

# Department of Assessment

128 East Buffalo Street

Jay Franklin  
Director

*Inclusion through Diversity*

Irene Kehoe  
Assistant Director

To: Government Operations Committee

From: Jay Franklin

Date: February 15, 2021

Re: 2021 Annual Equity Maintenance (AEM) Program

As we file the 2021 Assessment Roll, this will be our 52<sup>nd</sup> Assessment Roll. We were founded because of the 1968 charter vote with our office officially forming on January 1, 1970. This was an incredible task, and I would regret not mentioning the foresight that the County Real Property Tax Director at the time, Thomas Payne, had in spearheading this initiative.

Mr. Payne was way before his time with this idea of “shared services”. His push behind this consolidation was not a cost-savings measure but was to increase the professionalism in the assessment function as many of the municipal part-time assessors were retiring. It is safe to say that Mr. Payne’s vision has been rewarded. And personally, it is rewarding for me to say that a Franklin has been present for each of the assessment rolls that has been filed for Tompkins County as my father (Don) started as the first Assistant Director of the office back in 1970. Don Franklin was present for 27 Assessment Rolls and with the 2021 Assessment Roll, I will have been present for 25 Assessment Rolls.

While I cannot promise to continue to have a ‘Franklin’ in the office for the next 52 years (or even the next 8 years), while I am blessed to be in this office, I will promise to continue to try to further our founding mission – to improve the professionalism in the assessment function.

I would like to acknowledge that we lost 3 highly qualified employees to retirement as of December 31, 2020. Al Fiorille (30+ years), Kathy King (16 years), and Barb Just (12 years) all elected to take the early retirement incentive. There have been five Directors of Assessment in the history of this department and four of us have had the pleasure to hire Al at least once. The amount of history and knowledge that walked out of our door on December 31 is immense. It will take decades to replace a fraction of that knowledge. It will be a challenge as our succession planning was moved forward by 3 years with the early retirement incentive that the county instituted due to COVID-19.

This year we have hired 3 new Assistant Real Property Appraisers (Heather Richway, Nicholas Murphy, and Tyler Lawrence). These 3 individuals have shown that they have the ability and the desire to do the job well – they just need time to build up the experience that will supplement their ability and desire.

The 2021 AEM Program was different for many reasons as we had to deal with the challenges presented by COVID-19. We reduced the density in our office to minimize the impact a potential positive case might have. We sent our employees home with a laptop and a limited connection to our state database. We limited the contact that we have with the public in our office and the field. We relied on the Town Code officers more this year than in the past to keep abreast of what projects are in. We lost three quality employees to retirement (and we have gained 3 quality Assistant Real Property Appraiser's whose future is bright). Our doors have been closed to the public since mid-March 2020. It has been extremely difficult trying to stay abreast of all the property developments occurring in the county and the nation.

## Introduction

Since 1999, the Tompkins County Department of Assessment has maintained a uniform percentage of value on the assessment roll by thoroughly analyzing the roll and making adjustments as needed in order to keep uniformity. Since our failed attempt at a triennial assessment cycle, we have and will continue to maintain a 100% level of assessment. No other assessing unit in NYS has been as diligent as Tompkins County in maintaining a fair and equitable assessment roll. Tompkins County is the only assessing unit that has been awarded the Excellence in Equity Award from NYS every year it has been award (including the only assessing unit that has received this award when at a fractional level of assessment).

To provide the public with more information regarding the decision-making aspect of the assessment function, the Department of Assessment started issuing an annual report in 2010.

The main goal of this report is to disseminate accurate information regarding the current state of the assessed values in relation to the current sale prices of real property within Tompkins County. As one does not look to Miami for what weather will occur in Tompkins County, we do not look **nationally** when analyzing the current real estate market in Tompkins County. The Department of Assessment is monitoring the national trends in the real estate market and is ready to respond if/when these trends may in fact affect Tompkins County in the future. We look at what is occurring at both the state and federal level in terms of regulation and policy changes to monitor what effect any changes might have on our local real estate market.

Tompkins County has ~35,632 parcels of real property with a total market value of about \$14.3 Billion. The Tompkins County Department of Assessment is the only true countywide assessing unit in New York State. By consolidating the assessment function at the county level, approximately \$619,000 per year is saved as compared to the cost of Town/City assessing units.

The real property tax is an ad valorem tax (Latin for *according to value*). One important benefit of the real property tax is that the amount collected always equals the amount levied, unlike the sales and income taxes whose collection rates can vary greatly from large windfalls, to large shortcomings. An assessment is not a tax but rather a way to apportion the amount of money that the taxing jurisdictions wish to generate. Each assessed value represents the proportionate share of the pie that each property owner will be responsible for by each taxing jurisdiction.

It is the duty of the Department of Assessment to estimate the market value of all real property – commercial and residential – each year. The real estate market within Tompkins County has held strong over the past year. Interest rates have been held relatively flat and a low supply of houses on the market coupled with a strong demand, has kept sale prices on the uptick. Even the apartment market has remained strong in Tompkins County with all the challenges that Covid-19 has presented this property class.

### **2021 Annual Equity Maintenance Program**

Since New York State adopted the Cyclical Reassessment Program (CRAP) to try to get municipalities that have not performed a revaluation in many years, some since the Civil War, to update their assessment rolls, Tompkins County lost approximately \$150,000/year in state aid by maintaining an up-to-date assessment roll, *the equivalent of 2 full time appraisers*. While this new program might push some municipalities to update their rolls, it adversely affected those municipalities that have maintained an accurate and equitable assessment roll.

The CRAP has also increased the amount of work that is required of the NYS Office of Real Property Tax Services. By not having cyclical reassessments occurring on a regular basis, NYSORPTS is forced to perform full value measurements which require office staff to perform appraisals of property in the various towns that have not kept their values up-to-date. This has required the training and hiring of new personnel who must spend time traveling across the state to perform site visits and valuation estimates to confirm the local assessment roll.

While the amount of state aid available is “*up-to-\$5/parcel*”, the actual amount received will vary greatly depending on the number of parcels in this program each year. For instance, for the 2012 Assessment Roll the state aid was approximately \$2.25/parcel as New York City received the maintenance aid. This uncertainty of aid can amount to upwards of \$100,000 in loss of anticipated aid all depending on circumstances beyond our control.

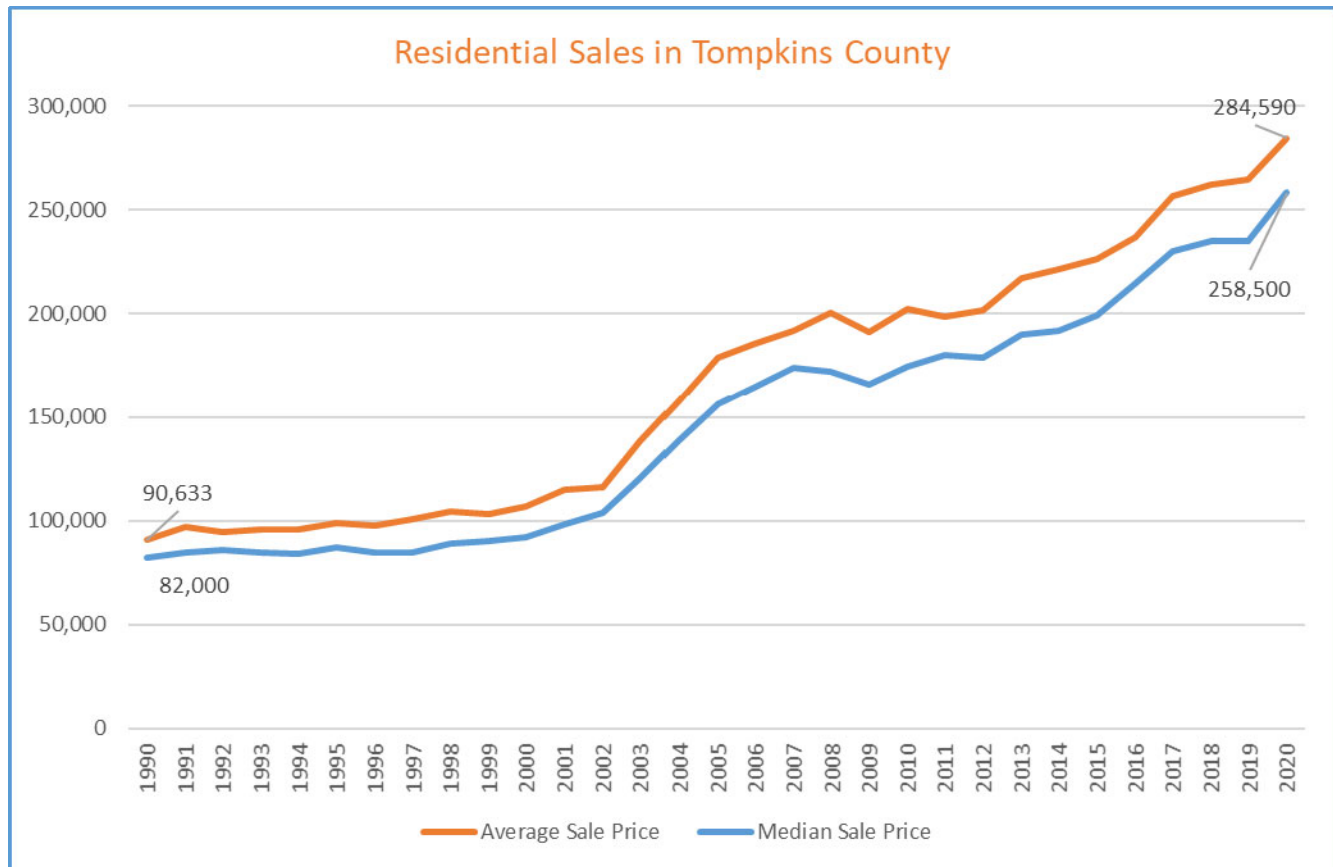
Instead of joining the CRAP, the Department of Assessment has decided to maintain the work processes that made the Annual Equity Maintenance Program in Tompkins County so successful. The CRAP was determined to be costlier to administer with no increase in accuracy or equity. The largest expense in participating in CRAP would be to re-measure at least 2 sides of every structure in the county once every 4 years or to perform updated oblique aerial imagery flights. At least in Tompkins County, we have found that buildings do not grow absent a significant construction project, which would require a building permit.

This year was especially difficult to determine where the real estate market was really at as of July 1, 2020. NY Pause was lifted for real estate transactions in June 2020. This caused a backup for real estate transactions to happen and it missed the “spring” real estate market. In addition, for commercial properties, often times in times of a downturn, the effects of that downturn are not realized immediately. With long term leases in place, the effects on the value of commercial properties take more time to appear in the market.

We are monitoring the different commercial property class types to see what effect that COVID will have on them in the present and in the future. The effects on apartments, office space, retail space, and residential are all unique and we will have to see where the market will ultimately land.

**Sales vs Assessment Analysis**

As a trend, both the average selling price and median selling price are increasing although variations in the type of property being sold might show a decrease from year to year.



Because Tompkins County reassesses all properties each year to reflect a property’s current market value, it is very crucial that the Department of Assessment analyze the real estate market in depth. In the financial environment of today, it is important that the tax burden be distributed equitably and is the reason why the International Association of Assessing Officers asserts that annual reassessment is the best way to ensure an equitable distribution of the tax burden.

It is impossible to measure the level of assessment for Commercial properties by using any sort of sales ratio approach. Most of today’s commercial sales are affected by outside influences such as 1031 exchanges, purchase of leases vs real estate, interest only loans, and owner financing. The sale prices that are often reported do not reflect what a prudent buyer would purchase that property for. For instance, the BJs wholesale club in the Village of Lansing sold for \$16.8 million – this is over \$187/sqft for a ‘big box’. The only reason this sold for \$16.8 million is the fact that BJ’s has 15 years remaining on their lease and they are a Class A tenant. The real estate did not “sell” per se – the main reason behind this purchase was the lease.

The courts in NYS have been very inconsistent on how they address the build-to-suit lease transactions and this is typical of what is occurring across the country in the so called “Dark Store Theory”. In many townships/counties in Indiana, Michigan, and Texas, millions of dollars of refunds have had to issued when a large Big Box Store has successfully convinced a court that their value should be significantly less than the cost to build their store. NYS should not get into the business of valuing a piece of paper (ie a lease) but instead we should continue the practice of valuing real property.

This is like the sales that we are seeing of student housing. While in the past, buyers of apartment housing would be looking to put money into their pocket at the end of each year, today they are willing to lose money to hopefully make a profit out of appreciation at the end of their holding period. And with some student housing in the heart of Collegetown, the land is worth more than the value of the current use of the building (which is how we must value the property – the current use value). If the system would allow, the land value on the parcel would exceed the overall value of the property reflecting the sales that have occurred for redevelopment purposes so the land value on improved properties are fictitious numbers.

### **Analysis of Level of Assessment and Uniformity**

The Department of Assessment has analyzed all the valid arms-length transactions of residential properties between July 1, 2019 and July 1, 2020. The mean and median Assessment to Sale Price Ratio (AVSP) along with the price related differential (PRD) and coefficient of dispersion (COD) was determined for the county.

Mean Assessment to Sale Price Ratio	=	0.958
Median Assessment to Sale Price Ratio	=	0.975
Price Related Differential	=	1.003
Coefficient of Dispersion	=	5.994

An AVSP under 1.00 indicates that the sale prices are greater than the current assessments while conversely, an AVSP over 1.00 indicates that the sale prices are less than the current assessments. For a non-heterogeneous area such as Tompkins County, a coefficient of dispersion of under 15 is acceptable. A price related differential between 0.98 and 1.03 will show no vertical inequity in the assessment roll. Vertical equity means that lower priced properties are not valued differently than higher priced properties. There is a tendency in mass appraisal to not be able to value low- and high-priced properties accurately as it is hard to branch out from the ‘middle’.

Based upon a countywide analysis, it is determined that the 2020 Assessment Roll would not be considered at 100% fair market value as of July 1, 2020. Statistically speaking for the purposes of level of assessment, a AV/SP of +/- 5% would be considered at 100% based upon the overall static that is within the real estate market but as we were outside of those boundaries, work was needed to be done to maintain 100% fair value assessments for all property in the county.

The median sales price has increased just over \$20,000 from the previous years which shows that the overall market value for residential properties within the county are strongly increasing however there are still pocket areas where this statement is not correct; either the market value has increased more within the past year **OR** the market value has increased enough over the past few years to make a change for the 2020 Assessment Roll **OR** that no market change has occurred.

## **Reassessment Projects for 2021 Assessment Roll**

While overall the Assessment to Sale Price Ratio (AVSP) indicated that the assessment roll was at 91% fair market value, most of the increase has come from areas that we have not reviewed in a few years. These areas were all done by a parcel-by-parcel review looking at each property individually to ensure equity.

### **Residential**

- Town of Lansing (outside of Village)
- Ellis Hollow in Dryden
- Cayuga Heights
- Small pocket neighborhoods

### **Commercial (countywide)**

- Hotels
- Auto Body Shops
- Kennel/Veterinary
- Funeral Homes
- Medical Office Space

## **Results of the Reassessment Projects**

Based upon the projects undertaken above, we maintained a 100% level of assessment for the 2021 Assessment Roll. While we are still 3 months away from filing the Tentative Assessment Roll, the changes made above have changed our level of assessment statistics dramatically.

Mean Assessment to Sale Price Ratio	=	0.973
Median Assessment to Sale Price Ratio	=	0.994
Price Related Differential	=	1.002
Coefficient of Dispersion	=	4.981

There are ~35,632 parcels within Tompkins County and there will be properties that are either over assessed or under assessed. With each passing year, the Department of Assessment tries to smooth out these inequities.

Additionally, we are constantly monitoring the ‘For Sale’ properties on the Multiple Listing Service to help determine the movement of the real estate market when no sales occur. The Department of Assessment does not value property based upon listings however listing prices in respect to the current assessed values does shed light on the current state of the real estate market.

All property owners in the county are encouraged to review the data that is on file at the Department of Assessment. Any corrections to the inventory on file are welcomed. If a property owner wishes to have a member of the professional appraisal staff inspect their property, a request may be made with the Real Property Appraiser responsible for that town.

The Department of Assessment will mail out a Preliminary Notice of Assessment Change to all property owners whose assessment changed since the 2020 Final Assessment Roll on March 5<sup>th</sup>. Beginning that Friday, a property owner who received that notice could begin scheduling an Informal Assessment Review Meeting with one of the members of the professional appraisal staff of this office. These appointments are the property owners' opportunity to present information to the Department of Assessment to take into consideration when reviewing the assessed value. Due to concerns regarding COVID-19, all informal assessment review meetings will take place over the phone.

Due to staffing constraints, if a property owner did not receive a change notice but would like to submit information to the Department of Assessment to consider when reviewing their assessment, they may either file that information by paper or by filling out the review request on our webpage.

The deadline to file an informal review application is April 3<sup>rd</sup>. The formal review period when a property owner can file a grievance application with the Board of Assessment Review is from May 1 to May 25. Grievance day will be held on May 25 at the Department of Assessment through Zoom meetings. Appointments for grievance day will be able to be scheduled starting on May 1.

### **Outlook for 2021 Annual Equity Maintenance Program**

Based upon sales from July 1, 2020 to mid-December, 2020, the real estate market appears to be slightly increasing. The Assessment to Sale Price Ratio for this period is still 0.987 which shows a slight under-assessment of all properties. After a few years, we can say that we have not seen any noticeable effect of the elimination of the SALT deductions on the local real estate market. In talking with others across the state, this had a devastating effect on sale prices of the higher end properties downstate. We did however see our largest sale of a single-family residential property (\$2.2 million) occur in 2018 after the SALT deductions were repealed by the Federal government.

The Department of Assessment is committed to maintaining an equitable assessment roll. The Department is constantly analyzing the local real estate market and will make the necessary adjustments needed to maintain a full value equitable assessment roll.

Our biggest struggle today is the evolution of how the assessment function gets done. The days of cold-calling properties and if someone is not home, the appraiser/data collector would simply run a tape measure around the building to measure the structures have come and gone. Today, where privacy is almost non-existent; with the information that can be obtained on the internet, property owners are much more protective of their personal privacy than ever before. And rightfully so. We are respectful of the issue of privacy and we try hard to balance that with trying to create an equitable assessment roll.

As Director of this office, I will not put my people at risk in the field. If at any point, they do not feel safe while in the field, they are instructed to leave as quickly and as safely as possible. We were finally able to start working with local law enforcement to help protect my staff in the field. I appreciate the work that Sheriff Osborn and Kim Moore have done to help protect my staff.

We have realized this change in the public, have respected this change, and we have changed how we do things because of this change. But this has affected our product by having to paint with a larger brush and

making bigger assumptions about the condition of the property, about whether a building permit was completed or not etc. We have adjusted from cold-calling properties to sending out postcards asking for information as opposed to leaving door hangers. We firmly believe that for us to continue to provide such a high standard product, that we need the input of the public in reviewing our information and our values.

We are also adjusting to being inundated with information – however none of the data is integrated together and unlike the past, is spread out amongst many applications. We now have access to listing information, recorded documents at the County Clerk’s office, local planning/zoning board information, aerial imagery, 3<sup>rd</sup> party websites etc. While we have access to all this information, none of it is integrated completely and much time is spent searching for information that may or may not prove to be important when valuing property.

We are constantly looking to improve upon our service to the community and we welcome any suggestions.



## 2021 AEM Addendum

### Residential Decision-Making Process

COVID-19 has presented new challenges that we never thought we would ever have to address. Who would have thought that NY would have been on “Pause”? The fact that the economy was shut down by the governor for many months will affect the real estate market for years to come. The changing landscape caused by the stay-at-home executive orders will cause shifts in the desirability of different property class types. It will be many years before the true effects on the market for various office, retail, warehouse, etc property class types are realized.

The biggest issue that we are encountering is the changing physical condition of residential properties that are not reflected in either building permit work nor exterior conditions. Even the current Governor of New York recognizes the need for the public’s privacy when he did not discuss the status of the basement in the house that he shared with his girlfriend with his local town assessor. This now has continued to make the assessor’s job exponentially more difficult when they are not always given the correct information by the property owner regarding the interior information of the property.

It is imperative that a comprehensive sales review takes place to weed out these condition issues and to get down to why properties are moving so that sales that have been physically improved are not mistaken for market improved sales. We have changed our sales verification process from simply confirming the physical inventory of the property to asking questions about the motivation of the buyer and why they made the decision they did to buy where they did. This helps us to get inside the head of the typical buyer.

Even when reviewing sales by talking to a property owner, sometimes their memories are ‘hazy’ when it comes to whether a basement is finished into living area or not. Statistics can be misleading which is why there will not be a substitute for a good appraiser to know what is going on in their municipality. What work needs to be done to maintain an equitable assessment cannot strictly be determined by looking at numbers.

As a result of the 2021 AEM Program, all improved properties have at least been reviewed since the 2018 Assessment Roll.

#### City of Ithaca

All residential properties within the City of Ithaca were revalued for the 2020 Assessment Roll. A few neighborhoods within the City are very ‘hot’ right now with the other neighborhoods experience the “spill-over” effect. This is caused by buyers being priced out of one neighborhood, so they decide to buy in an adjacent neighborhood where prices are less expensive. This market segment has been on a bi-yearly review cycle for many years.

#### Town of Caroline

We did a parcel-by-parcel revaluation in the Town of Caroline in 2017 and again for the 2019 Assessment Roll. We are starting to see some higher valued land sales in Caroline which we are monitoring. With a lack of local zoning control, these sales are somewhat curious. It might simply be a case of a lower price alternative to other more expensive

areas slightly closer to the City of Ithaca (or a further expansion of the Ellis Hollow neighborhood)

#### Town of Danby

We reviewed a few small pocket areas for 2017 which would be considered “rural subdivisions” but we also reviewed the whole town for the 2019 Assessment Roll. Similarly, to the Town of Caroline, some properties will see a larger increase than others to keep them in line with their full market value.

#### Town of Dryden

This year we revalued the Ellis Hollow neighborhood again (the last time we did it was in 2018). The remaining town outside of Ellis Hollow was revalued for the 2019 Assessment Roll while the 2 villages were revalued for the 2020 Assessment Roll.

#### Town of Enfield

The Town of Enfield was reviewed for the 2017 Assessment Roll by doing a parcel-by-parcel review. We also reviewed this municipality for the 2019 Assessment Roll. There is not a single percentage increase that we could apply to this town as it consists of very diverse properties. Some properties saw a larger increase than others to keep them in line with their full market value.

#### Town of Groton

While we reviewed the ranch-style houses in the Village of Groton for the 2018 Assessment Roll and we reviewed the entire Village for the 2019 Assessment Roll – we did a full review of the Town outside the Village of Groton for the 2020 Assessment Roll. This appears to be a case of a lower cost alternative which is spilling over from more valuable market areas. The Village of Groton, despite its perceived issues, remains a strong market.

#### Town of Ithaca

For the 2021 Assessment Roll, we revalued the Village of Cayuga Heights. The market for the Cayuga Heights appears to be very cyclical – it will fall out of favor for a few years and then come back into style. The proximity to Cornell and the historic houses in the village never fall out of favor for too long before coming back into style. For 2020, we revalued the West Hill and South Hill neighbors in the Town of Ithaca. The Town of Ithaca is still a strong market area due to its adjacency to the City of Ithaca. For 2019, we valued the West Hill area along with the ‘usual suspects’ – Commonland, Eastwood Commons, Deer Run townhomes. For 2018, we reviewed the East Hill portion of the Town of Ithaca – including the ‘Cigarette’ Streets and Williamsburg Park. We also revalued the Village of Cayuga Heights. We also revalued a few of the smaller subdivisions in the town too.

#### Town of Lansing

As in 2018, all properties within the Town of Lansing (outside the Village) have been reviewed for the 2021 Assessment Roll on a parcel-by-parcel basis. We also reviewed

some areas within the Village of Lansing for the upcoming assessment roll. We did review the lake for the 2017 roll. We did a parcel-by-parcel review via the lake side of the property. It is anticipated that the Town of Lansing will be reviewed for the 2021 Assessment Roll.

#### Town of Newfield

The Town of Newfield was reviewed for the 2019 Assessment Roll. There is not a single percentage increase that we could apply to this town as it consists of very diverse properties. Some properties will see a larger increase than others to keep them in line with their full market value.

#### Town of Ulysses

We revalued both the Village of Trumansburg and the Town of Ulysses for the 2019 Assessment Roll. We have continued to see an increase in these two areas. We have had some large vacant land sales in the south-eastern portion of the town that appear to be out of line with comparable sales however as we continue to see more of these sales, they will begin to “make the market”.

#### Commercial Revaluation Decision Making Process

The current sales that are occurring within the commercial sector make no sense when reviewing the profitability of the investment. With interest rates so low, investors are willing to invest in the non-liquidity of real estate as compared to other more liquid investments. They are ignoring the risks involved with real estate when they normally would put their money elsewhere as elsewhere is a losing proposition as well. We have seen some student housing sales approach capitalization rates of 3-4%.

The last time that sales have shown this much deviation from what the income of the property would support is back in the late 1980s. Most of these sales involve some sort of owner financing or large down payment if it involves bank financing. In other deals, buyers are putting liens on existing properties to have the equity to make a deal work. Other areas across the country are starting to experience a downturn in rental rates. While we do not look to NYS for what is happening today in Tompkins County, it is indicative of macro-trend of our country.

We do not look at sales ratios when we are seeing if the market has changed in the commercial sector. Far too often other influences other than what the true sale price would be occurs to cloud the true market value. As the assessment is based upon the current use of the property, most commercial sales involve some sort of expansion or new planned use of the property that while reflected in the sale price, cannot be reflected in the assessment.

This year we took multiple phone inquiries from large real estate investment trusts looking into purchasing student housing in the county. On a net income of about \$2 million (before taxes), this REIT was looking to purchase the property at a \$40 million valuation. This would represent a loaded tax rate of 5% (with the tax component at 3.47% which leaves the cap rate at 1.53%). The potential buyer backed out of the deal when told the assessment was going to increase by \$2 million to reflect a higher occupancy rate. The sales simply do not make any financial sense based upon the income the property can produce today but they make sense if one builds in an aggressive appreciation schedule.

## Apartments

Based upon the strong market for student housing, we have revalued this market segment every 2 years. We are starting to hear of more vacancies along with rental concessions as the market is starting to become inundated with housing stock. Cornell University has started construction on their North Campus addition to house all sophomore students on-campus. The additional housing stock that would be built to accomplish this goal should have a negative effect on the price for the privately-owned student housing in the City of Ithaca. In addition, if the 2,000 bedrooms that Cornell is proposing for on-campus dorms would be a taxable endeavor, it would also be like adding in the taxable value for the entire Town of Enfield to the tax base.

## Hotels/Motels

We have reviewed the hotel property class for the 2021 Assessment due to the dramatic downturn in the travel industry due to COVID. Occupancy rates in this industry in Tompkins County have dipped dramatically and it will be years before this industry returns to the new normal. The rise of Zoom and Microsoft Teams video conferencing software will have dramatic effects on this industry for years to come but at some point, this industry will rebound as people look to get away and be back around other people.

## Other areas

### Auto Body Shops/Kennels/Funeral Homes/Medical Office Space

These properties run a wide gamut from the small shops next to a house to a full-service commercial facility. These properties must be looked at individually since there is such a wide range of value. These properties haven't been reviewed in a few years so it was time to review these.

### Alternative Energy Forms

Solar Arrays - We continue to review the Solar Arrays in the county. Unfortunately, NYSDTF no longer provides valuation guidance to the local assessment community. There are a lot of thoughts out there on the valuation of solar arrays and it does take a while to realize that a project that costs in excess of \$5 million to build, might only be worth \$2 million based upon the income that it can generate. I have been working with the NYSAA and the Solar Industry lobby to hopefully create some certainty in this valuation. While NYSERDA stepped into the space left by NYSDTF's inability to provide valuation assistance, this spreadsheet has not been widely adopted despite being developed by both the NYSAA and the NYSACDRPTS.

Battery Storage – We have had multiple instances of Tesla's battery storage being installed in Tompkins County. Again, it is unfortunate that NYSDTF does not provide guidance as to what might be taxable in these instances and additionally how to value them. In an area such as Tompkins County, where the demand pricing for electricity is

not significant, the value of these battery storage facilities appears to be non-existent if a property owner had to purchase one without incentives. Once these installations are present, there is value but no financially concerned individual would build one without the generous concessions offered for these types of facilities.

## Additional Projects

Not all work that is completed in the Department of Assessment is regarding the valuation project. We continue to do many other projects that contribute to the real property tax administration function in Tompkins County.

### **Data Warehouse Valuation**

Our coal-fired power plant was recently de-commissioned and plans for a Data Center were released. There are currently no data centers in NYS to use as a comparison, so we have been building up our information on this property tax type. This project site has the potential to be a very good Data Center site. This site is pretty much immune to natural disasters, it has access to NYS's low-cost electricity, and there is a fiber connection to the plant. I will be looking for a national Data Warehouse conference to attend to learn more about this property type in 2020.

### **Agricultural Parcel Review**

For the 2021 Assessment Roll, we reviewed all the agricultural properties to confirm the inventory that is present on the property.

Due to the combination of the byzantine requirements of NY Pause, the need to reduce density in the office, and the fact that NYSRPS is inaccessible from outside of our county network, we needed a project to keep employees working while at home. Using ESRI's web application services, we were able to have our appraisers create building footprints for all of the agricultural buildings. We were also able to associate each one of those buildings with the inventory included in RPS.

### **Mandatory IVP**

For the 2020 Assessment Roll, we had to juggle the overly complex process that is the Mandatory IVP. We got 92 separate reports for this process that had to be compiled, analyzed, and a determination had to be made regarding the eligibility of the application. (And these 92 separate reports do not consider the random single parcel emails that appeared after the reports were produced. We never had this many corrections even in a bad year). NYS simply lacks the resources to administer this program correctly so they still must rely on the local assessing units for input without giving the assessors any oversight of the program. The whole process was more equitable when the eligibility was determined by the local assessors.

## **2022 – An Assessment Odyssey**

Our Annual Equity Maintenance Program is a constant balancing act ensuring that all properties are at a level of assessment of 100% and ensuring that we have the time and staffing to do all the work that is needed to maintain that level. These are projects that we are looking at in our

crystal ball to do for 2022 – however these projects are subject to change as we approach the valuation date of July 1, 2021.

The effects of the presidential election and COVID-19 will be felt for the next few years. As companies reevaluate the need for office space and for company travel, this will affect many different properties. Without people in the central business areas, small local ‘support businesses’ (small restaurants, convenience stores, etc) will falter. Reductions in the density that is allowed in certain properties will continue to cause some stores to question whether they should be open at all. At some point the cloud of secrecy will be removed from NY Pause and we will be able to see what is coming next.

### **Vacant Land**

Based upon the sales we are seeing, there seems to be a spill-over from other areas which is causing an increase in value. Due to the untimely death of a long-time Ithaca landlord (Rocco Lucente), a 908 acre of piece of land was recently subdivided into 40 parcels. These 40 parcels were marketed to downstate (or out of state) buyers. This resulted in sale prices that were significantly higher than comparable properties. This is not the first time that we have seen this phenomenon in Tompkins County.

### **Farms**

For the 2021 Assessment Roll, we did step 1 of an agricultural land reappraisal project by verifying all the inventory on each agricultural property. With the inventory verified, we will revalue the entire property class for the 2022 Assessment Roll.

### **Lake Valuation**

In the fall of 2019, we had the Tompkins County Sheriff’s office take us on their boat along the shoreline to videotape the lakeside of the properties on the lake. While we have not necessarily seen an increase or a decrease in the lake market in general, we need to review the equity within this market segment. Our lake properties are some of the most diverse properties we have – with cliff-fronts, a train that bisects properties in many ways, seasonal vs year-round residences, etc.

### **Town of Covert Assessment Function**

The year 2021 will mark our 8<sup>th</sup> assessment roll that we file in the Town of Covert. This unique arrangement in New York State has provided a full-time assessor to a small town of only 1,600 parcels. We were able to recover after the devastating fire which destroyed all of the records (and none were digitized) and performed a town-wide revaluation in 2017. This arrangement has proven so beneficial to the property owners in Covert, that we even take a significant number of calls from other towns in Seneca County as their assessor is often difficult to reach according to the property owners. It is clear that not all part-time assessors have the time that is needed to serve their public.