§ 489-ccccc. Eligibility for benefits. 1. A recipient of a certificate of eligibility with an effective date of July first, nineteen hundred ninety-five or after must make one-half the minimum required expenditure within eighteen months of the effective date of such certificate, and make the minimum required expenditure within thirty-six months of the effective date of such certificate to be eligible to receive the benefits of this title. Any recipient who shall fail to make such expenditures shall cease to be eligible for benefits pursuant to this title and shall pay, with interest, any taxes for which an exemption was claimed pursuant to this title.

2. No benefits pursuant to this title shall be granted for construction work on any condominium unit unless such unit is in a building or structure which, if viewed as a whole and as if it were under single ownership, would qualify as mixed-use property. The minimum required expenditure applicable to any recipient of a certificate of eligibility for construction work on a condominium unit shall be equal to the minimum required expenditure which would apply if a certificate of eligibility were issued for construction work on the entire property where such unit is located. Nothing in this subdivision shall be construed to prevent owners of condominium units in the same property from forming an association to be a recipient.

3. No benefits pursuant to this title shall be granted for any construction work unless the applicant filed an application for such benefits on or before the date of issuance of a building permit for such work. The requirements of this subdivision may be satisfied where the applicant's architect, contractor or other representative authorized to file the application for such building permit files with the department of finance on behalf of the applicant a preliminary application containing such information as the department of finance shall prescribe by rule.

4. No benefits pursuant to this title shall be granted for any construction work on property any part of which is used or is to be used for a restricted activity.

5. No benefits pursuant to this title shall be granted for construction work which is the subject of a certificate of eligibility issued pursuant to title two, title two-C or title two-D of this article.

6. The benefits of this title shall be granted exclusively for residential construction work or a combination of residential construction work and commercial construction work described in approved plans. The benefits of this title shall be granted exclusively for residential construction work or a combination of residential construction work and commercial construction work on existing buildings or structures which, after completion of such construction work, will qualify as mixed-use property. No benefits pursuant to this title shall be granted for construction of a new building or structure.

7. Any tax lot which is partly located inside the mixed-use construction exemption area shall be deemed to be entirely located inside such area.

8. No benefits pursuant to this title shall be granted for any residential construction work or combination of residential construction work and commercial construction work unless the applicant shall file, together with the application, an affidavit setting forth the following information:

(a) a statement that within the seven years immediately preceding the date of application for a certificate of eligibility, neither the applicant, nor any person owning a substantial interest in the property as defined in paragraph (c) of this subdivision, nor any officer, director or general partner of the applicant or such person was finally adjudicated by a court of competent jurisdiction to have violated section two hundred thirty-five of the real property law or any section of article one hundred fifty of the penal law or any similar arson law of another jurisdiction with respect to any building, or was an officer, director or general partner of a person at the time such person was finally adjudicated to have violated such law; and

(b) a statement setting forth any pending charges alleging violation of section two hundred thirty-five of the real property law or any

section of article one hundred fifty of the penal law or any similar arson law of another jurisdiction with respect to any building by the applicant or any person owning a substantial interest in the property as defined in paragraph (c) of this subdivision, or any officer, director or general partner of the applicant or such person, or any person for whom the applicant or person owning a substantial interest in the property is an officer, director or general partner.

(c) "Substantial interest" as used in this subdivision and subdivision nine of this section shall mean ownership and control of an interest of ten per centum or more in a property or any person owning a property.

9. (a) If any person described in the statement required by paragraph (b) of subdivision eight of this section or paragraph (b) of this subdivision is finally adjudicated by a court of competent jurisdiction to be guilty of any charge listed in such statement, the recipient shall cease to be eligible for benefits pursuant to this title and shall pay, with interest, any taxes for which an exemption was claimed pursuant to this title.

(b) The recipient shall, on the certificate of continuing use, state whether any charges alleging violation by the recipient or any person owning a substantial interest in the property, or any officer, director or general partner of the recipient or person owning a substantial interest in the property, or any person for whom the recipient or person owning a substantial interest in the property is an officer, director or general partner, of section two hundred thirty-five of the real property law or any section of article one hundred fifty of the penal law or any similar arson law of another jurisdiction, are pending. For purposes of this paragraph, "substantial interest" shall have the same meaning as set forth in paragraph (c) of subdivision eight of this section.

10. In addition to any other qualifications for exemption from payment of taxes set forth in this title, an applicant must be:

(a) obligated to pay real property tax on the property for which an exemption is sought, whether such obligation arises because of record ownership of such property, or because the obligation to pay such tax has been assumed by contract; or

(b) the record owner or lessee of property which is exempt from real

property taxation who has entered into an agreement to sell or lease such property to another person. Such person shall be a co-applicant with such owner or lessee.

11. A co-applicant with a public entity shall be an eligible recipient pursuant to this title, provided that for such period as the property which is the subject of the certificate of eligibility is exempt from real property taxation because it is owned or controlled by a public entity no benefits shall be available to such recipient pursuant to this title. Such recipient shall receive benefits pursuant to this title when such property ceases to be eligible for exemption pursuant to other provisions of law, as follows: the recipient shall, commencing with the date such tax exemption ceases, and continuing until the expiration of the benefit period pursuant to this title, receive the benefits to which such recipient is entitled in the corresponding tax year pursuant to this title.

12. Notwithstanding the provisions of any local law for the stabilization of rents in multiple dwellings or the emergency tenant protection act of nineteen seventy-four, the rents of a dwelling unit in property which is the subject of a certificate of eligibility pursuant to this title shall be fully subject to control under such local law, unless exempt under such local law from control by reason of the cooperative or condominium status of the dwelling unit, for the entire period for which such property is receiving benefits pursuant to this title, provided, however, that for purposes of this subdivision, a property receiving benefits pursuant to this title whose benefits are suspended, terminated or revoked by the department of finance shall be deemed to be receiving benefits for the length of time such benefits would have been received if such benefits had not been suspended, terminated or revoked, or for the period such local law is in effect, whichever is shorter. Thereafter, such rents shall continue to be subject to such control, except that such rents that would not have been subject to such control but for this subdivision, shall be decontrolled if the landlord has included in each lease and renewal thereof for such unit for the tenant in residence at the time of such decontrol a notice in at least twelve point type informing such tenant that the unit shall

become subject to such decontrol upon the expiration of benefits pursuant to this title.