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Executive Director
Chief Executive Officer



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January 2018

Dear Resident,

As you are no doubt aware, the Independent Audit of the New York State Comptroller's Office found that the Town of Hempstead Industrial Development Agency (IDA) acted lawfully and prudently when the board provided economic incentives to Green Acres Mall.

The large increases in your property taxes were due to a number of factors including the actions of your local School District 30. The IDA Payment in Lieu of Taxes (PILOT) accounted for only \$42 per household. It is regrettable that the school district engaged in a scheme to underestimate the dollars that would be generated from the IDA PILOT and falsely blamed the IDA for the increases while political opportunism by certain political officials clouded the truth.

We at the IDA recognize the suffering that has resulted from the action of the School District to you as taxpayers and, as taxpayers ourselves, the IDA is pleased that our agency was not the cause for it.

Going forward, we assure you that, as in the past, you the taxpayers are of paramount consideration when our Agency considers incentives requested by developers.

Remember that when any benefits provided to an applicant expire, usually at the end of ten years, the property, along with the improvements, are fully taxed adding to the tax base.

Thank you for your kind attention.

Sincerely,

Town of Hempstead
Industrial Development Agency

OVER

January 2018

To the Residents of Valley Stream:

Office of the State Comptroller Fact Sheet and Findings –
IDA Benefits to Green Acres Mall

The Office of the New York State Comptroller has issued an audit report regarding the Town of Hempstead Industrial Development Agency's (IDA) PILOT program for the Green Acres Mall and the 2016 increase in property taxes by Valley Stream School District 30. In case you have not read about the report, we are pleased to summarize its findings, which we agree with, along with our comments:

- The IDA acted within its authority when it granted tax abatements to Green Acres Mall.
- The IDA provided timely and accurate information to District 30 concerning PILOT revenues.
- Recommended that the IDA Board develop additional policies and procedures to assess indirect tax impact of PILOTs. The IDA has long accessed indirect impacts, but cannot implement the policy fully with respect to Valley Stream without the cooperation of your school boards and the disclosure of their revenue-sharing agreements. The IDA has urged the State Legislature to require that school districts characterize PILOT payments as property tax alternatives.
- Though not a recommendation, the IDA also has expanded its notification procedures, informing all elected officials in affected jurisdictions of proposed PILOT agreements and hearings.
- Found that District 30 underestimated the PILOT revenues it would receive, resulting in \$1.8 million in excess revenue to the district and an unnecessary increase to class 1 (residential) 2016-17 tax rates.
- Recommended that District 30 develop accurate budget estimates to avoid levying excessive taxes
- Recommended that District 30 return excess PILOT revenue to its taxpayers. The District claims it has done so through reduced taxes for fiscal, but in fact it has returned the levy to exactly where it started, fixing fixed the mistake the previous year. The school district still has the excess taxpayer monies.

You may review the Comptroller's report in its entirety online at:

<http://osc.state.ny.us/localgov/audits/ida/2017/hempstead-ida-valley-stream-school-pilot.pdf#search=%20hempstead>

If you have additional questions regarding the IDA, you may contact the IDA in writing at the following address:

Town of Hempstead Industrial Development Agency
350 Front Street
Room 234-A
Hempstead, NY 11550