

467-M AFFORDABLE HOUSING FROM COMMERCIAL CONVERSIONS TAX INCENTIVE (AHCC)

35 Year Benefit: Construction Must Commence on or before June 30, 2026		
Benefit Year	Tax Savings inside Manhattan Prime Development Area	Tax Savings outside Manhattan Prime Development Area
Construction Period	100%	100%
Years 1-30	90%	65%
Year 31	80%	50%
Year 32	70%	40%
Year 33	60%	30%
Year 34	50%	20%
Year 35	40%	10%

30 Year Benefit: Construction Must Commence on or before June 30, 2028		
Benefit Year	Tax Savings inside Manhattan Prime Development Area	Tax Savings outside Manhattan Prime Development Area
Construction Period	100%	100%
Years 1-25	90%	65%
Year 26	80%	50%
Year 27	70%	40%
Year 28	60%	30%
Year 29	50%	20%
Year 30	40%	10%

25 Year Benefit: Construction Must Commence on or before June 30, 2031		
Benefit Year	Tax Savings inside Manhattan Prime Development Area	Tax Savings outside Manhattan Prime Development Area
Construction Period	100%	100%
Years 1-20	90%	65%
Year 21	80%	50%
Year 22	70%	40%
Year 23	60%	30%
Year 24	50%	20%
Year 25	40%	10%

SUMMARY

467-M is a New York City tax incentive program under state law (RPTL §467-m) designed to encourage the conversion of non-residential buildings—such as office properties—into residential rental housing. The program offers partial property tax exemptions to developers who include required levels of affordable housing in these office to residential conversions

1 COMMENCEMENT AND COMPLETION OF CONSTRUCTION DEADLINES

- Commence construction on or after December 31, 2022.
- Complete construction on or before December 31, 2039.
- Benefit term will be determined by the commencement of construction date. See page 1 for details.

2 ELIGIBILITY

- Prior use of building must be non-residential.
- Not previously used as a hotel.
- If expanded, the gross cubic content of the new building must contain no less than 50% of the square footage of the pre-existing building.
- New building must contain at least six (6) dwelling units.

3 AFFORDABLE HOUSING REQUIREMENTS

- Affordable housing units must be leased by a certified marketing agent in accordance with the applicable area median income requirements for the project.
- If a floor contains one or more affordable housing units, then each floor must contain a minimum of 30% market rate units.
- Either: A) the affordable housing unit mix must be proportionate to the market rate housing unit mix or B) no more than 25% of the affordable housing units may be studios and no less than 50% of the affordable housing units must be 2BR units or larger.
- If there were residential units on the property three years prior to the commencement of the construction date, an affordable unit must be provided to effectively replace each demolished unit.
- All rental dwelling units shall share the same common entrances and common areas and shall not be isolated to a specific floor or area of an eligible dwelling.
- Affordable housing units must remain affordable in perpetuity.
- At least 25% of the housing units must be designated as affordable.
- Units must be made available to tenants earning a weighted average of 80% of the area median income.
- At least 5% of the units must be made available to households earning no more than 40% of the area median income.

4 MINORITY WOMEN BUSINESS ENTREPRENEUR (M/WBE) REQUIREMENTS

- Does Not Apply

5 CONSTRUCTION LABOR WAGE REQUIREMENTS

- Does Not Apply