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✉ AGENN@LIBN.COM

📞 631.913.4241

🐦 @ADINAGENN

Amid pushback, leaders stress opportunity in Amazon deal

Too much at stake, don't play politics, officials warn

By ADINA GENN

The Amazon deal has brought a week of turmoil after a blockbuster report in the Washington Post said the company is reconsidering its move to Long Island City.

The online retailer's second-thoughts stem from widespread opposition to the proposal, due in part to the billions of dollars in state and local tax breaks promised to Amazon.

But while some in the state Senate and City Council have pushed back against the deal, others say there's too much at stake economically to let Amazon slip away.

Howard Zemsky, head of New York's Empire State Development, said in a state budget hearing earlier this week that the 25,000 to 40,000 jobs Amazon is promising for Long Island City and has no comparison among all the other publicly funded development deals reached in New York.

"There's nothing we can equate this to in the history of the state," Zemsky said. "It's the largest economic development prize we've ever had."

Others shared that sentiment.

"Amazon's decision to locate in Long Island City is great news for our region as the Long Island economy is inextricably linked with the New York City economy,"

said Kevin Law, president and CEO of the Long Island Association, the region's largest business group.

"We need to be creating jobs and increasing revenues so the state has resources to continue to invest in our region, especially when it has been reported that Albany faces a more than \$2 billion shortfall due to a drop in income tax collections resulting from the cap on federal deductions for SALT," he added.

For these reasons, Law said, "elected officials, especially in the state senate, should not play politics with such an important economic development opportunity like the Amazon HQ2 project."

The opposition stems from a cross-section of the state, including politicians who say Amazon's tax breaks were granted on the backs of the public, to area residents, who fear the area's infrastructure is unable to meet the needs of 25,000-plus new workers. Residents also fear dramatic rent hikes and further gentrification of their neighborhoods.

"Whether this is just a warning shot across the bow by Amazon or a genuine retreat from Long Island City, this is a stark reminder that strategic economic growth capable of powering an entire region can be easily derailed by ideology, rhetoric and a particularly venomous form of NIMBY," added Kyle Strober, executive director for the Association for a Better Long Island.

But addressing that opposition from the community might bring about positive change, experts said.

"While the conflict over Amazon's pro-



An Amazon headquarters in Queens offers an unparalleled economic development opportunity for the region, officials say.

posed headquarters in Queens is making headlines, there is an opportunity to engage Queens neighbors in the process of planning the redevelopment, so there is some local control of the land use process," said Eric Alexander, director of Vision Long Island.

And transparency would play a vital role.

"Create clarity on how the economic development subsidies will be used to delineate the needed public benefits for local jobs, skills training, tax revenues and infrastructure investment to make the proposal palatable for all parties," he added.

"With proper planning, flexibility and communication you can turn lemons into lemonade with this critical project for the region," he said.

Meanwhile, a Siena College Research Institute poll found that a majority of New Yorkers say they support the state's deal

with the online retailer.

The poll found that by 56 to 36 percent, New Yorkers approved of the deal in which Amazon would get up to \$3 billion in city and state tax incentives and other subsidies.

"Even as Amazon is said to be reexamining the deal with New York to locate in Queens, by 20 points New York voters approve of the deal," Don Levey, Siena College Research Institute's director, said about the poll, which was conducted last week by phone to 778 registered voters in New York State.

"Upstate voters are evenly divided but suburban voters strongly approve and in New York City, where some local activists have voiced opposition, voters approve of the deal by 23 points," he added.

Joe Dowd and the Associated Press contributed to this report

NYS budget plan has \$18.3B for Long Island

Governor weighs restoring aid to municipalities

By ADINA GENN

Touting his proposed 2020 budget, Gov. Andrew Cuomo is including \$18.3 billion for Nassau and Suffolk counties – "the largest and most aggressive investment for Long Island in the history of the State of New York," he said.

That money includes \$40 million for the Nassau Hub, bringing a total of \$131 million in state support for the \$1.5 billion project in Uniondale that features housing, retail, office and biotech research space.

Cuomo announced the funding at the Crest Hollow Country Club at a Long Island Association event last week in Woodbury.

He also announced \$26.4 million towards aging septic systems for about 400 homes in Oakdale.

Still, proposed cuts to aid to municipalities would mean a loss of nearly \$60 million in municipal funding across the state, according to the New York Conference of Mayors.

Such proposed cuts come as Cuomo is also reporting a \$2.3 billion deficit because of a drop in income tax collection. Blaming the deficit on the Republican-led federal tax cuts, Cuomo said the state must push forward.

"In the face of the federal administration's ongoing attacks on New York State,

we are building on our record of accomplishments and protecting residents from the impacts of SALT and other misguided policies coming out of Washington," Cuomo said, referring to the federal law capping a deduction for state and local taxes.

Continued priorities include economic development projects for the Ronkonkoma Hub and Belmont Park, offshore wind projects, academic research and development, the Excelsior scholarship, improvements to roads and bridges as well as the Long Island Rail Road, shellfish restoration and other proposals.

Meanwhile, the proposed cut in Aid and Incentives to Municipalities got strong pushback from a number of mayors, including those on Long Island.

For example, the Village of Freeport

stands to lose nearly \$1 million in funding for areas that include emergency services, according to Freeport Mayor Robert T. Kennedy.

Kennedy called that cut "more than unfair."

"After six consecutive years of zero-percent property tax increase, and staying below the 2 percent tax cap, this cut in critical funds would require the village to cut back and/or eliminate services that protect quality of life for our residents," Kennedy said in statement about cuts to AIM.

This week Cuomo said he would reconsider the proposed cuts to AIM, but still pointed to the state's current deficit. At press time, Cuomo was expected to meet with Trump to discuss a "full repeal" of SALT, according to published reports.

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