§ 485-t. Owner occupied residential property exemption program. 1. Definitions. As used in this section, the following terms shall have the following meanings:

(a) "Applicant" means any person obligated to pay real property taxes on real property, which he or she owns and upon which he or she resides, or will reside and for which an exemption from taxes under this section is sought.

(b) "Municipality" means any city having a population of not less than thirty-one thousand one hundred forty and not more than thirty-one thousand one hundred fifty as determined by the latest federal decennial census.

(c) "Residential construction work" means (i) the creation, modernization, rehabilitation, expansion or other improvement of single family or two family residential property that is vacant, legally condemned and has outstanding state and local building and fire code violations, where the cost of remedying such violations exceeds the value of such property; or

(ii) the construction of a new single or two family residence of not less than one thousand two hundred square feet on a parcel upon which a prior structure was demolished.

2. A municipality, may, by local law, provide for the exemption of owner occupied residential property, which has been subject to residential construction work, from taxation as provided in this section. Subsequent to the adoption of such a local law, the county in which such municipality is located may, by local law, and any school district, all or part of which is located in such municipality, may, by resolution, exempt such property from its taxation in the same manner and to the same extent as such municipality has done.

3. Upon the adoption of such a local law the owner occupied residential property that was created, modernized, rehabilitated, expanded or otherwise improved, shall be exempt from taxation and special ad valorem levies as provided for in subdivision four of this section.

4. (a) (i) For a period of eleven years following the approval of an

application, the increase in assessed value of such property attributable to such creation, modernization, rehabilitation, expansion or other improvement shall be exempt as provided in subparagraph (ii) of this paragraph. Such exemption shall be computed with respect to the "exemption base". The exemption base shall be determined for each year in which there is an increase in assessed value so attributable from that of the previous year's assessed value.

(ii) The following shall determine the computation of the tax exemption:

Year of exemption	Percentage of exemption
1 through 3	100% of exemption base
4 through 5	80% of exemption base
6 through 7	60% of exemption base
8 through 9	40% of exemption base
10 through 11	20% of exemption base

(b) No such exemption shall be granted unless:

(i) such creation, modernization, rehabilitation, expansion or other improvement was commenced subsequent to the date on which the municipality's local law took effect;

(ii) the cost of such creation, modernization, rehabilitation, expansion or other improvement exceeds the sum of ten thousand dollars or such greater amount as may be specified by local law;

(iii) the building department has issued a certificate of occupancy following the completion of the residential construction work; and

(iv) the property complies with all applicable codes and zoning laws of the city.

(c) For purposes of this section the term "creation, modernization, rehabilitation, expansion or other improvement" shall not include ordinary maintenance and repairs.

(d) No such exemption shall be granted concurrent with or subsequent to any other real property tax exemption granted to the same improvements to real property, except, where during the period of such previous exemption, payments in lieu of taxes or other payments were made to the municipality in an amount that would have been equal to or greater than the amount of real property taxes that would have been paid on such improvements had such property been granted an exemption pursuant to this section. In such case, an exemption shall be granted

for a number of years equal to the eleven year exemption granted pursuant to this section less the number of years the property would have been previously exempt from real property taxes.

5. (a) Such exemption shall be granted only upon application by an owner who resides or certifies that he or she will reside on the real property on a form prescribed by the commissioner. Such application shall be filed with the assessor on or before the appropriate taxable status date.

(b) Such application must include information that discloses the scope of work to be undertaken and shall contain cost estimates and quotes for such work from contractors, plumbers and electricians licensed to do business within the municipality.

(c) The application and the scope of work shall be reviewed by the municipal housing code enforcement officer and the appropriate fire and building code enforcement officer who shall ensure that all proposed work complies with the provisions of the New York state fire prevention and building code and all applicable municipal codes and ordinances.

6. If the assessor is satisfied that the applicant is entitled to an exemption pursuant to this section, he or she shall approve the application and such real property shall thereafter be exempt from taxation and special ad valorem levies as provided in this section commencing with the assessment roll prepared after the taxable status date referred to in subdivision five of this section. The assessed value of any exemption granted pursuant to this section shall be entered by the assessor on the assessment roll with the taxable property, with the amount of the exemption shown in a separate column.