



Legislation Text

File #: Res 0665-2018, Version: \*

THE COUNCIL OF THE CITY OF NEW YORK  
RESOLUTION NO. 665

**Resolution approving a new tax exemption pursuant to Article XI of the Private Housing Finance Law and termination of the prior tax exemption for property located on 79 lots, a copy of which is attached hereto as Schedule A, Community Districts 2, 3, 8, and 16, Borough of Brooklyn, (L.U. No. 265; Non-ULURP No. 20195182 HAK).**

By Council Members Salamanca and Kallos

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on October 30, 2018 its request dated October 29, 2018 that the Council approve a new real property tax exemption pursuant to Section 577 of the Private Housing Finance Law (the "Tax Exemption Request") and termination of the prior exemption for property located on 79 lots, a copy of which is attached hereto as Schedule A, Community District Nos. 2, 3, 8, and 16, Borough of Brooklyn, Council District Nos. 33, 35, 36, 41, and 42 (the "Exemption Area");

WHEREAS, upon due notice, the Council held a public hearing on the Tax Exemption Request on December 3, 2018; and

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

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 JOE Central Brooklyn LLC or any other entity that acquires the beneficial interest in the Exemption Area with the prior written consent of HPD.
  - b. "Effective Date" shall mean the later of (i) the date of conveyance of the Exemption Area to the HDFC, or (ii) the date that HPD and the Owner enter into the Regulatory Agreement.
  - c. "Exemption Area" shall mean the real property located in the Borough of Brooklyn, City and State of New York, on the Blocks and Lots on the Tax Map of the City of New York that are identified in Schedule A attached hereto.
  - 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 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.
  - e. "HDFC" shall mean SNA CB 2018 Housing Development Fund Company, Inc., BSRC CB 2018 Housing Development Fund Company, Inc., BSDC CB 2018 Housing Development Fund Company, Inc., and IMPACCT CB 2018 Housing Development Fund Company, Inc. or a housing development fund company that acquires the Exemption Area with the prior written consent of HPD.

- f. “HPD” shall mean 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 the Company.
  - j. “Prior Exemption” shall mean the exemption from real property taxation for a portion of the Exemption Area approved by the New York City Council on April 17, 2001 (Resolution No. 1852) and May 25, 2005 (Resolution No. 994), and the existing tax exemption for a portion of the Exemption Area pursuant to Section 420-c of the Real Property Tax Law.
  - k. “Regulatory Agreement” shall mean the regulatory agreement between HPD and the Owner 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 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) 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, all mortgagees of record, and, where there has been an unauthorized conveyance or transfer of any interest in the Exemption Area, to the new owner of such interest in the Exemption Area, 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 other person or entity 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 shall, for so long as the New Exemption shall remain in effect, 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, (a) nothing herein shall prohibit the granting of any real property tax abatement pursuant to Sections 467-b or 467-c of the Real Property Tax Law to real property occupied by senior citizens or persons with disabilities, and (b) 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 11, 2018, on file in this office.

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City Clerk, Clerk of The Council

**JOE Central Brooklyn LLC.YR15.FY19  
Schedule A  
Borough of Brooklyn**

Block	Lot(s)
1155	70
1530	1
1762	69
1786	1 and 3
1791	7
1794	52
1795	52, 55, and 80
1796	62
1797	7
1799	30
1801	14
1805	1 and 27
1810	7 and 61
1814	10
1818	86
1819	8
1820	4
1827	60, 72, 78, 79, and 84
1831	77
1832	13, 49, and 50
1835	7
1838	51, 55, and 86
1839	48
1842	29
1843	1

Block	Lot(s)
3598	7
3600	9
3602	9
3612	35
3613	42
3623	36
3624	58
3625	35, 36, and 41
3638	50
3639	22
3868	20 and 22

1846	5 and 6
1850	18
1851	4 and 68
1852	30
1855	78
1857	65
1860	59
1868	61 and 63
1888	1
1893	50
1925	38
1948	67
1966	22
1989	54 and 57
1996	36
2011	28
2017	27 and 52
3582	47
3584	9
3587	24
3595	13
3597	9