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INTERNAL MEMORANDUM

PRIVILEGED AND CONFIDENTIAL

VILLAGE OF BUCHANAN

TO: Mayor and Board of Trustees
Marcus Serrano, Village Administrator
Stephanie Porteus, Esq., Village Attorney

FROM: Ira S. Levy, Special Counsel to the Village

DATE: July 31, 2020

RE: Equity Enterprises v. Village of Buchanan
3 Greentown Road - 43.11-1-1.2

Property Description:

This property is located at 3 Greentown Road, and consists of a 4.46± acre parcel, improved with a one-story, 18,700± square foot light industrial building, constructed circa 1993.

Proposed Settlement:

Years	Eq. Rate	Current AV	Indicated MV of AV	Settlement MV	Settlement AV	AV Reduction	Tax Rate	Village Refund
2013	2.63%	56,070	\$2,131,939	WITHDRAWN/NO AV REDUCTION			\$242.13	\$ 0.00
2014	2.99%	56,070	\$1,875,251	NO AV REDUCTION			\$254.31	\$ 0.00
2015	1.24%	56,070	\$4,521,774	\$2,800,000	34,720	21,350	\$254.84	\$ 5,440.83
2016	2.07%	56,070	\$2,708,696	NO AV REDUCTION			\$262.35	\$ 0.00
2017	2.02%	56,070	\$2,775,743	NO AV REDUCTION			\$269.82	\$ 0.00
2018	1.93%	56,070	\$2,905,181	NO AV REDUCTION			\$284.29	\$ 0.00
2019	1.85%	56,070	\$3,030,811	NO AV REDUCTION			\$321.19	\$ 0.00
2020	*	56,070	*	NO AV REDUCTION			\$449.50	\$ 0.00
	* No equalization rate published						Total:	\$ 5,440.83

Analysis and Recommendations:

This property is located at 3 Greentown Road, and consists of a 4.46± acre parcel, improved with a one-story, 18,700± square foot light industrial building, constructed circa 1993.

The Petitioner brought Article 7 proceedings against the 2013 through 2020 Village assessments. The 2013 proceeding was withdrawn by the petitioner; the 2014 through 2019 proceedings are on the Court's trial calendar.

Please note that 2015 is an assessment anomaly; the Village equalization rate for that year is 1.24%, which is significantly below the equalization rates in other years. As a result, the 56,070 assessment for the property indicated a market value in 2015 of \$4,521,774, while the 2013 and 2014 equalization rates indicate market values of \$2,708,696 to \$3,030,811, and the 2016-2019 equalization rates indicate market values of \$2,708,696 to \$3,030,811, at that same assessment (please note that the 2020 equalization rate has not yet been published).

The petitioner's attorney provided an appraisal of the property, prepared for other purposes, which indicated a market value of \$2,450,000 for the years at issue. Such a market value for the property indicates Village refunds of \$15,675.81. My review of sales of comparable properties, as well as market rents, indicates market values for the property of \$2,800,000 to \$3,000,000 for the years at issue. Such market values for the property indicates Village refunds of \$7,389.42.

Negotiations resulted in a proposed settlement, subject to Board approval. The proposed settlement has the petitioner discontinue the 2014, 2016, 2017, 2018 and 2019 proceedings, and the petitioner will withdraw the 2020 proceeding (the 2013 proceeding has already been withdrawn), if the 2015 assessment would be reduced to a market value of \$2,800,000 (34,720 AV). The proposed settlement indicates Village refunds of \$5,440.83.

Based on the petitioner's appraisal and my analysis of the market value of the property, the proposed settlement is a favorable result for the Village, resulting in savings of potential tax refunds. Therefore, the settlement is recommended for approval.

This settlement is also recommended because I do not believe a better result could be achieved at trial. At a trial, the Court would likely find that the assessment should be reduced to, or even below, the market value indicated by the proposed settlement. This would result in a potentially lower assessment for the property, as well as potentially greater refunds, than those indicated by the proposed settlement. In addition, the Village would then be responsible for interest on the refunds, as well as litigation fees and expenses; the settlement is structured so that interest on the refunds is waived as long as payment on the refunds is made within sixty (60) days from the date the Order with Notice of Entry is served.

For the foregoing reasons, I recommend and request that the Board adopt a resolution permitting the Special Counsel to the Village to settle the subject litigation based on the figures set forth above and to execute any and all documents to formalize and process the settlement.

**RESOLUTION AUTHORIZING TAX
CERTIORARI SETTLEMENT**

Introduced by: _____
 Seconded by: _____
 Dated: _____

WHEREAS, petitions having been filed by the property owner, below challenging real property tax assessments on the Village's assessment roll with respect to the following parcels:

Property Owner	Address Description	Year(s)
EQUITY ENTERPRISES	3 Greentown Road 43.11-1-1.2	2013- 2020

WHEREAS, petitioner's court challenge is now pending in the Tax Certiorari Part of the Supreme Court, Westchester County; and

WHEREAS, the Village and the property owner have reached a mutually agreeable resolution with regard to the assessments at issue in the Court challenges;

NOW THEREFORE BE IT RESOLVED, the Special Counsel to the Village is authorized to execute a settlement on behalf of the Village for assessments for no less than the following:

Years	Current AV	Reduced AV	AV Reduction
2013	56,070	WITHDRAWN/NO AV REDUCTION	
2014	56,070	NO AV REDUCTION	
2015	56,070	34,720	21,350
2016	56,070	NO AV REDUCTION	
2017	56,070	NO AV REDUCTION	
2018	56,070	NO AV REDUCTION	
2019	56,070	NO AV REDUCTION	
2020	56,070	NO AV REDUCTION	

The refund of Village taxes amounts to \$5,440.83.

Upon Roll Call Vote:

Mayor Theresa Knickerbocker _____

Trustee Richard Funchion _____

Trustee Duane Jackson _____

Trustee Cesare Pasquale _____

Trustee Nicolas Zachary _____

Vote: Resolution carried by a vote of ____ to ____ .

STATE OF NEW YORK)
)SS.:
COUNTY OF WESTCHESTER)

I, Cynthia Kempter, Village Clerk of the Village of Buchanan, do hereby certify that the above is a true and exact copy of a Resolution adopted by the Village Board of the Village of Buchanan at a meeting of said Board held August 4, 2020.

CYNTHIA KEMPTER, Village Clerk