



Legislation Text

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THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 600

Resolution approving Regulatory Agreement for the approvals of a project summary, a tax exemption and a regulatory agreement for the project located at Block 2282, Lots 45 and 75 and Block 2283, Lot 40; Borough of the Bronx (L.U. No. 268; 20115303 HAX).

By Council Members Comrie and Levin

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on November 19, 2010 its request dated November 8, 2010 that the Council take the following actions regarding the following Project (the "Project") located at Block 2282, Lots 45 and 75 and Block 2283, Lot 40 for the approval of a project summary, a tax exemption, and the approval of a regulatory agreement, Community District 2, Council District 17, Borough of the Bronx (the "Regulatory Agreement"):

1. Approve pursuant to Section 114 of the PHFL, the Project Summary as to conformity with the provisions and purposes of Article V of the PHFL;
2. Approve, the partial exemption of the Project from real property taxes pursuant to Section 125 of the PHFL; and
3. Approve, pursuant to Section 114 of the PHFL, the HPD Regulatory Agreement and authorize the Commissioner of HPD to execute the HPD Regulatory Agreement in substantially the form submitted, when approved as to form by the Corporation Counsel.

WHEREAS, upon due notice the Council held a public hearing on the Project on December 6, 2010;

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

RESOLVED:

The Council approves the Project Summary pursuant to Section 114 of the PHFL as to conformity with the provisions and purposes of Article V of the PHFL, a copy of which is attached hereto.

The Council approves the exemption of the Project from real property taxes pursuant to Section 125 of the PHFL as follows:

- a. For the purposes hereof, the following terms shall have the following meanings:
 - (1) "Effective Date" shall mean the date of acquisition of the Project by the Owner.
 - (2) "Exemption Area" shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 2282, Lots 45 and 75 and Block 2283, Lot 40, on the Tax Map of the City of New York.
 - (3) "Expiration Date" shall mean the earlier to occur of (i) a date which is forty years from the Effective Date, (ii) the date upon which the Exemption Area ceases to be owned by the Owner or, subject to HPD approval, another redevelopment company organized pursuant to Article V of the PHFL, (iii) the date upon

which the City terminates the tax exemption pursuant to the terms of the HPD Regulatory Agreement, or (iv) the date of the expiration or termination of the Project's Section 8 Housing Assistance Payments Contract.

- (4) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
- (5) "HPD Regulatory Agreement" shall mean the regulatory agreement between HPD and the Owner.
- (6) "New Exemption" shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.
- (7) "Owner" shall mean East 137th Apartment Owner L.P.
- (8) "Prior Exemption" shall mean the exemption from real property taxation approved by the Board of Estimate on January 26, 1973 (Cal. No. 17) with respect to the Exemption Area.

- (9) "Shelter Rent" shall mean the total rents received from residential and commercial occupants of the Exemption Area, including any federal subsidy (including, but not limited to, Section 8, rent supplements, and rental assistance), less the cost of providing to such occupants electricity, gas, heat and other utilities.
- (10) "Shelter Rent Tax" shall mean an amount equal to ten percent (10%) of Shelter Rent.

- b. The Prior Exemption shall terminate upon the Effective Date.
- c. 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 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.
- d. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Shelter Rent Tax. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the amount of real property taxes that would otherwise be due in the absence of any form of exemption from or abatement of real property taxation provided by an existing or future local, state, or federal law, rule or regulation.
- e. In consideration of the New Exemption, the Owner, for so long as the New Exemption 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.

The Council approves pursuant to Section 114 of the PHFL, the HPD Regulatory Agreement and authorizes the Commissioner of HPD to execute the HPD Regulatory Agreement in substantially the form submitted, when approved as to form by the Corporation Counsel.

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, 2010, on file in this office.

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City Clerk, Clerk of The Council