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COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

October 15, 2021

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

RE: Purchase of 2021 Tax Lien Certificates

Dear Honorable Members:

Please find enclosed a Resolution and Accompanying Memorandum to allow the Director of Real Property Tax Services on behalf of the County of Erie to purchase 2021 Tax Lien Certificates.

Should your Honorable Body require further information, I encourage you to contact Scott Bylewski, Director of Real Property Tax Services. Thank you for your consideration on this matter.

Sincerely yours,

Mark C. Poloncarz, Esq.
Erie County Executive

MCP/sab
Enclosure

cc: Scott A. Bylewski, Director of Real Property Tax Services

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Real Property Tax Services
Re: Purchase of 2021 Tax Lien Certificates
Date: October 15, 2021

SUMMARY

Seeking Erie County Legislative approval that will allow the Director of Real Property Tax Services, on behalf of the County of Erie, to purchase 2021 Tax Lien Certificates.

FISCAL IMPLICATIONS

Positive for Erie County. The purchase of the unpaid taxes and the creation of a Tax Lien Certificate places the County of Erie in first position in redemption of such Tax Lien Certificates with interest.

REASONS FOR RECOMMENDATION

Erie County will be able to collect previous taxes owed on unpaid tax liens. Additionally, once due and unpaid for a period of at least two years, the County will be able to commence foreclosure proceedings upon the 2021 Tax Lien Certificates.

BACKGROUND INFORMATION

Pursuant to Section 7-6.0 of the Erie County Tax Act, for the past sixty (60) years, each November the County of Erie bids for and purchases every available Tax Lien Certificate upon real estate for which current year real property taxes then remain unpaid.

There is no pending legislation or executive or administrative order that prevents the County from purchasing the 2021 Tax Lien Certificates.

In compliance with the New York State COVID-19 Emergency Eviction and Foreclosure Prevention Act of 2020 (“CEEFPFA”) and the COVID-19 Emergency Protect Our Small Businesses Act of 2021, (“CEPOSBA”) – which have recently been extended through January 15, 2022 – the Director of Real Property Tax Services will issue a Notice advising the owners of the affected properties of such owner’s rights under the Acts and that a hardship declaration is accessible on the New York State Department of Tax and Finance’s website together with a link to such hardship declaration form.

Pursuant to the CEEFPFA and the CEPOSBA, upon a property owner’s submission of a proper hardship declaration, the sale of 2021 Tax Lien Certificates will be stopped (“stayed”) with regard to said owner’s real property through January 15, 2022. As such, the County will not be able to purchase these 2021 Tax Lien Certificates until such time as the next regularly scheduled Tax Lien Certificate sale in November of 2022. These Tax Lien Certificates must be due and unpaid for a period of at least two years from the November 2022 sale before the

County can commence foreclosure proceedings. Thus, property owners who submit a hardship declaration in connection to the 2021 Tax Lien Certificate sale will have three years instead of two before foreclosure of the 2021 Tax Lien Certificate can be commenced.

CONSEQUENCES OF NEGATIVE ACTION

The County of Erie will not be allowed to purchase the unpaid taxes or commence a future foreclosure action upon the 2021 tax lien(s).

STEPS FOLLOWING APPROVAL

The Director of Real Property Tax Services will conduct a Tax Lien Certificate sale pursuant to Article 7 of the Erie County Tax Act, such sale be held and completed on Friday, November 26, 2021.

A RESOLUTION SUBMITTED BY:
REAL PROPERTY TAX SERVICES

RE: Purchase of 2021 Tax Lien Certificates

WHEREAS, pursuant to Section 7-6.0 of the Erie County Tax Act, as well as specific direction of resolutions adopted by the Erie County Legislature in each of the sixty (60) years, each November the County of Erie, bids for and purchases every available Tax Lien Certificate upon real estate for which current year real property taxes then remain unpaid; and

WHEREAS, the collection of delinquent real property taxes under this procedure has been satisfactory, potentially leading, absent redemption, to the commencement of an *in rem* tax foreclosure action against the affected properties by the County; and

WHEREAS, it is recommended that your Honorable Body direct the Director of Real Property Tax Services to bid and purchase for the County of Erie, its bid being preferred over all other offers, every 2021 Tax Certificate upon real estate for which current year real property taxes remain unpaid as of November 26, 2021, the scheduled tax sale date for 2021 Tax Lien Certificates.

NOW, THEREFORE, BE IT

RESOLVED, that pursuant to Article VII of the Erie County Tax Act, the Director of Real Property Tax Services be, and hereby is, authorized to bid for and purchase, on behalf of the County of Erie, all Tax Lien Certificates upon real estate in Erie County for which 2021 real property taxes have not been paid; and be it further

RESOLVED, that certified copies of this resolution be transmitted to the County Executive, Scott Bylewski as Director of Real Property Tax Services, the Director of Budget and Management, the County Comptroller, and County Attorney.