

RESOLUTION NO. 2016-2

Meeting Date: September 15, 2016

Rockland County Economic Assistance Corporation

Resolution Establishing a Policy With Respect to Eligibility For Mortgage Tax Exemption

WHEREAS, Rockland County Economic Assistance Corporation (“REAC”) was established as a local development corporation pursuant to Section 1411 of the New York State not-for-profit law as an instrumentality of the County of Rockland (the “County”) for the purposes set forth in its organizational documents, including easing the burdens of government; and

WHEREAS, as an instrumentality of the County, REAC is authorized to provide certain financial assistance to not-for-profit corporations within the County, including the issuance of bonds for eligible projects; and

WHEREAS, as an instrumentality of the County, a mortgage granted by REAC with respect to property in which REAC has a property right is eligible for an exemption from payment of the mortgage recording tax imposed by the State of New York (the “State”) and certain political subdivisions of the State; and

WHEREAS, properties which are owned and operated by not-for-profit organizations may, under State law may, under applicable State law, be treated as exempt property not subject to payment of real property taxes; and

WHEREAS, in considering its responsibilities with respect to easing the burdens of government, REAC has considered whether it is consistent with such interests to enable not-for-profit organizations, in requesting financial assistance from REAC, to be eligible for additional benefits of mortgage recording tax exemption in instances where a property that is previously listed as taxable property would be re-classified as exempt property;

NOW THEREFORE, after considering the foregoing, the members of REAC resolve as follows;

1. In evaluating the providing of financial assistance for projects of not-for-profit organizations, REAC may take into consideration the effect on the affected taxing jurisdictions of taxable property being re-classified as exempt property that is removed from the tax rolls, if applicable.

2. If in connection with providing financial assistance it is determined by the board that the development of a project for which REAC financial assistance is requested will result in

formerly taxable property becoming exempt property and consequently the removal of a formerly non-exempt property from the tax rolls, such project will not be eligible for mortgage recording tax exemption through actions of the REAC.

3. The policy stated above is not intended to preclude a not-for-profit organization from independently applying for benefits with respect to payment of mortgage recording tax as may otherwise be available to the not-for-profit organization under applicable law, independent of participation by REAC.

4. The policy set forth above shall apply to all projects who submitted an application for financial assistance on or after June 16, 2016.

5. This Resolution shall take effect immediately.

Votes: Members Present 4

Ayes 4

Nays 0