File #: Res 1109-2016, **Version:** *

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1109

Resolution approving an amended project summary for a previously approved Urban Development Action Area Project Block 1791/Lot 17; Block 1791/Lot 18; Block 1791/Lot 19; 1789/Lot 80; Block 1814/Lot 15; Block 1795/Lot 15; Block 1852/Lot 9; Block 1852/Lot 8; Block 1641/Lot 68; and Block 1801/Lot 8; Borough of Brooklyn, and waiving the urban development action area designation requirement and approving the amended project as an Urban Development Action Area Project, pursuant to Article 16 of the General Municipal Law and Section 577 of the Private Housing Finance Law (L.U. No. 384; 20165580 HAK).

By Council Members Greenfield and Dickens

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on May 5, 2016 its request dated April 29, 2016 that the Council approve an Urban Development Action Area Project (the "Amended Project") for property located at Block 1791, Lots 17, 18, and19; Block 1814, Lot 15; Block 1852, Lots 9 and 8; and Block 1641, Lot 68 (the "Disposition Area"), and approve a real property tax exemption for property located at Block 1791, Lots 17, 18, and 19; Block 1789, Lot 80; Block 1814, Lot 15; Block 1795, Lot 15; Block 1852, Lots 9 and 8; Block 1641, Lot 68; and Block 1801, Lot 8 (the "Exemption Area"), Community District 3, Borough of Brooklyn;

WHEREAS, the Amended Project is to be developed on land that is now an eligible area as defined in Section 692 of the General Municipal Law, consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings, and does not require any change in land use permitted under the New York City Zoning Resolution;

WHEREAS, the request made by the New York City Department of Housing Preservation and Development is related to a previously approved City Council Resolution on June 29, 2008 (Resolution No. 1521 of 2008, L.U. No. 758);

WHEREAS, upon due notice, the Council held a public hearing on the Amended Project on June 2, 2016;

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

RESOLVED:

The Council finds that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project is consistent with the policy and purposes in Section 691 of the General Municipal Law.

The Council waives the area designation requirement of the Disposition Area as an urban development action area under Section 693 of the General Municipal Law pursuant to said Section.

The Council waives the requirements of Sections 197-c and 197-d of the Charter pursuant to Section 694 of the General Municipal Law.

The Council approves the Amended Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law.

The Amended Project shall be developed upon the terms and conditions in the Amended Project Summary that HPD has submitted to the Council on May 5, 2016, a copy of which is attached hereto.

The Council approves the exemption of the project from real property taxes pursuant to Section 577 of the Private Housing Finance Law as follows:

a. All of the value of the property in the Exemption Area, including both the land and any improvements, shall be exempt from real property taxes, other than assessments for local improvements, for a period commencing upon the date of conveyance of the Exemption Area to the housing development fund company ("Article XI Commencement Date") and terminating upon the earlier to occur of (i) the fifth anniversary of the Article XI Commencement Date, or (ii) the date of reconveyance of the Exemption Area to an owner which is not a housing development fund company ("Article XI Expiration Date").

b. In consideration of the tax exemption pursuant to Section 577 of the Private Housing Finance Law provided hereunder ("Article XI Exemption"), the owner of the Exemption Area 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 ("Alternative Tax Benefit"), for so long as the Article XI Exemption shall remain in effect.

c. The Article XI Exemption shall terminate if HPD determines at any time that (i) the Exemption Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, or (ii) the Exemption Area is not being operated in accordance with the requirements of any agreement with, or for the benefit of, the City of New York. HPD shall deliver written notice of any such determination to the property owner 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 Article XI Exemption shall prospectively terminate.

d. The provisions of the Article XI Exemption shall apply separately to each individual property comprising the Exemption Area, and a sale or other event which would cause the expiration, termination, or revocation of the Article XI Exemption with respect to one property in the Exemption Area shall not affect the continued validity of the Article XI Exemption with respect to other properties in the Exemption Area.

The Council approves the exemption of the project from real property taxes pursuant to Section 696 of the General Municipal Law as follows:

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a. All of the value of the buildings, structures, and other improvements situated on the Exemption Area shall be exempt from local and municipal taxes, other than assessments for local improvements and land value, for a period of twenty years commencing on the date of reconveyance of the Exemption Area to an owner which is not a housing development fund company ("UDAAP Commencement Date"); provided, however, that such exemption shall decrease in ten equal annual decrements commencing upon the July 1st immediately preceding the tenth anniversary of the UDAAP Commencement Date.

b. In consideration of the tax exemption pursuant to Section 696 of the General Municipal Law provided hereunder ("UDAAP Exemption"), the owner of the Exemption Area shall waive the benefits, if any, of any Alternative Tax Benefit for so long as the UDAAP Exemption shall remain in effect.

c. The UDAAP Exemption shall terminate with respect to all or any portion of the Exemption Area if the Department of Housing Preservation and Development ("HPD") determines that such real property has not been, or is not being, developed, used, and/or operated in compliance with the requirements of all applicable agreements made by the transferee or any subsequent owner of such real property with, or for the benefit of, the City of New York. HPD shall deliver written notice of any such determination of noncompliance to the owner of such real property and all mortgagees of record, which notice shall provide for an opportunity to cure of not less than ninety (90) days. If the noncompliance specified in such notice is not cured within the time period specified therein, the UDAAP Exemption shall prospectively terminate with respect to the real property specified therein.

d. Notwithstanding any other provision to the contrary, the combined duration of the Article XI Exemption and the UDAAP Exemption shall not exceed twenty five (25) years.

e. The provisions of the UDAAP Exemption shall apply separately to each individual property comprising the Exemption Area, and a sale or other event which would cause the expiration, termination, or revocation of the UDAAP Exemption with respect to one property in the Exemption Area shall not affect the continued validity of the UDAAP Exemption with respect to other properties in the Exemption Area.

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 June 8, 2016, on file in this office.

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City Clerk, Clerk of The Council

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