



Legislation Text

File #: Res 1018-2016, Version: *

**THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1018**

Resolution to approve an amendment to a previously approved urban development action area project located at Block 2377, Lot 20, Borough of the Bronx (L.U. No. 340; 20165376 HAX).

By Council Members Greenfield and Dickens

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on February 9, 2016 its request dated February 8, 2016 that the Council approve an amendment to a previously approved tax exemption pursuant to Section 422 of the Real Property Tax Law and Section 577 of the Private Housing Finance Law ("Amended Exemption") for property located at Tax Block 2377, Lot 20, Community District 1, Borough of the Bronx (the "Exemption Area");

WHEREAS, HPD's request for the amendment is related to a previously approved City Council Resolution adopted on October 25, 1990 (Resolution No. 595, L.U. No. 78) (the "Prior Resolution") granting the Exemption Area a real property tax exemption pursuant to subdivision 1(a) of Section 422 of the Real Property Tax Law and a partial tax exemption pursuant to Section 577 of the Private Housing Finance Law (the "Previous Tax Exemption");

WHEREAS, HPD submitted to the Council on February 9, 2016 its request dated February 8, 2016 relating to the tax exemptions for the Exemption Area ("The HPD Request");

WHEREAS, upon due notice, the Council held a public hearing on the Amended Exemption on March 15, 2016;

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

RESOLVED:

The Council approves the Amended Exemption pursuant to subdivision 1(a) of Section 422 of the Real Property Tax Law and Section 577 of Article XI of the Private Housing Finance Law, and the deletion of paragraph b thereof up until the "Adopted" notation and replacing it with the following:

- b. from the Effective Date, as hereinafter defined, provided that the Housing Company makes an annual partial real estate tax payments commencing upon the Effective Date as hereinafter defined. Commencing upon the Effective Date and during each year thereafter, real estate tax payments shall be made as follows: (i) commencing upon the Effective Date and during each year thereafter until June 30, 2004, payments shall consist of (a) \$28,876, which is ten percent (10%) of the annual rent or carrying charges, plus (b) 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; (ii) commencing upon July 1, 2004 and during each year thereafter until June 30, 2016, payments shall consist of \$0; and (iii) commencing upon July 1, 2016 and during each year thereafter until the Expiration Date as hereinafter defined, payments shall consist of (a) \$28,876, plus (b) 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. In any year in which a real estate tax payment must be made by the Housing Company, the total annual real estate tax payment in such year shall not exceed the lesser of either seventeen (17%) percent of

contract rents, or the amount of real estate taxes that would otherwise be due in the absence of any form of tax exemption or abatement provided for by existing or future local law or state legislation for such year.

- c. That the required partial real estate tax payment shall first become payable and effective upon the date of issuance (“Effective Date”) of the Certificate of Occupancy, temporary or permanent, whichever occurs first, for the Housing Project, or, if the Housing Project is constructed in stages, the required partial real estate tax payment applicable to each stage shall become payable and effective from the date of issuance of the Certificate of Occupancy, temporary or permanent, whichever first occurs, for each such stage. Furthermore, (i) the tax exemption approved herein shall operate and continue for so long as the HUD mortgage is outstanding, but in no event for a period of more than forty (40) years, commencing upon the Effective Date (“Expiration Date”) and (ii) nothing herein shall entitle the Housing Company to a refund of any real property taxes which accrued and were paid with respect to the Housing Project prior to July 1, 2016.

- d. In consideration of the tax exemption provided herein, the Housing Company, for so long as the HUD Mortgage remains outstanding, but in no event for a period of more than forty (40) years, shall waive the benefits, if any, of any additional or concurrent tax abatements and/or exemptions which may be authorized under existing or future provisions of state or local 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 March 22, 2016, on file in this office.

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City Clerk, Clerk of The Council