



Legislation Text

File #: Res 1009-2007, **Version:** *

THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION NO. 1009

Resolution approving a partial exemption from real property taxes for property located at 270 Bedford Avenue (Block 2365, Lot 19), 249 Bedford Avenue, 162 North 3rd Street, and 180 North 3rd Street (Block 2360, Lots 1, 4, and 6) Brooklyn, pursuant to Section 577 of the Real Property Tax Law (Preconsidered L.U. No. 529).

By Council Member Weprin

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council its request dated August 6, 2007 that the Council take the following action regarding a housing project (the "Project") to be located at 270 Bedford Avenue (Block 2365, Lot 19), 249 Bedford Avenue, 162 North 3rd Street, and 180 North 3rd Street (Block 2360, Lots 1, 4, and 6) Brooklyn ("Exemption Area"):

Approve a partial exemption of the Project from real property taxes pursuant to Section 577 of the Real Property Tax 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 Project on August 22, 2007;

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

RESOLVED:

The 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 as follows:

1. For the purposes hereof, the following terms shall have the meanings set forth below:
 - a. "Exemption Area" shall mean the real property located in the Borough of Brooklyn, City and State of New York, known as Block 2365, Lot 19 and Block 2360, Lots 1, 4, and 6 on the Tax Map of the City.
 - b. "Sponsor" shall mean the Monsignor Alexis Jarka Hall Housing Development Company, Inc.

- c. "HUD" shall mean the Department of Housing and Urban Development of the United States of America.
 - d. "HUD Mortgage" shall mean the loan made by HUD to Sponsor in connection with the Section 202 Supportive Housing Program for the Elderly, which loan is secured by a mortgage on the Exemption Area.
 - e. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - f. "Prior Exemption" shall mean the partial exemption from real property taxes approved by the Board of Estimate on August 16, 1990 (Cal. No. 46) with respect to the Exemption Area.
 - g. "New Exemption" shall mean the partial exemption from real property taxes provided hereunder with respect to the Exemption Area.
 - h. "Effective Date" shall mean March 18, 1992, the date of issuance of the Certificate of Occupancy, temporary or permanent, for the Project.
 - i. "Expiration Date" shall mean the earlier to occur of (i) a date which is forty (40) years from the Effective Date, (ii) the date the HUD mortgage is satisfied, or (iii) the date upon which the Section 202 Loan Agreement ceases to bind all parties in interest to the Exemption Area.
 - j. "Section 202 Loan Agreement" shall mean the regulatory agreement by and between Sponsor and HUD, dated September 28, 1990, which requires that the housing project on the Exemption Area operate on terms required by Section 202 or any Section 8 rental assistance payments contract or any other rental housing assistance contract and all applicable federal regulations.
2. Approve the termination of the Prior Exemption, which termination shall become effective on the Effective Date.
3. Approve, pursuant to Section 577 of the Private Housing Finance Law, a partial tax exemption as follows:
- a. All of the value of the property in the Exemption Area, including both the land and improvements (excluding those portions, if any, devoted to business or commercial use), shall be exempt from real property taxes, other than assessments for local improvements, commencing upon the Effective Date and terminating upon the Expiration Date; provided, however, that the Sponsor shall make an annual real property tax payment commencing upon the Effective Date and terminating upon the Expiration Date, as set forth herein.
 - b. In addition to any real property tax payments heretofore made or collected, the Sponsor shall make an additional real property tax payment no later than September 30, 2007, in

the amount of \$167,665 in full satisfaction of any and all real property tax payments due and owing for the period beginning on the Effective Date and ending in tax year 2006/2007. Commencing in tax year 2007/2008 and for each year thereafter until the Expiration Date, the Sponsor shall make real property tax payments in the sum of (i) \$19,628, plus (ii) an additional amount equal to twenty-five percent (25%) of the amount by which the total contract rents applicable to the housing project for that year (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended) exceed \$845,532. Notwithstanding the foregoing, the total annual real property tax payment by the Sponsor shall not at any time exceed the lesser of either (i) seventeen percent (17%) of the contract rents, or (ii) the amount of real property taxes that would otherwise be due in the absence of any form of tax exemption or abatement provided by any existing or future local, state, or federal law, rule or regulation.

- c. In consideration of the exemption, Sponsor, for itself, its successors and assigns, shall waive, for so long as the New Exemption shall remain in effect, the benefits, if any, of additional or concurrent real property tax abatement and/or real property 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 August 22, 2007, on file in this office.

City Clerk, Clerk of Council