

NORTHPORT

Face-off on plant taxes

LIPA, town go to trial over past, future sums with millions at stake

BY MARK HARRINGTON
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LIPA and the Town of Huntington are scheduled to go to trial today in a high-stakes lawsuit over taxes paid for the Northport power plant.

The case, which stems from a LIPA tax-grievance filing from nearly a decade ago, seeks to drastically lower the amount of annual plant taxes LIPA pays, which stood at \$82.1 million in 2018. By 2030, LIPA projects, taxes for the plant are on scheduled to increase to more than \$100 million.

LIPA argues that the plant is used considerably less than even a decade ago, and “fair taxes” by 2030 would be closer to \$3.7 million, though LIPA has offered a settlement that would forgive hundreds of millions in past-due taxes since 2010, and gradually reduce the annual tax over nine years to just over \$40 million.

“What we’ve offered is far better than what they’re likely to get at trial,” said a senior LIPA official on Friday.

Huntington Town Attorney Nicholas Ciappetta, in an email, said

the town was prepared to “vigorously defend” the assessed value of the Northport plant, saying LIPA’s proposed reduction fails to consider “the uniqueness of the plant and its location,” among other things. He called the plant “a vital component of the Long Island power grid” and said the utility’s “drastic and irresponsible demands would devastate” the Northport-East Northport school district and the entire Town of Huntington while ratepayers would “get back pennies.”

In court papers, the town has argued that LIPA’s appraisals and valuations are flawed.

“The evidence at the trial of this matter will demonstrate that LIPA has failed to submit a competent appraisal” for the plant, the town’s papers state. “LIPA’s appraisal also fails to include the necessary facts, figures and calculations upon which it is based.”

The 50-year-old electricity generation plant, Long Island’s largest, is owned by National Grid and operated under contract to LIPA.

John Gross, an attorney for the Northport-East Northport school district, which is not a party to the case, said a ruling against the town would be “devastating” to the district, which has drawn upward of \$54 million from the \$82 million LIPA tax payment.

“We don’t believe the tax [challenge] process should have ever proceeded,” he said. “We believe

they [LIPA] made a promise never to seek a reduction” of the plant’s taxes. The district argued as much in a lawsuit that found in LIPA’s favor. It remains on appeal.

LIPA in a pretrial motion called the town’s assessment of the plant’s valuation of \$3.4 billion “simply unsupported,” given its decreased use, limited remaining life span and the presence of newer, more efficient natural gas plants such as Caithness in Yaphank. Northport’s plant in 2017 was used only 13 percent of the year, compared with 53 percent in 1999, LIPA said, in arguing that the plant’s assessed value is \$198 million “at best.”

The senior LIPA official said that even using plant value and plant replacement costs supplied by town engineers, the value of the plant would be reduced by more than \$1 billion, to a figure closer to \$500 million. The official predicted a \$200 million to \$500 million final valuation for the plant as the “likely trial outcome.”

LIPA and lawyers for Huntington attempted to work out a settlement, including through six months of court-ordered mediation, but were unsuccessful. The senior LIPA official didn’t rule out the prospect of a settlement, but noted time is running.

“We’re on the courthouse steps, the clock is striking noon,” he said, “and the cowboys are in the middle of the alleyway.”

NORTH AMITYVILLE

Vote expected on two-family home plan

BY DENISE M. BONILLA
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The Babylon Town planning board is expected to vote tonight on a proposal for two-family homes in North Amityville.

The board is scheduled to vote on the site plan for four two-family homes on a 1.08 acre lot on Commerce Boulevard, just south of Schlegel Boulevard. Developer Budget Estates, of Deer Park, has proposed homes with three bedrooms, one full bath plus two half-baths and a front porch.

At a planning board hearing last month about a half-dozen residents spoke in opposition to the plan, saying they would prefer single-family homes, such as those already in the neighborhood.

Gail Boyd, of nearby Columbus Avenue, told the board the com-

munity is already cramped from developers who build large homes on small lots, despite pleas to the town from residents.

“I’m tired of it,” she said. “Please hear us.”

Residents also expressed concerns about parking issues, noting the streets are already filled with vehicles.

Budget Estates attorney Nicole Blanda of Melville said each house will have two driveways that can hold two cars and that the town did not require a parking variance during a zoning board hearing a year ago. She said the houses will have 80-foot rear yards so as to not be too close to neighbors. Blanda also noted the property had been rezoned for two-family homes by the town years ago.

Longtime community activist Rosemarie Dearing said the zoning

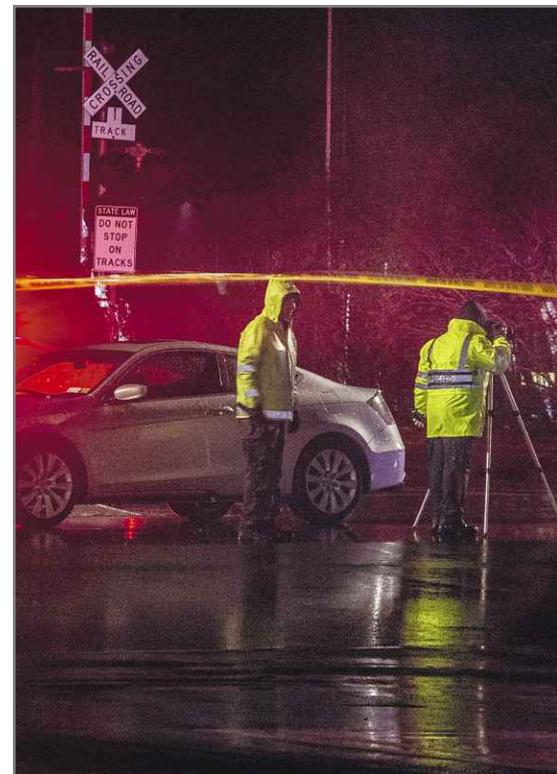
doesn’t matter if the project does not fit into a neighborhood.

“We’re just tired of developers coming into the community wanting to put these apartments and two-family homes in single family residential areas that are jam-packed already,” Dearing said in an interview, noting 14 apartment complexes are in the hamlet.

She said residents are also tired of developers not communicating with residents about their plans. Blanda told the board that Budget Estates had not met with neighbors.

“We’re not having it anymore, and we’re letting the town know: We don’t want it,” Dearing said. “We don’t know how much of a voice we have until we start using it.”

The planning board will meet at 7 p.m. tonight at Town Hall, 200 E. Sunrise Hwy., Lindenhurst.



Police at an early Sunday morning crash scene in East Patchogue, where they say a woman crossing Montauk Highway with a man was struck by a car.

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3 pedestrians hit, die after crashes

BY RACHEL O'BRIEN
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Three pedestrians were killed in separate crashes on Long Island Saturday night and Sunday morning, according to the Nassau and Suffolk police departments.

■ In Hempstead at 7 p.m. Saturday, Israel Lopez-Perez was crossing South Franklin Street north of Sterling Place when a 2017 Nissan Rogue struck him, according to Nassau County police.

Lopez-Perez, 31, whose address was unknown, was brought to a hospital and pronounced dead, police said. The 25-year-old female driver remained at the scene.

■ In North Valley Stream at 8:25 p.m., Terrence Reid was crossing Linden Boulevard east of 237th Street when a 2017 Jeep Grand Cherokee struck him, Nassau police said.

Reid, 55, of Valley Stream, was brought to a hospital and pronounced dead, police said. The 53-year-old male driver stayed at the scene.

■ In East Patchogue around 2:30 a.m. Sunday, a 36-year-old woman and a 20-year-old man were crossing Montauk Highway near Orchard Road when a 2008 Honda Accord struck the woman, according to Suffolk County police.

The woman, whose name was withheld pending notification of next of kin, was brought to Long Island Community Hospital in East Patchogue and pronounced dead, police said.

The male pedestrian was not seriously injured and was brought to the same hospital for evaluation, police said. The driver, a 31-year-old Bellport man, was not injured.

All the crashes are under investigation, police said.