

Date: September 9, 2019

## THIS IS OUR TRUTH

### **Timeline of Significant Events In Our Property Tax Dispute With Scott County**

August, 1991 purchased the church property located at 4820 N Pine, 52806 for \$50k “on contract” from Assemblies of God, Des Moines, Ia. In the 23yrs. at this location, not only did we not ever pay property taxes, we never received a property tax bill!

August, 2014 Leased the church property located at 4706 NW Blvd., 52806 owned by Living Waters Church to July, 2015 when we purchased the property from Living Waters. Our bank holds the mortgage along with other church banking accounts. Our bank's Mortgage Security Agreement, was filed and recorded with Treasurers' Dept. July 30, 2015 with the correct address of the mortgaged property. A local law firm executed or transferred the deed from the sale, also recorded July 30, 2015. Both documents makes it clear that this transaction was from one non-profit to another non-profit, note also the correct address of the property purchased by Mt. Sinai. Yet the address indicated for “Tax Statement” on this document was made by hand and erroneously stated as 4820 N Pine... Mt. Sinai had no hand in this notation. Understand, our review of these documents didn't occur until after our first notice in May 2018. If this is the reason our mail was misdirected, our thought was... it's a simple error, easily corrected by the county and reason enough for the county to grant an abatement, as we were never given a fair opportunity at the time to challenge because of the mix up.

Mt. Sinai took physical possession of 4706 NW Blvd. In Aug. 2015. By this time, Mt. Sinai was leasing the property at 4820 N Pine to a local church body, Truth Deliverance Center. Who for a time would drop off any mail addressed to Mt. Sinai, no regular schedule. No property tax bill was ever included in the mail dropped off. Mt. Sinai sold 4820 N Pine to Truth Deliverance May 23, 2018. From Aug. 1991 until May, 2018 we were unaware of **any** property tax obligation. We find it odd that with Mt. Sinai's long history as a not for profit church in the community that no one at the Treasurers/Assessor's office even questioned the issuance of a tax bill under our name, no one ever reached out to us, other than by first class mail to a wrong address.

Early May, 2018 our first notice of anything concerning taxes was our receipt of “Official Notice of Delinquent Taxes”. Surely, this must be a mistake...Janet went in person to the assessor's office to correct what was obviously a mistake. At this time Janet was informed of the impending tax sale of the 2016 tax obligation and that they were unable to help. During that visit Janet was introduced to the Chair of Scott County Board and suggested she pursue and abatement from the County Board. On or about the end of May 2018 Pastor Livingston, Eracie and Janet attended a regular meeting of the Board of Supervisors attempting to gain an audience for our request, since our issue was not on the meeting agenda they were denied a formal audience. Mt. Sinai delivered it's first, formal written request for an abatement to the County Board on or about June 2, 2018. Also, prior to May 21, 2018, Eracie Gooding placed a phone call to our bank representative to request a loan to pay the 2016 taxes and buy some time before the tax sale. Eracie was told that the bank was prohibited from making a loan for a property with outstanding taxes. We have learned since, that his statement simply was not true. At this same time Eracie was referred to a local law firm. Eracie placed a call and left a message requesting assistance in pursuing an abatement of the taxes due at the time, about \$35,000. Shortly after receiving a return call Eracie formally retained the firm with a \$2,500 fee. The firm issued their final bill and returned the

balance of retainer, some \$1,800 to Mt. Sinai on June 11, 2018. On June 15, 2018 Mt. Sinai issued its cashiers check to the county for \$16,548, the first half of 2016 taxes, attempting to avoid the sale of the taxes, delinquent at that time. Mt. Sinai was informed by the county "Notice of Sale of Parcel at Tax Sale" having occurred on June 18, 2018, post marked June 21, 2018. Mt. Sinai received a letter from the law firm dated June 20, 2018. Informing us that their conversations with the Board of Supervisors, County Attorney and County Administrator all responded that no tax abatement would be considered. We were encouraged to pursue a "political solution" with the Davenport City Council and County Board of Supervisors.

We were contacted by our bank and attended a meeting at their downtown location on April 30, 2019 regarding the pending tax sale of delinquent tax from the second half of 2016. Those present at this meeting were our new bank representative, Pastor Livingston, Ercie Gooding and Janet Harris, trustees and Thomas (Tony) Clay. Shortly after the meeting began, Tony Clay asked when the bank first became aware that property taxes on the church had become delinquent? Our bank representative replied... "about three weeks ago"! -Ridiculous-. A short time later Janet mentioned the name of a private firm who purchased the tax obligation in the tax sale the past year. Our bank representative excused himself from our meeting and returned a short time later and handed Ercie a copy of the County's Tax Abatement form which he encouraged us to pursue.

We requested and were granted an audience with the County Board of Supervisors at a regularly scheduled board meeting on May 28, 2019, a few days before the next scheduled tax sale. We delivered our formal written request to the Board that morning. That evening the Board meeting was called to order with all board members present and with several members of Mt. Sinai's congregation in attendance. After a short recognition of service for an individual, we don't remember who, we were given an opportunity to address the board. Tony Clay made a brief presentation explaining our situation relative to property taxes, referring often to Mt. Sinai's written request for abatement and acknowledging the Board's ability to grant an abatement in our case as it had done in similar situations. Afterwards, the Board assured us that the Board would consider our request but that their response would be delayed a bit as they need to consult the County Attorney and others. To date, we have yet to receive any formal notice from the Board as to its decision. In fact, only after visiting the County Board office again in person, within the past few weeks did the Board Chairman return a call to Pastor Livingston to inform us that the Board was "bound by law" and would not grant an abatement.

Throughout this ordeal, our only request/demand, as citizens of this community for some 60+ years, is fair treatment. Our experience has been anything, but. Admittedly, we failed miserably to navigate the course between seeking a "political solution" and "bound by law".

We are left with these questions...

Why did Mt. Sinai's status from a recognized non-profit for nearly 30 yrs suddenly change after its purchase of the property at 4706 NW Blvd. According to the County, we failed to make a timely filing. We believe that under the circumstances and because of our past history, we deserve the benefit of any doubt.

Why were tax notices for 2016 sent to the wrong address when evidence of the correct address was recorded by the county since July 30, 2015? The County blames Mt. Sinai for a filing error...

Why would a mortgage holder decline an opportunity to protect its collateral from the claims of a tax

lien-holder? Why would the mortgage holder not be informed of a property tax lien until years after becoming delinquent? Why would a mortgage holder never demand a tax escrow, if it believed taxes would be due?

Why would tax lien investors purchase the tax obligations of a local tax-exempt church conducting business under the same name for almost 30 yrs.?

The County/City Assessor places the value of the property at 4706 NW Blvd. close to \$1mil. Our mortgage on this property dated July 23, 2015 was in the amount of \$460K; all payments made when due, never in arrears. As of July, 2019 our current mortgage balance is \$399k.

As a result of our failure to resolve this situation, property taxes have continued to accumulate for taxes due for years 2016, '17 and '18 and now total some \$100k. As a direct result of our tax situation we now find ourselves in the dire situation of having our mortgage now called and our attempt to refinance with another lender negatively impacted.

How would you react if this happened to your place of worship? What would you have done differently under similar circumstances?

Mt. Sinai has a majority Black congregation. At this point no one could convince us that our experience with our local government has been either fair or “in good faith”. Though we are hesitant to admit it, we all come to that same familiar conclusion...

Our purpose in bringing our story to you is not to vilify any of the individuals involved or damage anyone's reputation, deserving or not. At this juncture, political pressure is the only lever we have ready access to...Our singular purpose is to garner maximum public/political pressure on our local government, encouraging it to grant our abatement and allow our congregation to keep our place of worship and we need our community's support to do that.

The congregation of Mt. Sinai thanks you for your interest and for allowing us to share “Our Truth” with you.

**Always remember, “if we do everything with the right attitude wrong can never prevail”. For we are not just average citizens, we have Ambassadorship through Christ Jesus; we remain steadfast and never compromising our Kingdom Ambassadorship regardless of conflicts we might encounter in our earthly quest. Conflict and adverse situations only expose the untapped potential we each possess, as we trust God, who has invested such Gifts and Talents in each of us to Affect Change In This World!!!**

*“But when they failed to find them, they dragged Jason and some brothers before the city authorities, shouting, “These men who have turned the world upside down have come here too;”*

*Acts 17:6 AMP*

**Frank R. Livingston, Pastor**