Legislation Details (With Text)

File #:	Res 0939-2019	**Version:** *	**Name:**	LU 452 - CB WHCO Portfolio.YR15.FY19, Manhattan
Type:	Resolution		**Status:**	Adopted
			In control:	Committee on Finance
On agenda:	6/13/2019			
Enactment date:			**Enactment #:**	

Title: Resolution approving an exemption from real property taxes for property located at (Block 1599, Lot 1; Block 1823, Lots 37 and 38; Block 1831, Lot 53; Block 1904, Lot 6; Block 1926, Lots 8 and 61) Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 452).

Sponsors:

Indexes:

Attachments: 1. Res. No. 939, 2. Housing Preservation and Development Letter, 3. Memorandum, 4. June 13, 2019 - Stated Meeting Agenda with Links to Files, 5. Hearing Transcript - Stated Meeting 6-13-19, 6. Minutes of the Recessed Meeting of May 29, 2019 Held on June 13, 2019, 7. Minutes of the Stated Meeting - June 13, 2019, 8. Minutes of the Recessed Meeting of June 13, 2019 Held on June 18, 2019, 9. Minutes of the Recessed Meeting of June 13, 2019 Held on June 19, 2019

Date	Ver.	Action By	Action	Result
6/13/2019	*	Committee on Finance	P-C Item Approved by Comm	
6/13/2019	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RES. NO. 939

Resolution approving an exemption from real property taxes for property located at (Block 1599, Lot 1; Block 1823, Lots 37 and 38; Block 1831, Lot 53; Block 1904, Lot 6; Block 1926, Lots 8 and 61) Manhattan, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 452).

By Council Member Dromm

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated May 28, 2019 that the Council take the following action regarding a housing project located at (Block 1599, Lot 1; Block 1823, Lots 37 and 38; Block 1831, Lot 53; Block 1904, Lot 6; Block 1926, Lots 8 and 61) 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 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;

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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. "Company" shall mean CB WHCO 2017 LLC or any other entity that acquires the beneficial interest in the Exemption Area with the prior written consent of HPD.

    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 Area" shall mean the real property located in the Borough of Manhattan, City and State of New York, identified as Block 1599, Lot 1, Block 1823, Lots 37 and 38, Block 1831, Lot 53, Block 1904, Lot 6, and Block 1926, Lots 8 and 61 on the Tax Map of the City of New York.

    d. "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 by either a housing development fund company or an entity wholly controlled by a housing development fund company.

    e. "HDFC" shall mean West Harlem Community Organization Housing Development Fund Corporation or a housing development fund company that acquires the Exemption Area with the prior written consent of HPD.

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

    g. "New Exemption" shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.

    h. "Owner" shall mean, collectively, the HDFC and the Company.

    i. Prior Article XI Exemption" shall mean the exemption from real property taxation pursuant to Section 577 of the Private Housing Finance Law of a portion of the Exemption Area approved by the Board of Estimate on May 24, 1990 (Cal. No. 4).

    j. "Prior Section 420-c Exemption" shall mean the exemption from real property taxation pursuant to Section 420-c of the Real Property Tax Law of a portion of the Exemption Area.

    k. "Regulatory Agreement" shall mean a new regulatory agreement between HPD and the Owner, executed after April 1, 2019, establishing certain controls upon the operation of the entire Exemption Area during the term of the New Exemption, and providing, *inter alia*, for the termination of the Prior Section 420-c Exemption.

2. The Prior Article XI Exemption shall terminate with respect to the Exemption Area 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, 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.

4. 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 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, all mortgagees of record, and, where there has been an unauthorized conveyance or transfer of any interest in the Exemption Area, to the new owner of such interest in the Exemption Area, 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 apply to all land in the Exemption Area, but shall only apply to buildings on the Exemption Area that exist on the Effective Date.

    c. Nothing herein shall entitle the HDFC, the Owner, or any other person or entity to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.

    d. All previous resolutions, if any, providing an exemption from or abatement of real property taxation with respect to the Exemption Area are hereby revoked as of the Effective Date.

5. In consideration of the New Exemption, the owner of the Exemption Area shall, for so long as the New Exemption shall remain in effect, 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, nothing herein shall prohibit the granting of any real property tax abatement pursuant to Sections 467-b or 467-c of the Real Property Tax Law to real property occupied by senior citizens or persons with disabilities.

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 13, 2019, on file in this office.

City Clerk, Clerk of Council

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