

MAY 28 2019

Honorable Corey Johnson
Speaker of the Council
City Hall
New York, New York 10007
Attention: Jonathan Etricks

Re: Block 1904, Lot 6
Manhattan, Community District No. 10
Council District No. 9

Dear Mr. Speaker:

The referenced property ("BBL 1/1904/6 Exemption Area") contains one multiple dwelling that provides rental housing for low income families.

157 West 119 Street Housing Development Fund Corporation ("Current Owner"), the owner and operator, acquired the BBL 1/1904/6 Exemption Area in 1997. The BBL 1/1904/6 Exemption Area will be part of a larger project under which West Harlem Community Organization Housing Development Fund Corporation ("HDFC") will acquire the BBL 1/1904/6 Exemption Area and additional properties containing seven other multiple dwellings and CB WHCO 2017 LLC ("Company") will be the beneficial owner and will operate the properties ("Larger Project"). The HDFC and the Company (collectively, "New Owner") will enter into a regulatory agreement with HPD establishing certain controls upon the operation of the properties.

The BBL 1/1904/6 Exemption Area does not currently receive any exemption from real property taxation and has accrued substantial tax arrears. In order to facilitate the Larger Project, the BBL 1/1904/6 Exemption Area requires an exemption from real property taxation retroactive to 2008 and terminating on the date that HPD and New Owner enter into a regulatory agreement in connection with the closing of the Larger Project. HPD is simultaneously seeking a new Article XI exemption for the Larger Project commencing upon the date of that new regulatory agreement.

HPD respectfully requests that the Council approve, pursuant to Section 577 of the Private Housing Finance Law, an exemption from real property taxation as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - a. "BBL 1/1904/6 Exemption Area" shall mean the real property located in the Borough of Manhattan, City and State of New York, identified as Block 1904, Lot 6 on the Tax Map of the City of New York.
 - b. "Company" shall mean CB WHCO 2017 LLC or any other entity that acquires the beneficial interest in the BBL 1/1904/6 Exemption Area with the prior written consent of HPD.
 - c. "Current Owner" shall mean 157 West 119 Street Housing Development Fund Corporation or a housing development fund company that acquires the BBL 1/1904/6 Exemption Area with the prior written consent of HPD.
 - d. "Effective Date" shall mean January 1, 2008.



- e. "Exemption" shall mean the exemption from real property taxation provided hereunder.
 - f. "Expiration Date" shall mean the date upon which HPD and New Owner enter into the Regulatory Agreement.
 - g. "HDFC" shall mean West Harlem Community Organization Housing Development Fund Corporation or a housing development fund company that acquires the BBL 1/1904/6 Exemption Area with the prior written consent of HPD.
 - h. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - i. "New Owner" shall mean, collectively, the HDFC and the Company.
 - j. "Regulatory Agreement" shall mean the regulatory agreement between HPD and the New Owner, executed after April 1, 2019, establishing certain controls upon the operation of the BBL 1/1904/6 Exemption Area and six additional tax lots containing seven additional multiple dwellings on or after the date such Regulatory Agreement is executed.
2. All of the value of the property in the BBL 1/1904/6 Exemption Area, including both the land and any improvements (excluding those portions, if any, devoted to business, commercial, or community facility use), shall be exempt from real property taxation, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon the Expiration Date.
 3. Nothing herein shall entitle the HDFC, the Company, the New Owner, the Current Owner, or any other person or entity to a refund of any real property taxes which accrued and were paid with respect to the BBL 1/1904/6 Exemption Area prior to the Effective Date.
 4. In consideration of the Exemption, the owner of the BBL 1/1904/6 Exemption Area shall (a) execute and record the Regulatory Agreement on or before December 31, 2019, and (b), for so long as the Exemption shall remain in effect, waive the benefits of any additional or concurrent exemption from or abatement of real property taxation which may be authorized under any existing or future local, state, or federal law, rule, or regulation. Notwithstanding the foregoing, nothing herein shall prohibit the granting of any real property tax abatement pursuant to Sections 467-b or 467-c of the Real Property Tax Law to real property occupied by senior citizens or persons with disabilities.

HPD recommends approval of this matter and requests that it be referred to the appropriate committee at the next scheduled meeting of the Council.

Sincerely,



Louise Carroll

