Legislation Details (With Text)

File #:	Res 0945-2003	**Version:**	*	**Name:**	LU 458 - Section 202 Supportive Housing Program for the Elderly Notre Dame DFC, 660 E. 183rd St. Bronx, CD#6
Type:	Resolution			**Status:**	Adopted
				In control:	Committee on Finance
On agenda:	6/17/2003				
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Title: Resolution approving a partial exemption from real property taxes for a property located at 660 East 183rd Street (Block 3085, Lot 45), the Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 458).

Sponsors:

Indexes:

Attachments: 1. Memorandum, 2. Hearing Transcript - Stated Meeting 6/17

Date	Ver.	Action By	Action	Result
6/17/2003	*	City Council	Introduced by Council	
6/17/2003	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 945

Resolution approving a partial exemption from real property taxes for a property located at 660 East 183rd Street (Block 3085, Lot 45), the Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 458).

By Council Member Weprin

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated May 14, 2003 that the Council take the following action regarding property located at 660 East 183rd Street (Block 3085, Lot 45), Borough of the Bronx::

Approve a partial exemption of the property from real property taxes pursuant to Section 577 of the Private Housing Finance Law;

WHEREAS, the project description that HPD provided to the Council states that the owner of the property is a duly organized housing development fund company under Article XI of the Private Housing Finance Law;

WHEREAS, the Council held a hearing on the property on June 17, 2003;

WHEREAS, the Council has considered the financial implications relating to the tax exemption;

RESOLVED:

The Council hereby grants an exemption from real property taxes, pursuant to Section 577 of the Private Housing Finance Law, as follows:

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

a. "Exemption Area" shall mean the real property located in the Borough of the Bronx, City and State of New York, known as Block 3085, Lot 45 on the Tax Map of the City.

b. "Sponsor" shall mean Notre Dame Housing Development Fund Company, Inc.

c. "HUD" shall mean the Department of Housing and Urban Development of the United States of America.

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

e. "Prior Exemption" shall mean the partial exemption from real property taxes approved by the Board of Estimate on September 25, 1986 (Cal.

No. 267) with respect to the Exemption Area.

f. "New Exemption" shall mean the partial exemption from real property taxes provides hereunder with respect to the Exemption Area.

g. "Effective Date" shall mean the date of repayment or refinancing of the HUD Mortgage.

h. "Expiration Date" shall mean the earlier to occur of (i) a date which is thirty five (35) years from the Effective Date, (ii) the date upon which the Use Agreement ceases to bind all parties in interest to the Exemption Area, or (iii) the date upon which the Regulatory Agreement ceases to bind all parties in interest to the Exemption Area.

i. "HUD Mortgage" shall mean the original loan made by HUD to Sponsor in connection with the Section 202 Supportive Housing Program For The Elderly, which loan is secured by a mortgage on the Exemption Area.

j. "Rental Subsidy" shall mean Section 8 rental assistance and any similar form of rental assistance from any governmental entity.

k. "Use Agreement" shall mean a use agreement by and between Sponsor and HUD which commences on or before the Effective Date, runs with the land, binds all subsequent not-for-profit owners and creditors of the Exemption Area until a date which is thirty five (35) years from the Effective Date, and requires that the housing project on the Exemption Area continue to operate in accordance with the requirements of Section 202 of the Housing Act of 1959, as amended, and all applicable federal regulations, in a manner that provides rental housing for elderly persons of low income on terms at least as advantageous to existing and future tenants as the terms required by the HUD Mortgage.

l. "Regulatory Agreement" shall mean a regulatory agreement by and between Sponsor and HPD which commences on or before the Effective Date, runs with the land, binds all subsequent parties in interest to the Exemption Area until a date which is thirty five (35) years from the Effective Date, and requires that (i) notwithstanding any term of the Use Agreement or any other agreement to the contrary, the Exemption Area shall remain subject to the terms of the Use Agreement until a date which is thirty five (35) years from the Effective Date, (ii) in the event of a breach or a threatened breach of any of the covenants and agreements contained in the Use Agreement, in addition to any other remedies that HPD has or may have at law or in equity, HPD shall be entitled to institute legal action to enforce specific performance of such covenants and agreements and to enjoin any acts which violate such covenants and agreements, (iii) the Sponsor shall exercise any and all available options to obtain and renew Rental Subsidy for eligible tenants, and (iv) the Sponsor shall not cause or permit the Rental Subsidy to expire, to not be extended, to not be renewed, or to be terminated.

2. The Prior Exemption shall terminate upon the Effective Date.

3. All of the value of the property in the Exemption Area, including both the land and improvements (excluding those portions, if any, devoted to business or commercial

use), shall be exempt from real property taxes, other than assessments for local improvements, commencing upon the Effective Date and terminating upon the Expiration Date; provided, however, that the Sponsor shall make an annual real property tax payment commencing upon the Effective Date and terminating upon the Expiration Date.

4. Commencing upon the Effective Date and during each year thereafter until the Expiration Date the Sponsor shall make real property tax payments in the sum of (i) $38,869, plus (ii) an additional amount equal to twenty- five percent (25%) of the amount by which the total contract rents applicable to the housing project for that year (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended) exceed the total contract rents which are authorized as of the Effective Date. Notwithstanding the foregoing, the total annual real property tax payment by the Sponsor shall not at any time exceed the lesser of either (i) seventeen percent (17%) of the contract rents, or (ii) the amount of real property taxes that would otherwise be due in the absence of any form of tax exemption or abatement provided by any existing or future local, state, or federal law, rule or regulation.

5. In consideration of the New Exemption, prior to or simultaneous with repayment or refinancing of the HUD Mortgage, Sponsor, for itself, its successors and assigns, shall (i) execute and record a Use Agreement with HUD, (ii) execute and record a Regulatory Agreement with HPD, and (iii) waive, for as long as the New Exemption shall remain in effect, the benefits, if any, of additional or concurrent real property tax abatement and/or real property tax exemption which may be authorized under any existing or future local, state, or federal law, rule or regulation.

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 17, 2003, on file in this office.

_____
City Clerk, Clerk of Council

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