

**LOCAL LAW 6 OF 2024 OF THE COMMON COUNCIL OF THE CITY OF KINGSTON, NEW YORK, OPTING INTO 421-P REAL PROPERTY TAX LAW EXEMPTION FOR THE CREATION OF ACCESSORY DWELLING UNITS**

Sponsored By: Laws & Rules Committee: Alderman:  
Schabot, Tierney, Pasti, Hirsch

**WHEREAS**, a new section has been added to Real Property Tax Law called 421-P “Exemption of capital improvements to residential new construction involving the creation of accessory dwelling units,” to exempt capital improvements to residential new construction involving the creation of one more additional residential dwelling units on the same parcel as a pre-existing residential unit; and

**WHEREAS**, 421-P is limited to two hundred thousand dollars in increased market value of the property attribute to the creation of the accessory dwelling unit; 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 has completed a comprehensive update to the City’s zoning code that allows for 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 option 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 has taken other steps to encourage accessory dwelling units in the City, including by hosting an accessory dwelling unit design competition; and

**WHEREAS**, the City of Kingston would like to further encourage the creation of new accessory dwelling units by 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 Common Council of the City of Kingston adopts 421-P of the Real Property Tax Law for the exemption of capital improvements to residential new construction involving the creation of attached and detached accessory dwelling units as defined in the City of Kingston’s Form Based Zoning Code, Section 405.18.

**SECTION 2.** That accessory dwelling units subject to 421-P shall be exempt for a period of five years to the extent of 100% of the increase in assessed values attributable to the residential unit; that in each of the subsequent three years the extent of such exemption shall be decreased by 25%, and that in each of the subsequent two years the extent of such exemption shall be decreased by a further 10%.

**SECTION 3.** That property owners shall be eligible to apply for the 421-P exemption once they have received a building permit from the City of Kingston Building Safety 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 the accessory dwelling unit.

**SECTION 4.** That the City of Kingston Assessor shall approve, carry out, and revoke 421-P exemption status in accordance with 421-P of Real Property Tax Law.

**SECTION 5.** That no such exemption shall be granted unless the creation of the accessory dwelling unit was commenced subsequent to the effective date of this local law.

**SECTION 6.** That 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 moneys.

**SECTION 7.** If any provisions of this local law are held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, the remaining provisions of the local law shall remain in effect.

**SECTION 8.** This local law shall take effect upon filing with the Secretary of State.

Submitted to the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2024

Approved by the Mayor this \_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
Elisa Tinti, City Clerk

\_\_\_\_\_  
Steven T. Noble, Mayor

Adopted by Council on \_\_\_\_\_, 2024

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THE CITY OF KINGSTON COMMON COUNCIL

COMMUNITY DEVELOPMENT & HOUSING COMMITTEE REPORT

DEPARTMENT: HOUSING

DATE:

Description:


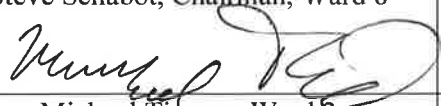
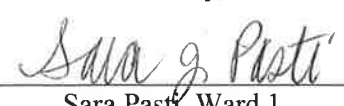
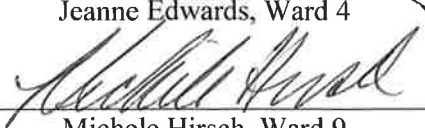
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Signature

Motion by MA

Seconded by SP

Action Required:

Committee Vote	YES	NO
 Steve Schabot, Chairman, Ward 8	✓	
 Michael Tierney, Ward 2		
 Sara Pasti, Ward 1	✓	
Jeanne Edwards, Ward 4  Michele Hirsch, Ward 9	✓	

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# CITY OF KINGSTON

Office of the Mayor

mayor@kingston-ny.gov

CO+H

Steven T. Noble  
Mayor



May 2<sup>nd</sup>, 2024

Honorable Andrea Shaut  
President/Alderman-at-Large  
Kingston Common Council  
420 Broadway  
Kingston, NY 12401

Re: ADU Tax Exemption

Dear President Shaut,

Last year, as part of the new Zoning Code adoption allowing ADU's, the City also adopted a tax exemption program to support Accessory Dwelling Unit creation in the City of Kingston. As part of the recently enacted budget, our city is now allowed to create a more robust tax exemption program. In conjunction with our Office of Housing Initiatives, I am recommending we adopt this new and improved local law, related to the ADU Tax Exemption Program called 421-p.

Respectfully Submitted,

Steven T. Noble  
Mayor