

**CITY OF HUDSON  
COMMON COUNCIL  
RESOLUTION NO. \_\_\_\_\_  
DATED \_\_\_\_\_, 2020**

**A RESOLUTION AUTHORIZING THE EXECUTION OF A PAYMENT  
IN-LIEU OF TAX (“PILOT”) AGREEMENT BY AND AMONG THE  
CITY OF HUDSON, 75 NORTH 7<sup>TH</sup> STREET HUDSON HOUSING  
DEVELOPMENT FUND COMPANY, AND 75 NORTH 7<sup>TH</sup> STREET  
HUDSON LIMITED PARTNERSHIP**

WHEREAS, pursuant to Article 11 of the NYS Private Housing Finance Law (“PHFL”), a Housing Development Fund Company may be organized to undertake a project which consists of the provision of dwelling accommodations, including the acquisition, construction and/or rehabilitation of lands, buildings and improvements, and such commercial, social, recreational, communal or other non-housing facilities as may be incidental or appurtenant thereto, for persons of low income; and

WHEREAS, pursuant to Section 577 of the PHFL, the City is authorized to exempt such a project from local and municipal taxes including school taxes, other than assessments for local improvements, to the extent of all or part of the value of the property included in the completed project for a period of not more than forty years commencing in each instance from the date on which the benefits of such exemption first became available and effective; and

WHEREAS, in 2018 the Common Council of the City of Hudson adopted the Hudson Strategic Housing Action Plan, one of the overarching goals of which is to “facilitate the support and development of mixed-income housing carried out by private and non-profit developers;” and

WHEREAS, the Hudson Strategic Housing Action Plan called for the City to establish a streamlined process for providing Payment in Lieu of Taxes (PILOT) agreements to support development of mixed-income housing; and

WHEREAS, Galvan Initiatives Foundation has proposed to create the 75 NORTH 7<sup>TH</sup> STREET HUDSON HOUSING DEVELOPMENT FUND COMPANY (“HDFC”) as a “Housing Development Fund Company” as defined in Section 572 of the PHFL, organized under Article 11 of the PHFL and Section 402 of the Not-For-Profit Corporation Law, to acquire title to an approximately .56 acre parcel of property at 65-75 North 7<sup>th</sup> Street in the City, including existing improvements (“Property”) for the benefit of 75 NORTH 7<sup>TH</sup> STREET HUDSON LIMITED PARTNERSHIP (“PARTNERSHIP”), a New York limited partnership, having its principal office located c/o Galvan Initiatives Foundation, 252 Columbia Street, Hudson, New York 12534, and both HDFC and the Partnership have been or will be formed for the purpose of providing mixed-income residential rental accommodations including residential rental housing for persons of low income; and

WHEREAS, the HDFC will form the Partnership and act as its co-general partner in order to develop, own, construct, maintain and operate a mixed-income residential building at the Property, including rental housing for persons of low income, anticipated to consist of eighty-one residential rental units consisting of 83,000 gross square feet (the "Housing Units") and 4000 gross square feet of commercial rental on the ground floor of the proposed residential buildings (the "Commercial Space") (collectively the "Project"); and

WHEREAS, the Partnership is pursuing public financing from New York State Homes and Community Renewal which will include the execution of a regulatory agreement requiring that the tenants of the Housing Units in the Project be limited to persons of low income as required under the DHCR's LIHTC qualified plan for 50 years; and

WHEREAS, the HDFC has requested that the City support the application for financing based on a proposed PILOT agreement for the Property in the form on file with the City Clerk ("PILOT Agreement") providing for a 95% partial tax exemption and payment of an agreed upon amount in lieu of taxes, which amount has been computed based on a fixed amount of \$77,000 increased by 2% each year, representing a reduced portion of the estimated amount which would otherwise be due regarding the Housing Units, plus the approximate amount which would otherwise be due with respect to the Commercial Space; and

WHEREAS, the Partnership has provided pro forma operating estimates showing that a fixed payment PILOT in the amount proposed is necessary for the Project to be feasible; and

WHEREAS, the provision of the proposed PILOT Agreement is expected to result in a \$58,000 increase in revenue compared to the current assessment;

WHEREAS, the HDFC's and the Partnership's plan for the use of the Property constitutes a "housing project" as that term is defined in the PHFL; and

WHEREAS, the City acts on behalf of itself and the County of Columbia and the Hudson City School District in assessing real property for purposes of taxation within the meaning of Section 125(1) of Article V of the PHFL;

WHEREAS, the HDFC is a "housing development fund company" as the term is defined in Section 572 of the PHFL and Section 577 of the PHFL authorizes the Common Council to exempt the Project from real property taxes; and

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of Hudson hereby supports the application for financial assistance for the Project including the proposal for a PILOT Agreement by and among the City of Hudson, the HDFC, and the Partnership, in substantially the form presented at this meeting, providing for exemption of the Project from real property taxes to the extent authorized by Section 577 of the PHFL and annual amounts payable in quarterly installments as further provided in such PILOT Agreement.

BE IT FURTHER RESOLVED, that final approval of the PILOT Agreement will be considered upon completion of review by the City of Hudson Planning Board and compliance with the State Environmental Quality Review Act.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to provide a letter of support on behalf of the City of Hudson with respect to the Project described herein.

BE IT FURTHER RESOLVED, that the officers, employees and agents of the City are hereby authorized and directed for and in the name and on behalf of the City to do all acts and things as may be necessary or, in the opinion of the officer, employee or agent acting, desirable and proper to effect the purposes of this resolution.

Introduced by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

Approved: \_\_\_\_\_

By: \_\_\_\_\_  
Mayor Kamal Johnson

**AGREEMENT FOR PAYMENT IN LIEU OF TAXES (PILOT) BY AND  
AMONG THE CITY OF HUDSON, 75 NORTH 7<sup>TH</sup> HUDSON HOUSING  
DEVELOPMENT FUND COMPANY, AND 75 NORTH 7<sup>TH</sup> HUDSON  
LIMITED PARTNERSHIP**

THIS AGREEMENT FOR PAYMENT IN LIEU OF TAXES (the "Agreement"), dated \_\_\_\_\_, 2020, by and among the CITY OF HUDSON, NEW YORK, a New York incorporated municipality, having its principal office located at City Hall, 520 Warren Street, Hudson, New York 12534 (the "City") and 75 NORTH 7<sup>TH</sup> HUDSON HOUSING DEVELOPMENT FUND COMPANY an Article XI New York private housing finance law corporation and a New York not-for-profit corporation, having its principal office located c/o Galvan Initiatives Foundation, 252 Columbia Street, Hudson, New York 12534 (the "HDFC"), which HDFC will hold title to the Property (as hereinafter defined) for the benefit of 75 NORTH 7<sup>TH</sup> HUDSON LIMITED PARTNERSHIP, a New York limited partnership, having its principal office located c/o Galvan Initiatives Foundation, 252 Columbia Street, Hudson, New York 12534 (the "Partnership").

WHEREAS, pursuant to Article 11 of the NYS Private Housing Finance Law ("PHFL"), a Housing Development Fund Company may be organized to undertake a project which consists of the provision of dwelling accommodations, including the acquisition, construction and/or rehabilitation of lands, buildings and improvements, and such commercial, social, recreational, communal or other non-housing facilities as may be incidental or appurtenant thereto, for persons of low income; and

WHEREAS, pursuant to Section 577 of the PHFL, the City is authorized to exempt such a project from local and municipal taxes including school taxes, other than assessments for local improvements, to the extent of all or part of the value of the property included in the completed project for a period of not more than forty years commencing in each instance from the date on which the benefits of such exemption first became available and effective; and

WHEREAS, 75 NORTH 7<sup>TH</sup> HUDSON HOUSING DEVELOPMENT FUND COMPANY ("HDFC") is a "Housing Development Fund Company" as defined in Section 572 of the PHFL, organized under Article 11 of the PHFL and Section 402 of the Not-For-Profit Corporation Law, to acquire title to an approximately .56 acre parcel of property at 65-75 North 7<sup>TH</sup> Street in the City, including existing improvements ("Property") for the benefit of 75 NORTH 7<sup>TH</sup> HUDSON LIMITED PARTNERSHIP ("PARTNERSHIP"), a New York limited partnership, having its principal office located c/o Galvan Initiatives Foundation, 252 Columbia Street, Hudson, New York 12534; and

WHEREAS, HDFC is the co-general partner of the Partnership formed to develop, own, construct, maintain and operate a mixed-income residential building at the Property, including rental housing for persons of low income, anticipated to consist of seventy-seven residential rental units consisting of approximately 83,000 gross square feet (the "Housing Units") and approximately 4000 gross square feet of commercial rental space on the ground floor of the proposed residential building (the "Commercial Space") (collectively the "Project"); and

WHEREAS, the Partnership has obtained a commitment for public financing from New York State Homes and Community Renewal which will include the execution of a regulatory agreement requiring that the tenants of the Housing Units in the Project be limited to persons of low income as required under the DHCR's LIHTC qualified plan for not less than the term of this agreement; and

WHEREAS, the HDFC's and the Partnership's plan for the use of the Property constitutes a "housing project" as that term is defined in the PHFL; and

WHEREAS, the City acts on behalf of itself and the County of Columbia and the Hudson City School District in assessing real property for purposes of taxation within the meaning of Section 125(1) of Article V of the PHFL;

WHEREAS, the HDFC is a "housing development fund company" as the term is defined in Section 572 of the PHFL and Section 577 of the PHFL authorizes the City to exempt the Project from real property taxes; and

WHEREAS, the HDFC is, or will become, the bare legal or record owner, and the Partnership is, or will become, the beneficial and equitable owner, of certain real property located in the City of Hudson, County of Columbia, State of New York, as more particularly described in Exhibit A attached hereto (the "Property"); and

WHEREAS, the HDFC is a corporation established pursuant to Section 402 of the Not-For-Profit Corporation Law and Article XI of the Private Housing Finance Law ("PHFL") which has as one of its primary purposes the improvement of housing for persons of low income, or a wholly owned subsidiary of such corporation or organization; and

WHEREAS, the HDFC has been formed and the Partnership has been formed for the purpose of providing mixed-income residential rental accommodations including residential rental accommodations for persons of low-income; and

WHEREAS, pursuant to PHFL Section 577, the local legislative body of a municipality may exempt the real property of a housing project of a housing development fund company from local and municipal taxes, including school taxes, other than assessments for local improvements, to the extent of all or a part of the value of the property included in the completed project; and

WHEREAS, the Council Members of the City of Hudson, New York, by resolution adopted \_\_\_\_\_, 2020, approved and authorized the execution of this Agreement,

NOW, THEREFORE, it is agreed as follows:

1. Pursuant to section 577 of the PHFL, the City hereby exempts from local and municipal taxes, other than assessments for local improvements, ninety-five percent (95%) of the value of the Property, including both land and improvements (the "Exempt Portion"). "Local and Municipal Taxes" shall mean any and all real estate taxes levied by Columbia

County ("County"), the City of Hudson ("City"), the School District ("School District") or other taxing jurisdiction (collectively, the "Taxing Jurisdictions").

2. This partial tax exemption will commence on the later of the date that the HDFC acquires the Property or the date the Housing Units receive a Certificate of Occupancy, and operate for a period of forty (40) years from the effective date. This Agreement shall not limit or restrict the HDFC's or Partnership's right to apply for or obtain any other tax exemption to which it might be entitled upon the expiration of this Agreement.  
The parties understand that the exemption extended pursuant to Section 577 of the PHFL and this Agreement does not include exemption from special assessments and special ad valorem levies. During the period of this Agreement, the Partnership shall pay any service charges, special ad valorem levies, special assessments and improvement district charges or similar tax equivalents which are or would be levied upon or with respect to the Project by the Taxing Jurisdictions or any other taxing authority. During the period of this Agreement, the Partnership shall pay the amount of real property taxes levied upon the project by the Taxing Jurisdictions or any other taxing authority attributable to (i) the period prior to the effective date of the partial tax exemption, and thereafter (ii) that proportion of the Property not subject to the partial tax exemption provided by this agreement. In addition to any other remedies provided by law, failure to pay such charges, levies, assessments or taxes shall be deemed a default under this Agreement.
3. So long as the exemption hereunder continues, the Partnership shall make annual payments in lieu of taxes ("PILOT") in the amount set forth in this section, which payments shall cover all Local and Municipal Taxes owed in connection with the Exempt Portion of the Property and the Project, and which payments shall be shared by the Taxing Jurisdictions on the same basis as property taxes would be shared if the Property and the Project were fully taxed. The PILOT shall be in the annual amount of Seventy-Seven Thousand Dollars (\$77,000) per annum (commencing in and prorated for the year the Project is placed in service), provided that the PILOT payable in any subsequent calendar year shall be increased by 2% from the prior calendar year. So long as the partial tax exemption remains in effect, tenant rental charges shall not exceed the maximum established or allowed by law, rule or regulation, and the Property shall be operated in conformance with the provisions of Article XI of PHFL. For each calendar year, the PILOT shall become a lien as of January 1, and shall be due in four equal installments payable on each January 31, April 15, July 31, and September 15. Payments shall be mailed via First Class mail through the United States Postal Service or personally delivered to the City of Hudson, Attention Treasurer, 540 Warren Street, Hudson, New York 12534, or such other address as the City Treasurer may specify in writing.
4. The partial tax exemption provided by this Agreement will continue for the term described above provided that (a) the Property and the Project continues to be used as housing facilities for persons of low income in accordance with the income and rent limitations attached hereto at Exhibit B, and (b) (i) the HDFC and the Partnership operate the Project and the Project in conformance with Article XI of the PHFL or if the HDFC assumes sole legal and beneficial ownership of the Property and the Project, and the HDFC will operate the Project in conformance with Article XI of the PHFL; or (iii) in the

event an action is brought to foreclose a mortgage upon the Property, and the legal and beneficial interest in the Property and the Project shall be acquired at the foreclosure sale or from the mortgagee, or by a conveyance in lieu of such sale, by a housing development fund corporation duly organized and authorized to acquire and operate the Project pursuant to Article XI of the PHFL and such successor in interest shall operate the Project in conformance with Article XI of the PHFL.

5. The failure to make any required payment will be treated as failure to make payment of taxes and will be governed by the same provisions of law as apply to the failure to make payment of taxes, including but not limited to enforcement and collection of taxes to the extent permitted by law.
6. In addition to failure to pay any amount when due, HDFC and the Partnership shall be in default of this Agreement in the event of material failure to observe and perform any other covenant, condition of agreement on its part to be observed and performed hereunder, and continuance of such failure for a period of thirty (30) days after written notice specifying the nature of such failure and requesting that it be remedied; or any warranty, representation or other statement by or on behalf of HDFC or the Partnership contained in this Agreement shall prove to have been false or untrue in any material respect on the date when made or on the effective date of this Agreement. Any payment not received by its due date shall accrue interest and penalties at the rates provided for late payment of taxes to the Taxing Jurisdictions.

Whenever any event of default under this Agreement shall have occurred and be continuing, the City shall have the following remedies. The City may terminate this Agreement and exercise all of the rights and remedies available for failure to pay property taxes as and when due had this Agreement not been in effect. The City may take whatever action at law or in equity as may appear necessary or desirable to collect the amount then in default or to enforce the performance and observance of the obligations, agreements and covenants of HDFC and the Partnership under this Agreement, and the Partnership shall further pay the reasonable fees and disbursements of such attorneys as the City shall engage for the enforcement of performance or observance of any obligation, covenant or agreement on the part of HDFC and the Partnership and all other expenses, costs and disbursements so incurred.

No remedy herein conferred reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute.

No delay or omission in exercising any remedy shall impair any such remedy or construed to be a waiver thereof. It shall not be necessary to give any notice other than as expressly required under this Agreement. In the event any provision contained in this Agreement should be breached and thereafter duly waived by the party or parties so empowered to act, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder.

7. All notices and other communications hereunder shall be in writing and shall be sufficiently given when delivered to the applicable address stated above (or such other address as the party to whom notice is given shall have specified to the party giving notice) by registered or certified mail, return receipt requested or by such other means as shall provide the sender with documentary evidence of such delivery.
8. This Agreement shall inure to the benefit of and shall be binding upon the City, the HDFC and the Partnership and their respective successors and assigns, including the successors in interest of the HDFC and the Partnership. There shall be no assignment of this Agreement except with consent of the other party, which consent shall not be unreasonably withheld provided that the assignee or its general partner shall be a housing development fund company subject to Article XI of the PHFL, the assignee shall be controlled by the housing development fund company to the extent required pursuant to Article 11 of the PHFL, the assignee shall have assumed the obligations of this Agreement in writing reasonably satisfactory to the City, and the assignee shall have provided such financial and other information as shall be reasonably requested by the City in order to assure the proper completion and operation of the Project and the compliance with the terms of this Agreement and all applicable laws, regulations and covenants.
9. If any provision of this Agreement or its application is held invalid or unenforceable to any extent, the remainder of this Agreement and the application of that provision to other persons or circumstances shall be enforced to the greatest extent permitted by law.
10. No waiver or modification of this Agreement or any covenant, condition or limitation therein shall be valid unless in writing and duly executed by the individual party to be charged therewith; and no evidence of any waiver or modification shall be offered or received in evidence in any proceeding, arbitration, or litigation between the parties hereto arising out of or affecting this Agreement, or the rights or obligations of any party hereunder, unless such waiver or modification is in writing, duly executed as aforesaid. The provisions of this Section may be waived as herein set forth.
11. This Agreement may be executed in any number of counterparts with the same effect as if all the signing parties had signed the same document. All counterparts shall be construed together and shall constitute the same instrument.
12. This Agreement constitutes the entire agreement of the parties relating to payments in lieu of taxes with respect to the above described property and supersedes all prior contracts, or agreements, whether oral or written, with respect thereto.
13. Each of the parties individually represents and warrants that the execution, delivery and performance of this Agreement, (i) has been duly authorized and does not require any other consent or approval, (ii) does not violate any article, by-law or organizational document or any law, rule, regulation, order, writ, judgment or decree by which it is bound, and (iii) will not result in or constitute a default under any indenture, credit



agreement, or any other agreement or instrument to which any of them is a party. Each party represents that this Agreement shall constitute the legal, valid and binding agreement of the parties enforceable in accordance with its terms.

14. The City represents and warrants that the execution, delivery and performance of this Agreement, (i) has been duly authorized by proper action of its governing body and does not require any other consent or approval for the execution thereof by such municipality, (ii) does not violate any law, rule, regulation, order, writ, judgment or decree by which it is bound, and (iii) will not result in or constitute a default under any agreement or instrument to which it is a party. The City represents that this Agreement shall constitute the legal, valid and binding agreement of such party enforceable in accordance with its terms.

15. The Partnership and HDFC jointly and severally make the following representations, warranties and covenants:

(i) The HDFC is a "housing development fund company" under Article XI of the PHFL, and the Partnership is a limited partnership the co-general partner of which is HDFC, each of which is organized, validly existing and in good standing under the laws of the State and is authorized under the laws of the State to do business in the State, has the power to enter into this Agreement and to perform the transactions contemplated hereby and its obligations hereunder and by proper action has duly authorized the execution and delivery of this Agreement and the performance of its obligations hereunder, and the execution, delivery and performance of this Agreement does not require any other consent or approval. This Agreement shall constitute the legal, valid and binding agreement of HDFC and the Partnership enforceable in accordance with its terms.

(ii) Neither the Partnership nor HDFC is in default under, or in violation of, any indenture, mortgage, declaration, lien, lease, contract, note, order, judgment, decree or other instrument of any kind to which any of its assets are subject, and the execution, delivery and compliance by the Partnership or HDFC with the terms and conditions of this Agreement do not and will not conflict with or constitute or result in a default by the Partnership or HDFC in any material respect under or violation of, (1) the entity's organizational documents, (2) any agreement or other instrument to which such entity is a party or by which, to such entity's knowledge, it is bound, or (3) any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Partnership or HDFC or its property, and no event has occurred and is continuing which, with the lapse of time or the giving of notice, or both, would constitute or result in such a default or violation.

(iii) The Partnership and HDFC acknowledge and agree that the City makes no representation with respect to the tax-exempt status of all or any portion of the Property.

(iv) The Partnership has provided to the City true and complete financial information with respect to the Property, including without limitation project costs, financing sources, rents and income limitations.

(v) The Partnership covenants and agrees to operate the Property in accordance with all applicable rules and regulations of Article XI of the PFHL, including without limitation applicable rent limits and income limits, and in accordance with the plan attached hereto at Exhibit B.

(vi) The Partnership covenants and agrees to provide to the City any information or documents reasonably requested in writing by the City in order to provide any federal, state or local entity with information or reports required under any applicable law, rule or regulation.

16. The City shall file a copy of the fully executed Agreement with the City Assessor. The Partnership shall be responsible for taking such actions as may be necessary to ensure that the Property shall be assessed as exempt upon the assessment rolls of the respective Taxing Jurisdictions, including without limitation ensuring that any required exemption form shall be filed with the appropriate officer or officers of each respective Taxing Jurisdiction. Such exemption shall be effective as of the first taxable status date of the applicable Taxing Jurisdiction following the date of this Agreement or such earlier date as the Supervising Agency may approve and is permitted by law, provided that the Partnership shall timely file any requisite exemption forms.
17. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

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Draft for Discussion Purposes Only  
4 9 2020

IN WITNESS WHEREOF, the City, the HDFC and the Partnership have caused this Agreement to be executed in their respective names by their duly authorized representatives and their respective seals to be hereunder affixed, all as of the date first above-written.

CITY OF HUDSON, NEW YORK

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

75 NORTH 7<sup>TH</sup> HUDSON HOUSING DEVELOPMENT FUND COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

75 NORTH 7<sup>TH</sup> HUDSON LIMITED PARTNERSHIP

By: \_\_\_\_\_, its General Partner

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Draft for Discussion Purposes Only  
4 9 2020

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

On the \_\_\_\_ day of \_\_\_\_\_ in the year 2020, before me personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_

NOTARY PUBLIC

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

On the \_\_\_\_ day of \_\_\_\_\_ in the year 2020, before me personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_

NOTARY PUBLIC

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

On the \_\_\_\_ day of \_\_\_\_\_ in the year 2020, before me personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or person upon behalf of which the individual acted, executed the instrument.

\_\_\_\_\_

NOTARY PUBLIC



EXHIBIT A

[Insert legal description for the Property]

EXHIBIT B

INCOME AND RENT LIMITS

Project: 75 North 7<sup>th</sup> Hudson HDFC

Property: 65-75 North 7<sup>th</sup>, Hudson, NY

Project Units: 77 residential rental units in a mix of studio, 1 and 2 BR's, limited as follows:

- 1 Resident Caretaker
- 35% of units at 40% to 60% of area median income
- 35% of units above 60% up to 80% of area median income
- 30% of units above 80% up to 130% of area median income

Area median income and limits are to be determined consistent with methodology under NYS DHCR regulations for low income housing tax credit and housing trust fund projects.

Rents will be limited to 30% of the applicable median income limit specified by DHCR in accordance with federal Low Income Housing Tax Credit and Housing Trust Fund program requirements.

Income and Rent limits will be applicable for the 40 year term of the PILOT Agreement.



## 75 North 7<sup>th</sup> Street

Hudson, New York

April 10, 2020



<b>Sponsor</b>	Galvan Foundation
<b>Developer</b>	Galvan Foundation
<b>Status</b>	Pre-development
<b>Commercial Sq ft</b>	4,000
<b>Residential Sq Ft</b>	83,000 sq. ft.
<b>Units</b>	77
<b>Unit Mix</b>	Studio: 8 One Bedroom: 38 Two Bedroom: 31
<b>Income Limits</b>	Affordable (40-60% AMI): 27 Moderate (up to 80% AMI): 26 Middle (80%-130% AMI): 23
<b>Development Cost</b>	Approximately \$22 million
<b>Planned Capital Financing</b>	<ul style="list-style-type: none"> <li>• 9% LIHTC</li> <li>• SLIHC</li> <li>• Housing Trust Fund, MIHP</li> <li>• CIF</li> <li>• NYSERDA</li> <li>• Private Financing</li> </ul>
<b>Zoning</b>	G-C-T
<b>Architect</b>	Urban Architectural Initiatives
<b>Contractor</b>	TBD
<b>Property Manager</b>	Galvan Asset Management

### Project

75 North 7<sup>th</sup> Street is a four-story multi-use new construction project creating 77 units of mixed-income rental housing and 4,000 square feet of commercial space for small businesses. The project is planned in collaboration with City of Hudson Mayor Kamal Johnson.

### Community Need

In 2018, the City of Hudson adopted the Strategic Housing Action Plan, a housing plan specifically calling for development of mixed-income housing in Hudson.

### Affordability Plan

75 North 7<sup>th</sup> Street includes 27 affordable units, ranging from 40%-60% of the Columbia County Area Media Income (AMI), 26 moderate income units up to 80% of AMI, 23 middle income units ranging from 80%-130% AMI, and 1 superintendent's unit. The project creates apartments for households earning anywhere from \$20,000 to \$92,000 per year. As required by project financing, rents are limited to 30% of the unit income limit. The project income and rent limits stay in effect for 50 years.

### Payment In Lieu of Taxes (PILOT) Request

The project is seeking a PILOT Agreement from the City of Hudson. The proposed payment amount of \$77,000 is the maximum amount possible given the private financing debt service coverage ratio requirement. The parcels currently generate approx. \$20,000 in annual taxes. By entering into the PILOT agreement, the City unlocks an additional \$57,000 of annual revenue.

### Development Plan

Galvan owns the site and current zoning allows for the development as-of-right. Galvan intends to pursue public and private financing. The project possesses a \$1,000,000 award from NYSERDA for Buildings of Excellence Program.

### About Galvan Foundation

Galvan is a leading nonprofit developer of housing, community facilities, and commercial spaces in Columbia County. Galvan has created or preserved over 200 units of mixed-income housing and over 50,000 square feet of commercial and community facility space, including two schools, a library, day care center, and spaces for small businesses throughout Hudson.





75 North 7<sup>th</sup> Street  
Proposed Unit Income Mix  
April 10, 2020

- 40 - 60% of the Columbia County HUD Area Median Income: 27 units or 35% of total
- 60 - 80% of the Columbia County HUD Area Median Income: 26 units or 35% of total
- 80 - 130% of the Columbia County HUD Area Median Income: 23 units or 30% of total