



Legislation Text

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THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1839

Resolution approving a tax exemption pursuant to Section 577 of the Private Housing Finance Law for an Exemption Area located at 586A Morgan Avenue (Block 2691, Lot 73), Borough of Brooklyn (L.U. No. 989; 20095302 HAK).

By Council Members Katz and Garodnick

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on January 29, 2009 its request dated January 29, 2009 that the Council take the following actions regarding the following Exemption Area (the "Project") located at 586A Morgan Avenue (Block 2691, Lot 73), Community District 1, Borough of Brooklyn (the "Disposition Area"):

1. Approve an amendment of the Prior Exemption with respect to Exemption Area to provide a full tax exemption for the period commencing on July 1, 2005 and expiring on June 26, 2008
2. Approve the termination of the Prior Exemption with respect to Exemption Area as of June 26, 2008, and
3. Approve a new full tax exemption for a period of 40 years commencing as of June 27, 2008 (the date upon which the HDFC entered into the Regulatory Agreement).

WHEREAS, upon due notice, the Council held a public hearing on the Project on February 23, 2009;

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Project;

RESOLVED:

The Council approves the Tax Exemption as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - (a) "Effective Date" shall mean June 27, 2008.
 - (b) "Exemption Area" shall mean the real property located in the Borough of Brooklyn, City and State of New York, identified as Block 2691, Lot 73 on the Tax Map of the City of New York.
 - (c) "Expiration Date" shall mean the earlier to occur of (i) a date which is forty (40) years from the

Effective Date, (ii) the date of the expiration or termination of the Regulatory Agreement, or (iii) the date upon which the Exemption Area ceases to be owned by either a housing development fund company or an entity wholly controlled by a housing development fund company.

- (d) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - (e) "HDFC" shall mean New Chance Housing Development Fund Corporation.
 - (f) "New Exemption" shall mean the exemption from real property taxes, commencing upon the Effective Date, provided hereunder with respect to the Exemption Area.
 - (g) "Prior Exemption" shall mean the partial exemption from real property taxes approved by the Prior Resolution solely with respect to the Exemption Area and not with respect to any other real property covered by such resolution of the Board of Estimate.
 - (h) "Prior Resolution" shall mean that resolution approved by the Board of Estimate on April 27, 1989 (Cal. No. 56).
 - (i) "Regulatory Agreement" shall mean the Lower Income Housing Plan Regulatory Agreement, dated June 27, 2008, between HDFC and HPD.
2. The Prior Resolution is amended by adding a new paragraph 2-a thereto to read as follows:
- 2-a. Notwithstanding anything to the contrary contained herein, (i) all of the value of the real property located in the Borough of Brooklyn, City and State of New York, identified as Block 2691, Lot 73 on the Tax Map of the City of New York ("New Chance Property"), including both land and improvements (excluding those portions, if any, devoted to business or commercial use) shall be exempt from local real property taxation, other than assessments for local improvements, commencing upon July 1, 2005 and terminating upon June 26, 2008, and (ii) any exemption from local real property taxation provided hereunder with respect to the New Chance Property shall terminate on June 26, 2008. Nothing herein shall entitle any owner of the New Chance Property to a refund of any real property taxes which accrued and/or were paid by or on behalf of such owner or any other owner of the New Chance Property on or before June 26, 2008.
3. 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, for a period commencing upon the Effective Date and terminating upon the Expiration Date.
4. Notwithstanding any provision hereof to the contrary:
- (a) The New Exemption shall terminate if HPD determines that (i) the housing project is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the housing project is not being operated in accordance with the requirements of the Regulatory Agreement and such non-compliance constitutes an event of default under the Regulatory Agreement, or (iii) the demolition of an existing 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 HDFC 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 New Exemption shall prospectively terminate.

(b) The New Exemption shall not apply to any building constructed on the Exemption Area which did not have a permanent certificate of occupancy on the Effective Date.

(c) Nothing herein shall entitle the HDFC to a refund of any real property taxes which accrued and were paid by or on behalf of the HDFC or any other owner of the Exemption Area prior to February 1, 2009.

5. In consideration of the New Exemption, the owner of the Exemption Area shall, for so long as the New Exemption shall remain in effect, 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 February 26, 2009, on file in this office.

City Clerk, Clerk of The Council