

PUBLIC HEARING – Local Law to amend the Village Code to provide for a tax exemption

PRESENT:

Richard B. Hatheway, Mayor  
Sandra F. Brennan, Trustee  
Margaret Duff, Trustee  
John Fox, Jr., Deputy Mayor  
Thomas J. LaGrou, Trustee

Marsha Merrick, Village Clerk/Treasurer

PUBLIC PRESENT:

Howard Appell

1. MEETING OPENED:

Mayor Hatheway opened the public hearing at 5:15PM. Notices were posted and published to advertise this public hearing to consider a local law to amend the Village Code to provide for a partial exemption from taxation by the Village for certain converted mixed-use real property. This would be part of the participation in the County-Village Joint Downtown Revitalization efforts prompted by the County Office of Economic Development.

An exemption would be allowed for anyone that has spent more than \$10,000 to convert a structure to mixed-use occupancy. The property owner would be exempt from any increase in assessment for that improvement for 12 years with years 1-8 affording a full exemption and then years 9-12 a sliding scale of tax abatement. Mayor Hatheway stated that this would result in very little impact on the Village tax rolls as most of the Main Street properties are already mixed use. If there were no change in building use, the exemption would not apply.

Details of the law read as follows:

**Section 1. Purpose**

This Local Law would be enacted pursuant to the provisions of §485-a of the Real Property Tax Law of the State of New York to grant a partial exemption from taxation to certain real property in the Village of Geneseo (the “Village”), which has been converted to mixed use of commercial and residential use.

**Section 2. Definitions**

For purposes of the Local Law:

A. “Applicant” means any person obligated to pay real property taxes on the property for which an exemption from real property taxes under this section is sought.

B. “Commercial construction work” means the modernization, rehabilitation, expansion or other improvement of the portion of mixed-use property to be used for commercial purposes.

C. “Commercial purpose or use” means the buying, selling or otherwise providing of goods or services, including hotel services, or other lawful business or commercial activities permitted in mixed-use property.

D. “Exemption Base” means the increase in the assessed value of real property attributable to the amount invested, exclusive of the cost of ordinary maintenance and repairs, to convert such real property to mixed-use property, as hereinafter defined.

E. “Mixed-use property” means property on which will exist, after completion of residential construction work or a combination of residential construction work and commercial construction work, a building or structure used for both residential and commercial purposes.

F. "Person" means an individual, corporation, limited liability company, partnership, associate, agency, trust, estate, foreign or domestic government or subdivision thereof or other entity.

G. "Residential construction work" means the creation, modernization, rehabilitation expansion or other improvement of dwelling units, other than dwelling units in a hotel, in the portion of mixed-use property to be used for residential purposes.

### **Section 3. Exemption**

A. Real property within the Village, which has been converted to mixed-use property, shall be exempt from taxation and special ad valorem levies as provided hereinafter.

B. For a period of twelve years from the approval of an application, the Exemption Base of such property shall be exempt pursuant to the following schedule:

<u>Year of Exemption</u>	<u>Percentage of exemption</u>
1 through 8	100% of exemption base
9	80% of exemption base
10	60% of exemption base
11	40% of exemption base
12	20% of exemption base

C. No such exemption shall be granted unless:

- (1). such conversion has been commenced subsequent to the effective date of this local law; and
- (2). the cost of such conversion exceeds the sum of ten thousand dollars.

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 local government 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 twelve year exemption granted pursuant to this local law less the number of years the property would have been previously exempt from real property taxes.

### **Section 4. Application**

Such exemption shall be granted only upon application by the owner of such real property on a form prescribed by the State Board of Real Property Tax Services. Such application shall be filed with the Village on or before the appropriate taxable state date of the Village.

### **Section 5. Approval of Exemption**

If the assessor is satisfied that the applicant is entitled to an exemption pursuant to this local law, he or she shall approve the application and such real property shall thereafter be exempt from taxation and special ad valorem levies as provided herein commencing with the assessment roll prepared after the taxable status date referred to hereinabove at Section 4. The assessor shall enter the assessed value of any exemption granted pursuant to this local law on the assessment roll with the taxable property, with the amount of the exemption shown in a separate column.

### **Section 6. Effective Date**

This local law shall take effect upon filing with the New York State Secretary of State.

Trustee LaGrou left the public hearing.

## **2. MEETING CLOSE:**

Hearing no further discussion, Deputy Mayor Fox moved to close the public hearing and Trustee Brennan seconded the motion. The vote was as follows: Trustee Brennan-Aye, Trustee Duff-Aye, Deputy Mayor Fox-Aye, and Mayor Hatheway-Aye. The motion passed and the hearing was closed at 6:55PM.

Marsha B. Merrick, Village Clerk