

WHEREAS, upon due notice, the Council held a public hearing on the New Exemption on April 4, 2016; and

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the New Exemption;

RESOLVED:

The Council approves the requests made by the New York City Department of Housing Preservation and Development for the Exemption Area pursuant to Sections 114, 122(1), 123(4), and 125 of the Private Housing Finance Law as follows:

1. The Council approves, pursuant to Section 114 of the PHFL, the Project Summary as to conformity with the provisions and purposes of Article V of the PHFL.
2. The Council approves, pursuant to Section 122(1) of the PHFL, the conveyance of the Exemption Area by the Current Owner to the New Owner.
3. The Council approves, pursuant to Section 125 of the PHFL, the termination of the partial tax exemption of the Exemption Area granted by the Board of Estimate on June 17, 1980 (Cal. No. 50), which termination shall be effective (1) day preceding the date of the conveyance of the Exemption Area from the Current Owner to the New Owner.
4. The Council consents, pursuant to Section 123(4) of the PHFL, to the voluntary dissolution of the Current Owner.
5. The Council approves the exemption of the Exemption Area from real property taxes pursuant to Section 125 of the PHFL as follows:

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

- (1) “Current Owner” shall mean Timpson Place Associates.
- (2) “Effective Date” shall mean the later of (i) the date of conveyance of the Exemption Area to the New Owner, or (ii) the date that the New Owner enters into the Redevelopment Company Contract.
- (3) “Exemption Area” shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 2603, Lots: 67, 73 and 78 on the Tax Map of the City of New York.
- (4) “Expiration Date” shall mean the earlier to occur of (i) a date which is thirty (30) years from the Effective Date, (ii) the date upon which the Exemption Area ceases to be owned by the New Owner or, subject to HPD approval, another redevelopment company organized pursuant to Article V of the PHFL, (iii) the date upon which the City terminates the tax exemption pursuant to the terms of the Redevelopment Company Contract, or (iv) the date of the expiration or termination of the Section 8 Housing Assistance Payments Contract or contracts under a similar or successor program, unless the New Owner or, subject to HPD approval, another redevelopment company organized

pursuant to Article V of the PHFL, has entered into a new redevelopment company contract with HPD regarding rental subsidy for tenants living in the Exemption Area.

- (5) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - (6) "Redevelopment Company Contract" shall mean the contract between HPD and the New Owner.
 - (7) "J-51 Program" shall mean the program of exemption from and abatement of real property taxation authorized pursuant to Real Property Tax Law §489 and Administrative Code §11-243.
 - (8) "J-51 Benefits" shall mean any tax benefits pursuant to Section 489 of the Real Property Tax Law.
 - (9) "New Owner" shall mean Timpson Place Associates LLC.
 - (10) "New Exemption" shall mean the exemption from taxation provided hereunder with respect to the Exemption Area.
 - (11) "Prior Exemption" shall mean the exemption of the Exemption Area from real property taxation pursuant to Section 125 of the Private Housing Finance Law approved by the Board of Estimate on June 17, 1980 (Cal. No. 50).
 - (12) "Shelter Rent" shall mean the total rents received from the commercial and residential occupants of the Exemption Area, including any federal subsidy (including, but not limited to, Section 8, rent supplements, and rental assistance), less the cost of providing to such occupants electricity, gas, heat, and other utilities.
 - (13) "Shelter Rent Tax" shall mean ten percent (10%) of the Shelter Rent.
- b. 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 taxes, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon the Expiration Date.
- c. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real estate tax payments in the amount of the Shelter Rent Tax. Notwithstanding the foregoing, (i) the Exemption Area may receive J-51 Benefits, provided, however, that the aggregate exemption from and abatement of real property taxation pursuant to the J-51 Program in any twelve month period shall not exceed fifty percent of the Shelter Rent Tax for such twelve month period pursuant to the New Exemption, and (ii) the total annual real estate tax payment by the New Owner shall not at any time exceed the amount of real estate taxes that would otherwise be due and payable in the absence of any form of tax exemption or abatement provided by an existing or future local, state or federal law, rule or regulation.
- d. In consideration of the tax exemption provided hereunder, the New Owner, for so long as the New Exemption shall remain in effect, shall waive the benefits, if any, of additional or concurrent real property tax abatement and/or tax exemption, other than J-51 Benefits as limited

by paragraph c hereof, which may be authorized under any existing or future local, state or federal law, rule or regulation.

6. The Council approves, pursuant to Section 114 of the PHFL, the Redevelopment Company Contract and authorizes the Commissioner of HPD to execute the Redevelopment Company Contract in substantially the form submitted, when approved as to form by the Corporation Counsel.
7. If the conveyance of the Exemption Area from the Current Owner to the New Owner does not occur either (i) within one day following the termination of the Prior Exemption, or (ii) on the same day as the voluntary dissolution of the Current Owner, then all of the approvals and consents set forth above shall be null and void, the dissolution of the Current Owner shall be rescinded, and both the obligations of the Current Owner to remain an Article V redevelopment company and the Prior Exemption shall be reinstated as though they had never been terminated or interrupted.

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 April 20, 2016, on file in this office.

City Clerk, Clerk of The Council