§ 485-r. Residential redevelopment inhibited property exemption. 1. As used in this section, the following terms shall have the following meanings:

(a) "Redevelopment inhibited property" shall mean a residential property that has been neglected or abandoned because of the local economic conditions and/or conditions on the property that inhibit such property from being redeveloped by the private sector as described in subdivision three of this section. Redevelopment inhibited property shall not include land that is undeveloped.

(b) "Gap financing costs" shall mean the total cost of the property's redevelopment as approved by the city, town, or village minus the increase in the full valuation of the property upon completion of the redevelopment.

(c) "Base assessment" shall mean the assessed value of the property on the day the city, town, or village designates the property as redevelopment inhibited.

(d) "Increased assessment" shall mean the assessed value of the property as determined by the assessor upon completion of the redevelopment.

(e) "Incremental increase in annual property taxes" shall mean the taxes based on the increased assessment minus the taxes based on the base assessment.

2. A city, town, or village may, by local law, provide for the exemption of real property from taxation as provided in this section. Subsequent to the adoption of such local law, the county in which such city, town, or village is located may after a public hearing and by local law, and any school district, all or part of which is located in such city, town, or village, may, by resolution, exempt such property from its taxation in the same manner and to the same extent as the city, town, or village has done.

3. A local law adopted by a city, town, or village pursuant to subdivision two of this section shall designate any property within such city, town, or village's boundaries as a redevelopment inhibited property if one or more of the following are met:

(a) the city, town, or village has acquired title to the property

pursuant to article nineteen-A of the real property actions and proceedings law; or

(b) the property has been continuously vacant for a period of at least three years; or

(c) the county, city, town or village in which the property is located has acquired title to the property via foreclosure for unpaid taxes pursuant to article eleven of this chapter; or

(d) the property has outstanding zoning, housing, or uniform code violations and the cost of remedying the violations exceeds the property's value.

4. (a) Upon the adoption of such local law, redevelopment inhibited property shall be exempt from taxation and special ad valorem levies to the extent of any increase in value attributable to demolition, alteration, rehabilitation, or remediation pursuant to the following requirements:

(i) the demolition, alterations, rehabilitation, and/or remediation shall be permitted by the applicable bureau of inspection such that building or plumbing permits issued and said demolition, alterations, rehabilitation, and/or remediation shall have met all necessary approvals per the applicable New York state uniform fire prevention and building code, the applicable municipal code and the applicable bureau of inspection upon completion; and

(ii) the property for which the exemption is sought shall be a one to four-unit residence and occupied as the primary residence of the owner or a tenant; and

(iii) the owner of such property shall file annually an affidavit of residency with the assessor of the city, town, or village on or before the appropriate taxable status date, confirming continued occupancy of the property by the owner or a tenant as their primary residence; and

(iv) the redevelopment inhibited property is exempt from taxation and special ad valorem levies attributable to the increased assessment minus the taxes and special ad valorem levies imposed on the base assessment. Such exemption shall not apply to special assessments.

(b) In the event the property granted an exemption pursuant to this section ceases to be occupied as the primary residence of the owner or tenant and/or the affidavit of residency is not filed annually for the

approved exemption period, the exemption granted pursuant to this section shall cease.

(c) In the event the property granted an exemption pursuant to this section ceases to be a one to four-unit dwelling, the exemption granted pursuant to this section shall cease.

(d) In the event the owner of the property is convicted of a violation or misdemeanor pursuant to New York state uniform fire prevention and building code or the applicable municipal code, the exemption granted pursuant to this section shall cease.

5. (a) Such redevelopment inhibited property shall be exempt for a period equal to the gap financing costs divided by the incremental increase in annual property taxes resulting from such redevelopment. The exemption period shall be rounded up to the nearest whole number and shall not exceed twenty-five years.

(b) The extent of such exemption shall decrease the last eight years of the exemption period by twelve and one-half percent of the increase in assessment due to the redevelopment equaling a zero percent exemption on the final year of the exemption period.

6. (a) Such exemption shall be granted only upon application by the owner of such building for the residential redevelopment inhibited property exemption, on a form prescribed by the city, town, or village. Such application must be filed with the assessor of the city, town, or village on or before the appropriate taxable status date. The application must be filed with the assessor of the city, town, or village within three years from the date of completing the demolition, alterations, rehabilitation, and/or remediation.

(b) The owner filing for such exemption shall not be required to be the owner responsible for completing the demolition, alterations, rehabilitation, and/or remediation.

(c) If the assessor is satisfied that the applicant is entitled to an exemption pursuant to this section, such assessor shall approve the application and such real property shall thereafter be exempt from taxation and special ad valorem levies by the city, town, or village commencing with the assessment roll prepared after the taxable status date referred to in this subdivision. The assessed value of any

exemption granted pursuant to this section shall be entered by the assessor of the city, town, or village on the assessment roll with the taxable property, with the amount of the exemption shown in a separate column.

(d) Once granted, the residential redevelopment inhibited property exemption runs with the land for the exemption period pursuant to this section.