

RESOLUTION NO. 337

AUTHORIZING THE CANCELLATION OF A TAX LIEN ON PROPERTY OWNED BY ADESTA COMMUNICATIONS AND A CHARGEBACK THEREFOR

Introduced: 10/10/06

By Audit and Finance Committee:

WHEREAS, The Commissioner of the Department of Management and Budget has requested legislative authorization to cancel a tax lien against ADESTA Communications and charge back \$328,650.10 in delinquent taxes paid by Albany County to nine municipalities and school districts, plus another \$29,854.15 in a general chargeback to local governments across the County, pursuant to provisions of Section 1140 of the Real Property Tax Law, and

WHEREAS, The Commissioner has indicated that the tax lien against ADESTA, for property the company leased from the New York State Thruway Authority to operate its fiber optic communications cable network along the Thruway right-of-way, has been rendered permanently unenforceable by an order of the U.S. Bankruptcy Court for the District of Nebraska, since the Authority is by law a tax exempt governmental entity, and

WHEREAS, The nine municipalities and school districts continued to tax the ADESTA network after the company filed for Chapter 11 bankruptcy on November 2, 2001 and stopped paying real property taxes on the network, requiring Albany County to make the municipalities whole for the unpaid amounts, now, therefore be it

RESOLVED, By the Albany County Legislature that the aforementioned tax lien shall be canceled on the grounds that said lien has been rendered permanently unenforceable as a result of the bankruptcy proceeding, and, be it further

RESOLVED, That the Commissioner of Management and Budget is authorized and directed to charge back to each municipal corporation their appropriate share of the canceled tax lien in accordance with provisions of Section 1140 of the Real Property Tax Law, and, be it further

RESOLVED, That the Clerk of the County Legislature is directed to forward certified copies of this resolution to the appropriate County Officials.

Adopted by voice vote. 10/10/06