

**LONG ISLAND  
DIVIDED**

**Curran  
Unveils Plan  
To Fight  
Housing Bias**

A4-5



HOWARD SCHNAPP

**LIRR TRAIN  
LEAVES TRACKS**

Derailment at Jamaica  
station leads to delays

A6

**LIPA, NASSAU  
REACH DEAL  
ON PLANT TAXES**

Tentative settlement would lower  
utility's tax bill by \$32.5M  
over seven years

A3 | [UPDATES AT NEWSDAY.COM](https://www.newsday.com)

COPYRIGHT 2019, NEWSDAY LLC, LONG ISLAND, VOL. 80, NO. 82



DELIVERED TO ALL PRINT SUBSCRIBERS ON THANKSGIVING DAY  
**SOMETHING BIG IS COMING!**  
YOUR GO-TO SOURCE FOR BLACK FRIDAY SAVINGS.

Subscribe to guarantee your copy | 1-800-NEWSDAY | [newsday.com/BIG](https://www.newsday.com/BIG)

**Newsday**

# LIPA, NASSAU IN TAX DEAL

Utility's bill would drop \$32.5M over seven years

BY MARK HARRINGTON

mark.harrington@newsday.com

LIPA and Nassau County on Friday announced a tentative settlement over LIPA's decadelong property-tax challenges of Island Park and Glenwood Landing power plants after "hard negotiations" that will ramp down LIPA's tax bill over seven years.

The Nassau proposal, which still must be approved by a state Supreme Court judge and the Nassau County Legislature, would cut the Long Island Power Authority's tax payments by half, or a total of \$32.5 million, over the seven years, starting in 2021, and provide a four-year extension at the 50-percent tax level, officials said.

Nassau County Executive Laura Curran, in an interview, said she was "very mindful" of the effect of the reduction on local school districts. "I know it's difficult but I truly believe this is the best possible outcome of the situation," she said, adding the risk of a trial with LIPA was "devastating."

"The alternative would plunge those communities into automatic property tax increases," Curran said, and would be "very dramatic." The phase-down of LIPA's tax payments is "more gentle" in the beginning years of the settlement, before a "steeper decline and a leveling at the end," she said.

LIPA chief Tom Falcone said that while the power authority was cognizant of how much school districts rely on LIPA tax payments, the burden of taxes on the plants was "no longer sustainable," particularly with a changing electric grid that may need to upgrade for storage batteries or other technologies.

Rosemarie Bovino, superintendent of Island Park schools, said she'd been told there would not be an impact on the district for 2020, but added, "I need to know what the effect of the settlement will be in 2021 and I must consider the impact of this settlement on our revenue stream and



LIPA had challenged the property tax for the E.F. Barrett Power Plant in Island Park.

the bearing this will have on our property owners."

North Shore school district Superintendent Peter Giarrizzo said in a statement, "We have carefully prepared for this day and are ready to weather the impacts of the potential settlement."

LIPA's taxes for four major power stations, which are owned by National Grid, amounted to \$181 million last year: \$84 million a year for Northport, \$42 million for the E.F. Barrett station in Island Park, \$32 million for Port Jefferson and \$23 million for the Glenwood Landing property, which no longer has a baseload plant.

The settlement with Nassau, Falcone said, "is fair to all the electric customers on Long Island." Curran noted that if there are substantial changes at the power plants, the county can negotiate a higher payment

in the future. And if LIPA reaches a better deal with the Town of Huntington over LIPA's challenge there, Nassau will get the same deal.

LIPA has reached a tax-challenge settlement with the Town of Brookhaven over taxes on the Port Jefferson power station, and it is in mediation over a lawsuit it filed to challenge the taxes of the Northport power station, after Suffolk's Deputy County Executive Jon Kaiman brokered talks earlier this year. LIPA and the Town of Huntington await a judge's decision on just one year of challenged taxes after a trial earlier this year.

Nicholas Ciappetta, town attorney for Huntington, said the town has not had a formal mediation session with LIPA "in many months."

"I don't remember the last one we had," he said, but "that doesn't mean it's over. We're al-

ways willing to discuss a resolution to this case."

Ciappetta rejected the idea that settlement of three other cases could put more pressure on Huntington to settle. "I think that's certainly [LIPA's] intention, and their hope and part of their goal," he said. "But the hit to the [Northport-East Northport] school district is much greater than in Brookhaven," for instance, where there's a "bigger population to absorb" the reduction.

A judgment against Huntington could trigger hundreds of millions of dollars in tax refunds to LIPA for previous years' overpayments, something LIPA has agreed to forgo in the settlements. But Ciappetta said LIPA's focus on tax payment reductions rather than a reduction in assessed valuation is not something the town is able to do. "You cannot negotiate in terms

of taxes," he said. "We cannot guarantee anyone, and don't do for anyone, any rate of taxes. When LIPA asks us for a 50 percent reduction, they're asking for a reduction in assessed valuation of close to 70 percent."

LIPA, in a statement in response, said: "We've offered the Town of Huntington the same terms accepted by Nassau County and Brookhaven, whose leaders recognize that a fair compromise is better than a devastating court outcome for the local school districts."

But one Northport citizens group urged Huntington to resist the LIPA's overtures to date.

"The Concerned Taxpayers Against LIPA continues to believe that the settlement offer made to the Town of Huntington is unacceptable and we encourage the Town of Huntington to resist accepting LIPA's offer," the group said in a statement Friday.

"While large property owners and large corporations may benefit marginally from a LIPA tax savings, the average homeowner's savings will amount to well less than a cup of coffee per month," the group said.

Local labor and builders groups applauded the Nassau proposed settlement.

Ron Bauer, business manager for Local 1049 of the International Brotherhood of Electrical Workers, which represents hundreds of National Grid power plant employees, said the tentative pact brings "stability" to workers, maintains or lowers plant operating costs, and "reduces electric bills for all Long Island customers."

Bauer called the tentative agreement "a fair and reasonable compromise on a long-standing issue that affects all of Long Island and protects Nassau County from the probability of a disastrous court outcome," while phased-down tax payments will "minimize the impact on the local communities in Island Park and Glenwood Landing."

Kyle Strober, executive director of the Association for a Better Long Island, a developers' group, said the proposed settlement indicates that the "20-year litigation nightmare for Long Island ratepayers has begun to lift."

KEVIN P. COUGHLIN