

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: APRIL 30, 2007

COMMITTEE MEMBERS PRESENT:	OTHERS PRESENT:
SUPERVISORS BELDEN	MICHAEL SWAN, DIRECTOR, REAL PROPERTY TAX SERVICES
MONROE	PAUL DUSEK, COUNTY ATTORNEY
CHAMPAGNE	HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL
HASKELL	SERVICES
BENTLEY	JOAN SADY, CLERK OF THE BOARD
F. THOMAS	SUPERVISORS CAIMANO
GERAGHTY	SOKOL
	AMANDA ALLEN, LEGISLATIVE OFFICE SPECIALIST

Mr. Belden called the meeting of the Real Property Tax Services Committee to order at 9:30 a.m.

Motion was made by Mr. Geraghty, seconded by Mr. F. Thomas and carried unanimously to approve the minutes of the March 26, 2007 Committee meeting, subject to correction by the Clerk of the Board.

Privilege of the floor was extended to Michael Swan, Director of Real Property Tax Services, who distributed copies of the agenda to the Committee members; *a copy of the agenda is on file with the minutes.*

Mr. Swan apprised that agenda item number one pertained to the possibility of implementing a countywide assessing process and he reminded the Committee that at a prior Finance Committee the request had been made for his Department to invite Assemblywoman Sandy Galef and Senator Elizabeth Little to the Committee meeting to discuss the issue. He explained that, due to the short notice given, neither were able to attend and Senator Little had asked if she could send a staff member in her place; however, Mr. Swan said that he had declined the offer as he was unsure if that was what the Committee wanted.

Mr. Belden asked if the idea of countywide assessing had been addressed with the Assessors Association and Mr. Swan replied that it had. Mr. Swan explained that although the Assessors Association liked the idea of a more broad-based assessment process, they were not in favor of countywide assessment because it would eliminate the need for local assessors, leaving many of them without employment.

Mr. Champagne asked if there were any counties currently implementing a countywide assessment process and Mr. Swan replied that both Tompkins and Nassau Counties had implemented this process. He expounded that several other Counties had made the attempt to move to countywide assessment but had failed, due to the current legislation which required each Municipality within the County to approve the process by a majority vote. Mr. Swan stated that because of this requirement

he did not feel that countywide assessing would realistically be approved in Warren County either. Mr. Monroe agreed with this statement, adding that he felt the average voter would prefer a local assessor whom they could speak with directly and adding local control to the process.

Mr. Haskell stated that he was in favor of countywide assessing, although he did not feel that it was likely to be approved either. He said that the biggest reason he supported the process was because it would institute the same equalization rate for all the Towns, theoretically leading to the same tax increase for each.

Mr. Monroe pointed out that the Towns of Horicon and Chester shared coordinated assessing districts and he asked if it was possible to implement this process for the entire County. Mr. Swan replied that it could be done as there was no limit on the number of assessing units in a consolidated unit; however, this would be strictly based upon agreements between the various Towns with support from the Real Property Department. Mr. Monroe stated that the only problem with coordinated assessing was trying to appropriately schedule re-evaluation assessments, as they had to be performed for all of the Towns involved at the same time, and in some cases one Town might not be in favor of a re-evaluation while another was.

Mr. Swan stated that one of the largest coordinated assessing districts encompassed both the City of Glens Falls and the Town of Queensbury. He said that there had been some friction with this arrangement in the past as the Town of Queensbury had felt that they contributed more than their fair share to maintain the process. Mr. Swan added that at one time the Town of Queensbury had actually looked into backing out of the agreement; however, the penalties resulting from the break would have been substantial.

Discussion ensued.

Mr. Swan apprised that because he was President of the Directors Association he had been involved in several meetings with Senator Little, Assemblywoman Galef and their respective staff, as well as members of Governor Spitzer's staff, with respect to the countywide assessing process. He explained that the feeling of the Legislature was that the process should be implemented because it would save the State of New York a considerable amount of time and money as they would then be dealing with only 60 Municipalities rather than approximately 1,500. Mr. Swan stated that although Assemblywoman Galef had introduced a Constitutional amendment to move forward with countywide assessing, he doubted that the process would be implemented any time in the near future. He said that a hearing had been held with respect to the amendment during which the Assessors Association had resolutely expressed that they were not in favor of the process while the Directors Association was in favor, provided that the appropriate standards and enforcement were implemented.

Discussion ensued.

Mr. Swan stated that if the Committee was still interested in meeting with Assemblywoman Galef

and Senator Little, a meeting should be scheduled with advanced notice, and he suggested scheduling a meeting two months in advance to give appropriate notice.

Mr. Champagne suggested that the meeting be scheduled in the evening at a local school auditorium because once advertised he was sure a large crowd would be drawn to the meeting. Mr. Belden agreed that a meeting should be held with the Legislators; however, he said, a preliminary meeting should be scheduled between the Legislators and the Board of Supervisors to be sure that the Board of Supervisors would approve of countywide assessing by a majority vote, prior to holding a public hearing on the matter.

Motion was made by Mr. Champagne, seconded by Mr. Haskell and carried unanimously to invite Assemblywoman Galef and Senator Little to a meeting with the Board of Supervisors to be scheduled two months into the future, to discuss the concept of a countywide assessment process.

Returning to agenda review, Mr. Swan apprised that item number two was a request to enter into a contract with the Town of Warrensburg to provide re-evaluation work for the 2008 Assessment Roll. He said that this had been done in the past for the Towns of Warrensburg and Hague and basically the Real Property Tax Services Department would provide all valuation and support services, including the valuation work, required printing, assisting in field review and making sure that all appropriate paperwork was completed and filed in compliance with the State of New York, allowing the Town of Warrensburg to receive State aid for completing the project. Mr. Swan advised that the costs for these services had been calculated at \$10,500 which would be paid by the Town on July 1, 2008 when the final Assessment Roll was filed.

Mr. Belden stated that this would be an extensive project, as the Town of Warrensburg was fairly large, and he asked if the Real Property Tax Services Department currently maintained sufficient staff to facilitate the project and keep the Department running efficiently and Mr. Swan replied affirmatively. He added that a similar project had been completed for the Town of Warrensburg in the past without issue.

Motion was made by Mr. Haskell, seconded by Mr. Bentley and carried, by majority vote, with Mr. Geraghty abstaining, to authorize a contract with the Town of Warrensburg to provide valuation services to the Town for the 2008 Assessment Roll at a cost of \$10,500 to be paid to Warren County on July 1, 2008 and the necessary resolution was authorized for the May 18, 2007 Board meeting. *A copy of the request is on file with the minutes.*

Agenda item number three, Mr. Swan apprised, was a request for a new contract with Auctions International, Inc. to provide auctioneer services during the Warren County Land Auction, scheduled for August 18, 2007. He explained that an RFP (Request for Proposal), had been authorized for these services and copy of the resulting bid tabulation sheet was included in the agenda. Mr. Swan stated that there would be no cost to the County for this contract because they had elected to proceed with a buyer's premium process which instituted a 5% surcharge on each purchase to be collected by the auctioneer. He stated that the auctioneer would be responsible for

advertising the event through local newspapers, internet and on each piece of property, as well as supplying all of the manpower needed to run the auction and the program listing the properties available. Mr. Swan stated that this contract would save his Department money because they would not be required to fund the advertising or dedicate staff to develop the Auction program.

Mr. Swan reminded the Committee that at the last land auction they had raised revenues in excess of \$500,000 and he hoped for similar results at the upcoming auction. He stated that the land auction had not been held in 2006, so there were two years worth of properties to be auctioned off numbering close to 150 parcels, which was slightly lower than usual.

Mr. Champagne noted that many of the properties listed for auction were rescued at the last moment by residents making payment on their property and he asked if there was any negotiation on the \$45.00 redemption fee listed in the RFP and Mr. Swan replied that there was not. He explained that the \$45.00 fee was the responsibility of the landowner and was charged to reimburse the cost to list the property in the auction program and other advertising costs for that property. He said that he planned to release the listing of properties on the last possible day to redeem property in order to reduce the number of such occurrences.

Motion was made by Mr. Geraghty, seconded by Mr. Champagne and carried unanimously to approve the contract with Auctions International, Inc. for auctioneer services at the Warren County Land Auction scheduled for August 18, 2007, and the necessary resolution was authorized for the May 18, 2007 Board meeting. *A copy of the request is on file with the minutes.*

Mr. Swan noted that any of the appraisal firms that had responded to the RFP would have been fine; however, Auctions International, Inc. was chosen based solely upon the fact that they had incorporated a lower bidder's premium in their proposal than the other firms.

Discussion ensued.

Moving to the final agenda item, Mr. Swan reminded the Committee that in the prior month's meeting they had discussed Mr. Merlino's request to delete or reduce the taxes owed on property that the Town of Lake Luzerne anticipated the acquisition of. He apprised that the Town had taken possession of the property and the transfer was received by the Real Property Tax Services Department approximately two weeks ago. Mr. Swan stated that in speaking with the County Attorney's Office he had found that the only authority the County had was to waive the penalties and interest accrued on the taxes owed.

Mr. Geraghty stated that they should remain consistent with past practices and Mr. Swan advised that the only cases in which such fees were waived were in instances where the County had made some kind of mistake in assessing the fees due.

Discussion ensued.

It was the consensus of the Committee that past practice should continue to be followed wherein interest and penalties assessed to delinquent taxes were waived only in cases where mistakes had been made resulting in the addition of these fees.

Motion was made by Mr. Geraghty, seconded by Mr. Bentley and carried unanimously to remain consistent with past practice and waive penalties and interest only in cases where mistakes had been made resulting in the fees accrued.

Mr. Champagne reminded the Committee that during the prior month's meeting they had discussed properties not listed on the tax rolls and the outstanding taxes due. He pointed out that the Mullen property, located near the bike trail in the Town of Queensbury, had accrued taxes and fees in excess of \$100,000 and the Committee needed to proceed in determining what the County's rights and privileges might be in this matter.

Mr. Belden asked if the property was owned by the County and Mr. Swan replied that it had not been acquired by the County as it was feared that the property was contaminated. Mr. Swan expounded that the County Attorney's Office had previously been instructed to research the matter to determine the County's rights and also to see if it might qualify for the Brownfields Grant which would assist in rehabilitating the property.

Discussion ensued.

Paul Dusek, County Attorney, entered the meeting at 10:02 a.m.

Mr. Dusek apprised that in accordance with the Committee's request, his Office had begun a foreclosure action in connection with the Mullen property, part of which petitioned the Court for the ability to perform an inspection of the property to ascertain the extent of contamination.

With respect to the Brownfields Grant, Mr. Geraghty commented that it was a long, complicated process. He apprised that recently he had met with NYSDEC (New York State Department of Environmental Conservation), respective to a project being completed in connection with the Brownfields Grant, on property located near the Schroon River; he added that the project had been started in October of 2005 and no work had been completed to date. Mr. Geraghty stated that if the County was considering entering into this type of grant process they needed to carefully review all of the factors present as the property would not be completely rehabilitated. He explained that as with the case of the Schroon River property, he thought that upon completion it would be a lovely piece of property and he had been advised that it was simply being cleaned up but would look the same. Mr. Geraghty apprised that this process would cost \$400,000 with the Town of Warrensburg paying 10%. The same grant process was planned for the site of an old car wash in the Town of Warrensburg; however, he noted, this property was a prime piece of real estate located in the downtown area. Mr. Geraghty said that once the projects were completed he might have a better opinion of the grant process; however, at this point he was not convinced it was worthwhile.

Mr. Dusek stated that in the case of the Mullen property, the first step was to ascertain the level of contamination affecting the property. He said that if the pollution was not extensive they may not have to use the Brownfields Grant process; however, the County had no access to the property without a court order and that was why he had included such in the foreclosure action.

Mr. Belden asked how much the Mullen property was assessed for and Mr. Swan replied that it was in the \$220,000 to \$250,000 range. Mr. Haskell stated that the property could be sold for much more than its assessed value.

Mr. Monroe suggested that the same foreclosure steps be taken with all similar properties delinquent in tax payments and Mr. Dusek advised that this had not been done because there was known contamination at the majority of the sites.

Discussion ensued.

Mr. Geraghty stated that it was not good business practice to allow some parties to accumulate large amounts of delinquent taxes, while foreclosing on others and Mr. Dusek apprised that although it might not be good business practice, if the County took possession of certain properties they might be looking at considerable clean-up costs, with no State assistance.

Mr. F. Thomas stated that it was the responsibility of NYSDEC to address these contamination issues as they were the regulatory agency. Mr. Dusek agreed that this was correct and NYSDEC should be enforcing such regulations. Mr. Swan stated that although these issues had been addressed with NYSDEC several times, nothing had been done.

Mr. Champagne suggested that a listing be generated of all of the properties owing extensive back taxes which would qualify for the Brownfields Grant for review by the Committee. They could then decide where to begin in addressing these issues, he said. Mr. Swan said that there were five properties in Warren County owing large amounts of delinquent taxes which might qualify for the Grant and he would certainly develop a listing for review by the Committee.

As there was no further business to come before the Real Property Tax Services Committee, on motion made by Mr. Geraghty and seconded by Mr. Haskell, Mr. Belden adjourned the meeting at 10:12 a.m.

Respectfully Submitted,
Amanda Allen, Legislative Office Specialist