



Legislation Text

File #: Res 1068-2019, Version: *

THE COUNCIL OF THE CITY OF NEW YORK
RES. NO. 1068

Resolution approving an amendment to a previously approved real property tax exemption pursuant to Section 577 of the Private Housing Finance Law for property located at (Block 3627, Lots 40, 50, 30 and 20), Bronx (Preconsidered L.U. No. 537).

By Council Member Dromm

WHEREAS, the New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated September 11, 2019 that the Council amend a previously approved tax exemption for real property located at (Block 3627, Lots 40, 50, 30 and 20), Bronx (“Exemption Area”) pursuant to Section 577 of the Private Housing Finance Law;

WHEREAS, the HPD’s request for amendments is related to a previously Resolution adopted by City Council on May 23, 2018 (Resolution 367) (the “Prior Resolution”), attached hereto as Exhibit A, granting the Exemption Area a real property tax exemption pursuant to Section 577 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 577 of the Private Housing Finance Law as follows:

Provision 1.h.1 of the Prior Resolution is deleted and replaced with the following:

- (1) Commencing upon July 1, 2019, an amount equal to Ninety-Seven Thousand Six Hundred Seventy-Six Dollars (\$97,676); and

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 August 25, 2019, on file in this office.

City Clerk, Clerk of Council

THE COUNCIL OF THE CITY OF NEW YORK
RES. NO. 367

Resolution approving an exemption from real property taxes for property located at (Block 3627, Lots 20, 30, 40 and 50) Bronx, pursuant to Section 577 of the Private Housing Finance Law (Preconsidered L.U. No. 98).

By Council Member Dromm

WHEREAS, the New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated March 16, 2018 that the Council take the following action regarding a housing project located at (Block 3627, Lots 20, 30, 40 and 50) Bronx (“Exemption Area”):

Approve an exemption of the Project from real property taxes pursuant to Section 577 of the Private Housing Finance Law (the “Tax Exemption”);

WHEREAS, the project description that HPD provided to the Council states that the purchaser of the Project (the “Sponsor”) is a duly organized housing development fund company under Article XI of the Private Housing Finance Law;

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

RESOLVED:

The Council hereby grants an exemption from real property taxes as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - a. “Effective Date” shall mean July 1, 2017.
 - b. “Exemption Area” shall mean the real property located in the Borough of the Bronx, City and State of New York, and identified as Block 3627, Lots 20, 30, 40 and 50 on the Tax Map of the City of New York.
 - c. “Expiration Date” shall mean the earlier to occur of (i) a date which is thirty-two (32) 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 by either a housing development fund company or an entity wholly controlled by a housing development fund company.
 - d. "HDFC" shall mean Lafayette-Morrison Housing Development Fund Corporation or a housing development fund company that acquires the Exemption Area with the prior written consent of HPD.
 - e. “HPD” shall mean the Department of Housing Preservation and Development of the City of New York.
 - f. “J-51 Benefits” shall mean any tax benefits pursuant to Section 489 of the Real Property Tax Law.
 - g. "New Exemption" shall mean the exemption from real property taxation provided hereunder.
 - h. “Partial Tax Payment” shall mean real property tax payments in the following amounts:
 - (1) Commencing upon July 1, 2019, an amount equal to Three Hundred Twenty-Four Thousand Three Hundred Twenty-Four Dollars (\$324,324);

- (2) Commencing upon July 1, 2020 and during each year thereafter until the Expiration Date, an amount equal to the greater of (i) ten percent (10%) of the Shelter Rent in the tax year in which such real property tax payment is made, or (ii) Four Hundred Twenty-Two Thousand Seventy-Eight Dollars (\$422,078).
 - i. “Prior Exemption” shall mean the exemption from real property taxation approved by the City Council on May 28, 2008 (Resolution No. 1440).
 - j. “Regulatory Agreement” shall mean the regulatory agreement between HPD and the HDFC entered into after the Effective Date establishing certain controls upon the operation of the Exemption Area on and after the date such Regulatory Agreement is executed.
 - k. “Shelter Rent” shall mean (i) the total carrying charges paid to the HDFC by reason of ownership of stock in such HDFC, including any federal, State or local subsidies paid on behalf of such shareholders other than interest reduction payments paid pursuant to Section 201(a) of the Federal Housing and Urban Development Act of 1968 (12 U.S.C.A. § 1715z-1)), less the cost to the HDFC of providing such shareholders with electricity, gas, heat, water, sewer and other utilities, plus (ii) the total rents received by the HDFC from the occupants of the Exemption Area that do not own stock in such HDFC (including any federal, State or local subsidies paid on behalf of such occupants other than interest reduction payments paid pursuant to Section 201(a) of the Federal Housing and Urban Development Act of 1968 (12 U.S.C.A. § 1715z-1)), less the cost to the HDFC of providing such occupants with electricity, gas, heat, water, sewer and other utilities.
2. The Prior Exemption shall terminate upon the Effective Date.
 3. All of the value of the property in the Exemption Area, including both 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. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Partial Tax Payment.

