Legislation Details (With Text)

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Type:	Resolution			**Status:**	Adopted
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Title: Resolution approving an exemption from real property taxes for property located at (Block 3130, Lot 20), (Block 3131, Lot 20), (Block 3136, Lot 1) The Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No 250).

Sponsors:

Indexes:

Attachments: 1. Memorandum, 2. Hearing Transcript, 3. Hearing Transcript - Stated Meeting 11-17-10

Date	Ver.	Action By	Action	Result
11/17/2010	*	Committee on Finance	P-C Item Approved by Comm	
11/17/2010	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 563

Resolution approving an exemption from real property taxes for property located at (Block 3130, Lot 20), (Block 3131, Lot 20), (Block 3136, Lot 1) The Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No 250).

By Council Member Recchia

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated October 12, 2010 that the Council take the following action regarding a housing project to be located at (Block 3130, Lot 20), (Block 3131, Lot 20), (Block 3136, Lot 1) The Bronx ("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 held a hearing on the Project on November 17, 2010;

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

RESOLVED:

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The Project shall be developed upon the terms and conditions set forth in the Project Summary that HPD has submitted to the Council, a copy of which is attached hereto.

The Council hereby grants an exemption from real property taxes as follows:

1. Approve the partial exemption of the Project from real property taxation pursuant to Section 577 of the Private Housing Finance Law as follows:

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

        (a) ”Company” shall mean West Farms Square LLC.

        (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 HDC and the Owner enter into the Regulatory Agreement.

        (c) “Exemption Area” shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 3130, Lot 20; Block 3131, Lot 20; and Block 3136, Lot 1, 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) “HDC” shall mean the New York City Housing Development Corporation.

        (f) “HDFC” shall mean West Farms Square Housing Development Fund Corporation.

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

        (h) “New Exemption" shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.

        (i) “Owner” shall mean, collectively, the HDFC and the Company.

        (j) "Prior Exemption" shall mean the exemptions from real property taxation for the Exemption Area approved by the Board of Estimate on October 8, 1970 (Cal. No. 22-A and Cal. No. 23).

        (k) “Regulatory Agreement” shall mean the regulatory agreement between HDC and the Owner providing that, for a term of 40 years, (a) all dwelling units in the Exemption Area must**,** upon vacancy, be rented to families whose incomes do not exceed 165% of area median income, and (b) approximately 75% of the units will be maintained for families whose incomes do not exceed 60% of area median income in order to fulfill the Exemption Area's low income housing tax credit obligations.

    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 any improvements (excluding those portions, if any, devoted to business or commercial 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, or (iv) the 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 New Exemption shall prospectively terminate.

(b) The Exemption shall not apply to any building constructed on the Exemption Area which did not have a permanent certificate of occupancy or an equivalent document satisfactory to HPD recording the occupancy and configuration of the building on the Effective Date.

(c) Nothing herein shall entitle the HDFC 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.

5. In consideration of the New Exemption, the owner of the Exemption Area, for so long as the New 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.

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 17, 2010, on file in this office.

_____
City Clerk, Clerk of Council