



Legislation Text

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THE COUNCIL OF THE CITY OF NEW YORK  
RESOLUTION NO. 290

Resolution to approve a real property tax exemption pursuant to Section 577 of the Private Housing Finance Law (PHFL), for the Exemption Area located on Block 2025, Lots 34, 55, 56, and 58, in Community District 10, Borough of Manhattan (L.U. No. 81; 20145604 HAM).

By Council Members Greenfield and Dickens

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on May 19, 2014 its request dated April 24, 2014 that the Council take the following actions regarding a tax exemption for real property located on Block 2025, Lots 34, 55, 56, and 58, in Community District 10, Borough of Manhattan (the "Exemption Area"):

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

WHEREAS, upon due notice, the Council held a public hearing on the Tax Exemption on June 3, 2014; and

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

RESOLVED:

The Council approves the Tax Exemption for the Exemption Area 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 FS 140<sup>th</sup>, LLC.
  - (b) "Effective Date" shall mean the later of (i) the date of conveyance of the Exemption Area to the HDFC, (ii) the date that HPD and the Owner enter into the Regulatory Agreement, or (iii) July 1, 2015.
  - (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 Manhattan, City and State of New York, identified as Block 2025, Lots 34, 55, 56, and 58 on the Tax Map of the City

of New York.

- (e) “Expiration Date” shall mean the earlier to occur of (i) October 6, 2044, (ii) the date of 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 FS 140<sup>th</sup> Street Housing Development Fund Corporation.
  - (g) “HPD” shall mean the City of New York Department of Housing Preservation and Development.
  - (h) “J-51 Benefits” shall mean any tax benefits pursuant to Section 489 of the Real Property Tax Law which are in effect on the Effective Date.
  - (i) “Owner” shall mean, collectively, the HDFC and the Company.
  - (j) “Regulatory Agreement” shall mean the regulatory agreement between HPD and the Owner establishing certain controls upon the operation of the Exemption Area.
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. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments as follows:
- (a) For tax year 2015/2016, the real property tax payment shall be \$74,141 and
  - (b) Commencing in tax year 2016/2017 and continuing until the Expiration Date, the annual real property tax payment shall be equal to 1.02 times the real property tax payment due in the prior tax year.

Such payments shall not be reduced or offset by reason of any J-51 Benefits. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the amount of real property 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 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, (iv) the Exemption Area is conveyed to a new

owner without the prior written approval of HPD, 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 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 only apply to buildings on the Exemption Area that existed on the Effective Date.
- (c) Nothing herein shall entitle the HDPC to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.

5. 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 of real property taxation, other than the J-51 Benefits, 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 11, 2014, on file in this office.

City Clerk, Clerk of The Council