

Department of Assessment

128 East Buffalo Street

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Inclusion through Diversity

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To: Government Operations Committee

From: Jay Franklin

Date: January 15, 2020

Re: 2020 Annual Equity Maintenance (AEM) Program

As we file the 2020 Assessment Roll, this will be our 51st 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. While I can’t promise to continue to have a Franklin in the office for the next 50 years, while I am blessed to be in the office, I can promise to continue to try further our founding mission – to improve the professionalism in the assessment function.

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 ~35,625 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. The low cost of capital has caused a ‘boom’ in the student housing rental market with prices being paid for properties whose return on that investment approaches that of municipal bonds.

2020 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.

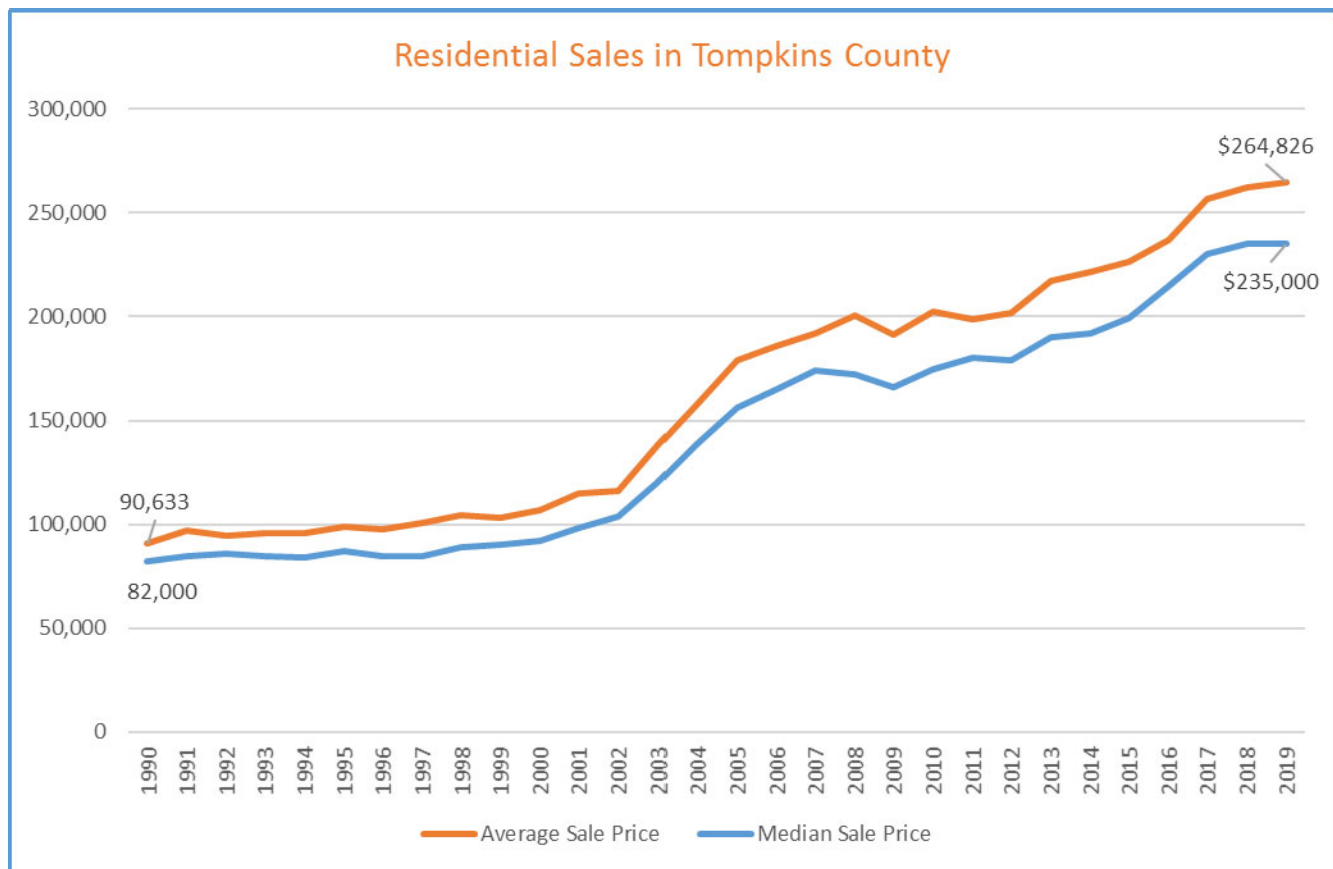
While the amount of state aid available is “*up-to-\$5/parcel*”, the actual amount received will vary greatly depending on the number of parcels in this program each year. For instance, for the 2012 Assessment Roll the state aid was approximately \$2.25/parcel as New York City received the maintenance 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.

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. The clear majority of today’s commercial sales are affected by outside influences such as 1031 exchanges, purchase of leases vs real estate, 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 similar to 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.

For student housing, we are starting to see the supply equal the demand as noted by the increase in vacant units. Landlords are also having to toss in incentives to rent their units (free month rent, parking, etc). Cornell University has announced plans to house all sophomore students on campus which would indicate a plan to build about 2,000 new beds on campus. Coupled with the uncertainty at the national level, our student housing market is much different than it has been in the past.

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, 2018 and July 1, 2019. 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 as a whole.

Mean Assessment to Sale Price Ratio	=	0.916
Median Assessment to Sale Price Ratio	=	0.911
Price Related Differential	=	1.001
Coefficient of Dispersion	=	9.853

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 inequity means that lower priced properties are not valued differently than higher priced properties.

Based upon a countywide analysis, it is determined that the 2019 Assessment Roll would not be considered at 100% fair market value as of July 1, 2019. 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 \$10,000 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 2019 Assessment Roll **OR** that no market change has occurred.

Reassessment Projects for 2019 Assessment Roll

While overall the Assessment to Sale Price Ratio (AVSP) indicated that the assessment roll was at 100% fair market value, there were a few neighborhoods that either required their assessed values to be adjusted in order to reflect this uniform percentage of value or required a review of all assessments to ensure the uniformity.

Residential

- City of Ithaca
- Town of Ithaca (West Hill, South Hill)
- Village of Dryden
- Village of Freeville
- Town outside the Village – Groton

Commercial (countywide)

- Apartments
- Fueling Stations
- Convenience Stores
- Car Dealerships
- Bed and Breakfast
- Horse Farms
- Manufacturing Facilities

Results of the Reassessment Projects

Based upon the projects undertaken above, we maintained a 100% level of assessment for the 2020 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	=	0.98
Median Assessment to Sale Price Ratio	=	1.000

Price Related Differential	=	1.002
Coefficient of Dispersion	=	3.358

There are ~35,625 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 2019 Final Assessment Roll on March 6th. Beginning that Friday, a property owner who received that notice can 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 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 3rd. 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 26. Grievance day will be held on May 26 at the Department of Assessment. A small number of appointments for grievance day will be able to be scheduled starting on May 1. A walk-in period will be scheduled from 4-8PM.

Outlook for 2020 Annual Equity Maintenance Program

Based upon sales from July 1, 2019 to mid-December, 2019, the real estate market appears to be slightly increasing. The Assessment to Sale Price Ratio for this period is still 0.981 which shows a slight under-assessment of all properties. We are still monitoring the effects 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, 3rd 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.

2020 AEM Addendum

Residential Decision Making Process

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 and now this has continued to make the assessor's job exponentially more difficult when they are not always given the correct information by the property owner in regards to 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 2020 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 in order to keep them in line with their full market value.

Town of Dryden

While we reviewed the Ellis Hollow neighborhood for the 2018 Assessment, we have reviewed the rest of the Town of Dryden excluding the 2 villages for the 2019 Assessment Roll. But for the 2020 Assessment Roll, we revalued the 2 villages.

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 will see 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 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

For 2018, all properties within the Town of Lansing (outside the Village) have been reviewed on a parcel by parcel basis. We just revalued the Town of Lansing for the 2016 Assessment Roll but based upon the high desirability of Lansing which is reflected in the sale prices, we needed to review the properties again. 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 occur 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.

For instance, a large student housing complex recently sold for 72% more than our current assessment (which also represented an increase of about 125% over the prior sale of the property in 2011 or 15.6% appreciation per year). This was bought by a large commercial investment firm and we are still trying to determine why they paid so much for the property. Based upon the listing documents, a small investment could net a much larger cash flow due to the ability to raise rents along with decreasing expenditures (however this claim is doubtful as they were comparing the rental prices within the core of Collegetown to this development which is located significantly outside of the core). Additionally, this investment could be a net positive to value and while a potential buyer would look at that to leverage their investment, it is not something that we can consider.

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 would 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.

Gas Stations

We reviewed the gas stations for the 2020 Assessment Roll. Mirabito significantly upgraded its presence in Central NY in the last few years. It was difficult to determine how they apportioned their sale price from the aggregate that they paid for multiple gas stations. The premium paid for a gas station over a typical C-store appears to be excessive.

Other areas

Manufacturing

Tompkins County is not a home to many manufacturing properties however the few that we have were not reviewed in a few years. We looked at uniformity for these properties.

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 NYSEDA 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 three 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 appear to be non-existent. However, we are continuing to monitor this.

Additional Projects

Not all work that is completed in the Department of Assessment is in regards to 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.

Agland Review

We reviewed the accuracy of our soil group worksheets by doing a test pilot project using the Town of Caroline's data. Based upon this review, it became apparent that the older soil group worksheets which might not have been updated since 1980 need to be updated to reflect the changes in what land is being worked. We found parcels where the land became more intensively worked and parcels where land was returned to a fallow state. We will begin to require new soil group worksheets for those where we haven't received a new one in many years.

Based upon the sage advice that we got from recently retired Bob Wright, we were able to send out a request for updated Soil Group Worksheets to 67 properties where we still had the original 1981 SGW on file (in the past we were always told that the assessor did not have the right to request a new SGW unless the acreage of the parcel changed). We will review the changes on these worksheets and develop a plan to slowly update the SGWs we have on file.

Mandatory IVP

For the 2019 Assessment Roll, the state legislature dropped a new requirement that all Enhanced STAR recipients must participate in the Income Verification Program (IVP). In the IVP, NYS Department of Taxation verifies a senior's income instead of the local assessment offices doing this task. This also de-couples the Enhanced STAR from the Low Income Senior Exemption which will result in some seniors having to provide one year's income to NYS and another year's income to us. For 95% of the participants, this will be a benefit as they will not need to apply. However, for that 5%, this will be an extra burden and something we are very conscience of to ensure that no one misses out on the exemptions they are entitled to. We embraced this program in Tompkins County and by doing so it appeared that we didn't have nearly as many issues as some smaller assessing units that didn't embrace this new program.

As this program is essentially complete, this has dramatically reduced our workload in general. We have about 1,200 applications which we no longer have to receive and process. We appreciate the Department of Taxation and Finance's commitment to making this program work despite it being pushed down on them from above. Hopefully we can have a year of stability in order to tighten the screws on this program.

Cornell University and Ithaca College Revaluation

While not a project that will generate new tax base, it is still important to maintain a realistic figure on the values of these two institutes of higher learning. For the 2020 Assessment Roll, we did a comprehensive review of both colleges. I always say that the valuation of Cornell is probably the most difficult appraisal task we have. "How much is

Cornell's land worth if Cornell wasn't there?". In addition, how much should be placed on the Cornell High Energy Synchrotron Source? What portion of that is considered real property and what is considered personal property?

2021 – 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's needed to maintain that level. These are projects that we are looking at in our crystal ball to do for 2021 – however these projects are subject to change as we approach the valuation date of July 1, 2020.

We will be closely monitoring the 2020 Presidential Election. After the hangover from the 2016 election, we will be watching to see how the markets react both to the lead-up to the election and the actual election itself. As the election happens after the Valuation Date that is used for the 2021 Assessment Roll, any changes the election will cause will take effect for the 2022 Assessment Roll.

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

We put on hold for a year a data collection project that will verify the inventory on farm – both the amount of active agricultural land and the size/condition of outbuildings. We delayed as we determined what we were going to do with the SGWs so as not to duplicate the work. We also had to reboot a recruitment project for a Data Collector. We are now hoping to hire an Assistant Real Property Appraiser by the end of January. This project could tie in with our recent project to digitize our building sketch information by providing a geo-coded building footprint for each outbuilding.

Lake Valuation

In the fall of 2019, we had the Tompkins County Sheriff's office take us on their boat along the shoreline in order to videotape the lakeside of the properties on the lake. While we haven't 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 different ways, seasonal vs year-round residences, etc.

Town of Covert Assessment Function

The year 2020 will mark our 7th 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

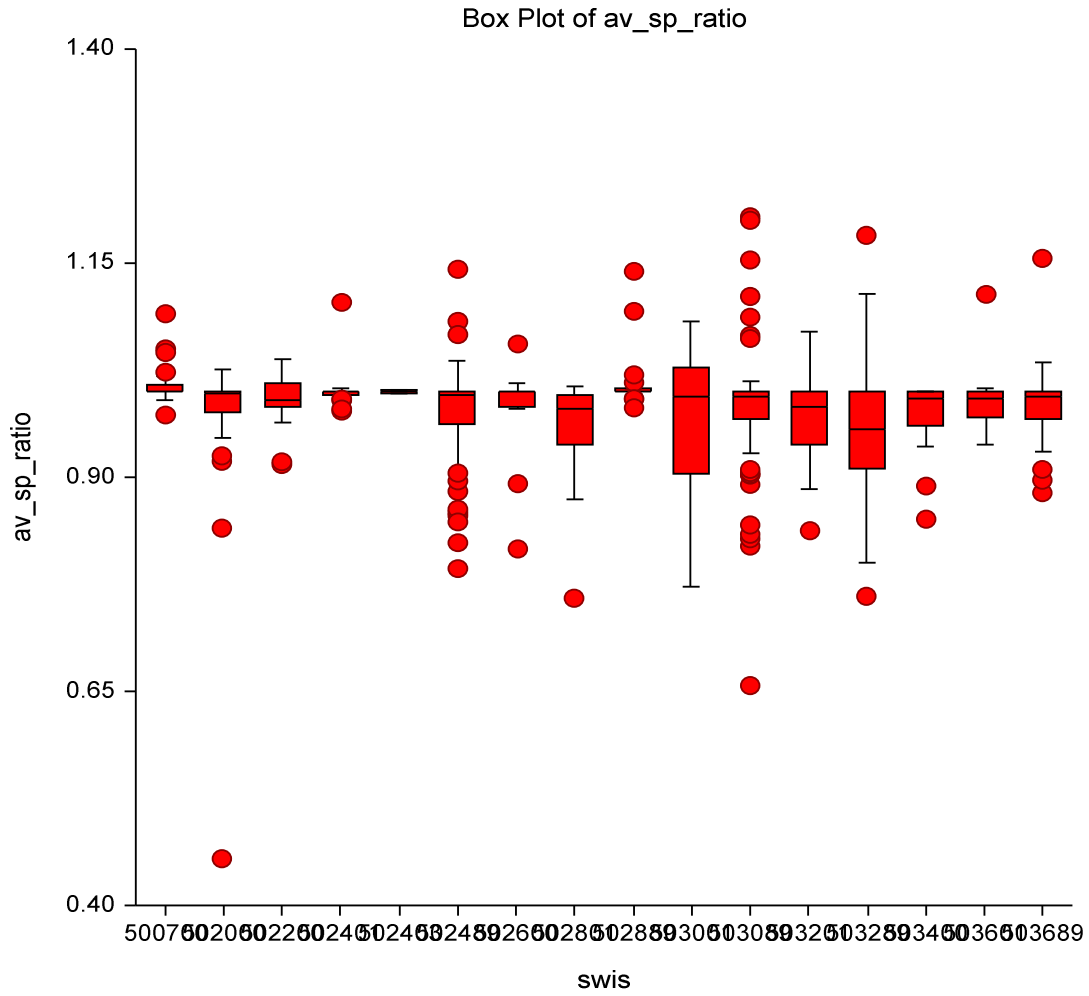
of only 1,600 parcels. We were able to recover after the devastating fire which destroyed all of the records (and none were digitized) and performed a town-wide revaluation in 2017. This arrangement has proven so beneficial to the property owners in Covert, that we even take a significant number of calls from other towns in Seneca County as their assessor is often difficult to reach according to the property owners.

Sales Ratio – 2020 Assessment vs Sale Price

County

Ratio Statistics for total_av / sale_price

Group	Num	Mean	Median	Price Related Differential	Coefficient of Dispersion
500700	87	1.005	1.000	1.001	.692
502000	28	.963	.997	.995	3.865
502200	20	.990	.991	1.003	2.177
502401	18	1.003	1.000	.997	.958
502403	2	1.000	1.000	1.002	.124
502489	97	.977	.995	1.004	3.069
502600	12	.978	1.000	.991	3.297
502801	19	.959	.980	1.004	3.755
502889	20	1.012	1.000	1.002	1.560
503001	31	.970	.995	1.002	6.366
503089	100	.983	.993	.997	3.499
503201	15	.970	.982	1.002	4.020
503289	79	.954	.956	.994	6.009
503400	22	.974	.992	1.006	2.544
503601	15	.991	.992	1.005	3.224
503689	25	.986	.994	1.039	2.925
590	.980	1.000	1.002	3.358	

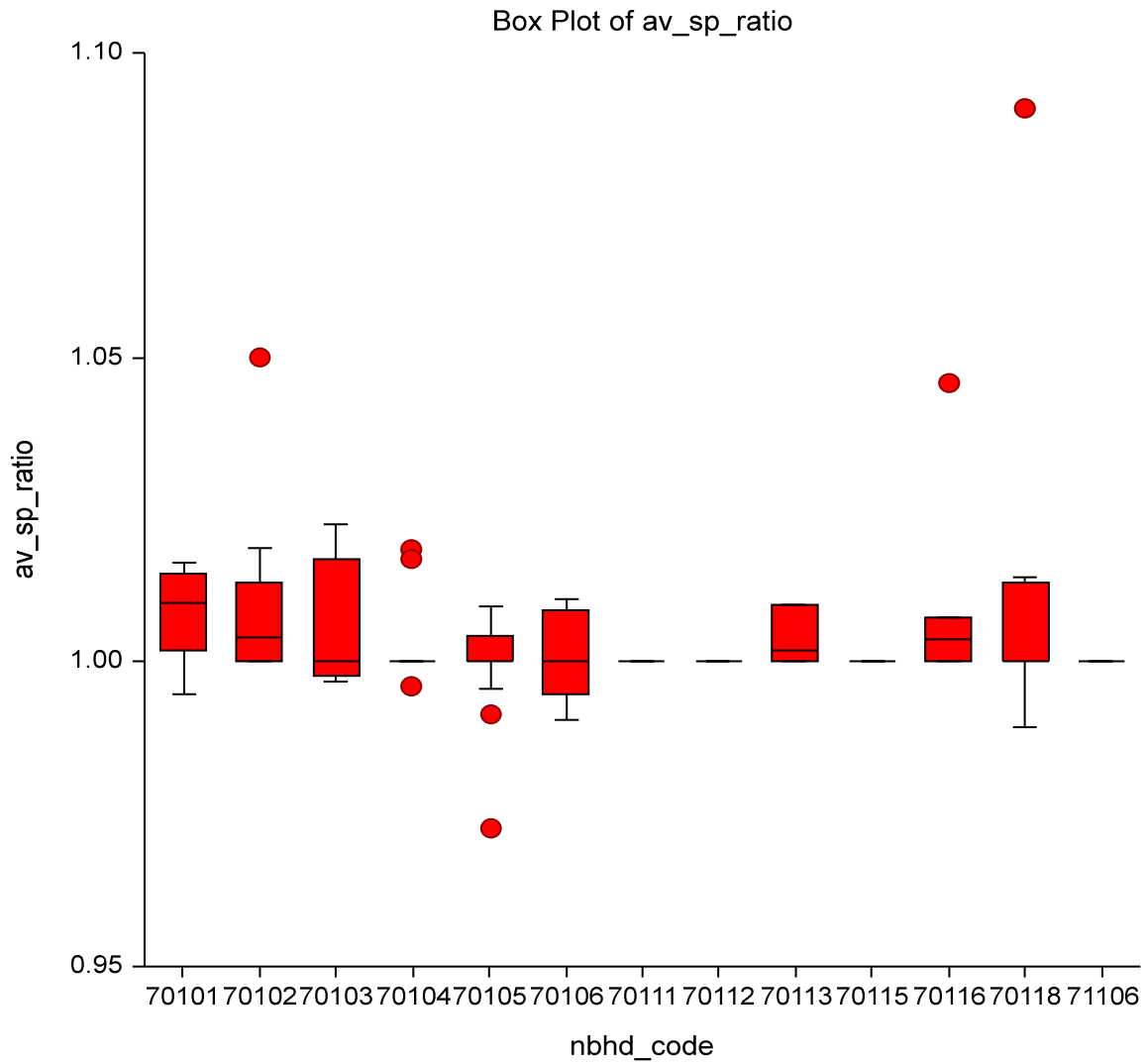


Ratio Statistics for total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
70101	10	1.008	1.010	1.000	.617
70102	11	1.010	1.004	1.001	0.903
70103	4	1.005	1.000	1.003	0.645
70104	11	1.003	1.000	1.006	0.359
70105	16	1.000	1.000	1.001	0.456
70106	6	1.001	1.000	1.000	0.523
70111	2	1.000	1.000	1.000	0.000
70112	1	1.000	1.000	1.000	0.000
70113	3	1.004	1.002	1.001	0.317
70115	1	1.000	1.000	1.000	0.000
70116	7	1.009	1.004	1.001	0.809
70118	14	1.009	1.000	1.002	1.140
71106	1	1.000	1.000	1.000	.000

a

swis = 500700



502000

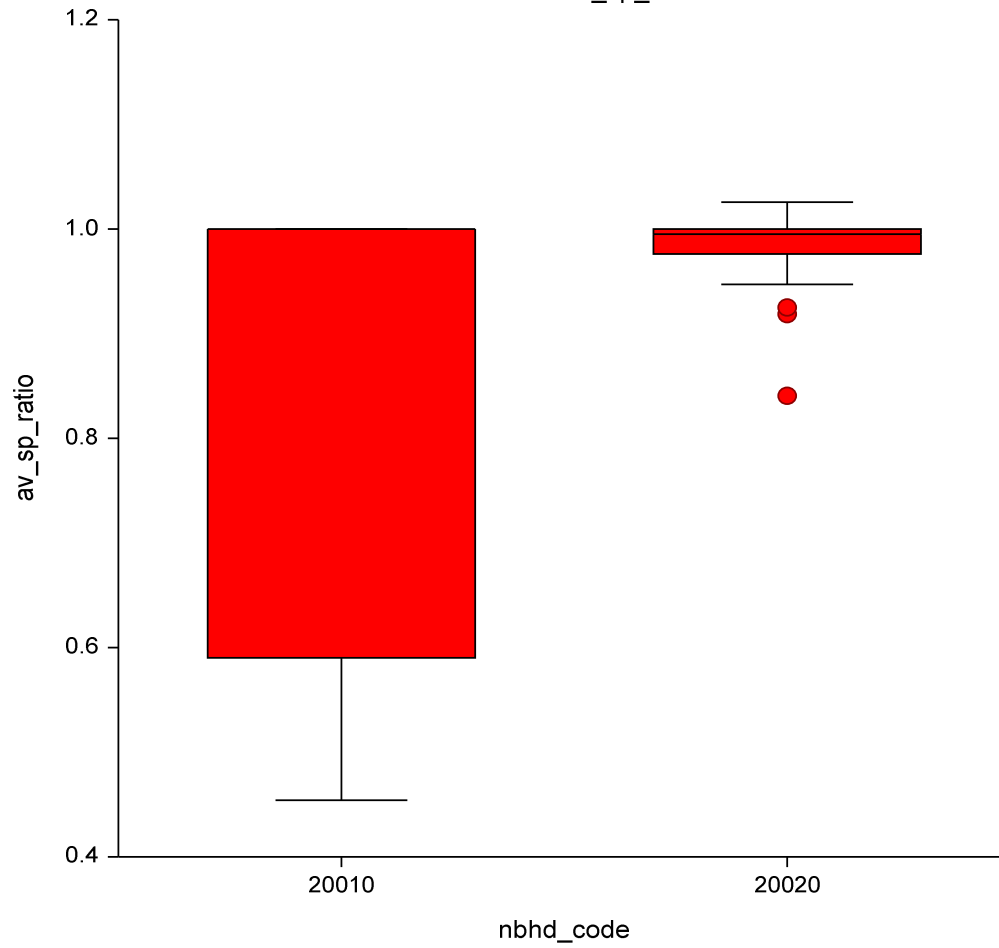
Ratio Statistics for total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
20010	4	.864	1.000	.935	13.636
20020	24	.980	.995	1.004	2.210
20030					
20050					

a

swis = 502000

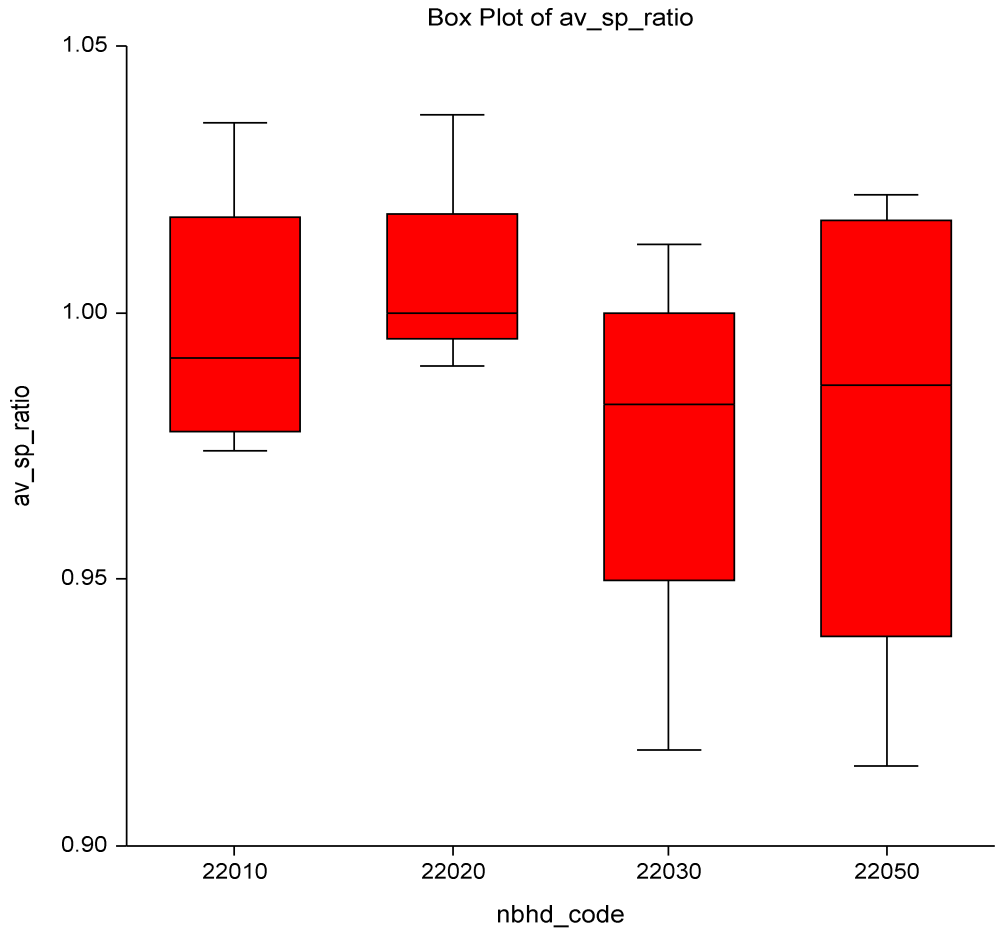
Box Plot of av_sp_ratio



Ratio Statistics for total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
22010	5	.997	.991	1.001	1.616
22020	5	1.006	1.000	1.000	.942
22030	5	.977	.983	1.003	2.047
22050	5	.980	.987	.997	3.157

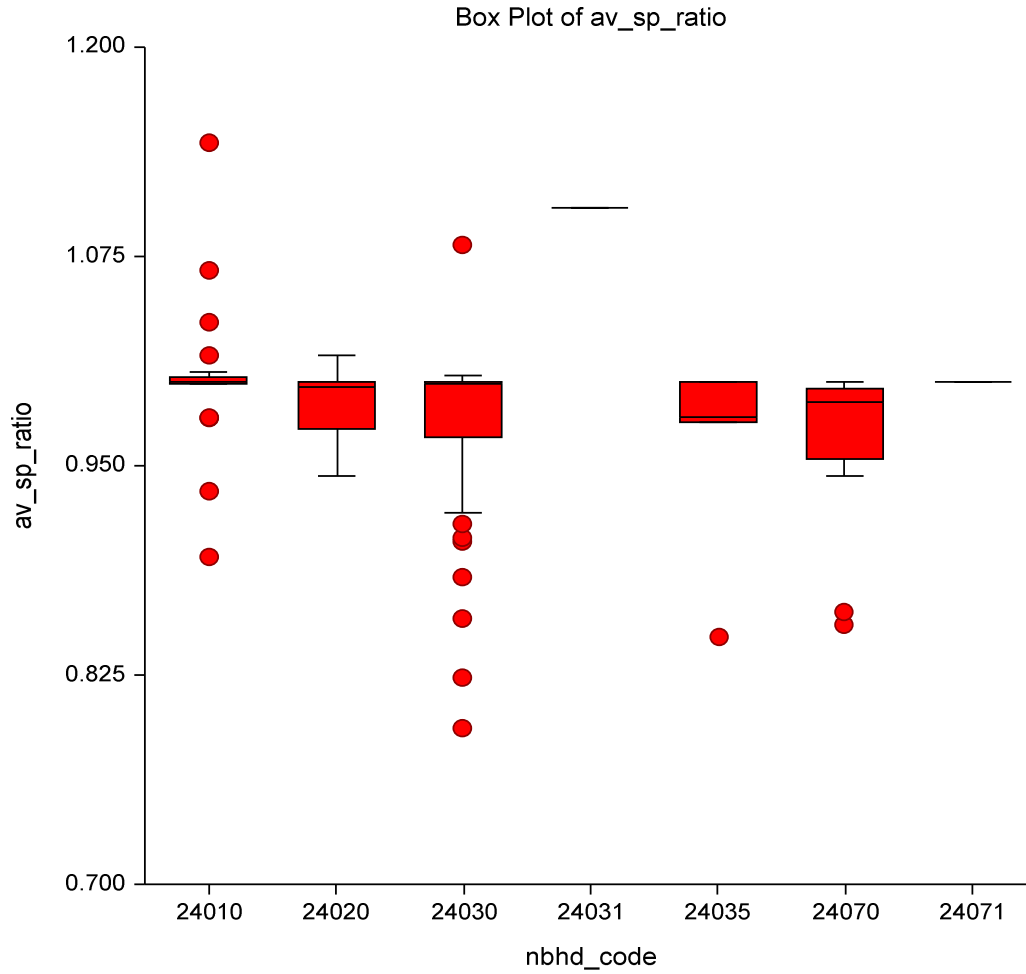
a swis = 502200



Ratio Statistics for total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
24010	21	1.003	1.000	1.007	2.299
24020	33	.987	.997	1.001	1.590
24030	39	.971	.999	1.007	3.338
24031	1	1.104	1.104	1.000	.000
24035	7	.967	.978	1.002	2.770
24070	15	.964	.989	.996	3.241
24071	1	1.000	1.000	1.000	.000

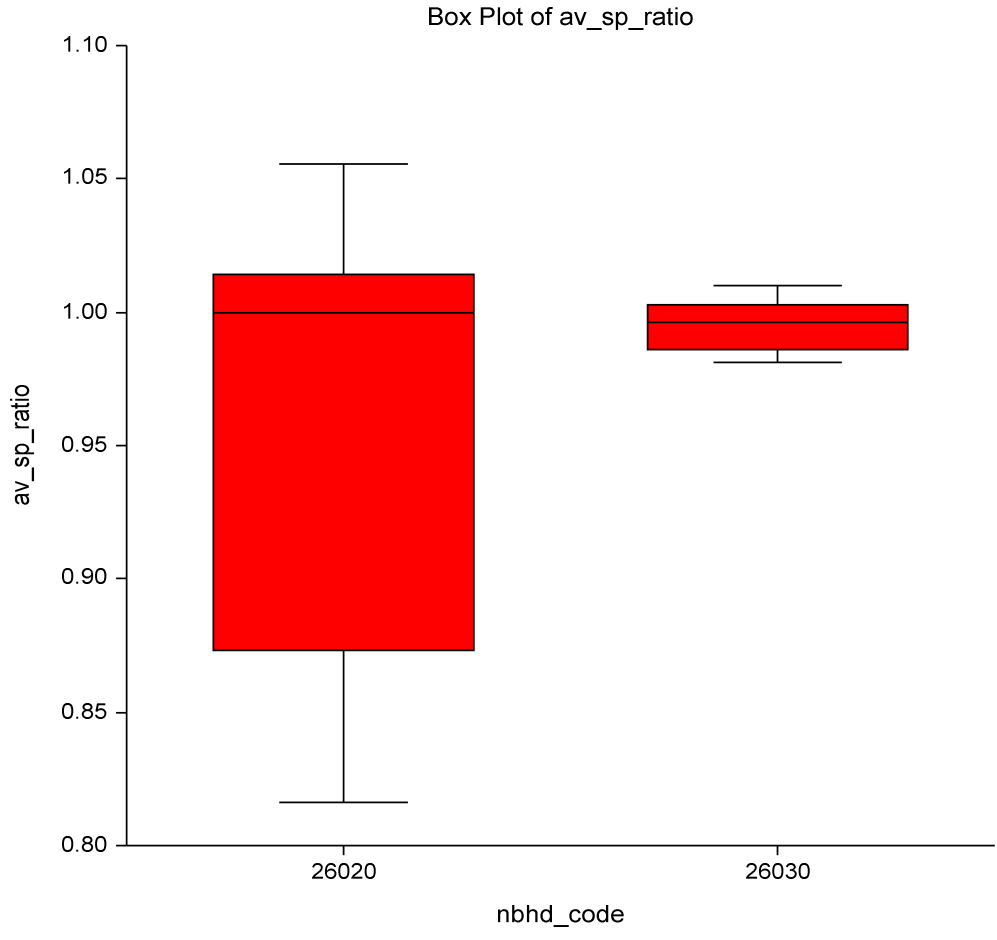
a swis_town = 24



Ratio Statistics for total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
26020	6	.961	1.000	.986	5.782
26030	6	.995	.996	.999	.815

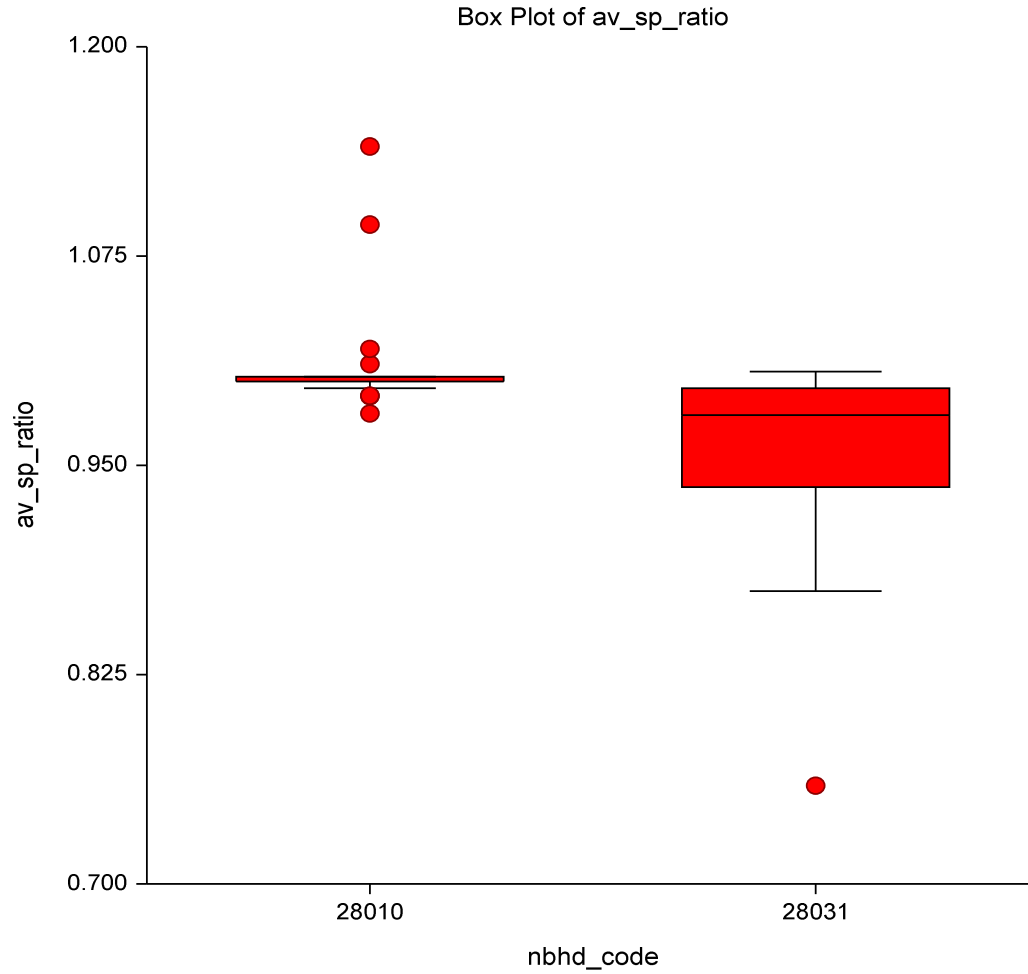
a swis_town = 26



Ratio Statistics for total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
28010	20	1.012	1.000	1.002	1.560
28031	19	.959	.980	1.004	3.755

a swis_town = 28

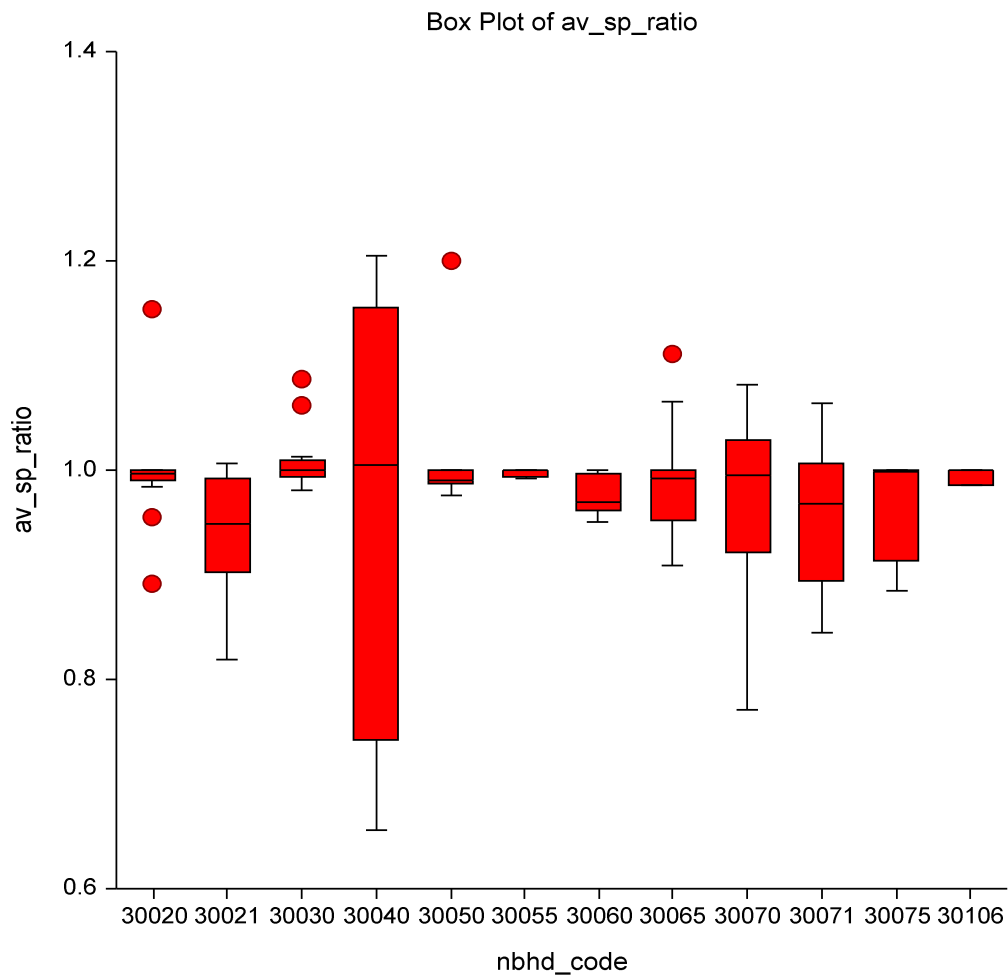


Ratio Statistics for total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
30020	22	.996	.997	1.004	1.768
30021	13	.939	.949	1.001	4.887
30030	12	1.010	1.000	1.001	1.664
30040	4	.967	1.004	.953	13.756
30050	7	1.019	.990	1.008	3.467
30055	4	.998	1.000	1.000	.187
30060	7	.973	.969	1.001	1.374
30065	15	.969	.993	.992	3.000
30070	2	.967	.995	.997	6.510
30071	17	.956	.968	1.006	5.143
30075	4	.971	.998	1.005	2.957
30106	3	.995	1.000	1.001	.479

a

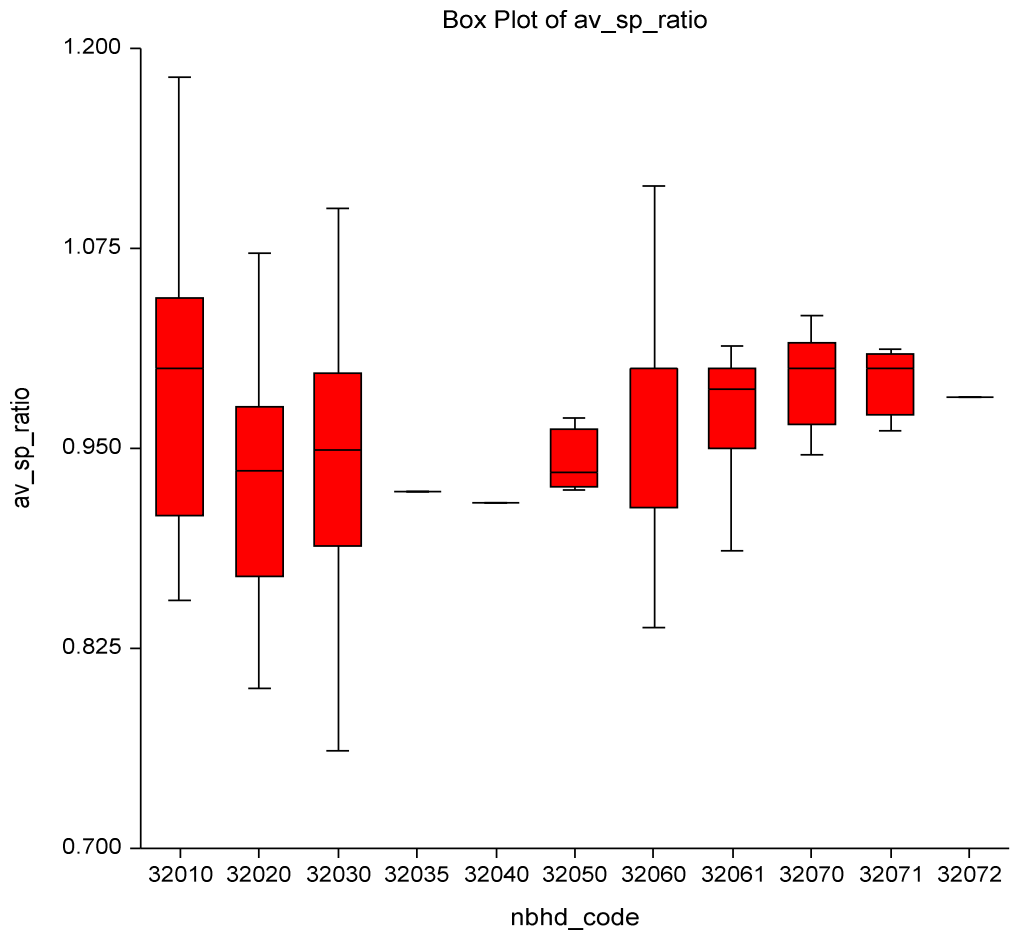
swis_town = 30



Ratio Statistics for total_av / sale_price

Group	Mean	Median	PRD	Coefficient of Dispersion
32010	.984	1.000	.996	6.958
32020	.930	.936	.994	6.035
32030	.941	.949	1.000	6.331
32035	.923	.923	1.000	.000
32040	.917	.917	1.000	.000
32050	.942	.935	1.003	1.525
32060	.976	1.000	1.003	5.176
32061	.974	.987	.998	2.772
32070	.993	1.000	1.000	2.053
32071	.993	1.000	1.002	1.263
32072	.982	.982	1.000	.000

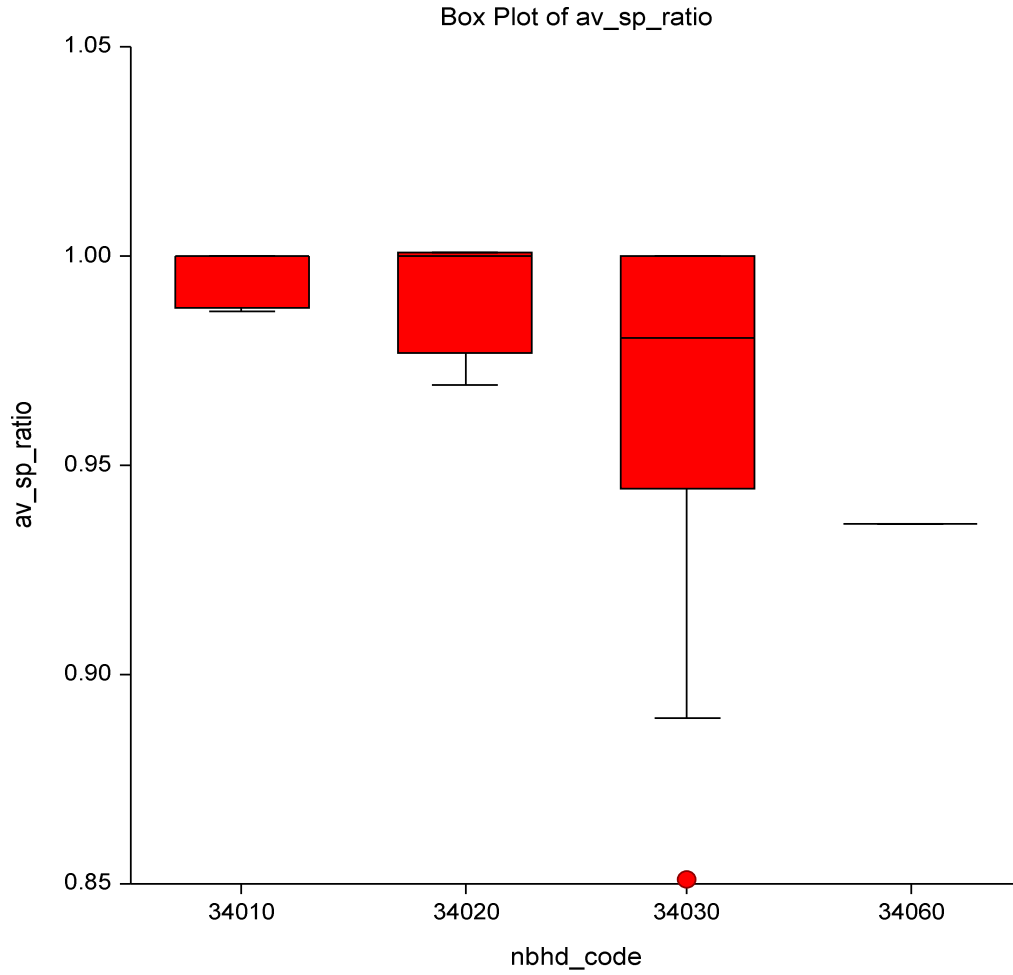
a swis_town = 32



Ratio Statistics for total_av / sale_price

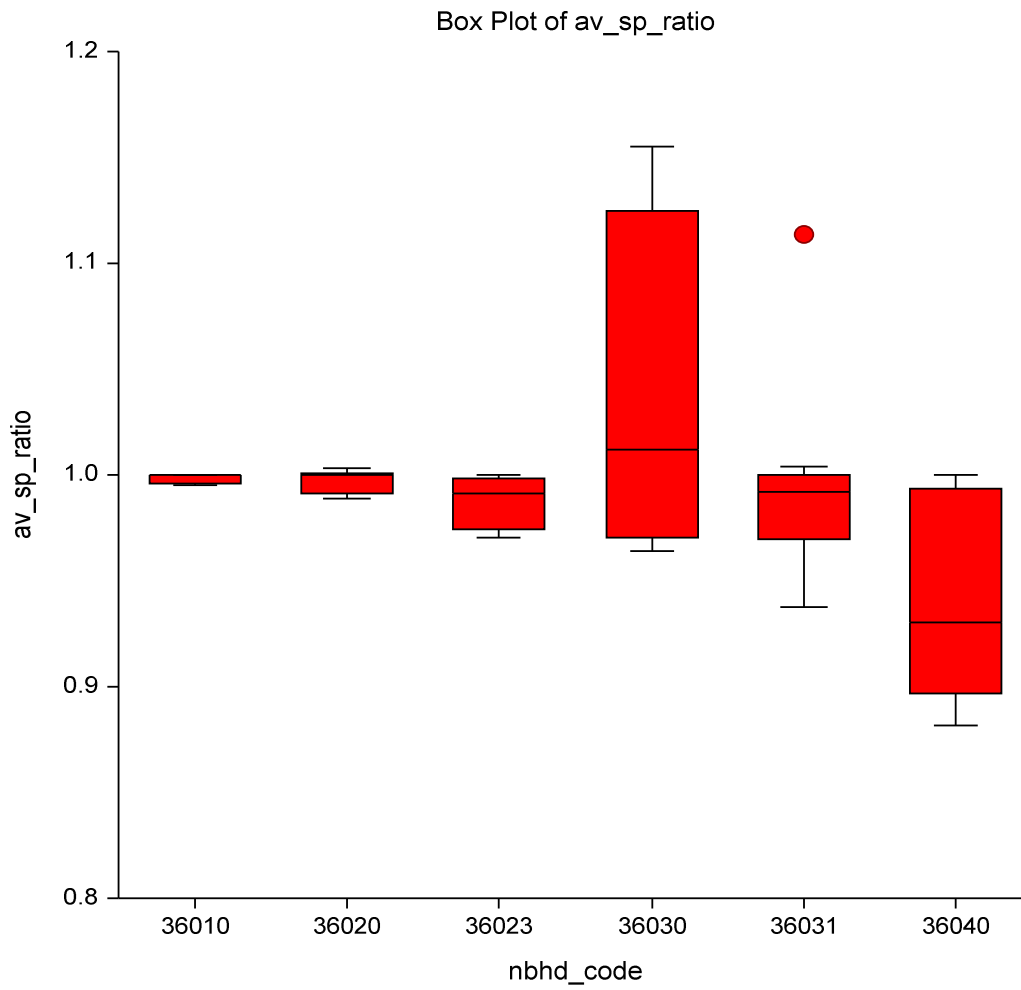
Group		Mean	Median	PRD	Coefficient of Dispersion
34010	5	.995	1.000	1.001	.496
34020	4	.993	1.000	1.007	.792
34030	12	.963	.980	1.006	3.516
34060	1	.936	.936	1.000	.000

a swis_town = 34



Group		Mean	Median	PRD	Coefficient of Dispersion
36010	4	.999	1.000	1.000	.124
36020	6	.997	1.000	1.000	.374
36023	4	.988	.991	1.000	.901
36030	4	1.036	1.012	.989	5.792
36031	15	.991	.992	1.005	2.334
36040	7	.938	.931	1.018	4.013

a swis_town = 36



Vacant

Ratio Statistics for total_av / sale_price

Muni	Sales	Median	COD	PRD
500700	2	0.8425	29.6973	1.0283
502000	5	0.926	12.1706	1.0582
502200	6	0.7122	29.6265	1.0142
502401				
502403	2	1.1522	80.8106	1.5489
502489	16	0.9825	22.6158	1.0663
502600	2	0.9661	17.1928	1.1071
502801				
502889	6	0.8365	10.0897	1.0182
503001				
503089	7	0.8086	16.5348	1.0687
503201	6	0.9188	4.2229	0.9908
503289	5	1	44.8700	1.1855
503400	8	1	19.8100	1.051
503601	2	0.9714	.7206	0.9992
503689	6	0.9847	6.1542	0.9991
Total	73	0.9524	22.2911	1.0602

Sales Ratio – 2019 Assessment vs Sale Price

County

Ratio Statistics for tos_total_av / sale_price

Group	Num	Mean	Median	Price Related Differential	Coefficient of Dispersion
500700	94	.902	.892	1.011	7.180
502000	27	.862	.839	1.028	10.692
502200	20	.908	.914	.994	8.130
502401	19	.920	.911	1.009	12.958
502403	2	1.044	1.031	1.013	8.015
502489	95	.900	.895	1.006	9.695
502600	12	.958	.884	1.082	20.761
502801	21	.909	.860	1.057	13.111
502889	20	.906	.888	1.020	15.925
503001	31	.980	.974	1.007	7.938
503089	100	.912	.921	.990	8.913
503201	15	.916	.917	.999	9.219
503289	81	.953	.956	.997	8.998
503400	22	.930	.942	.987	10.891
503601	15	.886	.894	.991	8.914
503689	24	.894	.893	1.003	7.875
	598	.916	.911	1.001	9.853

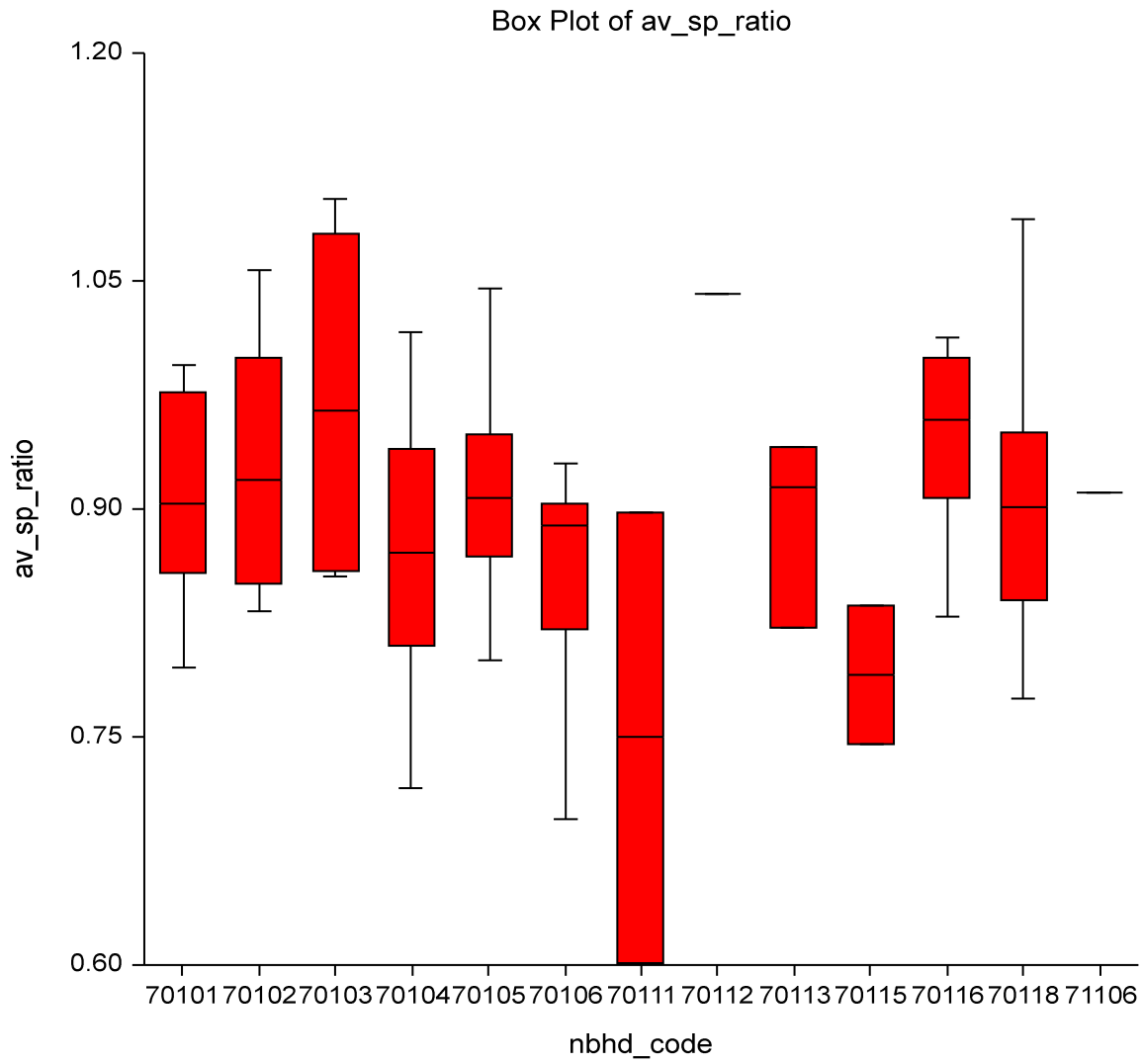
500700

Ratio Statistics for tos_total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
70101	10	.907	.904	1.011	6.657
70102	14	.928	.920	1.005	6.076
70103	5	.969	.965	1.016	9.176
70104	13	.865	.872	1.015	7.803
70105	16	.911	.907	1.006	5.441
70106	6	.860	.890	1.021	5.045
70111	2	.750	.750	1.121	19.743
70112	1	1.042	1.042	1.000	0.000
70113	3	.892	.914	1.008	4.358
70115	2	.791	.791	0.996	5.799
70116	7	.940	.959	1.002	4.868
70118	14	.901	.901	1.005	6.905
71106	1	.910	.910	1.000	.000

a

swis = 500700



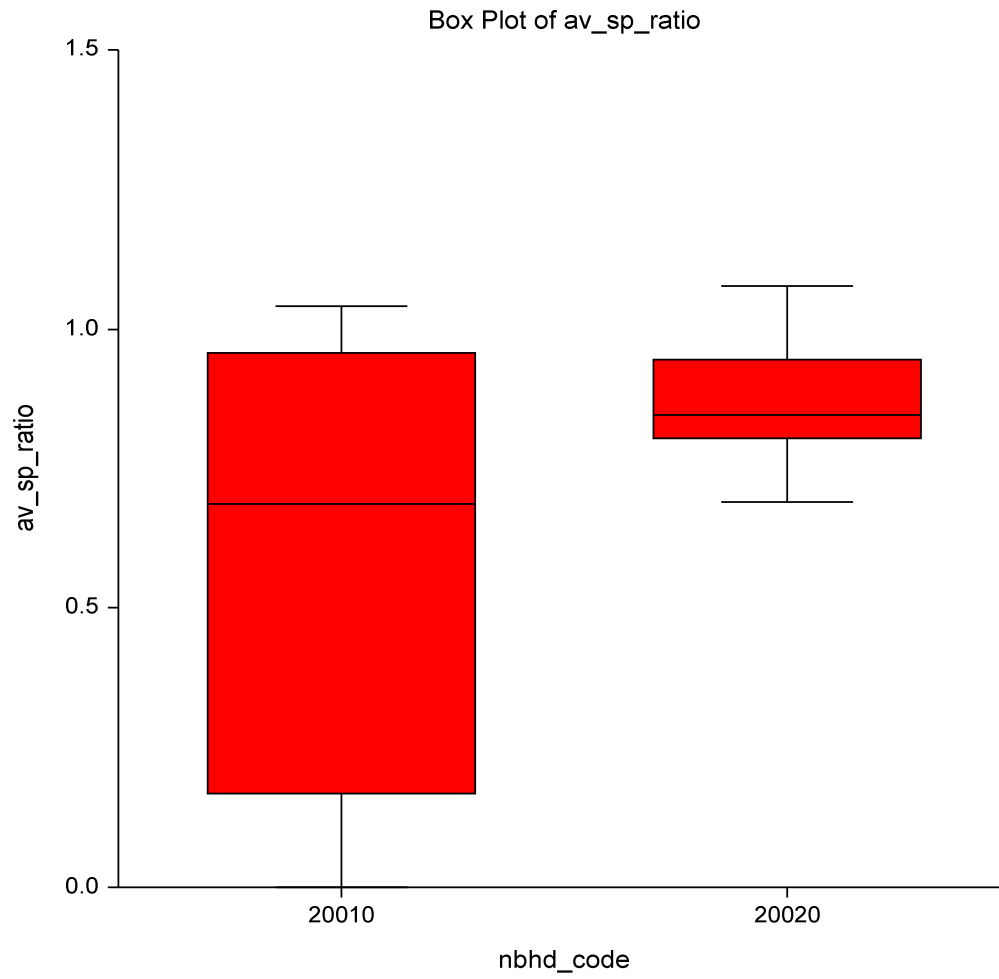
502000

Ratio Statistics for tos_total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
20010	3	.806	.700	1.000	17.460
20020	24	.869	.847	1.030	9.379
20030					
20050					

a

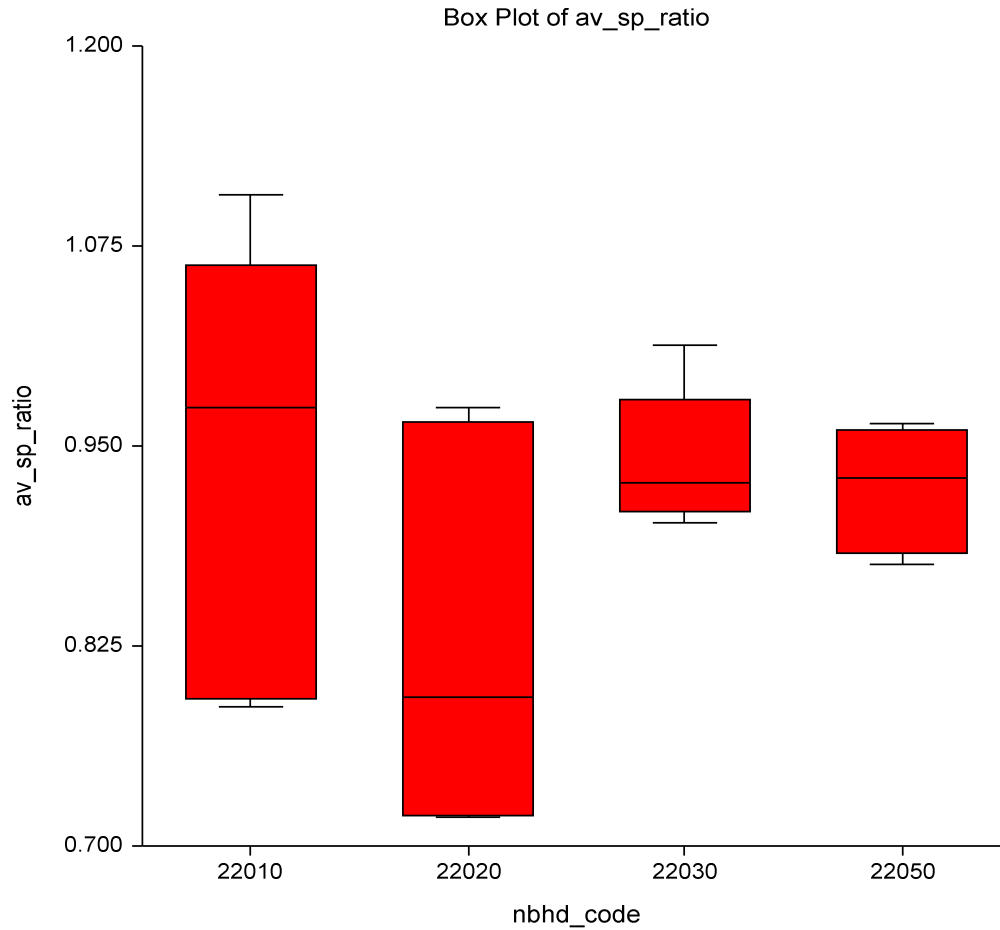
swis = 502000



Ratio Statistics for tos_total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
22010	4	.937	.974	.997	11.120
22020	12	.832	.793	1.003	12.379
22030	10	.940	.927	1.005	3.003
22050	5	.923	.931	.997	3.309

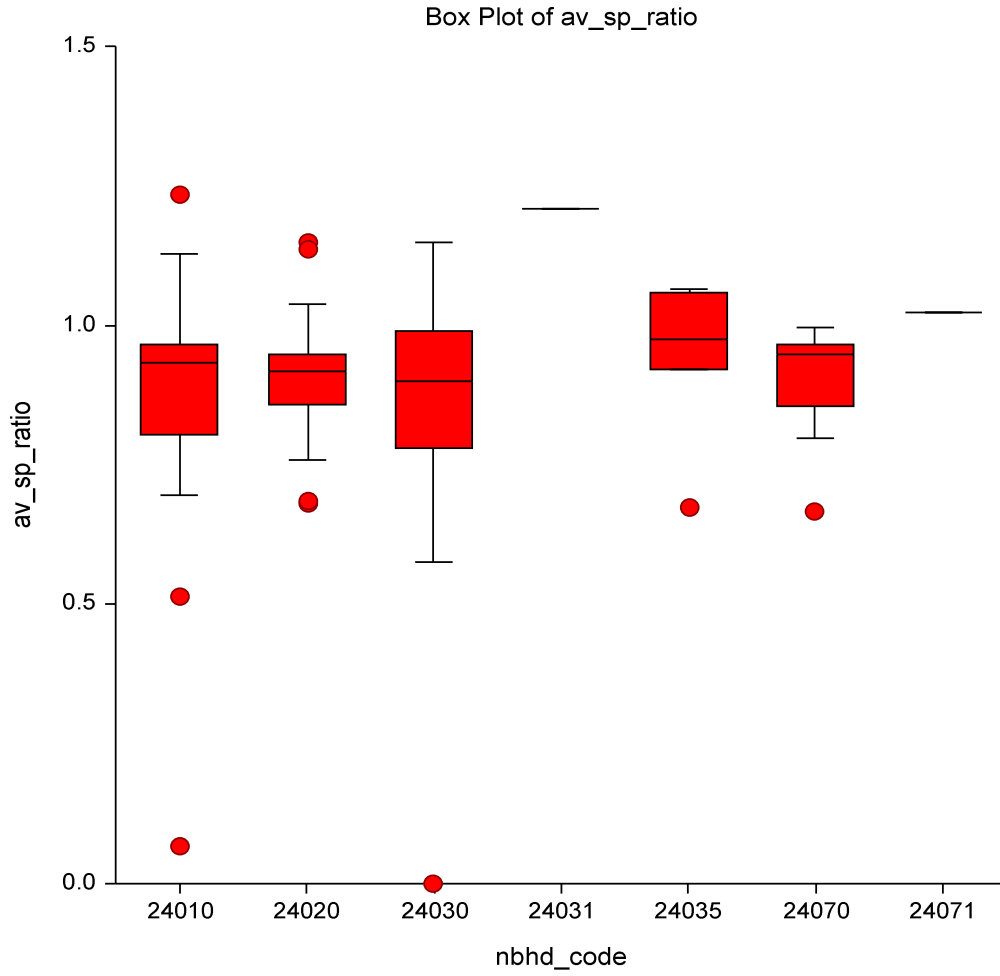
a swis = 502200



Ratio Statistics for tos_total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
24010	20	.909	.940	1.009	11.560
24020	33	.907	.917	1.007	7.884
24030	39	.885	.903	1.018	11.993
24031	1	1.208	1.208	1.000	.000
24035	7	.948	.976	1.006	8.302
24070	15	.905	.947	1.004	6.710
24071	1	1.023	1.023	1.000	.000

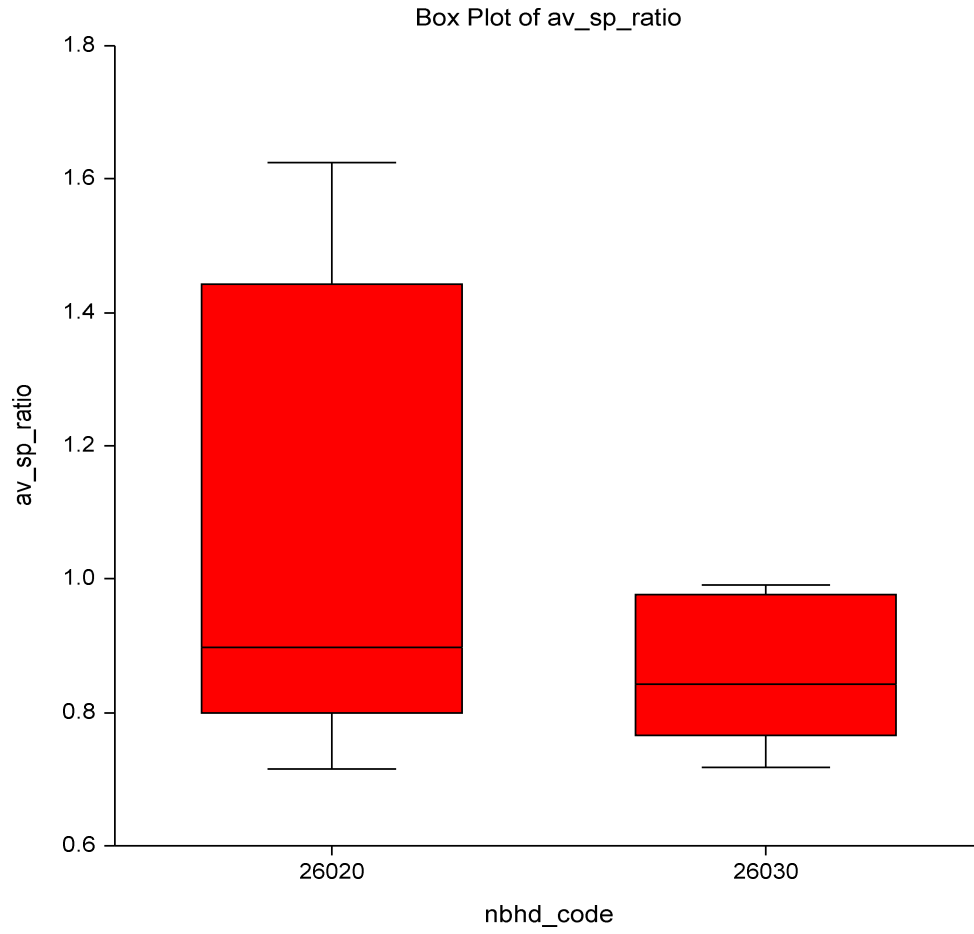
a swis_town = 24



Ratio Statistics for tos_total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
26020	6	1.057	.897	1.115	29.629
26030	6	.858	.843	1.025	10.827

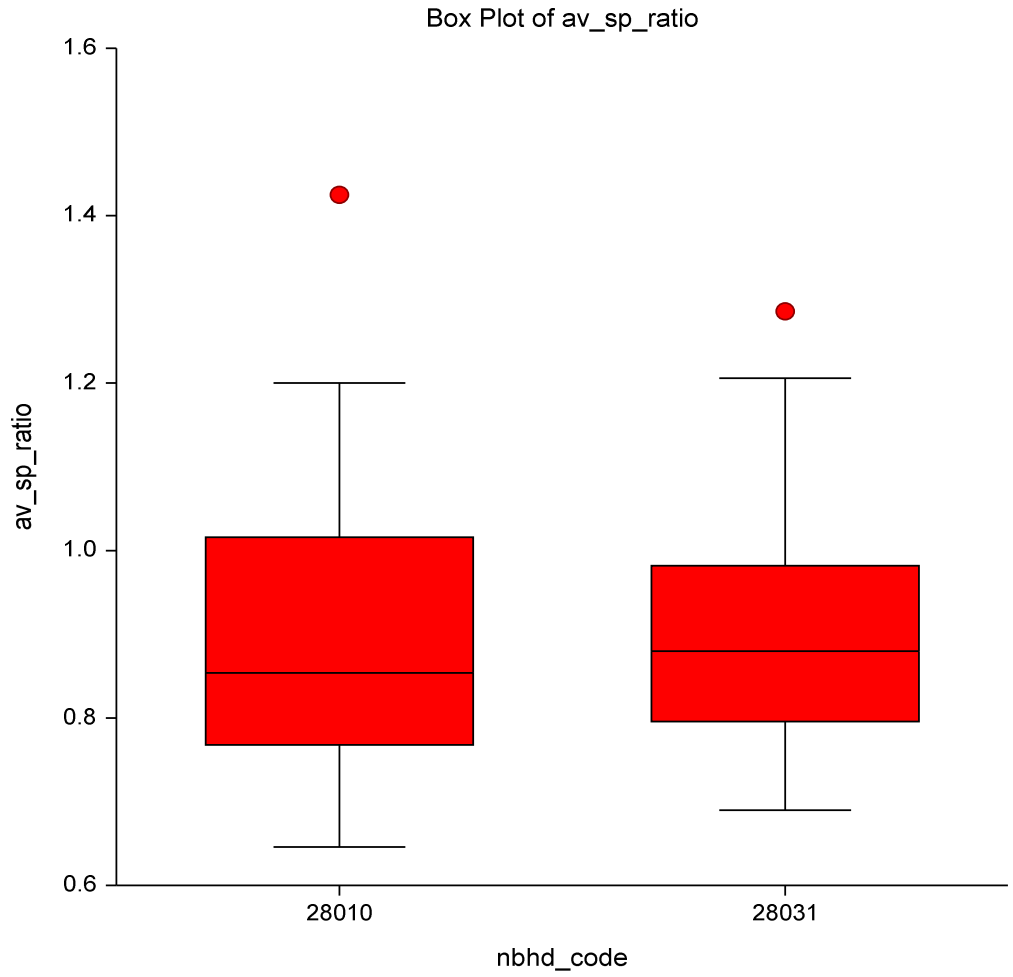
a swis_town = 26



Ratio Statistics for tos_total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
28010	20	.906	.854	1.020	15.925
28031	21	.909	.880	1.057	13.111

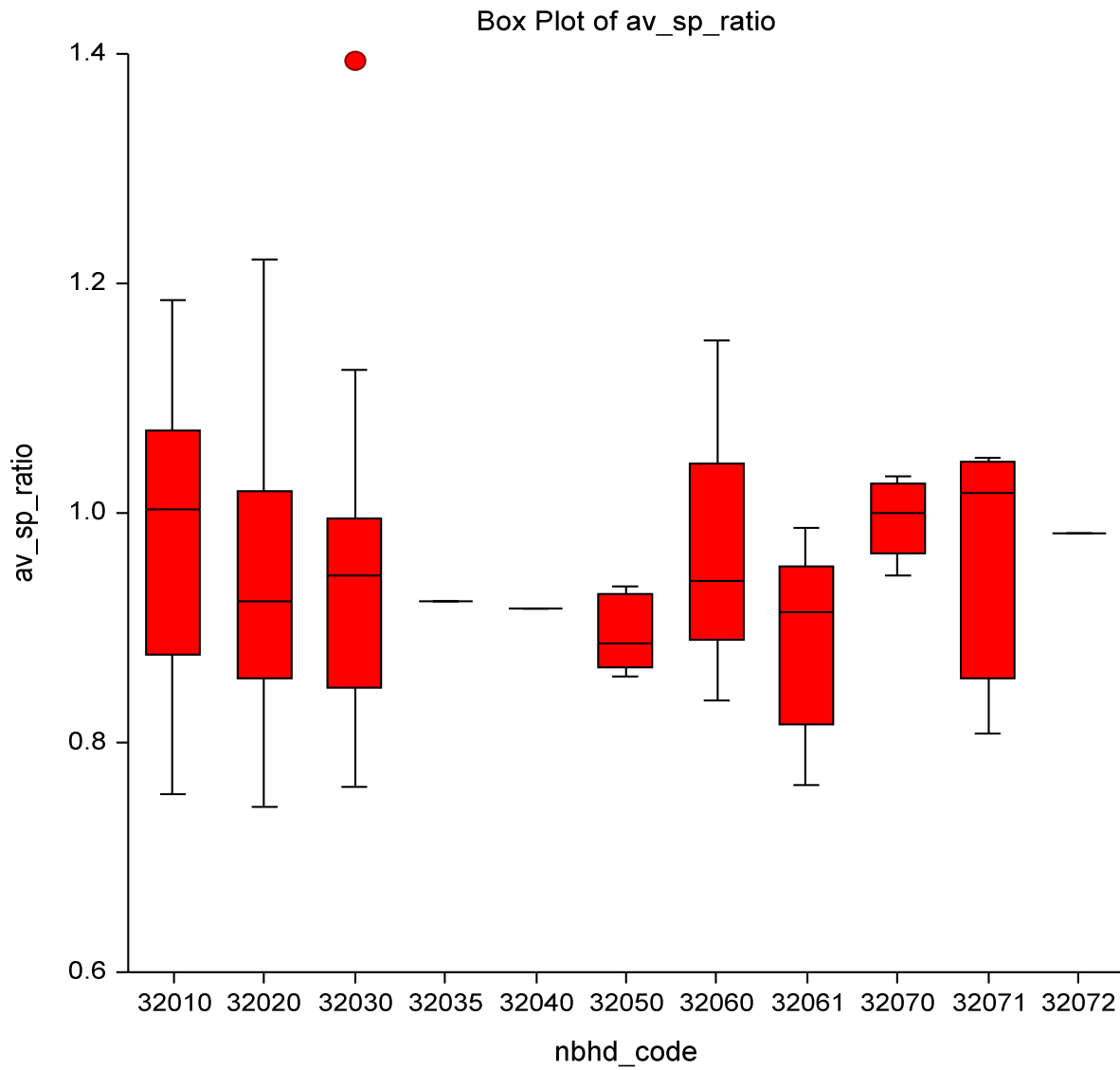
a swis_town = 28



Ratio Statistics for tos_total_av / sale_price

Group		Mean	Median	PRD	Coefficient of Dispersion
32010	12	.981	1.004	1.001	9.238
32020	21	.947	.923	.990	10.256
32030	24	.940	.946	1.011	10.203
32035	1	.923	.923	1.000	.000
32040	1	.917	.917	1.000	.000
32050	5	.895	.887	.998	2.922
32060	13	.967	.940	1.001	8.601
32061	9	.891	.914	.989	6.536
32070	5	.996	1.000	.999	2.418
32071	4	.973	1.017	1.009	6.758
32072	1	.982	.982	1.000	.000

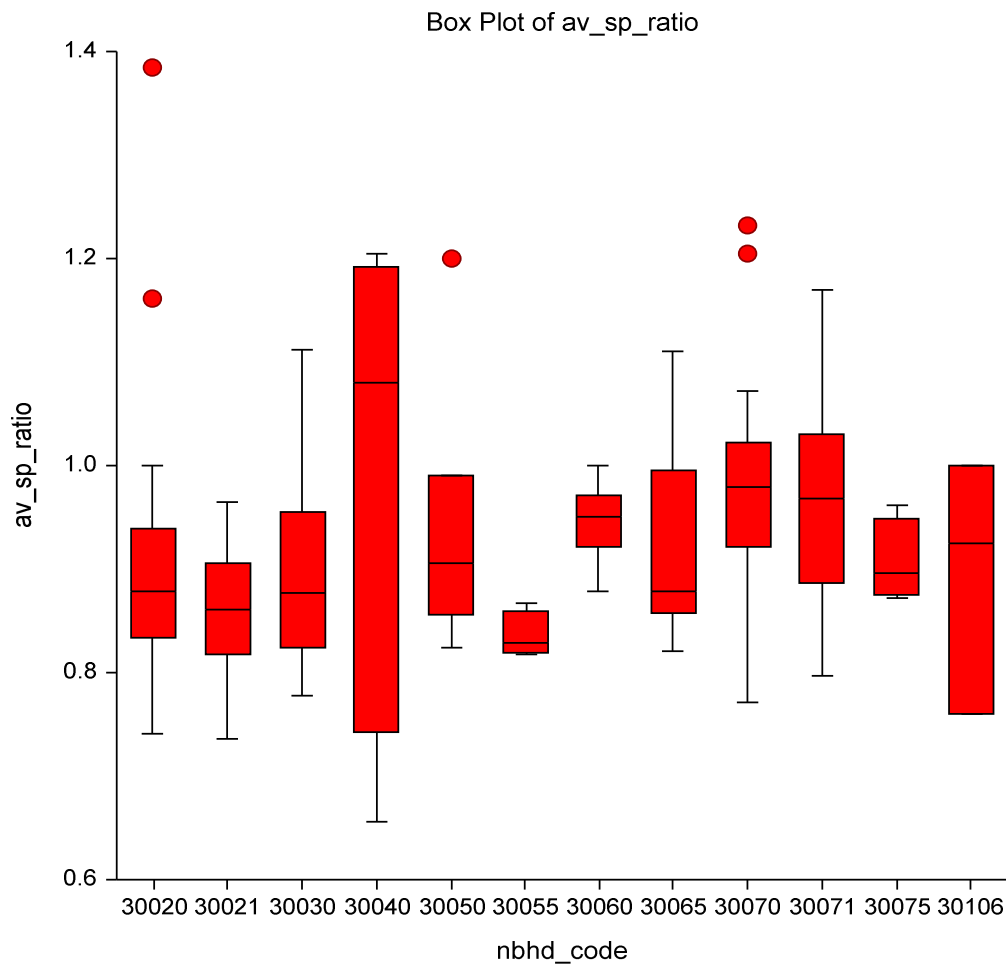
a swis_town = 32



Ratio Statistics for $\text{tos_total_av} / \text{sale_price}$

Group		Mean	Median	PRD	Coefficient of Dispersion
30020	22	.910	.878	1.030	9.365
30021	13	.855	.861	1.001	5.887
30030	12	.896	.877	.995	8.175
30040	4	1.005	1.080	.914	16.291
30050	7	.946	.905	1.007	9.746
30055	4	.836	.829	.999	1.783
30060	7	.945	.951	1.001	3.220
30065	15	.928	.878	.978	8.349
30070	23	.975	.979	1.001	7.916
30071	17	.965	.968	1.013	7.926
30075	4	.910	.897	1.007	3.122
30106	3	.895	.925	1.029	8.658

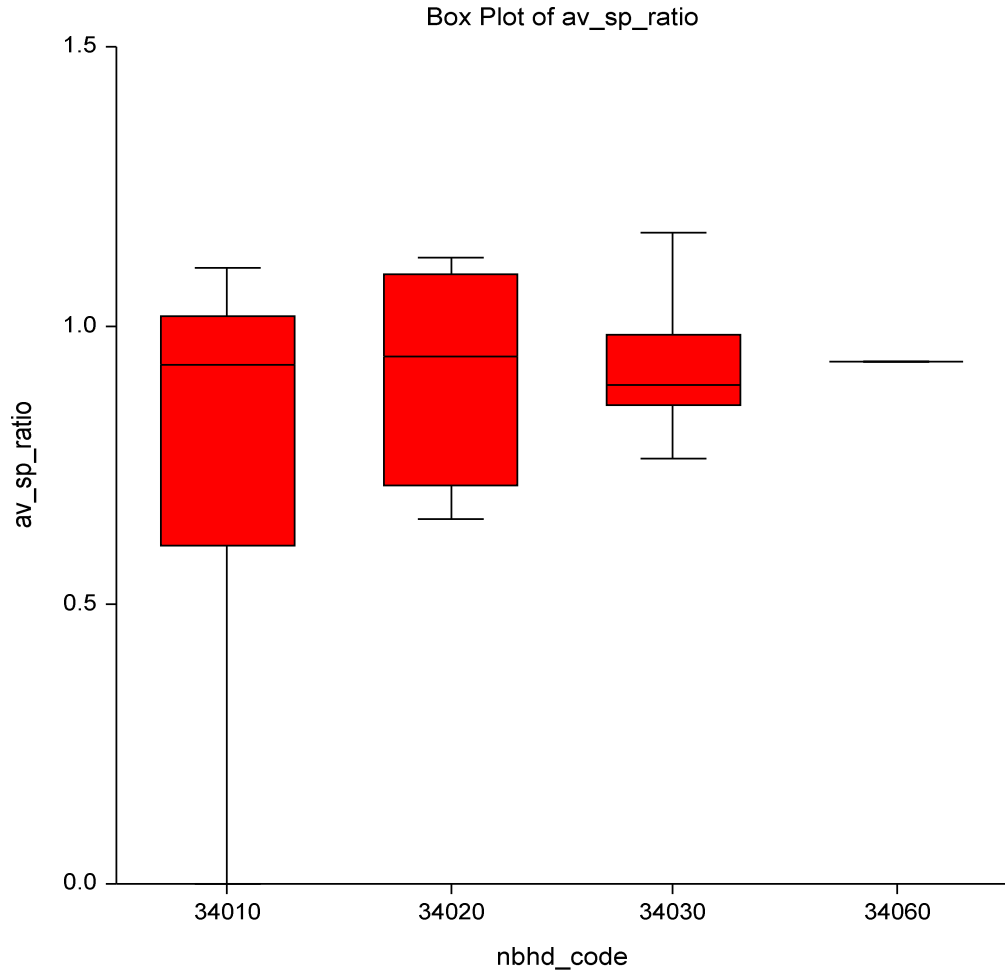
a swis_town = 30



Ratio Statistics for tos_total_av / sale_price

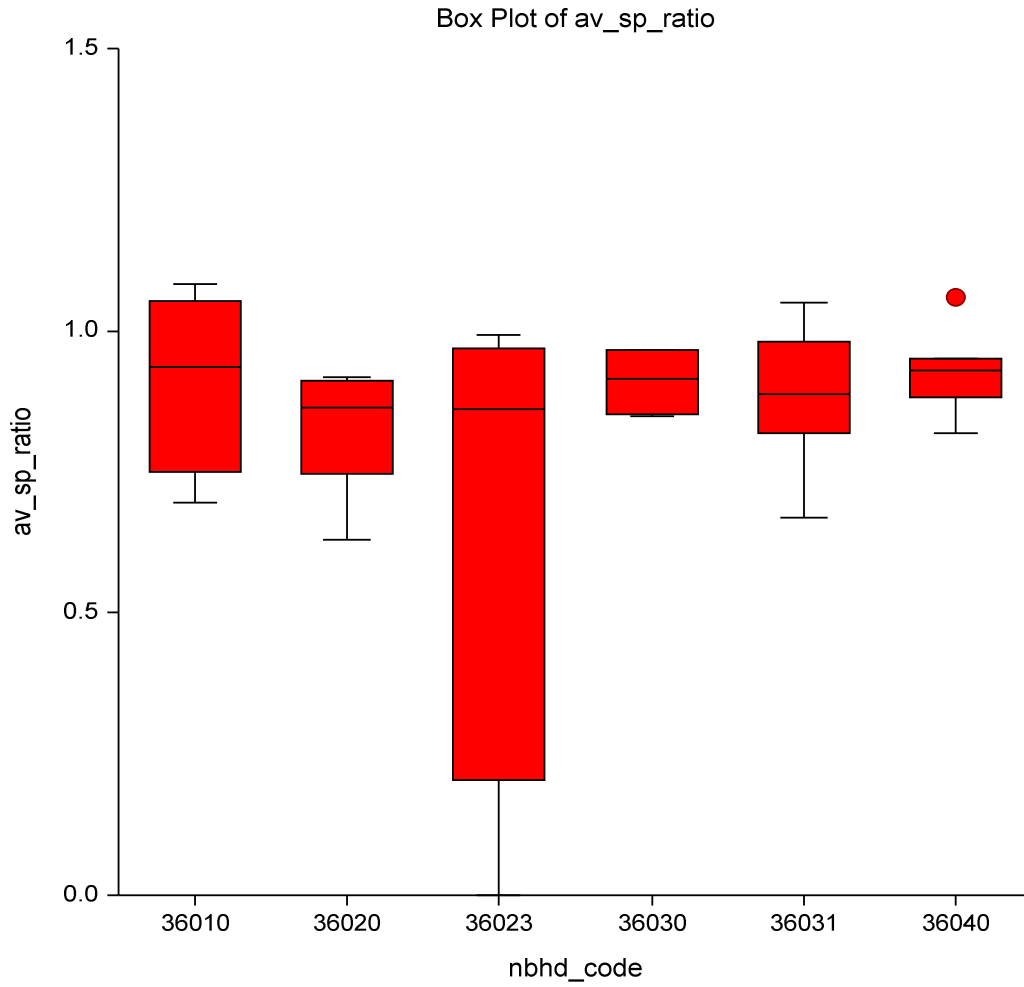
Group		Mean	Median	PRD	Coefficient of Dispersion
34010	5	.953	.987	1.006	8.245
34020	4	.917	.946	.937	15.254
34030	12	.925	.893	.996	10.006
34060	1	.936	.936	1.000	.000

a swis_town = 34



Group		Mean	Median	PRD	Coefficient of Dispersion
36010	3	.912	.935	.987	11.689
36020	8	.828	.863	1.092	8.217
36023	6	.904	.898	1.016	6.423
36030	6	.912	.915	1.013	5.867
36031	14	.886	.889	.991	8.914
36040	3	.924	.931	1.023	5.313

a swis_town = 36



Vacant Land

Ratio Statistics for $\text{tos_total_av} / \text{sale_price}$

Muni	Sales	Median	COD	PRD
500700	2	0.8425	29.6973	1.0283
502000	5	0.8108	23.113	1.0221
502200	6	0.7122	31.2833	1.0121
502401				
502403	2	1.1522	80.8106	1.5489
502489	16	0.9058	37.4365	1.0578
502600	2	0.5661	100	2.28528
502801				
502889	6	0.8365	11.1178	1.0252
503001				
503089	7	0.8086	17.4623	1.0738
503201	6	0.8808	5.8697	1.0194
503289	5	1	18.4900	0.9576
503400	8	0.8506	38.0672	1.1297
503601	2	0.8914	9.7599	0.9899
503689	6	0.7989	40.3805	1.2977
Total	73	0.8511	31.2302	1.0946