

Tax Abatement Hearing Cariati

Date: 10/05/2021

Hearing Time: 5:00 p.m.

Present: Rich Carlson, Marie Conway, Lindsey MacCuaig, Ann Singiser, Dick Wilcox, Larry Courcelle, Al Wakefield – BOA members, Nancy Gondella – Town Clerk, Jesse Bridge – Secretary/Assistant Town Clerk, Donald Cariati (via Phone) - Appellant

Call to Order: Nancy called the meeting to order at 5:00 p.m. and asked to nominate a chair for the board. Motion to nominate Nancy by Ann, 2nd by Marie. All were in favor.

Case Introduction: Nancy passed out a copy of the application for abatement and a copy of the tax history which shows the tax amount due up to this point. The oath is administered to Donald over the phone. Nancy asked if anyone on the board has any conflicts of interest, no one replies with any.

Appellant Testimony: Donald explained he purchased the property at an auction in January. He said it was not like any other auction he had ever been to. It was supposed to be an Absolute Auction, there were other bidders there and he had to bring a check. He bid on the property and original sale was \$31,200. The auctioneer took his bid number and said it was sold to him. The auctioneer came back about 10 minutes later and said the bank wants to reopen the bid. So it was reopened and he had to bid again and it went up to about \$57,000 and he was told that he had to pay that or he would forfeit his deposit. He figured he would pay it and fight later. They didn't tell him the exact amount of taxes that were owed. They told him the pre interest and penalty amount. He has been looking into this property for a long time and is very excited about the project. He wants to reopen the restaurant and refinish the apartment. Also he wants to put in self-storage units for snowmobiles and more apartments. Since the sale ended up being more than what he expected is has cut into the money he was going to use to refurbish the building and that is why he is asking the Town for an abatement of some of the taxes.

Discussion: Lindsey asked what was the actual price of the property in the end. Donald said \$56,000. Nancy asked if he was able to get a reduction at all. Donald said no, his attorney Frank Urso tried to talk with the bank and they were strung along and finally told they were going to have to sue the bank to get anywhere. Donald said he asked for the tape of the auction and was told he would get it and it never came and then they were told they couldn't find it. Nancy asked what an Absolute Auction is. Donald said it means that there is no reserve. There is no threshold, it has to sell for whatever the largest bid is. He believes that the bank didn't like his first bid and made up a reserve that they needed to meet and that is why it went back to bid. Rich asked if he had started any renovations or improvements to the property. Donald said no, in fact, no one knew where the keys were up until about a month ago and they just got access to the building a week ago. Rich asked who the owner of the property was at the time of the auction. Donald said TD Bank. Al asked what the obligation of the purchaser to do his due diligence and what is the obligation of the auctioneer or owner to reveal any monies due. Donald said there was an auction packet that was put together, that has water, sewer etc. He was told the ERU's were revoked due to nonpayment. He said he was told that there were back taxes owed but he thinks the number was before all penalty and interest. Lindsey asked if he asked if there were any taxes due. Donald said yes he did and he believes he got the original number but not the interest and penalty. At

no point in time was it ever revealed that it was 18 or 19 thousand. Donald said he was going to look for the number but never gave an answer.

There being no further discussion the meeting adjourned at 5:23pm.

Date approved _____

Nancy Gondella - Town Clerk

Jesse Bridge - Secretary

DRAFT