

**RULES, ENACTMENTS & INTERGOVERNMENTAL RELATIONS COMMITTEE  
HELD IN ROOM #318  
PUTNAM COUNTY OFFICE BUILDING  
CARMEL, NEW YORK 10512**

**Members: Chairwoman Addonizio and Legislators Ellner & Gouldman**

**Wednesday March 22, 2023  
(Immediately following Economic Development Mtg. at 6:00pm)**

The meeting was called to order at 6:32pm by Chairwoman Addonizio who requested Legislator Ellner lead in the Pledge of Allegiance. Upon roll call Legislators Ellner and Gouldman and Chairwoman Addonizio were present.

**Item #3 – Acceptance of Minutes – December 14, 2022 & January 19, 2023**

The minutes were accepted as submitted.

**Item #4 – Approval/ Putnam Arts Council Grants for 2023**

Chairwoman Addonizio stated the Putnam Arts Council received 25 funding requests totaling \$77,782 this year. She stated the available funding for the grant program is \$44,793 (\$13,993 from Putnam County and \$30,800 from New York State). She stated the Putnam Arts Council will be funding 25 projects, 15 of them being funded with County dollars.

Legislator Gouldman questioned how the grants are determined.

Executive Director of the Putnam Arts Council Joyce Picone stated the grant program is open to all community non-profits and presenters that are Putnam County based. She stated the applications are then reviewed by an independent panel. She stated artistic merit and number of people it will reach are the primary focus of each project.

Legislator Gouldman questioned how the panelists are determined and why some are not from Putnam County.

Executive Director Picone stated several of the individuals moved out of the County recently but are still familiar with Putnam County. She stated the panel members serve a three (3) year term but they sometimes see changes more often than that.

Legislator Gouldman requested clarification on the number of grants being awarded.

Executive Director Picone stated the list of projects provided to the Legislature is reflective of the 15 projects being funded utilizing the funds received from the County. She stated she would be happy to provide a full list of the 25 grants being awarded.

Chairwoman Addonizio thanked Executive Director Picone for her hard work and spoke to the importance of art programs in the community.

Executive Director Picone stated the arts are important in terms of culture and enrichment as well as economic development. She stated arts are a leader in job creation and for every \$1 spent there are \$7-\$8 indirectly raised through arts programming.

Chairwoman Addonizio stated there are also many programs that are beneficial for senior citizens.

Executive Director Picone stated there are art programs all over the County with a range of disciplines and accessibility. She stated the arts are also great for children to help with self-esteem.

Legislator Crowley thanked Executive Director Picone for her work. She questioned if there is a comprehensive plan for the arts in the community and is Tourism is involved.

Executive Director Picone stated yes, the Putnam Arts Council works with Tourism a lot. She stated she is also working on a new comprehensive plan and she would be glad to share her strategic plan.

Legislator Montgomery stated she recently toured Boscobel with County Executive Byrne; it is the most visited tourist cultural center in Putnam County. She stated arts inject over \$6 million into the regional economy each year. She stated she is grateful for the grant money coming into her district, but when compared to the sales tax revenue coming back to the County there is an imbalance. She stated she hopes her colleagues will look at it from that perspective and consider increasing funding for the arts.

Chairwoman Addonizio made a motion to pre-file the necessary resolution; Seconded by Legislator Gouldman. All in favor.

#### **Item #5 – Discussion/ Decreased Funding for Department of Veterans Services in NYS Fiscal Year 2024 Budget**

Chairwoman Addonizio stated there is a \$4.5 million decrease in the Fiscal Year 2024 Executive Budget for Veterans Services.

Director of the Veterans Service Agency Karl Rohde stated Governor Hochul expanded the Joseph P. Dwyer Vet to Vet program from 35 counties to all 62 counties in New York State. He clarified that this expansion is not budgeted under Veterans Services, but rather under Mental Health. He stated Putnam County has had the Joseph P. Dwyer Vet to Vet program for eight (8) years and has never received an increase in funding. He listed the programs that were cut in this year's Executive Budget and what their funding was last year (the bolded items have the most impact on Putnam County):

- New York State Defenders Association Veterans Defense Program (\$500,000)
- **Legal Services of the Hudson Valley Veterans & Military Families Advocacy Project (\$405,000)**
- Clear Path for Veterans (\$325,000)
- New York State Defenders Association Veterans Defense Program – Long Island (\$220,000)
- **Helmets-to-Hardhats (\$200,000)**
- Legal Services of NYC Veterans Justice Project (\$200,000)
- **Sage Veterans' Project (\$150,000)**
- **Outdoor RX (\$150,000)**
- North Country Veterans Association (\$125,000)
- **Department of New York Veterans of Foreign Wars of United States, Inc. (\$125,000)**
- American Legion Dunbar Post 1642 (\$100,000)
- Vietnam Veterans of America – New York State Council (\$100,000)
- John Venditti War Veterans Post 1 (\$10,000)
- Rome Veterans' Park (\$10,000)

He stated another funding cut that could have a big impact is the \$5 million construction grant that has been available in previous budgets. He stated local Veterans Service Agencies can submit an application for funding through this bucket of funds for needed renovations to their Veterans facilities and Veterans homes. He stated this is vital funding because many Veterans Service Agencies do not have a great deal of income to pay for these projects. He stated Veterans should not have to beg for this funding and his fear is that these cuts are the beginning of even more decreases moving forward.

Chairwoman Addonizio stated that \$5 million construction fund is separate from the \$4.5 million decrease she referred to earlier.

Director Rohde stated that is correct. He stated Assemblyman Matt Slater held a press conference on these budget cuts as well.

Chairwoman Addonizio stated she would like to draft a resolution to send to Governor Hochul and our New York State representatives to implore them to restore this funding before finalizing the budget.

Director Rohde stated he would send the information he has to the Legislature.

Legislator Montgomery questioned if our other State representatives were contacted regarding these cuts.

Director Rohde stated he spoke with Assemblywoman Levenberg as well.

Legislator Jonke stated he is grateful Assemblyman Slater organized the press conference and he was happy to attend. He stated it is disgraceful that every year we have to beg for our Veterans.

Director Rohde stated he is on a Veterans Advisory Committee for the New York State Social Workers Association and similarly, they need to lobby in Albany every year for funding.

Legislator Sayegh stated every day 22 Veterans commit suicide; these services are a lifeline. She stated discontinuing these services can have a detrimental impact. She requested clarification on the \$5 million construction grant.

Director Rohde stated local American Legions and VFWs can apply for funding to renovate their facilities. He stated programs were also added to the budget for Veterans this year. He stated one program is that a fleet of vans will go into remote areas to provide Veterans Services. He stated this is not a program that will have a great impact on Putnam County. He stated the other program is that they are doubling farmers market coupons provided to Veterans. He stated last year he had \$500 worth of them leftover; nobody wanted them because they are difficult to use. He stated there are only two (2) places that accept them. He stated these two programs that have been increased will not have a significant impact on Putnam County.

**Item #6 – Discussion/ Request by Carl Albano/ Proposal of Cancellation of Delinquent Property Tax Interest, Penalties, and Other Charges**

Carl Albano, resident, clarified that his proposal is a reduction of delinquent property tax, not a cancellation. He stated this matter came to his attention at the end of last year (when he was the Legislator for District #5). He stated someone who owes, for example, \$30,000 in taxes could be paying \$9,000 in interest and penalties. He stated \$28 million is currently owed to the County and the accrued interest is \$6 million, which is around 20% of what is owed. He stated his first question was if reducing the interest and penalties was something the County was able to do, and it is permissible under New York State Law but would require a local law to be adopted. He stated he believes charging the high penalties and interest is not in the best interest of the taxpayers, especially with the financial hardship that the COVID pandemic created for many residents. He requested that the local law be amended to allow the County to consider their options in regard to reducing penalties and interest. He stated foreclosing on properties is an expensive process. He stated there are 1200-1300 properties currently in arrears dating back to 2014. He stated offering taxpayers the opportunity to catch up on their taxes might alleviate some of the workload associated with those properties.

Chairwoman Addonizio questioned if Mr. Albano's proposal would be a one (1) time opportunity for taxpayers.

Mr. Albano stated that would be up to the Legislature.

Chairwoman Addonizio questioned if the tax rate is set by New York State.

Mr. Albano stated the tax rate is not a mandatory amount.

Legislator Ellner stated there are a lot of moving parts here including whether those in arrears are a commercial entity or a single taxpayer. He stated the objective of this proposal is for the County to collect part of what it is owed. He stated his concern is that if this amnesty is granted, what could happen down the line. He stated it could make people less inclined to pay what they owe. He recognized that there are many people facing hardship.

Mr. Albano stated this specific proposal addresses those currently in arrears. He stated these cases date back to 2014. He stated COVID created financial hardship for many people. He stated the County received Federal funding in response to the COVID pandemic and collected more sales tax than what was budgeted for; the County is in good financial health.

Legislator Ellner stated looking at this from a different perspective, it raises the question why this was not addressed previously when there are 1,300 properties that have not paid their fair share.

Mr. Albano stated that is a good point; if it had come to his attention earlier he would have brought this forward sooner.

Legislator Gouldman stated in some ways this proposal makes a lot of sense, but it needs some limitations and restrictions. He stated he has no issue offering a break to the average taxpayer however he does not believe a developer or business should be eligible. He stated if the Legislature moves forward with this proposal, he suggested that it only be offered to low income and middle-class taxpayers. He stated it should not be offered for properties that are vacant land or multiple parcels; it should only be for properties with a home where the homeowner resides. He suggested capping the forgiveness at \$20,000. He stated this should really be for an individual or a family who is facing a real hardship, not a developer. He provided two examples of situations where he does not believe the County should grant amnesty; one is a developer who owns land in Putnam Valley and owes \$500,000 in property taxes. This developer was offered fair market value for the property and refused the offer. He stated there is also an individual who owns multiple homes in Putnam Valley and throughout Putnam County and has not paid their property taxes. He stated those who have a need and who are invested in the community are those who should be entitled to this.

Mr. Albano agreed with Legislator Gouldman. He stated there are many details to be worked out, but the first step is to amend the local law to allow the County to move forward with this. He stated the County should do everything it can to get these properties dating back to 2014 off the books. He stated other issues can follow these types of properties. He restated that his proposal is not to waive or forgive the taxes, but rather allow the taxpayer to pay what is due and provide a break on the penalties and interest.

Legislator Gouldman stated it is important to be careful not to send a bad message to taxpayers that some are “getting away” with not paying their taxes.

Mr. Albano agreed, it should not be a cancellation. He stated the first step is to amend the local law.

Legislator Crowley stated after putting a lot of consideration into this, what it comes down to is if it is fair and equitable. She stated she has many concerns including where the loss of revenue will be made up if 50% of the interest and penalties are forgiven and if that cost will be passed along to taxpayers. She stated we are quite possibly heading into a recession and although the County currently has a surplus of funds, the future cannot be predicted. She stated this program does not give the residents who pay their taxes on time incentive to continue doing so and it is not retroactive for those who were in arrears and did everything they could to pay their debt. She stated the County offers a payment plan for those who communicate the need for assistance. She stated during the COVID pandemic an Executive Order was issued by then-Governor Cuomo that offered counties the ability to implement an amnesty program similar to the one being proposed, however at that time Putnam County did not opt in. She stated there were also federally funded programs, such as the New York State Homeowners Assistance Fund, dedicated to helping homeowners at risk of default, foreclosure, or displacement and a result of financial hardship caused by the COVID pandemic. She stated she researched similar initiatives and contacted surrounding counties, Dutchess, Westchester, and Orange, and found that no program like the one being proposed here was being offered. She stated she also reached out to Commissioner of Finance Bill Carlin, who provided the following statement: *“Pursuant to your inquiry, please be advised that our tax software is designed to process real property tax law as it exists today. If a cap on interest and penalties were to be implemented, I could not ensure that our software would be able to accommodate changes to perform the necessary calculations. The finance department would have to be apprised of the specific changes recommended, and then we would need to perform an evaluation to determine what computer software needs to be recoded, if applicable. I can advise you that if recoding is necessary, our experience has been that it can be a time consuming, expensive process. Finally, any cap calculations would require a software solution, as it would be impractical to be performed by hand.”*

Legislator Sayegh stated she believes the reason these properties are backed up from 2014 is due to limitations faced in the Law Department during the COVID pandemic. She agreed with Legislator Crowley’s statement regarding residents who have made every effort to pay their taxes on time and it could seem like those who did not are being rewarded.

Mr. Albano stated this program would not cause a financial burden to the County because it will incentivize taxpayers to pay what they owe to the County. He stated the proposal is to reduce the excessive interest. He stated any incentive to encourage people to pay their debt is a positive thing. He stated it would be better to have the taxes paid on these properties than to have to foreclose on the properties. He stated by

thinking outside of the box, these payments can be made more fair for the taxpayers and Putnam could be the first county to offer such a program.

Legislator Jonke agreed with Mr. Albano that the Legislature should at the very least entertain the local law. He stated a few Legislators mentioned "fair and equitable" and he clarified that this proposal would not discount taxes; it would relieve some penalties and interest that have built up over time. He stated he has worked within the boundaries of real property tax law for 35 years and knows what fair and equitable is. He stated he also knows there are exemptions in life and this falls into that category. He stated he would be in favor of implementing this for a limited amount of time when people can pay their tax bill and a percentage of the penalties and interest with a discount or exemption. He stated there are only 43,000 parcels in Putnam County and if 1,300 of them are in arrears. He stated we need to do what we can to allow the taxpayers who can to pay their tax bill. He stated he also spoke with Commissioner Carlin, who is opposed to this, and his response was that the County does not need the money. He disagreed with that; the County could always use the money. He stated the first step is to amend the local law.

Chairwoman Addonizio questioned how realistic it is that individual taxpayers would have the money on hand to cover their tax bill. She stated a payment plan might be a better option.

Mr. Albano questioned what Legislator Castellano's experience is with foreclosures in Westchester County and if it is sometimes settled for less.

Legislator Castellano stated a foreclosure proceeding could be settled for less, there are negotiations involved. He stated to be so far behind is a big burden on the County Law Department. He stated there are a lot of good points being brought forward. He stated collecting payments and fixing the books at the same time would be great; the County certainly does not want to foreclose on all of these properties.

Legislator Nacerino stated the compounded interest is what is becoming more of a burden to any property owner. She stated no revenue is being generated from taxes on the properties in arrears dating back to 2014. She stated as Legislator Jonke mentioned, if this local law is amended the County will have the ability to design the criteria however it deems appropriate. She stated she is interested in moving forward to develop a plan that would benefit both the County and offer some relief to homeowners.

Legislator Crowley questioned if the program could differentiate between residential and commercial properties, or if that would be discriminatory.

Legislative Counsel Robert Firriolo stated currently in the Putnam County Code there is a requirement that taxes be imposed equitably. He stated he would have to look into the State law to find if it could be distinguished that way. He stated there is also a practical consideration as to whether or not the tax system is capable of determining if a given property is being occupied as residential or if it's owned by a commercial entity or

a resident. He stated the local law is enabling legislation that, if enacted, would not grant any exemptions or reductions but simply authorize the Legislature to draft a resolution which would do that. He stated the local law is the first step.

Legislator Montgomery stated she would like to see how many of the properties in arrears are owned by individuals and how many are owned by corporations or developers. She stated there are some people who go into foreclosure and then declare bankruptcy when the property is on the auction block and the house remains theirs. She suggested looking into offering grant funding for those who are really hurting utilizing ARPA (American Rescue Plan Act) funding. She stated she knows this has been done for businesses in other counties, but is unsure about individual homeowners. She stated enacting the program proposed this evening opens it up across the board to everyone including predatory developers and those who play games with the property taxes. She recognized there are many people in need and it is getting harder to live in Putnam County. She stated there are other ways to help using the County's surplus revenue and ARPA funding.

Legislator Ellner stated he would be more comfortable if there was a structured payment plan and if the taxpayer adhered to the plan, at the end is when the relief would be granted. He recognized that many residents are hurting.

Mr. Albano stated putting the law in place will allow the County to structure this in a way that is fair to Putnam County as a whole.

Legislator Montgomery stated we could start by not raising taxes each year with no new services being provided.

Chairwoman Addonizio stated the school taxes are very costly.

Mr. Albano stated not all counties do this, but Putnam County makes the towns, villages, and schools whole when taxes are not paid.

Legislator Sayegh questioned if the County currently has a payment plan for those in arrears.

Mr. Albano stated yes, they do.

Chairwoman Addonizio stated she would request how many people are currently on a payment plan.

Legislator Montgomery stated she would like to see how many individuals and how many corporations are on a payment plan.

Mr. Albano requested the Committee to look at the local law. He believes this is the right thing to do for the taxpayers.



**Item #7 – Other Business – None**

**Item #8 – Adjournment**

There being no further business at 7:28pm, Chairwoman Addonizio made a motion to adjourn; Seconded by Legislator Gouldman. All in favor.

Respectfully submitted by Administrative Assistant Beth Robinson.