



Legislation Text

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THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1331

Resolution approving an Urban Development Action Area Project pursuant to Article 16 of the General Municipal Law and a real property tax exemption pursuant to Article XI of the Private Housing Finance Law for property located at 311-313 Pleasant Avenue (Block 1710, Lot 27), 51-55 East 129th Street (Block 1754, Lot 26), and 1263 Park Avenue (Block 1625, Lot 72), Borough of Manhattan; and waiving the urban development action area designation requirement and the Uniform Land Use Review Procedure, Community Districts 5, 8, and 9, Borough of Manhattan (Preconsidered L.U. No. 659; 20205399 HAM).

By Council Members Salamanca and Adams

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on March 11, 2020 its request dated March 2, 2020 that the Council take the following action regarding the proposed Urban Development Action Area Project (the "Project") located at 311-313 Pleasant Avenue (Block 1710, Lot 27), 51-55 East 129th Street (Block 1754, Lot 26), and 1263 Park Avenue (Block 1625, Lot 72), Community Districts 5, 8, and 9, Borough of Manhattan (the "Disposition Area"):

1. Find that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project is consistent with the policy and purposes of Section 691 of the General Municipal Law;
2. Waive the area designation requirement of Section 693 of the General Municipal Law pursuant to Section 693 of the General Municipal Law;
3. Waive the requirements of Sections 197-c and 197-d of the Charter pursuant to Section 694 of the General Municipal Law; and
4. Approve the project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law.
5. Approve an exemption of the Exemption Area from real property taxes pursuant to Section 577 of Article XI of the Private Housing Finance Law.

WHEREAS, the Project is to be developed on land that is an eligible area as defined in Section 692 of the General Municipal Law, consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings, and does not require any change in land use permitted under the New York City Zoning Resolution;

WHEREAS, upon due notice, the Council held a public hearing on the Project on May 7, 2020; and

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

RESOLVED:

The Council finds that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the City of New York and that a designation of the Project as an Urban Development Action Area Project is consistent with the policy and purposes stated in Section 691 of the General Municipal Law.

The Council waives the designation requirement pursuant to Section 693 of the General Municipal Law.

The Council waives the requirements of Sections 197-c and 197-d of the New York City Charter pursuant to Section 694 of the General Municipal Law.

The Council approves the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law.

The Project shall be developed in a manner consistent with the Project Summary that HPD has submitted to the Council on March 11, 2020, a copy of which is attached hereto.

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

- a. All of the value of the property in the Disposition 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 later of (i) the date of conveyance of the Disposition Area to the Sponsor, or (ii) the date that HPD and the Sponsor enter into a regulatory agreement governing the operation of the Disposition Area ("Effective Date") and terminating upon 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 between HPD and the Sponsor, or (iii) the date upon which the Disposition Area ceases to be owned by either a housing development fund company or an entity wholly controlled by a housing development fund company ("Expiration Date").
- b. Notwithstanding any provision hereof to the contrary, the exemption from real property taxation provided hereunder ("Exemption") shall terminate if HPD determines at any time that (i) the Disposition Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the Disposition Area is not being operated in accordance with the requirements of the regulatory agreement between HPD and the Sponsor, (iii) the Disposition 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, or (iv) the demolition of any private or multiple dwelling on the Disposition Area has commenced without the prior written consent of HPD. HPD shall deliver written notice of any such determination to the owner of the Disposition Area 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 herein, the Exemption shall prospectively terminate.
- c. In consideration of the Exemption, the Sponsor and any future owner of the Disposition Area, for so

1754
26 51-55 East 129th Street
72 1625
1263 Park Avenue

4. **BASIS OF DISPOSITION PRICE:** Nominal (\$1.00 per building). The Sponsor will also deliver a note and mortgage for the remainder of the appraised value (“Land Debt”), with a term of up to sixty (60) years. The balance of the Land Debt may be forgiven in the final year of that period.

5. **TYPE OF PROJECT:**
Rehabilitation

6. **APPROXIMATE NUMBER OF BUILDINGS:** 3
Multiple Dwellings

7. **APPROXIMATE NUMBER OF UNITS:** 64

8. **HOUSING TYPE:** Cooperative. If units remain unsold at the end of the marketing period and HPD determines in writing that (i) sale is not feasible within a reasonable time, and (ii) a rental fallback is the best available alternative, then Sponsor may operate the building as rental housing in accordance with the written instructions of HPD.

9. **ESTIMATE OF INITIAL**

PRICE: The cooperative interests attributable to occupied apartments will be sold to the existing tenants for \$2,500 per apartment. The cooperative interests attributable to vacant apartments will be sold for a price affordable to families earning no more than 165% of the area median income.

10. **INCOME TARGETS:** The Disposition Area contains an occupied building which will be sold subject to existing tenancies. After sale, units must be resold in compliance with federal regulations, where applicable. Units not subject to such regulation may be resold to purchasers with annual household incomes up to 165% of the area median.

11. **PROPOSED FACILITIES:** N/A

12. **PROPOSED CODES/ORDINANCES:**

None

13. ENVIRONMENTAL STATUS: Type II

14. PROPOSED TIME SCHEDULE:
Approximately 36 months from closing to cooperative conversion.