

## What "Industry" does the MV Industrial Development Agency subsidize at the expense of local taxpayers?

### Low-Income Rental Housing

The MV **Industrial** Development Agency should be used to stimulate economic development in the city by giving targeted, short-term, financial incentives to businesses that will generate good paying local jobs for residents and sales tax revenue for our city. Instead, the MV IDA is used almost exclusively to give corporate low-income housing developers massive, decades long, tax breaks known as PILOTS -Payments in Lieu of Taxes. This is a transfer of wealth from local property taxpayers to the housing developers- they receive tax breaks from the IDA and local property taxpayers receive tax increases from the city.

On a risk-adjusted basis, these projects are a good deal for housing developers. The projects are financed almost entirely with public debt, such as Federal Low-Income Housing Tax Credits, and since there is a shortage of Low-Income Housing, demand is extremely high, meaning near 100% occupancy. The Tax breaks developers receive from the MV IDA are the "icing on the cake". This is why they are lining up at the MV IDA: they all want a piece of the action.

Be skeptical of the following 2 terms used by low-income housing developers. Remember: if it sounds too good to be true, it probably is.

**"Mixed Income"**- this means a range of incomes, including market rate rental units. Some "mixed income" developments have more affordable than market rate units, others have more market rate than affordable. The idea is to have broad socioeconomic mix. However, this is not the case in Mount Vernon: none of the developments seeking 30-year PILOTS from the MV IDA have any market rate rental units in their projects. When they say "mixed income" they mean ranging from 50% to 90% of the Area Median Income (AMI) for Westchester County, and averaging about 60% of AMI.

**"Naturally Occurring Affordable Housing" or NOAH-** actually, this means nothing at all. It's just another euphemism for "Low-Income" Housing. But it sure sounds cool, doesn't it? Sort of like calling low-income housing "artist" housing for the "creator" economy.

Low-Income Housing Projects currently receiving 30-year PILOTS from the MV IDA	Number of Rental Units
The Modern (130 Mount Vernon Ave.)	81
La Porte (122 N. 3rd Ave.)	159
Grace Terrace (125-129 S. 5th Ave.)	66
Grace Plaza (153-163 S 5th Ave) (senior housing)	83
Grace Towers/Richard H. Dixon Towers (159. S. 5th Ave.)	133
Titus Mount Vernon (60 W 1st St)	43
Zion Court (114 W. 1st St)	28
Oakwood Gardens (630 E. Lincoln Ave)	99
22 South West Street	189
Kings Court (117 S. 2nd Ave)	22
Total Units:	903
New Low-Income Housing Projects Approved for 30 yr PILOTS in 2024	
115 S. Macquesten	315
Qwest	228
Total Units:	543
Projects Currently before the IDA, or seeking zoning approval from the CC before proceeding to the IDA for a 30-year PILOT	
Penrose, Sentinel on 3rd (3rd St @ 4th ave)	188
Library Square	271
Mastermind Kings Sq. (222 E. 3rd St.)	225
Total Units:	684