



CITY OF MOUNT VERNON, N.Y.

Mayor's Office

SHAWYN PATTERSON-HOWARD, MPA

Mayor

City Hall, One Roosevelt Square
Mount Vernon, NY, 10550
(914) 665-2362 – Fax: (914) 665-6173

KRISTYN BRIEZ REED

Chief of Staff

February 6, 2023

Attorney General Letitia James
Office of the Attorney General
The Capitol
Albany, NY 12224

State Comptroller Thomas P. DiNapoli
New York State Comptroller
Office of the New York State Comptroller
110 State Street Albany, NY 12236

To Attorney General James and State Comptroller DiNapoli,

There has been great discussion in the City of Mount Vernon over the past few years relating to disastrous actions taken by previous Comptroller Deborah Reynolds. Undoubtedly, we have detailed these actions in various letters to your office during the past two years. Nonetheless, we are aware of the implications her actions have caused on the residents of Mount Vernon and have been working tirelessly as a team, in collaboration with the NYS Comptroller's Office to get the City of Mount Vernon on the right track.

Still there is more work to do, we were made aware of a letter by the Mount Vernon City School District sent to your office and members of our state delegation that makes some unproven allegations towards the operations of this current administration here in Mount Vernon. While it is disheartening to see such a letter be sent, politicized, and dramatized to the media, we would like to take some time to set the record straight on what has been alleged and what steps we as a City are taking to move forward:

The School district has requested an investigation into \$11.7 million in tax money owed from 2017 -2019 and claims the Mayor's Office has acknowledged money is owed but has no way to pay.

This is a matter for the Comptroller's Office, not the Mayor's Office. We have agreed with the amount of outstanding school taxes for 2017 – 2019, which is roughly \$11.7 million. The agreed upon amount was determined through the cooperation of the current Comptroller, who provided all requested tax finance documents for the related years to the School District's attorneys. Thus, after the reconciliation of the City documents and the School District tax records by both entities, we concurred with the amount of school taxes outstanding. While the Real Estate Property Tax Law requires the tax enforcer to pay the school district the balance of unpaid taxes, our tax system records show approximately \$11 million of unpaid school taxes for 2017 – 2019, representing 460 properties. According to the records, and upon information and belief, there is no indication of any criminal activity performed, nor any money missing, nor any referral to the AG's office from the January 2022 State Comptroller's Report,

"The Jewel of Westchester"



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which followed a request from Mayor Patterson-Howard to audit the city back in 2020. It is simply a matter of how to collect the unpaid school taxes from the tax payers given the financial distress of the City.

The school district alleges an additional \$6 million in uncollected taxes from the 2020-21 school year, mostly from foreclosure proceedings, but that the city does not plan to transfer the money because the school district now collects its own taxes.

This issue is separate from the \$11.7 million matter and should not be confused. The School District took over the responsibility for collection of their taxes in 2020 and is responsible for submitting to the Comptroller, as tax enforcer, a certified list by the school authorities (typically, the Clerk of the Board or Board of Trustees) at the expiration of the tax warrant by February 2021. As of date, the Office of the Comptroller has not received the certified listing of unpaid taxes for 2020-21. Likewise, we have not received the same for 2021-22. In December 2022, twenty-two (22) and ten (10) months, respectfully, after the required date, the City received a PDF document listing unpaid taxes from 2020-21 and 2021-22 that had not been compared by the Trustees nor with an accompanying certification, in accordance with Real Property Tax (RPT) Article 13, Section 1332. Based on the RPT law, we can only conclude that the School District chose to retain the tax collection and is only now choosing to submit the unpaid taxes to the Comptroller for enforcement.

Therefore, the Comptroller's Office could not proceed with enforcement or collecting those unpaid taxes, nor foreclosing proceeding on unpaid taxes because they were never received from the School District. It is factually incorrect and disingenuous for the School District to allege that the City will owe any additional tax payments when the School District has retained the tax warrant. To that end, we are seeking a legal opinion to determine when the redemption period begins before foreclosure proceeding are to begin, and if the City would have two years from the date in which the School District remits the certified listing of unpaid taxes. If so, the Comptroller would have two years from that date to enforce the tax collection and remit payments to School District, not due this month.

On January 31, the School District attorney in a public meeting said that the City is withholding millions of tax payments and will not pay it back. Furthermore, it was allegedly that money was missing from the city and slides presented indicated "malfeasance, incompetence and criminality".

Prior to the current Comptroller taking office and based on our review of the tax system records, the records indicate that the remaining unpaid school taxes were not collected after the expiration of the tax warrant, so the City never received the tax payment to remit to the School District. Additionally, based on the Real Estate Property Tax Laws, the City would not have been allowed to foreclose for unpaid taxes in 2020 as a result of COVID and a "State-wide" freeze on foreclosures. Without the ability to enforce payment of taxes through foreclosure proceeding, and the lack of fund balance, it is impractical for the City to advance the payments to the School District for these unpaid taxes. None of the above equates to "malfeasance, incompetence or criminality".



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We have engaged with the school district privately on how to proceed with these unpaid monies, so it was shocking to see a strongly worded letter sent to your offices and promoted to news outlets while discussions were ongoing. Nonetheless, we stand ready to work with your offices and the school district to rectify this issue as quickly as possible for the betterment of all Mount Vernon residents.

In Service,

Shawyn Patterson-Howard, MPA
Mayor

Dr. Darren M. Morton, Ed.D., CPRP, CMFO
Comptroller

Danielle Browne, Esq.
Council President

CC:

County Executive George Latimer
County Legislator Tyrae Woodson-Samuels
County Legislator David Tubiolo
Assemblyman J. Gary Pretlow
State Senator Jamaal T. Bailey
Congressman Jamaal Bowman