



Legislation Details (With Text)

File #:	Res 0312-2002	Version:	A	Name:	Approve a five-year extension of partial real property tax exemptions for Gouverneur Gardens Housing Corporation.
Type:	Resolution	Status:	Adopted	In control:	Committee on Finance
On agenda:	6/5/2002				
Enactment date:		Enactment #:			
Title:	Resolution calling upon the Council to approve a five-year extension of partial real property tax exemptions for Gouverneur Gardens Housing Corporation.				
Sponsors:	Alan J. Gerson				
Indexes:					
Attachments:	1. Committee Report, 2. Hearing Transcript 6/26, 3. Hearing Transcript - Stated Meeting 6/26				

Date	Ver.	Action By	Action	Result
6/5/2002	*	City Council	Introduced by Council	
6/5/2002	*	City Council	Referred to Comm by Council	
6/26/2002	*	Committee on Finance	Hearing Held by Committee	
6/26/2002	*	Committee on Finance	Amendment Proposed by Comm	
6/26/2002	A	Committee on Finance	Approved by Committee	Pass
6/26/2002	*	Committee on Finance	Amended by Committee	
6/26/2002	A	City Council	Approved, by Council	Pass

Res. No. 312-A

Resolution calling upon the Council to approve a five-year extension of partial real property tax exemptions for Gouverneur Gardens Housing Corporation.

By Council Member Gerson

Whereas, Gouverneur Gardens Housing Corporation ("Housing Company") was created pursuant to Article XII of the Public Housing Law on a cooperative basis; and
Whereas, The project was originally owned by the New York City Housing Authority ("Housing Authority"), and later sold to the Housing Company pursuant to Section 58 of the New York State Public Housing Law ("Public Housing Law"); and
Whereas, The project operated by Housing Company is located in the Borough of Manhattan, Block 267/Lot 1, Block 259/Lot 71, Block 259/Lot 1, Block 244/Lot 19, Block 243/Lot 56, on the Tax Map of the City; and
Whereas, The Housing Company submitted an application to the Board of Estimate for approval as a limited-profit housing project, pursuant to Section 313 of the Public Housing Law; and
Whereas, The application contained an exemption for the project's real property from local and municipal taxes, other than for assessments for local improvement, except that the Housing Company to which such project was sold was required pursuant to the Public Housing Law to pay to the municipality in which a project was located, local and municipal taxes in an amount not less than the sum contracted to be paid by the Housing Authority as a payment in lieu of taxes ("PILOT Agreement") with respect to the project and which the Housing Authority would be obligated to pay to the municipality had it not sold the project to the Housing Company; and
Whereas, Such a tax exemption was approved by the Board of Estimate, later implemented by the Department of Finance and previously extended by the Council; and
Whereas, The PILOT Agreement for the Housing Company expired on June 30, 1997; and
Whereas, The Council passed Resolution No.2336 in May of 1997, which provided that the Housing Company would continue for five years to pay in lieu of property taxes an amount equal to that stipulated by the Pilot Agreement (the "PILOT") followed by a ten-year phase-in of a shelter rent tax as paid by the majority of housing developments commonly known as Mitchell-Lama housing; and

Whereas, The Council desires to extend for the Housing Company the payment in lieu of taxes at the same level as the PILOT an additional five years subsequently followed by a ten-year phase in of a shelter rent tax; now, therefore, be it Resolved, That the Council of the City of New York approves an extension of a partial real property tax exemption pursuant to Section 58 of the Public Housing Law and Section 33 of the New York State Private Housing Finance Law ("Private Housing Finance Law") for the Housing Company as follows:

- a) from July 1, 2002 to June 30, 2007 payments each year shall be made in lieu of property taxes equal to the PILOT (\$65,658);
- b) followed by one year of payment in an amount equaling the PILOT plus 10% of the difference between the PILOT amount and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- c) followed by one year of payment in an amount equal to the PILOT plus 20% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- d) followed by one year of payment in an amount equal to the PILOT plus 30% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- e) followed by one year of payment in an amount equal to the PILOT plus 40% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- f) followed by one year of payment in an amount equal to the PILOT plus 50% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- g) followed by one year of payment in an amount equal to the PILOT plus 60% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- h) followed by one year of payment in an amount equal to the PILOT plus 70% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- i) followed by one year of payment in an amount equal to the PILOT plus 80% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- j) followed by one year of payment in an amount equal to the PILOT plus 90% of the difference between the PILOT and 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- k) in each year thereafter in which the existing mortgage loan held by the City of New York is outstanding the Housing Company shall pay an amount equal to 10% of the shelter rent as the term "shelter rent" is defined in Section 33 of the Private Housing Finance Law;
- l) provided that upon expiration of the aforesaid mortgage the property shall be subject to full real property taxes; and
- m) further provided that in each fiscal year in which a Shelter Rent calculation is required Shelter Rent shall be calculated based on financial statements of the Housing Company for the applicable fiscal year; and, be it further

Resolved, That such continued or additional tax exemption for the particular project involved is further subject to and conditioned upon compliance with the requirements of the Private Housing Finance Law and applicable rules and regulations promulgated thereunder including, but not limited to, the billing and collection of surcharges. Specifically, continuation of the exemption is conditioned upon annual certification by its supervising agency of compliance by the Housing Company and its tenants with Section 31 of the Private Housing Finance Law and any rules and regulations promulgated thereunder by the supervising agency regarding surcharges, their review, billing, and collection; and, be it further

Resolved, That in the event that the Housing Company fails to comply with the requirements of the Private Housing Finance Law and the applicable rules and regulations promulgated thereunder, including but not limited to reviews of its financial condition and the requirements governing billing and collection of surcharges, the Department of Housing Preservation and Development may terminate the continued tax exemption herein approved for such Housing Company.

JH
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5/31/02

