

City of Newburgh

Press Release

83 Broadway - City Hall, Newburgh, NY 12550

Phone: 845) 569-7301

Fax: (845) 569-7370

www.cityofnewburgh-ny.gov

For immediate release

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City of Newburgh Receives “Excellence in Equity” Award From New York State Office of Real Property Services



(l-r) Angelo Lallis, City of Newburgh Assessor’s office; Deputy Mayor Regina Angelo, Mayor Nicholas Valentine; City Assessor Steve Ruelke; John Wolham, Regional Director New York State Office of Real Property Services; and John McCarey, Orange County Real Property Tax Service

In 2007, the City of Newburgh undertook its first revaluation of real property since 1989. At the Dec. 8 2008 City Council meeting, John Wolham and Janet LaPlante of the New York State Office of Real Property Services (ORPS) presented the City an “Excellence in Equity” award. John McCarey of the Orange County Real Property Tax Service agency also presented the City with a certificate of recognition from County Executive Edward Diana.

The Excellence in Equity award is given to municipalities and counties that have conducted re-assessments. The City of Newburgh is one of 305 assessing units in the state, and the only municipality in Orange County, to receive the award this year.

“When reassessments are not conducted regularly, assessments become unfair, and lower-valued homeowners typically subsidize the tax bills of higher-valued homeowners,” said ORPS Executive Director Lee Kyriacou in an earlier press release. “While Governor Paterson’s plan to cap the growth of school property taxes will address the amount of property taxes being paid by homeowners and businesses, it is local reassessments that ensure that property taxes are distributed fairly.

“New York State is one of only three states in the nation that do not require all municipalities to assess property at market value or some other rational statewide standard,” he continued. Currently, more than 150 municipalities in New York State have not conducted re-assessments in more than 35 years.

Municipalities and counties conducting reassessments are eligible to apply for State Aid for Quality Assessing, which will award up to \$5 per parcel per year. This program includes annual aid for municipalities that keep assessments at market value for six years; and triennial aid, a benefit available no more than once in three years, for those who conduct reassessments at market value without committing to maintaining equity for the six year period.

“Mr. Kyriacou was right on target when he stressed the issue of equity,” said Newburgh City Assessor Steve Ruelke. “Here in Newburgh many properties were grossly over- or under-assessed, in some cases by as much as forty percent. As a result, the owners of properties that were over assessed were paying more than their fair share in taxes and were, in effect, subsidizing the owners of properties that were under valued.”

In addition to bringing equity to the assessment roll and making it easier for taxpayers to understand their assessments in the context of market value, Ruelke said the reval:

- Increased taxable assessed value by more than \$164 million;
- Stopped the shift in the tax burden from commercial to residential properties
- Increased the accuracy of property date
- Established a database that is meaningful and available to all City departments
- Set the stage for an annual reassessment program in which assessments will keep pace with the market and maintain a responsible level of assessment equity in the long term
- Qualify the City for as much as \$35,000 in annual state aid.