

Getting Our Money's Worth: The Case for IDA Reform in New York State

9-Point Plan for IDA Reform

Industrial Development Agencies can and should be a local driving force of accountable, sustainable economic development in New York State. The 115 IDAs throughout the state represent the potential for a concerted statewide effort to promote economic health, create business opportunities, and improve the quality of life for all New Yorkers. By working together across the state and maintaining a focus on context and local needs, IDAs could push New York to the forefront of cutting-edge and innovative economic development programs.

The data reveals, however, that IDAs currently function inefficiently, wasting billions in taxpayers' dollars on companies that fail to deliver on the promises they make. With nearly \$400 million in subsidy aid provided each year, our IDAs and the businesses they subsidize must do better—it's about time that New Yorkers get their money's worth out of economic development subsidies. Here's how:

Business Standards

Reform 1: Wage Standards for construction & permanent jobs created by subsidized projects.

Reform 2: Regional Hiring & Apprenticeship Requirements to ensure that development creates jobs and training opportunities for local workers.

Reform 3: High Performance Building & Environmental Standards to prevent sprawl & encourage smart growth.

Accountability Measures

Reform 4: Local Government Oversight of IDA project approvals.

Reform 5: Subsidy Recapture Mechanisms, or "Clawbacks," to provide a money-back guarantee against companies that default on their contract commitments.

Reform 6: Designated IDA Board Representation to ensure a broad range of stakeholder interests are included in decision-making.

Reform 7: Anti-Raiding Measures to prevent IDAs from engaging in unhealthy competition that results in job-shifting from region to region rather than real job creation.

Transparency Reforms

Reform 8: Community Impact Reports & Accessible Public Hearings that disclose the potential impacts of IDA developments and allow for meaningful dialogue on the impacts, costs and benefits by local stakeholders.

Reform 9: Increased Monitoring and Improved Reporting by IDAs and their projects on activities, performance, and commitments.

Hundreds of organizations, elected officials, media outlets, and taxpayers are demanding better use of our tax dollars and public resources. Comprehensive reform of our Industrial Development Agencies is a necessary first step to just that—use our valuable local subsidies to generate *real* economic opportunities for *all* New Yorkers. We deserve to get our money's worth! Join the cause for better economic development statewide—contact New York Jobs with Justice at 212.631.0886 or visit www.nyjwj.org.

New York Jobs With Justice

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