

CITY OF BEACON

CITY COUNCIL

RESOLUTION NO. _____ OF 2017

**PROSPECTIVE REAL PROPERTY TAX EXEMPTION AND PAYMENT IN LIEU OF TAXES
(PILOT) AGREEMENT UNDER
OF THE PRIVATE HOUSING FINANCE LAW -**

**WEST END LOFTS
KEARNEY REALTY & DEVELOPMENT GROUP, INC.
(Parcel ID Nos. 5954-26-688931 and 5954-26-708967)**

WHEREAS, the City of Beacon has been requested by Kearney Realty & Development Group, Inc. (“Applicant”) to entertain and consider the issuance of a tax exemption and corresponding Payment in Lieu of Taxes (PILOT) Agreement under the provisions of the Private Housing Finance Law of the State of New York (PHFL) with regard to a portion of a project known as “West End Lofts;” and

WHEREAS, the West End Lofts project is to include three (3) multi-story buildings containing a total of ninety-eight (98) apartments on property located on Wolcott Avenue, which is presently designated as Parcel ID Nos. 5954-26-688931 and 5954-26-708967; and

WHEREAS, two of the buildings within the West End Lofts project are to contain affordable housing subject to income-testing requirements, for which funding is to be sought by Applicant under the PHFL through an application to New York State Homes and Community Renewal; and

WHEREAS, if such funding is secured, a New York private housing finance law corporation will be formed by Applicant under Article XI of the PHFL, which will acquire this portion of the West Ends Loft project for the purpose of a “housing project” as that term is defined in the PHFL; and

WHEREAS, should this occur and the requirements of the PHFL satisfied, this portion of the West End Lofts project will be eligible for a real property tax exemption issued by the City Council of the City of Beacon (the “City Council”), as the local legislative body of the City of Beacon, under §577 of the PHFL; and

WHEREAS, the Applicant has advised that, if such an exemption is issued, the proposed private housing finance law corporation and its partners or affiliates, if any, will enter into a PILOT Agreement with City of Beacon, providing for, among other terms, an initial annual PILOT payment of \$170,000 to increase over time in proportion to any increase in rents charged for units within the two (2) income-restricted buildings in the West End Lofts project; and

WHEREAS, the City of Beacon desires to encourage a sufficient supply of adequate, safe and sanitary dwelling accommodations properly planned for persons of limited income and to provide for affordable housing opportunities within the community; and

WHEREAS, in recognition and furtherance of this objective, the City Council supports the funding application to be made by Applicant to New York State Homes and Community Renewal for this portion of the West End Lofts project; and

WHEREAS, the City Council is therefore prepared to issue the proposed real property tax exemption and enter into a PILOT agreement containing terms consistent with those proposed by Applicant and summarized above, provided this portion of the West Ends Loft project satisfies the requirements of the PHFL;

NOW THEREFORE, BE IT RESOLVED that the City Council expresses its support for the funding application to be submitted by Applicant to New York State Homes and Community Renewal for that portion of the West End Lofts project to be comprised of income-restricted housing; and

BE IT FURTHER RESOLVED, the City Council is prepared to issue a tax exemption and enter into a PILOT agreement, containing terms consistent with those summarized above and in a final form acceptable to the City Council, City Administration and the City Attorney, provided the income-restricted portion of the West Ends Loft project satisfies the requirements of the PHFL.

| | | | | | | | |
|--|---------------|---------------------------|--|-----------|----------------|--|---------------|
| Resolution No. _____ of 2017 | | | Date: <u>September 18, 2017</u> | | | | |
| <input type="checkbox"/> <input type="checkbox"/> Amendments | | | | | | <input type="checkbox"/> 2/3 Required | |
| <input type="checkbox"/> <input type="checkbox"/> Not on roll call. | | | <input type="checkbox"/> On roll call | | | <input type="checkbox"/> 3/4 Required | |
| Motion | Second | Council Member | Yes | No | Abstain | Reason | Absent |
| | | Ali Muhammad | | | | | |
| | | Omar Harper | | | | | |
| | | Lee Kyriacou | | | | | |
| | | George Mansfield | | | | | |
| | | Pam Wetherbee | | | | | |
| | | Peggy Ross | | | | | |
| | | Mayor Randy Casale | | | | | |
| Motion Carried | | | | | | | |