LOCAL LAW NO. __ OF 2026

A LOCAL LAW AMENDING ARTICLE XIII, §162 OF THE CHARTER OF THE CITY OF MOUNT VERNON TO ADJUST THE TAX LIEN SALE DATE DEADLINE AND REQUIRE POST-SALE NOTICE TO PROPERTY OWNERS AND MORTGAGEES BY TAX LIEN PURCHASERS

BE IT ENACTED by the City Council of the City of Mount Vernon, in regular session convened, as follows:

Section 1. Title. This Local Law shall be known and may be cited as "A Local Law Amending Article XIII, §162 of the Charter of the City of Mount Vernon to Adjust Tax Lien Sale Date Deadline and Require Post-Sale Notice to Property Owners and Mortgagees by Tax Lien Purchasers."

Section 2. Legislative Findings and Purpose.

WHEREAS, this proposed legislation is intended to provide flexibility for the date of the Annual Tax Lien Sale date by providing more time to prepare the delinquency list and to strengthen transparency, fairness, and due process protections within the City's tax lien sale framework; and

WHEREAS, the current Charter authorizes the sale of tax liens upon publication notice, it does not require that property owners and mortgagees receive direct notice after such liens have been transferred to private purchasers; and

WHEREAS, the proposed amendment addresses these gaps by allowing more time beyond the fourth Tuesday in June to hold the first Tax Lien Sale each year, but ensuring a tax lien sale is held prior to December 31st each year; and

WHEREAS, this change will provide the flexibility of more time to prepare the delinquent tax list yet ensure availability for an annual sale; and

WHEREAS, this approach is consistent with best practices adopted in other municipalities and reflects a balanced policy that protects property owners while maintaining the integrity and marketability of the City's tax lien program.

NOW, THEREFORE, BE IT ENACTED by the City Council of the City of Mount Vernon as follows:

Section 3: Amendment of the City Charter, Article XIII, Section 162

<u>§ 162-a. Sales of tax liens; proceedings.</u>

"In each year <u>at least once prior to December 31</u> [not later than the last Tuesday of June], whenever any tax of lands or tenements or any portion thereof or any assessments on lands or tenements for local improvements,. . . be sold at public auction at a day and place therein to be specified, [but not later than the last Tuesday of June of each year]**,** for the lowest rate of interest, . . . for one year shall be withdrawn from the said sale."

§ 162-h – Rights and Responsibilities of Purchaser of Tax Liens

The aggregate amount of each tax or assessment lien transferred pursuant to this article shall be due three years from the date of the sale. Until such aggregate amount is fully paid and discharged, the holder of the transfer of tax or assessment lien shall be entitled to receive interest on the aggregate amount from the date of sale, semiannually on the first day of January and July, at the rate which the purchaser shall have bid.

Notwithstanding the foregoing, within thirty (30) days after the completion of the tax lien sale and the transfer of the tax lien as recorded by the Comptroller, the purchaser of such tax lien shall provide written notice of such purchase as set forth herein.

No holder of a transfer of tax lien shall commence or maintain an action to foreclose such tax lien unless the notice requirements set forth in this section, as amended, have been fully satisfied.

Such post-sale notice by the purchaser shall be provided as follows:

(a) The purchaser shall give notice to each owner and mortgagee of record of the property affected by the tax lien.
(b) Such notice shall be sent by certified or registered mail, return receipt requested, to the names and addresses as they appear on the City tax rolls and, if different, as they appear in deeds and mortgages recorded with the Westchester County Clerk.
(c) The notice shall include:
(i) a copy of the transfer of tax lien issued by the City;
(ii) the total amount due under the tax lien;
(iii) the date upon which the next interest payment is due and the amount of such payment; and
(iv) a statement that failure to make required interest payments or to redeem the tax lien within three (3) years from the date of sale may result in foreclosure by the holder of the tax lien.
(d) An affidavit of service or other proof of mailing shall be maintained by the purchaser and made available upon request and in any foreclosure proceeding.

At the option of the holder of any transfer of tax or assessment lien, the aggregate amount thereof shall become due and payable after default in the payment of interest for 90 days or after default for one year after the delivery of the transfer of tax lien, in the payment of any taxes or assessments which became a lien on and after the day of the date mentioned in the advertisement of the sale stated therein, of the tax or assessment lien transferred by such transfer of tax lien, except that in the event that the City of Mount Vernon becomes the owner of a tax or assessment lien, the aggregate amount thereof shall become due and payable after default in the payment of interest for 90 days or after default for 30 days in the payment of any tax or assessment, which became a lien on said property after the date of the tax lien sold.

Proof of compliance with the post-sale notice provisions of this section shall be a condition precedent to foreclosure and must be established by clear and convincing evidence in any foreclosure action.

Any person having a legal or beneficial interest in property affected by a transfer of tax or assessment lien may satisfy the same before maturity upon giving 10 days' notice in writing to the holder thereof of the day on which payment will be made and upon payment of the principal with interest at the rate bid to a time two months after the date so fixed for payment.

Section 4. Severability. If any clause, sentence, paragraph, subdivision, section, or part of this local law, or the application thereof to any person, firm, corporation, or circumstance, shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section, or part thereof, or in its application to the person, individual, firm, corporation, or circumstance directly involved in the controversy in which such judgment or order shall be rendered.

Section 5. Effective date. This Local Law shall take effect immediately upon filing with the Secretary of State in accordance with the provisions of the Municipal Home Rule Law.

New matter underlined

Deleted matter in [brackets]