STATE OF NEW YORK

852

2011-2012 Regular Sessions

IN ASSEMBLY

(PREFILED)

January 5, 2011

Introduced by M. of A. DESTITO, SCHROEDER -- read once and referred to the Committee on Local Governments

AN ACT to amend the general municipal law, in relation to authorizing municipalities to re-direct a portion of the real property taxes made by certain project occupants

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The general municipal law is amended by adding a new section 74-a to read as follows:

S 74-A. RE-DIRECTION OF REAL PROPERTY TAXES MADE BY CERTAIN PROJECT OCCUPANTS. 1. ANY MUNICIPALITY MAY, UPON APPROVAL OF THE GOVERNING BODY OF SUCH MUNICIPALITY, ESTABLISH A PROGRAM WHICH PROVIDES FOR A MECHANISM BY WHICH THE MUNICIPALITY MAY RE-DIRECT REAL ESTATE TAX PAYMENTS, TO THE EXTENT THAT SUCH PAYMENTS EXCEED THE THEN EXISTING TAXES ATTRIBUTABLE TO THE INCREMENTAL INCREASE IN ASSESSED VALUE AND/OR REAL ESTATE TAX PAID FOR THE SUBJECT PROPERTY. SUCH RE-DIRECTION SHALL PROVIDE, PURSUANT TO AN AGREEMENT BETWEEN THE MUNICIPALITY AND THE PROJECT OWNER, THAT THE OWNER WILL CAUSE THE INFRASTRUCTURE IMPROVEMENTS TO BE BUILT IN CONJUNCTION WITH AN AFFORDABLE HOUSING AND/OR ECONOMIC DEVELOPMENT PROJECT APPROVED BY THE MUNICIPALITY. SUCH INFRASTRUCTURE IMPROVEMENTS SHALL INCLUDE, BUT NOT BE LIMITED TO, UNDERGROUND AND OVERHEAD UTILITIES SUCH AS STORM DRAINAGE OR STORM WATER MANAGEMENT MEASURES, SANITARY SEWERS, WATER LINES, GAS LINES, ELECTRICAL LINES, ROAD AND TRANSPORTATION AND OTHER PUBLIC INFRASTRUCTURE FACILITIES AS DEEMED BY THE MUNICIPALITY TO BENEFIT THE PUBLIC GOOD. THE MUNICIPALITY SHALL CAUSE SUCH RE-DIRECTION OF TAX PAYMENTS TO BE UTILIZED FOR THE EXCLUSIVE PURPOSE OF RETIRING ANY DEBT INCURRED FOR THE CONSTRUCTION AND DEVELOPMENT OF THESE IMPROVEMENTS.

2. THE AMOUNT OF SUCH RE-DIRECTED TAX PAYMENTS SHALL BE ONE HUNDRED PERCENT OF THE TOTAL COST OF THE APPROVED INFRASTRUCTURE IMPROVEMENTS,

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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INCLUDING ANY INTEREST OR FINANCING COSTS DIRECTLY ATTRIBUTABLE TO THE INFRASTRUCTURE FACILITIES. EACH PORTION OF SUCH PAYMENT SHALL BE TAKEN DURING EACH YEAR THE PROJECT IS OBLIGATED TO PAY REAL ESTATE TAXES UNTIL SUCH TIME AS THE DEBT INCURRED FOR THE DEVELOPMENT AND CONSTRUCTION OF THE IMPROVEMENTS IS RETIRED.

3. THE RESIDUAL OF THE RE-DIRECTED PAYMENTS, AFTER THE PAYMENT OF THE DEBT SERVICE, SHALL BE PAID TO THE AFFECTED TAXING JURISDICTION, AS IN THE NORMAL COURSE OF PAYMENT OF REAL PROPERTY TAXES.

S 2. This act shall take effect immediately.