

**TROY CITY COUNCIL
PUBLIC HEARING AGENDA
February 13, 2019, 6:00 P.M.
February 21, 2019, 5:45 P.M.
March 7, 2019, 6:45 P.M.**

Pledge of Allegiance
Roll Call
Reading of Public Notice
Public Forum Regarding Local Law #1

**A LOCAL LAW AMENDING THE CHARTER OF THE CITY OF TROY
§C-48 AUTHORIZING THE PAYMENT OF ELIGIBLE DELINQUENT TAXES IN
INSTALLMENTS**

Be It Enacted by the City Council of the City of Troy, as follows:

Section 1. §C-48 of the Charter of the City of Troy is amended as follows:

(H) Installment Payment Plans for Delinquent Taxes

(1) Definitions:

- a. “Eligible delinquent taxes” means the delinquent taxes, including interest, penalties and charges, which have accrued against a parcel as of the date on which an installment agreement is executed.
 - b. “Eligible owner” means an owner of real property who is eligible to or has entered into an installment agreement.
 - c. “Installment agreement” means a written agreement between an eligible owner and the enforcing officer providing for the payment of eligible delinquent taxes in installments pursuant to the provisions of Section 1184 of the Real Property Tax Law and this Local Law.
- (2) The Enforcing Officer of the city of Troy or his or her designee is authorized to enter into an installment agreement providing for the payment of eligible delinquent taxes in installments with property owners. Such installment payments of eligible delinquent taxes shall be made available to each eligible owner on a uniform basis pursuant to the provisions of the New York State Real Property Tax Law and this Local Law. Such installment payments of eligible delinquent taxes shall commence immediately upon the signing of the agreement between the Enforcing Officer or his or her designee and the eligible owner. The agreement shall be kept on file in the office of the Comptroller of the City of Troy. The Enforcing Officer shall not be required to notify a potential eligible owner as to their possible eligibility for an installment agreement, nor shall the Enforcing Officer be required to notify the eligible owner when an installment is due.
- (3) The term of the installment agreement shall be for twenty-four months, the payment schedule shall be monthly, quarterly or semi-annually. The required initial downpayment shall consist of the amount due on the current City and County property tax bill; the amount due on any current school district tax in collection by the City; and ten percent (10%) of the eligible delinquent taxes and eligible properties shall include all properties within the City of Troy. Should an eligible owner pay off the amount owed under the agreement early, there shall be no adjustment of the amount of the payments.

- (4) A property owner shall not be eligible to enter into an agreement pursuant to this section where:
- a. There is a delinquent tax lien on the same property for which an application is made or on another property owned by such person and such delinquent tax lien is not eligible to be made part of the agreement pursuant to this section;
 - b. Such person is the owner of another parcel within the tax district on which there is a delinquent tax lien, unless such delinquent tax lien is eligible to be and is made part of the agreement pursuant to this section;
 - c. Such person was the owner of property on which there existed a delinquent tax lien and which lien was foreclosed within three (3) years of the date on which an application is made to execute an agreement pursuant to this section; or
 - d. Such person has previously entered into an installment agreement for the payment of delinquent taxes with the City of Troy.
 - e. There is any code violation, unpaid or outstanding fees, payments, fines, penalties, levies with respect to any property owned by the applicant in the City of Troy.
- (5) The amount due under the an installment agreement shall be the eligible delinquent taxes plus the interest that is to be accrued on each installment payment up to and including the date on which each payment is to be made. The agreement shall provide that the amount due shall be paid, as nearly as possible, in equal amounts on each payment due date. Each installment payment shall be due on the last day of the month in which it is to be paid.
- (6) Interest and penalties. Interest on the amount of eligible delinquent taxes less the amount of the downpayment made by the eligible owner, shall be that amount as determined pursuant to New York State Real Property Tax Law §924-a. The rate of interest in effect on the date the agreement is signed shall remain constant during the period of the agreement. If an installment is not paid on or before the date it is due, interest shall be added at the rate prescribed by New York State Real Property Tax Law §924-a for each month or portion thereof until paid. In addition, if any installment is not paid by the end of the fifteenth calendar day after the payment due date, a late charge of five percent (5%) of the overdue payment shall be added.
- (7) Default.
- a. The eligible owners shall be deemed to be in default of the of the agreement upon:
 - i. Non-payment of any installment within thirty (30) days from the payment due date;

- ii. Non-payment of any tax, special ad valorem levy or special assessment which is levied subsequent to the signing of the agreement by the tax district, and which is not paid prior to the expiration of the warrant of the collecting officer; or
 - iii. Default of the eligible owner on another agreement made and executed pursuant to this section.
- b. In the event of a default, the City shall have the right to require the entire unpaid balance, with interest and late charges, to be paid in full. The City shall also have the right to enforce the collection of the delinquent tax lien pursuant to the applicable sections of law, special tax act, charter or local law.
- c. Where an eligible owner is in default and the City does not either require the eligible owner to pay in full the balance of the delinquent taxes or elect to institute foreclosure proceedings, the City shall not be deemed to have waived the right to do so.
- (8) The provisions of this section shall not affect the tax lien against the property except that the lien shall be reduced by the payments made under an installment agreement, and that the lien shall not be foreclosed during the period of installment payments provided that such installment payments are not in default.

Section 2. This Local Law shall take effect immediately and be retroactive to July 1, 2016 upon its adoption and filing in accordance with State Law.

Approved as to form

James A. Caruso, Corporation Counsel

MEMORANDUM IN SUPPORT OF PROPOSED LOCAL LAW NO. 1

From: Daniel G. Vincelette, Deputy Corporation Counsel

Proposed Local Law No. 1 would amend the Charter to include §C-48(H) which would authorize Installment Payment Agreements between the City Comptroller and eligible taxpayers with delinquent real property taxes. Such agreements are authorized by New York State Real Property Tax Law §1184. Under the former charter, such agreements were provided for under §C-72 pursuant to Local Law No. 8 of 1995. No such provision was included in the revised Charter.

The City Comptroller has offered and administered such installment agreements since 1995. Such agreements allow taxpayers the opportunity to pay delinquent taxes in installments and to avoid foreclosure proceedings. There are currently 74 installment agreements between the City and eligible taxpayers.

The proposed Local Law would enhance the ability of the Treasurer's Office to collect delinquent taxes and allow for more effective revenue collection.

Proposed Local Law No. 1 makes the following changes to the previous Charter provisions:

- The agreements are between the Treasurer's office and the taxpayer, and not signed by the Assessor. This streamlines the procedure, as the Assessor's office has no role in the administration of the agreements.
- Previous law stated that a taxpayer could not enter into agreement until 30 days passed after delivery of return of unpaid taxes. This is omitted.
- Previous law required Treasurer to provide notice by first class mail to eligible owners. That provision is removed.
- Proposed law defines required downpayment as including any current City/County tax bill and any current School tax bill that the Treasurer's office is collecting, as well as ten (10%) percent of the delinquent amounts.