

**Prop 2 FAQ**  
**October 28, 2022**

### **What is the value of the property?**

The financial value of properties are represented in two ways: the **appraised** value and the **assessed** value.

- The APPRAISED VALUE is a determination of what the fair market value of a property would be if it were put on the market today. They are done by state-licensed professional appraisers who consider a wide variety of factors, from recent sales of similar properties to school districts to area sales and development patterns. The 9 parcels proposed for protection had an appraised value of \$4,032,500 in February, 2022. The appraisal was conducted by Schechter Valuation Services, LLC and can be viewed [here](#).
- The ASSESSED VALUE is the value of a property that is used for determining its tax rate. The assessed and appraised should ideally be the same, but they grow apart through time as fair market (appraised) values increase but the assessed values remain the same. This occurs because assessed values are only periodically updated through townwide reassessments. The 9 parcels proposed for protection, for example, were last assessed in 2014, and like other properties across Bethlehem, their fair market value has increased over the last 8 years. The assessed values for all parcels was \$2,751,500. Additional detail is available on the [Town Assessor's web page](#).)
- **BOTTOM LINE: Property transactions are based on APPRAISED, not assessed, values.**

### **What is the Farms & Forests Fund?**

In 2019, the Town Supervisor and Town Board (with unanimous Democrat **and** Republican support) worked with the Town Comptroller to create the Farms & Forests Fund. This capital reserve fund is designed to support land protection in partnership with interested landowners on properties that would continue as working lands. Farms & Forests Fund monies can **only** be used for land conservation. You can read the resolution creating and describing the fund [here](#).

**Contrary to social media speculation, Farms & Forests Funds are dedicated capital reserves for land conservation, not for other purposes.**

The Farms & Forests is funded through (a) private donations and (b) a portion of unassigned funds when the Town finishes a fiscal year with a surplus more than 20%. When the Fund was established, previous fiscal years indicated that it would typically range between \$0 and \$100,000 annually, as no monies go into the fund if the surplus is 20% or less. The Town finished the 2021 fiscal year with an unusually large surplus for three core reasons: (1) the Town Board created an extremely conservative 2021 budget because of the 2020 pandemic and economic downturn, (b) Town departments had trouble filling vacant positions (a challenge for many other employers as well), and (c) consumer spending and other factors delivered unprecedented sales tax and mortgage tax revenues. Following mandated protocols, \$2,000,567 of the year's surplus went into the Farms & Forests Fund at the end of the 2021 fiscal year.

The purchase of the farmland properties is exactly the kind of project the Fund was designed to support. Not protecting the land will almost certainly result in the properties being sold to developers at some point in the future.

## What happens if the farmland is protected?

There are so many possibilities once the transaction is completed! Currently under consideration are the following.

- Dedication of an 11.5-acre parcel on Wemple Road as parkland. When combined with an adjacent 8-acre parcel already owned by the Town, this would allow us to create a 20-acre public park in the future. There are numerous homes in close proximity.
- Agricultural easements would be placed on the remaining properties. Easements restrict development on a property to protect its conservation or agricultural values. Easements are attached to the property deed, so they stay with the property even if the land is sold or passed on through inheritance, thereby ensuring that the land will be able to grow crops, but never subdivisions, forever. We could then:
  - sell and/or lease the properties to a private farmer,
  - partner with a nonprofit farming organization to help them create a farming incubator,
  - partner with a veterans organization to help them create spaces for veterans to fight PTSD through agriculture, and more.

**We have many options that can be tailored to each user on each property, with the bottom line that the properties can never grow subdivisions.**

## How will farmland protection affect other infrastructure investments?

Funds for this farmland protection effort are primarily coming from the Farms & Forests Fund, a capital reserve fund that can **only** be used for land conservation. **Farmland protection will not draw funds away from other priority infrastructure investments.**

Demonstrating this, the 2023 capital budget includes investments of:

- more than \$9.6M for water & sewer infrastructure improvements
- more than \$2.3M for park improvements
- almost \$1M for paving
- **\$600K for Police car & body cameras**
- \$480K for sidewalk restoration
- more than \$120K for Recycling & Composting expansion

**The Town's 2023 budget also includes a 3% cost of living increase for staff.**

This is consistent with past infrastructure investments. Over the last 3 years, the Town has invested:\*

- almost \$12 million in water & sewer infrastructure improvements
- more than \$3 million in road paving
- more than \$680K in Police vehicles and equipment
- more than \$600K in expanding the Recycling & Composting program
- more than \$580K in sidewalks
- more than \$530K in Park improvements

\*2020 & 2021 actual, 2022 authorized

## What will happen to property tax revenues if the properties are protected?

**Protecting the properties will not decrease tax revenues to the RCS School District, Selkirk Fire Dept, Ravena Library, Albany County, or Town of Bethlehem.** This is because all the

property taxes we pay (school, fire, library, County, and Town) are based on the budget of each governing body through their annual budget, with the amount we pay determined by each property owner's share of that total.

A variety of factors influence each property owner's tax bill. Tax exemptions decrease how much individual property owners pay, with their unpaid amount being spread evenly across all other tax payers. There are currently more than 40 types of exemptions managed by our Town Assessor, from Basic STAR exemptions to a variety of exemptions for veterans. Properties owned by government bodies (such as the State, school districts, or fire departments) and nonprofit organizations also do not pay property taxes.

Further, New York State's Department of Ag and Markets Agricultural Assessment Program gives farmers the option of getting property tax decreases of up to 80% on their agricultural lands. Like all other exemptions, their unpaid amount is spread evenly across all other tax payers. Conversations with the landowner indicated that they would apply for an Agricultural Assessment if the Town did not purchase the parcels, which they would keep in place until they sold the properties to someone else.

### **Why doesn't the Town use the funds to purchase 65 Kenwood Ave (formerly owned by the Kleinke family) in Delmar?**

There have been discussion on social media claiming that the funds should be used to purchase a parcel formerly owned by the Kleinke family in Delmar. The reason is simple: the property is not for sale. You can read the letter from the property owner asserting this [here](#).