

TOWNSHIP OF

Parsippany-Troy Hills



Mayor's Office

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Mayor

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Dear fellow Parsippany Residents:

I hope and trust that you are enjoying this holiday season. The Council and I have been hard at work to keep taxes as low as possible while, at the same time, maintaining and enhancing the quality and scope of municipal services. We are always looking to cut costs where possible. But the fact is that we must grow our revenues to keep taxes as low as possible.

Toward that end, members of the Council and I have made it a priority to encourage the redevelopment of underutilized vacant commercial properties that are not generating significant revenue for Parsippany. We have approximately 20 vacant commercial properties and 1.2 million square feet of vacant space. This problem is getting worse, and will not improve unless we utilize the financial tools associated with our state's Redevelopment Law. At least 25 of 39 Morris County municipalities have utilized PILOTs to keep taxes as low as possible for their residents. Parsippany needs to do the same on a targeted basis.

Unfortunately, the Board of Education has been spreading false and misleading information in an effort to inflame our community and to prevent the Council from performing the people's business. The purpose of this email is to debunk the three main arguments being used against the PILOTs up for approval.

First, it is imperative to understand that **PILOTs do not take any money away from our schools**. The fact is that **the Board of Education receives every dime contained in its approved budget – whether the Township has PILOT agreements or not**. The Board of Education's contention that PILOTs take money away from the schools is false.

Second, the Board of Education's contention that **PILOTs will create more school children is also false**. **Let's also be clear that according to their own figures, enrollment is down**. That being said, like virtually all other towns in Morris County and across New Jersey, Parsippany has seen an increase in multifamily housing development with affordable housing set-asides. Those projects are mandated by the state's affordable housing laws and were negotiated by my predecessor. Unfortunately, affordable housing will remain a challenge for Parsippany for years to come.

Third, the PILOTs we have negotiated will not cost taxpayers money. In fact, the opposite is true - these PILOTs will jump-start revenue to town hall from commercial projects, which will reduce the tax burden on our residential taxpayers. **But for these PILOT agreements, these projects would not come to Parsippany.** This fact exposes the fallacy in the argument being made by those

opposing these PILOTs. They are counting money the town would never receive from ordinary taxes because those projects would never be constructed without a PILOT.

It would be easier for all of us to put our heads in the sand and let these properties go dark. Then blame the national economy for it, and we would not have to worry about the sideshows and misinformation being lobbed at us. **But leaders make the hard decisions.**

I ran for Mayor on a platform of redeveloping vacant commercial buildings and bringing in good ratables for Parsippany. By building up our commercial revenue base, we can ease the tax burden on our residential taxpayers.

PILOTs are not the answer to all of our problems. However, PILOT agreements can be used - and I argue -- should be used -- on a targeted basis to attract good quality commercial development that would otherwise not come to Parsippany, and to help shape development patterns in our Township.

Thank you for taking the time from your holiday season to read this communication and to become more informed about the workings of our community. I continue to work to keep our town a great place to live and work. I wish you and your loved ones a safe and Happy New Year.

James R. Barberio