NEWS FROM THE ULSTER COUNTY OFFICE OF THE COMPTROLLER

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ULSTER COUNTY COMPTROLLER MARCH GALLAGHER CALLS ON THE RYAN ADMINISTRATION TO DELAY TAX AUCTION SO ONLINE METHODS CAN ACCOMMODATE REMOTE BIDS

Kingston, NY (October 21 2020) - The Ulster County Comptroller's Office has received multiple complaints from potential auction bidders that were denied participation in the auction because of in person attendance limits set by social distancing requirements.

The tax auction is scheduled over a three-day period, Tuesday, Wednesday and Thursday, October 27, 28 and 29, beginning at 10:00 am at the SUNY Ulster Quimby Theater. Due to pandemic public health restrictions the auction attendance is limited to 45 in-person attendees at any one time. The County website lists bidder registration as CLOSED. Currently, 188 properties are listed in the auction materials which were revised in early October removing one property that had been redeemed by the delinquent owner. There are to be 11 bidding sessions broken up by town. Registered bidders were required to identify the town for properties on which they plan to bid.

Unlike most other counties in New York State, Ulster County does not provide the option to bid online. Ulster County has had a long-standing with <u>George Cole Auctioneers</u> and is in the second year of a three year contract at an annual cost of \$5,000 to provide marketing and auctioneer services. George Cole does provide online bidding for other auctions, primarily personal property items.

Real property tax auctions occur each year for properties at least three years in arrears on their property taxes. Real Property Tax Law Article 11 allows delinquent owners to redeem properties for back taxes, penalties and interest prior to the auction. Once Ulster County forecloses on a property it auctions the property to recoup the back taxes and return the property to productive use.

Neighboring counties have proceeded differently. Dutchess County delayed its online auction until 2021 with interest and penalties accruing. Greene County completed its auction online in September, while Orange and Sullivan Counties, as well as five other New York State counties, are holding 2020 online auctions, run by <u>AAR Auctions</u> before year-end. According to Jennifer Gableman, the owner and principal broker of AAR Auctions, Sullivan County is seeing double the bidders and double the prices of last year. At least three other New York State counties are using <u>Auctions International</u> to conduct auctions in 2020. The online auction houses provide a "property removal list" for properties that have been taken off the auction as a result of redemptions.

"Ulster County is experiencing a property boom and according to the <u>National Association of Realtors as reported in Bloomberg News</u> is the fastest growing home sale priced region in the country over the last twelve months. By limiting the participation of potential bidders, we are costing the county revenue at a time we can least afford it," said Comptroller Gallagher. "I call upon Pat Ryan to delay the property auction so we have time to implement online bidding which will result in more revenues for the county while lowering the risks for participants."

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