



Legislation Text

File #: Res 1086-2016, Version: *

**THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1086**

Resolution to approve an amendment to a previously approved urban development action area project located at Block 3071, p/o Lot 10 (Development Parcel A) and Block 3072, p/o Lot 1 (Development Parcel B), Community District 1, Borough of Brooklyn (L.U. No. 352; 20165425 HAK).

By Council Members Greenfield and Dickens

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on March 1, 2016 its request dated February 15, 2016 that the Council approve an amendment to a previously approved tax exemption pursuant to Article V of the Private Housing Finance Law, Section 125(1)(a-3), (the "Amended Exemption") for properties located at Block 3071, p/o Lot 10 (Development Parcel A) and Block 3072, p/o Lot 1 (Development Parcel B), Community District 1, Borough of Brooklyn (the "Exemption Area");

WHEREAS, the original project was approved by the Board of Estimate on August 21, 1980 (Cal. No. 23), (the "Original Exemption");

WHEREAS, HPD submitted to the Council on March 1, 2016 its request dated February 15, 2016 relating to the tax exemption for the Exemption Area ("The HPD Request");

WHEREAS, upon due notice, the Council held a public hearing on the Amended Exemption on May 17, 2016;

WHEREAS, the Council has considered the land use and financial implications and other policy issues relating to the Amended Exemption;

RESOLVED:

The Council approves the Amended Exemption pursuant to Section 125(1)(a-3) of the Private Housing Finance Law, an additional period of tax exemption as follows:

1. For the purposes hereof, the following terms shall have the following meanings:
 - a. "Company" shall mean Lindsay Bushwick Associates, L.P..
 - b. "Effective Date" shall mean January 16, 2022.
 - c. "Exemption" shall mean the exemption from real property taxation provided hereunder.
 - d. "Exemption Area" shall mean the real property located in the Borough of Brooklyn, City and State of New York, identified as Block 3071, Lot 10 and Block 3072, Lot 1, with the exception of Development Parcels A and B as described on Schedule A and Schedule B attached hereto, 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, (iii) the date upon which the Exemption Area ceases to be owned by the Owner or, with the prior written approval of HPD, another redevelopment company organized pursuant to Article V of the Private Housing Finance Law, (iv) the date upon which the City terminates the partial tax exemption pursuant to the terms of the Regulatory Agreement, or (v) the date of the expiration or

termination of the Exemption Area's Section 8 Housing Assistance Payments Contract.

- f. "HPD" shall mean the Department of Housing Preservation and Development of the City of New York.
- g. "Owner" shall mean the Company or, with the prior written approval of HPD, any future owner of the Exemption Area that is a redevelopment company organized pursuant to Article V of the Private Housing Finance Law.
- h. "Regulatory Agreement" shall mean the Redevelopment Agreement dated August 21, 1980 between the City of New York and the Owner, establishing certain controls upon the operation of the Exemption Area in accordance with Private Housing Finance Law Section 114.

2. All of the value of the 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 the Expiration Date.

3. 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 (i) the amount of taxes due in the year immediately prior to the Effective Date, plus (ii) an additional amount equal to twenty-five percent (25%) of the amount by which the total contract rents applicable to the Exemption Area for that year (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended) exceed the total contract rents which were authorized on the Effective Date. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the amount of real property taxes that would otherwise be due in the absence of any form of exemption from or abatement of real property taxation provided by an existing or future local, state, or federal law, rule or regulation.

4. Notwithstanding any provision hereof to the contrary:

a. The 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 V 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) the Exemption Area is conveyed to a new owner without the prior written consent of HPD, or (v) the demolition of any private or multiple dwelling on the Exemption Area has commenced without the prior written consent of HPD. HPD shall deliver written notice of any such determination to 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 Exemption shall prospectively terminate.

b. Nothing herein shall entitle the Company to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.

5. In consideration of the Exemption, the owner of the Exemption Area, for so long as the 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 25, 2016, on file in this office.

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City Clerk, Clerk of The Council