



A Business Applicant's Guide

# Applying for Economic Development Incentives

How to secure tax incentives from the City of Hudson Industrial Development Agency to grow or relocate your business in the City of Hudson, New York.

City of Hudson IDA · One Hudson City Centre, Hudson, NY · [hudsonny.gov](http://hudsonny.gov)



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# About the City of Hudson IDA

The City of Hudson Industrial Development Agency (HIDA) is a public benefit corporation formed under Article 18-A of New York State General Municipal Law. It is the lead vehicle for delivering financial incentives that attract investment and create jobs in the City of Hudson.

## Our mission

*To attract and retain enterprises in the City of Hudson that create and retain jobs and promote private-sector investment, recognizing the vital role affordable housing plays in building an employable workforce.*

## What the IDA does for you

- Needs assessment & site selection
- Real property, sales, and mortgage tax relief
- Access to other public-sector programs
- Guidance through every step of the process

## 18-A

Public benefit corporation created under Article 18-A of NYS General Municipal Law

## 7

Board members appointed by the City of Hudson Common Council

## Public

Meetings and records open to the public under New York State law

# Incentives available to your project

Through the IDA, eligible projects can access three core tax incentives, typically delivered together under a single project agreement.

1

PAYMENT IN LIEU OF TAXES

## PILOT — Property Tax Abatement

A negotiated PILOT agreement abates increased real property taxes on a declining schedule — typically up to 20 years or the life of project financing.

2

ON CONSTRUCTION & EQUIPMENT

## Sales & Use Tax Exemption

Exemption from state and local sales tax on materials, furnishings, and equipment purchased to build and equip the project, generally through completion.

3

ON PROJECT FINANCING

## Mortgage Recording Tax Exemption

Exemption from the mortgage recording tax on financing secured for the project, granted at the initial closing for the life of the project.

*Note: The exact benefit package and PILOT schedule are set by the IDA under its Uniform Tax Exemption Policy (UTEP) and the project's cost-benefit analysis.*



# Is your project eligible?

The IDA prioritizes projects that strengthen the City of Hudson's tax base and create or retain quality jobs. Before applying, confirm your project aligns with these criteria.



## Job creation & retention

Projects that create new full-time jobs or retain existing ones in the City of Hudson.



## Private-sector investment

Capital investment in construction, renovation, machinery, or equipment.



## Economically sound use

Manufacturing, industrial, commercial, or other eligible project types under Article 18-A.



## Local economic benefit

A demonstrable net benefit to the City of Hudson that justifies the requested assistance.

START HERE

## Talk to the IDA first

No application is accepted without a preliminary meeting. A staff conference confirms eligibility, outlines the likely benefits, and reviews the fees and timeline before you invest in a full application.

Call (518) 828-4718



# The application process at a glance

*Plan for roughly 90–120 days from a completed application to closing, depending on project size and review.*

1

## Pre-application meeting

Confirm eligibility, benefits, fees & timeline with IDA staff.

2

## Submit application

File the IDA application with the fee and an environmental form.

3

## Inducement resolution

The board adopts a resolution and notifies affected taxing jurisdictions.

4

## Public hearing

A noticed public hearing gathers community comment on the project.

5

## Board approval

After SEQR review, the board votes on the approving resolution.

6

## Closing & agreements

Execute PILOT, lease and benefit agreements; agent appointment begins.



# Completing & submitting the application

## What to submit

- The completed IDA application, answered fully by an officer familiar with the project
- Two (2) original signed and executed copies returned to the Agency
- A completed environmental assessment form (EAF) — required before final approval
- Applicant and attorney contact details and an authorized project spokesperson
- Supporting detail on jobs, investment, and the assistance requested

**Good to know:** All records held by the Agency are open to public inspection under Article 6 of the Public Officers Law.

## Fees & timing

### Application fee

Due with the completed application (set by Agency fee schedule).

### Agency & legal fees

Transaction / closing fees scaled to the project; reviewed up front.

### Cost-benefit analysis

Required to size benefits; larger projects need a full analysis.

### Typical timeline

About 90–120 days from a completed application to closing.

# Public review & board approval

Because IDA benefits affect local taxing jurisdictions, the law requires a transparent, public review before any assistance is granted.

## 1 Inducement resolution

The board adopts an initial resolution describing the project and the assistance contemplated, tentatively approving (inducing) it.

## 2 Notice to taxing jurisdictions

Copies of the resolution and any UTEP deviation are sent by certified mail to each affected taxing jurisdiction, including school districts.

## 3 Public hearing

A hearing is noticed and held in the locality so residents and officials can comment on the proposed benefits before a vote.

## 4 SEQR & approving resolution

After environmental review under SEQR, the board considers comments and votes on the final approving resolution.

# After approval: closing & sales-tax mechanics

At closing you execute the project agreements. To use the sales-tax exemption, the IDA appoints your business as its agent and specific forms are filed with New York State.

## Agreements you sign



### **PILOT agreement**

Sets your payment-in-lieu-of-taxes schedule for real property.



### **Lease / leaseback**

Title structure that conveys the IDA's tax-exempt status to the project.



### **Project benefits agreement**

Locks in job and investment commitments tied to the benefits.

## NYS sales-tax exemption forms

### **ST-60**

IDA appoints your business as agent — filed within 30 days of appointment.

### **ST-123**

Your agent exempt-purchase certificate for qualifying project purchases.

### **ST-340**

Annual report of sales-tax exemptions you claimed, due each February.

# Compliance, reporting & recapture

Incentives come with ongoing obligations. Meeting your job and investment commitments — and reporting on them — keeps your benefits secure.

1

## Maintain commitments

Reach and sustain the employment and investment levels in your agreements.

2

## Report annually

File Form ST-340 and respond to the IDA's annual project compliance surveys.

3

## Stay within scope

Use exemptions only for authorized property and services under the agreement.

## RECAPTURE / CLAWBACK

### If commitments aren't met

The IDA may recapture benefits if a project defaults — for example, by failing to meet at least 80% of the required employment level, transferring 15% or more of jobs out of the City of Hudson, or using benefits outside the agreement.

*In deciding whether to recapture, the IDA weighs good faith, the reasons for the shortfall, and the project's overall benefit to the City of Hudson.*



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# More Resources

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[Application](#)

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[Real Property Disposition Policy](#)

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[Recapture of Project Benefits Policy](#)

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[Investment Policy](#)

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[Uniform Tax Exemption Policy](#)



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# Ready to get started?

The earlier you involve the IDA, the smoother the process. Reach out for a pre-application conversation about your project's eligibility and potential benefits.

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