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"Setting The Record Straight" Response

Commissioners Will Honor Tax Contract

On behalf of the Board of Commissioners – Commissioner Jerry Notarianni, Commissioner Chris Chermak and myself – we would like to set the record straight once and for all regarding the City of Scranton's Delinquent Tax Liens.

In the Fall of 2020, the City of Scranton approached Lackawanna County to enter into a cooperation agreement to collect delinquent property taxes on behalf of the City of Scranton. At the time, the City of Scranton was ending its previous contract with a private collection vendor.

In the spirit of intergovernmental cooperation, the County agreed to help the City. Lawyers from both governments negotiated an agreement, which at the City's request included the filing of liens on its behalf under the Pennsylvania Municipal Claim & Tax Lien Act. The Act is clearly noted and spelled out in Sections 2.1 & 2.5 in the Agreement.

Once complete, the Agreement was sent to City Council by Mayor Paige Cognetti and passed as "City of Scranton Ordinance #21 of 2020" and signed into law by Mayor Paige Cognetti on 9/17/2020. The Ordinance was then sent to the County Commissioners and was ratified on 12/2/2020 and became effective on 1/1/2021.

On 3/1/2021, letters were sent out to more than 3,600 properties on behalf of the City of Scranton, stating that the property owners were delinquent for the years 2019 & 2020. A second letter went out as a reminder on 4/1/2021. Because of these letters, more than 1,000 delinquent property owners have settled their delinquencies in full or through payment plans. Because of these settlements, Lackawanna County sent a check to the City of Scranton on 4/7/2021 for \$863,997.08

On 4/13/2021, several days after receiving the check from the County, Mayor Paige Cognetti told a media outlet that the City "was not told that this was going to happen" and "it was not agreed too." As evidenced by her signature on the agreement and the recently received check for almost \$864,000, the Mayor was well aware of everything that was going on and was cognizant of the fact that her law department insisted the Tax Lien Law be included. To that point, the Mayor wrote under Tax Levies on page 17 of her 2021 Proposed Budget that "a concerted effort has already started to capture delinquent real estate and refuse through dedicated legal resources." Therefore based upon these undisputable facts, the Mayor's statement that she did not know that this was going to happen, makes the Mayor either dishonest or incompetent.



The Mayor also stated that "her administration has asked the County to halt the process." At no time has the Mayor reached out to the Commissioners or the Director of the Tax Claim Bureau to halt the process, nor could we because of the agreement. Her Solicitor, Joe O'Brien, did ask Tax Claim Solicitor Atty. Joe Joyce if the liens were filed. Atty. Joyce stated that the liens were filed according to both the agreement and law.

On 4/14/2021, the Mayor announced, "effective immediately the City is initiating a 'stay' of 120 days for the delinquent properties which were liened on 4/13/2021". Let us be clear on this, the Mayor has no legal authority to "stay" liens filed with the Clerk of Judicial Records. For this to happen, the Mayor would have to enact new legislation and have City Council read it into the record at three Council meetings. Then, City Council would have to vote in favor of it and send it to the Mayor to sign. After that the Mayor would have to send it to the County to ratify - JUST LIKE THE MAYOR DID ON 9/17/2020, WHEN SHE ENACTED THE CURRENT AGREEMENT.

It should be known and stated emphatically that it has never been Lackawanna County's intent to remove someone from their home. To that end, Lackawanna County has a program to help elderly individuals that are behind in their taxes, called The Elderly Deferral Program. This program was set up long ago to help make sure elderly residents who are having legitimate trouble paying their taxes can be afforded a solution.

However, it is also Lackawanna County's intent, on behalf of itself and the City of Scranton, to collect taxes from habitual offenders who otherwise would never pay their taxes. For Mayor Cognetti to try to put a 'stay' on these habitual offenders is unfair to the rest of the taxpaying public that pay their taxes every year according to the deadlines and the law.

The Lackawanna County Tax Claims Bureau will continue to abide by the agreement. If Mayor Cognetti chooses to enact new legislation to give habitual offenders a further break, and it passes City Council, then we will address this matter at that time.

At close of business today, we will consider this matter closed and will have no further comment on it.