

THE PUTNAM COUNTY LEGISLATURE

40 Gleneida Avenue
Carmel, New York 10512
(845) 225-3641 Fax (845) 225-0715

Vincent M. Tamagna *Chairman*
Mary Ellen Odell *Deputy Chair*
M. Chris Marrone *Clerk*
Clement Van Ross *Counsel*



Vincent M. Tamagna Dist. 1
Sam Oliverio, Jr. Dist. 2
Richard T. Othmer Jr. Dist. 3
Mary F. Conklin Dist. 4
Mary Ellen Odell Dist. 5
Tony Hay Dist. 6
Daniel G. Birmingham Dist. 7
Dini LoBue Dist. 8
Anthony S. Fusco II Dist. 9

MEMORANDUM

TO: Robert J. Bondi
County Executive

FROM: Daniel G. Birmingham *DGB/e*
County Legislator, District 7

DATE: May 3, 2010

RE: Who Will Pay the \$19,500 Tilly Foster Tax?

2010 MAY -3 PM 2:23
LEGISLATURE
PUTNAM COUNTY
CARMEL, NY

Please find attached three (3) property description forms from the Town of Southeast with respect to certain County-owned parcels at Tilly Foster Farm. As you are aware, these parcels (and others) were the subject of a controversial lease entered into between the County and The Society for the Preservation of Putnam County Antiquities and Greenways, Inc. (hereinafter "Preserve Putnam") last year.

The following parcels have recently been deemed by the Office of the Assessor to be **fully taxable**.

- 56.-1-20.3 – The Cottage – assessed at \$375,000
- 56.-1-32.1 – The rental house – assessed at \$250,000
- 56.-1-20.4 – The Country Store – assessed at \$100,000

As you may be aware, these parcels, and the activities which take place on them, generate income to Preserve Putnam - a not-for-profit corporation.

It is my understanding that the newly renovated cottage is used as an income-generating bed and breakfast facility; that the rental house is being rented to private individuals for a fee; and that the Country Store sells items on a retail basis to the general public and that such income inures to the benefit of Preserve Putnam.

The total assessed value of the three subject properties is \$725,000. I have taken into account the mil rates for the taxing entities of such parcels (School: \$22.752844, Town:

\$1.957958, and County: \$2.222100) and have calculated a total tax liability of **\$19,526.35**. (N.B.: as you know, I am not a tax assessor, nor do I have specialized expertise in the area of real property assessment, so I would encourage you to verify my calculations and get back to me if there are any material discrepancies therein).

As you know, this lease was the subject of much discussion and debate. Many involved citizens and community groups weighed in on the pros and cons of what may amount to be a forty year lease to Preserve Putnam. There was great concern about the appropriateness of the County entering into such a lease and the propriety of leasing such a parcel without having the benefit of an open and public RFP process to ascertain whether the County taxpayers could get a better deal. (I would note at this point that I am of course aware of an earlier and rejected RFP process in connection with the operation of only the horse boarding operation, but as you know, that RFP was not for the operations of the entire farm).

The County Legislature and your administration spent much time drafting, re-drafting and refining the final lease document so that the taxpayers of the County would be protected.

If I recall during these many public discussions, the County was assured by Preserve Putnam on numerous occasions that Tilly Foster Farm would be **“self sufficient”** and that the cost of the operations of Tilly Foster Farm would be **borne exclusively by Preserve Putnam**.

I certainly hope that you would agree with me that this tax liability **should not be paid for by the taxpayers of Putnam County**. I would hope that when the tax bills are sent to the County (as legal owner of these parcels) that such bills would be hastily forwarded to Preserve Putnam for its prompt payment.

In connection therewith, I would refer you to section 14 of the lease entitled “Subleasing”, paragraph i, which states:

Any and all rental payments collected by the Society for the subleasing of any portion of the demised premises shall be deposited into a separate, segregated bank account/fund established and maintained by the Society in accordance with the terms hereof, and **shall be used only for the costs and expenses of the demised premises** in accordance with the terms of this Lease Agreement (emphasis added).

It would appear to me that, at a minimum, that income produced by the ongoing subleasing of the rental house and periodic rental of the Cottage should, pursuant to the above-referenced clause, be deposited into such account and utilized to pay the taxes. If such funds prove to be insufficient, moneys going to Preserve Putnam from other income producing enterprises on Tilly Foster Farm (the Country Store and the horse-boarding operation for instance) be used to spare the taxpayers the expense of paying the tax bills.

I would kindly ask that you confirm receipt of this memorandum and that you describe what mechanisms your administration will implement to ensure that all taxes due and

payable on these parcels are promptly paid by Preserve Putnam to the appropriate taxing entities (including the County tax bill).

Attachments

RPS Version 4 (Description Update Group Administrator Name: laurie)



56-1-20-3
County of Putnam
98 Rt 312

373089 Southeast
Roll Year: 2010 Curr Yr
Land Size: 5.00 acres

Active
1 Family Res
Non-Homestead

R/S:1 School: Brewster Centri
Land AV: 125,000
Total AV: 375,000

- Parcel 56-1-20-3
- Notes
- History
- Assessment
 - Spec Dist
- Description
- Owner(s)
- Images
- Gis
- Site (3) Res
 - Land(s)
 - Bldg
 - Imprmt(s)
 - Valuation

Prop Class: 210 1 Family Res
 Ownership Code:
 Roll Section: 1 Taxable
 Roll Subsection:
 School Code: 373001 Brewster Centra
 Cons. School:
 Easement Code:
 Allocation Factor: .0000
 Appraisal No:
 Tax Code: N Non-Homestead

Desc 1: 04700000010030000000
 Desc 2: 03340000000000011990
 Desc 3: 47-1-3
 Desc Print [P = Print on Roll & Bill]
 Land Com Code:
 Land Com Year:
 Ag District: Ag Dist No:
 Arrears: SSI Recipient:
 Date Last Phy Insp: 00/00/0000

Run RPS440 EdRs: [checked] Major Type: A

Total	Roll Years:	Roll Section	Owner Code	Tax Code
Roll Yr	Prop Class			
2010	1 Family Res	Taxable		Non-Homestead

RPS Version 4

Note: Parcel (Max 255 Char)
 2/16/10 artificial split for cottage rental; totally renovated per advertisement

Save Delete Cancel Print

RPS Version 4 [Description Update, Group Administrator, Name: Laurie J.]



56-1-32-1 373089 Southeast Reactivated R/S:1 School: Brewster Centri
 County of Putnam Roll Year: 2010, Cur Yr 1 Family Res Land AV: 120,000
 128 Rt 312 Land Size: 0.01 acres Non-Homestead Total AV: 250,000

- Parcel 56-1-32-1
- History
- Notes
- Assessment
- Spec Dist
- Description
- Owner(s)
- Images
- Gis
- Site (1) Res
- Land(s)
- Bldg
- Valuation

Prop Class: 210 1 Family Res Desc 1: _____
 Ownership Code: _____ Desc 2: _____
 Roll Section: 1 Taxable Desc 3: _____
 Roll Subsection: _____ Desc Print Code: P = Print on Roll & Bill
 School Code: 373001 Brewster Centri Land Com Code: _____
 Cons. School: _____ Land Com Year: _____
 Easement Code: _____ Ag District: _____ Ag Dist No: _____
 Allocation Factor: .0000 Arrears: _____ SSI Recipient: _____
 Appraisal No: _____ Date Last Phy Insp: 00/00/0000
 Tax Code: N Non-Homestead

Run RPS440 Edit: Major Type: A

Total 4	Roll Year:	Prop Class	Roll Section	Owner Code	Tax Code
	2010	1 Family Res	Taxable		Non-Homestead
	2009	Rural res	Wholly Exempt		Non-Homestead

RPS Version 4

Note- HISTORY (Max 255 Char)

2/16/10 artificially split to house rental

Save Delete Cancel Print

Click on folder to Open Window

RPS Version 4 - [Description Update, Group Administrator Name: laurie]

56.1-20.-4 373089 Southeast Active R/S:1 School: Brewster Centra
 County of Putnam Roll Year: 2010 Curr Yr Retail svcs LandAV: 1,000
 100 Rt 312 Land Size: 0.01 acres Non-Homestead TotalAV: 100,000

- [x] Parcel 56.1-20.-4
- [-] Notes
- [-] History
- [x] Assessment
- [-] Spec Dist
- [-] Description
- [-] Owner(s)
- [-] Images
- [-] Gis
- [x] Site (1) Com
- [-] Land(s)
- [-] Bldg 1 Sec
- [-] Com Use
- [-] Valuation

Prop Class: 450 Retail svcs Desc 1: 04700000010030000000
 Ownership Code: Desc 2: 033400000000000011990
 Roll Section: 1 Taxable Desc 3: 47-1-3
 Roll Subsection: Desc Print Code: P - Print on Roll & Bill
 School Code: 373001 Brewster Centra Land Com Code: Land Com Year: Ag District: Ag Dist No: Arrear: SSI Recipient: Date Last Phy Insp: 00/00/0000
 Cons. School: Company Code: 0 Co: 0 Company Apport: 0000 Loc: Run RPS440 Edits: [x] Major Type: B

Total 1	Roll Years:	Roll Section	Owner Code	Tax Code
Roll Yr	Prop Class			
2010	Retail svcs	Taxable		Non-Homestead

RPS Version 4

Note - Parcel (Max 255 Char)

12/16/10 artificial split for Country Store rental

Save Delete Cancel Print