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Legislator seeks resident refunds after mall tax break dispute

March 19, 2017 By Stefanie Dazio stefanie.dazio@newsday.com

Green Acres Mall in Valley Stream is shown. (Credit: Danielle Finkelstein)

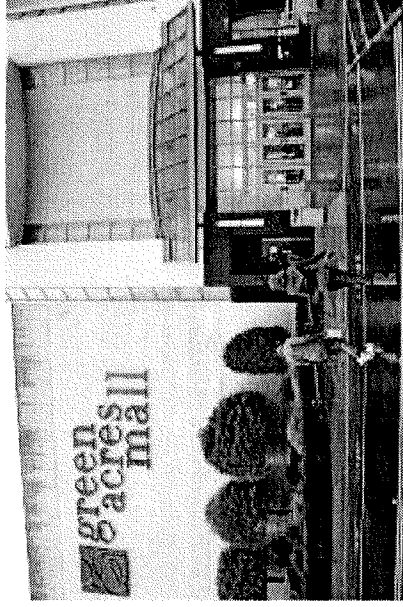
A Nassau County legislator wants to give Valley Stream residents a refund through state legislation after a dispute over tax breaks granted to the Green Acres Mall and school budgeting practices.

Legis. C. William Gaylor III (R-Lynbrook) has drafted a bill that would return nearly \$3 million to Valley Stream taxpayers in the form of a rebate check. He said homeowners would get

about one-third of their increased taxes back under his legislation, which needs to be sponsored by state lawmakers.

"The check in hand lets them know people are out there working on their behalf," Gaylor said Friday. "I want to give them something back now to put in the bank."

The Hempstead Town Industrial Development Agency in 2015 granted tax incentives, including a payment-in-lieu-of-taxes, or PILOT, to Macerich, the California-based owner of the Green Acres Mall in Valley Stream. Last fall, residents saw their school taxes increase up to 12.2 percent, and



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taxpayers and elected officials blamed the mall's PILOT.

Part of the those payments go the School District 30 and the village's central high school district. The districts underestimated the amount they would receive in PILOT payments by nearly \$3 million, passing the increase on to the taxpayers. Schools officials say they were not told their percentage of the PILOT and had to guess

IDA officials refuted that, saying the districts were told how much they would get. The districts receive another PILOT payment in June.

"We are in the business of educating kids, not large retail malls that have benefited in tax breaks off the backs of our residents," Christopher Dillon, District 30's assistant superintendent for business, said in a statement issued Friday.

The state comptroller's office is auditing the IDA and School District 30 in response to the controversy.

Gaylor's original proposal included a 5 percent fee for the Nassau County treasurer but that has been taken out of the draft after the schools protested it.

Schools officials said Gaylor's proposal is unnecessary because they will give back the excess money through reduced tax levies for the 2017-2018 school year.

"We have a plan to return any overage to the taxpayer," said Bill Heidenreich, superintendent of the central high school district. "We're able to do it without a fee."

The school districts and elected officials met last Thursday in Valley Stream to discuss Gaylor's proposal and other ideas. Officials said the IDA board was invited but did not attend. John Ryan, an attorney for the IDA, said it would have been "inappropriate" for the agency to participate amid the threat of lawsuits over the PILOT. IDA board members are considering revoking the deal.

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