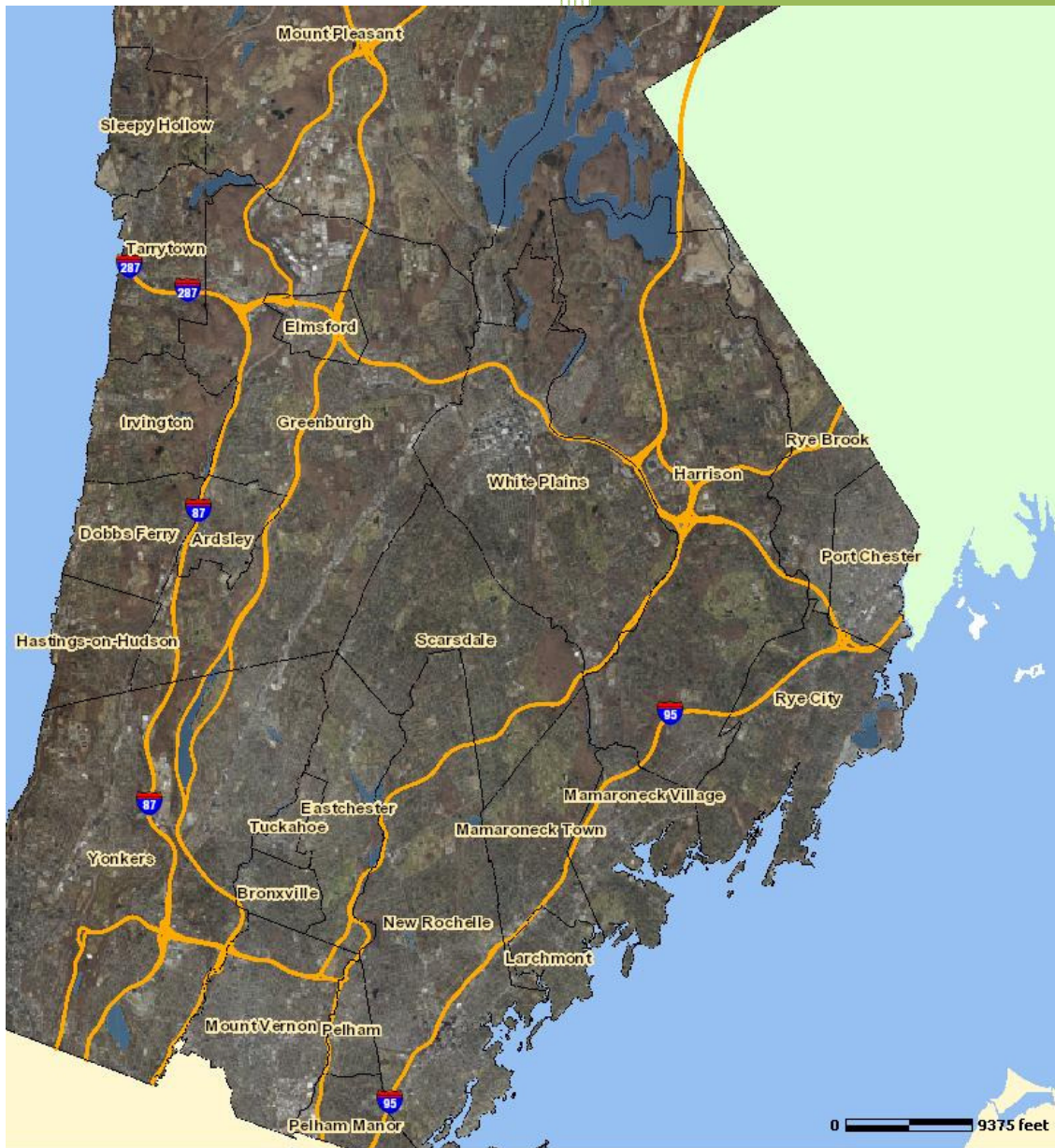


March 4, 2011



Westchester Collaborative  
Assessment Commission  
Final Report

## **EXECUTIVE SUMMARY**

The Westchester County Assessment Commission, a coalition established by resolution of the Westchester Board of Legislators, prepared the attached report that identifies the problem of outdated assessment methods and the lack of resources dedicated to the property assessment system in Westchester County. Although the degree of obsolescence varies among the 39 assessing units, the improvement of assessment practices and administration in the vast majority of municipalities is pressing and long-overdue. Provided herein are specific actions for such improvement.

The report has taken 20 months to complete and over one thousand hours have been dedicated by a committee of elected officials, city managers, local assessors, state agencies and County representatives. The participants represented four organizations that included the Westchester County Tax Commission, New York State Department of Tax & Finance – Office of Real Property Tax Services, the Westchester Municipal Officials Association and the Westchester County Chapter of the New York State Assessors' Association. This diverse group of public servants with varying expertise and viewpoints delved into the complicated and, at times, confusing practices of assessing property for tax purposes in New York State. Many hours of research and debate have been contributed and numerous problems have been raised and solutions explored and offered. Consistent with subject matters that are controversial, complicated and politically charged, there were very strong opinions and expected outcomes that had to be reconciled by the committee to produce this report. It had to be a document that would be acceptable for improving assessment practices and palatable to elected officials regarding proposed legislative changes and finally, had to be realistic, feasible, universally achievable and within the financial means of the County and the municipalities.

The study team reviewed current assessment administrative and valuation practices throughout the County. By examining procedures, tools, resources and staffing levels in comparison to the statutory requirements and escalating assessment litigation, the study group defined a path to significantly improve assessment practices. The goal in

Westchester County is to ensure tax fairness, transparency, greater public support and understanding of property assessments and taxes. Legislative reform is necessary to accomplish this aim. In the forefront is the need to undertake a Countywide data collection project, entailing the accurate updating and verification of property characteristics and continuous maintenance of all property records, which is the fundamental component for achieving fairness and equity in the assessment system.

Key to improving assessment practices it is imperative to increase the level of understanding and public confidence in the procedures that communities use to assess and value property. The following are major observations and recommendations:

- The assessment of real property for tax purposes constitutes the single largest revenue stream to local government, yet its current funding is woefully inadequate, and substantially below national standards to deliver a fair tax system;
- The creation of a standardized and consistent data collection system that incorporates accurate and detailed property characteristics must be used to build the foundation of a modern mass appraisal system, and shall include a process for ongoing maintenance;
- Potential funding options for a Countywide program of data collection were devised and offered herein;
- A coterminous (State and County) calendar of dates should be established for all municipalities, including taxable status date, valuation date and tentative and final assessment roll publication dates;
- The creation of a four-year reassessment cycle with year one establishing the base value of a property which shall apply to each of the four years of the cycle subject to adjustment within the cycle only if there is a change in use, physical condition or occupancy. The report specifies seven conditions under which an assessment adjustment is permitted;

- To further ensure taxpayer equity the grievance process should be amended to encourage meaningful and serious assessment challenges; therefore, an assessment challenge may only be successful if clear and convincing evidence is put forth that there would be a 15% or more difference between the market value of a subject property and its assessed value, as measured in base-year value terms;
- Authority to be granted to local jurisdictions to include up to 1.5% of an assessing unit's total annual levy, the proceeds of which would be dedicated for data collection, grievance refunds, assessment operations, technology, maintenance of records and overall assessment and tax administration. After the first cycle, funding would be adjusted to represent the actual costs during each four-year cycle;
- Institution of the following two new tax relief programs that would be available by local option only upon implementation of a municipal-wide reassessment. The degree of relief would be applicable to the difference, if there were such a difference, that resulted in an owner's tax payment increase, which can be attributed solely to the outcome of a reassessment and owner's annual adjusted gross income;
  - A tax deferral that can be structured with many options relative to time of payment and eligibility;
  - A circuit breaker that would also have options for implementation in regard to time of payment and eligibility;

Countywide, the aggregate annual amount of taxes collected based on assessed value of properties is over \$4 billion and the amount of refunds alone amount to an annual estimated cost of \$55 million, coupled with the continued loss of assessed value. The cost to cure these inequities is roughly equivalent to one year of countywide refunds. It is proper, timely and absolutely critical for the County, cities and towns to form a partnership that will bring modern methods, tools and technology for the assessment of

property that will no doubt advance the system to a 21<sup>st</sup> century model which help bring long-term social and economic wellbeing to Westchester County.

All of the above observations and recommendations are further discussed in the report. Although some may seem ambitious and put forward at a very difficult time, it should be emphasized that they are critical to improve assessment practices and administration throughout the County, since the amount of revenue from this form of taxation is the main source of revenue for supporting local government services.

## **INTRODUCTION**

### **Collaborative Assessment Commission**

In March 2008, the County Executive supported an effort by the Westchester Municipal Officials Association (WMOA), and the Westchester County Chapter of the New York State Assessors Association (WCCNYSAA) to work with the Executive Director of the Westchester County Tax Commission (WCTC) to apply for a Collaborative Assessment Study grant from the State. The New York State Office of Real Property Services (now the Department of Taxation & Finance – Office of Real Property Tax Services (ORPTS)) awarded a \$50,000 grant to the County of Westchester, to enable its forty-five municipalities (6 cities, 19 towns, 20 villages) to investigate opportunities for mutual collaboration which would result in the achievement of uniform, transparent, equitable and efficient assessment practices that will benefit all Westchester taxpayers.

Westchester Collaborative Assessment Commission (WCAC) members and contributors are:

### **Westchester Municipal Officials Association (WMOA)**

Alfred A. Gatta, Manager, Village/Town of Scarsdale/WCAC Chairman

Linda Cooper, 2000-01 President, WMOA

Anne M. Janiak, Executive Director, WMOA

Chuck Lesnick, City Council President, City of Yonkers/2010-11 President, WMOA

Lee Roberts, Supervisor, Town of Bedford/2009-10 President, WMOA

### **Westchester County Chapter New York State Assessors Association (WCCNYSAA)**

Nanette J. Albanese, SRA, IAO Village/Town of Scarsdale Assessor/ 2007 & 2010  
WCCNYSAA President

Josette J. Polzella, IAO, Town of Ossining Assessor/1999-2001, 2004, 2005 & 2008  
WCCNYSAA President

Mark B. Russell, IAO, City of Yonkers Assessor/2002 WCC NYSAA President

**Westchester County Tax Commission (WCTC)**

David B. Jackson, AAS, CCD, IAO, Executive Director/Board of Legislators, WCAC liaison

**New York State Office of Real Property Tax Services (ORPTS)**

John Wolham, IAO, ORPTS Southern Region Director (Non-voting Member), WCAC liaison

**Liaisons**

William Burton, Westchester County Legislator, District #9, Chair Housing, Planning and Research Committee

Barbara Dodds, Westchester County Board of Legislators, Legislative Aide

Jill Spieler, Westchester-Putnam School Boards Association, President

In March 2009, the Collaborative Assessment Study Committee presented a report of its findings which considered three possible models for improved assessment administration:

- 1) county-administered assessments;
- 2) municipally-administered assessments, with the County serving as contract vendee; or
- 3) municipally-administered assessments, whereby municipalities agree by contract among themselves to establish consistent methodologies.

The Committee concluded that the *municipally-administered model* would be the most appropriate. The report highlighted five areas where significant improvements in assessing functions could be made:

- property data verification and maintenance;
- creation of a shared, commercial databank;
- periodic reassessment options;

- common Level of Assessment (LOA) in relation to market value;
- and possible legislative changes to facilitate the implementation of assessment reform.

On June 16, 2009, the Westchester County Legislature formally established the Westchester Collaborative Assessment Commission (the WCAC) by Resolution No. 130, as amended (Exhibit “A”), to fulfill the following objectives:

- 1) to develop a standardized model for the recording, verification and maintenance of property data for assessment purposes;
- 2) to ascertain the cost and time required for updating said property data;
- 3) to suggest legislative parameters to the Board of Legislators that may be used to foster transparent, equitable and efficient assessment practices Countywide; and
- 4) to establish a centralized commercial databank to be shared among municipalities and the County.

In addition, the Board’s resolution directed the County to undertake the aerial and street-level photography project recommended in the initial grant study.

This report completes the WCAC’s charges as enumerated in the Board of Legislators’ Resolution No. 130 of 2009, as amended. This report confirms its interim report and provides additional analysis in the following five areas:

- 1) Commercial databank – the creation of a centralized system to record sales and lease transactions Countywide that will assist assessors in valuing commercial property and will facilitate equitable treatment of commercial properties throughout the County;
- 2) Aerial and street-level photography – the use of aerial and street-level photography by all local assessing units. The aerial phase includes four



oblique-angle photos of each parcel taken from the north, south, east, and west and an “orthogonal” or straight down photo;

- 3) Property inventory – the recommendation of specific property characteristics to be collected and computerized by the local assessing units;
- 4) Draft County home rule legislation/Base-Year Model – legislation that would require the reassessment of all properties in the County using uniform property characteristics and a timeline for updating assessments;
- 5) Property tax relief measures – property tax relief measures that are currently available, many of which are already in use, or require legislative action.

## **BACKGROUND**

Before presenting its recommendations, it is helpful to have a basic understanding of each subject area studied.

### **Commercial Databank**

Creation of a shared commercial databank among municipalities would facilitate the equitable treatment of commercial properties Countywide, as well as the efficient disposition of Article 7 complaints. While municipalities generally have adequate residential sales data within their boundaries, data for commercial/industrial property is more difficult to obtain and analyze. Local assessors are hindered by the fact that commercial data is not routinely shared between them. A secure commercial databank, accessible by all municipalities, would be useful to establish and defend valuations.

This databank could also be made available to ORPTS to assist in establishing equalization rates. Equitable and defensible commercial assessments create long-term stability in tax revenues and mitigate large, unpredictable certiorari settlements. In recent years, the County has paid out in excess of \$10 million a year in property tax refunds. In 2009, more than 90% of refunds went to owners of commercial property. In excess of \$55 million in total property tax refunds is paid out by all taxing districts Countywide

annually.<sup>1</sup> Moreover, this staggering amount of refunds is compounded by additional loss of taxable value before each year's tax bills are ever issued and that do not require refunds.

### **Aerial and Street-Level Photography**

The foundation for equitable assessments is property inventory data that is accurate, complete and current. This data must be collected Countywide under a common standard. Aerial and street-level photography can assist in the review of existing data. This imagery could identify at least a dozen essential property characteristics that would otherwise have to be gathered during a field inspection. Accurate and current property inventory can reduce field inspections, which is the most extensive, and therefore the costliest, phase in an overall property reassessment program. As a county purchase, with the vendor allowing unlimited licenses, the technology can be effectively used by other municipal departments, including emergency responders, public works, utilities and planning departments.

### **Property Inventory**

There currently exists a great disparity in both the quality and consistency of the existing property inventory data records in assessment offices throughout the County. Since, for various reasons, many municipalities have not conducted reassessments in decades, the data that is already in place does not conform to acceptable data collection standards. A standard, computerized format is the starting point for moving to a uniform, transparent and equitable assessment system.

### **Draft County Home Rule Legislation**

Periodic reassessments have not been the practice in Westchester County. Only the Towns of Pelham and Rye, as well as the Village of Bronxville have reassessed in the last decade. While most municipalities recognize the need for periodic reassessments, there are often financial and political reasons not to do so. Absent a statutory requirement to

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<sup>1</sup> Extrapolated from available data submitted by a number of taxing jurisdictions

reassess, it is unlikely that most municipalities will do so, and the goal of an efficient, transparent and equitable assessment system throughout the County will not be achieved. Therefore, the Westchester Collaborative Assessment Commission recommends that the County consider adopting home rule legislation, which is predicated on establishing a base-year cycle for reassessment (see attached Exhibit “B”).

### **Property Tax Relief Measures**

Property tax relief is a serious and constant topic of discussion in New York State. Property owners understandably are uncomfortable with the uncertainty of what will happen to their individual assessment as a result of a reassessment. Providing information about existing relief options for property owners may lessen this anxiety and the reluctance of property owners to support a reassessment; however, the purpose of this study is not to analyze the effects of specific tax policy or legislative changes. There are a few existing tax relief measures that the County may consider promoting to ease the implementation of many of the reforms proposed in this report. In addition, the County may wish to explore several property tax relief measures, which may require state legislative action to implement.

## RECOMMENDATIONS

### **Commercial Databank**

The WCAC studied various options for providing a “databank.” Ideally, a databank would contain all existing assessment data, inventory, appraisals, listings, sales, leases, financial statements, investment data, recent settlements, etc. It is this information that would provide assessors with the means to establish and defend commercial property assessments and would do so in a more cost-efficient manner.

Westchester County received a \$50,000 grant which is the budget for this undertaking. It is agreed that this plan should maximize existing assessment systems via verification of existing inventory already on property record cards. Additional property inventory should be obtained via outside realty sources, existing appraisals, income and expense statements and any other valuation documents that will actually serve to create the commercial databank.

In refining Westchester’s needs, it was concluded that the following option will best serve and suit current and long-term goals for enhancing equity and transparency of commercial assessments:

Every assessor’s office is already equipped with a comprehensive assessment software program (e.g., Real Property System (RPS), Property Assessment System (PAS), etc.) that contains available commercial inventory fields. Additionally, as part of its base system, the State’s RPS assessment software has extensive valuation tools. The \$50,000 grant monies will cover the following: 1) one RPS license for one year, (commercial data could be input into the commercial databank for every municipality in the County under this one license); 2) a single-user membership for Costar<sup>2</sup> for one year; 3) a fee to purchase LoopNet<sup>3</sup> for one year; and 4) a fee for Westchester Multiple Listing Service

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<sup>2</sup> Costar is a provider of analytic services and online access to a comprehensive databank of commercial real estate information

<sup>3</sup> LoopNet premiums service allows members to list, search, market and research commercial real estate properties over the Internet.

(WMLS) for one year. Assessors would then have access to a wide variety of commercial market data.

The remaining available funds will be used to augment the commercial databank. Knowledgeable data operators will input existing commercial data obtained from the aforementioned sources into one RPS databank, to the extent funding permits. The operator will scan in all existing appraisals, income & expense forms and other valuation documents.

In order to obtain Costar at the single user rate, it is required that WCCNYSAA be the purchaser/client under contract with a municipality and not the County. Therefore, the WCCNYSAA will be the project coordinator and liaison for the duration of the project.

Thereafter, each assessor will be responsible for the entry of commercial data to maintain currency and will permit sharing privileges to all other assessors in the County. Funding for IT support services shall be included, making the total estimated cost of this project approximately \$50,000, the amount of the grant award from the State.

The completion of the commercial databank project is projected for December 31, 2012. Participation shall be formalized in an Inter-Municipal Agreement (IMA) no later than December 31, 2011. No funds shall be released until IMAs are in place with municipalities representing 50% or more of Westchester County's total parcel count. Participating municipalities shall have exclusive access. Once the commercial databank is established, assessors will continually update and maintain the inventories for their municipalities. All inventories must be completed and computerized by the proposed March 1, 2016 taxable status date (see exhibit "B").

Once commercial inventories have been created, assessors will be able to begin to access Countywide commercial data, which will greatly aid in the adjudication or resolution of

current certiorari proceedings. Since the data will be managed by the WCCNYSAA, 100% participation is anticipated.<sup>4</sup>

### **Aerial and Street-Level Photography**

Since 1925, the County has captured aerial photographs which have been valuable for historical recordkeeping and for a variety of planning purposes. The advent of Geographic Information Systems (GIS) and digital ortho-photography (aerial photographs with precise ground coordinates) has revolutionized assessment practices and the profession has increasingly relied on photography for tax mapping and other assessment purposes.

Aerial, oblique-angle and street-level photography have recently been introduced and are now being used extensively in the assessment field. Use of photography enables assessors to work more efficiently. The WCAC endorses the use of this technology that will assist in providing accurate and timelier information, while freeing up resources to better address other assessing functions given the constraints of limited personnel. The data provided by these tools provide quality control in a reassessment, whether undertaken by a municipality or Countywide. Aerial, oblique-angle and street level photography are described in more detail below.

Aerial photography produces images that are similar to those seen looking out of the window of a low-flying plane. Multiple views at an oblique-angle (facing north, south, east, and west) and orthogonal (facing straight down) are captured for every property in every neighborhood. The plane carries global positioning satellite (GPS) equipment which stores longitude and latitude information with each photograph. These geo-referenced images are further processed so that each portion of the image corresponds to its correct ground location, enabling measurements of visible features to be made directly on any image. Using these photographs it is possible, in many cases, to create and/or update the footprints of structures, measure the height and determine the number of

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<sup>4</sup> An alternative to each local assessing unit collecting and maintaining data is included in this report, Property Inventory pp. 16-17.

stories of structures, calculate the total square footage of a structure from the exterior, and identify accessory structures on a property. This photography can provide approximately 12-15 property characteristics, which in conjunction with on-site inspections can reveal as many as 30 property characteristics which, when taken together, are sufficient for valuation purposes. While some characteristics will be obtained from existing records and maps, all property characteristics collected will be in accordance with the NYS Data Collection Manual (Assessors' Manual, Volume 6).

Street level photography is a tool that captures high resolution images of properties as seen from the right-of-way in a cost-effective manner. This product matches each image with assessment information (site address, section, block, lot, owner name, etc.). This information makes it possible to update assessment records from the desk. High quality street level photographs can be used to verify property record card information; perform measurements of the property and structures; determine the style, exterior wall material and exterior quality of construction; determine the access to the property, parking areas and review the "curb appeal" of a property, among other observed characteristics.

While the primary reason for recommending aerial and street level photography is to improve the quality and efficiency of the assessment function Countywide, other government agencies will benefit by having access to these images. If access to this data is fully-distributed, emergency services, planning, engineering, traffic, utilities and public works will all benefit from more accurate, scalable information. For example, emergency services can preview access to buildings and the surrounding area when responding to a call; police departments can perform vehicle collision analysis; public works, planning and other departments can conduct tree inventories, review streetscapes, view obstructions and simulate driving down streets to review traffic signals, street lights, placement of hydrants and parking meters. These are just a few of the uses of high resolution imagery.

The WCAC recommends that aerial, oblique-angle and street-level photography be contracted cyclically (to maximize State aid) and directed at the County level to:

- 1) gain economies of scale not available to individual municipalities;
- 2) ensure consistent standardization of the photographic product across all jurisdictional boundaries;
- 3) extract, verify and update Countywide property inventory; and
- 4) perform these tasks in a more timely manner than would be possible if individual municipalities had to separately contract for these services.

### **Property Inventory, Phase I – From Photography**

The WCAC commends the County for the leadership and funding of the initial photography effort and recommends that it continue to fund the project by retaining a firm to extract, collect and verify inventory.

In order to complete the imagery interpretation portion of the project, the WCAC recommends the following steps, which shall include, but are not limited to:

- 1) Scan existing Property Record Cards (PRCs) & historical photos;
- 2) Digitize building sketches from existing PRCs;
- 3) Create digital building sketches from new photography, where necessary and possible;
- 4) Compare images to existing PRCs and update where necessary; e.g.
  - a. Height (commercial improvements);
  - b. Number of stories;
  - c. Perimeter measurements (commercial improvements);
  - d. Exterior wall material;
  - e. Dwelling setback;
  - f. Parking type and capacity;
  - g. Building style;
  - h. Construction quality;
  - i. Observed condition of structures;
  - j. Exterior base square footage



- k. Detached and attached accessory structures/improvements (garages, decks, barns, pools, spas, porches, patios, tennis courts, putting greens, cabanas, etc.), extract structure type, size, and quality;
  - l. Fireplace chimneys;
  - m. Central air conditioning compressors;
- 5) Supplemental on-site data inspections and collections for quality assurance.

### **Property Inventory, Phase II - From Field Inspections & Data from Other Sources**

Additional RPS inventory data, beyond the characteristics that are captured by photography are needed to ensure uniformity and accuracy. The inventory items including, but not limited to the following, should be collected in all assessing jurisdictions:

- 1) Actual year built
- 2) Effective year built
- 3) Number of bedrooms
- 4) Overall condition
- 5) Design & appeal
- 6) Functional utility
- 7) Number of bathrooms
- 8) Bathroom quality
- 9) Number of kitchens
- 10) Kitchen quality
- 11) Basement type and finish
- 12) Central air conditioning
- 13) Fireplaces-type and number of openings
- 14) Type of heating system
- 15) Confirm sketch and improvements, e.g., water features, outdoor kitchens, extensive landscaping;
- 16) Land influence codes (topography, view, wetlands, steep slopes, flood plains, etc.)
- 17) Land size – frontage by depth, acreage
- 18) Site information

19) Inspection type

20) Property use

Several of the above characteristics will require further observation. These variables must be evaluated further and standardized across the County so that features which affect value are treated in the same way by all municipalities, as required by the NYS Data Collection Manual (Assessors' Manual, Volume 6). Homes with the same value in different communities should pay the same amount of County tax.

It must be realized that Westchester County has a diverse residential housing stock ranging from inexpensive to luxury construction and a wide range of market value. Moreover, existing valuation modules are limited in that they are designed for and work best for a more homogenous housing stock, making the achievement of equity all the more difficult. Therefore, a more comprehensive property valuation system is needed to refine market value. Thus, a detailed approach for the collection and verification of data to obtain an accurate property inventory is necessary to ensure equitable assessments. Property characteristics for commercial property and other non-residential property types will be collected in a similar manner.

The WCAC recommends that assessing units within the County use the NYS Data Collection Manual (Assessors' Manual, Volume 6) inventory data collection fields as the base template, which will be expanded to incorporate user-defined fields for characteristics enumerated in the foregoing. This will greatly assist assessors in property valuation throughout Westchester County.

### **Interior Inspections**

The WCAC held lengthy discussions with regard to the feasibility of interior entry versus the reliance on right-of-way viewing and aerial, oblique-angle and street-level photography data. Interior inspections provide the most accurate description of property characteristics; however, they are also the most time consuming, costly and unpopular. Failure to collect certain interior variables will surely impact the equity of individual

property assessments and the accuracy of the overall system. At the present time and in some cases, a homeowner may not be granted relief through an assessment challenge unless interior access to the home has been provided. The scope of work for a reassessment should include the time and costs required for interior inspections with the understanding that the rate of entry will vary among communities.

### **Interim Municipal Actions**

Before a comprehensive data collection project is initiated, it is recommended that each municipality begin the process of verification of existing data as a first step toward populating electronic databases. This will not be an easy task for some assessing units, since many of the property characteristics described above were never collected or maintained in accordance with the existing NYS Data Collection Manual (Assessors' Manual, Volume 6).

### **Project Timetable – Property Inventory**

The specific tasks correlate to assessment calendar dates, as proposed in the attached home rule statute (Exhibit “B”) that shall be completed by each assessing unit are outlined below:

- 1) By December 31, 2011, creation of a document setting forth how each data characteristic on the existing property record cards can be extracted, converted and entered into the inventory database;
- 2) Assuming adequate funding is provided:
  - a. By January 1, 2013, municipalities shall document and make available a plan to verify, collect and maintain property characteristics for all properties at a minimum of once every six (6) years, including quality control measures. The plan should specify all assessment neighborhoods as shown on a GIS neighborhood delineation map;
  - b. By taxable status date of March 1, 2016, all municipalities shall have a computer database of the existing inventories for all properties;
  - c. By taxable status date of March 1, 2016, all inventories shall be available to the public on each municipality's website. In addition, the public will be

able to view and/or print property inventories through the website as of the publication of the 2016 tentative roll.

### **Estimated Data Collection/Verification Project Costs – Funding Options**

The above parameters for data collection and verification, as aided by the already-funded photography project, can be accomplished in two phases over a four-year period by retaining a firm to perform the required tasks outlined in the foregoing.

#### Phase I

This process will incorporate the extraction of the data from the photography, which will simultaneously be reviewed and compared to the existing property record card, interpreted to the extent possible and data entered. All errata lists will be addressed and corrected.

Any exterior characteristic that cannot be determined from photography will be flagged with the reason for incomplete entry and noted for the record to be addressed in Phase II. Some inspections will require measurements to be taken or verified. Data quality edits will be generated and resolved. Municipal assessing personnel are responsible for quality control and assurance throughout the project.

#### Phase II

This phase will primarily include on-site property inspections including interior inspections by appointment. Those parcels that are incomplete from the imagery extract in Phase I will be included in this process. Inventory mailers will be sent to all property owners. All mailer discrepancies will be resolved by office review and/or inspection. Corrections to PRC sketches and final reconciliation of property inventory through quality control edits will be performed. Final Quality of Construction (Grade) will be determined by qualified personnel. It should be noted that any commercial inventory not captured during the centralized databank project as described above will be completed during this phase of data collection. Municipal assessing personnel are responsible for assuring quality control throughout the project.

Technical specifications will be detailed as Requests for Proposals (RFPs) are issued. An RFP will be issued for each phase. It is anticipated that Phase I will cost approximately \$6,000,000. Phase II is estimated to cost \$18,000,000. The total cost for the inventory project/data collection phase is approximately \$95 per parcel, or approximately \$24,000,000 Countywide.

Five Countywide project funding options are listed below:

1. County bonding over a five-year period: The annual budget impact, including principal and interest for a \$24 million issue for Phases I and II, would be approximately \$4,880,000 a year for a five-year period. It should be noted that the County's Triple-A bond rating is better than that of most municipalities, making it the most economically favorable option for all of our taxpayers;
2. County bonding over a five-year period with twenty-five cities and towns sharing the annual debt service payment: The County's pro-rata share of the debt service would be approximately 16.53% for the five years while the twenty-five cities and towns would collectively share 83.47% of the debt service for the five-year term of the bond. The 83.47% share of the cities and towns will be based on their parcel counts;
3. Funding of the project over four years in the County's general operating budget: The annual budget impact would be approximately \$6 million per year for four years and the work of Phase I and Phase II will be merged based on scheduling that recognizes tasks to be performed in each year;
4. Cost-sharing with the twenty-five cities and towns over a four-year period in the general operating budget: Although the County only collects approximately 20% of the annual total levy, the collection guarantees by municipalities well justifies a 50% contribution by the County. The County share over a four-year period would be \$3 million per year in its general fund operating budget, totaling \$12 million. The municipalities' share over the four-year period would also be \$12 million with each jurisdiction contributing

its portion of the annual expense based on the ratio of the number of properties per municipality to the total number of properties in the County. The County's leadership and participation at a 50% level will serve as a significant incentive for the twenty-five cities and towns to participate;

5. Cost sharing with twenty-five cities and towns bonded over a five-year period:

With its triple-A bond rating, afforded to it by the municipal tax collection guarantees, Westchester County's share would be approximately \$2.45 million per year over a five-year period. The balance of the project, or \$12 million, would be shared by the twenty-five cities and towns with each contributing its portion of the annual debt service based on the ratio of the number of properties per municipality to the total number of properties in the County. The annual cost per municipal jurisdiction would range from approximately \$23,495 per year to \$346,201 per year for a five-year period.

While there are various ways to determine proportional shares, Exhibit "E" shows approximate proportional share and dollar amounts for debt service based on the ratio of parcels per community to the total number of parcels in the County as well as the assessed value of a community to the total assessed value of in the County.

This long-overdue and substantial effort to standardize, collect and verify property inventory and enter such data into the databanks of each community is a critical precursor in the valuation of all property in the County. Once this crossroad is reached, public discourse must focus on the initiation and completion of property reassessment, the next logical step.

When fully implemented, any of the above five options can be offset by the savings of a portion of the \$55 million in annual tax refunds paid out by all taxing jurisdictions Countywide. The County alone budgets approximately \$10 million a year for tax refunds.

### **County Leadership - Home Rule Law**

Periodic reassessment is necessary to attain uniform, fair and transparent assessment rolls. The County is looked to for the leadership and resources to bring the system up to date and to provide the legislation to support the process. Once updated, the assessment system should be maintained in an efficient and timely manner. The County has already taken steps in this direction with the funding of the aerial and street-level photography project. Transparent and equitable assessments, along with the stability of the organizational structure recommended herein, will not only reduce the high cost of assessment litigation, but also give property taxpayers confidence that they are paying only their fair share and no more.

### **Base Year Assessment Model**

The WCAC recommends as part of any home rule legislation that a Base Year Assessment model be adopted. It will make the process coherent and understandable to homeowners and will ensure transparency and equity, while also providing some stability to the assessment rolls.

Under this recommended model, assessments will be made at 100% of full market value and will be maintained for a four-year period. This procedure adheres to the recommendations contained in the Uniform Assessment Standards adopted by the State Board of Real Property Tax Services (Exhibit "D"). Further, challenges to assessments will be based on the valuation set in year one regardless of real estate market fluctuations. The base valuation date (i.e., effective date of valuation) will be used for the entire four-year assessment cycle. Compliance with the standards and procedures of the model will provide a reasonable level of accuracy in the assessment process.

The model will eliminate the use of controversial equalization rates and residential assessment ratios for valuation purposes in non-reassessment years that have created confusion. Equalization rates will continue to be made for use in state education aid, state-owned land, special franchise, etc., and in towns that have tax districts that cross county lines, i.e., the North Salem, Somers and Lakeland School Districts. Also, once the

certiorari backlog has been cleared for this process, the base four-year cycle will serve as a factor in reducing tax refunds.

It is recommended that once the proposed home rule legislation is passed by the State, the County Board of Legislators will vote to adopt the law. In conjunction with support from the County, the local assessing units would be responsible for implementing the law and would conduct future reassessments once every four (4) years. The NYS DTF-ORPTS would be responsible for confirming compliance.

As proposed in the home rule legislation, condominiums in communities that have not adopted the provisions of Article 19 (the Homestead Tax Option) will continue to be valued as they are under existing state law. Assessment rolls, however, will reflect both the restricted and unrestricted values for better public understanding of the different treatment afforded condominiums as opposed to other residential property. Municipal governments will continue to have authority to adopt all exemptions as allowed by existing law. A draft of the recommended Home Rule Legislation is included as Exhibit “B.”

### **PROPERTY TAX RELIEF MEASURES**

In conjunction with its overall charge, the WCAC reviewed existing relief measures, presented below, and also considered potential relief measures that are not currently available under existing law.

First, there are several existing property tax relief measures that lessen the impact of property taxes, some of which are only available by local option. Sources and website addresses are provided which are hyperlinked to informational brochures concerning these relief measures. Information about relief measures, common exemptions and other mitigation efforts are available under state law and should be made available on municipal websites and educational videos distributed on local access channels.



### Some Commonly Available Exemptions

- The **BASIC STAR EXEMPTION** (School Tax Relief) is available to owner-occupied one, two or three family homes where the income of the owner(s) is less than \$500,000 per annual federal adjusted gross income. The **ENHANCED STAR EXEMPTION** is available to seniors who meet certain income and other criteria.

<http://www.orps.state.ny.us/star/index.cfm>

- By local option, NYS Real Property Tax Law, Section 467, gives local governments and public school districts the authority to grant a reduction in the amount of property tax paid by qualifying **SENIOR CITIZENS**, based on their income.

<http://www.orps.state.ny.us/pamphlet/exempt/senior.htm>

- There are four types of Veterans' Exemptions available:
  1. Veterans whose property has been purchased with eligible pension, bonus or insurance monies can receive the **ELIGIBLE FUNDS VETERANS' EXEMPTION**.
  2. By local option, the **ALTERNATIVE VETERANS' EXEMPTION** provides a property tax exemption to veterans who served during wartime with increased exemptions to those who served in a combat zone and/or are disabled as a result of their service.
  3. By local option, a **COLD WAR VETERANS'** exemption is available to veterans who served during the Cold War period.
  4. By local option, eligible funds veterans' exemptions can be increased in direct proportion to the municipal-wide increase after reassessment. This

is known as the “**CHANGE IN LEVEL OF ASSESSMENT VETERANS’ EXEMPTION.**”

<http://www.orps.state.ny.us/pamphlet/exempt/vets.htm>

- By local option, NYS Real Property Tax Law, Section 459-c gives local governments and school districts the authority to reduce the amount of property taxes paid by income-qualifying **PERSONS WITH DISABILITIES.**

<http://www.orps.state.ny.us/pamphlet/exempt/disable.pdf>

- A reduction in property taxes is available for land in **AGRICULTURAL PRODUCTION** to those whose land satisfies the eligibility requirements.

<http://www.orps.state.ny.us/assessor/valuation/agriculture/index.htm>

- An exemption is available (1) to members of the **CLERGY** engaged in the work of their religious denominations; (2) to those unable to perform such work because of age or impaired health; or (3) to the unremarried surviving spouses of the above.

<http://www.orps.state.ny.us/ref/forms/pdf/rp460.pdf>

- By local option, an exemption is available to eligible home owners who are enrolled members of an **INCORPORATED VOLUNTEER** fire company, fire department or ambulance service.

<http://www.orps.state.ny.us/assessor/manuals/vol4/part1/section4.01/sec466.htm>

- By local option, various exemptions are available (RPTL §444-a) to historic property that is altered or rehabilitated in accordance with local **HISTORIC PRESERVATION** laws to the extent of any increase in value attributable to the alteration or rehabilitation.

<http://www.orps.state.ny.us/assessor/manuals/vol4/part1/section4.01/sec444-a.htm>

- Real property that includes a **SOLAR, WIND, OR FARM WASTE ENERGY SYSTEM** approved by the State Energy Research and Development Authority is exempt from taxation for a period of 15 years to the extent of any increase in assessed value attributable to the system (RPTL §487)  
<http://www.orps.state.ny.us/assessor/manuals/vol4/part1/section4.01/sec487.htm>
- Eligible homeowners and renters with annual incomes of less than \$18,000 currently receive a **DIRECT CREDIT** of up to \$75 on their state income tax for households where there are no residents older than 65 and up to \$375 if other criteria are met. The current market value of the real property must be \$85,000 or less making this provision generally inapplicable in Westchester County.

#### Mitigation Efforts

- Residential property typically increases in value more rapidly than other property types over time. Given a lack of reassessment, that residential property is likely to be assessed at a lower percentage of value than non-residential property—this is especially true in municipalities that have not reassessed in many years. When a reassessment is implemented requiring all parcels to be assessed at a uniform percent of value, there is often a shift of the tax burden to residential property. The prospect of a shift has discouraged some municipalities from performing reassessments. To mitigate this problem a 1981 state law established the **HOMESTEAD TAX OPTION** (RPTL Article 19). Essentially, this statute requires that residential and non-residential classes of properties bear the same share of the tax burden after reassessment as before. This is accomplished through the use of different tax rates for the two classes. There are mandatory statutory adjustments and a local option to further adjust these shares subsequent to the reassessment. Of course, the tax burden of the individual parcels within either class may shift after reassessment.

- **TRANSITION ASSESSMENTS** (RPTL §1904) – By local option, approved assessing units can “phase-in” assessments resulting from a reassessment over a five-year period. Because of its complexity, this option has not been used by any municipality to date.

## **RELIEF MEASURES NOT AVAILABLE UNDER EXISTING LAW**

### **Tax Deferral**

Upon the completion of a reassessment, a homeowner may elect to defer any tax increase as a result of that reassessment until the property transfers or sells. Annual liens including interest are placed solely on the amount of tax increases attributed to municipal-wide reassessment for eligible property owners.

Tax deferral legislation provides for the maximum amount of property tax relief and would protect eligible taxpayers from future tax increases as a result of a municipal-wide reassessment. Successful programs could incorporate income means testing and would allow qualifying individuals to remain in their homes. Unlike other property tax relief measures, this provides for payback at a predetermined time in the future, normally upon sale or transfer of the subject property. This program is somewhat similar to a reverse mortgage program, except that it can be structured much more sympathetically for the homeowner. Tax deferral programs can include many options including private funding. A tax deferral program may require additional resources on the local level to administer.

### **Circuit Breaker**

Another relief measure that would require state legislation is a progressive circuit breaker program that helps to limit property taxes to a percentage of a household's income after a municipal-wide reassessment. This would be available by local option.

Since a progressive Circuit Breaker program would provide property tax relief to property owners that would not require repayment by the property owner, consideration should be given to the property owner's assets, as well as their income levels. A circuit breaker program should require additional resources on the local level to administer.

## CONCLUSION

The past 30 months of economic and financial stress have highlighted burdens on homeowners and governments alike, as evidenced by an extraordinary number of property tax appeals filed by property owners. It clearly brings to the forefront a need known for decades, which is to improve assessment practices Countywide. The introduction of new technologies has revitalized assessment quality throughout the country. However, the lack of legislative reform in New York State's assessment practices as well as the lack of standardized use of these new technologies has made the complex and confusing property tax system less coherent and transparent to property owners. These deficiencies are especially apparent in Westchester County.

A systematic, consistent, accurate and completely computerized collection and recording of all property characteristics is needed for every parcel in Westchester County. With or without full reassessment, it is essential that property data be accurate, regularly maintained and available to the public.

Regardless of any determinations made as a result of this report, it must be recognized that the continued use of the property tax as a major source of revenue for local governments requires a modern, equitable and transparent system. A new Countywide system will improve the accuracy of assessments that are used for tax purposes.

The following five elements are critical to ensuring significantly greater transparency, equity and efficiency in assessment administration in Westchester County:

1. A cost-sharing program between the County and municipalities to fund a project of data collection, verification, interpretation of aerial photography and data entry as outlined in this report;
2. Adequate funding and resources, such as staffing, equipment, facilities and technology;
3. Cyclical updating of aerial, oblique-angle and street-level photography;
4. A periodic reassessment cycle;

5. Education of property owners.

The WCAC believes the foregoing can be accomplished under the leadership of the County and the participation of the municipalities, as outlined in this report and the attached draft of the Home Rule Legislation, Exhibit "B." The recommendations in this report are critical to the long-term social and economic well being of Westchester County.

Exhibit "A":

- Resolution to establish Westchester Collaborative Assessment Commission



# WESTCHESTER COUNTY BOARD OF LEGISLATORS

## RESOLUTION TO ESTABLISH THE COLLABORATIVE ASSESSMENT COMMISSION

Resolution 130, 2009 (As Amended)

**Whereas**, In 2008, Westchester County was one of 50 counties in New York State to submit an application for an assessment improvement study grant leading to improved assessing of property taxes; and

**Whereas**, the County was awarded an assessment improvement study grant of \$50,000 under the Centralized Property Tax Administration Program (2007-2008) from the New York State Office of Real Property Services; and

**Whereas**, the initial payment of the grant, \$25,000, was received in 2008, with the remaining \$25,000 to be paid when the completed study with a plan to review at least one system that will apply common standards to every county parcel was presented to the Board of Legislators, and

**Whereas**, on March 25, 2009, the Committee on Government Operations of the Board of Legislators met with the Collaborative Assessment Study Committee composed of volunteer members of the Westchester Municipal Officials' Association, the Westchester Municipal Assessors' Association and the Westchester County Tax Commission; and

**Whereas**, the Collaborative Assessment Study Committee presented their study to set forth a methodology for achieving uniform, transparent, equitable and efficient assessment practices to benefit all Westchester County taxpayers; and

**Whereas**, Westchester County is the only New York State county where tax warrants do not expire, and where towns, cities and villages are rendered the enforcement authorities in the event of non-payment of taxes; the Collaborative Assessment Study Committee concluded that the most appropriate and applicable model would a Municipally-Administered Model, wherein municipalities would either contract among themselves or with an independent agent to treat all parcels identically to achieve transparent, equitable and efficient assessment practices, as well as potential economies of scale; and

**Whereas**, the Committee on Government Operations has reviewed the conclusions of the Collaborative Assessment Study Report and its suggestions to improve assessment practices through inventory verification and maintenance, shared centralized commercial databases and periodic reassessment options; therefore be it

**Resolved**, that the County of Westchester has concluded its requirements under the grant specifications and the County Board of Legislators appreciates the work of the members of the Collaborative Assessment Grant Study Committee; and, be it further

**Resolved**, the Westchester County Board of Legislators recommends the establishment of the Westchester County Assessment Commission (WCAC) with members from the Westchester County Tax Commission, the Westchester Municipal Officials' Association, and the Westchester County Chapter, New York State Assessors Association with the Executive Director of the Westchester County Tax Commission serving as liaison to the Board of Legislators and that the members serve without compensation; and, be it further

**Resolved**, that the WCAC would be responsible for the development of a regional model for the collection and maintenance of property data that would be used by local assessing units as the standard for recording the characteristics of every parcel of property in their communities. Specifically, the WCAC will have the following objectives:

- To develop a model for the recording and maintenance of property data by the municipalities with assessing units which is to result in the design of a property information record with appropriate fields that will standardize all property data in the county for assessment purposes;
- To provide a time and cost estimate for updating the property data to be maintained and utilized by the local assessing unit; and be it further

**Resolved**, that Westchester County undertake the photometry recommended in the Collaborative Assessment Report including oblique aerial photography and street level photography, and, be it further

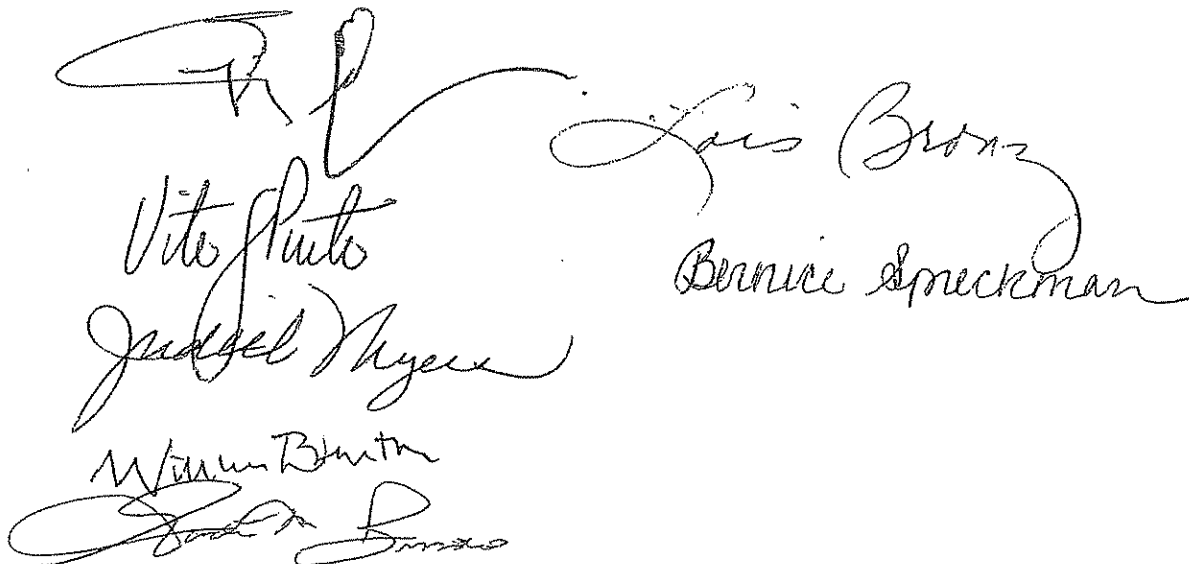
**Resolved**, that Westchester County use the assessment improvement study grant award to establish a centralized commercial assessment data base to be maintained by the County and made available for use by all municipalities using existing data-sharing agreements, and be it further

**Resolved**, that the WCAC will develop parameters that may be used by the Board of Legislators to develop legislation for purposes of creating uniform, transparent, equitable and efficient assessment practices subsequent to the compilation of the collection and verification of property data, and be it further

**Resolved**, that the WCAC will terminate five (5) years from the enactment of this resolution.

COMMITTEE ON GOVERNMENT OPERATIONS

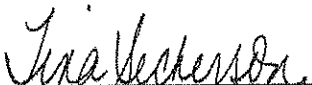
Dated: June 16, 2009, White Plains New York

  
Vito Iurato  
Judgel Myers  
William Blumenthal  
Luis Bronx  
Bernice Speckman

STATE OF NEW YORK            )  
  ) ss.  
COUNTY OF WESTCHESTER    )

I HEREBY CERTIFY that I have compared the foregoing Resolution, Resolution No. 130 - 2009 (as amended), with the original on file in my office, and that the same is a correct transcript therefrom, and of the whole, of said original Resolution, which was duly adopted by the Westchester County Board of Legislators, of said County on July 7, 2009.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said County Board of Legislators on this 8<sup>th</sup> day of July, 2009.

  
\_\_\_\_\_  
Tina Seckerson

Clerk of the Westchester County  
Board of Legislators  
  
County of Westchester, New York

(seal)

EXHIBIT “B”

**DRAFT STATE LEGISLATION**

An Act to Amend Real Property Tax Law in relation to Base Year Assessment Administration.

The People of the State of New York, represented in the Senate and the Assembly, do enact as follows:

Section 1. The Real Property Tax law is amended to add Article XX is as follows:

**ARTICLE XX**

**BASE YEAR ASSESSMENT ADMINISTRATION**

**WESTCHESTER COUNTY**

**Title 1. Implementation of Article**

**Title 2. Assessment Administration**

**TITLE 1**

**IMPLEMENTATION OF ARTICLE XX**

**Section**

**XX10. Definitions**

**XX11. Adoption of Article**

**XX12. Applicability, Scope of Article**

**XX10. Definitions**

XX10. Definitions

Base year assessment roll - the assessment roll provided for in subdivision 1.a of section XX20 of this article.

Property Record Card - means the official document containing all relevant property information.

Property Assessment System (PAS) – A computerized assessment roll software package used in several Westchester County Municipalities.

Assessing Unit – Any City, Town or Village in Westchester County excluding non-assessing unit Villages, as per RPTL 1402 (3).

Base-year assessment cycle means - Market value is established as of a base year and then frozen for all property typically as part of a periodic reassessment cycle.

Westchester municipality - means a village, town or city in Westchester County.

Unsold Property Test - “Unsold property test” means the ratio of (A) the ratio of the market value of sold properties, to (B) the ratio of the market value of unsold properties where the ratio of the market value of sold properties is the total market value of all sold properties after revaluation to the total market value of all sold properties before revaluation, and the ratio of the market value of unsold properties is the total market value of all unsold properties after reassessment to the total market value of all unsold properties before reassessment.

Price Related Differential - The mean divided by the weighted mean. The statistic has a slight bias upward. Price-related differentials above 1.03 tend to indicate assessment regressivity; price-related differentials below 0.98 tend to indicate assessment progressivity.

Coefficient of Dispersion - The average deviation of a group of numbers from the median expressed as a percentage of the median. In ratio studies the average percentage deviation from the median ratio.

Central Tendency - (1) The tendency of most kinds of data to cluster around some typical or central value, such as the mean or median. (2) By extension, any or all such statistics. Some kinds of data, however, such as the weights of cars and trucks, may cluster about two or more values, and in such circumstances the meaning of central tendency becomes unclear. This may happen in ratio studies in which two or more classes of property are combined.

Assessment Ratio - (1) The fractional relationship an assessed value bears to the market value of the property in question. (2) By extension, the fractional relationship the total of the assessment roll bears to the total market value of all taxable property in a jurisdiction.

Restricted Value – In accordance with Real Property Tax Law Section 581, assessment of residential condominiums shall be assessed not exceeding the assessment that would be placed upon such parcel were the parcel not owned on a condominium basis.

Unrestricted Value – A valuation placed on a parcel without regard to the restriction found in Real Property Tax Law Section 581 and Section .339-y of Real Property Law.

Real Property System (RPS) – New York State Department of Taxation & Finance Office of Real Property Tax Services (ORPTS) assessment software.

**XX11. Adoption of this Article**

1. The County of Westchester, at its option, may adopt a local law without referendum to provide that assessments within the assessing units therein shall be administered in accordance with the provisions of this article. A copy of such local law shall be filed with the city, town or village clerk thereof, and a copy of such local law shall be filed within 30 days of the adoption thereof with the Office of Real Property Tax Services.

## **XX12. Applicability, Scope of Article**

1. The provisions of this article shall apply to all Westchester municipalities.
2. To the extent that any provision herein may conflict with another provision of this chapter or any other law pertaining to real property tax administration, the provisions of this article shall control.

## **TITLE 2**

### **ASSESSMENT ADMINISTRATION**

#### **Section XX**

##### **XX20. Standard of Assessment; Dates**

##### **XX21. State Equalization Rates**

##### **XX22. Review of Assessments**

##### **XX23. Compliance**

##### **XX24. Apportionment of Taxes**

##### **XX25. Project Funding**

##### **XX26. Condominium Values**

##### **XX27. Property Inventory**

#### **XX20. Standard of Assessment; Dates**

1. By May 1, 20XX, tentative roll date, all real property in each Westchester municipality shall be assessed at 100% of full market value. This date may be extended for one year based on the majority vote of the County Board of Legislators. To achieve this result, the following steps shall be taken by the assessors of each Westchester assessing unit:
  - a. By March 1, 20XX, taxable status date, the assessor of each Westchester assessing unit shall have collected inventory data for each

parcel within the assessing unit. Thereafter, each assessor shall maintain such inventory and valuation data, including that every parcel be inspected at least once every six (6) years, commencing with the year the base year assessment roll is established;

- b. Upon completion of the Countywide data collection project provided for in the preceding paragraph, each Westchester municipality shall simultaneously adopt a base year assessment roll with 100% full value assessments;
- c. Commencing with the fourth assessment roll after the establishment of the initial base year assessment roll provided for in the preceding paragraph, and continuing with every fourth assessment roll thereafter, each Westchester municipality shall implement a reassessment at 100% full value;
- d. Commencing no later than May 1, 20XX, as each year's tentative assessment roll is published, each Westchester municipality shall make the inventory and valuation data for each parcel publicly available, including but not limited to, providing a means for a summary record for each parcel to be viewed and printed via the internet.

2. Commencing with the base year assessment roll, the valuation date applicable to quadrennial reassessment shall be the date in RPTL §301. The same valuation date of the base year shall continue to apply to each of the three subsequent assessment rolls, subject to adjustments in the valuation of particular parcels, as provided in subdivision 3 of section XX20. The valuation date applicable to each assessment roll shall be imprinted or otherwise indicated at the top of each page of each assessment roll.

3. Within each four-year cycle, an assessor may adjust the value of any parcel as a result of one or more of the following conditions, with the adjustment computed as if the factor requiring the change had existed on the applicable valuation date:



- a. A physical change, e.g. improvement to the property;
- b. The zoning of such property has changed;
- c. Such property has been altered by fire, demolition, destruction or similar catastrophe;
- d. An action has been taken by any office of the federal, state, or local government which caused a discernible change in the general area where the property is located which directly impacts on property values;
- e. There has been a change in the occupancy rate of twenty-five percent or more in a building located on a property, which is not eligible for an assessment review under title one-A of this article (small claims assessment review);
- f. The owner of the property becomes eligible or ineligible to receive an exemption;
- g. The use or classification of the property has changed.

### **XX21. State Equalization Rates**

State equalization rates for all applicable municipalities in Westchester County, which are subject to the provisions of this article, shall be determined in the manner set forth in article twelve of this chapter, subject to the following:

#### 1. Administrative Review:

- a. If an assessing unit in the County files a complaint with the State Board against a tentative equalization rate, it shall simultaneously, in addition to any other requirement, serve a copy of its complaint upon all other applicable assessing units in the County.
- b. If a city or town assessing unit wishes to support, object, or express an opinion on a complaint filed by another assessing unit in the County, it shall have the right to file written statements with the State Board on or before the date on which the complaint is scheduled to be heard. Simultaneously, a copy of any such statements shall be served upon all other applicable assessing units in the County.

2. Judicial Review: If an assessing unit in the County petitions for judicial review of a final equalization rate, a copy of its petition shall simultaneously be served upon all assessing unit municipalities in the County.

## **XX22. Review of Assessments**

1. Administrative Review of assessments shall be available in accordance with the provisions of title one-A of article five of this chapter, subject to the provisions of subdivision three of this section; judicial review of assessments shall be available in accordance with the provisions of titles one and one-A of article seven of this chapter, subject to the provisions of subdivision two of this section.
2. Any challenge to the value of a parcel for any reason shall only be successful if the petitioner can present clear and compelling evidence that there is, or would be, a fifteen percent (15%) or more, difference in value as of the base valuation date predicated on current or existing data.
3. Equalization Rates or any other indication of a level of assessment established for the base year are to be used in all valuation proceedings for that entire four-year cycle (Article 7, title 1 and 1(a)).
4. Within each four-year cycle, the assessor may adjust the value of any parcel as a result of one or more of the following conditions:
  - a. A physical change, e.g. improvement to the property;
  - b. The zoning of such property has changed;
  - c. Such property has been altered by fire, demolition, destruction or similar catastrophe;
  - d. An action has been taken by any office of the federal, state, or local government which caused a discernible change in the general

area where the property is located which directly impacts on property values;

- e. There has been a change in the occupancy rate of twenty-five percent or more in a building located on a property, which is not eligible for an assessment review under title one-A of this article (small claims assessment review);
- f. The owner of the property becomes eligible or ineligible to receive an exemption;
- g. The use or classification of the property has changed.

The adjusted assessment shall be computed as if the qualifying change had existed as of the valuation date of the base year assessment roll.

### **XX23. Compliance**

- A. The NYS DTF – ORPTS will confirm the existence of inventory required by the NYS DTF for all parcels on the latest tentative assessment roll. In addition, the division will confirm that the inventory has been posted online.
  
- B. Upon completion of the initial reassessment conducted in accordance with this article, each municipal assessor shall, by tentative roll filing date, adhere to and post on the municipal website the results of the following five (5) tests with an explanation of each test and the applicable acceptable range of results:
  - 1. the overall level of assessment for all property classes shall be within plus or minus five percent of the required one-hundred percent assessment ratio, as a measure of central tendency; and
  
  - 2. the level of assessment for each major property type with fifteen or more market sales shall be within plus or minus five percent of the measure of central tendency for each major property type; and

3. the coefficient of dispersion for each major property type with fifteen or more market sales shall be equal to or less than fifteen percent for residential property, equal to or less than twenty percent for commercial property, and equal to or less than twenty percent for vacant land; and
  4. the price related differential for all properties and for each major property type for which there are fifteen or more market sales shall be within 0.98 and 1.03; and
  5. the unsold property test result shall be between 0.95 and 1.05.
- C. All of the above will adhere to Rules established by the NYS DTF.
- D. Failure of any municipality to comply with the above will result in one or more of the following:
1. Loss of 25% municipal share of county sales tax revenues;
  2. Loss of 25% of all state aid;
  3. The NYS DTF – ORPTS will contract for a reassessment that adheres to the aforementioned compliance requirements and the cost of the contract will be charged back to the municipality.

#### **XX24. Apportionment of Taxes**

Within the County to which this article applies, taxes shall be levied upon the taxable assessed valuations using the latest final state equalization rate.

#### **XX25. Project Funding**

Upon implementation of the first reassessment under this article, a minimum of 1.5 percent of all revenues raised by the real property tax levy in all taxing jurisdictions, shall be added annually and set aside to fund real property tax administration throughout the County including, but not limited to, costs

associated with assessor and tax receiver office operations, County tax commission operations, court ordered refunds including debt service for refunds, legal services, reassessments and technology. The funds shall be appropriated in each municipality's annual operating budget. Any funds not expended in a particular year are to be placed in a Real Property Tax (RPT) administration trust fund to be established and administered by each town, city and assessing unit village. Expenditures from said trust fund are to be made only by annual appropriation there from, to the annual operating budget of the municipality. Any balances at the close of the fiscal year, if not committed or encumbered, shall be reallocated for assessment-related use in subsequent years. Four (4) years after the initial reassessment, one hundred and twenty five percent (125%) of the actual cost of real property tax administration, calculated based on the prior average four-year cycle, shall be annually appropriated in the current operating budget to fund real property tax administration within the municipality.

#### **XX26. Condominium Values**

1. The assessor of an assessing unit in which such real property is located shall compute a value which would be placed on such parcel pursuant to the provisions of section five hundred eighty-one of this chapter and section three hundred thirty-nine (y) of the Real Property Law, which value shall be known as the restricted value and shall be used and published for valuation purposes on the assessment roll.
2. The assessor of an assessing unit in which such real property is located shall compute a value which would be placed on such parcel without regard to the restrictions found in Real Property Tax Law section five hundred eighty-one of this chapter and section three hundred thirty-nine (y) of Real Property Law, which value shall be known as the unrestricted value to be published on the assessment roll.

**XX27. Property Inventory**

Commencing with the March 1, 2016 taxable status date, all assessing units shall have completed the collection, verification and maintenance of a databank of all property inventory. The property characteristics to be included in the databank for each parcel shall be no less than those in the New York State Department of Taxation and Finance – Office of Real Property Tax Services Data Collection Manual—Assessors’ Manual, Volume 6.

*(See Exhibit “C”)*

EXHIBIT “C”

- New York State Department of Taxation and Finance – Office of Real Property Tax Services Data Collection Manual—Assessors’ Manual, Volume 6.

Commercial: [http://www.orps.state.ny.us/assessor/manuals/vol6/comm/pdf\\_index.htm](http://www.orps.state.ny.us/assessor/manuals/vol6/comm/pdf_index.htm)

Residential: [http://www.orps.state.ny.us/assessor/manuals/vol6/rfv/pdf\\_index.htm](http://www.orps.state.ny.us/assessor/manuals/vol6/rfv/pdf_index.htm)

Forestry: [http://www.orps.state.ny.us/assessor/manuals/vol6/forestry/pdf\\_index.htm](http://www.orps.state.ny.us/assessor/manuals/vol6/forestry/pdf_index.htm)

Exhibit "D":

- New York State Board of Real Property Services Uniform Assessment Standards



# UNIFORM ASSESSMENT STANDARDS

The New York State Board of Real Property Services has adopted the following Uniform Assessment Standards (Standards) to provide a set of principles to guide individual assessing units in assessment administration. The Board directed the Office of Real Property Services to develop these Standards by way of a collaborative process involving representatives of assessors (NYS Assessors Association) and county real property tax directors (NYS Association of County Directors of Real Property Tax Services). The Board notes that this first publication of Standards is a work in progress, and expects to adopt changes over time.

The intent of the Board in adopting these Standards is to provide a general blueprint for local governments assessing units to establish “equitable” and “transparent” assessments. By “equitable” we mean that all properties are uniformly assessed at full market value. By “transparent” we mean that the system is easy to understand by all taxpayers and that all relevant information is readily available to the public.

These standards are advisory in nature – the only requirements are those contained in State statute, board regulation or rule, and agency procedure or practice. The Board encourages all assessing units to utilize these standards for direction to assessing staff, elected and appointed officials, taxpayers and the general public. The Board also encourages all local governments – assessing unit or otherwise – to reference these standards in formulating policy.

## **I. VALUATION STANDARDS**

### **1.1. STANDARD OF ASSESSMENT: All real property is assessed at its current full value.**

**Guidance:** The real property tax is an *ad valorem* tax, meaning it is imposed against the value of property. Real Property Tax Law (RPTL) §305(2) only provides that all parcels within an assessing unit are assessed at a uniform percentage of current value (Level of Assessment, or LOA). When the Level of Assessment is not at 100% of full value, the administration of the property tax becomes less transparent. In particular, an LOA of other than 100% of full value is much more difficult for property taxpayers to determine whether they are being assessed equitably. It also becomes much more difficult for the assessor to manage the valuation process. This **full value standard** goes beyond the statutory requirements of §305(2), as well as § 701(8)(b), which allows fractional assessment within classes of special assessing units, i.e., New York City and Nassau County. In doing so, this standard provides the fundamental and prerequisite underpinning of a transparent and equitable assessment process.

**Assistance:** Compliance with §305 is discussed in **Valuation Standard 1.6**. Valuation approaches are discussed in **Valuation Standard 1.4**.

## **1.2. USE STANDARD FOR VALUATION: Improved property is assessed for its current use. Property that is put to no current use is assessed for its highest and best use.**

**Guidance:** Generally, for purposes other than real property taxation, property is appraised at its highest and best use to determine its value. New York courts contrast eminent domain taking, where the owner had only one chance to be compensated for present value and potential future uses, from value for assessment purposes, where the value is determined annually. The one exception to "current use" valuation is vacant land that has no current use. In that situation, the standard is highest and best use. Agricultural land is distinguished from vacant land that has no current existing use. Agricultural land is valued according to its use for agricultural purposes, irrespective of whether farming is the highest and best use of such property. Thus, property is to be assessed based on its current use, not its highest and best use (although in a vast majority of cases they are one and the same), except in the case of vacant land which is idle and put to no use whatsoever. In that case, the value is based on its highest and best use.

**Assistance:** The current use standard is discussed in 10 Op. Counsel SBRPS No.45. Unimproved land is discussed in 8 Op. Counsel SBEA No.19.

## **1.3. DEFINITION OF VALUE: Value means market value – the price a willing buyer would pay a willing seller in an arm’s-length transaction.**

**Guidance:** Calculation of the market value of a parcel is the foundation of a fair and transparent system of assessment administration. RPTL Article 3 requires an annual assessment roll that reflects market value as of the municipal valuation date, which may vary from the valuation date of the previous July 1 in RPTL §301. RPTL §305(2) requires that those values be entered at a uniform percentage. Individual assessments reflect market value as determined through application of the approaches to value discussed in **Valuation Standards** 1.4, 1.4.1, 1.4.2 and 1.4.3. The **Procedural Standards** assure that these value determinations are based upon adequate data.

**Assistance:** The Procedural Standards in this document contain standards and guidance for the collection and maintenance of valuation data. For example, in order to value property, all real property sale transfers are entered on the computerized software RPS V-4 or the equivalent. Each sale entry indicates whether the sale is a valid arms length sale or, alternatively, whether the sale is not considered for valuation purposes and/or ratio studies. The inventory for each sale should be located on the same file. The assessor should maintain reliable income and expense data, when available, along with well-supported income multipliers, overall rates and required rates of return on investment. A guide to compiling market value data and valuation techniques is contained in an ORPS publication entitled Guidelines for Effective Assessment Administration in New York State – A Self-Review Guide for Assessing Units, which is available on the ORPS website, [www.orps.state.ny.us](http://www.orps.state.ny.us). (Most ORPS publications are available on this website). This publication may also be useful in complying with other Standards.

## **1.4. APPROACHES TO VALUE: There are three accepted approaches for determining market value: Comparable Sales, Income, and Cost.**

**Guidance:** The application of appraisal techniques using the three approaches to value (i.e., cost approach, direct sales comparison approach, and income capitalization approach) may develop separate indications of value for the property. The results should be reconciled to determine market value. Consideration should be given to the relevance of the approach and the reliability of the value indication based on the quantity and quality of data available and analyzed within the approaches used. All three approaches to value, for which adequate, reliable data is available, should be considered. Therefore, where appropriate, the valuation process must collect, verify, analyze, and reconcile the information necessary to estimate: for the cost approach, the land value, reproduction cost of the improvements, the accrued depreciation; for the sales approach, the value by the sales of comparable properties; and for the income capitalization approach, the rentals, expenses, interest rates, capitalization rates, vacancy rates and terms and conditions of available leases.

**Assistance:** The ORPS website contains a document Valuation Standards that provides an overview of the valuation process.

#### **1.4.1. THE COMPARABLE SALES APPROACH: The value of a parcel is determined by using recent sales of similar properties.**

**Guidance:** The sales comparison approach develops a value for a subject parcel by comparing recent similar property sales (comparables) within the same market area to the subject parcel and adjusting the comparables for dissimilarities. Appropriate market areas may cross municipal boundaries. The sales are adjusted for their dissimilarities to the subject and an indicated value opinion for the subject property is developed. If the sale is superior in a specific attribute, a minus adjustment is indicated; if a sale is inferior in a specific attribute, a plus adjustment is indicated; if the sale and subject are comparable in a specific attribute, no adjustment is indicated. The sales approach is most commonly used for residential property and vacant land. It is the preferred approach for these properties. The sales approach should be used whenever sufficient sales are available.

**Assistance:** The collection and maintenance of sales data is discussed in **Standard 2.3**.

#### **1.4.2. THE INCOME APPROACH: The value of a parcel is determined by capitalizing rental income potential.**

**Guidance:** The income approach is the preferred approach for income-producing property. The income approach converts income into value by the application of a rate or a multiplier. The income approach measures the value of the real estate based on the net rental capacity of the real estate, not the value of the business being conducted.

**Assistance:** Sufficient market income information, such as recent income and expense statements or current market lease data, is essential to the income approach. When available, ORPS and County Real Property Tax Services agencies may provide local assessors with reliable income and expense data, along with well-supported income multipliers, overall rates and required rates of return on investment. In smaller communities, assessors from several assessing units should share this information in order to establish a larger data base of income and expense for different types of properties. The ORPS website contains a document, 2009 Investment Set Codes, ([http://www.orps.state.ny.us/sas/valuation/investment\\_setcodes.htm](http://www.orps.state.ny.us/sas/valuation/investment_setcodes.htm)) for use in the income approach. This document is updated annually, with the appropriate year in the file name. Some assessing units have adopted local laws requiring commercial property owners to provide income and expense data for their properties as a requirement for seeking administrative review of their assessments before the local boards of assessment review.

#### **1.4.3. THE COST APPROACH: The value of a parcel is determined by using the depreciated current cost to reconstruct improvements, plus land value.**

**Guidance:** The cost approach develops a value estimate by taking the cost of reproducing or replacing the improvements on a parcel, reducing that cost by any depreciation (physical, functional or economic), and adding the land value of the parcel. This is often referred to as RCNLD+L (Reproduction or Replacement Cost New Less Depreciation plus Land). The cost approach is particularly appropriate for proposed and new construction, special purpose properties (e.g., religious facilities, museums, schools) and properties with limited sales or income information. The cost approach sets the ceiling for assessments. It can be applicable to all improvements. However it is often difficult to estimate depreciation in older structures and in structures that do not represent the highest and best use of the land. The maximum value that can be placed on an improvement is its reconstruction cost less depreciation. (*Lee and LeForestier, Review and Reduction of Real Property Assessments in New York, third edition, §1.07 [Albany, 1988]*).

**Assistance:** The ORPS website includes a Valuation Reference Manual for use in applying the cost approach to residential, farm and commercial structures.

### **1.5. MASS APPRAISAL: Computer-Assisted Mass Appraisal is a necessary component for determining market value.**

**Guidance:** Computer-assisted mass appraisal (CAMA) involves the valuing of a group of properties as of a particular date using common data, standardized methods and statistical testing. CAMA is a tool for generating initial value estimates for individual parcels, which can then be reviewed before preparing an assessment roll. The success of CAMA depends on the adequacy of the data used for modeling and effective review and adjustment of modeling output. CAMA modeling should be utilized where sufficient data is available.

**Assistance:** The IAAO has published Standard on Mass Appraisal of Real Property (January 2008). Reference can also be made with USPAP Advisory Opinion 32, Ad Valorem Property Tax Appraisal and Mass Appraisal Assignments.

## **1.6. UNIFORMITY: There is uniformity in value for all parcels on each year's assessment roll.**

**Guidance:** RPTL §305(2) provides that all parcels within an assessing unit are assessed at a uniform percentage of current value. While a roll on average across all properties may be assessed at full market value, assessments may in fact not be uniform between property types or within property types. The uniformity standard requires that each individual property – within reasonable limits – be at the same percentage of full market value. Without such uniformity, there can be no property tax equity.

**Assistance:** There are published sources of assistance for maintaining uniformity: IAAO Standard on Ratio Studies – 2007; ORPS Level of Assessment Determination: An Owner's Manual for Maintaining Uniformity; **Performance Standard 2.2** regarding sales verification. These sources provide procedures on how to check and verify assessment uniformity, and thereby equity. Ratio studies are an integral component of maintaining uniformity, which use only “arms length” sales. Uniformity in part is measured by the Coefficient of Dispersion (COD) and the Price Related Differential (PRD), as well as other measures of reliability.

## **1.7. APPRAISAL: Regularly scheduled appraisal of all parcels – at least once every four years – is necessary to maintain assessment equity.**

**Guidance:** An appraisal of each parcel at full market value is conducted at least once every four years. Such an appraisal includes a new determination of value based upon current data. Clearly, this requires adequate professional and financial resources, not only for the technical work but also for the essential public communication.

**Assistance:** The **Procedural Standards** provide structure for both reassessment projects and preparation of assessment rolls in non-reassessment years.

# **II. PROCEDURAL STANDARDS**

## **2.1 ASSESSMENT DATA: Each parcel has an individual file of all its property data (inventory), which is maintained on a computerized record such as RPS or equivalent, and is updated by inspection at least every six years.**

**Guidance:** Physical and economic change affect every parcel and every neighborhood differently – and thereby make property inventory less accurate over time. Fair and accurate assessments require that individual property data be accurate, regularly updated, and readily accessible and analyzable. This means that each locally assessed parcel has a complete and up-to-date inventory in electronic format, which may have to be supplemented with paper documents or photographs. To maintain up-to-date inventory, there is ongoing monitoring of (1) building permits, (2) sales, and (3) property income, expense and cost data – which come with inspection, data collection, analysis, and resulting updates of inventory. There is an

inspection of every parcel at least every six years; inspection from the public right of way is necessary if there is no physical entry. Inspection is the collection and verification of the data items contained in the ORPS Data Collection Manual (Assessors Manual – Data Collection and Maintenance of Property Inventories [formerly Assessors Manual, Vol. 6])

**Assistance:** The standards for maintaining inventory in New York are contained in Part 190 of the Rules of the State Board of Real Property Services. The ORPS data collection manual is available on its website (<http://www.orps.state.ny.us/assessor/manuals/assersmanual.cfm>). The IAAO standard is inspection at least once every four to six years (Standard on Mass Appraisal of Real Property, 3.3.4)

## **2.2 SALES VERIFICATION: Sold properties are inspected and the conditions of sale are verified.**

**Guidance:** Properties that have sold are promptly inspected to update the accuracy of the data in the assessor's records, as well as to verify the terms of sale. Every sale is verified, preferably by contact with a party to the sale. The physical inventory at time of sale is verified, either prior to the next taxable status date or within ninety (90) days of receipt of the real property transfer form (RP-5217). Physical inspection is the preferred method of verification; however, the data mailer is an alternative method. A file of all real property sale transfers is created by entry on computerized software, RPS V-4 or the equivalent. Each sale is identified as either: a valid arms length sale, or a sale that is not considered for valuation purposes and/or ratio studies. The inventory for each sale is located on the same file. If the sale falls into a category on the RP-5217 of other than arms length, such as sales with excessive personal property or special terms of financing, the sale is excluded from sale ratio studies as well as valuation.

**Assistance:** The ORPS website contains information on the sales reporting process. The IAAO has prepared a sample sales verification form (Standard on Ratio Studies) that assessors can send to purchasers.

## **2.3 EXEMPTIONS: All real property is subject to taxation unless a specific exemption statute applies. Eligibility for exemption is determined annually by the Assessor.**

**Guidance:** Under RPTL § 300, all property is subject to taxation unless an exemption is provided by statute. There are numerous statutes that provide various exemptions applicable to types of property or property owners. The assessing unit undertakes reasonable efforts to inform property owners of any filing deadlines or renewal requirements. Such efforts include the use of municipal websites, public media, and direct contact.

**Assistance:** Volume 4 of the Assessors Manual contains information on the various exemptions that are available.

## **2.4 PUBLIC INFORMATION: All property information not otherwise exempted from disclosure is available to the general public in a usable format.**

**Guidance:** The assessing unit makes available all public information related to assessments. The only assessment data that is non-public is information that is specifically exempted from disclosure, such as personal information of individual property owners or information relating to litigation. Ideally, the public has internet or other ready access to all information on the property record cards of all parcels in the assessing unit as well as full value data for all parcels.

**Assistance:** If an assessing unit maintains a website this is an excellent means to provide public access to assessing information. There are a number of county or municipal websites that currently provide access to assessing information. See ORPS for a list. On challenging assessments, see ORPS publications, [Fair Assessments: A Guide for Property Owners](#), and [What to do if you Disagree with your Assessment](#). Also readily available on the ORPS website are forms and instructions for challenging assessments.

## **2.5 PUBLIC RELATIONS AND EDUCATION: Professional and effective public relations and education are integral components of effective assessment administration.**

**Guidance:** Ongoing communication with the public is as much a part of the assessment function as property appraisal, exemption processing and tax roll preparation. The goal is to make the assessment process as transparent and understandable as possible to the general public. Local officials must be aware that assessment is a municipal function and should not publicly disparage real property tax officials. Use of public media, publications, public meetings, taxpayer letters, and regular office hours are all components of effective public relations. During a comprehensive reassessment, extensive public relations are especially important. In all interactions with the public, assessing staff should be professional and courteous.

**Assistance:** Public relations begin in the office, one taxpayer at a time. Each interaction with a taxpayer is an opportunity to help provide a basic understanding of the assessment function and the goal of fair property taxation. While quality customer service is the norm, it is also recognized that not every taxpayer will be satisfied. ORPS provides a variety of publications to help taxpayers understand and avail themselves of the assessment process and to assist in public relations

## **2.6 RESOURCES: There is adequate staffing and funding for complete, yet cost-effective, assessment administration.**

**Guidance:** Adequate resources – in particular staffing – are essential for effective assessment administration. The real property tax is the largest source of revenue for local governments and provides over half the revenue for local schools. Given the magnitude of the property tax and the need to ensure that taxpayers receive equitable assessments for their properties, adequate staffing and resources are all the more important and reasonable.

The cost of effective assessment administration will vary across the state, primarily due to different labor costs, which is the bulk of assessment expense. Specific staff functions in an assessing unit include data collection, sales processing, property appraisal, trend analysis, exemption administration, public relations and many other duties. Some assessing units assign additional duties to assessing staff, while others have non-assessing staff perform some assessing duties, thus making comparisons and generalizations difficult.

One measure is the overall cost of property tax collection as a percentage of the tax collected; however, such measures count all expense, including billing, collection, grievance, refunds, and foreclosure. Another is parcels per assessing staff: the IAAO points to 2,500 parcels per assessing unit staff person. (IAAO, Property Appraisal and Assessment Administration, pp. 420-421.) The IAAO also points out that larger assessing units benefit from economies of scale and can handle more than 2,500 parcels per staff person. Given that more than half of the assessing units in New York have less than 2,500 parcels, it may be appropriate for smaller assessing units to consider sharing services or outsourcing, whether by contracting with the county, joining in a coordinated assessment program, or sharing an assessor. (Note that a single “parcel” can consist of many co-op or mobile home units, so the parcels per staff measure can only be a rule of thumb.)

The cost of maintaining and updating accurate property data, as well as periodic comprehensive appraisals, must also be taken into account.

**Assistance:** See the ORPS document, “Guidelines for Effective Assessment Administration in New York State – A Self-Review Guide for Assessing Units,” which is available on the ORPS website.

## **2.7 TRAINING: Assessing staff are well trained and up to date in all facets of assessment administration.**

**Guidance:** Under RPTL Article 3, assessors are required to be certified by completion of a course of training. In addition, appointed assessors and sole elected assessors must take 24 hours of continuing education per year. Assessors attending training to comply with ORPS requirements may be eligible for reimbursement of necessary expenses.

Training – both initial and continuing education – is important for effective assessment administration. These programs cover the statutes, regulations, procedures and practices of assessment valuation and administration, and thereby equip individuals for the responsibilities of their positions and to ensure continued competence. All assessors and staff should take advantage of educational opportunities that become available. While not required, assessing staff other than assessors should attend a minimum of six hours of training annually.

The assessing unit appoints qualified individuals **to** assessor and assessing staff positions

**Assistance:** The Institute of Assessing Officers provides information on available training <http://www.nyassessor.com/Education.htm>. See also the ORPS website, [www.orps.state.ny.us](http://www.orps.state.ny.us), and publications on training, or contact ORPS local or Albany staff.

### **2.8.1 ASSESSMENT REVIEW: Taxpayers have an opportunity to seek review of their assessments.**

**Guidance:** Taxpayers have the right to seek review of their assessments. In order to provide a fair review, the assessing unit appoints qualified individuals to serve on the board of assessment review and insures that these individuals have completed required training. The only qualification for service on the board of assessment review, other than residency, is that the appointees have a “knowledge of property values in the local government or village” (§523[1][b]). The assessing unit should look for qualifications beyond this minimum. Experience in construction, finance and the law can assist board members in performing their duties. The assessing unit provides information for the taxpayer to be able to determine whether his or her assessment is equitable. Section 526(4) requires that the assessor attend the grievance proceedings.

**Assistance:** On challenging assessments, see ORPS publications, [Fair Assessments: A Guide for Property Owners](#), and [What to do if you Disagree with your Assessment](#). Also readily available on the ORPS website are forms and instructions for challenging assessments.

### **2.8.2 DEFENSE OF ASSESSMENTS: The assessing unit provides necessary support for defense of its assessments.**

**Guidance:** The assessor must be heard by the Board of Assessment Review if the assessor requests to speak. If a taxpayer seeks Small Claims Assessment Review and the assessing unit assigns the responsibility to represent the assessing unit to the assessor, the assessing unit provides the support necessary for adequate representation. If a taxpayer seeks judicial review pursuant to Art 7, Title 1, a “tax certiorari” proceeding, the assessing unit can seek or accept the support of the county and school districts that levy taxes on its assessment roll in defending those assessments in these judicial proceedings. The assessing unit should retain counsel with expertise in this area.

**Assistance:** In the defense of assessments, the RPS analysis for sales and subject properties, as well as the single parcel and batch valuation programs, is available.

## **2.9 TECHNOLOGY: There is up-to-date technology, such as RPS.**

**Guidance:** Modern professional assessing involves the collection, analysis and presentation of large volumes of property information. This requires the availability of a computer database, analytic and other technological tools for assessment administration. ORPS has developed and maintains assessment administration software – RPS – which is specifically designed to support all statutory components of the New York State system of real property tax administration. RPS is used by the vast majority of assessing units across the state. Assessing units pay RPS fees to defray a fraction of the total cost, and many County Real Property Services offices host countywide RPS installations and/or provide technical support. Most county RPS offices also provide GIS, tax bill support and other services. Where an assessing unit does not use RPS, the software is compatible with RPS, to enable the assessing unit to administer the real property tax. Internet access is essential for all assessing units to connect to the ORPS website and to communicate to taxpayers.

**Assistance:** ORPS provides extensive training and advice on RSP V-4, Computer-Assisted Mass Appraisal (CAMA), Geographic Information System (GIS), and other technology. See ORPS website or contact ORPS local or Albany ORPS.

### **2.9.1 TAX MAPS: Current and accurate tax maps are maintained.**

**Guidance:** Perhaps the most essential of assessment tools is an adequate tax map reflecting the size, shape and geographic characteristics of each parcel of land in the assessing unit. The county Real Property Tax Services Agency is responsible for the creation and maintenance of tax maps (except in Westchester County, where tax map responsibility lies with the city or town). The tax mapping agency and local assessor work together to produce annually a set of tax maps for each assessing unit.

**Assistance:** The requirements for tax maps are contained in Part 189 of State Board rules. The roles of the assessor and the tax mapper are discussed in 10 Op. Counsel SBRPS No. 2. Also see 6 Op. Counsel SBEA No. 36 and 7 Op. Counsel SBEA No. 21.

### **2.9.2 PHOTOGRAPHY: Photography is an integral part of assessment administration.**

**Guidance:** Street level photos of all improved properties are extremely helpful in administering the real property tax, both in terms of valuation and in assisting the public with assessments. Current photographs of all improved parcels should be maintained on RPS or equivalent.

**Assistance:** A photo program is available on NYS RPS V-4. Other tools are also available, such as aerial photography and oblique aerial photography. The assessor's office has a digital camera to download photos to NYS RPS V-4 or equivalent.

Assessing units may employ a set of digital image technology tools. These tools may be located at and implemented by the county real property tax agency to reduce costs. This tool set may include:

- High-resolution street-view images (suggested update at least every 6 years)
- Orthophoto images (suggested update every 2 years in rapid growth areas, or 6-10 years in slow growth areas).
- Low-level oblique images capable of being used for measurement verification (suggested update every 2 years in rapid growth areas or, 6-10 years in slow growth areas).

This alternative is to be used in conjunction with information obtained through the building permit process, and with assessor staff visits to observe changes in neighborhood condition, trends and property characteristics. A physical review is necessary when there has been a property sale, significant construction changes, or catastrophic damage. The IAAO Standard on Mass Appraisal of Real Property, 3.3.5 (January 2008) provides direction.



EXHIBIT "E"

- Approximate proportion share and dollar amounts for debt service based on the ratio of parcels per community to the total parcels in the County to be inserted.

DATA COLLECTION PROJECT  
ESTIMATED DEBT SERVICE SCHEDULE

1/26/2011

2009 Data  
\$24,000,000  
5 year level debt  
3.5% interest

**SHARE OF TOTAL PARCELS**

MUNICIPALITY	TOTAL PARCELS <sup>1</sup>	Percentage of Total Parcels <sup>3</sup>	County 16.53% / Municipalities 83.47% share Annual Principal and Interest Payment	County 25% / Municipalities 75% share Annual Principal and Interest Payment	County 50% / Municipalities 50% share Annual Principal and Interest Payment
City of Mount Vernon	11,285	4.39%	\$ 194,863	\$ 175,090	\$ 116,726
City of New Rochelle	16,096	6.26%	277,937	249,733	166,489
City of Peekskill	6,424	2.50%	110,926	99,670	66,447
City of Rye	4,896	1.90%	84,541	75,963	50,642
City of White Plains	13,849	5.38%	239,137	214,871	143,247
City of Yonkers	36,351	14.13%	627,689	563,995	375,997
Town of Bedford	6,290	2.45%	108,612	97,591	65,061
Town of Cortlandt	15,390	5.98%	265,746	238,780	159,186
Town of Eastchester	9,295	3.61%	160,501	144,214	96,143
Town of Greenburgh	28,278	10.99%	488,289	438,740	292,493
Town of Harrison	6,964	2.71%	120,250	108,048	72,032
Town of Lewisboro	5,813	2.26%	100,376	90,190	60,127
Town of Mamaroneck	8,728	3.39%	150,710	135,417	90,278
Town of Mount Kisco	2,796	1.09%	48,280	43,381	28,920
Town of Mount Pleasant	13,932	5.42%	240,570	216,158	144,106
Town of New Castle	6,703	2.61%	115,744	103,999	69,332
Town of North Castle	4,781	1.86%	82,556	74,178	49,452
Town of North Salem	2,485	0.97%	42,910	38,555	25,704
Town of Ossining	10,185	3.96%	175,869	158,023	105,349
Town of Pelham	3,689	1.43%	63,700	57,236	38,157
Town of Pound Ridge	2,467	0.96%	42,599	38,276	25,517
Town of Rye	11,087	4.31%	191,444	172,018	114,678
Town of Scarsdale	5,941	2.31%	102,586	92,176	61,451
Town of Somers	9,166	3.56%	158,273	142,213	94,809
Town of Yorktown	14,358	5.58%	247,926	222,768	148,512
Westchester County	N/A <sup>2</sup>		879,679	1,330,428	2,660,855
<b>TOTALS</b>	<b>257,249</b>		\$ 5,321,710	\$ 5,321,710	\$ 5,321,710

1 Source NYS DTF - ORPTS

2 Percent of County levy to the whole (16.53%)

3 Percent of Municipal parcels to the whole

EXHIBIT “F”

- Approximate proportion share and dollar amounts for debt service based on the ratio of parcels per community to the total parcels in the County to be inserted.

DATA COLLECTION PROJECT  
ESTIMATED DEBT SERVICE SCHEDULE

1/26/2011

2009 Data  
\$24,000,000  
5 year level debt  
3.5% interest

**SHARE OF TOTAL LEVY**

MUNICIPALITY	SHARE OF TOTAL LEVY, BY MUNICIPALITY <sup>1</sup>	Percentage of Total Levy <sup>3</sup>	County 16.53% / Municipalities 83.47% share Annual Principal and Interest Payment	County 25% / Municipalities 75% share Annual Principal and Interest Payment	County 50% / Municipalities 50% share Annual Principal and Interest Payment
City of Mount Vernon	18,383,532	3.36%	\$ 149,123	\$ 133,991	\$ 89,327
City of New Rochelle	34,873,658	6.37%	282,888	254,182	169,455
City of Peekskill	6,208,809	1.13%	50,365	45,254	30,169
City of Rye	20,367,433	3.72%	165,216	148,451	98,967
City of White Plains	31,528,467	5.76%	255,752	229,800	153,200
City of Yonkers	63,358,578	11.57%	513,951	461,799	307,866
Town of Bedford	19,142,067	3.50%	155,276	139,520	93,013
Town of Cortlandt	19,702,763	3.60%	159,825	143,607	95,738
Town of Eastchester	24,221,819	4.42%	196,482	176,544	117,696
Town of Greenburgh	57,258,226	10.46%	464,466	417,335	278,224
Town of Harrison	26,399,137	4.82%	214,144	192,414	128,276
Town of Lewisboro	11,390,029	2.08%	92,393	83,018	55,345
Town of Mamaroneck	27,699,728	5.06%	224,694	201,894	134,596
Town of Mount Kisco	5,057,808	0.92%	41,028	36,865	24,576
Town of Mount Pleasant	28,537,093	5.21%	231,487	207,997	138,665
Town of New Castle	18,661,794	3.41%	151,380	136,019	90,680
Town of North Castle	18,014,156	3.29%	146,127	131,299	87,533
Town of North Salem	5,479,940	1.00%	44,452	39,941	26,628
Town of Ossining	15,326,125	2.80%	124,322	111,707	74,471
Town of Pelham	8,962,732	1.64%	72,704	65,326	43,551
Town of Pound Ridge	7,807,605	1.43%	63,334	56,907	37,938
Town of Rye	22,049,071	4.03%	178,857	160,708	107,139
Town of Scarsdale	25,996,194	4.75%	210,875	189,477	126,318
Town of Somers	13,688,953	2.50%	111,042	99,774	66,516
Town of Yorktown	17,486,591	3.19%	141,847	127,454	84,969
Westchester County	N/A <sup>2</sup>		879,679	1,330,428	2,660,855
<b>TOTALS</b>	<b>547,602,307</b>		\$ 5,321,710	\$ 5,321,710	\$ 5,321,710

1 Source - Office of the NYS Comptroller

2 Percent of County levy to the whole (16.53%)

3 Percentage of Total Levy of each taxing unit to the total Countywide Levy

FUNDING OPTIONS,% of Total levy