Legislation Details (With Text)

File #:	Res 1451-2020	**Version:**	*	**Name:**	LU 670 - Landmarks, Open Door Bed Stuy Central & North I, Brooklyn (20205417 HAK)
Type:	Resolution			**Status:**	Adopted
				In control:	Committee on Land Use
On agenda:	10/15/2020				
Enactment date:				**Enactment #:**	

Title: Resolution approving an Urban Development Action Area Project pursuant to Article 16 of the General Municipal Law and a real property tax exemption pursuant to Article XI of the Private Housing Finance Law for property located at 358 Malcolm X Boulevard (Block 1686, Lot 48), 1662 Bergen Street (Block 1356, Lot 6), 821 Willoughby Avenue (Block 1589, Lot 58), 697A Jefferson Avenue (Block 1651, Lot 52), 687A Hancock Street (Block 1657, Lot 59), 278 Bainbridge Street (Block 1687, Lot 47), 191 Chauncey Street (Block 1687, Lot 73), 191R Chauncey Street (Block 1687, Lot 173), 179 Chauncey Street (Block 1687, Lot 80), 13 Hunterfly Place (Block 1708, Lot 67), 50 Buffalo Avenue (Block 1710, Lot 49), 54 Buffalo Avenue (Block 1710, Lot 51), and 1835 Atlantic Avenue (Block 1710, Lot 52), Borough of Brooklyn; and waiving the urban development action area designation requirement and the Uniform Land Use Review Procedure, Community Districts 3 and 8, Borough of Brooklyn (L.U. No. 670; 20205417 HAK).

Sponsors: Rafael Salamanca, Jr., Adrienne E. Adams

Indexes:

Attachments: 1. Res. No. 1451, 2. August 27, 2020 - Stated Meeting Agenda with Links to Files, 3. Hearing Transcript - Stated Meeting 8-27-20, 4. Calendar of the Subcommittee Meeting - September 10, 2020, 5. Calendar of the Subcommittee Meetings - September 21, 2020 - September 25, 2020, 6. Hearing Transcript - Landmarks 9-10-20, 7. October 15, 2020 - Stated Meeting Agenda with Links to Files, 8. Hearing Transcript - Stated Meeting 10-15-20, 9. Minutes of the Stated Meeting - October 15, 2020, 10. Committee Report

Date	Ver.	Action By	Action	Result
9/29/2020	*	Committee on Land Use	Approved by Committee	
10/15/2020	*	City Council	Approved, by Council	Pass

THE COUNCIL OF THE CITY OF NEW YORK
RESOLUTION NO. 1451

Resolution approving an Urban Development Action Area Project pursuant to Article 16 of the General Municipal Law and a real property tax exemption pursuant to Article XI of the Private Housing Finance Law for property located at 358 Malcolm X Boulevard (Block 1686, Lot 48), 1662 Bergen Street (Block 1356, Lot 6), 821 Willoughby Avenue (Block 1589, Lot 58), 697A Jefferson Avenue (Block 1651, Lot 52), 687A Hancock Street (Block 1657, Lot 59), 278 Bainbridge Street (Block 1687, Lot 47), 191 Chauncey Street (Block 1687, Lot 73), 191R Chauncey Street (Block 1687, Lot 173), 179 Chauncey Street (Block 1687, Lot 80), 13 Hunterfly Place (Block 1708, Lot 67), 50 Buffalo Avenue (Block 1710, Lot 49), 54 Buffalo Avenue (Block 1710, Lot 51), and 1835 Atlantic Avenue (Block 1710, Lot 52), Borough of Brooklyn; and waiving the urban development action area designation requirement and the Uniform Land Use Review Procedure, Community Districts 3 and 8, Borough of Brooklyn (L.U. No. 670; 20205417 HAK).

By Council Members Salamanca and Adams

powered by Legistar™

WHEREAS, the New York City Department of Housing Preservation and Development ("HPD") submitted to the Council on August 17, 2020 its request dated August 14, 2020 that the Council take the following actions regarding the proposed Urban Development Action Area Project (the "Project") located at 358 Malcolm X Boulevard (Block 1686, Lot 48), 1662 Bergen Street (Block 1356, Lot 6), 821 Willoughby Avenue (Block 1589, Lot 58), 697A Jefferson Avenue (Block 1651, Lot 52), 687A Hancock Street (Block 1657, Lot 59), 278 Bainbridge Street (Block 1687, Lot 47), 191 Chauncey Street (Block 1687, Lot 73), 191R Chauncey Street (Block 1687, Lot 173), 179 Chauncey Street (Block 1687, Lot 80), 13 Hunterfly Place (Block 1708, Lot 67), 50 Buffalo Avenue (Block 1710, Lot 49), 54 Buffalo Avenue (Block 1710, Lot 51), and 1835 Atlantic Avenue (Block 1710, Lot 52), Community Districts 3 and 8, Borough of Brooklyn (the "Disposition Area"):

1. Find that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the municipality and that the proposed Urban Development Action Area 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. Waive the requirements of Sections 197-c and 197-d of the Charter pursuant to Section 694 of the General Municipal Law;

4. Approve the project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law; and

5. Approve an exemption of the Exemption Area from real property taxes pursuant to Section 577 of Article XI of the Private Housing Finance Law.

WHEREAS, the Project is to be developed on land that is an eligible area as defined in Section 692 of the General Municipal Law, consists solely of the rehabilitation or conservation of existing private or multiple dwellings or the construction of one to four unit dwellings, and does not require any change in land use permitted under the New York City Zoning Resolution;

WHEREAS, upon due notice, the Council held a public hearing on the Project on September 10, 2020; and

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

RESOLVED:

The Council finds that the present status of the Disposition Area tends to impair or arrest the sound growth and development of the City of New York and that a designation of the Project as an Urban Development Action Area Project is consistent with the policy and purposes stated in 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 waives the requirements of Sections 197-c and 197-d of the New York City Charter

powered by Legistar™

pursuant to Section 694 of the General Municipal Law.

The Council approves the Project as an Urban Development Action Area Project pursuant to Section 694 of the General Municipal Law.

The Project shall be developed in a manner consistent with the Project Summary that HPD has submitted to the Council on August 17, 2020, a copy of which is attached hereto.

Pursuant to Section 577 of Article XI of the Private Housing Finance Law, the Council approves an exemption of the Exemption Area from real property taxes as follows:

a. All of the value of the property in the Disposition 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 Disposition Area to a housing development fund company ("Article XI Commencement Date") and terminating upon the earlier to occur of (i) the fifth anniversary of the Article XI Commencement Date, or (ii) the date of reconveyance of the Disposition Area to an owner which is not a housing development fund company ("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 Disposition 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.

c. The Article XI Exemption shall terminate if HPD determines at any time that (i) the Disposition Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, or (ii) the Disposition Area is not being operated in accordance with the requirements of any agreement with, or for the benefit of, the City of New York. 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 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 Disposition 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 Disposition Area shall not affect the continued validity of the Article XI Exemption with respect to other properties in the Disposition Area.

Approve the exemption of the project from real property taxes pursuant to Section 696 of the General Municipal Law as follows:

a. All of the value of the buildings, structures, and other improvements situated on the Disposition Area shall be exempt from local and municipal taxes, other than assessments for local improvements and land value, for a period of 20 years commencing on the date of reconveyance of the Disposition Area to an owner which is not a housing development fund company ("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.

powered by Legistar™

b. In consideration of the tax exemption pursuant to Section 696 of the General Municipal Law provided hereunder ("UDAAP Exemption"), the owner of the Disposition Area shall waive the benefits, if any, of any Alternative Tax Benefit for so long as the UDAAP Exemption shall remain in effect.

c. The UDAAP Exemption shall terminate with respect to all or any portion of the Disposition 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 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 25 years.

e. The provisions of the UDAAP Exemption shall apply separately to each individual property comprising the Disposition 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 Disposition Area shall not affect the continued validity of the UDAAP Exemption with respect to other properties in the Disposition Area.

PROJECT SUMMARY

1. **PROGRAM:** OPEN DOOR PROGRAM

2. **PROJECT:** Bed Stuy Central & North I

3. LOCATION:

a. BOROUGH: Brooklyn

b. COMMUNITY DISTRICTS: 3 & 8

c. COUNCIL DISTRICT: 36

d. DISPOSITION AREA:

BLOCKS	LOTS
48	1686
6	1356
58	1589
52	1651

powered by Legistar™

			1657
59			
			1687
47			
			1687
73			
			1687
173			
			1687
80			
			1708
67			
	1710	49	
	1710	51	
			1710
52			

4. **BASIS OF DISPOSITION PRICE:** Nominal. Sponsor will pay one dollar per tax lot and deliver a note and mortgage for the remainder of the appraised value (“Land Debt”).

5. **TYPE OF PROJECT:** New Construction

6. **APPROXIMATE NUMBER OF BUILDINGS:** Two 2-Family Homes and Nine 3-Family Homes

7. **APPROXIMATE NUMBER OF UNITS:** 31

8. **HOUSING TYPE:** 2-Family Homes and 3-Family Homes. If homes remain unsold at the end of the Marketing Period and HPD determines in writing that (i) sale is not feasible within a reasonable time, and (ii) a rental fallback is the best available alternative, then the unsold homes may be rented in accordance with the written instructions of HPD.

9. **ESTIMATE OF INITIAL PRICE:** Sales prices will be affordable to families with annual household incomes between 80% and 130% of the area median income (AMI).

10. **LIENS FOR LAND DEBT/CITY SUBSIDY:** Each of the Land Debt and the amount of any construction financing provided through loans from the City ("City Subsidy") will be secured by a mortgage on the Disposition Area. Upon the sale of each homeownership unit to an initial purchaser, the Land Debt and City Subsidy, if any, will be apportioned pro rata to each unit. At such time, HPD may unsecure or forgive all or a portion of the Land Debt, and unsecure, but not forgive, all or a portion of the City Subsidy, based on the appraised value of a homeownership unit and/or, in the case of forgiveness of Land Debt, if HPD determines that the forgiveness is necessary to reduce the taxable consideration for a unit. The sum evidenced by the note and secured by the mortgage will be reduced to zero upon maturity of the Land Debt and City Subsidy, respectively, if the owner has complied with the program’s restrictions.

11. **INCOME TARGETS:** Families with annual household incomes between 80% and 130% of AMI.

12.	**PROPOSED FACILITIES:**	None
13.	**PROPOSED CODES/ORDINANCES:**	None
14.	**ENVIRONMENTAL STATUS:**	Negative Declaration
15.	**PROPOSED TIME SCHEDULE:**	Approximately 18 months from closing to completion of construction.

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 _____, 2020, on file in this office.

….....….
City Clerk, Clerk of The Council

powered by Legistar™