



TOWN OF ROCHESTER

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BOARD OF ASSESSMENT REVIEW

Report on Grievance Day 2008

The Board of Assessment Review (“BAR”) held its annual Grievance Day on May 27, 2008 during the hours of 4:00 pm to 8:00 pm. In addition, the BAR met on two subsequent occasions to deliberate on the complaints received.

Proposal to Change Grievance Day Date

In early May, the BAR received a request from Supervisor Chipman asking the BAR if it would be possible to reschedule Grievance Day to another date or to split the Grievance Day hours (to 10:00 am to noon and to reconvene from 8:30 pm to 10:30 pm) to accommodate Acting Assessor Michael Sommer’s schedule, which had a conflict as he is also the assessor in three other municipalities. In response, the BAR informed Supervisor Chipman that it would be willing to change the date provided that the proper procedure for doing so was observed, including the adoption of a local law approving such change. The members of the BAR unanimously opposed changing the hours to those requested as it would have made it extremely difficult for people who are employed during the day to make the suggested hours, thereby creating an unreasonable hardship. In the end, Grievance Day was held as originally scheduled and Mr. Sommer resigned as Acting Assessor temporarily for one week¹ as he was not able to be present during Grievance Day, as required by law. The Town’s former assessor, Sharon Hornbeck, was appointed temporarily and served as Acting Assessor for the one week surrounding Grievance Day.

Complaints and Resolution

During Grievance Day, the BAR reviewed 47 complaints and three stipulations proposed by the Assessor. The subject properties related to the complaints ranged from an unimproved property with assessed values as low as \$43,100 to a parcel owned by a utility company with an assessed value of \$1,637,786. Of the 47 complaints, the BAR reduced the assessed valuations in 26 cases, and determined that 21 subject properties were properly or under-assessed and took no further action. Property owners appeared in person for 20 of the 47 complaints. The BAR ratified two of the three stipulations.

Prior to making determinations on individual properties, BAR members discussed assessment methodology and agreed upon a set of objective criteria for reviewing cases. This methodology was consistently applied to each case. The BAR is legally permitted

¹ Mr. Sommer was subsequently appointed to the position of Assessor, starting July 1, 2008, the date his six-month contract as Acting Assessor expires.

to reduce an assessment figure to the figure requested by a complainant. In some cases, the assessment requested by the complainant was higher than the number that the BAR's valuation criteria would have yielded, potentially resulting in a disparity on the dollar/square foot assessment ranges. As a result of an agreement on methodology, the decision on every complaint reviewed was made unanimously by each participating BAR member.

Land is valued on a formula basis as provided by the Assessor's land table. For unimproved land, the first acre is assessed at approximately \$35,000, with a sliding valuation for additional acreage. After determining the Assessor's proposed assessment, BAR members determined the land value in accordance with the land table and determined the value of the remaining improvements on the property. In doing so, the BAR determined the assessed value per square foot of improvements and determined if such square foot assessments fell within certain ranges for similar properties. The BAR determined different ranges for stone houses, new stick construction, bungalow and cottage type structures, modular construction and manufactured homes (mobile homes), and various types of outbuildings.

In 2008, the BAR received complaints from property owners representing six properties related to the renewal of prior agricultural exemptions. The principal issue in these complaints was the date such renewal applications were filed. Owners of four of the six properties were not able to provide any documentation indicating that the renewal applications were filed on or before the March 1, 2008 deadline; the owner of two of the questioned properties was able to present documentation that met the BAR's satisfaction. By law, the BAR is not able to extend the filing deadlines for agricultural or other exemptions, however, the Town Board does have such power through the adoption of a local law extending such deadline.

The BAR received a complaint that indicated, among other things, that the market value of the subject property was adversely affected by its proximity to several gravel mines on Rochester Center Road, and the noise, dust, and traffic associated with those businesses. The BAR determined that those factors were, in fact, valid. The adverse effect on assessed valuation due to proximity to certain types of businesses and certain types of zoning activity has been raised in prior years and this appears to be a continuing basis for complaints.

Issues Observed

In the grievance process, the BAR observed that there were a number of factors that made the process an imperfect one.

1. The sliding scale land table formula does not effectively take into consideration factors that could diminish the value of land such as steep slope, abundant wetlands, periodic flooding or factors that would increase the value of land such as views, water features, location, etc. As a result, it is possible that the land value calculations, when the formula is applied, could result in an unfair

allocation of a property's full value between land value and the value of improvements. The BAR did, however, provide discounts to the land value formula in select cases where property values could be reasonably determined to be diminished due to proximity to undesirable enterprises and/or extremely poorly maintained and/or deteriorated buildings on neighboring properties, as these factors generally have an adverse impact on the marketability of the subject properties.

2. In many cases, residents were not aware that they could save money by combining two or more qualifying adjacent parcels (owned in the same name) into one parcel for tax purposes. In a number of cases, property owners who did request such consolidation did not receive the benefit because the paperwork had not been processed or entered into the record in a timely manner.
3. There continued to be a significant disparity and gross inconsistencies between assessments per square foot. Many homes in excellent condition were valued at \$100 per square foot or less, while others in poorer condition appeared to be assessed at much higher levels. The members of the BAR were unable to determine the cause of such disparity. The inconsistency creates a ripple effect because it results in a situation where residents whose home are properly assessed at full equalized value are forced to pay a higher pro rata percentage of the tax levy burden that individuals whose homes are assessed at a below market figure. There was one instance in which the Assessor unilaterally reduced the assessment of a home to approximately \$85.00 per square foot in a stipulation.
4. In some cases, data held by the Assessor's office was incomplete or inaccurate. The lack of complete information made the review process difficult. In some cases, the information provided to the BAR regarding the current assessed valuation was not verified by the Assessor's office, thereby creating an incorrect baseline from which to make applicable adjustments to assessment.

In the course of discussions with property owners as well as correspondence provided, it appears that certain issues that had been raised "on numerous" occasions with the Assessor had not been addressed or resolved. These issues include incorrect property inventory (house is smaller than Town records indicate) and correspondence sent to the Assessor's Office that appears to be "missing" or not processed (principally combining two adjacent lots into one tax parcel). This issue was raised in previous reports.

Recommendations:

1. The Assessor keep normal office hours to be on hand to address property owner questions. While the present system of appointments does provide a degree of flexibility, we do not believe that Rochester's taxpayers are well served by the part time service that is provided at present.

2. The Assessor's Office should keep a detailed correspondence log indicating: property owner, subject property, date received, description, where the document is filed, and resolution of the subject of the correspondence.
3. The Assessor's Office should acknowledge receipt of correspondence by email, post card, or telephone call. We have heard from numerous property owners, and individual BAR members have personal experience, that in certain instances, correspondence is not acknowledged or answered.
4. We continue to recommend that the Town routinely publish the entire tax roll on the internet in order to provide residents with a means of easily validating assessed valuations and to more conveniently point out errors and/or inconsistencies to ensure an equitable distribution of tax levies.
5. While state law authorizes the Assessor to unilaterally reduce or increase assessments, there is no oversight process to validate reductions made unilaterally by the Assessor. A potential consequence is that properties might be unfairly reduced, exacerbating the disparity between full/fairly valued properties and those that are underassessed (greater transparency afforded by publishing the tax roll would, however, provide a degree of validation). We recommend that the Town Board examine potential mitigants to this problem in a manner consistent with state law. The BAR process does, however, provide residents with a means of challenging increases in such assessments.
6. If the Assessor is not able to participate in Grievance Day in future years because of commitments as an Assessor in other localities, we recommend that Grievance Day be held on a Monday, Friday, or Saturday to enable a greater number of residents to attend in person.

This report was adopted unanimously by the members of the Board of Assessment Review. June 30, 2008

Alan Levine, Chair
Bruce Schoonmaker
Claude Suhl
Martha Tardibuono
Zali Win