



NEW YORK STATE SENATOR

Catharine Young

## State Funding Will Be Available To Assist The City of Dunkirk, The Dunkirk City School District and Chautauqua County

CATHARINE YOUNG March 31, 2016

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ALBANY – Senator Catharine Young (R,C,I- 57th District) announced that she successfully has led the charge to secure a \$30 million power plant mitigation fund in the state budget to offset communities' property tax losses, including Dunkirk's.

"This funding will be available to give relief to the city, school district and Chautauqua County and their taxpayers who would be severely hurt by the loss of the payment-in-lieu-of-taxes (PILOT) from the NRG power plant," Senator Young said.

"The Senate ensured that the final budget language was changed so that mothballed plants such as NRG would qualify, and the county would be added as a recipient of funds. The Governor's office has assured me time and again that Dunkirk would be taken care of, and the language reflects that support," she said.

The state power plant mitigation fund will cover 80 percent of the lost revenues from mothballing. In January, NRG notified the Chautauqua County Industrial Development Agency that its total PILOT payment of \$8,197,474 would be reduced by 85 percent to \$1,229,621. As a result, the city, school and county would see nearly a \$7 million loss of revenues this year. In order to cover its \$2.6 million shortfall, the city would have to increase

the tax levy by nearly 55 percent with an increased tax rate of \$9.43 per thousand. The school would lose about \$4 million, while the county payment would be more than \$1.5 million.

“Our overburdened taxpayers could not afford huge property tax hikes. We were facing serious reductions of vital services such as police and fire protection, and it would have a terrible effect on our children’s education. The state funding will protect our community and school district from devastating impacts,” Senator Young said.

Senator Young said the funding is a short term solution and she still is pushing NRG to honor its contract with the state and repower the generation facility to a clean, natural gas fired plant to bring back the jobs and stabilize the tax base for good.