

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

November 24, 2020

Re: Ridgewood Bushwick 203K
Parcels Described in Schedule A (Attached)
Brooklyn, Community District No. 4
Council District No. 34 and 37

Dear Mr. Speaker:

The referenced property ("Exemption Area") contains 17 multiple dwellings known as Ridgewood Bushwick 203K which will provide homeownership housing for low income families.

Ridgewood Bushwick Homesteading Assistance Housing Development Fund Corporation ("HDFC") is the owner and operator of the Exemption Area. Upon cooperative conversion, CLT Interboro CLT Housing Development Fund Corporation ("CLT") will acquire the land, while a new housing development fund company will acquire the buildings and a long-term leasehold interest in the land portion of the Exemption Area. The HDFC or the new housing development fund company and the CLT (collectively, "Owner") will enter into a regulatory agreement with HPD establishing certain controls upon the operation of the Exemption Area.

The Exemption Area currently receives an exemption from and/or abatement of real property taxation pursuant to Section 489 of the Real Property Tax Law ("J-51 Benefits"). In order to ensure the continued affordability of the Exemption Area, HPD is requesting an Article XI exemption for the Exemption Area that will be reduced by an amount equal to any concurrent J-51 Benefits.

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. "CLT" shall mean CLT Interboro CLT Housing Development Fund Corporation or a community land trust that acquires the land portion of the Exemption Area with the prior written consent of HPD.
 - b. "Effective Date" shall mean the date that HPD and the Owner enter into the Regulatory Agreement.
 - c. "Exemption" shall mean the exemption from real property taxation provided hereunder.
 - d. "Exemption Area" shall mean the real property located in the Borough of Brooklyn, City and State of New York, identified on the Blocks and Lots on the Tax Map of the City of New York in Schedule A attached hereto.



- e. "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, leased or controlled by either a housing development fund company or an entity wholly controlled by a housing development fund company.
 - f. "HDFC" shall mean Ridgewood Bushwick Homesteading Assistance Housing Development Fund Corporation or a housing development fund company that acquires the Exemption Area and/or a leasehold interest in the Exemption Area with the prior written consent of HPD.
 - g. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - h. "J-51 Benefits" shall mean any tax benefits pursuant to Section 489 of the Real Property Tax Law which are in effect on the Effective Date.
 - i. "Owner" shall mean either (i) the HDFC, or (ii) the HDFC and the CLT.
 - j. "Regulatory Agreement" shall mean the regulatory agreement between HPD and the Owner establishing certain controls upon the operation of the Exemption Area during the term of the Exemption.
2. 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, 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. Notwithstanding any provision hereof to the contrary:
- a. The 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, (ii) the Exemption Area is not being operated in accordance with the requirements of the Regulatory Agreement, (iii) the Exemption Area is not being operated in accordance with the requirements of any other agreement with, or for the benefit of, the City of New York, (iv) any interest in the Exemption Area or in the leasehold interest of the HDFC is conveyed or transferred to a new owner without the prior written approval of HPD, or (v) the construction or demolition of any private or 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 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 Exemption shall prospectively terminate.
 - b. The Exemption shall apply to all land in the Exemption Area, but shall only apply to buildings on the Exemption Area that exist on the Effective Date.
 - c. Nothing herein shall entitle the HDFC, the Owner, or any other person or entity to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.
4. In consideration of the Exemption, the owner of the Exemption Area shall, 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, (a) 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, and (b) the J-51 Benefits shall remain in effect, but the Exemption shall be reduced by the amount of such J-51 Benefits.

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,

A handwritten signature in black ink, appearing to read "Louise Carroll", with a long horizontal flourish extending to the right.

Louise Carroll

NYC



Printed on paper containing 30% post-consumer material.

**Ridgewood Bushwick 203K
Schedule A
Borough of Brooklyn**

Block	Lot (s)
3173	1 and 22
3177	12 and 13
3186	47
3197	11
3217	18
3219	21 and 47
3246	16
3257	43
3289	19
3297	51
3301	5
3326	34
3393	43
3441	5

