



Legislation Text

File #: Res 0527-2018, Version: *

THE COUNCIL OF THE CITY OF NEW YORK RESOLUTION NO. 527

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 1966 University Avenue (Block 2868, Lot 121), 2017 Grand Concourse (Block 2808, Lot 90), 1600 Nelson Avenue (Block 2876, Lot 1), and 2386 Morris Avenue (Block 3173, Lot 1); 1854 Monroe Avenue (Block 2802, Lot 5), 4619 Park Avenue (Block 3031, Lot 51), and 2068 Bathgate Avenue (Block 3045, Lot 19); 851 East Tremont Avenue (Block 3117, Lot 10), 1900 Longfellow Avenue (Block 3016, Lot 7), and 2000 Daly Avenue (Block 3127, Lot 1); 1033 Cauldwell Avenue (Block 2622, Lot 52), 1211 Washington Avenue (Block 2389, Lot 31), and 1113 Grant Avenue (Block 2452, Lot 29); 1142 Wheeler Avenue (Block 3739, Lot 23), 1120 Bryant Avenue (Block 2754, Lot 61), 590 Southern Boulevard (Block 2603, Lot 24), and 731 Southern Boulevard (Block 2720, Lot 28); and 421 East 157th Street (Block 2379, Lot 32), 428 East 157th Street (Block 2378, Lot 19), and 330 East 139th Street (Block 2301, Lot 4), Community Districts 1, 2, 3, 4, 5, 6, 7, 9 and 12, Borough of the Bronx, (L.U. No. 182; 20185477 HAX).

By Council Members Salamanca and Kallos

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on June 5, 2018 its request dated June 5, 2018, that the Council take the following actions with respect to each of the following groups of Transfer Parcels ("Transfer Areas"): 3175 Villa Avenue (Block 3322, Lot 37), 1314 Oakley Street (Block 4711, Lot 28), and 3732 Laconia Avenue (Block 4711, Lot 16); 2015 Grand Avenue (Block 2869, Lot 143), 1970 Morris Avenue (Block 2807, Lot 2), 1966 University Avenue (Block 2868, Lot 121), 2017 Grand Concourse (Block 2808, Lot 90), 1600 Nelson Avenue (Block 2876, Lot 1), and 2386 Morris Avenue (Block 3173, Lot 1); 490 East 181st Street (Block 3047, Lot 14), 803 East 182nd Street (Block 3112, Lot 3), 1854 Monroe Avenue (Block 2802, Lot 5), 4619 Park Avenue (Block 3031, Lot 51), and 2068 Bathgate Avenue (Block 3045, Lot 19); 851 East Tremont Avenue (Block 3117, Lot 10), 1900 Longfellow Avenue (Block 3016, Lot 7), 2000 Daly Avenue (Block 3127, Lot 1), and 943 East 179th Street (Block 3127, Lot 35); 1033 Cauldwell Avenue (Block 2622, Lot 52), 1103 Franklin Avenue (Block 2608, Lot 22), 1211 Washington Avenue (Block 2389, Lot 31), and 1113 Grant Avenue (Block 2452, Lot 29); 875 Longfellow Avenue (Block 2761, Lot 139), 1015 Longfellow Avenue (Block 2756, Lot 48), 1142 Wheeler Avenue (Block 3739, Lot 23), 1120 Bryant Avenue (Block 2754, Lot 61), 590 Southern Boulevard (Block 2603, Lot 24), and 731 Southern Boulevard (Block 2720, Lot 28); and 757 East 169th Street (Block 2961, Lot 15), 941 Rogers Place (Block 2698, Lot 63), 421 East 157th Street (Block 2379, Lot 32), 428 East 157th Street (Block 2378, Lot 19), 330 East 139th Street (Block 2301, Lot 4), and 483 Willis Avenue (Block 2307, Lot 45), Community Districts 1, 2, 3, 4, 5, 6, 7, 9 and 12, Borough of the Bronx:

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 September 4, 2018, and submitted to the Council on September 5, 2018, the Department of Housing Preservation and Development withdrew from the Transfer Areas the properties located at 2015 Grand Avenue (Block 2869, Lot 143), 1103 Franklin Avenue (Block 2608, Lot 22), 3732 Laconia Avenue (Block 4711, Lot 16), 1314 Oakley Street (Block 4711, Lot 28), 490 East 181st Street (Block 3047, Lot 14), 941 Rogers Place (Block 2698, Lot 63), 1015 Longfellow Avenue (Block 2756, Lot 48), 483 Willis Avenue (Block 2307, Lot 45), 3175 Villa Avenue (Block 3322, Lot 37), 1970 Morris Avenue (Block 2807, Lot 2), 803 East 182nd Street (Block 3112, Lot 3), 943 East 179th Street (Block 3127, Lot 35), 875 Longfellow Avenue (Block 2761, Lot 139), and 757 East 169th Street (Block 2961, Lot 15);

WHEREAS, upon due notice, the Council held a public hearing on the Projects on August 14, 2018; and

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

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.

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 September 12, 2018, on file in this office.

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City Clerk, Clerk of The Council

PROJECT SUMMARY

20185477 HAX

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L.U. No. 182

1. **PROGRAM:** Third Party Transfer Program

2. **PROJECT:** In Rem Action No. 52

3. **LOCATION:**

a. **BOROUGH:** Bronx

b. **COMMUNITY DISTRICTS:** BX7 BX5

c. **COUNCIL DISTRICTS:** CD14

d. TRANSFER AREA:	<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>VACANT</u>
	2868		1966 UNIVERSITY AVENUE	
	2808		2017 GRAND CONCOURSE	V
	2876		1600 NELSON AVENUE	
	3173		2386 MORRIS AVENUE	

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:** 105

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. The transfer area also contains one vacant building for which initial rents will be established in compliance with federal regulations, where applicable, and will be affordable to the targeted income groups.

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

20185477 HAX

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L.U. No. 182

- 1. **PROGRAM:** Third Party Transfer Program
- 2. **PROJECT:** In Rem Action No. 52
- 3. **LOCATION:**
 - a. **BOROUGH:** Bronx
 - b. **COMMUNITY DISTRICTS:** BX6 BX5
 - c. **COUNCIL DISTRICTS:** CD15
 - d. **TRANSFER AREA:**

<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>VACANT</u>
		280251854 MONROE AVENUE	
	3031		4619 PARK AVENUE
	3045		2068 BATHGATE AVENUE
 - e. **EXISTING USE:** Residential
- 4. **BASIS OF PRICE:** *In rem* judgment of foreclosure
- 5. **TYPE OF PROJECT:** Rehabilitation
- 6. **APPROXIMATE NUMBER OF BUILDINGS:** 5
- 7. **APPROXIMATE NUMBER OF UNITS:** 182
- 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

20185477 HAX

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L.U. No. 182

- 1. **PROGRAM:** Third Party Transfer Program
- 2. **PROJECT:** In Rem Action No. 52
- 3. **LOCATION:**
 - a. **BOROUGH:** Bronx
 - b. **COMMUNITY DISTRICTS:** BX6
 - c. **COUNCIL DISTRICTS:** CD17
 - d. **TRANSFER AREA:**

<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>VACANT</u>
		311710851 EAST TREMONT AVENUE	
	3016		1900 LONGFELLOW AVENUE
	3127		2000 DALY AVENUE
 - 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:** 109
- 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

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L.U. No. 182

- 1. **PROGRAM:** Third Party Transfer Program
- 2. **PROJECT:** In Rem Action No. 52
- 3. **LOCATION:**
 - a. **BOROUGH:** Bronx
 - b. **COMMUNITY DISTRICTS:** BX3 BX4
 - c. **COUNCIL DISTRICTS:** CD16
 - d. **TRANSFER AREA:**

<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>VACANT</u>
		2622521033 CAULDWELL AVENUE	
	2389		1211 WASHINGTON AVENUE
	2452		1113 GRANT AVENUE
 - 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:** 125

- 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

20185477 HAX

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L.U. No. 182

- 1. PROGRAM: Third Party Transfer Program
- 2. PROJECT: In Rem Action No. 52
- 3. LOCATION:
 - a. BOROUGH: Bronx
 - b. COMMUNITY DISTRICTS: BX2 BX9
 - c. COUNCIL DISTRICTS: CD17 CD8
 - d. TRANSFER AREA:

<u>BLOCK</u>	<u>LOT</u>	<u>ADDRESS</u>	<u>VACANT</u>
		3739231142 WHEELER AVENUE	
	2754		1120 BRYANT AVENUE
	2603		590 SOUTHERN BOULEVARD
	2720		731 SOUTHERN BOULEVARD
 - 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: 135

- 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

20185477 HAX

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L.U. No. 182

- 1. PROGRAM: Third Party Transfer Program
- 2. PROJECT: In Rem Action No. 52
- 3. LOCATION:
 - a. BOROUGH: Bronx
 - b. COMMUNITY DISTRICTS: BX3 BX2
 - c. COUNCIL DISTRICTS: CD17 CD8
 - d. TRANSFER AREA: BLOCK LOT ADDRESS

237932421 EAST 157 STREET
2378
2301

VACANT
428 EAST 157
STREET
330 EAST 139
STREET

- 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: 103

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