



Green Acres Mall in Valley Stream

Cantor: Hempstead IDA leaves behind hard questions, tax hikes

By: Martin Cantor December 12, 2016 0



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While industrial development agencies normally provide tax incentives in their mission of preserving and creating jobs, the property tax abatements provided in December 2014 by the Hempstead Industrial Development Agency to the owners of the Green Acres Mall in Valley Stream has generated much confusion.

Amidst this confusion, Valley Stream Mayor Edwin Fare has asked the state comptroller to determine to what degree the Valley Stream School District budgeting practices caused the unexpected property tax hikes and what relief is available to residents. What is clear is that taxpayers are facing between a 4.6 to 12.2 percent school tax hike totaling hundreds of dollars.

Mayor Fare wants the facts underlying the increase in property taxes, who is responsible for the increase, how much of the increase was due to the payment in lieu of taxes (PILOT) approved by the Hempstead IDA, and to what extent the Valley Stream School District miscalculations of the PILOT contributed to the property tax increase.

Angry taxpayers, with much information to sift through, are unwilling to take money from their pockets to pay for unsubstantiated property tax increases. Hempstead Supervisor Anthony Santino (R) gets this and has appointed new members to the Hempstead IDA, replacing IDA board members who approved the PILOT.

While the Hempstead IDA provided notice of the PILOT as required, including to school districts, Valley Stream School District officials would have us believe that they were never “officially” informed of how much of the \$13.7 million PILOT money they would receive for the 2016-17 school year. Seems such an important revenue figure should have been nailed down before the school budget was sent to voters for approval.

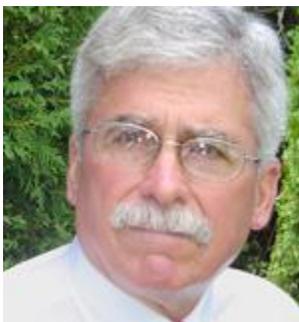
Yet despite this uncertainty, it was reported that school district officials estimated the PILOT amount below what the Hempstead IDA projected. How much of this difference resulted in the increased property taxes? Clearly the ambiguity could have been avoided if school district officials were determined to clarify the revenues, and not doing so appears to have contributed to the \$3 million in increased property taxes.

No surprise that the political class is swatting this bureaucratic piñata. Republican turned Democrat Comptroller George Maragos is auditing the PILOT, and Democratic State Senator Todd Kaminsky (D-Long Beach) and Assemblywoman Michaelle Solages (D-Elmont) have asked New York State Comptroller Thomas DiNapoli (D) to audit the agreement.

Clearly mistakes were made. Mayor Fare is right to focus on what caused these tax increases to insure they don't happen again.

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