Legislation Details (With Text)

File #:	Res 1553-2017	**Version:**	*	**Name:**	LU 667 - Planning, POMP 9, Bronx (20175422HAX)
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On agenda:	6/6/2017				
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Title: Resolution approving a real property tax exemption pursuant to Article XI of the Private Housing Finance Law for property located at Block 2850, Lot 16, Borough of the Bronx, (L.U. No. 667; Non-ULURP No. 20175422 HAX).

Sponsors:

Indexes:

Attachments: 1. May 24, 2017 - Stated Meeting Agenda with Links to Files, 2. Land Use Calendar - Week of May 29, 2017 - June 2, 2017, 3. Land Use Calendar - June 5, 2017, 4. REVISED - Land Use Calendar - June 5, 2017, 5. June 6, 2017 - Stated Meeting Agenda with Links to Files, 6. Committee Report, 7. Hearing Transcript - Stated Meeting 6-6-17, 8. Minutes of the Stated Meeting - June 6, 2017

Date	Ver.	Action By	Action	Result
6/5/2017	*	Committee on Land Use	Approved by Committee	
6/6/2017	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1553

Resolution approving a real property tax exemption pursuant to Article XI of the Private Housing Finance Law for property located at Block 2850, Lot 16, Borough of the Bronx, (L.U. No. 667; Non-ULURP No. 20175422 HAX).

By Council Members Greenfield and Salamanca

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on May 15, 2017 its request dated May 10, 2017 that the Council approve an exemption of the Project from real property taxes pursuant to Section 577 of Article XI of the Private Housing Finance Law (the "Tax Exemption") for property located at Block 2850, Lot 16, Community District No. 5, Borough of the Bronx, Council District No. 14 (the "Exemption Area");

WHEREAS, upon due notice, the Council held a public hearing on the Project on May 30, 2017;

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

RESOLVED:

Pursuant to Section 577 of the Private Housing Finance Law the Council approves the exemption of the Exemption Area from real property taxes as follows:

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

   a. "Corporation" shall mean New Townsend Realty Corp.

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b. "Effective Date" shall mean the later of (i) the date of conveyance of the Exemption Area to the HDFC, or (ii) the date that HPD and the Owner enter into the Regulatory Agreement.

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

d. "Exemption Area" shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 2850, Lot 16 on the Tax Map of the City of New York.

e. "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.

f. "Gross Rent" shall mean the gross potential rents from all residential and commercial units (both occupied and vacant) of the Exemption Area, including any federal subsidy (including, but not limited to, Section 8, rent supplements, and rental assistance).

g. "Gross Rent Tax" shall mean an amount equal to seventy-five hundredths of one percent (0.75%) of the Gross Rent in the tax year in which such real property tax payment is made.

h. "HDFC" shall mean New Townsend Realty Housing Development Fund Company, Inc. or a housing development fund company that acquires the Exemption Area with the prior written consent of HPD.

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

j. "J-51 Benefits" shall mean any tax benefits pursuant to Section 489 of the Real Property Tax Law which are in effect on the Effective Date.

k. "Owner" shall mean, collectively, the HDFC and the Corporation.

l. "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. 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, commercial or community facility 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.

3. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Gross Rent Tax. 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 any existing or future local, state, or federal law, rule or regulation.

4. Notwithstanding any provision hereof to the contrary:

a. The 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, (iv) any interest in the Exemption Area is conveyed or transferred to a new owner without the prior written approval of HPD, or (v) the construction or 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 Exemption shall prospectively terminate.

b. The Exemption shall apply to all land in the Exemption Area, but shall only apply to a building on the Exemption Area that exists on the Effective Date.

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c. Nothing herein shall entitle the HDFC, the Owner, or any past 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.

5. In consideration of the Exemption, the owner of the Exemption Area, 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. Notwithstanding the foregoing, the J-51 Benefits shall remain in effect.

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 June 6, 2017, on file in this office.

……..……..
City Clerk, Clerk of The Council

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