



Legislation Details (With Text)

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**In control:** Committee on Land Use

**On agenda:** 5/23/2018

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**Title:** Resolution approving a new tax exemption pursuant to Article XI of the Private Housing Finance Law and termination of the prior exemption for property located at Block 2713, p/o Lot 2; Tentative Lot 20, Community District 2, Borough of the Bronx, (L.U. No. 66; Non-ULURP No. 20185269 HAX).

**Sponsors:**

**Indexes:**

**Attachments:** 1. Resolution, 2. April 11, 2018 - Stated Meeting Agenda, 3. Land Use Calendar - Week of April 16, 2018 - April 20, 2018, 4. Land Use Calendar - Week of April 30, 2018 - May 4, 2018, 5. Hearing Testimony - Planning 4-17-18, 6. Hearing Transcript - Stated Meeting 4-11-18, 7. Hearing Testimony - Planning 5-1-18, 8. Hearing Transcript - Planning 4-17-18, 9. Land Use Calendar - Week of May 14, 2018 - May 18, 2018, 10. May 23, 2018 - Stated Meeting Agenda with Links to Files, 11. Hearing Transcript - Stated Meeting 5-23-18, 12. Minutes of the Stated Meeting - May 23, 2018, 13. Committee Report

| Date      | Ver. | Action By             | Action                | Result |
|-----------|------|-----------------------|-----------------------|--------|
| 5/17/2018 | *    | Committee on Land Use | Approved by Committee |        |
| 5/23/2018 | *    | City Council          | Approved, by Council  | Pass   |

**THE COUNCIL OF THE CITY OF NEW YORK  
RESOLUTION NO. 371**

**Resolution approving a new tax exemption pursuant to Article XI of the Private Housing Finance Law and termination of the prior exemption for property located at Block 2713, p/o Lot 2; Tentative Lot 20, Community District 2, Borough of the Bronx, (L.U. No. 66; Non-ULURP No. 20185269 HAX).**

By Council Members Salamanca and Kallos

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on April 4, 2018 its request dated April 3, 2018 that the Council approve a new real property tax exemption pursuant to Section 577 of the Private Housing Finance Law (the "Tax Exemption Request") and termination of a prior exemption for property located at Block 2713, p/o Lot 2 (Tentative Lot 20), Community District No. 2, Borough of the Bronx, Council District No. 17 (the "Exemption Area");

WHEREAS, HPD's request is related to previously approved City Council Resolution No. 713; L.U. No. 225 of May 27, 2015;

WHEREAS, upon due notice, the Council held a public hearing on the Tax Exemption and Termination Requests on April 17, 2018; and

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Tax Exemption Request.

RESOLVED:

Pursuant to Section 577 of the Private Housing Finance Law, the Council approves an exemption of the Exemption Area from real property taxes as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
  - a. "Companies" shall mean, collectively, PRC Tiffany Street LIHTC LLC and PRC Tiffany Street Moderate LLC, and any limited liability company that acquires a beneficial leasehold interest in the Exemption Area pursuant to the Lease with the approval of HPD.
  - b. "Current Owner" shall mean, collectively, Fee HDFC and PRC Andrews Avenue LLC.
  - c. "Effective Date" shall mean the later of (i) the date of the leasehold conveyance of the Exemption Area from the Current Owner to the Lessee, and (ii) the date that HPD, Lessee, and Current Owner enter into the Regulatory Agreement.
  - d. "Exemption Area" shall mean the real property located in the Borough of the Bronx, City and State of New York, identified as Block 2713, p/o Lot 2 (Tentative Lot 20) on the Tax Map of the City of New York.
  - 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 or leased by either a housing development fund company or an entity wholly controlled by a housing development fund company.
  - f. "Fee HDFC" shall mean Andrews/Kelly Housing Development Fund Corporation.
  - g. "HDFC" shall mean Tiffany Housing Development Fund Corporation or a housing development fund company that acquires a legal leasehold interest in the 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. "Lease" shall mean the lease among Current Owner, as landlord, and Lessee, as tenant, conveying a leasehold interest in the Exemption Area from the Current Owner to Lessee.
  - j. "Lessee" shall mean, collectively, the HDFC and the Companies.
  - k. "New Exemption" shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.
  - l. "Prior Exemption" shall mean the exemption from real property taxation for the Exemption Area approved by the New York City Council on May 27, 2015 (Resolution No. 713).
  - m. "Regulatory Agreement" shall mean the regulatory agreement between HPD, Lessee and Current Owner establishing certain controls upon the operation of the Exemption Area during the term of the New Exemption.
2. The Prior Exemption shall terminate with respect to the Exemption Area upon the Effective Date.
3. 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.
4. Notwithstanding any provision hereof to the contrary:
  - a. The New 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 is conveyed or transferred to a new owner or lessee

without the prior written consent of HPD, (v) the construction or demolition of any private or multiple dwelling on the Exemption Area has commenced without the prior written consent of HPD, or (vi) the Lease has terminated or expired and a new lease approved by HPD has not been signed. HPD shall deliver written notice of any such determination to Lessee 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 New Exemption shall prospectively terminate.

- b. The New Exemption shall apply to all land in the Exemption Area, but shall apply only to a building on the Exemption Area that has a permanent certificate of occupancy or a temporary certificate of occupancy for all of the residential areas on or before five years from the Effective Date.
- c. Nothing herein shall entitle the Lessee, the Current Owner, or any past owner to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.
- d. All previous resolutions, if any, providing an exemption from or abatement of real property taxation with respect to the Exemption Area are hereby revoked as of the Effective Date.

5. In consideration of the New Exemption, the owner of the Exemption Area, for so long as the New Exemption shall remain in effect, shall 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.

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 May 23, 2018, on file in this office.

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City Clerk, Clerk of The Council