



Legislation Text

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**THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1788**

Resolution approving a new real property tax exemption pursuant to Section 577 of Article XI of the Private Housing Finance Law and termination of a prior exemption for property located at Block 393, Lot 47 and Block 406, Lot 27, Borough of Manhattan, Community District 3, (L.U. No. 816; Non-ULURP No. 20185102 HAM).

By Council Members Greenfield and Salamanca

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on November 1, 2017 its request dated October 30, 2017, that the Council take the following actions regarding a real property tax exemption for property located at Block 393, Lot 47 and Block 406, Lot 27, Community District No. 3, Borough of Manhattan, Council District No. 2 (the "Exemption Area");

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

Approve the termination of the prior exemption for the Exemption Area (the "Prior Exemption");

WHEREAS, HPD's requests is related to previously approved City Council Resolution No. 374 of June 26, 2002;

WHEREAS, upon due notice, the Council held a public hearing on the New Exemption on November 14, 2017;

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

RESOLVED:

Pursuant to Section 577 of the Private Housing Finance Law, the Council approves an exemption of the Exemption Area from real property taxes as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - a. "Company" shall mean B&N Housing LLC or a limited liability company that acquires the beneficial interest in the Exemption Area with the approval of HPD.
 - b. "Effective Date" shall mean December 17, 2015.
 - c. "Exemption Area" shall mean the real property located in the Borough of Manhattan, City and State of New York, identified as Block 393, Lot 47 and Block 406, Lot 27 on the Tax Map of the City of New York.
 - d. "Expiration Date" shall mean the earlier to occur of (i) a date which is forty (40) years from the Effective Date, (ii) the date of the expiration or termination of the Regulatory Agreements, 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.
 - e. "HDFC" shall mean UHAB Housing Development Fund Corporation or a housing development fund company that

acquires the Exemption Area with the prior written consent of HPD.

- f. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - g. "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.
 - h. "New Exemption" shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.
 - i. "Owner" shall mean, collectively, the HDFC and Company.
 - j. "Prior Exemption" shall mean the exemption from real property taxation for the Exemption Area approved by the New York City Council on June 26, 2002 (Resolution No. 374).
 - k. "Regulatory Agreements" shall mean the Inclusionary Housing Regulatory Agreements between HPD and the Owner dated December 17, 2015 establishing certain controls upon the operation of the Exemption Area during the term of the New Exemption.
2. The Prior Exemption shall terminate with respect to the Exemption Area upon the Effective Date.
3. 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, commercial or community facility 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.
4. Notwithstanding any provision hereof to the contrary:
- a. The New 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 Agreements, (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) any interest in the Exemption Area is conveyed or transferred to a new owner without the prior written approval of HPD, or (v) the construction or 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 New Exemption shall prospectively terminate.
 - b. The New Exemption shall apply to all land in the Exemption Area, but shall only apply to buildings on the Exemption Area that exist on the Effective Date.
 - c. Nothing herein shall entitle the HDFC, the Owner, or any past owner to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.
 - d. All previous resolutions, if any, providing an exemption from or abatement of real property taxation with respect to the Exemption Area are hereby revoked as of the Effective Date.
5. In consideration of the New Exemption, the owner of the Exemption Area, for so long as the New Exemption shall remain in effect, shall waive the benefits 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. Notwithstanding the foregoing, the J-51 Benefits shall remain in effect, but the New Exemption shall be reduced by the amount of such J-51 Benefits.

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 December 19, 2017, on file in this office.

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City Clerk, Clerk of The Council