



Legislation Details (With Text)

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On agenda: 12/11/2018

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Title: Resolution approving a new Urban Development Action Area Project, waiving the urban development action area designation requirement and approving a new real property tax exemption pursuant to Article XI of the Private Housing Finance Law and Article 16 of the General Municipal Law for groups of Transfer Parcels located at 253 West 136th Street (Block 1942, Lot 110); 103 West 141st Street (Block 2010, Lot 24); 135 West 131st Street (Block 1916, Lot 17); 1463 Amsterdam Avenue (Block 1970, Lot 68); 533 West 145th Street (Block 2077, Lot 10); and 559 West 185th Street (Block 2157, Lot 62), Community Districts 9, 10, and 12, Manhattan (Preconsidered L.U. No. 286).

Sponsors: Daniel Dromm

Indexes:

Attachments: 1. Res. No. 660, 2. Department of Finance Letter, 3. Memorandum, 4. December 11, 2018 - Stated Meeting Agenda with Links to Files, 5. Hearing Transcript - Stated Meeting 12-11-18, 6. Minutes of the Stated Meeting - December 11, 2018

Date	Ver.	Action By	Action	Result
12/11/2018	*	Committee on Finance	P-C Item Approved by Comm	
12/11/2018	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RES. NO. 660

Resolution approving a new Urban Development Action Area Project, waiving the urban development action area designation requirement and approving a new real property tax exemption pursuant to Article XI of the Private Housing Finance Law and Article 16 of the General Municipal Law for groups of Transfer Parcels located at 253 West 136th Street (Block 1942, Lot 110); 103 West 141st Street (Block 2010, Lot 24); 135 West 131st Street (Block 1916, Lot 17); 1463 Amsterdam Avenue (Block 1970, Lot 68); 533 West 145th Street (Block 2077, Lot 10); and 559 West 185th Street (Block 2157, Lot 62), Community Districts 9, 10, and 12, Manhattan (Preconsidered L.U. No. 286).

By Council Member Dromm

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on September 18, 2018 its request dated September 18, 2018, that the Council take the following actions with respect to each of the following groups of Transfer Parcels ("Transfer Areas"): 253 West 136th Street (Block 1942, Lot 110); 103 West 141st Street (Block 2010, Lot 24); 135 West 131st Street (Block 1916, Lot 17); 1463 Amsterdam Avenue (Block 1970, Lot 68); 533 West 145th Street (Block 2077, Lot 10); and 559 West 185th Street (Block 2157, Lot 62), Community Districts 9, 10, and 12, Manhattan:

1. Find that the present status of the Transfer Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area Project (the "Project") is consistent with the policy and purposes of Section 691 of the General Municipal Law;
2. Waive the area designation requirement of Section 693 of the General Municipal Law pursuant to Section 693 of the General

Municipal Law;

3. Approve the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law; and
4. Approve the exemption of the Project from real property taxes pursuant to Section 577 of Article XI of the Private Housing Finance Law and pursuant to Section 696 of the General Municipal Law (the "Tax Exemptions");

WHEREAS, by letter dated December 4, 2018, and submitted to the Council on December 4, 2018, the Department of Housing Preservation and Development withdrew from the Transfer Areas the properties located at 500 West 174th Street (Block 2130, Lot 44); 2089 Amsterdam Avenue (Block 2110, Lot 65); 2091 Amsterdam Avenue (Block 2110, Lot 65); 514F East 13th Street (Block 403, Lot 13); 525 West 151st Street (Block 2083, Lot 17); 515 West 143rd Street (Block 2075, Lot 17); 527 West 151st Street (Block 2083, Lot 16); 526 West 158th Street (Block 2116, Lot 19); 424 East 115th Street (Block 1708, Lot 38); 67 St. Nicholas Avenue (Block 1823, Lot 56); 167 West 133rd Street (Block 1918, Lot 7); 286 West 151st Street (Block 2036, Lot 53); 157 West 123rd Street (Block 1908, Lot 1); 520 West 140th Street (Block 2071, Lot 43); and 14 West 119th Street (Block 1717, Lot 44);

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

RESOLVED:

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

The Council waives the area designation requirement pursuant to Section 693 of the General Municipal Law.

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

The Projects shall be developed in accordance with the terms and conditions set forth in the Project Summaries attached hereto.

The Council approves the Tax Exemptions as follows:

1. Pursuant to Section 577 of the Private Housing Finance Law the Council approves the exemption of each Project from real property taxes as follows:
 - a. All of the value of the property in the Transfer 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 Transfer Area to the transferee ("Article XI Commencement Date") and terminating upon the earlier to occur of (i) the fortieth anniversary of the Article XI Commencement Date, (ii) the date of reconveyance of the Transfer Area to an owner which is not a housing development fund company, or (iii) the date upon which the owner of the Transfer Area voluntarily surrenders and revokes such exemption by written notice to the Department of Finance ("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 Transfer 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; provided, however, that the owner of the Transfer Area may (i) voluntarily surrender and revoke the Article XI Exemption at any time by written notice to the Department of Finance, and (ii) following the effective date of the surrender and revocation stated in such written notice, utilize any Alternative Tax Benefit for the Transfer Area.
 - c. The Article XI Exemption shall terminate if HPD determines at any time that (i) the Transfer Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the Transfer Area is not being operated in accordance with the requirements of any agreement with, or for the benefit of, the City of New York, or (iii) the demolition of any private or multiple dwelling on the Transfer Area has commenced

without the prior written consent of HPD. 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 Transfer 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 Transfer Area shall not affect the continued validity of the Article XI Exemption with respect to other properties in the Transfer Area.
2. Pursuant to Section 696 of the General Municipal Law the Council approves the exemption of each Project from real property taxes as follows:
- a. All of the value of the buildings, structures, and other improvements situated on the Transfer 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 Article XI Expiration Date ("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 Transfer Area shall waive the benefits, if any, of any Alternative Tax Benefit for so long as the UDAAP Exemption shall remain in effect; provided, however, that the owner of the Transfer Area may (i) voluntarily surrender and revoke the UDAAP Exemption at any time by written notice to the Department of Finance, and (ii) following the effective date of the surrender and revocation stated in such written notice, utilize any Alternative Tax Benefit for the Transfer Area.
 - c. The UDAAP Exemption shall terminate with respect to all or any portion of the Transfer 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 forty (40) years.
 - e. The provisions of the UDAAP Exemption shall apply separately to each individual property comprising the Transfer 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 Transfer Area shall not affect the continued validity of the UDAAP Exemption with respect to other properties in the Transfer Area.

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 December 11, 2018, on file in this office.

City Clerk, Clerk of Council

PROJECT SUMMARY

- 1. **PROGRAM:** Third Party Transfer Program
- 2. **PROJECT:** In Rem Action No. 51

3. LOCATION:

a. BOROUGH: Manhattan

b. COMMUNITY DISTRICTS: CD10

c. COUNCIL DISTRICTS: MN12

d. TRANSFER AREA: BLOCK LOT ADDRESS VACANT
2157 559 WEST 185

e. EXISTING USE: Residential

4. BASIS OF PRICE: *In rem* judgment of foreclosure

5. TYPE OF PROJECT: Rehabilitation

6. APPROXIMATE NUMBER OF BUILDINGS: 1

7. APPROXIMATE NUMBER OF UNITS: 12

8. HOUSING TYPE: Rental

9. ESTIMATE OF INITIAL RENTS AND INCOME TARGETS: The transfer area contains occupied buildings which will be transferred subject to existing tenancies and rents.

10. PROPOSED FACILITIES: None

11. PROPOSED CODES/ORDINANCES: None

12. ENVIRONMENTAL STATUS: Type II

13. PROPOSED TIME SCHEDULE: Approximately 24 months from construction loan closing to completion of construction PROJECT SUMMARY

1. PROGRAM: Third Party Transfer Program

2. PROJECT: In Rem Action No. 51

3. LOCATION:

a. BOROUGH: Manhattan

b. COMMUNITY DISTRICTS: CD7

c. COUNCIL DISTRICTS: MN12

d. TRANSFER AREA: BLOCK LOT ADDRESS VACANT

2077

533 WEST 145

- e. **EXISTING USE:** Residential
- 4. **BASIS OF PRICE:** *In rem* judgment of foreclosure
- 5. **TYPE OF PROJECT:** Rehabilitation
- 6. **APPROXIMATE NUMBER OF BUILDINGS:** 6
- 7. **APPROXIMATE NUMBER OF UNITS:** 124
- 8. **HOUSING TYPE:** Rental
- 9. **ESTIMATE OF INITIAL RENTS AND INCOME TARGETS:** The transfer area contains occupied buildings which will be transferred subject to existing tenancies and rents.
- 10. **PROPOSED FACILITIES:** None
- 11. **PROPOSED CODES/ORDINANCES:** None
- 12. **ENVIRONMENTAL STATUS:** Type II
- 13. **PROPOSED TIME SCHEDULE:** Approximately 24 months from construction loan closing to completion of construction. **PROJECT SUMMARY**

- 1. **PROGRAM:** Third Party Transfer Program
- 2. **PROJECT:** In Rem Action No. 51
- 3. **LOCATION:**
 - a. **BOROUGH:** Manhattan
 - b. **COMMUNITY DISTRICTS:** CD9
 - c. **COUNCIL DISTRICTS:** MN10
 - d. **TRANSFER AREA:**

<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>VACANT</u>
1970			1463 AMSTERD

- e. **EXISTING USE:** Residential
- 4. **BASIS OF PRICE:** *In rem* judgment of foreclosure
- 5. **TYPE OF PROJECT:** Rehabilitation
- 6. **APPROXIMATE NUMBER OF BUILDINGS:** 4
- 7. **APPROXIMATE NUMBER OF UNITS:** 55
- 8. **HOUSING TYPE:** Rental

- 9. **ESTIMATE OF INITIAL RENTS AND INCOME TARGETS:** The transfer area contains occupied buildings which will be transferred subject to existing tenancies and rents.
- 10. **PROPOSED FACILITIES:** None
- 11. **PROPOSED CODES/ORDINANCES:** None
- 12. **ENVIRONMENTAL STATUS:** Type II
- 13. **PROPOSED TIME SCHEDULE:** Approximately 24 months from construction loan closing to completion of construction. **PROJECT SUMMARY**

- 1. **PROGRAM:** Third Party Transfer Program
- 2. **PROJECT:** In Rem Action No. 51
- 3. **LOCATION:**

a. **BOROUGH:** Manhattan

b. **COMMUNITY DISTRICTS:** CD9

c. **COUNCIL DISTRICTS:** MN10

d. TRANSFER AREA:	<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>VACANT</u>
	2010		103 WEST	141
	1916		135 WEST	131
	1942		253 WEST	136

e. **EXISTING USE:** Residential

4. **BASIS OF PRICE:** *In rem* judgment of foreclosure

5. **TYPE OF PROJECT:** Rehabilitation

6. **APPROXIMATE NUMBER OF BUILDINGS:** 3

7. **APPROXIMATE NUMBER OF UNITS:** 67

8. **HOUSING TYPE:** Rental

9. **ESTIMATE OF INITIAL RENTS AND INCOME TARGETS:** The transfer area contains occupied buildings which will be transferred subject to existing tenancies and rents.

10. **PROPOSED FACILITIES:** None

11. **PROPOSED CODES/ORDINANCES:** None

12. **ENVIRONMENTAL STATUS:** Type II

13. PROPOSED TIME SCHEDULE: Approximately 24 months from construction loan closing to completion of construction.