and

Whereas, The State Legislature, by enactment of Chapter 389 of the Laws of 2003, has authorized the local legislative body of the City of New York to grant additional periods of real property tax exemptions (“additional property tax exemption”) with respect to such housing developments upon expiration of their property tax exemption or when their mortgage is fully paid; and

Whereas, The additional property tax exemption may be granted for the same period of time and under the same conditions with respect to a housing development whose real property tax exemption has expired, and would apply so long as the projects continue to provide affordable and regulated housing under Article IV of the Private Housing Finance Law, for a maximum of fifty years; and

Whereas, The Council of the City of New York ("Council"), the local legislative body of the City, has determined that it is in the best interests of the City to assist these Housing Companies to maintain affordable

rents and carrying charges by granting an additional property tax exemption with respect to housing developments owned, operated or maintained by such Housing Companies; and

Whereas, On June 2, 2014, the Department of Housing and Preservation and Development submitted a communication to the Council requesting an additional property tax exemption for the Harry Silver Housing Company, property located at 811 Rutland Rd., identified by block 4590, lot 51 in Brooklyn, New York, and identified in Schedule A of this Resolution; now, therefore, be it

Resolved, The prior real property tax exemption for Harry Silver Housing Company received pursuant to the Private Housing Finance Law expired on June 30, 1997; and be it further

Resolved, That the Council hereby approves for the Harry Silver Housing Company, set forth in Schedule A of this Resolution, to receive an additional property tax exemption for a period of 50 years; and be it further

Resolved, Such additional property tax exemption shall commence in the tax quarter immediately following the adoption of this Resolution and terminate 50 years from the date upon which the original tax exemption for such Housing Company expired as indicated in Schedule A attached hereto, or until such time as the housing development owned, operated or maintained by such Housing Company is no longer operated under the restrictions and for the purposes set forth in the applicable provisions of the Private Housing Finance Law, or until such time as the additional real property tax exemption is otherwise terminated as provided for in this Resolution, whichever is sooner; and, be it further

Resolved, That such additional property tax exemption for the housing development set forth in Schedule A of this Resolution, which is deemed a part hereof, shall be provided at a level that requires any such Housing Company to make real property tax payments in an amount equal to ten percent of the annual "Shelter Rent" received by such Housing Company and that "Shelter Rent" shall mean the total rents received from the occupants of the Housing Company's development, including rent subsidies and supplements received from the federal government, the state, or the City on behalf of such occupants, but shall not include interest reduction

payments pursuant to subdivision (a) of section 201 of the Federal Housing and Urban Development Act of 1968, less the cost of providing to such occupants electricity, gas, heat and other utilities as the amount of such real property tax exemption may be limited by section 93 of the Private Housing Finance Law; and, be it further

Resolved, That the additional property tax exemption shall be granted upon the condition that when the New York State Division of Housing and Community Renewal or the United States Department of Housing and Urban Development, as is applicable, deems it appropriate, an existing regulatory agreement or contract shall be extended or modified or a new agreement or contract be executed and, be it further

Resolved, That such additional property tax exemption is further conditioned upon compliance with the applicable provisions of the Private Housing Finance Law and the applicable rules, regulations or other requirements of the New York State Division of Housing and Community Renewal or the United States Department of Housing and Urban Development, as is applicable, whether or not any regulatory agreement or contract is in effect; and, be it further

Resolved, That in the event any Housing Company for which an additional property tax exemption is granted pursuant to this Resolution fails to comply with the applicable provisions of the Private Housing Finance Law, the applicable rules, regulations or other requirements of the New York City Department of Housing Preservation and Development, the New York State Division of Housing and Community Renewal or the United States Department of Housing and Urban Development, as is applicable, or the terms of any regulatory agreement or contract, the City is authorized to terminate the additional real property tax exemption herein approved for such Housing Company and, be it further

Resolved, That any resolution previously passed by the Board of Estimate or the City Council approving a real property tax exemption for any housing development set forth in Schedule A of this Resolution shall remain in full force and effect except as otherwise provided herein.

Schedule A

HOUSING COMPANY	EXPIRATION DATE OF PRIOR REAL PROPERTY TAX EXEMPTION
Harry Silver Housing Company, Inc.	6/30/97

JLC
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