§ 489-aaaaa. Definitions. When used in this title:

1. "Aggregate floor area" means the sum of the gross areas of the several floors of a building or structure, measured from the exterior faces of exterior walls or from the center lines of walls separating two buildings or structures.

2. "Applicant" means any person obligated to pay real property taxes on the property for which an exemption from real property taxes under this title is sought or in the case of exempt property, the record owner or lessee thereof.

3. "Approved plans" means plans submitted to and approved by the department of buildings in connection with an applicant's building permit, including any amendments to such plans approved by such department before final inspection of the work for which such permit was issued.

4. "Benefit period" means the period of time when a recipient is eligible to receive benefits pursuant to this title.

5. "Certificate of eligibility" means the document issued by the department of finance pursuant to section four hundred eighty-nine-ddddd of this title.

6. "Commercial construction work" means the modernization, rehabilitation, expansion or other improvement of the portion of mixed-use property to be used for commercial purposes.

7. "Commercial purpose or use" means the buying, selling or otherwise providing of goods or services, including hotel services, or other lawful business or commercial activities permitted in mixed-use property.

8. "Exemption base." For the purpose of computing the exemption pursuant to section four hundred eighty-nine-bbbbb of this title, "exemption base" shall mean: (a) for the first through fifth taxable

years following the effective date of a certificate of eligibility, the assessed value of improvements made since the effective date of such certificate which are attributable exclusively to residential construction work or a combination of residential construction work and commercial construction work described in approved plans; and (b) for all other years, the assessed value of such improvements which have been made before the sixth taxable status date following the effective date of such certificate.

9. "Initial assessed value" means the lesser of (a) the taxable assessed value of real property appearing on the books of the annual record of the assessed valuation of real property on the effective date of a recipient's certificate of eligibility or (b) the assessed value to which such assessment is thereafter reduced pursuant to application to the tax commission or court order.

10. "Minimum required expenditure" means expenditure for residential construction work or a combination of residential construction work and commercial construction work in an amount equal to twenty per centum of the initial assessed value; provided, however, that if the department of finance, after consultation with the deputy mayor for finance and economic development, determines that a greater expenditure is required to encourage significant development of mixed-use property, it may establish by rule a higher percentage of initial assessed value, not to exceed fifty per centum thereof, as the minimum required expenditure.

11. "Mixed-use property" means property on which will exist, after completion of residential construction work or a combination of residential construction work and commercial construction work, a building or structure used for both residential and commercial purposes, provided that after completion of such construction work, more than twenty-five per centum of the aggregate floor area of such building or structure is used or held out for use as commercial, community facility or accessory use space.

12. "Mixed-use construction exemption area" means any area of a city having a population of one million or more persons, in which, subject to

the applicable law governing zoning in such city, mixed-use property is permitted, provided, however, that in the city of New York, subject to the applicable law governing zoning in such city, mixed-use construction exemption area shall mean: the area in the borough of Manhattan bounded by Murray Street on the north starting at the intersection of West Street and Murray Street; running easterly along the center line of Murray Street; connecting through City Hall Park with the center line of Frankfort Street and running easterly along the center lines of Frankfort and Dover Streets to the intersection of Dover Street and South Street; running southerly along the center line of South Street to Peter Minuit Plaza; connecting through Peter Minuit Plaza to the center line of State Street and running northwesterly along the center line of State Street to the intersection of State Street and Battery Place; running westerly along the center line of Battery Place to the intersection of Battery Place and West Street; and running northerly along the center line of West Street to the intersection of West Street and Murray Street.

13. "Person" means an individual, corporation, limited liability company, partnership, association, agency, trust, estate, foreign or domestic government or subdivision thereof, or other entity.

14. "Recipient" means an applicant to whom a certificate of eligibility has been issued pursuant to this title, or the successor in interest of such applicant, provided that where a person who has entered into a lease or purchase agreement with the owner or lessee of exempt property has been a co-applicant, such person or the successor in interest of such person shall be the recipient.

15. "Residential construction work" means the creation, modernization, rehabilitation, expansion or other improvement of dwelling units, other than dwelling units in a hotel, in the portion of mixed-use property to be used for residential purposes.

16. "Restricted activity" means any entertainment activity which the department of finance has identified in rules as an activity which, in the public interest, should not be encouraged through the benefits of

this title.