

LI tops in hiring by IDA projects

Businesses add 51,632 jobs after getting tax breaks

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Long Island accounts for nearly 25 percent of the jobs created in recent years by building projects receiving tax breaks from industrial development agencies in the state, according to a report released Friday.

In its annual review of IDAs, the office of state Comptroller Thomas P. DiNapoli found 51,632 people had been hired locally as of the end of 2016 by businesses, housing developments and other projects backed by one of the Island's eight IDAs.

IDAs grant tax reductions to companies and developers in return for promised investment and the retention, and in many cases, expansion of employment. In recent years, IDAs in Nassau and Suffolk counties have come under fire for aiding automobile dealerships, self-storage facilities and housing that create few permanent jobs and in some instances pay low salaries.

Local IDAs awarded breaks to 812 projects on their property, sales and mortgage recording taxes during the period reviewed by DiNapoli. The tax incentives are often spread over 10, 15 or 20 years, so the time period in which jobs are created varies by project.

DiNapoli calculated the "net jobs gained" at each project by comparing employment figures for 2016 with those for the year before the project got IDA help.

Long Island had the most IDA-related hiring among the state's 10 regions, followed by New York City and the Hudson Valley.

"Long Island as a region, while it's smaller than the city, is a very important part of the economic engine of New York State,



Suffolk IDA clients, including Broadridge Financial Solutions, above, added 15,342 jobs after tax breaks.

IDA REPORT CARD

IDA	Active projects in 2016	Jobs gained after tax breaks were granted
Glen Cove	10	141
Hempstead Town	80	5,629
Nassau County	173	14,478
Babylon Town	186	6,758
Brookhaven Town	76	5,401
Islip Town	116	2,899
Riverhead Town	33	984
Suffolk County	138	15,342
Total: 8 IDAs	812	51,632 jobs

SOURCE: NYS comptroller's report

and I hope a report like this helps to validate how key our region is," DiNapoli said Friday.

Statewide, 208,707 jobs had been created as of the end of 2016 by nearly 3,000 projects receiving IDA aid. Service businesses and manufacturers each accounted for about 22 percent of total hiring.

On the Island, the largest number of new jobs — 15,342 — were created by 138 projects receiving aid from the Suffolk County IDA. The projects, as a

group, got \$7 million in tax breaks in 2016, according to the comptroller.

The Suffolk IDA ranked No. 2 behind the New York City IDA in terms of net jobs gained. The Nassau County IDA was No. 3 with 14,478 jobs at 173 projects.

Anthony J. Catapano, executive director of the Suffolk IDA, said Friday his agency's performance reflects the success that local businesses are having.

TRACKING IDAS
Report cards on LI's industrial development agencies
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The Nassau projects, as a group, got about \$44 million in tax breaks in 2016. That's the second-highest amount after the New York City IDA, which awarded \$141 million in tax incentives to 430 building projects for 2016.

Nassau officials attributed the nearly sixfold difference in tax breaks between the Nassau and Suffolk IDAs to an electrical cable project, which accounted for about 30 percent of the breaks Nassau awarded. Even with that project, they said the tax breaks per new job, \$3,011, were in line with that of IDAs in Hempstead, Babylon, Brookhaven, Islip and Riverhead towns.

Suffolk IDA projects had the lowest tax incentives per job, \$456, while Glen Cove had the highest, \$22,000.

UNEMPLOYMENT DIPS TO 3.8%, 18-YEAR LOW

The Associated Press

Another month of strong hiring drove the nation's unemployment rate down to 3.8 percent — tantalizingly close to the level last seen in 1969, when Detroit still dominated the auto industry and the Vietnam War was raging.

Employers added 233,000 jobs in May, up from 159,000 in April, the Labor Department reported Friday. And unemployment fell to an 18-year low.

The report shows that the nearly 9-year-old economic expansion — the second-longest on record — remains on track and may even be gaining steam. Employers appear to be shrugging off recent concerns about global trade disputes.

"The May jobs report revealed impressive strength and breadth in U.S. job creation that blew away most economists' expectations," said Scott Anderson, chief economist at Bank of the West.

With the unemployment rate so low, businesses have complained for months that they are struggling to find enough qualified workers. But Friday's jobs report suggests that they are taking chances with pockets of the unemployed and underemployed whom they had previously ignored.

Roughly an hour before the employment data was released, President Donald Trump appeared to hint on Twitter that a strong jobs report was coming. "Looking forward to seeing the employment numbers at 8:30 this morning," he tweeted.

Treasury yields jumped and the value of the dollar increased within seconds of Trump's 7:21 a.m. tweet, suggesting that traders likely were making investment decisions based on what they extrapolated from Trump's post. The director of the White House National Economic Council, Larry Kudlow, said he briefed Trump on the jobs report on Thursday evening.

Investors welcomed the report. The Dow Jones industrial average rose 227 points, or 0.9 percent, in afternoon trading. Other indexes also moved higher.