

5196

2015-2016 Regular Sessions

I N S E N A T E

May 7, 2015

Introduced by Sen. RANZENHOFER -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the real property tax law, in relation to authorizing a residential redevelopment inhibited property exemption in certain cities

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

- 1 Section 1. The real property tax law is amended by adding a new  
2 section 485-r to read as follows:  
3 S 485-R. RESIDENTIAL REDEVELOPMENT INHIBITED PROPERTY EXEMPTION;  
4 CERTAIN CITIES. 1. AS USED IN THIS SECTION, THE FOLLOWING TERMS SHALL  
5 HAVE THE FOLLOWING MEANINGS:  
6 (A) "REDEVELOPMENT INHIBITED PROPERTY" SHALL MEAN A RESIDENTIAL PROP-  
7 ERTY THAT HAS BEEN NEGLECTED OR ABANDONED BECAUSE OF THE LOCAL ECONOMIC  
8 CONDITIONS AND/OR CONDITIONS ON THE PROPERTY THAT INHIBIT SUCH PROPERTY  
9 FROM BEING REDEVELOPED BY THE PRIVATE SECTOR. REDEVELOPMENT INHIBITED  
10 PROPERTY SHALL NOT INCLUDE LAND THAT IS UNDEVELOPED.  
11 (B) "GAP FINANCING COSTS" SHALL MEAN THE TOTAL COST OF THE PROPERTY'S  
12 REDEVELOPMENT AS APPROVED BY THE CITY MINUS THE INCREASE IN THE FULL  
13 VALUATION OF THE PROPERTY UPON COMPLETION OF THE REDEVELOPMENT.  
14 (C) "BASE ASSESSMENT" SHALL MEAN THE ASSESSED VALUE OF THE PROPERTY ON  
15 THE DAY THE CITY DESIGNATES THE PROPERTY AS REDEVELOPMENT INHIBITED.  
16 (D) "INCREASED ASSESSMENT" SHALL MEAN THE ASSESSED VALUE OF THE PROP-  
17 ERTY AS DETERMINED BY THE ASSESSOR UPON COMPLETION OF THE REDEVELOPMENT.  
18 (E) "INCREMENTAL INCREASE IN ANNUAL PROPERTY TAXES" SHALL MEAN THE  
19 TAXES BASED ON THE INCREASED ASSESSMENT MINUS THE TAXES BASED ON THE  
20 BASE ASSESSMENT.  
21 (F) "CITY" SHALL MEAN CITIES WITH A POPULATION OF NOT LESS THAN  
22 FIFTEEN THOUSAND AND NOT MORE THAN SIXTEEN THOUSAND AS DETERMINED BY THE  
23 FEDERAL DECENNIAL CENSUS FOR THE YEAR TWO THOUSAND TEN.

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

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1 2. A CITY MAY, BY LOCAL LAW, PROVIDE FOR THE EXEMPTION OF REAL PROPER-  
2 TY FROM TAXATION AS PROVIDED IN THIS SECTION. SUBSEQUENT TO THE ADOPTION  
3 OF SUCH LOCAL LAW, THE COUNTY IN WHICH SUCH CITY IS LOCATED MAY AFTER A  
4 PUBLIC HEARING AND BY LOCAL LAW, AND ANY SCHOOL DISTRICT, ALL OR PART OF  
5 WHICH IS LOCATED IN SUCH CITY, MAY, BY RESOLUTION, EXEMPT SUCH PROPERTY  
6 FROM ITS TAXATION IN THE SAME MANNER AND TO THE SAME EXTENT AS THE CITY  
7 HAS DONE.

8 3. A CITY MAY DESIGNATE ANY PROPERTY WITHIN THE CITY BOUNDARIES AS A  
9 REDEVELOPMENT INHIBITED PROPERTY IF ONE OR MORE OF THE FOLLOWING ARE  
10 MET:

11 (A) THE CITY HAS ACQUIRED TITLE TO THE PROPERTY PURSUANT TO ARTICLE  
12 NINETEEN-A OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW; OR

13 (B) THE PROPERTY HAS BEEN CONTINUOUSLY VACANT FOR A PERIOD OF AT LEAST  
14 THREE YEARS; OR

15 (C) THE CITY HAS ACQUIRED TITLE TO THE PROPERTY VIA FORECLOSURE FOR  
16 UNPAID TAXES PURSUANT TO ARTICLE ELEVEN OF THIS CHAPTER; OR

17 (D) THE PROPERTY HAS OUTSTANDING ZONING, HOUSING, OR UNIFORM CODE  
18 VIOLATIONS AND THE COST OF REMEDYING THE VIOLATIONS EXCEEDS THE PROPER-  
19 TY'S VALUE.

20 4. (A) UPON THE ADOPTION OF SUCH LOCAL LAW, REDEVELOPMENT INHIBITED  
21 PROPERTY SHALL BE EXEMPT FROM TAXATION AND SPECIAL AD VALOREM LEVIES TO  
22 THE EXTENT OF ANY INCREASE IN VALUE ATTRIBUTABLE TO DEMOLITION, ALTER-  
23 ATION, REHABILITATION, OR REMEDIATION PURSUANT TO THE FOLLOWING REQUIRE-  
24 MENTS:

25 (I) THE DEMOLITION, ALTERATIONS, REHABILITATION, AND/OR REMEDIATION  
26 SHALL BE PERMITTED BY THE CITY'S BUREAU OF INSPECTION SUCH THAT BUILDING  
27 OR PLUMBING PERMITS ISSUED AND SAID DEMOLITION, ALTERATIONS, REHABILI-  
28 TATION, AND/OR REMEDIATION SHALL HAVE MET ALL NECESSARY APPROVALS PER  
29 THE APPLICABLE NEW YORK STATE UNIFORM FIRE PREVENTION AND BUILDING CODE,  
30 THE CITY'S MUNICIPAL CODE AND THE CITY'S BUREAU OF INSPECTION UPON  
31 COMPLETION; AND

32 (II) THE PROPERTY FOR WHICH THE EXEMPTION IS SOUGHT SHALL BE AN  
33 OWNER-OCCUPIED ONE-FAMILY RESIDENCE; AND

34 (III) THE OWNER OF SUCH PROPERTY SHALL FILE ANNUALLY AN AFFIDAVIT OF  
35 RESIDENCY WITH THE ASSESSOR OF THE CITY ON OR BEFORE THE APPROPRIATE  
36 TAXABLE STATUS DATE OF SUCH CITY, CONFIRMING CONTINUED OWNER-OCCUPANCY  
37 OF THE PROPERTY; AND

38 (IV) THE REDEVELOPMENT INHIBITED PROPERTY IS EXEMPT FROM TAXATION AND  
39 SPECIAL AD VALOREM LEVIES ATTRIBUTABLE TO THE INCREASED ASSESSMENT MINUS  
40 THE TAXES AND SPECIAL AD VALOREM LEVIES IMPOSED ON THE BASE ASSESSMENT.  
41 SUCH EXEMPTION SHALL NOT APPLY TO SPECIAL ASSESSMENTS.

42 (B) IN THE EVENT THE PROPERTY GRANTED AN EXEMPTION PURSUANT TO THIS  
43 SECTION CEASES TO BE OWNER-OCCUPIED AND/OR THE AFFIDAVIT OF RESIDENCY IS  
44 NOT FILED ANNUALLY FOR THE APPROVED EXEMPTION PERIOD, THE EXEMPTION  
45 GRANTED PURSUANT TO THIS SECTION SHALL CEASE.

46 (C) IN THE EVENT THE PROPERTY GRANTED AN EXEMPTION PURSUANT TO THIS  
47 SECTION CEASES TO BE A ONE-FAMILY DWELLING, THE EXEMPTION GRANTED PURSU-  
48 ANT TO THIS SECTION SHALL CEASE.

49 (D) IN THE EVENT THE OWNER OF THE PROPERTY IS CONVICTED OF A VIOLATION  
50 OR MISDEMEANOR PURSUANT TO NEW YORK STATE UNIFORM FIRE PREVENTION AND  
51 BUILDING CODE OR THE CITY'S MUNICIPAL CODE, THE EXEMPTION GRANTED PURSU-  
52 ANT TO THIS SECTION SHALL CEASE.

53 5. (A) SUCH REDEVELOPMENT INHIBITED PROPERTY SHALL BE EXEMPT FOR A  
54 PERIOD EQUAL TO THE GAP FINANCING COSTS DIVIDED BY THE INCREMENTAL  
55 INCREASE IN ANNUAL PROPERTY TAXES RESULTING FROM SUCH REDEVELOPMENT. THE

1 EXEMPTION PERIOD SHALL BE ROUNDED UP TO THE NEAREST WHOLE NUMBER AND  
2 SHALL NOT EXCEED TWENTY-FIVE YEARS.

3 (B) THE EXTENT OF SUCH EXEMPTION SHALL DECREASE THE LAST EIGHT YEARS  
4 OF THE EXEMPTION PERIOD BY TWELVE AND ONE-HALF PERCENT OF THE INCREASE  
5 IN ASSESSMENT DUE TO THE REDEVELOPMENT EQUALING A ZERO PERCENT EXEMPTION  
6 ON THE FINAL YEAR OF THE EXEMPTION PERIOD.

7 6. (A) SUCH EXEMPTION SHALL BE GRANTED ONLY UPON APPLICATION BY THE  
8 OWNER OF SUCH BUILDING FOR THE RESIDENTIAL REDEVELOPMENT INHIBITED PROP-  
9 ERTY EXEMPTION, ON A FORM PRESCRIBED BY THE CITY. SUCH APPLICATION MUST  
10 BE FILED WITH THE ASSESSOR OF THE CITY ON OR BEFORE THE APPROPRIATE  
11 TAXABLE STATUS DATE OF SUCH CITY. THE APPLICATION MUST BE FILED WITH THE  
12 ASSESSOR OF THE CITY WITHIN THREE YEARS FROM THE DATE OF COMPLETING THE  
13 DEMOLITION, ALTERATIONS, REHABILITATION, AND/OR REMEDIATION.

14 (B) THE OWNER FILING FOR SUCH EXEMPTION SHALL NOT BE REQUIRED TO BE  
15 THE OWNER RESPONSIBLE FOR COMPLETING THE DEMOLITION, ALTERATIONS, REHA-  
16 BILITATION, AND/OR REMEDIATION.

17 (C) IF THE ASSESSOR IS SATISFIED THAT THE APPLICANT IS ENTITLED TO AN  
18 EXEMPTION PURSUANT TO THIS SECTION, HE OR SHE SHALL APPROVE THE APPLICA-  
19 TION AND SUCH REAL PROPERTY SHALL THEREAFTER BE EXEMPT FROM TAXATION AND  
20 SPECIAL AD VALOREM LEVIES BY THE CITY COMMENCING WITH THE ASSESSMENT  
21 ROLL PREPARED AFTER THE TAXABLE STATUS DATE REFERRED TO IN THIS SUBDIVI-  
22 SION. THE ASSESSED VALUE OF ANY EXEMPTION GRANTED PURSUANT TO THIS  
23 SECTION SHALL BE ENTERED BY THE ASSESSOR OF THE CITY ON THE ASSESSMENT  
24 ROLL WITH THE TAXABLE PROPERTY, WITH THE AMOUNT OF THE EXEMPTION SHOWN  
25 IN A SEPARATE COLUMN.

26 (D) ONCE GRANTED, THE RESIDENTIAL REDEVELOPMENT INHIBITED PROPERTY  
27 EXEMPTION RUNS WITH THE LAND FOR THE EXEMPTION PERIOD PURSUANT TO THIS  
28 SECTION.

29 S 2. This act shall take effect immediately.