



Legislation Text

File #: Res 1283-2005, Version: *

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1283

Resolution approving a partial exemption from real property taxes for property located at 2060 Pitkin Avenue (Block 3737, Lot 1), Brooklyn, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 664).

By Council Members Weprin and Barron

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") has requested that the Council take the following action regarding a property located at 2060 Pitkin Avenue (Block 3737, Lot 1), the Borough of Brooklyn.

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

WHEREAS, the Council held a hearing on the Tax Exemption on December 8, 2005;

WHEREAS, the Council has considered the financial, policy, and community impacts relating to the Tax Exemption;

RESOLVED:

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

- a. For the purposes hereof, the following terms shall have the following meanings:
1. "Bond Regulatory Agreement" shall mean the regulatory agreement for this Project entered into between HDC and the Owner.
 2. "Commencement Date" shall mean the date of acquisition of the Project by the Sponsor.
 3. "Company" shall mean Grace Towers Developers, LLC, a limited liability company controlled by the Sponsor.
 4. "Exemption Area" shall mean the real property located in the Borough of Brooklyn, City and State of New York, and identified as Block 3737, Lot 1 on the Tax Map of the City of New York.
 5. "Expiration Date" shall mean the earlier to occur of (i) a date which is thirty (30) years from the Commencement Date, (ii) the date upon which the Exemption Area ceases to be owned by the

Sponsor, (iii) the date upon which the Company or any successor of the Company ceases to be controlled by a housing development fund company or (iv) the expiration or termination of the Bond Regulatory Agreement.

6. "HDC" shall mean the New York City Housing Development Corporation.
 7. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 8. "HUD" shall mean the United States Department of Housing and Urban Development.
 9. "Mark Up to Market Date" shall mean the date on which HUD renews the Project's Section 8 Housing Assistance Payments (HAP) Contract under Option 1 of the Section 8 Renewal Guidebook (Mark-up-to-Market Option) following completion of the Rehabilitation Work.
 10. "Maximum Shelter Rent Tax" shall mean \$168,000, 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 for that year (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended), exceed the total contract rents which are authorized as of the Mark Up to Market Date.
 11. "Owner" shall mean, collectively, the Sponsor and the Company.
 12. "Rehabilitation Work" shall mean the rehabilitation work to the Project financed in whole or in part with the proceeds of the loan from HDC and low income housing tax credits on or after the Commencement Date and in accordance with the Bond Regulatory Agreement, and shall include improvement of common areas, upgrading of elevators and mechanical systems, roof replacement, installation of a new security camera system, and, where necessary, apartment capital improvements (e.g., replacement of floor tiles, kitchen cabinets, appliances, countertops, and fixtures and bathroom vanities, sinks, and faucets).
 13. "Sponsor" shall mean Grace Towers Housing Development Fund Company, Inc. or another housing development company approved by HPD.
- b. 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 commercial use), shall be exempt from real property taxes, other than assessments for local improvements, for a period commencing upon the Commencement Date and terminating upon the Expiration Date
- c. Commencing upon the Commencement Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Maximum Shelter Rent Tax. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the lesser of either (i) seventeen percent (17%) of the contract rents, or (ii) the amount of real estate taxes that would otherwise be due in the absence of any form of tax exemption or abatement

provided by an existing or future local, state, or federal law, rule or regulation.

- d. In consideration of the tax exemption provided hereunder, the Owner, for so long as the partial tax exemption hereunder shall remain in effect, shall waive the benefits, if any, of additional or concurrent real property tax abatement and/or tax exemption which may be authorized under any existing or future local, state or federal law, rule or regulation.

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 8, 2005, on file in this office.

City Clerk, Clerk of Council