File #: Res 0779-2003, **Version:** *

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 779

Resolution approving a partial exemption from real property taxes for a property located at 228 West 17th Street (Block 766, Lot 60), Manhattan pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 396).

By Council Member Weprin

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated February 10, 2003 that the Council take the following action regarding a housing project located at 228 West 17th Street (Block 766, Lot 60), Borough of Manhattan (the "Exemption Area"):

Approve a partial exemption of the housing project from real property taxes pursuant to Section 577 of the Private Housing Finance Law (the "Tax Exemption");

WHEREAS, the project description that HPD provided to the Council states that the purchaser of the Project (the "Sponsor") is a duly organized housing development fund company under Article XI of the Private Housing Finance Law;

WHEREAS, the Council held a hearing on the housing project on March 26, 2003;

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

RESOLVED:

The housing project shall be developed upon the terms and conditions set forth in the Project Summary that HPD has submitted to the Council, a copy of which is attached hereto.

The Council hereby grants an exemption from real property taxes, pursuant to Section 577 of the Private Housing Finance Law, as follows:

1. The partial exemption provided hereunder shall commence upon the date of conveyance of the Exemption Area to Sponsor ("Effective Date") and shall terminate upon July 1, 2029 ("Expiration Date"); provided, however, that such partial tax exemption shall terminate if the Department of Housing Preservation and the Development determines that (i) Sponsor is not organized as a housing development fund corporation, (ii) Sponsor is not operating the housing project in accordance with the requirements of Article XI of the Private Housing Finance Law, or (iii) such real property has not been, or is not being, developed, used, and/or operated in compliance with the requirements of all applicable agreements made by Sponsor with, or for the benefit of, the City of New York.
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2. Those portions of the Exemption Area included in the housing project which are devoted to business or commercial use (collectively, "Commercial Property"), if any shall not be eligible fro real property tax exemption hereunder. The Commercial Property shall be subject to full real property taxation; provided, however, that nothing herein shall prohibit Sponsor from utilizing any abatement, exemption or other tax benefit for which the Commercial Property would otherwise be eligible.

3. All of the value of the Exemption Area, other than the Commercial Property, included in the housing project (collectively, Residential Property") shall be exempt from real property taxes, other than assessments for local improvements; provided, however, that Sponsor shall make a partial annual real property tax payment on the Residential Property. Sponsor shall make such a partial annual real property tax payment on all assessed valuation equal to the lesser of (i) an amount equal to the full assessed valuation of the Residential Property, or (ii) an amount calculated by multiplying $3500 times the number of residential units included in the housing project and increasing such product by six percent (6%) on July 1, 1990 and July 1 of each successive year, but not by more than twenty percent (20%) in any five-year period.

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 March 26, 2003, on file in this office.

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City Clerk, Clerk of Council