

LOCAL LAW 1 OF 2023

**LOCAL LAW OF THE COMMON COUNCIL OF THE CITY OF KINGSTON,
NEW YORK ADDING § C7-7 TO ARTICLE VII OF THE CHARTER OF THE
CITY OF KINGSTON TO ADOPT THE 421-F PROPERTY TAX EXEMPTION
FOR THE CREATION OF ACCESSORY DWELLING UNITS**

Sponsored By: Finance/Audit Committee: Alderman Scott-Childress, Davis, Olivieri, Schabot, Hirsch

WHEREAS, Section 421-F of the Real Property Tax Law allows municipalities to exempt capital improvement in residential buildings from taxation; and

WHEREAS, the City of Kingston believes that rising housing and rental costs and a lack of diverse housing opportunities for all community members pose a significant challenge to the members of our community; and

WHEREAS, the City of Kingston is nearing completion of a comprehensive update to the City's zoning code to promote the development of workforce and affordable housing, and in particular, to promote and encourage the creation of accessory dwelling units citywide; and

WHEREAS, new accessory dwelling units will increase the City of Kingston's housing supply, are an affordable housing options for many low-and-moderate income residents, benefit homeowners by providing an extra income stream, and facilitate efficient use of the City's existing housing stock; and

WHEREAS, The City of Kingston would like to further encourage the creation of new Accessory Dwelling Units by partially exempting their value from any increases in assessed value of the property.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF KINGSTON, NEW YORK, AS FOLLOWS:

SECTION 1. That the City of Kingston adopts 421-f of the Real Property Tax Law;

SECTION 2. That the City of Kingston shall only include the creation of new attached Accessory Dwelling Units, as defined in the City's zoning code, within the 421-F exemption allowed by Real Property Tax Law;

SECTION 3: That property owners shall be eligible to apply for the 421-F exemption once they have received approval from the Planning Department for the creation of the

Accessory Dwelling Unit and have received a Certificate of Occupancy from the City of Kingston Building Safety Department for an Accessory Dwelling Unit;

SECTION 4: That the City of Kingston Assessor shall approve, carry out, and revoke 421-f exemption status in accordance with affixed four sections;

SECTION 5: That this resolution shall take effect immediately.

Submitted to the Mayor this 23rd day of

February, 2023



Elisa Tinti, City Clerk

Approved by the Mayor this 23rd day of

February, 2023



Steven T. Noble, Mayor

Adopted by Council on February 7, 2023

Section 1 - Exemption

- A. Accessory Dwelling Units (ADUs), as defined by the City of Kingston’s Form-based code, created subsequent to the effective date of this local law shall be exempt from taxation and special ad valorem levies to the extent provided herein.
- B. No such exemption shall be granted unless:
 - a. The creation of the ADU was commenced subsequent to the effective date of this local law; and
 - b. The value of such creation exceeds three thousand dollars
- C. The exemption shall be limited to an eighty thousand dollars increase of Assessed Value attributable to the ADU creation.
- D. This exemption applies exclusively to the creation of new ADUs; it does not apply to ordinary maintenance, repairs, or any other types of improvements.

Section 2 - Calculation of Exemptions

That Accessory Dwelling Units shall be exempt for a period of eight years to the extent of the following percentages of the increase in the “exemption base” as defined in Real Property Tax Law Section 421-F as the increase in assessed value therefore attributable to the creation of a new ADU.

Year of exemption	Percentage of exemption base
1	100
2	87.5
3	75
4	62.5
5	50
6	37.5
7	25
8	12.5
9	0

Section 3 – Application for and grant of exemption

- A. An exemption shall be granted only upon application by the owner of the building on a form prescribed by the Commissioner of the Department of Taxation and Finance. The application shall be filed with the City of Kingston Assessor.
- B. If satisfied that the applicant is entitled to an exemption pursuant to this local law, the assessor shall approve the application and such building shall thereafter be exempt from taxation and special ad valorem levies as herein provided commencing with the assessment roll prepared on the basis of the taxable status date.

Section 4 – Termination or Denial of Exemption

- A. In the event that a building granted an exemption pursuant to this local law ceases to be used primarily as an accessory dwelling unit or title thereto is transferred to other than the heirs of the owner, the exemption shall cease.
- B. No such exemption shall be granted to an applicant who is in violation of any City of Kingston Code, Ordinance, or Local Law or owes property taxes, water or sewer fees, or any other fees or past due monies. Any exemption granted shall be immediately revoked if the applicant accrues violations or unpaid monies. The applicant may reapply for the exemption once all violations have been corrected and/or unpaid monies have been paid.