

Below is a summary of Mount Vernon Industrial Development Agency (IDA) projects from 2016-2022. The information comes from the IDA financial statements posted on the city website here: <https://www.cmvny.com/567/Public-Documents>

According to the city website, the IDA's overall goal is to "attract and create job opportunities and economic vitality for the ultimate benefit of its residents". It attempts to meet this goal by giving a variety of tax abatements to private corporations. The majority of current MV IDA projects are housing developments, which are not known to yield many good paying jobs. In fact, I'm aware of no evidence to support assertions that giving tax breaks to housing developers advances the IDA's stated goal to "create job opportunities and economic vitality".

PILOTS have an incredibly destructive impact on our public schools. From 2016-2022, tax abatements granted by the MV IDA have resulted in approximately \$17.8m in foregone school tax revenue, roughly \$2.5M per year. We cannot know what positive impact this foregone tax revenue could have had on our students, and the overall financial health of the school district. In addition, when PILOTS are given to housing developers, particularly "low income" housing developers, the impact on our school district is greatly intensified.

Definitions

Real Property Tax	The dollar amount a corporation would pay in taxes had the Mount Vernon Industrial Development Agency (IDA) not been involved in the project.
Sales Tax	The dollar amount a corporation would pay in local/state sales tax had the MV IDA not granted tax exemption.
Payments In Lieu Of Taxes (PILOT)	When the IDA and a corporation enter into a PILOT agreement, the corporation makes payments to the IDA instead of (i.e., "in lieu of") paying their Real Property Taxes. In turn, the IDA makes payments to the entities that would have received the Real Property Tax from the corporation- the county, the city, and school district. The PILOT payments are typically <u>less</u> than what the corporation would have paid to the county, the city, and the school district in Real Property Taxes. Thus, it is a tax break.
Net Tax Loss/Foregone Tax Revenue	This is the difference between the Real Property Tax and the PILOT. For example, for the period 2016-2022, the 203 Gramatan Ave. project "Blue Rio" made \$716,229 in PILOT payments to the IDA instead of \$4,010,314 in real property payments to the county, the city, and the school district. The difference (\$3,294,085) is "foregone tax revenue", or "Net Tax Loss".
Net Employment Change	This is the number of new permanent jobs that result from the project. It does not include any tempory construction jobs that might have existed during construction.
Cost per Job	Net Tax Loss/Net Employment Change. For example, in the last 7 years, across all MV IDA projects active in 2022, a total of 462 permanent jobs have been created. To secure these jobs, the county, city, and school district had to forego \$29,213,402 in real property taxes. Therefore the "cost" per job in terms of lost tax revenue is, on average \$63,232, and ranges from just a few thousand dollars (e.g., Target: \$8.7k per job), to close to \$4m per job (Heritage South: \$3.8m per job)

Mount Vernon Industrial Development Agency Project Data, 2016 to 2022

	2016	2017	2018	2019	2020	2021	2022	7yr total
# of PILOT Projects	13	12	15	18	20	20	20	--
Real Property Tax	\$4,260,332	\$6,928,534	\$4,569,777	\$5,021,339	\$5,039,379	\$5,900,807	\$7,090,701	\$38,810,869
Sales Tax	\$0	\$0	\$0	\$89,952	\$368,266	\$0	\$0	\$458,218
Payments In Lieu Of Taxes	\$1,096,624	\$1,198,185	\$1,038,083	\$1,368,547	\$1,568,354	\$1,837,850	\$1,948,042	\$10,055,685
Net Tax Loss/Foregone Tax Revenue	\$3,163,708	\$5,730,349	\$3,531,694	\$3,742,744	\$3,839,291	\$4,062,957	\$5,142,659	\$29,213,402
Net Employment Change as of 2022 (across all projects):								462
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):								\$63,232

Examples of Mount Vernon IDA PILOT Projects

Blue Rio (203 Gramatan Ave.)								
	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$578,131	\$318,504	\$607,896	\$607,896	\$606,153	\$634,572	\$657,162	\$4,010,314
Payments In Lieu Of Taxes	\$127,200	\$166,949	\$79,500	\$81,886	\$113,348	\$57,867	\$89,479	\$716,229
Net Tax Loss/Foregone Tax Revenue	\$450,931	\$151,555	\$528,396	\$526,010	\$492,805	\$576,705	\$567,683	\$3,294,085
Net Employment Change since Project Inception as of 2022:								3
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):								\$1,098,028

The Modern (S Macquesten Pkwy)								
	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$262,384	\$135,510	\$275,893	\$275,893	\$215,102	\$287,998	\$298,252	\$1,751,032
Payments In Lieu Of Taxes	\$37,616	\$104,490	\$69,660	\$70,660	\$39,357	\$72,072	\$73,515	\$467,370
Net Tax Loss/Foregone Tax Revenue	\$224,768	\$31,020	\$206,233	\$205,233	\$175,745	\$215,926	\$224,737	\$1,283,662
Net Employment Change since Project Inception as of 2022:								3
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):								\$427,887

22 South West Street

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax						\$640,844	\$663,656	\$1,304,500
Payments In Lieu Of Taxes						\$157,108	\$161,036	\$318,144
Net Tax Loss/Foregone Tax Revenue						\$483,736	\$502,620	\$986,356
Net Employment Change since Project Inception as of 2022:							3	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$328,785	

Grace Terrace

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$173,179	\$66,697	\$182,095	\$182,095	\$181,572	\$190,085	\$196,853	\$1,172,576
Payments In Lieu Of Taxes	\$54,940	\$54,940	\$57,721	\$59,164	\$60,643	\$62,159	\$63,715	\$413,282
Net Tax Loss/Foregone Tax Revenue	\$118,239	\$11,757	\$124,374	\$122,931	\$120,929	\$127,926	\$133,138	\$759,294
Net Employment Change since Project Inception as of 2022:							1.5	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$506,196	

Grace Towers

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$273,570	\$76,273	\$287,655	\$287,655	\$286,829	\$300,275	\$310,967	\$1,823,224
Payments In Lieu Of Taxes	\$99,343	\$121,827	\$107,781	\$110,476	\$113,237	\$116,067	\$118,971	\$787,702
Net Tax Loss/Foregone Tax Revenue	\$174,227	-\$45,554	\$179,874	\$177,179	\$173,592	\$184,208	\$191,996	\$1,035,522
Net Employment Change since Project Inception as of 2022:							3	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$345,174	

American Christmas Tree

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$158,812	\$4,757,088	\$166,988	\$205,534	\$166,508	\$174,316	\$180,521	\$5,809,767
Payments In Lieu Of Taxes	\$141,378	\$144,912	\$55,344	\$70,844	\$50,000	\$50,000	\$75,000	\$587,478
Net Tax Loss/Foregone Tax Revenue	\$17,434	\$4,612,176	\$111,644	\$134,690	\$116,508	\$124,316	\$105,521	\$5,222,289
Net Employment Change since Project Inception as of 2022:							94	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$55,556	

Heritage North/MV North

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$345,243	\$250,000	\$363,018	\$363,018	\$376,543	\$1,515,790	\$353,378	\$3,566,990
Payments In Lieu Of Taxes	\$67,110	\$86,228	\$77,418	\$159,202	\$65,303	\$221,510	\$105,298	\$782,069
Net Tax Loss/Foregone Tax Revenue	\$278,133	\$163,772	\$285,600	\$203,816	\$311,240	\$1,294,280	\$248,080	\$2,784,921
Net Employment Change since Project Inception as of 2022:							2.5	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$1,113,968	

Heritage South/MV South

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$1,380,970	\$862,954	\$1,452,070	\$1,452,070	\$753,085	\$1,515,790	\$1,569,749	\$8,986,688
Payments In Lieu Of Taxes	\$158,366	\$137,047	\$175,190	\$189,881	\$201,226	\$221,510	\$238,762	\$1,321,982
Net Tax Loss/Foregone Tax Revenue	\$1,222,604	\$725,907	\$1,276,880	\$1,262,189	\$551,859	\$1,294,280	\$1,330,987	\$7,664,706
Net Employment Change since Project Inception as of 2022:							2	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$3,832,353	

Target

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$690,485	\$235,865	\$726,035	\$726,035	\$723,955	\$0	\$784,875	\$3,887,250
Payments In Lieu Of Taxes	\$243,157	\$264,136	\$226,070	\$245,028	\$270,013	\$285,842	\$308,103	\$1,842,349
Net Tax Loss/Foregone Tax Revenue	\$447,328	-\$28,271	\$499,965	\$481,007	\$453,942	-\$285,842	\$476,772	\$2,044,901
Net Employment Change since Project Inception as of 2022:							233.5	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$8,758	

Zion Court

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$132,573	\$65,840	\$139,399	\$139,399	\$138,998	\$145,515	\$616,209	\$761,724
Payments In Lieu Of Taxes	\$29,580	\$30,161	\$30,775	\$31,390	\$47,545	\$29,917	\$169,451	\$199,368
Net Tax Loss/Foregone Tax Revenue	\$102,993	\$35,679	\$108,624	\$108,009	\$91,453	\$115,598	\$446,758	\$562,356
Net Employment Change since Project Inception as of 2022:							1	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$562,356	

Enclave on 5th

	2016	2017	2018	2019	2020	2021	2022	7yr total
Real Property Tax	\$130,225	\$58,896	\$136,930	\$136,930	\$136,537	\$70,749	\$599,518	\$670,267
Payments In Lieu Of Taxes	\$34,373	\$35,404	\$36,466	\$37,560	\$38,687	\$39,848	\$182,490	\$222,338
Net Tax Loss/Foregone Tax Revenue	\$95,852	\$23,492	\$100,464	\$99,370	\$97,850	\$30,901	\$417,028	\$447,929
Net Employment Change since Project Inception as of 2022:							0.5	
Cost per Job as of 2022 (Net Tax Loss/Net Employment Change):							\$895,858	