



Legislation Details (With Text)

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Title:	Resolution approving an exemption from real property taxes for property located at (Block 1775, Lot 20) Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 187).				
Sponsors:	Julissa Ferreras-Copeland				
Indexes:					
Attachments:	1. Housing Preservation & Development Approval Letter, 2. Memorandum, 3. Hearing Transcript, 4. March 11, 2015 - Stated Meeting Agenda with Links to Files, 5. Hearing Transcript - Stated Meeting 3-11-15, 6. Minutes of the Stated Meeting - March 11, 2015				

Date	Ver.	Action By	Action	Result
3/11/2015	*	Committee on Finance	Approved by Committee	
3/11/2015	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION NO. 627

Resolution approving an exemption from real property taxes for property located at (Block 1775, Lot 20) Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 187).

By Council Member Ferreras

WHEREAS, the New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated December 19, 2014 that the Council take the following action regarding a housing project located at (Block 1775, Lot 20) Manhattan (“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 owner 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 has considered the financial implications relating to the Tax Exemption;

RESOLVED:

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, 1997.
 - (b) “Exemption Area” shall mean the real property located in the Borough of the Manhattan, City and State of New York, identified as Block 1775, Lot 20 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 thirty (30) 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.
 - (d) “HDFC” shall mean Milltwree 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.
 - (g) “Owner” shall mean the HDFC or any future owner of the Exemption Area that is a housing development fund company.
 - (h) “Prior Exemption” shall mean the exemption from real property taxation for the Exemption Area approved by the Board of Estimate on April 3, 1986 (Cal. No. 6).
 - (i) “Regulatory Agreement” shall mean the regulatory agreement between HPD and the Owner establishing certain controls upon the operation of the Exemption Area on and after the execution of such Regulatory Agreement.
 - (j) “Shelter Rent Tax” shall mean the sum of (i) \$61,020, plus (ii) an additional amount equal to twenty-five percent (25%) of the amount by which the total contract rents applicable to the Exemption Area for that year (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended) exceed the total contract rents which are authorized as of December 31, 2013.
2. The Prior Exemption shall terminate 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 on June 30, 2013.
4. Commencing upon July 1 2013, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Shelter Rent Tax.
5. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the amount of real property taxes that would otherwise be due in the absence of any form of exemption from or abatement of real property taxation provided by an existing or future local, state, or

federal law, rule or regulation.

6. 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 owner of the Exemption Area has failed to execute the Regulatory Agreement by June 30, 2015, (iii) the Exemption Area is not being operated in accordance with the requirements of the Regulatory Agreement, (iv) 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, (v) the Exemption Area is conveyed to a new owner without the prior written approval of HPD, or (vi) 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.
- b. The New Exemption shall not apply to any building constructed on the Exemption Area which did not have a permanent certificate of occupancy or an equivalent document satisfactory to HPD recording the occupancy and configuration of the building on the Effective Date.
- c. Nothing herein shall entitle the HDPC to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.

7. 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.

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 March 11, 2015 on file in this office.

City Clerk, Clerk of Council