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Title: Resolution approving an exemption from real property taxes for property located at (Block 1929, Lot 17 and 29), Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 523)

Sponsors: Domenic M. Recchia, Jr.

Indexes:

Attachments: 1. Memorandum, 2. Hearing Transcript - Stated Meeting 11-29-11

Date	Ver.	Action By	Action	Result
11/29/2011	*	Committee on Finance	P-C Item Approved by Comm	
11/29/2011	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1126

Resolution approving an exemption from real property taxes for property located at (Block 1929, Lot 17 and 29), Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 523)

By Council Member Recchia

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated November 17, 2011 that the Council take the following action regarding a housing project (the "Project") to be located at (Block 1929, Lot 17 and 29), Brooklyn ("Exemption Area "):

Approve an exemption of the Project from real property taxes pursuant to Section 577 of the Private Housing Finance 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 November 29, 2011;

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

RESOLVED:

1. For the purposes hereof, the following terms shall have the following meanings:

- (a) “Effective Date” shall mean the later of (i) the date of conveyance of the Exemption Area to the HDFC, and (ii) the date that HPD and the Owner enter into the Regulatory Agreement.
- (b) “Exemption Area” shall mean the real property located in the Borough of Manhattan, City and State of New York, identified as Block 1929, Lots 17 and 29 on the Tax Map of the City of New York.
- (c) “Expiration Date” shall mean the earlier to occur of (i) a date which is forty 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.

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- (d) “HDFC” shall mean ADC/Ennis Francis II Housing Development Fund Company, Inc.
 - (e) “HPD” shall mean the Department of Housing Preservation and Development of the City of New York.
 - (f) "New Exemption" shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.
 - (g) “Owner” shall mean, collectively, the HDFC and the Partnership.
 - (h) “Partnership” shall mean ADC/Ennis Francis Owner L.P.
 - (i) "Prior Exemption" shall mean the exemption from real property taxation for the Exemption Area approved by the City Council on July 19, 2006 (Cal. No. 439).
 - (j) “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 Exemption.
2. The Prior Exemption shall terminate as to the Exemption Area upon the Effective Date.
3. All of the value of the property in the Exemption 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 Effective Date and terminating upon the Expiration Date.
4. Notwithstanding any provision hereof to the contrary:
- a. The New Exemption shall terminate if HPD determines at any time that (i) the Exemption Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the Exemption Area is not being operated in accordance with the requirements of the Regulatory Agreement, (iii) the Exemption 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, or (iv) the demolition of any private or 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 Owner 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 New Exemption shall prospectively terminate.

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- b. The New Exemption shall not apply to any building constructed on that portion of the Exemption Area comprised of Lot 29 that does not have a temporary certificate of occupancy on the Effective Date and a permanent certificate

of occupancy on or before December 31, 2013, and shall not apply to any building constructed on that portion of the Exemption Area comprised of Lot 17 other than a new eight-story multiple dwelling which receives a temporary or permanent certificate of occupancy on or before June 30, 2014.

- c. Nothing herein shall entitle the HDFC to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.
 - d. All previous resolutions, if any, providing an exemption from or abatement of real property taxation with respect to the Exemption Area are hereby revoked as of the Effective Date.
6. In consideration of the New Exemption, the owner of the Exemption Area, for so long as the New Exemption shall remain in effect, shall waive the benefits 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.

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 November 29, 2011, on file in this office.

City Clerk, Clerk of Council