

June 14, 2016

Honorable Melissa Mark-Viverito
Speaker of the Council
City Council
City Hall
New York, NY 10007
Attention: Gary Altman

Re: Mixed Income Program: Mix and Match
Norwood Gardens
Block 3330, Lot 52
Bronx, Community District No. 7
Council District No. 11

Dear Madame Speaker:

The referenced property ("Exemption Area") is the site for the proposed development of an affordable housing project under HPD's Mixed Income Program: Mix and Match.

On May 25, 2016, the City Council approved Resolution No. 1082 ("Prior Resolution"), which authorized a tax exemption pursuant to PHFL Section 577 for the Exemption Area. However, while HPD intended to request an exemption for the community facility portion of the project, HPD's submission did not explicitly set forth the uses of the community facility which would qualify for an exemption.

Accordingly, HPD respectfully requests that the Council amend the Prior Resolution by deleting paragraphs one and two thereof in their entirety and replacing them with the following:


1. For the purposes hereof, the following terms shall have the following meanings:
 - a) "Community Facility Property" shall mean those portions of the Exemption Area that include approximately 6,565 square feet used as a job counseling or training area, pre-kindergarten, day care or early childhood education center, senior center, or federally qualified health center (FQHC) or FQHC Look Alike (FQHC LA) certified by the U.S. Department of Health and Human Services or its successor agency; which Community Facility Property must qualify as Use Group 4 under Section 22-13 or Section 22-14, as applicable, of the Zoning Resolution of the City of New York, as amended; provided, however, that such Community Facility Property shall not include a methadone clinic or drug rehabilitation center.
 - b) "HDFC" shall mean HP Norwood Gardens Housing Development Fund Company, Inc.
 - c) "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
 - d) "LLC" shall mean Norwood Gardens LLC or an affiliate.



- e) "New Owner" shall mean, collectively, the HDFC and the LLC and any future owner of the Exemption Area.
 - f) "Exemption" shall mean the exemption from real property taxation provided hereunder.
 - g) "Effective Date" shall mean the later of (i) the date of conveyance of the Exemption Area to the HDFC, or (ii) the date that HPD and the New Owner enter into the Regulatory Agreement.
 - h) "Exemption Area" shall mean the real property located on the Tax Map of the City of New York in the Borough of the Bronx, City and State of New York, identified as Block 3330, Lot 52.
 - i) "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 or leased by either a housing development fund company or an entity wholly controlled by a housing development fund company.
 - j) "Regulatory Agreement" shall mean the regulatory agreement between HPD and the New Owner establishing certain controls upon the operation of the Exemption Area during the term of the Exemption.
 - k) "Residential Property" shall mean all of the real property, other than the Community Facility Property, included in the Exemption Area, excluding those portions, if any, devoted to business or commercial use.
2. All of the value of the Residential Property and the Community Facility Property in the Exemption Area, including both the land and any improvements, shall be exempt from real property taxation, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon Expiration Date.

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,



Vicki Been

Enclosures

