



## Legislation Text

File #: Res 0869-2023, Version: \*

### THE COUNCIL OF THE CITY OF NEW YORK PRECONSIDERED RES. NO. 869

Resolution approving an amendment to a previously approved real property tax exemption pursuant to Section 125(1)(a) of the Private Housing Finance Law for property located at (Block 1841, Lot 1; Block 1863, Lot 29), Manhattan (Preconsidered L.U. No. 298).

By Council Member Brannan

**WHEREAS**, the New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated December 7, 2023 that the Council amend a previously approved tax exemption for real property located at (Block 1841, Lot 1; Block 1863, Lot 29), Manhattan (“Exemption Area”) pursuant to Section 125(1)(a) of the Private Housing Finance Law;

**WHEREAS**, the HPD’s request for amendments is related to a previously approved Board of Estimate Resolution adopted on April 16, 1982 (Cal. No. 2) (the “Prior Resolution”), granting the Exemption Area a real property tax exemption pursuant to Section 125(1)(a) of the Private Housing Finance Law;

**WHEREAS**, the Council has considered the financial implications relating to the Tax Exemption;

#### **RESOLVED:**

The Council approves the amendments to the Prior Resolution requested by HPD for the Exemption Area pursuant to Section 125(1)(a) of the Private Housing Finance Law as follows:

Paragraph 2 of the Prior Resolution is deleted in its entirety and replaced with the following:

2. That the Board of Estimate, pursuant to subdivision 1(a) of the PHFL does hereby approve the exemption from local and municipal taxes, other than assessments for local improvements, of all of the value of the property included in the Project (excluding, however, those portions, if any, authorized to be used for business and commercial purposes), provided that the amount of such taxes to be paid shall be as follows: (a) for all tax years prior to July 1, 2023, the annual aggregate amount of \$27,164, representing the Minimum Annual Ten Percent of Shelter Rent taxes for the residential portion of the Project, plus an additional amount after the tax exemption first becomes effective, which additional amount shall equal 25% of the amount by which the Contract Rent applicable to the Project annually exceeds the Contract Rent in effect as of the date of occupancy of the Project by eligible tenants, and (b) for the period commencing upon July 1, 2023 and ending upon April 20, 2024, in the sum of \$383,105. Solely for purposes of subparagraph (a) hereof, (i) Contract Rent is defined in the HUD Regulations promulgated pursuant to Section 8 of the United States Housing Act of 1937, as amended, and (ii) local annual real estate taxes for the residential portion of the Project shall not, at any time, exceed the lesser of either 17 percent of Contract Rent for that year or the amount of real estate taxes that otherwise

would be due in the absence of any form of tax exemption or abatement provided for by existing or future local law or state legislation.

The exemption granted herein shall operate and continue for so long as a federally-aided and/or assisted mortgage is outstanding, but in no event for a period of more than forty (40) years, commencing on the date on which the benefits of such exemption first become available and effective.

The tax exemption shall first become available and effective, at the option of the Redevelopment Company, upon either of the following dates: (a) July 1st of that year in which the Project would be subject to tax based upon an increase in assessment resulting from improvements made to the property by the Redevelopment Company, or (b) the date of issuance of the Certificate of Occupancy, temporary or permanent, for each such stage. In the event the Redevelopment Company shall elect alternative (a) as the effective and available tax exemption date, it shall notify the Finance Department, the Bureau of Real Property Assessment and the Department of Housing Preservation and Development of its election prior to the last date upon which the taxable status of real property can be altered or modified for a particular tax year. If alternative (a) is not so elected, alternative (b) shall be the effective and available tax exemption date.

Except as specifically amended above, all other terms, conditions, provisions and requirements of the Prior Resolution remain in full force and effect.

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 20, 2023, on file in this office.

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City Clerk, Clerk of Council