Legislation Details (With Text)

File #:	Res 1334-2016	**Version:**	*	**Name:**	LU 539 - Planning, SMALL HOMES REHAB - NYCHA - HABITAT FOR HUMANITY-PHASE 6, Brooklyn (20175128 HAK)
Type:	Resolution			**Status:**	Adopted
				In control:	Committee on Land Use
On agenda:	12/6/2016				
Enactment date:				**Enactment #:**	

Title: Resolution approving real property tax exemptions for a project located at 556 Schenectady Avenue (Block 4826, Lot 12), 978 Lenox Road (Block 4665, Lot 5), and 17 East 92nd Street (Block 4595, Lot 121), in Community Districts 9 and 17, Borough of Brooklyn; (L.U. No. 539; 20175128 HAK).

Sponsors:

Indexes:

Attachments: 1. November 29, 2016 - Stated Meeting Agenda with Links to Files, 2. REVISED - Land Use Calendar - Week of November 28, 2016 - December 2, 2016, 3. FINAL REVISED - Land Use Calendar - Week of November 28, 2016 - December 2, 2016, 4. Land Use Calendar - December 5, 2016, 5. December 6, 2016 - Stated Meeting Agenda with Links to Files, 6. Committee Report, 7. Hearing Transcript - Stated Meeting 12-6-16, 8. Minutes of the Stated Meeting - December 6, 2016

Date	Ver.	Action By	Action	Result
12/5/2016	*	Committee on Land Use	Approved by Committee	
12/6/2016	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1334

Resolution approving real property tax exemptions for a project located at 556 Schenectady Avenue (Block 4826, Lot 12), 978 Lenox Road (Block 4665, Lot 5), and 17 East 92nd Street (Block 4595, Lot 121), in Community Districts 9 and 17, Borough of Brooklyn; (L.U. No. 539; 20175128 HAK).

By Council Members Greenfield and Dickens

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on November 18, 2016 its request dated November 10, 2016 that the Council approve a real property tax exemption pursuant to Section 577 of the Private Housing Finance Law and Section 696 of the General Municipal Law for a project (the "Project") located at 556 Schenectady Avenue (Block 4826, Lot 12), 978 Lenox Road (Block 4665, Lot 5), and 17 East 92nd Street (Block 4595, Lot 121), in Community Boards 9 and 17, Borough of Brooklyn (the "Exemption Area"):

1. Find that the present status of the Exemption Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project is consistent with the policy and purposes stated in Section 691 of the General Municipal Law;

2. Waive the area designation requirement of Section 693 of the General Municipal Law pursuant to said Section;

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3. Waive the requirements of Sections 197-c and 197-d of the New York City Charter pursuant to Section 694 of the General Municipal Law;

4. Approve the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law; and

5. Approve the exemption of the Project from real property taxes pursuant to Section 577 of the Private Housing Finance Law and Section 696 of the General Municipal Law (the "Tax Exemption").

WHEREAS, the Project is to be developed on land that is an eligible area as defined in Section 692 of the General Municipal Law, consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings, and does not require any change in land use permitted under the New York City Zoning Resolution;

WHEREAS, upon due notice, the Council held a public hearing on the Project on December 1, 2016;

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

RESOLVED:

The Council finds that the present status of the Exemption Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project is consistent with the policy and purposes of Section 691 of the General Municipal Law;

The Council waives the area designation requirement of Section 693 of the General Municipal Law\pursuant to Section 693 of the General Municipal Law;

The Council waives the requirements of Sections 197-c and 197-d of the Charter pursuant to Section 694 of the General Municipal Law;

The Council approves the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law;

The Project shall be developed in a manner consistent with the Project Summary that HPD has submitted to the council, a copy which is attached hereto.

The Council approves the exemption of the project from real property taxes pursuant to Section 577 of the Private Housing Finance Law as follows:

a. All of the value of the property in the Exemption Area, including both the land and any improvements, shall be exempt from real property taxes, other than assessments for local improvements, for a period commencing upon the date of conveyance of the Exemption Area to the housing development fund company ("Article XI Commencement Date") and terminating upon the earlier to occur of (i) the fifth anniversary of the Article XI Commencement Date, or (ii) the date of reconveyance of the Exemption Area to an owner which is not a housing development fund company ("Article XI Expiration Date").

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b. In consideration of the tax exemption pursuant to Section 577 of the Private Housing Finance Law provided hereunder ("Article XI Exemption"), the owner of the Exemption Area shall 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 ("Alternative Tax Benefit"), for so long as the Article XI Exemption shall remain in effect.

c. The Article XI 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, or (ii) the Exemption Area is not being operated in accordance with the requirements of any agreement with, or for the benefit of, the City of New York. HPD shall deliver written notice of any such determination to the property 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 Article XI Exemption shall prospectively terminate.

d. The provisions of the Article XI Exemption shall apply separately to each individual property comprising the Exemption Area, and a sale or other event which would cause the expiration, termination, or revocation of the Article XI Exemption with respect to one property in the Exemption Area shall not affect the continued validity of the Article XI Exemption with respect to other properties in the Exemption Area.

The Council approves the exemption of the project from real property taxes pursuant to Section 696 of the General Municipal Law as follows:

a. All of the value of the buildings, structures, and other improvements situated on the Exemption Area shall be exempt from local and municipal taxes, other than assessments for local improvements and land value, for a period of twenty years commencing on the date of reconveyance of the Exemption Area to an owner which is not a housing development fund company ("UDAAP Commencement Date"); provided, however, that such exemption shall decrease in ten equal annual decrements commencing upon the July 1st immediately preceding the tenth anniversary of the UDAAP Commencement Date.

b. In consideration of the tax exemption pursuant to Section 696 of the General Municipal Law provided hereunder ("UDAAP Exemption"), the owner of the Exemption Area shall waive the benefits, if any, of any Alternative Tax Benefit for so long as the UDAAP Exemption shall remain in effect.

c. The UDAAP Exemption shall terminate with respect to all or any portion of the Exemption Area if the Department of Housing Preservation and Development ("HPD") determines that such real property has not been, or is not being, developed, used, and/or operated in compliance with the requirements of all applicable agreements made by the transferee or any subsequent owner of such real property with, or for the benefit of, the City of New York. HPD shall deliver written notice of any such determination of noncompliance to the owner of such real property and all mortgagees of record, which notice shall provide for an opportunity to cure of not less than ninety (90) days. If the noncompliance specified in such notice is not cured within the time period specified therein, the UDAAP Exemption shall prospectively terminate with respect to the real property specified therein.

d. Notwithstanding any other provision to the contrary, the combined duration of the Article XI Exemption and the UDAAP Exemption shall not exceed twenty-five (25) years.

e. The provisions of the UDAAP Exemption shall apply separately to each individual property comprising the Exemption Area, and a sale or other event which would cause the expiration, termination, or revocation of the UDAAP Exemption with respect to one property in the Exemption Area shall not affect the continued validity of the UDAAP Exemption with respect to other properties in the Exemption Area.

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 December 6, 2016, on file in this office.

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City Clerk, Clerk of The Council

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