



Legislation Text

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THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1752

Resolution approving an exemption from real property taxes for property located at (Block 2439, Lots 55, 57, 59) the Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 823).

By Council Member Recchia

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated April 5, 2013 that the Council take the following action regarding a housing project to be located at (Block 2439, Lots 55, 57, 59) 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 has considered the financial implications relating to the Tax Exemption;

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 East 169th Street Associates LLC.
 - b) "Effective Date" shall mean the date that the Owner executes the Restrictive Covenant.
 - c) "Exemption" shall mean the exemption from real property taxation provided hereunder.
 - d) "Exemption Area" shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 2439, Lots 55, 57 and 59 on the Tax Map of the City of New York.
 - e) "Expiration Date" shall mean the earlier to occur of (i) a date which is six (6) months from the Effective Date, unless HPD and the Owner shall have entered into the Regulatory Agreement prior to such date, (ii) a date which is thirty-three (33) years from the Effective Date, (iii) the date of the expiration or termination of the Regulatory Agreement, or (iv) 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.

- f) "HDFC" shall mean BK East 169th Street Housing Development Fund Company, Inc.
 - g) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - h) "Owner" shall mean, collectively, the HDFC and the Company.
 - i) "Regulatory Agreement" shall mean the regulatory agreement between HPD and the Owner establishing certain controls upon the operation of the Exemption Area from the date of such agreement to the end of the term of the Exemption.
 - j) "Restrictive Covenant" shall mean a restrictive covenant executed by the Owner and recorded against the Exemption Area requiring that the Exemption Area be operated for persons of low income in accordance with the provisions of Article XI of the Private Housing Finance Law.
2. 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.
3. Notwithstanding any provision hereof to the contrary:
- a. The 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 Restrictive Covenant, (iii) the Exemption Area is not being operated in accordance with the requirements of the Regulatory Agreement, (iv) 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 (v) 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 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 not apply to any building constructed on the Exemption Area that 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.
4. In consideration of the Exemption, the owner of the Exemption Area, for so long as the Exemption shall remain in effect, shall waive the benefits of any additional or concurrent exemption from or abatement

