Legislation Details (With Text)

File #:	Res 1078-2016	**Version:** *	**Name:**	LU 367 - Story Avenue East, Bronx
Type:	Resolution		**Status:**	Adopted
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Title: Resolution approving an exemption from real property taxes for property located at (Block 3623, Lot 30) the Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 367).

Sponsors:

Indexes:

Attachments: 1. HPD Letter, 2. Memorandum, 3. May 25, 2016 - Stated Meeting Agenda with Links to Files, 4. Hearing Transcript - Stated Meeting 5-25-16, 5. Minutes of the Stated Meeting - May 25, 2016

Date	Ver.	Action By	Action	Result
5/25/2016	*	Committee on Finance	P-C Item Approved by Comm	
5/25/2016	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1078

Resolution approving an exemption from real property taxes for property located at (Block 3623, Lot 30) the Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 367).

By Council Member Ferreras-Copeland

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated May 3, 2016 that the Council take the following action regarding a housing project located at (Block 3623, Lot 30) the Bronx, ("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 has considered the financial implications relating to the Tax Exemption;

RESOLVED:
The Council hereby grants a partial exemption from real property taxes provided:

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

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a) "HDFC" shall mean HP Story Avenue Housing Development Fund Company, Inc.

b) "HDC" shall mean New York City Housing Development Corporation.

c) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.

d) "LLC" shall mean Story Avenue East Residential LLC or an affiliate.

e) "New Owner" shall mean the HDFC and the LLC or any future owner of the Exemption Area.

f) "Exemption" shall mean the exemption from real property taxation provided hereunder.

g) "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, HDC and the New Owner enter into the Regulatory Agreement in their respective sole discretion.

h) "Exemption Area" shall mean the real property located on the Tax Map of the City of New York in the Borough of the Bronx, City and State of New York, identified as Block 3623, Lot 30.

i) "Expiration Date" shall mean the earlier to occur of (i) a date which is forty (40) 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 or leased by either a housing development fund company or an entity wholly controlled by a housing development fund company.

j) "Project" shall mean the construction of one multiple dwelling building on the Exemption Area containing approximately 211 rental dwelling units plus one unit for a superintendent and 7,486 square feet of ground floor community space.

k) "Regulatory Agreement" shall mean the regulatory agreement between HPD, HDC and the New Owner establishing certain controls upon the operation of the Exemption Area during the term of the Exemption.

2. 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 Expiration Date.

3. (a) Notwithstanding any provision hereof to the contrary, the exemption from real property taxation provided hereunder ("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 operated in accordance with the requirements of any other agreement with, or for the benefit of, the City of New York, (iv) the Exemption Area is conveyed to a new owner without the prior written consent of HPD, or (v) the demolition or construction 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 the New Owner and all mortgagees of record, which notice shall provide for an opportunity to cure of not less than sixty (60) days. If the

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noncompliance specified in such notice is not cured within the time period specified therein, the Exemption shall prospectively terminate.

(b) Nothing herein shall entitle the New Owner to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.

(c) The Exemption shall not apply to any building constructed on the Exemption Area which does not have a permanent or temporary certificate of occupancy by June 30, 2021, as such date may be extended in writing by HPD.

4. In consideration of the Exemption, the New Owner (i) shall execute and record the Regulatory Agreement, and (ii) for so long as the 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 May 25, 2016, on file in this office.

_____
City Clerk, Clerk of Council

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