

# Weeks after Northampton mayor requests \$245K in PILOT funds, Smith College pledges \$100K in donation 'unrelated to the PILOT program'



Snow at Smith College, 2015. (Flickr / Nic McPhee)



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on April 14, 2016 at 5:00 PM, updated April 14, 2016 at 5:04 PM

**NORTHAMPTON** -- Smith College announced Thursday it will donate \$300,000 to the city of Northampton over the next three years, an amount considerably less than what the mayor had recently requested of the college as part of a new city program.

The funds are "unrestricted," meaning that Northampton can use the money as it chooses, the college said; \$100,000 will be donated to the city each year through 2018.

The college has also pledged a total of \$220,000 to three local organizations. In a prepared statement, Smith College President Kathleen McCartney said the gifts were "voluntary investments to strengthen priorities across the city."

## NORTHAMPTON HEADLINES

But in an April 12 letter to Northampton Mayor David Narkewicz, McCartney was clear to note that the donations are "unrelated to the PILOT program." This was in response to a March 25 letter from Narkewicz to the college, in which he requested about \$245,000 for fiscal 2016 as part of the PILOT program.

"While we are not participating in the PILOT, we are definitely investing in Northampton," Smith spokesman Sam Masinter said Thursday.

Narkewicz declined to comment on the matter, but sent MassLive the aforementioned letters.

The PILOT program -- short for "payments in lieu of taxes" -- asks the city's biggest nonprofit, tax-exempt property owners to voluntarily pay 25 percent of what their tax bill would be if their properties were taxable.

When PILOT was debated and approved by Northampton City Council in November, Smith College was vocally opposed to the program, asserting that the proposal was not flexible enough.

"Long ago, our government affirmed that private colleges and universities serve a vital role in advancing society, by providing services — higher education — that the government would otherwise need to provide," McCartney wrote **[in an editorial on the PILOT program in November.](#)**

"Given this principle," she went on to write, "it would be difficult for any college president to support a PILOT. However, this does not mean that support for the community is not a pressing priority here at Smith, where we pride ourselves on being good neighbors."

In the \$300,000 donation announcement, Smith officials noted that the college is Northampton's largest taxpayer, as well as the city's second largest employer after Cooley Dickinson Hospital.

Smith is exempt from certain taxes because it is a nonprofit, but it also owns property where the exclusion does not apply because it is not used for educational purposes.

Northampton PILOT is being phased in over the next four and a half years. For 2016, the city is requesting an amount from these nonprofits equivalent to 5 percent of their would-be tax bills.

On March 25, Narkewicz sent McCartney a letter requesting \$245,857 for fiscal 2016 as part of the PILOT program.

Smith College's voluntary donation of \$100,000 for 2016 is approximately \$145,000 short of the requested funds.

"This voluntary support, unrelated to the PILOT program, is made in the context of Smith's non-profit, tax-exempt status as well as the considerable support the college provides to Northampton as a leading employer, a partner to our public schools, and real estate taxpayer," McCartney wrote to Narkewicz on April 12.

Narkewicz responded to McCartney the same day, thanking her for Smith's commitment to the city.

"On behalf of the residents of Northampton, I gratefully accept your generous contribution and reaffirm my commitment to report back to Smith College on how these funds are used to support our municipal budget," Narkewicz wrote in his letter, obtained by MassLive through the city.

According to Narkewicz's office, the last unrestricted donation made to the City of Northampton by Smith College was \$100,000 in 2009 to offset teacher layoffs in the Northampton Public Schools.

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"Mayor Narkewicz had never made a monetary request of Smith College until the creation of our Northampton PILOT Program," said Lyn Simmons, the mayor's chief of staff, in an email Thursday.

Smith noted that these donated funds are in addition to dollars paid to the city through the college's annual development agreement, which totaled more than \$90,000 in fiscal 2015.

The college also pointed out that in the past year, Smith provided free college courses to 140 Northampton High School students, with an estimated value of \$1 million.

Smith College announced that in 2016 it will also donate \$100,000 Valley Community Development Corporation to help subsidize affordable housing developments in the city; \$100,000 to the Northampton Community Arts Trust in support of its 33 Hawley Street building project; and \$20,000 to the newly formed Downtown Northampton Association.

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