



Legislation Text

File #: Res 1526-2017, **Version:** *

Preconsidered Res. No. 1526

Resolution to establish that the interest rate to be charged for Fiscal Year 2018 for non-payment of water rents and sewer rents be six percent (6%) per annum for real property with an assessed value of not more than \$250,000, or not more than \$250,000 per residential unit for cooperative apartments.

By Council Member Ferreras-Copeland

Whereas, Sections 11-312 and 11-313 of the Administrative Code of the City of New York (Administrative Code) establish that the Council of the City of New York (Council) may adopt interest rates to be charged for non-payment of water rents and sewer rents that become due and payable on or after July 1, 2005 pursuant to section 11-224.1; and

Whereas, Section 11-224.1 of the Administrative Code requires the Banking Commission to propose a rate at least equal to the prevailing interest rate charged for commercial loans extended to prime borrowers by commercial banks operating in the City (the "Prime Rate"), to be charged for non-payment of taxes on properties with an assessed value of not more than \$250,000, or not more than \$250,000 per residential unit for cooperative apartments; and

Whereas, The Banking Commission notes that as of May 11, 2017, the Prime Rate stands at four (4%) percent, as published by the Board of Governors of the Federal Reserve System; and

Whereas, The Banking Commission forwarded its recommendation to the Council, by letter dated May 12, 2017, that the interest rate to be charged for non-payment of taxes on properties where the assessed value on a parcel is not more than \$250,000, or not more than \$250,000 per residential unit for cooperative apartments, be six percent (6%) per annum for Fiscal Year 2018; now, therefore, be it

Resolved, That the Council of the City of New York establishes that the interest rate to be charged for Fiscal Year 2018 for non-payment of water rents and sewer rents be six percent (6%) per annum for real property with an assessed value of not more than \$250,000, or not more than \$250,000 per residential unit for

cooperative apartments.

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