



**CITY OF BEACON  
CITY COUNCIL**

**RESOLUTION NO. 21 OF 2023**

**REAL PROPERTY TAX EXEMPTION AND PAYMENT IN LIEU OF TAXES (PILOT)  
AGREEMENT UNDER SECTION 577 OF THE PRIVATE HOUSING FINANCE LAW**

**TOMPKINS TERRACE  
194 TOMPKINS TERRACE (AKA 1 - 193 TOMPKINS TERRACE)  
(City of Beacon Tax Parcel No. 5955-588084)**

**WHEREAS**, the City of Beacon has been requested to issue a tax exemption and corresponding Payment in Lieu of Taxes Agreement under the provisions of the Private Housing Finance Law of the State of New York (“PHFL”) for the premises located at 194 Tompkins Terrace (aka 1-193 Tompkins Terrace), which is identified as City of Beacon Parcel ID No. 5955-19-588084 (the “Tompkins Terrace Parcel”); and

**WHEREAS**, the Tompkins Terrace Parcel is the site of a 193-unit housing development constructed in 1973 (the “Tompkins Terrace Housing Development”); and

**WHEREAS**, since 1973, the Tompkins Terrace Housing Development has operated on an affordable, rent- and income-restricted basis; and

**WHEREAS**, the Tompkins Terrace Parcel is presently tax exempt and subject to a Payment in Lieu of Taxes Agreement; and

**WHEREAS**, it is proposed that the Tompkins Terrace Parcel will be conveyed to Tompkins Terrace Housing Development Fund Company, Inc., a to-be-formed corporation under Article XI of the PHFL (the “HDFC”) for the benefit of Tompkins Terrace Housing, L.P. (“Tompkins Terrace LP”); and

**WHEREAS**, upon the acquisition of the Tompkins Terrace Parcel, the HDFC/Tompkins Terrace LP will undertake renovations to the Tompkins Terrace Housing Development, which will continue to be operated on an affordable basis for persons of restricted income; and

**WHEREAS**, the renovations to be undertaken will entail approximately \$14,500,000 in exterior and interior (individual unit and common space) improvements; and

**WHEREAS**, upon the acquisition of Tompkins Terrace Parcel by the HDFC/Tompkins Terrace LP, occupancy within the Tompkins Terrace Housing Development will, for a forty (40) year period, adhere to the following rent restrictions: (1) for 155 of the 193 units, rent shall be no more than 30% of the then prevailing 60% of Area Median Income (“AMI”) in accordance with the requirements of Section 42 of the Internal Revenue Code of 1986 (the “Code”) and (2) for 38 of the units, rent shall be no more

than 30% of the then prevailing 50% of AMI in accordance with the requirements of Section 42 of the Code; and

**WHEREAS**, the HDFC/Tompkins Terrace LP's plan for the use of Tompkins Terrace Parcel constitutes a "housing project," as defined in the PHFL; and

**WHEREAS**, Tompkins Terrace Housing Development Fund Company, Inc. will be a "housing development fund company" as the term is defined in §572 of the PHFL; and

**WHEREAS**, §577 of the PHFL authorizes the City Council of the City of Beacon (the "City Council"), as the local legislative body of the City of Beacon, to exempt the Tompkins Terrace Parcel from real property taxes; and

**WHEREAS**, the HDFC/Tompkins Terrace LP will enter into a new Payment In Lieu of Taxes Agreement ("PILOT Agreement"), whereby annual payments in lieu of taxes will be made to the City as set forth in a proposed PILOT Agreement presented to the City Council (which payments are specified on Schedule A attached hereto and made a part hereof); and

**WHEREAS**, the City of Beacon desires to maintain and promote 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**, the Tompkins Terrace Housing Development has served this need for fifty (50) years and its acquisition by the HDFC/Tompkins Terrace LP, coupled with the improvements to be made, will allow this valuable affordable housing resource to remain viable and intact on a prospective basis.

**NOW THEREFORE, BE IT RESOLVED** that the City hereby exempts the Tompkins Terrace Parcel (194 Tompkins Terrace aka 1 -193 Tompkins Terrace)/Parcel ID No. 5955-19-588084) from real property taxes for a forty (40) year term, to the extent authorized by §577 of the PHFL, and approves a proposed PILOT Agreement by and between the City of Beacon and the HDFC/Tompkins Terrace LP in substantially the same form as presented at this meeting, subject to further review and approval by the City Attorney and City Administrator, providing for annual payments in lieu of taxes as set forth on Schedule A and recited in such agreement; and

**BE IT FURTHER RESOLVED**, that this real property tax exemption is premised upon adherence to the income restrictions contained in the foregoing PILOT Agreement, to-wit: (1) for 155 of the 193 units, rent shall be no more than 30% of the then prevailing 60% of AMI in accordance with the Code and (2) for 38 of the units, rent shall be no more than 30% of the then prevailing 50% of AMI in accordance with the Code; and

**BE IT FURTHER RESOLVED**, that the Mayor of the City of Beacon is hereby authorized to execute and deliver the foregoing PILOT Agreement, in final form in accordance with this Resolution, on behalf of the City of Beacon; and



**BE IT FURTHER RESOLVED**, that the exemption authorized under this Resolution shall take effect upon acquisition of the Tompkins Terrace Parcel by the HDFC/Tompkins Terrace LP and execution of the PILOT Agreement and, until such time, this Tompkins Terrace Parcel shall remain tax-exempt and subject to the Payment in Lieu of Taxes Agreement currently in effect.

**SCHEDULE A**

Year 1	\$310,000 <sup>1</sup>	Year 21	\$483,758
Year 2	\$316,975	Year 22	\$494,642
Year 3	\$324,107	Year 23	\$505,772
Year 4	\$331,399	Year 24	\$517,152
Year 5	\$338,856	Year 25	\$528,788
Year 6	\$346,480	Year 26	\$540,685
Year 7	\$354,276	Year 27	\$552,851
Year 8	\$362,247	Year 28	\$565,290
Year 9	\$370,398	Year 29	\$578,009
Year 10	\$378,732	Year 30	\$591,014
Year 11	\$387,253	Year 31	\$604,312
Year 12	\$395,966	Year 32	\$617,909
Year 13	\$404,875	Year 33	\$631,812
Year 14	\$413,985	Year 34	\$646,028
Year 15	\$423,300	Year 35	\$660,563
Year 16	\$432,824	Year 36	\$675,426
Year 17	\$442,563	Year 37	\$690,623
Year 18	\$452,520	Year 38	\$706,162
Year 19	\$462,702	Year 39	\$722,051
Year 20	\$473,113	Year 40	\$738,297

<b>Resolution No. 21 of 2023</b>			<b>Date: March 20, 2023</b>				
<input type="checkbox"/> Amendments			<input type="checkbox"/> On roll call			<input type="checkbox"/> 2/3 Required	
<input type="checkbox"/> Not on roll call.						<input type="checkbox"/> 3/4 Required	
Motion	Second	Council Member	Yes	No	Abstain	Reason	Absent
		<b>Paloma Wake</b>	x				
	x	<b>Justice McCray</b>	x				
		<b>George Mansfield</b>	x				
		<b>Wren Longno</b>	x				
x		<b>Molly Rhodes</b>	x				
		<b>Dan Aymar-Blair</b>	x				
		<b>Mayor Lee Kyriacou</b>	x				
		<b>Motion Carried</b>	x				

<sup>1</sup> Year 1 may be prorated depending on effective date of the PILOT Agreement.