COMMENTARY

Take steps now to prevent a demographic catastrophe

Kyle
STROBER

We need access to a potent tool if Long Island is to protect its future: a simple state designation recognizing the economic power of multifamily rentals.

It has long been established that Long Island is in dire need of more affordable rental housing. Its merits are self-evident. The availability of more multifamily rental housing prevents the loss of young people – the brain drain – whose exodus to other parts of our tri-state region and the country undermines the economy, the viability of local businesses and our very future. Without access to an educated, dynamic workforce, there is no means to address the demographic trends that should be of concern to everyone, from elected officials to your local business owner. Equally important, affordable rental housing allows Long Island's "Baby Boomer" population, with their considerable disposable income, to remain on the Island, further contributing to our economy.

According to the Long Island Multifamily Housing Study, Nassau and Suffolk counties are short nearly 72,000 multifamily housing units of what is needed. The report reveals that, even under the most optimistic scenarios, in 15 years, Long Island will be 95,000 multifamily housing units short of projected demand.

Should this trend continue, what is currently a Long Island crisis will become a demographic catastrophe, as no region can survive if residents race for the exits because they can't find a place to live.

The power exists, right now, without intervention from the New York State Legislature or the governor, to implement changes that will begin to solve the crisis and prevent future disaster. The New York State Authorities Budget Office (NYSABO) simply has to change a rule within the Public Authorities Reporting Information System (PARIS) that does not currently recognize the economic benefits of multifamily housing development.

As set, the rule only measures outcomes related to job creation and, by doing so, actually discourages regional Industrial Development Agencies from incentivizing these desperately needed projects. If the NYSABO amended the PARIS reporting requirements and began including a "housing units created" metric, as an additional means of documenting the considerable economic benefits generated by multifamily rental housing, multifamily housing developers would be encouraged to launch more housing starts.

The development of multifamily rental housing creates immediate and long-term employment opportunities, will spur spending and growth, and create multiplier effects throughout the local economy. While these effects are obvious where multifamily rental housing construction is sited, data shows that multifamily housing construction will also positively touch neighboring communities, as once occupied, these new residents will seek new places in which to spend their disposal income. That activity serves as an important revenue source for local governments, enabling them to increase expenditures on essential services. This cannot be more evident by the revitalizations that already occurred in the Patchogue, Farmingdale and Mineola communities.

There is more at stake than just tax revenue and economic impact. It's our future. And does the NYSABO wish to play a role by helping keep our young, motivated and educated workforce on Long Island?

Matthew McDonough, chief executive officer of the Babylon Town Industrial Development Agency, said it best when he related to me that the current need for affordable multifamily rental housing as being similar to how Long Island went through its initial transformation post-World War II – "This is Levittown 2.0. The future of suburbia is the construction of affordable multifamily rental housing. We need to provide the future generation a place to live."

Creating a coalition of public and private support, including elected officials, for the purpose of advocating changes in how the NYSABO computes the contribution of multifamily housing starts, is a vital and important next step. We already have a number of participants but additional support is key. We need more people to step up and join us in our efforts to protect the current and long-term economic viability of Long Island through the state's acknowledgment of economic fact.

Kyle Strober is the executive director of the Association for a Better Long Island.

Protecting public pensions protects all working families

Ronald
BAUER

Sometimes it feels like working men and women are always under attack – from anti-union employers, from Washington, from Albany.

Now, amid a concerted attack by climate change activists, Gov. Cuomo and some of our elected leaders in the State Capitol are pushing a plan that could hurt the modest pensions of state and municipal workers across New York.

As business manager/financial secretary of the International Brotherhood of Electrical Workers Local 1049, I can say that few, if any, of our more than 4,000 members would argue that man-made climate change is not real.

Long Islanders know first-hand how wild our weather can be – and it seems like storms here and across the country are getting more severe and occurring more often.

It is true that we must find ways to deal with climate change so we can leave our children and grandchildren a healthy planet, but the governor's plan to divest state pension funds from fossil fuels within five years will hurt public employees, retirees, taxpayers, and working families all across our state.

Divesting fossil fuel holdings from the state's $206 billion Common Retirement Fund and replacing those investments with lower-earning assets would come at a significant cost. It would force state and local governments to raise taxes or cut vital services to cover these costs. The people most impacted by higher taxes and service cuts would be New York's working families, like my members.

The Common Retirement Fund holds the assets of the New York State and Local Retirement System. It represents about 650,000 active state and local employees and 452,000 retirees, including our members.

A recent report from the Suffolk County Association of Municipal Employees found that the Fund, which represents more than 1 million active members and retirees, would lose $188 million to $302 million over five years if forced to divest from fossil fuels. That is a loss that IBEW members simply can't afford.

Additionally, the report noted that while environmental activists claim divestment can slow climate change, the evidence shows that approach would have little to no effect on slowing climate change.

Fortunately, our State Comptroller Thomas DiNapoli, who has a fiduciary responsibility to achieve the highest returns possible for pensioners, agrees that divestment is not the answer and he is studying more sensible ways of stakeholder engagement with the fossil fuel industry.

Across the country, large public pension systems like the California Public Employees' Retirement System, and major universities like Harvard, Yale and MIT, have resisted calls from students and environmental lobbyists for total divestment from fossil fuels: And for good reason.

They understand that public pensions are a right negotiated by state and municipal workers and retirees who have devoted their entire lives to serving the public and keeping the power on in our communities. If we begin to allow our elected officials to gradually use divestiture to drive their own political agenda, then what protections will working families have left?

One thing is clear. Our modest pensions cannot – and should not – be used as political bargaining chips in the debate over climate change.

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