



Legislation Details (With Text)

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Title:	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 1787, Lot 1), Manhattan (Preconsidered L.U. No. 446).				
Sponsors:	Daniel Dromm				
Indexes:					
Attachments:	1. Res. No. 933, 2. Housing Preservation and Development Letter, 3. Memorandum, 4. June 13, 2019 - Stated Meeting Agenda with Links to Files, 5. Hearing Transcript - Stated Meeting 6-13-19, 6. Minutes of the Recessed Meeting of May 29, 2019 Held on June 13, 2019, 7. Minutes of the Stated Meeting - June 13, 2019, 8. Minutes of the Recessed Meeting of June 13, 2019 Held on June 18, 2019, 9. Minutes of the Recessed Meeting of June 13, 2019 Held on June 19, 2019				

Date	Ver.	Action By	Action	Result
6/13/2019	*	Committee on Finance	P-C Item Approved by Comm	
6/13/2019	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK RES. NO. 933

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 1787, Lot 1), Manhattan (Preconsidered L.U. No. 446).

By Council Member Dromm

WHEREAS, the New York City Department of Housing Preservation and Development (“HPD”) submitted to the Council its request dated May 28, 2019 that the Council amend a previously approved tax exemption for real property located at (Block 1787, Lot 1), Manhattan (“Exemption Area”) pursuant to Section 577 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 November 11, 1971 (Cal. No. 8-A) (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:

The introductory paragraph of section 7 of the Prior Resolution is deleted and replaced with the following:

7. That the Board of Estimate hereby approves the exemption from local and municipal taxes, other than assessments for local improvements, of all of the value of the property, including both the land and any improvements, for the period commencing with the closing of the mortgage and delivery of the deed, and terminating forty (40) years from the date upon which the benefits of the aforementioned tax exemption first become available and effective; provided:

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 June 13, 2019, on file in this office.

City Clerk, Clerk of Council

Exhibit A

November 11, 1971

4707

land's tax exemption per dwelling unit, subject to a maximum period of ten years.

Construction of the project is to be financed by a mortgage insured under the provisions of the National Housing Act. The mortgage is to be insured for a period of ten years. The interest rate on the mortgage is to be 1 per cent in the present instance. The interest rate on the mortgage is to be 1 per cent in the present instance. The interest rate on the mortgage is to be 1 per cent in the present instance.

In the total Pilot Block, the total interest is to be \$150,000 and the approximate annual cost for purchase of a ten-year term non-residential property is \$150,000. The total interest is to be \$150,000 and the approximate annual cost for purchase of a ten-year term non-residential property is \$150,000. The total interest is to be \$150,000 and the approximate annual cost for purchase of a ten-year term non-residential property is \$150,000.

Federal Government would also be required to make this project feasible. Federal Government would also be required to make this project feasible. Federal Government would also be required to make this project feasible. Federal Government would also be required to make this project feasible.

It would be noted that approval of these requests will mark the first time approval has been granted of a project where the purchase of a ten-year term non-residential property is \$150,000 per dwelling unit. The price of the ten-year term non-residential property is \$150,000 per dwelling unit. The price of the ten-year term non-residential property is \$150,000 per dwelling unit.

The project is to be financed by a mortgage insured under the provisions of the National Housing Act. The mortgage is to be insured for a period of ten years. The interest rate on the mortgage is to be 1 per cent in the present instance. The interest rate on the mortgage is to be 1 per cent in the present instance. The interest rate on the mortgage is to be 1 per cent in the present instance.

Review of the East Harlem Pilot Block project by the Bureau of the Budget and the Department of Housing and Urban Development is to be completed by the end of the year. Review of the East Harlem Pilot Block project by the Bureau of the Budget and the Department of Housing and Urban Development is to be completed by the end of the year. Review of the East Harlem Pilot Block project by the Bureau of the Budget and the Department of Housing and Urban Development is to be completed by the end of the year.

It is, therefore, the joint recommendation of the Director of the Budget and the Director of Housing and Urban Development that the project be approved. It is, therefore, the joint recommendation of the Director of the Budget and the Director of Housing and Urban Development that the project be approved. It is, therefore, the joint recommendation of the Director of the Budget and the Director of Housing and Urban Development that the project be approved.

The Secretary also presented a communication dated November 10, 1971, from the Housing and Urban Development Administration, submitting, revised pages 1, 2, 7 and 8 of the agreement.

For information and statements, see Calendar No. 7.

4706

November 11, 1971

Note—This resolution was adopted subject to a favorable report of the Corporation Counsel.
(See Cal. Nos. 8, 9 and 10.)

Public Housing in Manhattan: Approval of Land Disposition Agreement with East Harlem Pilot Block Building 2 Housing and Urban Development Administration, Inc. for Sale and Redevelopment of the East Harlem Pilot Block, Manhattan (Approval of Contract for Purchase by City of Revolutionary Interest in Housing Project).

(Second Call)

(Note—Calendar Nos. 7 to 10, inclusive, were considered together.)

The Secretary presented an affidavit of publication showing that the matter has been duly advertised in accordance with a resolution adopted October 28, 1971 (Cal. No. 11).

The Secretary also presented a communication dated October 22, 1971, from the Housing and Urban Development Administration, transmitting a preliminary interest agreement, a disposition agreement and two proposed resolutions.

The Secretary also presented the following report of the Director of the Budget:

November 4, 1971.

To the Board of Estimate:

On October 28, 1971 (Calendar No. 11), the Board of Estimate referred to the Director of the Budget the preliminary interest agreement, a disposition agreement and two proposed resolutions submitted by the Housing and Urban Development Administration, Inc. for the sale and redevelopment of the East Harlem Pilot Block, Manhattan.

The project is to be financed by a mortgage insured under the provisions of the National Housing Act. The mortgage is to be insured for a period of ten years. The interest rate on the mortgage is to be 1 per cent in the present instance. The interest rate on the mortgage is to be 1 per cent in the present instance. The interest rate on the mortgage is to be 1 per cent in the present instance.

Review of the East Harlem Pilot Block project by the Bureau of the Budget and the Department of Housing and Urban Development is to be completed by the end of the year. Review of the East Harlem Pilot Block project by the Bureau of the Budget and the Department of Housing and Urban Development is to be completed by the end of the year. Review of the East Harlem Pilot Block project by the Bureau of the Budget and the Department of Housing and Urban Development is to be completed by the end of the year.

It is, therefore, the joint recommendation of the Director of the Budget and the Director of Housing and Urban Development that the project be approved. It is, therefore, the joint recommendation of the Director of the Budget and the Director of Housing and Urban Development that the project be approved. It is, therefore, the joint recommendation of the Director of the Budget and the Director of Housing and Urban Development that the project be approved.

The Secretary also presented a communication dated November 10, 1971, from the Housing and Urban Development Administration, submitting, revised pages 1, 2, 7 and 8 of the agreement.

For information and statements, see Calendar No. 7.

The Secretary also presented a communication dated November 10, 1971, from the Housing and Urban Development Administration, submitting, revised pages 1, 2, 7 and 8 of the agreement.

For information and statements, see Calendar No. 7.

2. That the City is authorized to purchase an interest in the project of East Harlem 21st Block Uptown Housing Development Fund Company, Inc., pursuant to Section 20-64 of the Private Housing Finance Law, in accordance with the terms set forth in the attached Agreement; and

3. That the Comptroller be and he is hereby authorized and directed to make payment for said interest in the project of East Harlem 21st Block Uptown Housing Development Fund Company, Inc. in accordance with the terms and conditions stipulated in said Agreement.

Which was adopted by the following vote:

Which was adopted by the following vote:

For	10
Against	1

Witnessed by the following:

The Right Assistant to the Mayor, the Acting Comptroller, the President of the Council, the Acting President of the Borough of Manhattan, the President of the Borough of Brooklyn, the Acting President of the Borough of The Bronx, the President of the Borough of Queens and the Acting President of the Borough of Richmond—22.

Note.—This resolution was adopted subject to a favorable report of the Corporation Counsel.

(See Cal. No. 7.)

Public Hearing in Matter of Approval of Land Disposition Agreement with East Haven Pilot Block Blending 3 Housing Development Fund Company, Inc. for Sale and Redevelopment of Site 3 of East Haven Pilot Block, Massachusetts Approval of Contract for Purchase by City of Reversionary Interest in Housing Project.

(Second Call)

(Note—Calendar Nos. 7 and 10, inclusive, were considered together.)
The Secretary presented an affidavit of publication showing that the matter has been duly advertised in accordance with a resolution adopted October 28, 1971 (Cal. No. 116).
The Secretary also presented a communication dated October 22, 1971, from the Housing and Development Administration, transmittal a reversionary interest agreement, a discontinuance agreement and two proposed resolutions.

The Secretary also presented the following report of the Director of the Budget:

To the Board of Estimate:
Gentlemen—On October 28, 1971 (Calendar No. 146), the Board of Estimate referred to the Director of the Budget the matters of disposition of Site 3 of the Harlem-East Harlem Pilot Block to the East Harlem Pilot Block-Building 3 Housing Development, Hazard Company, tax exemption to the extent of all of the value of the property, both land and improvements included in the completed project and purchase of a reversionary interest in the completed project.

The East Harlem Pilot Block is within the Harlem-East Harlem Urban Renewal Area and is bounded by Third Avenue, East 123d Street, Second Avenue and East 122d Street in the Borough of Manhattan. A portion of the block, an irregular-shaped parcel having an 88-foot frontage on Second Avenue and 300 feet frontage on 123d Street, is to be sold for the development of building J and related community and commercial facilities. The completed project block will consist of four residential buildings, community facilities and commercial structures.

In their portion of the total project to be developed by the Building & Housing Development Fund, Inc., the company will be erecting a 28-story building containing 64 six and one-half room four-bedroom apartments and 28 eight and one-half room six-bedroom apartments. Rental charges per unit will be \$235.65 and \$246.13 for the 4 and 6-bedroom units, respectively. In addition, there is commercial space and a job training center.

[illegible]

Disposition of the land is proposed at \$500 per dwelling unit or \$46,000. The City Planning Commission has reported that the land subsidy is \$2,072,000 for the entire pilot block or \$4,140 per dwelling unit. The City-land subsidy for the Building 3 portion of the project will therefore be \$200,230.

[illegible][illegible]

of the project including Section 230 utility funds are required to make this project feasible. Comparison of the present requirements of the Housing and Development Administration, Urban Development Corporation and the State Department of Economic and Community Renewal, which total \$15,500,000, usually is made to determine if the funds will be available for the project. The Housing and Development Corporation is the agency that will be responsible for the Pine Bluff Project. Nothing in the submissions indicates that any alternative for additional funding has been investigated about the Section 230 funds not available or if the estimated costs should be reduced. The Housing and Development Corporation will provide an additional \$15,500,000. The Government will provide no additional aid.

The submittal submitted by the Housing and Development Administration anticipates funding the City's purchase of a sovereignty vessel from Capital Project PD-9. However, funds for this purchase have been provided in Capital Project ES-58. Use of these funds to refuelate the urban renewal purpose is proper.

to fund to eradicate the urban blight. The Housing and Urban Development Department, through the Bureau of the Budget and the Office of Management and Organization, has resulted in the Interim-
 "Moreover, the Urban Task Force's Administration has resulted in the Interim-
 discussion with the Housing and Urban Development Department, through the Bureau of the Budget and the Office of Management and Organization, has resulted in the Interim-
 tion that the project cost several billion years. Approval of the project as presented but
 exceeded 5 per cent of the total value of the completed project, both land
 and improvements, which exceeds the value required to yield taxes in excess of 5 per cent
 at the subject property. The cost would increase the average monthly per room residential rent
 by approximately \$3.10 for each of over 500 of the average tract.

Extension of the tax exemption to the non-residential portions of the project should remain in effect only for the period during which those portions are used for the purposes enumerated in the project plan. The disposition agreement should be modified to provide that each subsequent lease of the property shall be subject to approval of the Housing and Development Administration and that agency is charged with determining the propriety of associated tax exemption should nature of the activities change.

continued tax exemption against the decision of the Director of the Budget and the Housing Administration that the rent for the disposal and authority to purchase a reversionary interest be approved as submitted and that the Board of Estimates grant tax exemption to the extent of all of the value of the value of the completed project which exceeds the value required to yield a return of 5 per cent on the amount shelter rent with the understanding that the Board of Estimates for the non-residential facilities will be the same as the Board of the Housing and Development Administration upon which was based the estimate of the Board of the Budget.

EDWARD K. TABBLTON, Director of the Budget.