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# COST OF LIVING CRISIS: THE ROAD AHEAD



How to make LI more affordable?  
Experts say add housing,  
consolidate schools,  
find tax relief

Aerial view  
of homes in  
West Islip

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# FOR LI'S TOUGH CHALLENGES: TOUGH ANSWERS

How can Long Island be made more affordable? Experts say add housing, find tax relief, better transportation

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ONLY IN NEWSDAY

Imagine a Long Island where housing, taxes, transportation and child care were more affordable. It's not easy to do, but planners and experts say they're finding ways to chip away at these issues, even as they lament the current state as a crisis that threatens the Island's future.

Planners say solutions — or at least signs of progress — are in the works or on the drawing board. They praised the pockets of affordable housing that have gone up in Port Jefferson, Islip, East Hampton, Bay Shore and Westbury.

They pointed to the state's 2012 measure that capped yearly tax increases for school districts and municipalities. And child care advocates say the state is doing more to address those expenses, such as raising the income limit so more parents can qualify for subsidies.

But planners, experts and officials agree that there is no sweeping solution that will suddenly make Long Island a more affordable place to live. There are too many challenges — limited land availability, restrictive zoning, a demand for high-quality services and, as one planner phrased it, some Islanders' desire to live around people with whom they identify.

If the Island doesn't step up, "The future will be like today, only worse," said Martin Cantor, director of the Long Island Center for Socio-Economic Policy. "Young people are leaving. Busi-

nesses are leaving. We're in danger of losing our middle class, and we can't survive without a middle class."

At the forefront is housing, which is expensive and can be hard to find.

Eric Alexander, director of Vision Long Island, a downtown planning group, said about 10,000 multifamily housing units are in the approval pipeline on Long Island, and that state law mandates 10% — or 1,000 units — be affordable.

But the average home price on the Island, excluding the East End, is not so affordable: about \$600,000, compared to the national average of \$350,000, according to real estate marketplace firm Zillow.

Next, there are the property taxes, which are among the highest in the country, averaging about \$12,000, far higher than the national average of \$4,000, according to real estate data firm ATTOM Data Solutions.

Some Islanders then must factor in child care, which can set a family back \$12,000 to \$20,000 a year per child, providers say.

**Worker, senior housing need**

Finding economical housing is among the biggest obstacles to living on Long Island. Just ask Vincent Hartmann.

Hartmann, 33, who's married with a child, grew up on Long Island and wants to buy a home here so he can live around family and friends and grow his family.

## What's the answer?

Newsday interviewed scores of experts and Long Island families to understand why the region is

**THE PROBLEM:**  
Overpriced housing

**POSSIBLE SOLUTIONS**

**Rebranding affordable housing**  
Planners and experts say they've seen some success by gearing housing toward workers and senior citizens, and placing them in areas that need redevelopment and locations near transit hubs.

**State building incentives**  
Under Gov. Kathy Hochul's latest plan, communities that show they are expanding affordable housing can qualify for a slice of \$650 million in statewide funding.

**Down payment assistance**  
Suffolk officials recently doubled the amount given to those who qualify for its Down Payment Assistance Program. Income-eligible homeowners are provided up to \$30,000 in federal money toward the down payment on a single-family residence.

**Reform land use**  
The rental market is unlikely to change without state intervention. And while experts haven't reached a consensus on which strategy to use, other states have taken steps to reform land use in high-cost suburban areas, and New York should follow suit, according to academics who research housing.

**STATUS**

In progress

In progress

In progress

Suggested

The EMT, who also works as a hospital manager of post-acute care, said he's looking for a house costing about \$400,000 but can't find one that works for less than \$600,000.

Essentially, Hartmann cannot afford the luxury of living in the place he grew up, and he sees Long Island morphing into a kind of Manhattan of the suburbs, reserved for those with a measure of wealth.

"Everything is just skyrocketing. We're overbidding on homes we really can't afford," Hartmann said, adding that gas, food and other costs also have risen.

"Long Island needs to ease the taxes for residents, build more

apartments, more housing," he added.

Many Islanders have a dim view of "affordable housing." But planners and experts say they've seen some success by gearing housing as such toward workers and senior citizens.

Some developers pitch their plans as "workforce housing" in an attempt to rebrand them. They're also placing them in run-down areas that need redevelopment, and spaces near transit hubs.

Port Jefferson Crossing, for example, is a 45-unit development of affordable housing that opened last year. The building is steps from the Long Island Rail Road's Port Jefferson station and

is part of a broader effort to revitalize the surrounding area.

Alexander said he sees some evolution in Islanders' attitudes about affordable housing. Affordable housing doesn't just mean big housing projects filled with poor, unemployed people. It means housing for service workers, senior citizens and young Islanders looking to make a stake here.

But Alan Singer, an Island historian and head of social studies programs at Hofstra University, said he doesn't see much support here.

"I don't see the evidence for support," Singer said. "Have local politicians endorsed [Gov. Kathy] Hochul's proposal?"

**WHAT TO KNOW**

■ **Planners and economic experts say** there's no magic bullet to making Long Island more affordable. But the Island is finding ways to chip away at issues such as high-priced housing, taxes and child care.

■ **Planners say they see attitudes changing** regarding affordable housing, that it is not just sprawling housing projects filled with unemployed people. Well-planned developments can provide much-needed housing for workers, seniors and young people.

■ **Child care advocates say the state** is doing more to address these expenses, such as raising the income limit for parents who qualify for subsidies.



GORDON M. GRANT

Catherine Casey, executive director of the East Hampton Housing Authority, at Three Mile Harbor. ■ Video: [newsday.com/costofliving](https://www.newsday.com/costofliving)

## FEELING THE SQUEEZE

### About the series

Through scores of interviews with experts and Long Island families, *Newsday's* "Feeling the Squeeze" series gives insight into why the region is so expensive and explains the financial toll that comes with living here. From struggles to afford child care, to the burdens of high housing costs and more, these stories impact Long Islanders of all backgrounds and walks of life.

- SUNDAY, JULY 30**  
Four families' stories; renting on Long Island
- MONDAY**  
Child care and food costs
- TUESDAY**  
Transportation
- WEDNESDAY**  
Taxes
- THURSDAY**  
Homeownership
- FRIDAY**  
Utilities
- SATURDAY**  
Banking woes
- TODAY**  
Solutions .....A2-5

so expensive and what can be done to make it more affordable for our Feeling the Squeeze series. We've compiled all of those solutions here.

#### THE PROBLEM: High taxes

#### POSSIBLE SOLUTIONS

POSSIBLE SOLUTIONS			
<b>Tax breaks</b> Senior citizens and low-income homeowners benefit from tax assistance programs such as partial tax exemptions. Last year, Nassau doubled the income limit for seniors and disabled people to receive a 50% exemption.	<b>Consolidation</b> The Island could save money by consolidating some of its 124 school districts, 13 towns, two cities and 95 villages, as that could thin bureaucracy and combine services, but those plans have their critics.	<b>Regional income tax</b> Long Island could replace the local school taxes with a regional income tax based on a person's income as opposed to the value of their home. Some argue this system would be fairer since home values have grown exponentially while wages have not, but others worry it would be a less stable taxation system since incomes can fluctuate more.	<b>Attract more businesses</b> Bringing more companies to Long Island could help the tax problem, shifting the burden more to the commercial base. Offering more tax incentives and grants to businesses, and improving infrastructure could support this effort.
STATUS			
In progress	Suggested	Suggested	In progress

#### More issues, and possible solutions, A4-5

**NOW ONLINE**  
Newsday has compiled a list of resources to help Long Islanders deal with these challenges.  
[newsday.com/costoflivinghelp](https://www.newsday.com/costoflivinghelp)

He was referring to Hochul's big push for more affordable housing. The State Legislature in March shot down her first proposal, which called for the creation of 800,000 affordable housing units across the state, with Long Island as a particular target. That plan would have given the state the power to override local zoning decisions.

Hochul since has revised the plan, removing the ability for the state to override local zoning, and offering a carrot versus a stick. Communities that show they are expanding affordable housing can qualify for a slice of \$650 million in statewide funding, she said.

Affordable housing on Long Is-

land often appears in dribs and drabs. Much of what has been built here has been born of necessity — to provide homes for local workers, seniors and young people, Cantor said.

The East End of Long Island, long an enclave for wealthy celebrities, is in desperate need of housing for year-round residents at low and moderate incomes. Many who work in the service industry simply cannot

afford to live there, so they commute hours to their jobs, said Catherine Casey, executive director of the East Hampton Housing Authority.

Several projects featuring "workforce housing" have either been built or approved, such as the Three Mile Harbor project in East Hampton, a 50-unit development that started construction last summer and should be done around the end of the year,

she said.

The East Hampton Housing Authority and Georgia Green Ventures are developing the \$33 million project. The state is providing \$18 million in tax credits and a mix of state and federal funds, Casey said. The East Hampton Housing Authority has built 180 units of affordable housing since 1993, Casey said.

Suffolk officials recently announced that applications are open for its Down Payment Assistance Program, in which income-eligible homeowners are provided up to \$30,000 in federal money toward the down payment on a single-family residence.

The amount is more than double the previous assistance offered of \$14,000, officials said. The county doubled the amount, partly because of rising housing costs in the county.

#### Top schools come at a cost

Long Islanders face a challenging conundrum when it comes to high taxes: They want top-quality schools, police protection, roads and parks — but somebody has to pay for all that.

"There's always a cost. If you want premium, there's an additional cost," said John Cameron, chairman of the Long Island Regional Planning Council.

Planners and economists say they see some past initiatives, some occurring now and some ideas for the future that could ease the tax burden on Long Islanders.

School taxes make up about 60% of Islanders' property tax

bill, but it's not an area where many Islanders want to skimp. Island schools are routinely ranked among the best in the nation.

One of the biggest breaks came in 2012 when the state limited increases in school and municipal budgets to 2% a year, or the rate of inflation, whichever is less.

"That has throttled their ability to drive up costs," said Richard Murdocco, a Stony Brook adjunct professor of land use and environmental policy.

Senior citizens and low-income homeowners benefit from tax assistance programs such as partial tax exemptions, Cantor

See **SOLUTIONS** on **A4**

# NO QUICK FIX FOR LI

## What's the answer?

A compilation of possible solutions to problems examined by Newsday's Feeling the Squeeze series.

Continued from A2-3

### THE PROBLEM: Food insecurity

#### POSSIBLE SOLUTIONS

**Help people earn more**  
The Island's two large food banks — Island Harvest Food Bank and Long Island Cares — The Harry Chapin Regional Food Bank — report an increase in demand for emergency food assistance. Island Harvest is trying to combat some of the underlying issues that lead to food insecurity by starting its Workforce Skills Development Institute, a job training program to help people earn better wages.

**Regulatory changes to expand aid**  
A report last year by the Suffolk County Legislature's Welfare to Work Commission determined that the true definition of poverty on Long Island, based on the costs of housing, food, transportation and basic necessities, should be \$55,500 for a family of four. However, the official federal poverty level, which determines who is eligible for government benefits, including food stamps, is just \$30,000 in 2023 for a family of four. The official poverty level does not consider regional cost differences, which hurts a high-cost region like Long Island. The federal poverty level, established in the mid-1960s, is only updated for inflation.

#### STATUS

In progress

Proposed

### THE PROBLEM: Expensive child care

#### POSSIBLE SOLUTIONS

**Expand government subsidies**  
While the state provides child care subsidies for some low-income families, the majority of Long Islanders don't qualify. New York State is slowly acknowledging and trying to improve the situation. The state raised the income caps twice this year so more families qualify. On June 1, the state cap rose to \$90,000 because the federal poverty level rose to \$30,000 for a family of four and on Oct. 1, it will jump again to \$99,250 using a new state formula.

**Employer-provided care**  
Some employers provide workers with child care help, but they are rare. For instance, Northwell Health offers its 85,000 workers a "backup child care program," in which they can request Northwell send a child care worker to their home, even at the last minute. The employee can use it up to 15 days and pays a \$6-an-hour copay. The Island could be selected by the state for its Employer-Sponsored Child Care pilot program, which will operate in three regions around New York and will split the cost of child care between employers, the state and participating employees

**Universal child care**  
Child care advocates want the state to make universal child care for ages birth to 5 available to any family that needs it, paid for through taxes. If it's not entirely free, then perhaps families using the care could pay 10% of their gross income, with the government covering the rest. But the political will to do so has been lacking among legislators, as the state has to balance child care with other needs, including help for nursing homes, developmentally disabled children and children in foster care.

#### STATUS

In progress

In progress

Proposed

### SOLUTIONS from A3

said. Cantor said the Island could save money by consolidating some of its 124 school districts, asserting that will save money by thinning bureaucracy and combining services. Critics worry that such consolidation would suck power away from parents and students.

Long Island has 13 towns, two cities and 95 villages, each with its own land-use policies. Consolidating villages would offer little savings because so many positions would need to remain, Cantor said.

The salaries of village mayors, who might not be needed in a consolidation, are too small to amount to much in savings, he said.

"It's nickel and diming," Cantor said. Besides, he added, "Local government has its value. People want local control."

Cantor, who is also an economist, suggested replacing the local school taxes on Long Island with a regional income tax. Such a system would be based on a person's income as opposed to the value of their home. That would be fairer in that people who earn more would pay more, he said.

### THE PROBLEM: Utility rate hikes

#### POSSIBLE SOLUTIONS

**Relief programs**  
Most utilities offer programs, some with state and federal funding, that help low- and moderate-income customers pay their bills when costs balloon beyond their ability to pay. Programs are aimed at making sure low-income customers don't spend more than 6% of their income on utilities. The state also recently passed a \$200 million budget item that will fund arrears forgiveness for those who were not eligible under prior low-income programs, an attempt to help address affordability issues for a bigger cross-section of customers in the state.

**Automatic enrollment for discounts**  
A bill currently in the State Legislature would automatically enroll lower-income customers into programs that offer energy discounts. Utilities currently require prospective participants apply and provide proof of eligibility, which can lead to many who are eligible failing to enroll because of lack of awareness.

**Embracing solar energy**  
Solar companies have been offering customers who subscribe a 10% to 20% discount on PSEG power if they opt for community solar power from specially contracted providers. And a growing number of Long Islanders — some 60,000 — have opted to put power plants on their roofs with solar panels that can provide all or most of their power, and pay for themselves in three to five years with reduced bills.

**Community choice programs**  
Brookhaven Town already has begun a community choice program that will allow natural gas customers to buy gas at an anticipated discount from National Grid's price through an administrator that works with the town. The program is designed to temper the volatility that saw gas prices rise to record levels last fall.

#### STATUS

In progress

Proposed

In progress

In progress

"What's happened in the last 30 years is that the values of homes has grown exponentially, but the wages have not followed suit," Cantor said. A regional income tax "would make housing affordable."

Substituting the property tax with an income tax would be a major shift in taxation, said Richard Auxier, a senior policy associate with the Tax Policy Center, a Washington, D.C.-based think tank.

Property taxes tend to be sta-

ble, whereas income tax can vary from year to year, depending on the economy and how much people spend, he said. He could not name one place that has swapped out a property tax for an income tax.

Nassau County lawmakers offered some tax relief last year. They approved a plan that almost doubled the income limit for seniors and disabled people to receive up to a 50% exemption from their property tax assessments. The new income

limit is \$50,000.

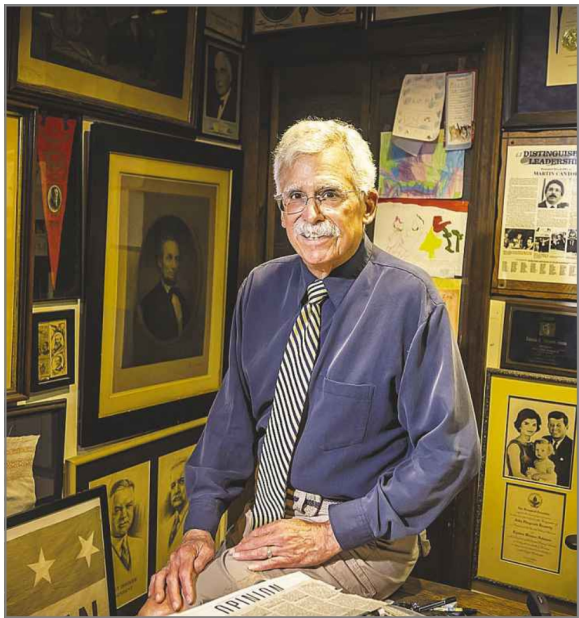
Suffolk County lawmakers, for their part, haven't raised property taxes for the past two years.

New Jersey recently approved a program to cut in half senior citizens' property tax bills. Under the program, known as StayNJ, any homeowner 65 and older with an annual income of \$500,000 or less would be eligible.

While some New Jersey state officials praised the plan for providing much-needed tax relief,

Peter Chen, a policy analyst with New Jersey Policy Perspective, criticized the move in the group's report on the plan. He said the plan would direct the largest benefits to wealthy households, worsen the racial wealth gap, and come with a big price tag "at a time when the state can ill afford it."

Cameron, of the planning council, said attracting more companies to Long Island could help the tax problem, shifting the burden more to the commer-



**Martin Cantor, director of the LI Center for Socio-Economic Policy, says without change, "The future will be like today, only worse."**

cial base. To accomplish that, he suggested more tax incentives and grants for businesses, as well as more investment in community infrastructure such as sewers.

"What we don't grow on the commercial side will fall back on the residential," Cameron said.

Nassau approved a 99-year lease agreement in May that would allow Las Vegas Sands to develop a \$4 billion casino resort on the Coliseum site. But it's not a done deal, as Sands now needs several additional approvals, including an environmental review, for the development to move forward.

**State to help with child care**

Long Island's child care woes are a good example of how affordability issues overlap in people's lives, each affecting others, Cameron said. The high costs of child care have kept many mothers out of the workforce, causing a drag on the economy. If costs were mitigated, these women could find work and help their family's finances and the local economy, he said.

"Women say, 'I can't work just to pay somebody to watch my kids. So, let's move South,'" where life is more affordable, he said.

Island child care providers and advocates say the system faces many hurdles to lightening the cost burden. They talk about the need for universal child care — in which the government pays much of the costs, not unlike

public schools — but advocates say few if any places around the country provide it.

Critics of universal child care worry about the price tag and potential for ballooning bureaucracy.

"We don't think anything will happen on the federal level regarding universal child care," said Jennifer Rojas, executive director of the Child Care Council of Suffolk County. "Congress is not an easy place to get things done."

The pandemic thrust the issue of child care to the front burner, as parents scrambled to find care for kids who were learning remotely at home. Advocates say they see the state starting to do more to help parents struggling with child care costs, such as expanding child care to more families by raising the income limit on eligibility.

Some employers provide workers with child care help, but they are few and far between here, Rojas said.

Jennifer Reyes, a divorced mother of four, said she utilizes a child care program offered by her employer, Northwell Health. The nurse educator uses the "backup child care program," in which each of Northwell's 85,000 workers can request up to 15 days in which Northwell will send a child care worker to their home, even at the last minute. The employee pays a \$6-an-hour copay.

Reyes said, "I had a conference in Manhattan. I set up the

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 More information on the aspects of Long Island living included in Newsday's "Feeling the Squeeze" series.  
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sitter two days before. . . . She immediately got along with the kids. She brought activities such as board games and puzzles. It was a nice, easy handoff."

While the state provides child care subsidies for some low-income families, the majority of Islanders don't qualify, Rojas said.

The recently approved state budget expanded child care eligibility to 113,000 more families by raising the income limit to the maximum allowed by federal law. The limit is 85% of New York's median income, or approximately \$93,200 per year for a family of four, officials said.

Rojas said she hopes the state chooses Long Island for an Employer-Sponsored Child Care pilot program. The pilot will operate in three regions around the state and will split the cost of child care between employers, the state and participating employees.

"We need to find public funding that can be invested in a way that every family has access," she said.

**Make transit appealing, safe**

To be blunt, now is not a good time to talk about making transportation cheaper on Long Island, planners say.

The MTA is moving forward on a fare increase — including on the Long Island Rail Road — of about 4% in late August. Bridge and tunnel tolls will rise by 6% for drivers paying via EZPass on Sunday.

Beyond that, New York City plans to implement congestion pricing around May of next year, charging vehicles traveling into or within the central business district of Manhattan.

Making auto travel more economical is full of hurdles.

"We are so entrenched in our auto culture," Cantor said. "So many of the expenses — the car, fuel, insurance, labor and parts — are out of the control of the average Long Islander."

Still, there's value in making train and bus service more convenient, reliable and safe, thereby increasing the lure of transit travel, said Tiffany-Ann Taylor, vice president for transportation for the Regional Plan Association.

Enticing people onto mass transit could help with traffic congestion. Congested roads

drive up freight, trucking and labor costs, Cantor noted.

Planners pointed to the LIRR's new 10-mile-long Third Track through Nassau bolstering service.

The Island's bus system — which riders say needs more routes, especially those heading north and south — is seeing some improvements.

Suffolk has reconfigured bus routes and will have them operating seven days a week with extended weekday hours from 5 a.m. to 10 p.m., starting this fall, county spokeswoman Marykate Guilfoyle said. The new network will increase access for carless households by 53% and access for low-income residents by 60%, she said.

"I don't think all the answers

are about making the dollar costs less," Taylor said. "A better running transportation system is an economic benefit."

What happens if Long Island doesn't do enough to bring down the costs of housing, child care, taxes and transportation?

Murdocco, the Stony Brook adjunct professor, said the Island would become more of an enclave for the rich. There would be less economic and racial diversity. There are still going to be good schools and services, he said. But costs will escalate.

"If you used to pay \$15 an hour for a babysitter, expect it to be \$35," he said.

As for Hartmann and his family, who are living in the downstairs of his parent's split-level in Hauppauge, he said he's giving his house hunt another year before he looks to move to another state.

"We're looking to have another child. We need more space," he said. "Our politicians and government officials need to wake up and decide the future of Long Island."

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