



ECLEG DEC14'15 AM10:47

COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

December 11, 2015

Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

**Re: HLM Holdings LLC - Tax Repayment Agreement
1740 and 1750 Military Road, Town of Tonawanda**

Dear Honorable Members:

Please find enclosed a resolution from the Department of Real Property Tax Services seeking legislative authorization of a tax repayment agreement with HLM Holding LLC.

Representatives from the Department of Real Property Tax Services and Division of Budget and Management are available to answer questions regarding this request. Thank you for your consideration on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark C. Poloncarz", is written over a faint circular stamp.

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/tcc

cc: Robert W. Keating, Director of Budget and Management
Joseph Maciejewski, Director of Real Property Tax Services

MEMORANDUM

To: Erie County Legislature
From: Department of Real Property Tax Services
Re: HLM Holding LLC Tax Repayment Agreement - 1740 and 1750 Military Road,
Town of Tonawanda
Date: December 11, 2015

SUMMARY

Authorization is requested for the County to enter into a Tax repayment agreement with HLM Holding LLC.

HLM LLC will pay the balance (including interest that has become due as of September 1, 2015) of \$36,807.04 on the property known as 1740 Military Rd and \$73,855.32 on the property known as 1750 Military Rd. The agreement is for a five year period with monthly payments. In addition, HLM Holding LLC will pay all taxes as they become due in the future. Should HLM Holding LLC make the monthly payments of past due amounts and current annual taxes as they come due, there will be no additional interest on the unpaid past due balance.

FISCAL IMPLICATIONS

Positive. The County will receive payment in full in the amounts of \$36,807.04 and \$73,855.32 in property tax revenue.

REASONS FOR RECOMMENDATION

This is a distressed parcel and legislative approval of this repayment agreement will allow for a plan of re use or sale of the parcel to an interested investor. According to the Town of Tonawanda Assessor's office, the prior assessment that several years of tax levy, was not equitable and that the assessment has been significantly reduced due to environmental concerns.

CONSEQUENCES OF NEGATIVE ACTION

The County will not receive the revenue.

STEPS FOLLOWING APPROVAL

Upon approval of this resolution, the County Executive will be authorized to enter into a repayment agreement with HLM Holding LLC and the Department of Law will execute a repayment agreement in order to receive the revenue. The Department of Real Property Tax Services along with the Comptroller will set up an account receivable for the balance and will receive monthly payments from HLM Holding LLC.

**RESOLUTION SUBMITTED BY
DEPARTMENT OF REAL PROPERTY TAX SERVICES**

Re: HLM Holding LLC Tax Repayment Agreement - 1740 and 1750 Military Road, Town of Tonawanda

WHEREAS, the Director of Real Property Tax Services has recommended a tax repayment agreement for 1740 and 1750 Military Road, Tonawanda NY; and

WHEREAS, property owner HML Holding LLC has agreed to make monthly payments for a five year period on balances due of \$36,807.04 and \$73,855.32; and

WHEREAS, the County Executive has agreed to a repayment plan in which HML Holding LLC will pay the \$36,807.04 and \$73,855.32 balances (including interest) over a five year period with monthly payments.

NOW, THEREFORE, BE IT

RESOLVED, that the Erie County Legislature does hereby authorize the County Executive to enter into a repayment agreement with HML Holding for the outstanding tax and interest obligations totaling \$36,807.04 and \$73,855.32 respectively, which are to be paid over a five year period; and be it further

RESOLVED, that the Erie County Legislature does hereby authorize the County Executive to freeze the outstanding tax and interest obligations at the balances of \$36,807.04 and \$73,855.32 over a five year period as long as the taxpayer does not default on the agreement; and be it further

RESOLVED, that certified copies of this resolution shall be sent to the Department of Real Property Tax Services, Division of Budget and Management, Department of Law, Office of the County Executive and Office of the Comptroller.