



## Legislation Text

File #: Res 1644-2008, Version: \*

### THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION NO. 1644

Resolution approving a full exemption from real property taxes for properties located at 324 Powers Avenue, 676 East 141<sup>st</sup> Street, 607 East 139<sup>th</sup> Street, 576 St. Mary's Street, 305 St. Ann's Avenue, 615 East 141<sup>st</sup> Street, 620 East 141<sup>st</sup> Street, 351 Beekman Avenue, 592 Oak Terrace, 592 East 141<sup>st</sup> Street, 354 Cypress Avenue, 625 East 141<sup>st</sup> Street, 570 St. Ann's Avenue, 348 Beekman Avenue, 593 Oak Terrace, 345 Cypress Avenue, 601 Oak Terrace, 328 Beekman Avenue, 600 East 141<sup>st</sup> Street, 688 East 141<sup>st</sup> Street, 593 East 141<sup>st</sup> Street, 613 East 138<sup>th</sup> Street, 626 East 141<sup>st</sup> Street, 690 East 138<sup>th</sup> Street, 283 Cypress Avenue, 683 East 140<sup>th</sup> Street, 666 East 141<sup>st</sup> Street, 597 East 138<sup>th</sup> Street, 364 St. Ann's Avenue, 578 East 141<sup>st</sup> Street, 298 Cypress Avenue, 327 Beekman Avenue (Block 2572, Lot 1; Block 2568, Lot 54; Block 2552, Lot 55; Block 2556, Lot 27; Block 2267, Lot 40; Block 2554, Lot 5; Block 2553, Lot 31; Block 2555, Lot 45; Block 2555, Lot 13; Block 2553, Lot 19; Block 2571, Lot 14; Block 2554, Lot 3; Block 2556, Lot 23; Block 2554, Lot 18; Block 2555, Lot 30; Block 2554, Lot 49; Block 2555, Lot 28; Block 2554, Lot 10; Block 2553, Lot 23; Block 2568, Lot 57; Block 2555, Lot 3; Block 2551, Lot 62; Block 2553, Lot 36; Block 2566, Lot 10; Block 2552, Lot 40; Block 2568, Lot 76; Block 2568, Lot 51; Block 2551, Lot 65; Block 2556, Lot 17; Block 2553, Lot 9; Block 2568, Lot 45; and Block 2555, Lot 23) The Bronx, pursuant to Section 577 of the Real Property Tax Law (Preconsidered L.U. No. 897).

By Council Member Weprin

**WHEREAS**, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated August 25, 2008 that the Council take the following action regarding a housing project to be located at 324 Powers Avenue, 676 East 141<sup>st</sup> Street, 607 East 139<sup>th</sup> Street, 576 St. Mary's Street, 305 St. Ann's Avenue, 615 East 141<sup>st</sup> Street, 620 East 141<sup>st</sup> Street, 351 Beekman Avenue, 592 Oak Terrace, 592 East 141<sup>st</sup> Street, 354 Cypress Avenue, 625 East 141<sup>st</sup> Street, 570 St. Ann's Avenue, 348 Beekman Avenue, 593 Oak Terrace, 345 Cypress Avenue, 601 Oak Terrace, 328 Beekman Avenue, 600 East 141<sup>st</sup> Street, 688 East 141<sup>st</sup> Street, 593 East 141<sup>st</sup> Street, 613 East 138<sup>th</sup> Street, 626 East 141<sup>st</sup> Street, 690 East 138<sup>th</sup> Street, 283 Cypress Avenue, 683 East 140<sup>th</sup> Street, 666 East 141<sup>st</sup> Street, 597 East 138<sup>th</sup> Street, 364 St. Ann's Avenue, 578 East 141<sup>st</sup> Street, 298 Cypress Avenue, 327 Beekman Avenue (Block 2572, Lot 1; Block 2568, Lot 54; Block 2552, Lot 55; Block 2556, Lot 27; Block 2267, Lot 40; Block 2554, Lot 5; Block 2553, Lot 31; Block 2555, Lot 45; Block 2555, Lot 13; Block 2553, Lot 19; Block 2571, Lot 14; Block 2554, Lot 3; Block 2556, Lot 23; Block 2554, Lot 18; Block 2555, Lot 30; Block 2554, Lot 49; Block 2555, Lot 28; Block 2554, Lot 10; Block 2553, Lot 23; Block 2568, Lot 57; Block 2555, Lot 3; Block 2551, Lot 62; Block 2553, Lot 36; Block 2566, Lot 10; Block 2552, Lot 40; Block 2568, Lot 76; Block 2568, Lot 51; Block 2551, Lot 65; Block 2556, Lot 17; Block 2553, Lot 9; Block 2568, Lot 45; and Block 2555, Lot 23) The Bronx ("Exemption Area"):

Approve a full exemption of the Project from real property taxes pursuant to Section 577 of the Real Property Tax 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 held a hearing on the Project on October 7, 2008;

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**WHEREAS**, the Council has considered the financial implications relating to the Tax Exemption;

**RESOLVED:**

The Project shall be 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 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 January 1, 2008.
  - b. "Exemption" shall mean the exemption from real property taxes provided hereunder with respect to the Exemption Area.
  - c. "Exemption Area" shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 2572, Lot 1; Block 2568, Lot 54; Block 2552, Lot 55; Block 2556, Lot 27; Block 2267, Lot 40; Block 2554, Lot 5; Block 2553, Lot 31; Block 2555, Lot 45; Block 2555, Lot 13; Block 2553, Lot 19; Block 2571, Lot 14; Block 2554, Lot 3; Block 2556, Lot 23; Block 2554, Lot 18; Block 2555, Lot 30; Block 2554, Lot 49; Block 2555, Lot 28; Block 2554, Lot 10; Block 2553, Lot 23; Block 2568, Lot 57; Block 2555, Lot 3; Block 2551, Lot 62; Block 2553, Lot 36; Block 2566, Lot 10; Block 2552, Lot 40; Block 2568, Lot 76; Block 2568, Lot 51; Block 2551, Lot 65; Block 2556, Lot 17; Block 2553, Lot 9; Block 2568, Lot 45; and Block 2555, Lot 23 on the Tax Map of the City of New York, as specified in Schedule A attached hereto.
  - d. "Expiration Date" shall mean the earlier to occur of (i) January 1, 2048, (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. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
  - f. "HUD" shall mean the Department of Housing and Urban Development of the United States of America.

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- g. "Regulatory Agreement" shall mean the regulatory agreement between HPD and the Sponsor providing that, for the remainder of the term of the Exemption, upon vacancy, (i) 596 dwelling units in the Exemption Area will be

reserved for occupancy by households whose incomes do not exceed 80% of area median income, (ii) 257 dwelling units in the Exemption Area will be reserved for occupancy by households whose incomes do not exceed 60% of area median income, (iii) 64 dwelling units in the Exemption Area will be reserved for occupancy by households whose incomes do not exceed 50% of area median income, and (iv) the remainder of the dwelling units in the Exemption Area, other than dwelling units occupied by building superintendents, will be reserved for occupancy by households whose incomes do not exceed 115% of area median income.

- h. "Sponsor" shall mean Diego Beekman Mutual Housing Association Housing Development Fund Corporation.
- 2. All of the value of the property in the Exemption Area, including both the land and improvements (excluding those portions, if any, devoted to business or commercial use), shall be exempt from real property taxes, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon the Expiration Date.
- 3. Notwithstanding any provision hereof to the contrary:
  - a. The Exemption shall not become effective until both HPD and Sponsor enter into the Regulatory Agreement.
  - 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. The Exemption shall terminate if HPD determines that (i) the housing project is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the housing project is not being operated in accordance with the requirements of the Regulatory Agreement and such non-compliance constitutes an event of default under the Regulatory Agreement, or (iii) the demolition of an existing 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 the Sponsor 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.
  - d. Nothing herein shall entitle Sponsor to a refund of any real property taxes which accrued and were paid by or on behalf of Sponsor or any other owner of the Exemption Area prior to the date of the Regulatory Agreement.

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- 4. In consideration of the Exemption, the Sponsor 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 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.

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 October 7, 2008, on file in this office.

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City Clerk, Clerk of Council