Legislation Details (With Text)

File #:	Res 1100-2019	**Version:** *	**Name:**	LU 555 - 2178 Atlantic Avenue, Block 1433, Lot 35; Brooklyn, Community District No. 16, Council District 41.
Type:	Resolution		**Status:**	Adopted
			In control:	Committee on Finance
On agenda:	10/17/2019			
Enactment date:			**Enactment #:**	
Title:	Resolution approving an amendment to a previously approved real property tax exemption pursuant to Section 577 of the Private Housing Finance Law for property located at (Block 1433, Lot 35), Brooklyn (Preconsidered L.U. No. 555).			
Sponsors:				
Indexes:				
Attachments:	1. Res. No. 1100, 2. Housing Preservation and Development Letter, 3. Memorandum, 4. October 17, 2019 - Stated Meeting Agenda with Links to Files, 5. Hearing Transcript - Stated Meeting 10-17-19, 6. Minutes of the Stated Meeting - October 17, 2019			

Date	Ver.	Action By	Action	Result
10/17/2019	*	Committee on Finance	P-C Item Approved by Comm	
10/17/2019	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RES. NO. 1100

Resolution approving an amendment to a previously approved real property tax exemption pursuant to Section 577 of the Private Housing Finance Law for property located at (Block 1433, Lot 35), Brooklyn (Preconsidered L.U. No. 555).

By Council Member Dromm

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated September 12, 2019 that the Council amend a previously approved tax exemption for real property located at (Block 1433, Lot 45), Brooklyn ("Exemption Area") pursuant to Section 577 of the Private Housing Finance Law;

WHEREAS, the HPD's request for amendments is related to a previous Resolution adopted by City Council on November 16, 2016 (Resolution 1276) (the "Prior Resolution"), attached hereto as Exhibit A, granting the Exemption Area a real property tax exemption pursuant to Section 577 of the Private Housing Finance Law ("Tax Exemption");

WHEREAS, the Council has considered the financial implications relating to the Tax Exemption;

RESOLVED:

The Council approves the amendments to the Prior Resolution requested by HPD for the Exemption

Area pursuant to Section 577 of the Private Housing Finance Law as follows:

Paragraphs (1)(k), (2), (3) and (4)(a) of the Prior Resolution are deleted and replaced with the following:

1. (k) "Tax payment" shall mean an annual real property tax payment on an assessed valuation equal to an amount calculated by multiplying $3,500 times the number of residential units included in the Exemption Area and increasing such product by three and seven-tenths percent (3.7%) on July 1, 2021 and on July 1 of each successive year until the Expiration Date.

2. All of the value of the Exemption Area shall be exempt from real property taxation, including both the land and any improvements (excluding those portions, if any, devoted to business, commercial, or community facility use), other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon June 30, 2020.

3. Commencing upon July 1, 2020 and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Tax Payment. Notwithstanding the foregoing, (i) the total annual real property tax payment by the Owner shall not at any time exceed the amount of real estate taxes that would otherwise be due 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, and (ii) the J-51 Benefits shall not reduce the Tax Payment below zero dollars.

4. (a) The Exemption shall terminate if HPD determines 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) the Exemption Area is conveyed 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 the 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; and

Except as specifically amended above, all other terms, conditions, provisions and requirements of the Prior Resolution remain in full force and effect.

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 October 17, 2019, on file in this office.

_____
City Clerk, Clerk of Council

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1276

Resolution approving an exemption from real property taxes for property located at (Block 1433, Lot 35) Brooklyn, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 520).

By Council Member Ferreras-Copeland

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated October 3, 2016 that the Council take the following action regarding a housing project located (Block 1433, Lot 35) Brooklyn, ("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 an exemption from real property taxes provided:

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

   (a) "Effective Date" shall mean July 1, 2005.

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

   (c) "Exemption Area" shall mean the real property located in the Borough of Brooklyn, City and State of New York, identified as Block 1433, Lot 35 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 Tenants of 2178 Atlantic Avenue Housing Development Fund Corporation.

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

   (g) "J-51 Program" shall mean the program of exemption from and/or abatement of real property taxation authorized pursuant to Real Property Tax Law §489 and City of New York Administrative Code §11-243.

   (h) "J-51 Benefits" shall mean any tax benefits pursuant to the J-51 Program that are granted for

eligible work performed at the Exemption Area on or after October 1, 2016.

(i) "Owner" shall mean the HDFC or any future owner of the Exemption Area.

(j) "Regulatory Agreement" shall mean the regulatory agreement between HPD and the HDFC establishing certain controls upon the operation of the Exemption Area on and after the date such Regulatory Agreement is executed.

(k) "Tax Payment" shall mean an annual real property tax payment on an assessed valuation equal to an amount calculated by multiplying $3,500 times the number of residential units included in the Exemption Area and increasing such product by three and seven tenths percent (3.7%) on July 1, 2017 and on July 1 of each successive year until the Expiration Date.

3. All of the value of the Exemption Area shall be exempt from real property taxation, including both the land and any improvements (excluding those portions, if any, devoted to business or commercial use), other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon June 30, 2016.

4. Commencing upon July 1, 2016 and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Tax Payment. Notwithstanding the foregoing, the total annual real property tax payment by the HDFC shall not at any time exceed the amount of real estate taxes that would otherwise be due 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.

5. Notwithstanding any provision hereof to the contrary:

(a) The Exemption shall terminate if HPD determines 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 owner of the Exemption Area has failed to execute the Regulatory Agreement within three hundred sixty-five (365) days after the date of approval of the Exemption, (iii) the Exemption Area is not being operated in accordance with the requirements of the Regulatory Agreement, (iv)

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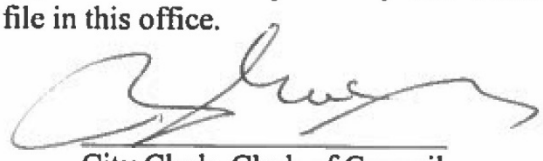
the Exemption Area is not being operated in accordance with the requirements of any other agreement with, or for the benefit of, the City of New York, (v) the Exemption Area is conveyed to a new owner without the prior written approval by HPD, or (vi) the construction or demolition of any private or 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 the 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 in the Exemption Area that exists on the Effective Date.

5. In consideration of the Exemption, the owner of the Exemption Area shall (i) execute and record the Regulatory Agreement, and (ii) for so long as the Exemption shall remain in effect, waive the benefits, if any, of any additional or concurrent exemption from or abatement of real property taxation, other than the J-51 Benefits, 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 November 16, 2016, on file in this office.



City Clerk, Clerk of Council

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