



EC LEG FEB 13 '23 PM 3:27

COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

February 13, 2023

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

**RE: Foreclosure pursuant to the In Rem provisions of the Erie County Tax Act,
In Rem Action No. 171**

Dear Honorable Members:

Please find attached a resolution and accompanying memorandum for your consideration and approval. It authorizes the County Attorney or his designee to conduct and consummate foreclosure proceedings pursuant to the In Rem provisions of the Erie County Tax Act.

Should your Honorable Body require further information, I encourage you to contact Scott Bylewski at the Department 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: Foreclosure pursuant to the In Rem provisions of the Erie County Tax Act, In Rem Action No. 171
Date: February 13, 2023

SUMMARY

The Erie County Attorney's office or his designee seeks legislative approval to conduct a foreclosure pursuant to the In Rem provisions of the Erie County Tax Act.

The Real Property Tax Services Director has, from the transcripts of properties upon which the County of Erie owns a tax sale certificate which has been due and unpaid for at least a period of two years, created a transcript of properties.

In Rem foreclosure will enable the County to recover a substantial amount of tax delinquent dollars.

FISCAL IMPLICATIONS

Positive as once the In Rem foreclosure is commenced and interested parties provided with notice, delinquent tax sale certificates will be redeemed. Additionally, unredeemed properties may be offered at a public auction and delinquent tax dollars will be paid by the successful bidders.

REASONS FOR RECOMMENDATION

Pursuant to the Erie County Tax Act, the Erie County Legislature certifies a transcript of properties with tax sale certificates that have been due and unpaid for a period of at least two years for In Rem foreclosure. Said transcript is attached.

BACKGROUND INFORMATION

Erie County owns unpaid 2020 and prior tax sale certificates that can be foreclosed pursuant to the provisions of the Erie County Tax Act.

The County typically recovers a substantial percentage of delinquent tax dollars upon commencement of In Rem foreclosure, with approximately 50% of tax sale certificates redeeming once interested parties are provided with the requisite notice.

The County recovered over \$42.7 million in delinquent taxes as a result of redemptions in connection to the 2022 In Rem Foreclosure auction of October 6, 2022, the first In Rem

foreclosure auction since the pandemic. Additionally, the County recovered over \$3.6 million more in delinquent taxes in connection to properties sold at said public auction.

There is no pending legislation or executive or administrative order that prevents the County from pursuing In Rem foreclosure.

The County Attorney's designee for In Rem foreclosure, the law firm of Lippes Mathias LLP, has worked extensively with various local legal aid agencies to extend foreclosure relief to eligible tax delinquent property owners in connection to the County's In Rem foreclosures. The County will continue to work with these agencies to assist eligible tax delinquent property owners in obtaining In Rem foreclosure relief.

CONSEQUENCES OF NEGATIVE ACTION

The properties identified in the transcript will remain in delinquent status, the subject liens will not be enforced, and the County will not recoup any of the aforementioned delinquent tax dollars in redemptions and/or as the result of public auction.

STEPS FOLLOWING APPROVAL

The Erie County Attorney's office or his designee will conduct a foreclosure pursuant to the In Rem provisions of the Erie County Tax Act.

A RESOLUTION SUBMITTED BY:
REAL PROPERTY TAX SERVICES

RE: Foreclosure pursuant to the In Rem provisions of the Erie County Tax Act,
In Rem Action No. 171

WHEREAS, the Real Property Tax Services Director has transmitted to this Legislature transcripts of tax delinquencies and tax delinquent real properties for foreclosure pursuant to the In Rem provisions of the Erie County Tax Act, which will be known as In Rem Action No. 171, and has furnished this Legislature with the necessary abstracts from the Real Property Tax Services records of such delinquencies.

NOW, THEREFORE, BE IT

RESOLVED, that the In Rem provisions of the Erie County Tax Act be applied to such real property and the delinquent taxes set forth in said transcripts, as determined by the Real Property Tax Services Director from the transcripts of properties upon which the County of Erie owns a tax sale certificate which has been due and unpaid for a period of at least two years; and be it further

RESOLVED, that the County Attorney or his designee conduct and consummate such foreclosure proceeding known as In Rem Action No. 171 as directed by this Legislature and determined by the Real Property Tax Services Director; and be it further

RESOLVED, that this resolution shall take effect immediately; and be it further

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