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Empire State Development Announces Dunkirk Taxpayers will Receive Relief Following Power Plant Closures

Electric Generation Facility Cessation Mitigation Program will help preserve vital services in communities

Empire State Development (ESD) today announced that taxpayers in Dunkirk will receive assistance as part of the Electric Generation Facility Cessation Mitigation Program, which was enacted as part of the 2016-2017 State Budget. The \$30 million fund was created to aid communities that lose property tax revenue due to an electric generating plant closure. Dunkirk was hurt financially by the closure of NGR's Dunkirk Power Plant.

"These communities were facing very difficult financial decisions as they examined how to absorb the loss of revenue from the closure of the Huntley and Dunkirk power plants," said **Empire State Development President, CEO & Commissioner Howard Zemsky**. "That's why the state established the Electric Generation Facility Cessation Mitigation Fund – which is now supporting communities with funding to help reduce tax burdens in order to lessen the effect on local property taxes, small business and those on fixed incomes."

The program provides grants to eligible local government entities that demonstrate qualifying reductions in the tax liability and/or payments in lieu of taxes (PILOT) owed by an electric generation facility subject to their taxing authority. Eligible local government entities may apply to receive program grants on an annual basis for up to five years provided that the application and supporting documentation confirms that the tax loss each year remains above 20 percent, although the maximum potential grant value will decline over the five years.

In year one, the Dunkirk City School District will receive \$2,714,152, the City of Dunkirk will receive \$1,792,967 and Chautauqua County will receive \$1,037,423. The awards are subject to approval by the Empire State Development Board of Directors and proof of the tax loss.

“On behalf of the students, parents and taxpayers of our School District, we appreciate the efforts of Governor Cuomo, Senator Young and Assemblyman Goodell, and the staff at Empire State Development in bringing this 10 month process to conclusion,” said **Dunkirk City School District Business Manager William J. Thiel**. “This award preserves essential educational programming for our students and community as we chart our way through the long range financial challenges that remain.”

“On behalf of the City of Dunkirk Common Council and all our city taxpayers, I would like to thank Governor Cuomo and all our state elected officials, including Senator Young and Assemblyman Goodell, for their efforts in helping to bridge a loss of revenue with transitional financial assistance which is very much needed,” said **City of Dunkirk Mayor Wilfred Rosas**. “These funds will help me and my administration adjust to loss of revenue and will help in maintaining tax rates for city taxpayers. Thanks also to the staff at ESD for their understanding and for working with me personally.”

“The major reduction in NRG PILOT payments due to the mothballing of its boilers has created a significant challenge for Chautauqua County taxpayers,” said **Chautauqua County Executive Vince Horrigan**. “The transition assistance earmarked in the 2016-2017 New York State budget is greatly appreciated and will significantly help Chautauqua County as we cope with the loss of NRG PILOT payments over the next five years. Special thanks go to Governor Cuomo, Senator Young, Assemblyman Goodell and Empire State Development for their help and support.”

The Electric Generation Facility Cessation Mitigation Program is administered by ESD in conjunction with the New York State Energy Research and Development Authority (NYSERDA) and the Department of Public Service. This fund is available to counties, cities, towns, villages, school districts, and special districts to replace property taxes paid by electric generating facilities that close on or after June 25, 2015. In order to qualify for the funding, a local government must demonstrate that the closing of the facility has caused a reduction in the collection of real property taxes or payments in lieu of taxes of at least 20 percent of the taxes owed by the electric generating facility. The maximum potential grant award is reduced each year, starting with up to 80 percent of tax loss in year one and concluding with up to 20 percent of tax loss in year five.

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