



Legislation Text

File #: Res 1842-2021, Version: *

THE COUNCIL OF THE CITY OF NEW YORK

RES. NO. 1842

Resolution approving an additional period of exemption from real property taxes for property located at (Block 2723, Lot 40) Bronx, pursuant to Section 125(1)(a-3) of the Private Housing Finance Law (Preconsidered L.U. No. 940).

By Council Member Dromm

WHEREAS, The New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated December 6, 2021 that the Council take the following action regarding a housing project located at (Block 2723, Lot 40) Bronx (“Exemption Area”):

Approve an additional period of tax exemption from real property taxes pursuant to Section 125(1)(a-3) of the Private Housing Finance Law (the “Tax Exemption”);

WHEREAS, The project description that HPD provided to the Council states that the owner of the Project (the “Owner”) for the subject period of the requested exemption was a duly organized housing redevelopment company formed pursuant to Article V of the Private Housing Finance Law;

WHEREAS, the Council has considered the financial implications relating to the Tax Exemption;

RESOLVED:

The Council hereby grants an exemption from real property taxes as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - a. “Company” shall mean 1018 Development Company.
 - b. “Effective Date” shall mean March 1, 2019.
 - c. “Exemption” shall mean the exemption from real property taxation provided hereunder.
 - d. “Exemption Area” shall mean the real property located in the Borough of the Bronx, City and

State of New York, identified as Block 2723, Lot 40, on the Tax Map of the City of New York.

- e. “Expiration Date” shall mean August 26, 2021.

 - f. “HPD” shall mean the Department of Housing Preservation and Development of the City of New York.

 - g. “Owner” shall mean the Company.

 - h. “Regulatory Agreement” shall mean the 1977 Agreement between the City of New York and the Owner, establishing certain controls upon the operation of the Exemption Area in accordance with Private Housing Finance Law Section 114, and recorded on reel 355, page 622, in the Office of the City Register of the City of New York.
2. All of the value of the property in the Exemption Area, including both the land and any improvements, 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.
3. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the (i) \$27,905, plus (ii) an additional amount equal to twenty-five percent (25%) of the amount by which the total contract rents applicable to the Exemption Area on March 1, 1979 (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended) exceed the total contract rents which were authorized on the Effective Date. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the amount of real property taxes that would otherwise be due in the absence of any form of exemption from or abatement of real property taxation provided by an existing or future local, state, or federal law, rule or regulation.
4. Notwithstanding any provision hereof to the contrary:
- a. The 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 V 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) the Exemption Area is conveyed to a new owner without the prior written consent 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 Exemption shall prospectively terminate.

- b. Nothing herein shall entitle the Company to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.
- 5. In consideration of the Exemption, the owner of the Exemption Area, for so long as the 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.

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 9, 2021, on file in this office.

City Clerk, Clerk of Council