



Legislation Text

File #: Res 2020-2013, Version: *

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 2020

Resolution approving a real property tax exemption pursuant to Section 577 of the Private Housing Finance Law for an Exemption Area located at 304-306 East 8th Street (Block 390, Lot 9), Borough of Manhattan (L.U. No. 948; 20145126 HAM).

By Council Members Comrie and Levin

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on September 25, 2013 its request dated September 23, 2013 that the Council take the following actions regarding a tax exemption for real property located at 304-306 East 8th Street (Block 390, Lot 9), Community District 3, Borough of Manhattan (the "Exemption Area"):

Approve an exemption of the Exemption Area from real property taxes pursuant to Section 577 of the Private Housing Finance Law (the "Tax Exemption");

WHEREAS, upon due notice, the Council held a public hearing on the Project on October 22, 2013; and

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Exemption Area;

RESOLVED:

The Council approves the exemption of the Project 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 following meanings:
 - (a) "Commercial Property" shall mean those portions of the Exemption Area devoted to business or commercial use.
 - (b) "Effective Date" shall mean January 1, 2013.
 - (c) "Exemption" shall mean the exemption from real property taxes provided hereunder.
 - (d) "Exemption Area" shall mean the real property located in the Borough of Manhattan, City and State of New York, and identified as Block 390, Lot 9 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 thirty (30) 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.

- (f) "HDFC" shall mean 304-306 East 8th Street Housing Development Fund Corporation.
- (g) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
- (h) "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.
- (i) "Residential Property" shall mean all of the real property, other than the Commercial Property, included in the Exemption Area.

2. All of the value of the Residential Property 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, provided, however, that the HDFC shall make an annual real property tax payment on an assessed valuation equal to the lesser of (i) an amount equal to the full assessed valuation of the Residential Property, or (ii), 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, 2014 and on July 1 of each successive year. Notwithstanding the foregoing, the Commercial Property shall be subject to full taxation.

3. 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.

4. 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 one hundred twenty (120) 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) 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 HDFC 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 which did not have a permanent certificate of occupancy on the Effective Date.

c. Nothing herein shall entitle the HDFC to a refund of any real property taxes which accrued and were paid by or on behalf of the HDFC or any other owner of the Exemption Area prior to

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 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 October 30, 2013, on file in this office.

City Clerk, Clerk of The Council