

Curran: Reform IDA

Urges agency to end loophole, use benchmarks

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Nassau County Executive Laura Curran called on the county's Industrial Development Agency to end a tourism loophole the agency has used to offer tax breaks to self-storage facilities and car dealerships.

Curran on Tuesday also urged the IDA to adopt new performance benchmarks and hold quarterly meetings that will be available online. Also, Curran said business applicants and consultants appearing before the IDA should have to disclose campaign contributions to county or local officials.

Curran said the tourism loophole "gives special tax breaks for storage facilities and car dealerships." The tax breaks fail to "spur real economic development," Curran said.

IDA boards are in place across the state in counties and other municipalities, granting tax breaks to businesses in efforts to generate economic development. But the board has drawn criticism in recent years for offering tax breaks to car dealerships and self-storage facilities.

New York State law generally bans tax breaks for retailers, but the Nassau IDA has used a state tourism exemption for



Nassau County Executive Laura Curran speaks about reforms that she urges the county Industrial Development Agency to adopt, at Tuesday's new conference in Mineola. ■ Video: newsday.com/nassau

projects that attract customers from outside the region.

Last month, county Comptroller Jack Schnirman launched an audit of the IDA, where 173 projects received about \$44 million in tax breaks in 2016, according to a Newsday analysis. That's compared with 67 projects that received

about \$10.6 million in tax breaks in 2004.

Curran said the IDA will "clarify and strengthen" job creation requirements and could "claw back" the benefits if a project does not meet certain benchmarks for job creation and economic developments.

The agency last April ended

contracts with its counsel, Ed Ambrosino, after his arrest on charges of income tax evasion and wire fraud. Prosecutors said he deposited IDA checks into a private bank account instead of delivering them to his law firm. Ambrosino, a Republican town councilman in Hempstead, has pleaded not guilty.

HOWARD SCHNAPP

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8 LI IDAs' performance
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Asked whether IDA personnel including executive director Joseph Kearney would be kept on, Curran said, "The board answers to the state, it's a state created entity, and it's up to the board members to make these decisions."

Richard Kessel, a former LIPA chief whom Curran named to the IDA board in January, said the board will "take a look at these reforms."

Kessel said that, "in terms of staffing, that's something that the board will be taking a look at over time, and we'll have more to say on that going forward."

In a news release, Curran also said she would create a task force to examine "synergies" between the Nassau and Hempstead Town IDAs "in an effort to take a more regional approach to economic development."

Curran spokesman Mike Martino said the county was looking "to determine if there are any benefits for the Town of Hempstead and Nassau County IDAs to work together." No further details were available.

On Monday, the Nassau County Legislature appointed three additional members to the IDA board, constituting a full board. The IDA is scheduled to meet Wednesday.

Suffolk water authority OKs 3.75% rate hike

BY RICK BRAND
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The Suffolk County Water Authority board approved a \$194.7 million budget Tuesday night and unanimously authorized a 3.75 percent rate hike that will increase the average homeowner's bill \$14.79 a year.

No one from the public attended the hearing Tuesday.

The authority, which serves 1.2 million county residents, charges among the lowest water rates of any public authority in

New York, according to officials.

The new rates will increase the average residential water bills from \$395 a year to \$410 a year for customers who use 160,000 gallons.

But authority officials say the annual bills for homeowners served by the Erie County Water Authority, for example, pay an average \$621 a year; by the Onondaga County Water Authority, \$693. Locally, customers of the Water Authority of Great Neck North pay an average \$815 while customers of

the private American Water Co. that serves another portion of Nassau pay \$875 a year.

The rate increase will bring in \$4.35 million in new revenue to the budget that increased about \$10 million, because of higher power and health insurance costs. The authority for the first time this year also will begin fully budgeting for future post-retirement benefits for employees.

Officials say the authority is using one-shots to partially offset the increase, including the \$510,000 sale of a building in

Southold and \$2.25 million to restructure antenna leases on its water towers with T-Mobile. The authority's outside consultants had recommended an increase of more than 6 percent.

Officials said they are also seeing higher revenues from a new state law that permits the authority to recover unpaid water bills from deadbeat customers through property taxes. In the past, the authority annually wrote off about \$500,000 a year in uncollectable bills. Now, officials say that many such delin-

quencies are being paid off when homes are sold. And now liens can be levied against property owners who continue not to pay.

While he backed the budget, board member Patrick Halpin called anew for the board to consider a "conservation water rate" to curb those who use excessive amounts of water mainly to water their lawns. "We have a large curve in our water use in the summer, and two-thirds of it end up on the lawns," he said. "But people don't even think it because our bills are so inexpensive."