



# Department of Assessment

128 East Buffalo Street

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*Inclusion through Diversity*

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To: Tompkins County Legislature  
From: Jay Franklin  
Date: March 1, 2017  
Subject: RPTL 485-g – Infrastructure Exemption

Information is provided on the Section 485-g of the real property law which allows for an exemption on the increased in value attributed to the land when the developer puts in roads/utilities.

1. Action Request:

No action is being requested other than to consider whether this is something the county would want to adopt. Typically whenever a municipality adopts a certain exemption, all taxing jurisdictions are notified of their decision.

If the county wishes to adopt this local law, I would bring it back in April for consideration.

2. Background:

RPTL 485-g allows for a 3 years in the increase in assessment due to the installation of roads, sewer, electricity etc. With utilities available, the land value will increase. This exemption allows for a 3 year exemption on this increase spread out amongst the remaining lots owned by the developer.

One of the impediments for developing housing on a large scale is the carrying costs of holding the remaining land that could not be absorbed into the market place. This exemption allows for a modest 3 year exemption on the increase in value thereby reducing the carrying costs for the subdivision.

This exemption was adopted by the Village of Dryden in 2000 and just brought to my office's attention on February 29, 2016. As we have not known that the Village passed this local law, we have not yet administered it.

3. Financial Implication

While no actual financial implication, there might be a 3 year lag in the increase in value on land where a developer put in utilities in order to develop a piece of land if all lots are not sold within the first year.