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Craig Addis: Tale of a Northampton nonprofit that has for years given back to the community

By CRAIG ADDIS

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FLORENCE — I am dismayed by Northampton's proposed PILOT program to squeeze tax dollars from the wrong sources in the community.

I teach a class for Hill Institute, a part-time position.

Trying to get payment in lieu of taxes (PILOT) funds from that institution and some other nonprofit programs in our community is ill-conceived and says a lot about how little our city government understands the contributions of these organizations to our city and the community.

Hill Institute has provided a free public kindergarten for the benefit of Northampton at no cost to the city since 1876. There have been years when Hill educated as many as 120 kindergarten students. Hill also offers educational classes for approximately 600 youth and adults per year at a cost to students far below the true cost.

The city of Northampton reported to the Massachusetts Department of Education that the annual cost per pupil in the Northampton public school system was \$12,526 in fiscal year 2013.

Hill Institute has committed to educating as many as 13 kindergarten students per year for the city of Northampton at no cost. That is an annual benefit to the city of as much as \$162,838. The annual financial benefit that Hill Institute provides with the free kindergarten alone far outweighs the \$19,925 in property taxes the city would collect at the 2016 rate if Hill Institute were not tax-exempt.

What provides a higher benefit to the citizens of the city? Is it Hill by funding its nonprofit mission as it has since 1876, or the city, by now choosing to tax a nonprofit such as Hill?

The PILOT program risks killing that which makes our community a thriving and vibrant place to live. Citizens should be made aware of the contributions our nonprofits make to the city and the greater community.

Many organizations on the PILOT list are not “cash cows” and the mission of smaller organizations would be negatively impacted by contributing to the program. In the future, I’m certain that the list of organizations meeting the PILOT criteria will only get longer, and the fees requested will keep increasing.

The City Council approved city-provided health care for its members and School Committee members for what is a part-time position. Is this appropriate with tightly constrained budgets?

As a part-time employee of a private institution, I enjoy no such benefit, and wouldn’t expect one. The PILOT fees the city seeks from the bottom nine organizations total \$64,754.57. I wonder how much that health care insurance costs the taxpayer?

With Northampton offering Tax Increment Financing program tax breaks that benefit private for-profit businesses, I think that the city should look long and hard at revenue sources and how that money is spent before looking to our nonprofit institutions.

At some point, the city needs to be like local residents who have not seen large income growth and learn to live within its means. Maybe we, as a city, can’t afford some of the things that we would like to have. Sometimes that is the way things are.

Craig Addis lives in Florence.

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