OPINION

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When school districts dictate community zoning



Kyle STROBER

The relentless campaign by some Long Island school districts to dictate economic development in our region has now reached dangerous proportions.

The Village of Freeport is currently negotiating a deal with a major online retailer to sell a parcel of land, located in an industrial and commercial area, which will generate approximately \$40 million in revenue, create 320 jobs, and potentially reduce property taxes by up to 20% for its residents. The Freeport School District, with its ever-increasing salaries and multi-million-dollar budget paid for by the village taxpayers, says not so fast.

Why? The Freeport School District currently utilizes this village property as a free auxiliary practice field for a few of its sports teams. One must keep in mind this property is essentially an unkempt, uneven grass field that the school district does little to maintain and floods when it rains. It has little to no parking and is surrounded by commercial and industrial properties as well as a now vacated public housing complex.

In response, the village is offering to build a new, state-of-the-art sports complex - including three multi-use turf fields with overhead lighting, a locker room facility, and an illuminated baseball field - at an actual park, with ample parking, located within the community. And to do it at zero cost to the school district. This is a proposal that must be defined as a

"no-brainer."

In most instances, the decision to alienate public park-like land for sale rarely serves the public's best interest. With that understanding, this opportunity presented to the village is an historic exception. The direct economic impact to the village and its residents could be transformative and become an economic catalyst for the entire community.

Consider the numbers when debating the merits of this effort. The village's annual budget is approximately \$75 million. An influx of \$40 million in revenue, more than half its annual budget, would provide the village the opportunity to increase services as well as reduce the tax burden for residents. By reducing property taxes by up to 20%, the village will put money back into taxpayers' pockets, which will be an immediate boost to the local economy. Residents will have more disposable income to spend at local businesses, i.e., restaurants and retail stores. Residents might also choose to hire local contractors to improve or renovate their homes, which not only benefits the homeowner but also the surrounding neighborhoods.

All of these direct economic advantages to the village and its residents are just the immediate benefits. In the wake of Amazon's campus there would be significant job creation with many of those positions being filled by Freeport residents. The economic ripple impact would be felt far beyond the village's borders, further strengthening the region's economy at a time when COVID continues to impact paychecks and tax revenue generation.

School districts that would harm the very ability to fund their own budgets must be confronted. Their mission must be re-focused on providing Long Islanders with the quality education they deserve and stopping once and for all their efforts to dictate economic development to those who are willing to invest in our region.

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

ECONOMIC OUTLOOK:

Where have all the workers gone?



John RI771

Labor force participation —defined as the proportion of the working-age population that engages actively in the labor market, either by working or looking for work—is a key indication of the supply of labor available to engage in the production of goods and services.

Many U.S. economists contend that America's low labor force participation rate is holding the country back. They believe raising the proportion of Americans in the labor force should be a national priority.

On Long Island, the August 2021 size of the labor force was the smallest since 2003. Is this purely a reflection of the pandemic or part of a longer-term trend?

The answer to this question has important implications for Long Island's prospects for economic growth. Beginning in June of this year, while the number of persons employed on Long Island remained above June 2020 levels, the size of the labor force declined substantially from 2020 levels. This means that there was a large drop in the numbers of people actively searching for work. This pattern intensified in July and August.

For example, in July 2021 there were 41,400 more employed individuals than in the previous years. Yet the total size of the labor force declined by

66,200 workers. A similar pattern was evident in August. This low labor force participation rate has fueled concerns about a persistent labor shortage. What caused this change and is it likely to be transient or long-term? While many observers have noted that declining labor force participation is a long-term trend nationally, this does not appear to be the case for long Island.

Prior to the pandemic, the labor force exhibited no downward trend. Moreover, the long-term national trend of declining labor force participation has been traced to declining educational attainment and a mismatch between education and evolving jobs skill requirements, as noted by Federal Reserve Chair Janet Yellen.

But on Long Island, educational attainment is high, so labor force participation has likely not suffered on that account. Instead, Long Island's current low labor force participation reflects a variety of transient factors. One is the supplemental unemployment benefit, which expired in September. Another factor is concern about the Delta variant, especially among workers whose jobs involve close interpersonal contact. And many parents, especially women, have stayed out of the labor force to care for their children whose schooling and recreational activities have been limited.

But with the expiration of the supplemental unemployment benefits, and the eventual decline in coronavirus cases, these factors should abate. When that happens, Long Island's labor force participation should return to normal levels. It is difficult to predict exactly when this will occur, but the timeline is most likely measured in a few months, not more.

John Rizzo is chief economist for the Long Island Association.

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