Department of Housing Preservation & Development

Office of Development, Division of Housing Incentives
100 Gold Street, Section 8-D07
New York, NY 10038
(212) 863-6603
nyc.gov/hpd

420-c – TAX INCENTIVE PROGRAMS

Application for Certification of Eligibility for Real Property Tax Exemption under Section 420-c of the Real Property Tax Law of the State of New York

1. Applicant Information

Legal Owner: _____ EIN/TIN: _____

House #: _____ Street: _____ City: _____ State: _____ Zip: _____

Contact Name: _____ Phone/Fax: _____ / _____

Sponsor: _____ EIN/TIN: _____

House #: _____ Street: _____ City: _____ State: _____ Zip: _____

Contact Name: _____ Phone/Fax: _____ / _____

Representative (firm): _____ Email: _____

House #: _____ Street: _____ City: _____ State: _____ Zip: _____

Contact Name: _____ Phone/Fax: _____ / _____

2. Project Information

Project Name: _____ Total Class A Units: _____ Total Class B Units: _____

Total Buildings: _____ **If more than 1 building, please list all buildings on the Building Information Table on page 2**

New or Rehab?		House #		Street	
Borough		Block		Lot & (Former lots)	

List the number of units in this building reserved for each AMI level and superintendents	0-30 % AMI	31-40 % AMI	41-50 % AMI	51-60 % AMI	61-70 % AMI	71-80 % AMI	81-90 % AMI	91-100 % AMI	101-110 % AMI	111-120 % AMI	121-130 % AMI	131-140 % AMI	141-150 % AMI	151-160 % AMI	161-165 % AMI	Super's Unit(s)

3. Other Tax Benefits

Have real estate tax exemption/abatement benefits been granted, or is an application for such benefits pending for the property?	☐ YES ☐ NO
IF YES, check one: ☐ 421-a ☐ UDAAP ☐ 420-a ☐ Art. XI ☐ J-51 ☐ Other: _____	
IF YES, is project currently subject to a PILOT payment?	☐ YES ☐ NO
Owner agrees that any such benefits will be revoked, or any application for such benefits will be withdrawn, if a 420-c Certificate of Eligibility is issued?	☐ YES ☐ NO

4. Declaratory Ruling

☐ Declaratory Ruling No. _____ dated _____ is attached OR
☐ Private opinion obtained OR ☐ None issued

If applicable, does this Ruling still accurately describe the project? ☐ YES ☐ NO (If NO, attach a separate sheet listing changes.)

For 420-c Program use only	DOCKET NUMBER	HPD STAMP

420-c BUILDING INFORMATION

Complete this page if project comprises more than one building
(Attach additional sheets as needed)

For internal use — Docket #

Name OR Principal Address of Project: _____ **Addendum Page #** _____ **of** _____
Total

Provide details for all buildings in project and calculate totals at the bottom:

Address	New or Rehab?	Boro	Block	Lot (former lots)	Total Units		Super's Unit(s)	% AMI														
					Class A	Class B		0-30	31-40	41-50	51-60	61-70	71-80	81-90	91-100	101-110	111-120	121-130	131-140	141-150	151-160	161-165
1.				( )																		
2.				( )																		
3.				( )																		
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6.				( )																		
7.				( )																		
8.				( )																		
9.				( )																		
10.				( )																		
Column Totals:					Class A 0	Class B 0	Super's 0	0-30 0	31-40 0	41-50 0	51-60 0	61-70 0	71-80 0	81-90 0	91-100 0	101-110 0	111-120 0	121-130 0	131-140 0	141-150 0	151-160 0	161-165 0

5. Tax Credit Status

Allocation by: ☐ NY City/HPD or ☐ NY State/DHCR or ☐ NY State/HFA or ☐ Other Housing Credit Agency of Federal Low Income Housing Tax Credits pursuant to Section 42 of the Internal Revenue Code.

Copies of the following documents evidencing this allocation are attached to this application:

☐ Credit Reservation dated _____ ☐ Carryover Allocation dated _____

☐ IRS FORM 8609 dated _____ ☐ Confirmation of tax credit use from the tax credit agency

(If not attached, IRS Form 8609 must be submitted within 36 months of this application.)

6. Regulatory Agreement

Regulatory Agreements with a government entity must restrict the use of the real property to housing accommodations for persons or families of low income, and impose the rental and occupancy restrictions established by Section 42 of the Internal Revenue Code. A Payment in Lieu of Taxes (PILOT) may also be required. Please attach the following:

☐ Regulatory Agreement dated _____ with _____ (govt. agency and program)

☐ Stamped as filed

☐ At least _____% of dwelling units are subject to the rental & occupancy restrictions established by Section 42 of the Internal Revenue Code.

Agency Contact Name: _____ Phone: _____ Email: _____

☐ There are _____ (no.) additional Regulatory Agreements listed and described separately as follows:

_____

_____

☐ Stamped as filed

7. Financial Documentation

☐ Finalized underwriting, including:

☐ Sources & uses ☐ Development budget ☐ Maintenance & operating expenses

☐ Rent schedules ☐ Debt service

☐ Funding & Disbursement Agreement (if available)

☐ Financial audits for last three years (if available)

☐ Project-based subsidy contracts and commitment letters (if requested)

8a. Ownership Structure (refer to *Definition of Eligible Entity Addendum* on p. 6)

Please include: ☐ Current organization chart; and

☐ Organization charts covering any previous ownership structures during the exemption period (if applicable)

Eligible Entity with management control of project:

☐ Limited Partnership ("LP") ☐ Limited Liability Company ("LLC") ☐ Other corporation or partnership

Exact Legal Name: _____

This entity holds:

☐ both legal and beneficial title under attached deed dated _____; or

☐ beneficial title only under attached nominee agreement dated _____; or

☐ both legal and beneficial leasehold interest for _____ years (30 years minimum) under attached lease dated _____; or

☐ beneficial leasehold interest only under attached lease and nominee agreement dated _____.

☐ General Partner(s) ("GP") or Managing Member ("MM") (if applicable)

Exact Legal Name: _____

Is this entity the sole GP or MM? ☐ YES ☐ NO (if NO, list others separately and describe)

☐ Charitable Organization holding _____% (min 50%) of the controlling interest in the ☐ GP or ☐ MM or ☐ Other corporation or partnership:

Exact Legal Name: _____

This Charitable Organization has:

☐ 501(c)(3) or (4) designation and low income housing purpose; or

☐ is wholly owned and wholly controlled by a 501(c)(3) or (4) Charitable Organization with low income housing purpose whose exact legal name is: _____

Legal Title Holder (if different from above):

☐ HDFC ☐ Other non-profit entity ☐ Other corporation, partnership, or LLC

Exact Legal Name: _____

☐ General Partner(s) ("GP") or Managing Member ("MM") (if applicable)

Exact Legal Name: _____

Is this entity the sole GP or MM? ☐ YES ☐ NO (if NO, list others separately and describe)

☐ Charitable Organization holding _____% (min 50%) of the controlling interest in the ☐ GP or ☐ MM or ☐ Other corporation or partnership:

Exact Legal Name: _____

This Charitable Organization has:

- ☐ 501(c)(3) or (4) designation and low income housing purpose; or
- ☐ is wholly owned and wholly controlled by a 501(c)(3) or (4) Charitable Organization with low income housing purpose whose exact legal name is: _____

8b. Ownership Structure

Attach the following documents to establish the ownership structure described above for both legal and beneficial owners if applicable:

For a Limited Partnership ("LP"), corporation or partnership attach:

- ☐ Certificate of incorporation or partnership listing the General Partner ("GP") stamped as filed.

For a Limited Liability Company ("LLC") attach:

- ☐ Articles of organization stamped as filed; and
- ☐ Operating agreement listing Managing Member ("MM").

If the GP or MM is corporation or partnership attach:

- ☐ Certificate of incorporation or partnership stamped as filed; and
- ☐ Stock or partnership certificate confirming that at least 50% of the controlling interest is held by a Charitable Organization.

If the GP or MM is an LLC attach:

- ☐ Articles of organization stamped as filed; and
- ☐ Operating agreement for the MM confirming that at least 50% of the controlling interest is held by a Charitable Organization.

For legal title holder under a nominee agreement such as an HDFC, attach documents for a:

- ☐ Corporation, partnership, or LLC as listed above; and/or
- ☐ Charitable Organization as listed below.

For a Charitable Organization attach:

- ☐ 501(c)(3) or (4) designation confirmation letter from the IRS; and
- ☐ Certificate of incorporation stamped as filed listing provision of housing accommodations for persons of low income as one of its purposes.

For a wholly owned Charitable Organization such as an HDFC that does not have 501(c)(3) or (4) designation attach:

- ☐ Certificate of incorporation stamped as filed that includes approved language for appointment of all directors by a Charitable Organization; and
- ☐ Documents listed above for the appointing Charitable Organization.

9. Certificate of Occupancy

Attach the Certificate of Occupancy ("CO") for each building, if available, and select the appropriate status below:

- ☐ Permanent CO; or
- ☐ Temporary CO that expires on _____; or
- ☐ CO not yet available, but expected by _____ (Please submit CO(s) once they are issued by the Dept. of Buildings)

10. Project Uses

If the Project includes more than dwelling units and public areas such as lobbies, stairs, hallways and mechanical spaces, please submit:

- ☐ A completed 420-c Space Allocation Addendum detailing the uses, location and dimensions of these areas.

If the Project is claiming 420-c "community facility use" space, please also submit either:

- ☐ A brief statement describing the proposed use of the community facility space(s); or
- ☐ If a temporary or permanent CO for the building is not yet available, submit an Architect Affidavit indicating that the proposed community facility uses are authorized under use groups 3 or 4 of the Zoning Resolution.

Verification

STATE OF NEW YORK)
) SS.:
COUNTY OF _____)

I, _____, being duly sworn, depose and say:

I am over the age of 18 years and reside at _____.

I am the _____(title if applicable) of the _____(owning entity)

which is the owner of the premises located at _____

_____, and I am duly authorized to sign this affidavit.

I prepared or caused the preparation of this application for a Certificate of Eligibility for said premises in order to secure tax exemption pursuant to §420-c of the New York State Real Property Tax Law as amended ("§420-c"). I hereby affirm that all the information submitted is true and accurate; that all the documentation supplied is accurate and complete; and that said premises conform to all requirements of §420-c and the Rules promulgated thereunder. I am aware that (i) portions of the Project which are not used as Housing Accommodations for Persons or Families of Low Income shall not receive §420-c benefits; (ii) if the ownership changes, I must apply for a revised Certificate of Eligibility or the § 420-c benefits will be revoked and (iii) if IRS Form 8609 has not been submitted as of the issuance of a §420-c Certificate of Eligibility, I must submit it within thirty-six (36) months of the initial filing date of this application.

Sworn to me this

_____ day of _____, 20_____

Notary Public

Affiant's Signature _____

Print Name _____

Title (if applicable) _____

Name of Legal Owning Entity _____

420-c DEFINITION OF ELIGIBLE ENTITY ADDENDUM

Definitions related to ownership established under the amended §420-c of the Real Property Tax Law. §420-c(3) and (4) pertain to applications to be approved after September 20, 2015.

Eligible Owner is defined in §420-c(4)(a)(6) as "one or more eligible entities that holds
(i) legal and beneficial title to eligible real property, or
(ii) a legal and beneficial leasehold interest with a term of not less than thirty years in eligible real property."

Eligible Entity as defined in §420-c(4)(a)(5) is "a corporation, partnership or limited liability company at least fifty percent of the controlling interest of which is held by a charitable organization."

Charitable Organization as defined in §420-c(4)(a)(4) is
"(i) an entity formed for purposes that include providing housing accommodations for persons and families of low income and that has received written recognition of exemption pursuant to Section 501(c)(3) or Section 501(c)(4) of the [Internal Revenue Code], or
(ii) a corporation, partnership or limited liability company wholly owned and wholly controlled by an entity formed for purposes that include providing housing accommodations for persons and families of low income and that has received written recognition of exemption pursuant to Section 501(c)(3) or Section 501(c)(4) of the [Internal Revenue Code]." See suggested language below for an HDFC or other non-profit subsidiary of a 501(c)(3) or (4).

Housing Accommodations shall mean Real Property used for (i) residential purposes including dwelling units, common sanitary and cooking and dining facilities, common recreation areas including outdoor recreation areas and public areas such as cellars, basements, public halls and stairs and roofs; or (ii) ancillary residential purposes including management, administrative and, for projects with an Initial Filing Date on or after the effective date of the rule adding this section, community facility uses that are authorized under use groups 3 and 4 of the Zoning Resolution. Notwithstanding the foregoing, any portion of the combined floor area of such ancillary residential purposes which exceeds twenty-five percent (25%) of the Aggregate Floor Area of the Real Property shall not qualify as Housing Accommodations.

Suggested language for an HDFC Certificate of Incorporation where the HDFC will be wholly owned and wholly controlled by a Charitable Organization by selection of the board of directors. Changes can be made to accommodate instances where the Charitable Organization has not yet received IRS designation or where the HDFC itself will eventually receive 501(c)(3) or (4) designation. See below for additional first sentence* and later phrase** where the HDFC has a sole member.

*The directors of _____[HDFC] shall, at all times, be limited to the individuals who are either members of the board of directors of _____ _____[Charitable Organization] or who have otherwise been appointed or elected directors of [HDFC] by [Charitable Organization]. In the event that [Charitable Organization]** dissolves or ceases to have written recognition of exemption pursuant to §501(c)(3) or §501(c)(4) of the Internal Revenue Code of 1986, as amended, or any successor statute from the United States Internal Revenue Service or any successor agency, the directors of the Corporation shall, at all times, be limited to individuals who have been appointed or elected by a comparable entity which has such exemption and which was formed for purposes that include providing housing accommodations for persons and families of low income."*

If the HDFC has the Charitable Organization as its sole member:

I. Add the following sentence to the beginning of the above paragraph, "The sole member of [HDFC] is [Charitable Organization];" and

II. Add the following phrase "ceases to be the sole member of the Corporation," where indicated in the above paragraph.

420-c SPACE ALLOCATION ADDENDUM

For all space not used as dwelling units or public areas

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Name OR Principal Address of Project: _____

Total Aggregate Floor Area: _____ **Addendum Page #** ____1____ **OF** _____ **(TOTAL)**

Please list the following spaces on this addendum:

(1) ADDITIONAL RESIDENTIAL AREAS*, such as common cooking and dining facilities, laundry rooms, common recreation areas, lounges, meeting rooms, libraries, parking exclusively for residents, if any

(**2) and (3) ANCILLARY RESIDENTIAL AREAS*** used **exclusively** or **primarily** for project residents, such as offices and other facilities for management, administration, social services

(4) INELIGIBLE COMMERCIAL, COMMUNITY FACILITY OR ACCESSORY USE AREAS*, such as retail stores, commercial offices, commercial/public parking; social service and community facilities not primarily for the use of the project residents

(5) COMMUNITY FACILITY USE*, such as social services, legal counseling, job training, educational services for project and area residents that complies with 420-c definition of Housing Accommodations

* For applications submitted on or after September 20, 2015, portions of a project which are eligible for 420-c tax benefits consist of space used as Housing Accommodations, which means "Real Property used for (i) residential purposes including dwelling units, common sanitary and cooking and dining facilities, common recreation areas including outdoor recreation areas and public areas such as cellars, basements, public halls and stairs and roofs; or (ii) ancillary residential purposes including management, administrative and, for projects with an Initial Filing Date on or after the effective date of the rule adding this section, community facility uses that are authorized under use groups 3 and 4 of the Zoning Resolution. Notwithstanding the foregoing, any portion of the combined floor area of such ancillary residential purposes which exceeds twenty-five percent (25%) of the Aggregate Floor Area of the Real Property shall not qualify as Housing Accommodations." See Title 28 RCNY §37-01.

List each space not used as dwelling units or public areas such as lobbies, stairs, hallways, mechanical spaces, etc.:

Location of Space Include: • Floor • Location • Address if multi-building project (e.g. 2nd floor, NE corner of 123 Main Street)	**Gross Square Footage** (SF)	**Is space leased?** (Yes/No)	**Description of Use** (e.g. dining, management, counseling, lounge, meeting area)	**Category** **(1)** Additional residential area exclusively for residents **(2)** Ancillary residential area exclusively for residents **(3)** Ancillary residential area primarily for residents **(4)** Ineligible space **(5)** Community facility use

(If needed, please use the "Space Allocation Addendum Continued" page)

⇨ **A schematic diagram of the above or a new or existing Certificate of Occupancy must accompany this addendum:**

NOTARY

Certified by (signature) _____ Date _____

Print Name and Title _____

Name of Legal Owner Entity _____

420-c SPACE ALLOCATION ADDENDUM

(CONTINUED)

For internal use – Docket #

Addendum Page # _____ OF _____
(TOTAL)

Location of Space Include: • Floor • Location • Address if multi-building project (e.g. 2nd floor, NE corner of 123 Main Street)	**Gross Square Footage** (SF)	**Is space leased?** (Yes/No)	**Description of Use** (e.g. dining, management, counseling, lounge, meeting area)	**Category** **(1)** Additional residential area exclusively for residents **(2)** Ancillary residential area exclusively for residents **(3)** Ancillary residential area primarily for residents **(4)** Ineligible space **(5)** Community facility use

NOTARY

Certified by (signature) _____ Date _____

Print Name and Title _____

Name of Legal Owner Entity _____

420-c TRANSMITTAL CHECKLIST

For internal use – Docket #

Name or Principal Address of Project: _____

Select which documents have been included with this application:

☐ 420-c application, signed and notarized

☐ Space Allocation Addendum for space not used as dwelling units or public areas, each page signed and notarized

☐ Building Information Addendum for projects comprising more than one building

☐ Tax Map OR ☐ RP 602

☐ Declaratory Ruling OR ☐ Private Opinion

☐ Latest document allocating Federal Low Income Housing Tax Credit:

- ☐ Credit Reservation dated _____
- ☐ Carryover Allocation dated _____
- ☐ IRS FORM 8609 dated _____
- ☐ Confirmation of tax credit use from the tax credit agency

(If not attached, IRS Form 8609 must be submitted within 36 months of this application)

☐ Regulatory Agreement(s) for all the block(s) and lot(s) in the application, stamped as filed

☐ Finalized underwriting, including:

- ☐ Sources & uses
- ☐ Development budget
- ☐ Maintenance & operating expenses
- ☐ Rent schedules
- ☐ Debt service
- ☐ Funding & Disbursement Agreement (if available)
- ☐ Financial audits for last three years (if available)
- ☐ Project-based subsidy contracts and commitment letters (if applicable)

☐ Nominee Agreement if title is split between legal and beneficial owners, stamped as filed

☐ Deed(s) for all block(s) lot(s) in the Project, stamped as filed OR ☐ Ground Lease

☐ All documents establishing ownership structure with proof of filing (stamped as filed) that establishes the Eligible Owner (s) (including both legal and beneficial owners):

For a Limited Partnership ("LP"), corporation or partnership attach:

- ☐ Certificate of incorporation or partnership listing the General Partner ("GP") stamped as filed.

For a Limited Liability Company ("LLC") attach:

- ☐ Articles of organization stamped as filed; and
- ☐ Operating agreement listing Managing Member ("MM").

If the GP or MM is corporation or partnership attach:

- ☐ Certificate of incorporation or partnership stamped as filed; and
- ☐ Stock or partnership certificate confirming that at least 50% of the controlling interest is held by a Charitable Organization.

If the GP or MM is an LLC attach:

- ☐ Articles of organization stamped as filed; and
- ☐ Operating agreement for the MM confirming that at least 50% of the controlling interest is held by a Charitable Organization.

For legal title holder under a nominee agreement such as an HDFC, attach documents for a:

- ☐ Corporation, partnership or LLC as listed above; and/or
- ☐ Charitable Organization as listed below.

For a Charitable Organization attach:

- ☐ 501(c)(3) or (4) designation confirmation letter from the IRS; and
- ☐ Certificate of incorporation stamped as filed listing provision of housing accommodations for persons of low income as a purpose.

For a wholly owned Charitable Organization such as an HDFC that does not have 501(c)(3) or (4) designation attach:

- ☐ Certificate of incorporation stamped as filed that includes approved language for appointment of all directors by a Charitable Org.; and
- ☐ Documents listed above for the appointing Charitable Organization.

☐ Temporary or permanent Certificate of Occupancy describing the uses on all floors OR ☐ Schematic diagram

☐ Statement describing community facility use spaces (if any) OR ☐ Architect Affidavit of community facility use (if a CO is not available)

☐ Filing Fee of $100 plus an additional Processing Fee of $ _____ (# Class A units @ $80 and/or # Class B units @ $60)
(Make certified check or money order payable to: *NYC Department of Finance*)