



Yes, LI, there is a Virginia

By Michael H. Samuels

Friday, April 11, 2008

Long Island has nothing in common with Fairfax County, Va. And that's the problem.

While local lawmakers are up in arms about this region's escalating property taxes, Fairfax residents pay less tax on their properties today than they did in 1976, according to Gerald Gordon, president and chief executive of the Fairfax County Economic Development Authority.

Gordon, who met with The Long Island Association last week to discuss the future of economic development here, said in Fairfax the property-tax rate has decreased from \$1.74 per \$1,000 of assessed property in 1976 to 89 cents per \$1,000 of assessed property today.

The reason: the increased tax base from the influx of 107 million square feet of office space that includes businesses such as America Online and Volkswagen.

"We were able to bring in businesses to offset the cost of public services," Gordon said about Fairfax, which boasts that it's in the Top 10 locations for office space in the country.

The 2007 Long Island Index compared Long Island with Fairfax, two areas marked by their close proximity to a large metropolis, as well as similar demographics.

But Fairfax, just outside of Washington, D.C, boasts one municipal government and one school system for the area's 395 square miles, 1.1 million residents and 165,000 school children.

Long Island, on the other hand, has 970 taxing jurisdictions, 125 school districts, 439 municipalities and townships and close to 3 million residents.

The Long Island Index found that 33 percent of respondents in Nassau and Suffolk counties said they paid a fair amount of taxes and got back a high quality of public service. In Fairfax, 62 percent of respondents felt they paid their fair share of taxes and received back a high quality of public services.

"It is almost exactly reversed," Gordon said. "The implication is that the overwhelming number of taxing authorities and municipalities contributes if not to confusion, than to higher tax rates," he said.

Long Island taxpayers are increasingly clamoring for tax reductions, especially with a downturn in the economy and the subprime mortgage crisis, LIA President Matthew Crosson said.

"The tax level has gotten so high so quickly," Crosson said. "It has taken a bigger bite of people's pocketbooks."

Gordon said the best way to lower the taxes is to cut the number of school districts, since they make up 70 percent of the property-tax bill. He said it wouldn't be popular, but getting rid of the salaries of individual school district superintendents would save thousands of dollars.

"You can reduce a lot of burdens on the residents if you do that now," he said, adding Long Island could reduce its number of school districts to 100 in the next decade.

He added that Long Islanders shouldn't expect a quick turnaround.

Fairfax started its economic renaissance in 1976, attracting government contractors and expanded from there, Gordon said. Businesses that got their start in Fairfax include America Online and Network Solutions. In addition, Exxon and Volkswagen placed their American headquarters there.

"The lesson we learned is that you have to develop a strategic plan and adhere to it religiously," he said. "You need to take a very, very long-term view."

But Eric Alexander, executive director of Vision Long Island, said it would be difficult for Long Island to mimic Fairfax. The government structures are just too different.

"They have a little more ability to coordinate economic development and county planning," Alexander said. "It is easier to advance certain things and get ahead of the curve."

He said mixed use and smart growth projects like those being planned in Riverhead and Islip are ones that will bring businesses back to Long Island by building residences young workers can afford to live in.

"There are people doing good work on Long Island," Alexander said. "This isn't rocket science."