



Legislation Text

File #: Res 0509-2024, Version: *

THE COUNCIL OF THE CITY OF NEW YORK
PRECONSIDERED RES. NO. 509

Resolution approving an amendment to a previously approved real property tax exemption pursuant to Section 125(1)(a) of the Private Housing Finance Law for property located at (Block 1861, Lot 20), Brooklyn (Preconsidered L.U. No. 105).

By Council Member Brannan

WHEREAS, the New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated June 26, 2024 that the Council amend a previously approved tax exemption for real property located at (Block 1861, Lot 20), Brooklyn (“Exemption Area”) pursuant to Section 125(1)(a) of the Private Housing Finance Law;

WHEREAS, the HPD’s request for amendments is related to a previously approved Board of Estimate Resolution adopted on September 10, 1981 (Cal. No. 2) (the “Prior Resolution”), granting the Exemption Area a real property tax exemption pursuant to Section 125(1)(a) of the Private Housing Finance Law;

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

RESOLVED:

The Council approves the amendments to the Prior Resolution requested by HPD for the Exemption Area pursuant to Section 125(1)(a) of the Private Housing Finance Law as follows:

Paragraph 1 of the Prior Resolution is deleted in its entirety and replaced with the following:

1. That the Board of Estimate, pursuant to subdivision 1(a) of Section 125 of the PHFL does hereby approve the exemption from local and municipal taxes, other than assessments for local improvements, of all of the value of the property included in the Project (excluding, however, those portions authorized to be used for business and commercial use, if any), provided that the amount of such taxes to be paid shall be as follows: (a) for all tax years prior to the tax year commencing on July 1, 2024, in the annual aggregate amount of \$23,806, representing the Minimum Annual Ten Percent of Shelter Rent taxes for the residential portion of the Project, plus an additional amount after the tax exemption first becomes effective, which additional amount shall equal twenty-five percent (25%) of the amount by which the Contract Rent applicable to the Project annually exceeds the Contract Rent in effect as of the date of occupancy of the Project by eligible tenants; and (b) for the period commencing upon July 1, 2024 and terminating upon June 30, 2025, in the sum of \$267,564, provided, however, that the Housing Company enters into a new regulatory agreement with HPD establishing certain controls upon the operation of the Project on or after May 1, 2024. Contract Rent is defined in the regulations promulgated pursuant to Section 8 of the United States Housing Act of 1937, as amended or

supplemented. However, taxes paid annually shall not exceed the lesser of either seventeen percent (17%) of the Contract Rent for that year or the amount of local and municipal property taxes that would be due in the absence of any form of tax exemption or abatement provided for by existing or future Local or State Legislation.

The exemption granted herein shall operate and continue for so long as a federally-aided and/or assisted mortgage is outstanding, but in no event for a period of more than forty (40) years, commencing on the date on which the benefits of such exemption first become available and effective.

The tax exemption shall first become available and effective on July 1, 1985.

Except as specifically amended above, all other terms, conditions, provisions and requirements of the Prior Resolution remain in full force and effect.

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 July 18, 2024, on file in this office.

City Clerk, Clerk of Council