§ 2310. Conveyance of property by the city to the authority and conveyance and leasing of said property by the authority. 1. The city may, by duly adopted resolution of the common council or by instruments authorized by such resolution, convey, with or without consideration, to the authority real and personal property owned by the city for use by the authority as a project. In case of real property so conveyed, the title thereto shall remain in the city but the authority shall have the use thereof for so long as its corporate existence shall continue and said real property shall be under its jurisdiction, control and supervision within the ambit of section twenty-three hundred twenty-six of this title and exempt from all taxes and assessments except such payments in lieu thereof as may be contained in such resolution or instrument of conveyance. However, such property may be sold, or optioned for sale, by the authority (1) under the payment or agreement to pay reasonable consideration to the city or to the authority according to their respective interest, and (2) upon approval of the terms of such sale, or option for sale, by duly adopted resolution of the common council.

2. To the end that the city or any school district wherein a project or projects or a part thereof of the authority are located may not suffer undue loss of taxes and local improvement assessments the authority in connection with property owned or held by it within the city and such district, is hereby authorized to pay annually in lieu of taxes and local improvement assessments to the city or such school district such sum as may be mutually agreed between the authority and the city or such school district as the case may be. The city and any such school district wherein a project or part thereof of the authority is located is hereby authorized and empowered to enter into an agreement or agreements with the authority to accept the payment or payments which the authority is hereby authorized and empowered to make. The sum so received by the city or any such school district shall be devoted to purposes to which taxes may be applied.

3. The city is authorized to install streets and utilities in the area of the project and to contract with the authority with respect to payments in lieu of local improvement assessments therefor and the

authority is authorized so to contract and to make appropriate payments in accordance therewith.

4. The authority is authorized in the event it leases any of the real property conveyed to it by the city, to provide that a portion of the rental derived therefrom shall be allocated to the aforesaid payments in lieu of taxes and assessments and to pay over said portion to the city or school district, as the case may be. The consent of the city or school district as to the method and amount of such allocation shall be appended to any such lease.