

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: REAL PROPERTY TAX SERVICES

DATE: AUGUST 11, 2008

COMMITTEE MEMBERS PRESENT:

SUPERVISORS BELDEN
HASKELL
BENTLEY
F. THOMAS
MERLINO
GOODSPEED
STRAINER

OTHERS PRESENT:

MICHAEL SWAN, DIRECTOR, REAL PROPERTY TAX SERVICES
FREDERICK MONROE, CHAIRMAN
PATRICIA NENNINGER, SECOND ASSISTANT COUNTY ATTORNEY
HAL PAYNE, COMMISSIONER OF ADMINISTRATIVE & FISCAL SERVICES
JOAN SADY, CLERK OF THE BOARD
KEVIN GERAGHTY, BUDGET OFFICER
SUPERVISOR TAYLOR
SUPERVISOR TESSIER
SUPERVISOR KENNY
SUPERVISOR SOKOL
SUPERVISOR SHEEHAN
SUPERVISOR CHAMPAGNE
SHELLY VAN NOSTRAND, LEGAL ASSISTANT
MAUREEN WORTHING, TREASURER'S OFFICE
DEANNE REHM, ADIRONDACK COMMUNITY HOUSING TRUST
PLEASE SEE THE ATTACHED SIGN - IN SHEET FOR ALL OTHER GUESTS PRESENT
JOANNE COLLINS, LEGISLATIVE OFFICE SPECIALIST

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

Privilege of the floor was extended to Michael Swan, Director of RPTS (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.*

The first items Mr. Swan presented were the corrections from the Treasurer's Office which included the Chargeback of Taxes and Refund of Taxes Reports which were included with the agenda; a copy of same is on file with the minutes.

Motion was made by Mr. Thomas, seconded by Mr. Strainer and carried unanimously to approve the corrections from the Treasurer's Office as presented. The necessary resolution was authorized for the next board meeting.

Supervisors Goodspeed and Bentley entered the meeting at 9:32 a.m.

Mr. Swan apprised that the meeting would begin with a review of delinquent tax requests, a listing of which was included with the agenda and on file with the minutes. He asked the Committee if a uniform time period would be established for the extended due date of payments, or if the Committee should proceed on a case by case basis. Mr. Haskell asserted that it would be most effective to determine time frames on a case by case basis in light of the varying circumstances surrounding each case and he added that the Committee would extend every opportunity for the individuals to maintain ownership of their property.

Mr. Belden entered the meeting at 9:33 a.m.

Mr. Swan asked each individual to address the Committee stating the reason for delinquency and to present their plan to become current.

1) Town of Bolton, Tax Map Parcel Nos. 169.04-2-8; 170.00-1-2; 170.00-1-9 and 179.00-1-20, owned by Anton Cooper: Mr. Cooper stated that due to personal and family related hardships which began in September 2007, he had experienced a loss of income and therefore was unable to keep current with taxes owed.

Mr. Swan apprised the total amount owed was \$9,206.30 and the current installment plan required 25% down payment and quarterly payments over a two-year payoff period. He said that a down payment of 25% was approximately \$2,300-\$2,500 not including interest over the two year period. Mr. Cooper stated that it would be feasible for him to secure the down payment in one month.

Motion was made by Mr. Haskell, seconded by Mr. Thomas and carried unanimously to allow Anton Cooper one month to pay the 25% down payment plus interest and penalties.

2) Town of Queensbury, Tax Map Parcel Nos. 308.8-1-12 and 308.8-1-13, owned by Joseph Cardinale: Mr. Swan apprised the total amount due was \$15,459.30 with an approximate down payment amount of \$3,800. Mr. Cardinale stated that he had fallen behind in payments and was prepared to pay the 25% down payment plus interest and penalties on the total of \$15,459.30 directly following the meeting. Mr. Bentley advised Mr. Cardinale that payment should be made at the Treasurer's Office.

Motion was made by Mr. Bentley, seconded by Mr. Strainer and carried unanimously to accept the 25% down payment installment and enter into an installment agreement with the property owner.

3) Warrensburg, Tax Map Parcel No. 223.8-1-5 owned by Lorraine Baker: Mr. Swan apprised the total owed was \$3,267.12 with an approximate down payment amount of \$815. Ms. Baker stated that she had experienced several personal and business hardships since January 2008 and therefore was unable to pay her taxes. Maureen Worthing, Sr. Account Clerk with the Treasurer's Office, stated that Ms. Baker had already been placed on the installment plan and had defaulted on three payments, resulting in a current balance due of \$3,267.12. Mr. Haskell asked Patricia Nenninger, Second Assistant County Attorney, if any other payment options were available under these circumstances and Ms. Nenninger stated that typically property owners were given several weeks to bring the installment agreement current. Ms. Baker stated that she was prepared to pay \$2,000 that day and Mr. Belden asked Ms. Nenninger if the payment could be accepted, allowing until September 30, 2008 to submit the remaining down payment amount, which would include interest and penalties. Ms. Nenninger said that the full down payment amount was typically due in one lump payment and Ms. Baker stated that she could submit the full balance by September 30th. Ms. Worthing noted that if the balance was not paid by September 30th, the partial down payment that was paid would be lost by the property owner.

Motion was made by Mr. Strainer, seconded by Mr. Thomas and carried unanimously to accept two payments (due 12/31/07 and 3/31/08) totaling approximately \$2,200 directly following the meeting, with the balance plus interest and penalties due by September 30, 2008.

4) Town/Hamlet of Pottersville, Tax Map Parcel No. 35.4-2-31, owned by Marietta Knapp: Mr. Swan apprised the total due was \$5,511.28 for the property located at 15 Olmstedville Road and Ms. Worthing explained that taxes were owed for both 2006 and 2008 for this property. Ms. Knapp asked if the records indicated ownership of the property by Owen Griffen in 2006 and Mr. Swan noted that Ms. Knapp took title of the property after 2006, so it was possible that the deed was under a different name at that time. Ms. Knapp stated that after she took title of the property, she proceeded to the Town of Chester and paid the taxes at that time and Mr. Swan reiterated that both the 2006 and 2008 taxes were delinquent. Mr. Bentley asked if the property owner could be placed on a payment plan and Ms. Worthing responded affirmatively noting that the down payment on the parcel was

\$1,377.82. However, she noted, there was another parcel owned by Ms. Knapp located at 47 Marietta Mountain Road with three years (2006, 2007, and 2008) outstanding taxes. Ms. Knapp stated that it was her understanding that the taxes were included with the mortgage payments on the Marietta Mountain Road property and asked if the County could contact the mortgage company to confirm that information. Ms. Nenninger advised Ms. Knapp to review her mortgage documentation with regard to this issue. Mr. Belden asked for the total figure for taxes owed on both properties and Ms. Worthing responded that \$5,511.28 and \$2,969.87 were owed on the properties at 15 Olmstedville Road and 47 Marietta Mountain Road respectively.

Chairman Monroe suggested that a decision regarding payment of taxes owed on the Olmstedville Road property be made after reviewing information pertaining to the payment of taxes for the Marietta Road parcel by the mortgage company. Shelly Van Nostrand, Legal Assistant, stated that due to privacy issues, the County could not contact the bank regarding mortgage information and advised the mortgage holder to contact the bank. Ms. Nenninger said that she could speak with Ms. Knapp after the meeting to discuss the documentation that would be needed. She further stated that if it was found that taxes had been paid on the parcel located on Marietta Mountain Road, the property owner could then enter into an installment payment agreement for the parcel at 15 Olmstedville Road as outlined above.

Ms. Knapp stated that she was prepared to pay \$1,000 of the outstanding amount that day and Ms. Nenninger advised that the issue of taxes owed on the second property must be resolved prior to making payment.

Chairman Monroe stated that the Committee could approve the first installment of \$1,377.82 on Olmstedville Road pending a receipt of taxes paid on the other property, and should proof of taxes paid not be found, then the installment on the other parcel would be due. Mr. Belden asked if Ms. Knapp could pay the full down payment of \$1,377.82 within one month, and she stated that she would try to do so.

Discussion ensued.

Motion was made by Mr. Haskell, seconded by Mr. Goodspeed and carried unanimously to await findings regarding the Marietta Mountain Road property taxes, and should said taxes be paid, the Committee would agree to an installment payment of \$1,377.82 on 15 Olmstedville Road prior to September 30, 2008; if taxes were not paid on the property located at 47 Marietta Mountain Road, the installment would be increased to cover taxes on the second parcel and another Committee meeting would be necessary.

5) Town of Johnsburg, Tax Map Parcel No. 178.-1-11.2 owned by Tracy Bateman: There was no representative present.

Supervisor Merlino entered the meeting at 10:07 a.m.

6) Town of Warrensburg - North Country Lodge, Tax Map Parcel No. 197-1-27 owned by Josephine Sapienza: Mr. Swan stated the total outstanding amount was \$28,146.49. Ms. Sapienza apprised that she had entered into a legal agreement to borrow money from a private lender, who was a long time family friend and who had subsequently fallen seriously ill. She stated that she proceeded to a mortgage lender in Saratoga and found that although she qualified for a loan/mortgage, the aforementioned private lender had taken a lien on the property. She said she needed to rescind the first loan agreement and proceed to obtain another lender in order to pay the delinquent taxes. She appealed to the Committee, stating that under the circumstances, one month may not be a sufficient amount of time to obtain the necessary funding.

Mr. Belden asked if a payment plan could be arranged and Ms. Worthing reported that the property owner had already defaulted on an installment agreement with four payments currently in arrears at \$3,487.31 per installment plus interest and penalties.

Motion was made by Mr. Bentley, seconded by Mr. Thomas and carried unanimously to extend the due date for

payment in full to September 30, 2008 for taxes owed by Josephine Sapienza for the property of North Country Lodge.

Mr. Goodspeed asked what the total amount in arrears was and Ms. Worthing advised that the total was \$28,146.49 plus interest and penalties. Mr. Bentley interjected that the total would be closer to \$30,000 at the due date of September 30th. Mr. Haskell asked how much time would be necessary to resolve the loan issues and Ms. Nenninger explained that in order to allow an extension to September 30th, the parcel would be severed as part of the foreclosure judgement, and subsequent to September 30th, would proceed to judgement on the parcel. If there were issues to come before the Board prior to September 30th, another Committee meeting would need to be scheduled.

Discussion ensued.

Mr. Goodspeed noted that in light of the status of the current mortgage market coupled with the confusion in this case, he felt it would be unlikely that the property owner would obtain a mortgage by September 30th. Mr. Goodspeed asked if Ms. Sapienza had obtained legal counsel and she replied in the negative and stated that she planned to do so immediately. Ms. Worthing apprised that Attorney Ken Schwartz had called the Treasurer's Office regarding the case in order to arrange payment of the amount due and Ms. Sapienza said that she was not acquainted with Attorney Schwartz. Mr. Belden suggested that Ms. Worthing provide Ms. Sapienza with the phone number for Attorney Schwartz so that contact could be made. Mr. Haskell reiterated that the Committee would need to revisit the case in late September and Mr. Goodspeed suggested that the County Attorney's Office contact Mr. Schwartz regarding the case.

Mr. Swan extended privilege of the floor to Deanne Rehm, Board Member of the Adirondack Community Housing Trust (ACHT). Ms. Rehm stated that the Trust was intended to help those residents who were at risk of losing property for failure to pay taxes and they would like to review ways in which the ACHT could work with the County in the future to preclude the loss of property by homeowners. She articulated the Housing Trust was set up through an initiative by Senator Little, who had been apprised by various officials representing the Adirondack Park, that local residents were being priced out of the local housing market by newcomers to the region. This influx, she said, pushed home prices up to a level that made homes unaffordable to local families of low or median incomes. She added that the ACHT was set up as a model that had been used throughout the Country and was utilized in abandoned cities which were often left in disrepair by those who moved out.

Ms. Rehm maintained that the ACHT was primarily designed to help those with low to median household incomes to purchase a home and to keep that home affordable for the long term. The manner in which it was accomplished, she explained, was to provide funding that essentially covered the cost of the land. She continued that the Trust would contribute that portion of the money into the purchase and when the family moved into their house, the ACHT and the property owner would receive the deed to the property (underlying land), and the structure respectively. She expounded that banks were amenable to this arrangement and the State of New York Mortgage Agency (SONYMA) had a mortgage vehicle that allowed this type of ownership. Once the family was occupying the home, she noted, they would pay the ACHT a token rent for the land. Another positive of this program, she asserted, was the fact that there were no stigmas attached to the recipients as the homeowners were not identifiable, as was the case with unit type housing projects. Ms. Rehm stated that a unique aspect of the ACHT was that it was possible to predict that the home would remain affordable. In the event that a program participant decided to sell the home, the ACHT provided a predetermined formula that enforced a maximum of 25% appreciation to be realized by the seller, and she stated, this would make the home perpetually affordable. If a sale could not be achieved, she added, the ACHT would purchase the home for resale to another qualified recipient.

Ms. Rehm distributed two handouts to the Committee: An Introduction to Adirondack Community Housing Trust and a list of median home prices within Warren County. *Copies of same are on file with the minutes.*

Ms. Rehm noted another aspect of the ACHT required participants to complete a homeowner education component. Mr. Strainer asked if Glens Falls was included in the area for ACHT opportunities and Ms. Rehm replied in the negative expounding that Glens Falls and Queensbury were not within the program area which was intended for the Adirondack Park region; however, she said, one small portion of Queensbury's east side was considered part of the Adirondack Park.

Mr. Kenny entered the meeting at 10:29 a.m.

A discussion ensued.

Ms. Rehm invited questions from the Committee and stated that the goal of the ACHT was to seek the potential for a partnership with the County to help residents in situations like those represented in today's meeting.

Mr. Goodspeed apprised that he had been involved in discussions with the ACHT Board members and that the Town of Johnsbury had tried to pass an Inclusionary Zone Ordinance whereby developers must designate a certain percentage of units in a multi-unit complex, to be within an affordable price range for locals, or alternatively, the developer must provide the cash value of said units to the Trust. Another alternative, he advised, required the developer to provide a certain number of units at fair value for locals or alternatively the equivalent cash for the cost to build said units (roughly \$400,000 to 500,000) whereby the Trust would manage the fund.

Ms. Rehm noted that such an arrangement as outlined above, if approved, would be specific for that particular township.

Mr. Goodspeed conveyed that a second type of housing, worker housing, was also discussed in the Town of Johnsbury and the community was opposed to this plan which presented a multi unit complex resembling a horse stable. Ms. Rehm reiterated that the ACHT held fast to the notion that homeowners not be stigmatized by the unit or dwelling. She said that the Trust sought to enable home ownership conducive to resident taxpayers contributing and becoming involved in the community in many positive ways, and stated that the ACHT welcomed the joint effort with the Town of Johnsbury to this end.

Mr. Sokol entered the meeting at 10:41 a.m.

Mr. Strainer asked what figure was used to determine what the ACHT would contribute and Ms. Rehm replied 80% of the median household income; she noted the typical household income in Warren County was within the high \$30,000 to the high \$40,000 range. She said that the second factor used to qualify for the program was the number of persons that resided in the home. In response to a question from Mr. Strainer, Ms. Rehm stated that typically the family selected the house they wished to purchase which must then be deemed suitable for the family including but not limited to size and number of rooms.

A discussion ensued.

Chairman Monroe expressed concern for those at risk of losing their home who may not be aware that such options were available to assist them in maintaining ownership. He added that although they must agree to give title of the land to the Trust, the Trust would in turn pay the delinquent taxes allowing the resident to maintain ownership of their home. Ms. Rehm agreed, and recounted that the house must also be deemed suitable for the family who must be resident homeowners in order to qualify. She summarized that the reason for her visit was to work together with the County to establish a vehicle by which to convey this opportunity to the public, especially those in delinquency.

Mr. Sheehan and Mr. Champagne entered the meeting at 10:48 a.m.

Mr. Belden suggested that the County forward the list of delinquent taxpayers to Ms. Rehm (the ACHT), who could

intervene prior to the commencement of foreclosure proceedings. Mr. Belden noted that this offered a viable option for those individuals; however, he said, they must understand that the ACHT would take title of the home.

The Committee agreed that Ms. Rehm and Mr. Swan would schedule a meeting to discuss and establish how best to share information with the ACHT for the purpose of conveying the program opportunity to homeowners who were delinquent in taxes. Ms. Nenninger confirmed that the list of names of those in delinquency was public information.

Chairman Monroe stated that this presented a viable option for those in delinquency whereby they could stay in their home, maintain the initial investment made in the house, and if the home was sold, could also hold the value made in improvements, following proper evaluation of same.

A discussion ensued.

Mr. Belden asked if the ACHT would purchase land and Ms. Rehm responded that the ACHT preferred property with a structure as the ACHT had a land bank limit regarding how much land they could hold as they were not in the business of building homes.

Mr. Bentley described a parcel of County land located in the Town of Horicon valued at \$18,000 which was slated to be sold at auction and he asked if such parcel would be of interest to the ACHT. Ms. Rehm replied in the positive cautioning that the ACHT could not select parcels with taxes owed through the County and would proceed in purchasing property as would other auction attendees. Therefore, she said, the ACHT was seeking options by which to become a preferred buyer.

Chairman Monroe suggested the County initiate involvement with the Local Development Corporation (LDC) which required legal counsel. Ms. Nenninger stated that the Adirondack Economic Development Corporation had expressed a need to meet with the County to discuss options which would give authority to the County and she added that she would apprise the Committee as new information became available on the matter. Ms. Rehm referenced her earlier statement that the ACHT was not particularly interested in land only purchases and she added that in light of the information regarding a joint effort with the LDC to find ways to give more authority to the County, the ACHT would view competitively priced land as a worthwhile investment.

Chairman Monroe cited an occurrence in which high income individuals often purchased a second home in the Adirondack Park region, particularly on the waterfront, and chose to tear down the existing and structurally sound dwelling to construct a custom home. It was noteworthy, he said, that a significant cost was involved in tearing down the existing structure. He said that the notion of donating and moving the house to a parcel owned by the Town or ACHT would not only reduce expenses and provide a charitable deduction for the property owner, but would also create another home available for occupancy. Chairman Monroe conveyed his support for exploring this idea with the ACHT.

Ms. Rehm cited that often wealthy landowners acquired significant amounts of property in order to preserve the land. She said there was nothing to preclude them from donating pieces of that land, perhaps on the outer region(s) of said acreage, which would not interfere with their overall enjoyment of the property. She asserted that once owned by the ACHT, this land could provide homes for qualified applicants.

Mr. Belden thanked Ms. Rehm for bringing the information to the Committee.

Mr. Swan presented a request for replacement deeds for John Liapes who purchased two properties from the County at the 1996 tax sale (Queensbury Tax Map Parcel No. 309.18-1-33, and Lake George Tax Map Parcel No. 251.14-3-34).

Motion was made by Mr. Goodspeed, seconded by Mr. Haskell and carried unanimously to approve the issuance

of two replacement deeds for John Liapes as outlined above, and the necessary resolution was authorized for the August 15, 2008 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Mr. Swan provided an update regarding the New York State Star Maintenance Program, which would be phased out over a three year period. He reported the 2008 payment to the County of \$2,872.09 was down 35% from 2007, and he cautioned the Committee that this revenue source would be lost to the Towns.

Mr. Swan presented the RPTS 2009 Budget, which, he stated reflected no increase. He said that he had eliminated one mapping position, with a savings of \$33,386 and requested a salary increase for the Deputy Director. Mr. Swan noted that the 2009 budget request was down \$28,386 from 2008.

Mr. Belden stated that the Budget request outlined above must be referred to the Budget Committee and Mr. Geraghty said that any salary increases over and above the standard 3½% increase would be referred to the Budget Committee.

Mr. Goodspeed interjected that he supported giving Department Heads control over their staff salaries in terms of Budget savings, as they were most familiar with the Department overall.

Motion was made by Mr. Haskell, seconded by Mr. Merlino and carried unanimously to refer the Real Property Tax Services 2009 Budget to the Budget Committee, *and a copy of same is on file with the minutes.*

Continuing, Mr. Swan presented a request to amend Resolution No. 452 of 1996, the terms of sale for auction, due to the fact that the auction would be held in October, the bidder must be responsible for paying the September school taxes plus the interest; he added that those defaulting on the 10% bid would also default the 5% auctioneers fee.

Motion was made by Mr. Haskell, seconded by Mr. Goodspeed and carried unanimously to approve the request to amend Resolution No. 452 of 1996 as outlined above, and the necessary resolution was authorized for the August 15, 2008 Board meeting. *A copy of the resolution request is on file with the minutes.*

Mr. Swan presented a request to authorize property tax exemption for the Village of Lake George on Tax Map Parcel Nos. 264.6-3-29; 264.6-3-30; 264.6-3-31, and 265.6-3-32, the former Gaslight Village property, of which the County holds the title, and subsequent to such exemption, the Village of Lake George would not be responsible for property taxes on same.

Motion was made by Mr. Goodspeed, seconded by Mr. Haskell and carried unanimously to approve the request as outlined above, and the necessary resolution was authorized for the August 15, 2008 Board meeting. *A copy of the resolution request is on file with the minutes.*

Mr. Swan, responding to an earlier request for additional information, referred the Committee to the Estimated Market Value of Surplus County Property located at the back of the budget handout. *A copy of same is on file with the minutes.*

A discussion ensued with regard to the locations of the properties listed.

Mr. Haskell suggested touring the properties prior to making final decisions about the sale of the properties. Mr. Swan said that he could produce a map of the properties and/or guide the tour if necessary. Mr. Bentley raised the issue of the Fairgrounds which encompassed approximately 70 acres, and was underutilized. Mr. Thomas interjected that the use of the Fairgrounds was the responsibility of the Committee. Mr. Payne stated that the County received \$100 in revenue each time the fairgrounds were used and the County paid the expenses for staff wages and water use testing.

Mr. Belden stated that the Committee agreed to a van tour of County properties, and Mr. Swan said that he would email the full Board with some available dates to tour in September.

Motion was made by Mr. Bentley, seconded by Mr. Haskell and carried unanimously to approve the auction of a County owned parcel of land in the Town of Horicon, and the necessary resolution was authorized for the August 15, 2008 Board meeting. *A copy of the resolution request form is on file with the minutes.*

As there was no further business to come before the Real Property Tax Services Committee, on motion by Mr. Haskell and seconded by Mr. Bentley, Mr. Belden adjourned the meeting at 11:42 a.m.

Respectfully submitted,

Joanne Collins, Legislative Office Specialist