

The City of New York  
 Department of Housing Preservation and Development  
 100 Gold Street, Section 3Z, New York, NY 10038  
**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

Site Name, if any \_\_\_\_\_; Community Bd. # \_\_\_\_\_; Total Class A units \_\_\_\_\_ Total Class B units \_\_\_\_\_

Address of each building in Project	Borough	Block	Lot(s)	(Former Lots(s) if any )	#Units
_____	_____	_____	_____	(_____)	_____
_____	_____	_____	_____	(_____)	_____
_____	_____	_____	_____	(_____)	_____

*(CONTINUE ON SEPARATE SHEET IF NEEDED)*

SPONSOR _____	ADDRESS _____
OWNER _____	CONTACT (AGENT) _____
ADDRESS _____	ADDRESS _____
PHONE/FAX _____ / _____	PHONE/FAX _____ / _____
CONTACT (OWNER) _____	

- 1) **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:  J-51  421-a  420-a  Art. XI  UDAAP  Other \_\_\_\_\_
- Owner agrees that any such benefits will be revoked, or any application for such benefits will be withdrawn, if a 420-c Certificate of Eligibility is issued.
- 2) **DECLARATORY RULING:**  Declaratory Ruling No. \_\_\_\_\_ dated \_\_\_\_\_ is attached OR  None issued.  
 This Ruling still accurately describes the Project  Yes  No. If No, attach separate sheet listing changes.
- 3) **REGULATORY AGREEMENT AND FINANCIAL ANALYSIS** (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 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 \_\_\_\_\_  
 (government agency and program)  Stamped as filed
- At least \_\_\_\_\_ % of the dwelling units are restricted to households with incomes no greater than 60% of area median income.

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- Additional Regulatory Agreement dated \_\_\_\_\_ with \_\_\_\_\_ (government agency and program)
- Stamped as filed
- At least \_\_\_\_\_ % of the dwelling units are restricted to households with incomes no greater than 60% of area median income.
- There are \_\_\_\_\_ (no.) additional Regulatory Agreements listed and described separately as follows:
- 
- 

- Stamped as filed
- (If applicable) Regulatory Agreement dated \_\_\_\_\_ that imposes a Payment in Lieu of Taxes (PILOT)
- Stamped as filed
- FINANCIAL INFORMATION:** Please attach the following:
- Finalized underwriting, including the following:
- Sources & uses     Development budget     Maintenance & operating expenses
- Rent schedules     Debt service;
- Financial audits for last three years, if available;
- Project-based subsidy contracts and commitment letters, if applicable.

4) **ELIGIBLE OWNERSHIP INFORMATION**

A) **OWNERSHIP STRUCTURE:** Exact legal name(s) for the Eligible Entity that has management control of the project, and if applicable, the Eligible Entity that has separate legal title. (See attached definition of Eligible Entity):

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

Exact name \_\_\_\_\_

- Does this entity hold:     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 \_\_\_\_\_.

- (If applicable) General Partner(s) ("GP") or Managing Member ("MM"):

Exact name: \_\_\_\_\_

Is this entity the sole GP or MM  yes     no (if no, list others separately and describe)

- Charitable Organization that holds \_\_\_\_\_ % (at least 50%) of the controlling interest in the  GP or  MM or  Other corporation or partnership:

Exact 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 name is: \_\_\_\_\_



(If different than above) Legal title holder  HDFC,  Other non-profit entity or  Other corporation, partnership or LLC

Exact name: \_\_\_\_\_

(If applicable) General Partner(s) ("GP") or Managing Member ("MM"):

Exact name: \_\_\_\_\_

Is this entity the sole GP or MM  yes  no (if no, list others separately and describe)

Charitable Organization that holds \_\_\_\_\_% (at least 50%) of the controlling interest in the  GP or  MM or  Other corporation or partnership:

Exact 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 name is: \_\_\_\_\_

B) **DOCUMENTATION OF OWNERSHIP STRUCTURE:** Please attach the following documents to establish the ownership structure described above. Include both legal and beneficial owners if applicable.  Stamped as filed

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

Certificate of incorporation or partnership listing the General Partner ("GP")

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

Articles of organization and  Operating agreement listing Managing Member ("MM")

If the GP or MM is corporation or partnership attach:

Certificate of incorporation or partnership 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 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:

Charitable Organization as listed below and/or  Corporation, partnership or LLC as listed above

For a Charitable Organization attach:

501(c)(3) or (4) designation confirmation letter from the IRS and

Certificate of incorporation that lists provision of housing accommodations for persons and families 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 that includes approved language for appointment of all directors by a Charitable Organization

Documents listed above for the appointing Charitable Organization.

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 thirty six months of this application.)

6) **CONFIRMATION FROM GOVERNMENT AGENCY(IES) THAT THE PROJECT IS NOT IN DEFAULT UNDER THE REGULATORY AGREEMENT(S)**  Attached

7) **TEMPORARY OR PERMANENT CERTIFICATE OF OCCUPANCY**  Attached



8) **USE OF THE PROJECT:** PLEASE CHECK ALL THAT APPLY (Note: A space addendum must be attached if you have checked "B," "C" and/or "D," describing all space used for other than dwelling units and public areas).

- A) All portions of the Project are used for residential purposes and consist **only of dwelling units and public areas**, such as lobbies, public halls and stairs, cellars, basements, roofs, mechanical space; or
- B) In addition to dwelling units and public areas, the Project contains **eligible space used for additional residential purposes**,\* such as common cooking and dining facilities, laundry rooms, common recreation areas, lounges, meeting rooms; libraries, and a space addendum describing all such areas is attached; and/or
- C) In addition to dwelling units and public areas, the Project contains **eligible space used for ancillary residential purposes**,\* such as offices and other facilities for management, administration and social service programs primarily for the tenants, and a space addendum describing all such areas is attached; and/or
- D) In addition to dwelling units and public areas, the Project contains **ineligible commercial, community facility or accessory use space**, such as retail stores, commercial offices, social services and community facilities not primarily for the use of the residents, and a space addendum describing all such areas is attached.

\*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; (ii) ancillary residential purposes including management, administrative and social service offices and facilities ... primarily for Persons or Families of Low Income residing in such Housing Accommodations provided that such ancillary purpose does not exceed 25% of the Aggregate Floor Area of the Real Property." See Title 28 RCNY §31-01.

### 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 \_\_\_\_\_ Affiant's Signature \_\_\_\_\_

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ Print Name \_\_\_\_\_

Notary Public Title (if applicable) \_\_\_\_\_

Name of Owing 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 28, 2004.**

**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** is defined in the 420-c Rules (Sec. 31-01(b) of Title 28 RCNY) as “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; and (ii) ancillary residential purposes including management, administrative and social service offices and facilities used to provide social services (including Job Training, as defined herein) primarily for Persons or Families of Low Income residing in such Housing Accommodations provided that such ancillary purposes do not exceed 25% of the Aggregate Floor Area of the Real Property.”

**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:

\* Add the following sentence to the beginning of the above paragraph, “The sole member of [HDFC] is [Charitable Organization];” and

\*\*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

DOCKET # \_\_\_\_\_

PAGE # \_\_\_\_\_ OF \_\_\_\_\_  
(TOTAL)

Name OR Principal Address of Project \_\_\_\_\_

- PLEASE LIST: -- (1) **ADDITIONAL RESIDENTIAL AREAS**,\* such as common cooking and dining facilities, laundry rooms, common recreation areas, lounges, meeting rooms; libraries, if any; and/or
- (2) and (3) **ANCILLARY RESIDENTIAL AREAS**,\* used exclusively or primarily for project residents, such as offices and other facilities for management, administration, social services; and/or
- (4) **INELIGIBLE COMMERCIAL, COMMUNITY FACILITY OR ACCESSORY USE AREAS**, such as retail stores, commercial offices, social service and community facilities not primarily for the use of the project residents.

PLEASE DO NOT LIST AREAS USED AS DWELLING UNITS OR PUBLIC AREAS such as a lobbies, hallways, stairs, mechanical areas, etc. .

\* 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; (ii) ancillary residential purposes including management, administrative and social service offices and facilities used to provide services (including job training as defined herein) primarily for Persons or Families of Low Income residing in such Housing Accommodations provided that such ancillary purpose does not exceed 25% of the Aggregate Floor Area of the Real Property." See Title 28 RCNY §31-01.

List each space NOT used as dwelling units or stairs, halls and mechanical space areas:

Location: (i) floor; (ii) location, e.g., northeast corner of building at 2 <sup>nd</sup> Ave.; (iii) address if multi- building project.	Square Footage (SF)	Is Space Leased? (YES or NO)	<u>DESCRIBE USE (e.g., dining, management, counseling, lounge, meeting area) AND STATE WHETHER USE IS:</u> (1) additional residential area <u>exclusively</u> for residents; (2) ancillary residential area <u>exclusively</u> for residents; (3) ancillary residential area <u>primarily</u> for residents (4) <u>ineligible</u> area: such as retail store, commercial office, community facility, etc.
			<u>USE</u> <span style="float: right;"><u>CATEGORY (1,2,3 or 4)</u></span>

*use the "Spade Allocation Addendum Continued" page if needed*

A SCHEMATIC DIAGRAM of the above or a NEW OR EXISTING C of O, must accompany this addendum:

Certified by (signature): \_\_\_\_\_ Date \_\_\_\_\_

Notary Print Name and Title \_\_\_\_\_  
Organization \_\_\_\_\_ Phone \_\_\_\_\_



# 420-c SPACE ALLOCATION ADDENDUM CONTINUED

DOCKET # \_\_\_\_\_

PAGE # \_\_\_\_\_ OF \_\_\_\_\_  
(TOTAL PAGES)

Location: (i) floor; (ii) location, e.g., northeast corner of building at 2 <sup>nd</sup> Ave.; (iii) address if multi- building project.	Square Footage (SF)	Is Space Leased? (YES or NO	<u>DESCRIBE USE</u> (e.g., dining, management, counseling, lounge, meeting area) AND STATE WHETHER USE IS: (1) additional residential area <u>exclusively</u> for residents; (2) ancillary residential area <u>exclusively</u> for residents; (3) ancillary residential area <u>primarily</u> for residents (4) <u>ineligible</u> area: such as retail store, commercial office, community facility, etc.
			<u>USE</u> <span style="float: right;"><u>CATEGORY (1, 2, 3 or 4)</u></span>

Certified by (signature): \_\_\_\_\_ Date \_\_\_\_\_

Notary Print Name and Title \_\_\_\_\_

Organization \_\_\_\_\_ Phone \_\_\_\_\_



## TRANSMITTAL CHECKLIST – 420-c APPLICATION

DATE: \_\_\_\_\_ BOROUGH \_\_\_\_\_ BLOCK: \_\_\_\_\_ LOT(S) \_\_\_\_\_

PROJECT ADDRESS/NAME \_\_\_\_\_

FROM: \_\_\_\_\_

\_\_\_\_\_ ; PHONE \_\_\_\_\_ FAX: \_\_\_\_\_

Please process the attached application for 420-c benefits. The following documents are included:

- 420-c application &  Space Allocation Addendum for space not used as dwelling units or public areas.  
The application and space allocation addendum must be signed by the owner.
- Copy of the temporary or permanent certificate of occupancy describing the uses on all floors (if available).
- Tax map or RP 604, if applicable.
- Regulatory Agreement(s) for all the block(s) and lot(s) in the application, stamped as filed.
- Deed(s) for all block(s) lot(s) in the Project, stamped as filed OR  Ground lease if applicable.
- Nominee agreement if title is split between legal and beneficial owners.
- 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")

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

- Articles of organization and  Operating agreement listing Managing Member ("MM")

If the GP or MM is a corporation or partnership attach:

- Certificate of incorporation or partnership 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 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 that lists provision of housing accommodations for persons and families 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 that includes approved language for appointment of all directors by a Charitable Organization
- Documents listed above for the appointing Charitable Organization.

- Latest document allocating Federal Low Income Housing Tax Credit:
  - Credit reservation  Carryover allocation
  - Allocation certificate (IRS Form 8609)  Confirmation of tax credit use

- Letter from the government agency and program confirming that the Project is not in default of its Regulatory Agreement.

- Finalized underwriting, including:

- Sources & uses  Development budget  Maintenance & operating expenses
- Rent schedules  Debt service
- Financial audits for last three years, if available
- Project-based subsidy contracts and commitment letters, if applicable.

- Filing fee of \$100 plus additional Processing fee of \$ \_\_\_\_\_ (# Class A units @ \$80 and/or # Class B units @ \$60)

MAKE CERTIFIED CHECK or money order payable to the NYC Department of Finance.

