

HIGH TAXES, LOW GROWTH & MISSED OPPORTUNITIES

A Multi-Part Report by Concerned Geneva Taxpayers

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INSTALLMENT ONE – CITY PROPERTY TAXES:

For those unfamiliar with how property taxes work, total property taxes paid by City property owners consist of three elements, the County tax, the school tax and the City tax. The tax rates levied by these three taxing authorities will typically differ, depending on budgets and other factors, but are based on the same assessed property value as determined by the local appraiser.

As everyone responsible for paying property taxes in the City of Geneva knows, its property tax rate is egregiously high. With an assessment revaluation scheduled in 2024, City residents could face yet another rise in their tax bills.

Understanding the relative burden and equity of municipal property taxes from one community to the next is rather complex, as several variables are at play, including City demographics, the residential vs. commercial property mix, the amount of tax-exempt property on the assessment rolls, the consistency and fairness of individual property assessments on the tax rolls, the nature and amount of other municipal revenues, and, of course, governance and services efficiencies.

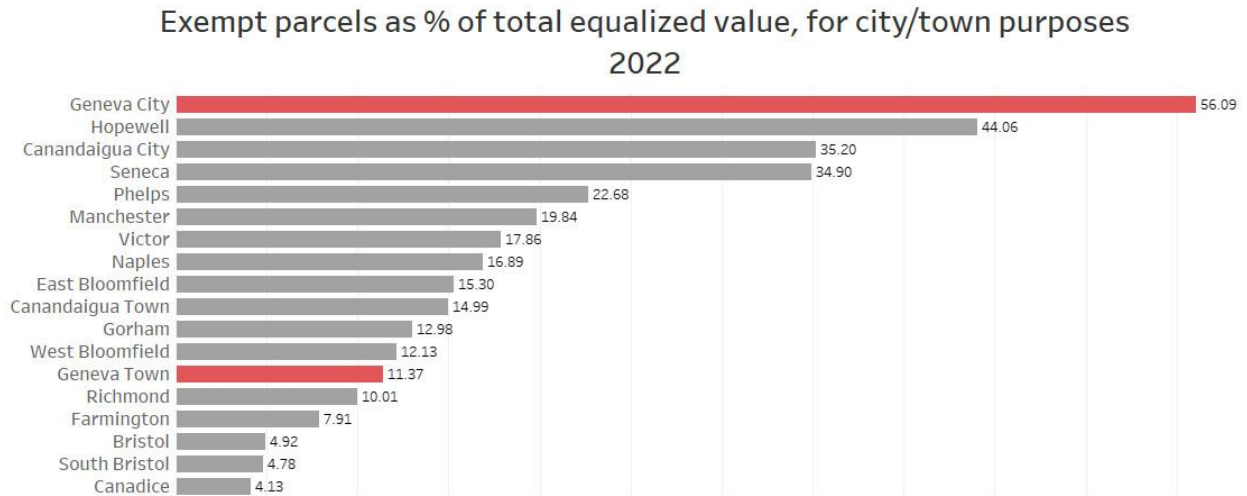
Municipal property tax rates in New York State range from a high of \$25.75 per \$1,000 of assessed value to a low of \$-0- per \$1,000 of assessed value in a number of small villages and towns across the State. The City's 2022 property tax rate was **\$17.63** per \$1,000 of assessed value, ranking the City 15th highest in the State and, as the chart below shows, the highest by a significant margin in Ontario County.

Municipality	Levy Year	Total Municipal Tax Levy	Municipal Tax Rate Per \$1000 FV
City of Canandaigua	2022	6,003,543	7.48
City of Geneva	2022	8,339,163	17.63

Town of Bristol	2022	986,586	4.64
Town of Canadice	2022	904,786	4.51
Town of Canandaigua	2022	3,594,784	2.44
Town of East Bloomfield	2022	1,063,497	3.49
Village of Bloomfield	2021	209,726	2.82
Town of Farmington	2022	3,087,347	2.72
Town of Geneva	2022	413,194	0.90
Town of Gorham	2022	919,607	1.36
Village of Rushville	2021	174,888	5.93
Town of Hopewell	2022	1,041,756	3.90
Town of Manchester	2022	1,110,057	2.55
Village of Manchester	2021	350,846	5.06
Village of Shortsville	2021	444,100	7.37
Village of Clifton Springs	2021	738,767	6.74
Town of Naples	2022	1,060,400	4.94
Village of Naples	2021	263,583	4.54
Town of Phelps	2022	1,687,577	3.45
Village of Phelps	2021	501,943	5.48
Town of Richmond	2022	1,080,014	2.77
Town of Seneca	2022	11,055	0.05
Town of South Bristol	2022	734,349	1.51
Town of Victor	2022	4,427,840	2.10
Village of Victor	2021	819,163	3.81
Town of West Bloomfield	2022	714,739	3.48

While the numeric average of the municipal property tax rates in Ontario County as shown above is \$4.30 per \$1,000 of assessed value, it is interesting to note that the City's property tax rate was 4.10 times that average, 19.6 times that of the Town of Geneva, 2.40 times that of the City of Canandaigua, and 4.6 times that of the Village of Victor. While there are several variables impacting these results as previously noted, the sheer magnitude of these disparities would suggest that something is simply not right.

One reason commonly given for these disparities is the high percentage of property within the boundaries of the City that is exempt from property taxation. The data suggests that this is clearly a meaningful factor, with approximately **56%** of Geneva’s total assessed value being exempt. This compares, for example, to approximately **11%** in the Town of Geneva. The chart below shows the wide range of differences in the amount of property that is exempt in Ontario County for property tax purposes:



Exemptions are reported in three categories: county purposes; school district purposes; and city/town purposes. The above chart shows figures for city/town purposes.

Asking some State property owners to bear a higher property tax burden simply because exempt property benefitting a much broader population lies within their tax district seems unfair, but is an inequity that likely can only be cured by State legislative action or in the courts.

Another problematic variable for the City is the fact that, after adjusting for inflation, there has been virtually no growth in its property tax base over the past 15 years. According to the New York State Office of Real Property Tax Services, the year 2008 value of the City’s taxable property was approximately \$350.652MM (vs. \$548.606MM in 2022), resulting in a mere **15.1%** increase in the City’s taxable property tax base **over that 15 years**, when adjusted for inflation.

While some of that is understandable when considered in the context of declines in manufacturing and other economic activity seen generally in the northeastern part of the country, the Finger Lakes region has been in the midst of a renaissance of sorts during the past 15 years or so. This recovery has been driven in large part by increases in regional tourism associated with wine and other craft beverage production. Nevertheless, there has been little or no measurable impact on the City’s property tax woes. This would seem to qualify as a major “missed opportunity”.

And while Geneva’s population has declined significantly, its municipal spending has not. Its total tax levy – the amount in taxes charged and collected by a local government — ranks third in

the following list of 11 upstate cities (including Geneva), behind two more affluent communities, Beacon and Glens Falls. Yet the full value of taxable property in Geneva ranks eighth.

Community	County
Oneonta	Otsego
Beacon	Dutchess
Corning	Steuben
Dunkirk	Chautauqua
Fulton	Oswego
Glens Falls	Warren
Ogdensburg	St. Lawrence
Canandaigua	Ontario
Oneida	Madison
Olean	Cattaraugus

Here are key metrics for Geneva and the 10 similar-sized cities listed above. While there are a number of differences in the make-up of the listed cities, specifically including their population demographics and property mix, it is interesting to note some of the raw data, such as population, tax levy, tax rate and poverty rate:

Beacon Dutchess County Beacon City School District		Geneva City	Canandaigua Ontario County Canandaigua City School District	
2020 population	13,769	12,812	2020 population	10,576
Taxable full value of properties	\$1,532,572,525	\$472,928,671	Taxable full value of properties	\$802,753,380
Total tax levy 2022	\$12,293,218	\$8,339,163	Total tax levy 2022	\$6,003,543
Full value tax rate	8.02	17.63	Full value tax rate	7.48
Pct of parcels exempt from tax	15.82	56.09	Pct of parcels exempt from tax	35.20
Poverty rate	9.2	18.6	Poverty rate	8.0
Housing units	6,275	5,192	Housing units	5,565
Owner-occupied housing (% pop)	65.5	52.0	Owner-occupied housing (% pop)	51.4
Median value of owner-occupied hsg w/ mortgage	\$354,800	\$104,100	Median value of owner-occupied hsg w/ mortgage	\$180,900
Median RE taxes of owner-occ hsg w/ mortgage	\$6,477	\$3,274	Median RE taxes of owner-occ hsg w/ mortgage	\$4,861

Corning Steuben County Corning City School District	Geneva City	Dunkirk Chautauqua County Dunkirk City School District
2020 population	10,551	12,812
Taxable full value of properties	\$696,205,692	\$472,928,671
Total tax levy 2022	\$8,032,700	\$8,339,163
Full value tax rate	11.54	17.63
Pct of parcels exempt from tax	25.37	56.09
Poverty rate	16.0	18.6
Housing units	5,741	5,192
Owner-occupied housing (% pop)	60.3	52.0
Median value of owner-occupied hsg w/ mortgage	\$122,400	\$104,100
Median RE taxes of owner-occ hsg w/ mortgage	\$4,323	\$3,274

Fulton Oswego County Fulton City School District	Geneva City	Glens Falls Warren County Glens Falls City School District
2020 population	11,389	12,812
Taxable full value of properties	\$390,976,626	\$472,928,671
Total tax levy 2022	\$6,949,629	\$8,339,163
Full value tax rate	17.78	17.63
Pct of parcels exempt from tax	24.07	56.09
Poverty rate	23.6	18.6
Housing units	5,293	5,192
Owner-occupied housing (% pop)	57.3	52.0
Median value of owner-occupied hsg w/ mortgage	\$82,500	\$104,100
Median RE taxes of owner-occ hsg w/ mortgage	\$3,205	\$3,274

Ogdensburg St. Lawrence County Ogdensburg City School District	Geneva City	Olean Cattaraugus County Olean City School District
2020 population	10,064	12,812
Taxable full value of properties	\$287,598,877	\$472,928,671
Total tax levy 2022	\$4,569,314	\$8,339,163
Full value tax rate	15.89	17.63
Pct of parcels exempt from tax	57.40	56.09
Poverty rate	18.4	18.6
Housing units	4,124	5,192
Owner-occupied housing (% pop)	70.0	52.0
Median value of owner-occupied hsg w/ mortgage	\$79,600	\$104,100
Median RE taxes of owner-occ hsg w/ mortgage	\$2,851	\$3,274

Oneida Madison County Oneida City School District		Geneva City	Oneonta Otsego County Oneonta City School District	
2020 population	10,329	12,812	2020 population	13,079
Taxable full value of properties	\$522,038,377	\$472,928,671	Taxable full value of properties	\$493,483,711
Total tax levy 2022	\$5,096,110	\$8,339,163	Total tax levy 2022	\$4,989,000
Full value tax rate	9.76	17.63	Full value tax rate	10.11
Pct of parcels exempt from tax	28.92	56.09	Pct of parcels exempt from tax	46.85
Poverty rate	12.4	18.6	Poverty rate	18.4
Housing units	4,759	5,192	Housing units	4,935
Owner-occupied housing (% pop)	65.4	52.0	Owner-occupied housing (% pop)	52.4
Median value of owner-occupied hsg w/ mortgage	\$126,600	\$104,100	Median value of owner-occupied hsg w/ mortgage	\$151,900
Median RE taxes of owner-occ hsg w/ mortgage	\$3,575	\$3,274	Median RE taxes of owner-occ hsg w/ mortgage	\$3,696

While interesting, straight-up comparisons on various selected data points does little to explain or help one understand the full nature and extent of the problem Geneva has with its City property tax burden, as the above information suggests.

Next: Installment Two – Housing Stock

Concerned Geneva Taxpayers is a small group of individuals with a mission of informing the public about aspects of the financial crisis that is engulfing the City of Geneva and threatening to further limit the quality of life here. More on the organization can be found at www.concernedgenevataxpayers.org.