

**Attorney-Client Correspondence
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Exempt From FOIL Disclosure**

February 1, 2018

Mr. Anthony Ruggiero
City Administrator
City of Beacon
1 Municipal Plaza
Beacon, New York 12508

Re: *Mtr. of Iannarelli v. City of Beacon, et al.*
(Sup. Ct. Dutchess Co. Index No. 51762/17)

Dear Anthony:

I write to present a proposed settlement of the above-referenced tax certiorari proceeding. This litigation is limited to one year (2017) and involves a residential/homestead parcel that was the subject of prior litigation. The prior litigation resulted in an adjusted 2016 assessment of the property involved in this case to a value of \$165,000. It is recommended that the 2017 proceeding be settled based upon this same value. The financial impact upon the City equals \$722.38.

This proceeding involves a residential parcel located at 2 William Street, which is designated as Parcel No. 6054-48-3996204 on the Tax Map of the City of Beacon. It was assessed at \$251,100 in 2017. This parcel was acquired by the petitioner-property owner, Ms. Mary Iannarelli, in March 2014 at a purchase price of \$105,000.

The 2015 and 2016 assessments at issue in the prior litigation equaled \$239,000 and \$243,000, respectively. In these earlier proceedings, Ms. Iannarelli contended these assessments should be reduced to the \$105,000 purchase price. As a result of an examination of this prior sale (including its distressed condition at that time), and improvements that had been made after it had been conveyed, the prior litigation was settled. The settled 2016 assessed value placed upon this parcel equaled \$165,000.

In 2017, the assessment was raised to \$251,100. This revised assessment was based upon market trends and assumptions concerning improvements made to these premises. Ms. Iannarelli, by her attorney, contested the 2017 assessment as excessive. Based upon an examination of the property, and consideration of the prior

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settlement, it has been tentatively agreed that the 2017 assessment be reduced to the 2016 settled value of \$165,000. An analysis of this settlement is as follows:

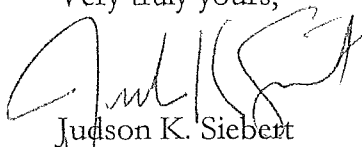
<u>Years</u>	<u>Assessment</u>	<u>Revised Assessment</u>	<u>Reduction</u>	<u>Tax Rate</u>	<u>Refund</u>
2017	\$251,100	\$165,000	\$86,100	\$8.39	\$722.38

I recommend City Council approval of this settlement. It will dispose of this case in exchange for a payment far less than the legal fees and costs that would be incurred in continuing to undertake pre-trial tasks and those that would be associated with a trial to defend the contested assessment. The settled value is equal to the 2016 settled assessment, and the City Assessor may again address this assessment in 2018. In addition, the settlement provides for a waiver of any interest on the refund amount, provided the refund is paid within sixty (60) days after an entered Consent Judgment (effectuating the settlement terms) is served upon the City. Interest would be imposed, as a matter of law, if this case were to be decided by the Court.

Based upon this recommendation, a proposed approving Resolution is enclosed for the City Council's consideration.

Please contact me with any questions you may have with regard to this matter.

Very truly yours,



Judson K. Siebert

JKS/lt

Enclosure

cc: Ms. Kathy Martin, Assessor
Nicholas M. Ward-Willis, Esq.

**RESOLUTION RE: CERTIORARI SETTLEMENT -
Mtr. of Iannarelli v. City of Beacon, et al.
(Sup. Ct. Dutchess Co. Index No. 51762/17) -
SETTLEMENT OF 2017 TAX CERTIORARI PROCEEDING**

WHEREAS, a tax certiorari proceeding entitled *Mtr. of Iannarelli v. City of Beacon, et al.*, (Sup. Ct. Dutchess Cty. Index No. 51762/17, *et seq.*), is pending before the Supreme Court, Dutchess County (Hon. James V. Brands, J.S.C., presiding); and

WHEREAS, this proceeding involves the 2017 real property tax assessment of a homestead parcel located at 2 William Street, which is designated as Parcel No. 6054-48-399604 on the Tax Map of the City of Beacon; and

WHEREAS, a settlement has been reached by and between Petitioner Mary Iannarelli and the City of Beacon providing for a voluntary disposition of this proceeding; and

WHEREAS, the City of Beacon has obtained the advice and assistance of its counsel, Keane & Beane, P.C., with respect to this terms of settlement and duly considered same; and

WHEREAS, under the settlement terms, the City will be liable for a City tax refund equaling Seven Hundred Twenty-Two and 38/100 (\$722.38) Dollars;

NOW, THEREFORE, BE IT RESOLVED that the City Council accepts the settlement of this proceeding so that the following adjustment is made to the 2017 assessment of the aforementioned tax parcel:

<u>Year</u>	<u>Assessment</u>	<u>Revised Assessment</u>	<u>Reduction</u>
2017	\$251,100	\$165,000	\$86,100

BE IT FURTHER RESOLVED, that counsel for the City of Beacon, Keane & Beane, P.C., together with the City Administration, is hereby authorized to undertake such actions as are necessary to confirm and effectuate this settlement, including execution of the Consent Judgment incorporating the settlement terms.