



Legislation Text

File #: Res 0527-2002, **Version:** *

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 527

Resolution approving an amendment to Resolution No. 304, approved by the Board of Estimate on December 1, 1988 (Cal. No. 304) and amended by City Council Resolution 1553 dated September 27, 2000, which authorized a partial exemption from real property taxes for a property located at 330 East 26th Street and 444 Second Avenue (Block 931, Lot 1), Manhattan, pursuant to Article V of the Real Property Tax Law (Preconsidered L.U. No. 277).

By Council Member Weprin

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated August 7, 2002 that the Council take the following action regarding a housing project located at 330 East 26th Street and 444 Second Avenue (Block 931, Lot 1), Borough of Manhattan ("the Project Area"):

Approve an amendment to the attached Resolution No. 304, approved by the Board of Estimate on December 1, 1988, Cal. No. 304 and amended by City Council Resolution 1553 dated September 27, 2000 ("the Resolution"), which authorizes a partial exemption from real property taxes for a property located at 330 East 26th Street and 444 Second Avenue (Block 931, Lot 1), Manhattan, pursuant to Article V of the Real Property Tax Law;

WHEREAS, Henry Phipps Plaza South Associates ("the Redevelopment Company") is currently undertaking a comprehensive program to upgrade the Project Area ("the Project"), to be financed through a Federal Housing Authority ("FHA") insured second mortgage loan;

WHEREAS, as a condition of providing this needed rehabilitation financing, the Federal Department of Housing and Urban Development ("HUD") has instructed the Redevelopment Company to seek an amendment to its partial tax exemption authorized by the Resolution;

WHEREAS, the Council held a hearing on the Project on October 09, 2002;

WHEREAS, the Council has considered the financial implications relating to the Project;

RESOLVED:

The Council hereby amends the Resolution by repealing the existing Paragraph 7 (added by City Council Resolution No. 1553 dated September 27, 2000) and by adding a new Paragraph 7 to read as follows:

7. Notwithstanding any provision herein to the contrary, if the Redevelopment Company receives a second mortgage loan which is insured by the Federal Housing Administration ("FHA") pursuant to Section 221(d)(4) of the National Housing Act (12 U.S.C. section 1715l), as amended ("Second Mortgage Loan") and the United States Department of Housing and Urban Development ("HUD") increases the amount of Contract Rents under Section 8 of the United States Housing Act of 1937, as amended ("United States Housing Act") applicable to the Project in order to service the Second Mortgage Loan, then:

a. The calculation of the "additional amount" pursuant to paragraph 2 of this resolution shall exclude those increases in Contract Rents that are attributable to debt service on the Second Mortgage Loan as certified by HUD to HPD ("Certified Section 8 Increases"); and

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b. The Certified Section 8 Increases shall also be excluded from the calculation of seventeen percent (17%) of the Contract Rent for a particular year for purposes of ascertaining the maximum total annual partial real estate tax payment pursuant to paragraph 2 of this resolution; and

c. The partial tax exemption granted pursuant to paragraph 2 of this resolution shall operate and continue for so long as the Second Mortgage Loan is outstanding or for so long as the housing assistance payments contract pursuant to Section 8 of the United States Housing Act remains in effect, whichever is earlier, but in no event shall such partial tax exemption remain in effect beyond June 30, 2028; and

d. HPD is hereby authorized to make any amendments to the regulatory agreement between the City and the Redevelopment Company approved pursuant to paragraph 5 of this resolution which may be necessary to reflect this paragraph 7 and the Mayor or Deputy Mayor or the Commissioner of Department of Housing Preservation and Development is hereby authorized to execute any such amendments, when approved as to form by the Corporation Counsel, and the City Clerk or Acting City Clerk is hereby directed to attest to the same and to affix the seal of the City thereto; and

e. The Redevelopment Company shall record such amended regulatory agreement and shall pay all fees and charges in connection with the recording of such amended regulatory agreement.

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 October 9, 2002, on file in this office.

City Clerk, Clerk of Council