

County Legislator Ted O'Brien believes that the County of Monroe Industrial Development Agency is smart to approve a package that includes reasonable tax concessions for the Syracuse developer who promises to revitalize the Irondequoit Mall. He also praised the Irondequoit Town Board and East Irondequoit School District for advancing the proposal. "We have worked across party lines to make mall revitalization a reality", said O'Brien, "This has been too important an issue for our town. Playing partisan politics could have potentially jeopardized the plan."

"This is a deal that can benefit everyone involved," said O'Brien, who represents the section of Irondequoit where the mall is located. "We have an opportunity to return a valuable property to the tax rolls."

"The developer makes payments to the Town, County and School District every year, lessening the impact on the various taxing jurisdictions, but by partnering with the developer, property tax concessions will be rolled into mall redevelopment," O'Brien continued. "In time, an asset with much greater assessed value will be added to the tax rolls, which in the long run protects tax payers. If we do not act now, the tax base at the Mall will continue to erode. By acting today, we will create a very necessary tax income stream that the County, Town and School District can look to in future budget years."

The school and town boards voted unanimously to approve the tiered partial tax relief package for developer Adam S. Bersin, who plans to buy the nearly vacant mall and fill it with retailers and restaurants. "In Adam Bersin, we have a unique developer – a developer who has the experience of a National mall developer, but, unlike nationwide mall developers, who may not feel any particular commitment to Irondequoit, Mr. Bersin is moving his family to our community and intends to make operating the Irondequoit Mall his full time job. That's a unique blend of experience and commitment to our local mall", O'Brien said.

Over the life of the plan, Bersin will make payments in lieu of taxes (PILOT) to the town, county and school district. The payments will increase during the term of the agreement until payments equal the receipts that would be paid according to the mall's full assessed valuation – which may be far greater than today, if Bersin's goals for the property are realized.

The PILOT plan was brokered by COMIDA. Bersin originally approached COMIDA and local officials with a proposal for a 20-year complete property tax exemption.

"Clearly, we've arrived at a much better settlement than that," O'Brien said. "It's important to remember that 'tax breaks' do not equate to 'no payment of taxes.' If the development proceeds as promised, this property will absolutely be a net benefit to the tax base, which can only be good news."

O'Brien has been skeptical of COMIDA-related tax abatements in the past, largely because firms granted such relief have not always fulfilled their job creation obligations.

"Mr. Bersin has said that hundreds of new jobs will result from this project in the near future, and it's likely that many young people from Irondequoit will hold those positions," O'Brien said. "We need to make certain the project reaches those employment targets."

Another important facet of the proposed package is that the threat of a costly tax reimbursement to the current mall owners, insurance giant The Equitable and the New York State Common Fund, who initiated tax assessment litigation several years ago, can be avoided. The tax assessment lawsuit was likely to result in the taxing jurisdictions having to pay back several million dollars in tax monies. O'Brien notes that the tax concessions granted under the new proposal are largely recouped by not being forced to repay tax monies already collected to the current mall owner as a result of the current tax assessment litigation.

"Most importantly, the Mall can become a income producing asset to the town and school district in a way that it is not now. There has been tremendous erosion of the tax assessment of the mall property. If this transaction is allowed to die, the tax revenue that will be lost is, I believe, very, very significant. I believe that, not only can the mall not be allowed to die, but that the taxpayers need a revitalized mall to secure its tax base down the road. I have no reason to believe that any other proposal for the mall will surface that would work to the advantage of the assessment base. On the other hand, I believe the current development proposal will produce great results for the town, county and school district - an asset that can be cultivated to great advantage if we do not lose sight of the long term benefit that can accrue here. I am impressed with Mr. Bersin's personal commitment to seeing this project become quite successful, but more than that, with commitments from the three remaining anchor tenants, and a commitment from an entity that has committed to lease over 100,000 square feet of currently empty mall space, I do believe that the mall revitalization project can make it.

The Irondequoit Mall opened in 1990 under the auspices of Wilmorite, Inc., the company that until recently also owned the area's other three malls. Town residents greeted the shopping center with great enthusiasm, and there was even discussion of relocating Irondequoit's government operations there.

But poor public relations damaged the mall's reputation, and the faltering early '90s economy made it impossible for the facility to achieve stable occupancy levels.