



1. For the purposes hereof, the following terms shall have the following meanings:
  - (a) “Effective Date” shall mean the later of (i) the date of conveyance of the Exemption Area to the HDFC, (ii) the date that HFA and the Owner enter into the HFA Regulatory Agreement, or (iii) the date that HPD and the Owner enter into the HPD Regulatory Agreement.
  - (b) “Exemption” shall mean the exemption from real property taxation provided hereunder with respect to the Exemption Area.
  - (c) “Exemption Area” shall mean the real property located in the Borough of Staten Island, City and State of New York, identified as Block 2893, Lot 1 and Block 2894, Lot 1 on the Tax Map of the City of New York.
  - (d) “Expiration Date” shall mean the earlier to occur of (i) a date which is thirty years from the Effective Date, (ii) the date of the expiration or termination of the HFA Regulatory Agreement, (iii) the date of the expiration or termination of the HPD Regulatory Agreement, or (iv) the date upon which the Exemption Area ceases to be owned by either a housing development fund company or an entity wholly controlled by a housing development fund company.
  - (e) “HDFC” shall mean Terrace Gardens Housing Development Fund Corp.
  - (f) “HFA” shall mean the New York State Housing Finance Agency.
  - (g) “HFA Regulatory Agreement” shall mean the regulatory agreement between HFA and the Owner providing that, for a term of thirty years, all dwelling units in the Exemption Area must, upon vacancy, be rented to families whose incomes do not exceed 60% of area median income.
  - (h) “HPD” shall mean the Department of Housing Preservation and Development of the City of New York.
  - (i) “HPD Regulatory Agreement” shall mean a regulatory agreement between HPD and the Owner establishing certain controls on the Exemption Area during the term of the Exemption.
  - (j) "J-51 Benefits" shall mean any tax benefits pursuant the J-51 Program which are in effect on the Effective Date.
  - (k) “J-51 Program” shall mean the program of exemption from or abatement of real property taxation authorized pursuant to Real Property Tax Law Section 489 and New York City Administrative Code Section 11-243.
  - (l) "Maximum Shelter Rent Tax" shall mean \$225,000, plus an amount equal to twenty-five percent (25%) of the amount by which the total contract rents applicable to the Exemption Area for that year (as adjusted and established pursuant to Section 8 of the United States Housing Act of 1937, as amended) exceed the total contract rents which are authorized on December 31, 2013.
  - (m) “Owner” shall mean, collectively, the HDFC and the Partnership.
  - (n) “Partnership” shall Terrace Gardens Housing Limited Partnership.

2. All of the value of the property in the Exemption Area, including both the land and any improvements (excluding those portions, if any, devoted to business or commercial use), shall be exempt from real property taxation, other than assessments for local improvements, for a period commencing upon the Effective Date and terminating upon the Expiration Date.
3. Commencing upon the Effective Date, and during each year thereafter until the Expiration Date, the Owner shall make real property tax payments in the sum of the Maximum Shelter Rent Tax. Such payments shall not be reduced by reason of the J-51 Benefits. Notwithstanding the foregoing, the total annual real property tax payment by the Owner shall not at any time exceed the amount of real property taxes that would otherwise be due in the absence of any form of exemption from or abatement of real property taxation provided by an existing or future local, state, or federal law, rule or regulation.
4. Notwithstanding any provision hereof to the contrary:
  - a. The Exemption shall terminate if HPD determines at any time that (i) the Exemption Area is not being operated in accordance with the requirements of Article XI of the Private Housing Finance Law, (ii) the Exemption Area is not being operated in accordance with the requirements of the HFA Regulatory Agreement, (iii) the Exemption Area is not being operated in accordance with the requirements of the HPD Regulatory Agreement, (iv) the Exemption Area is not being operated in accordance with the requirements of any other agreement with, or for the benefit of, the City of New York, or (v) the demolition of any private or multiple dwelling on the Exemption Area has commenced without the prior written consent of HPD. HPD shall deliver written notice of any such determination to 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 Exemption shall prospectively terminate.
  - b. The Exemption shall not apply to any building constructed on the Exemption Area which did not have a permanent certificate of occupancy on the Effective Date.
  - c. Nothing herein shall entitle the HDFC to a refund of any real property taxes which accrued and were paid with respect to the Exemption Area prior to the Effective Date.
5. In consideration of the Exemption, the owner of the Exemption Area, for so long as the Exemption shall remain in effect, shall waive the benefits of any additional or concurrent exemption from or abatement of real property taxation, other than the J-51 Benefits, which may be authorized under any existing or future local, state or federal law, rule or regulation. Notwithstanding the foregoing, the Exemption Area may receive additional exemptions from and/or abatements of real property taxation pursuant to the J-51 Program after the Effective Date, provided, however, that the aggregate exemption from and abatement of real property taxation pursuant to the J-51 Program in any twelve month period shall not exceed fifty percent of the Maximum Shelter Rent Tax for such twelve month period pursuant to the Exemption.

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 May 22, 2013, on file in this office.

City Clerk, Clerk of Council