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Public Outcry Leads to Cancellation of COMIDA Subsidy to Brighton Hotel Project Momentum Building for Statewide IDA Reform

Downtown Rochester – Under heavy criticism from Brighton Town leaders and community members, County Executive Maggie Brooks recommended to the County of Monroe Industrial Development Agency (COMIDA) board that Brighton be allowed to opt out of a controversial tax break for a hotel renovation project.

On Tuesday several dozen area residents joined Brighton Town Supervisor Sandra Frankel, Rochester Labor Council President Jim Bertolone and community and union members outside the COMIDA board meeting. They pointed out that the COMIDA subsidy to the hotel is a symptom of larger problems afflicting the IDA system.

"This project is a prime example of why we need COMIDA and IDA reform, not only here in Monroe County but statewide." Frankel said and added that she will be testifying at a legislative hearing in Buffalo on Thursday in support of changes to the statewide laws regulating IDA's like COMIDA.

Brighton Town Board member Jim Vogel is not satisfied with COMIDA's exemption, "This procedural move only applies to property taxes. Brighton homeowners will still have to make up the difference on the mortgage and sales tax exemption. This is an election year and Maggie Brooks is trying to take the heat off of COMIDA's inattention to these subsidy applications. The COMIDA board didn't even bother to show up to the public hearing in Brighton.

COMIDA has come under fire for poor performance in creating jobs in the area. A recent Jobs with Justice report gave COMIDA a "D" for failing to make sure that subsidized businesses met their job creation goals. According to the report, 48% of the local businesses receiving COMIDA tax breaks either lost jobs, didn't create any jobs, or didn't meet their job creation goals. The tax breaks amounted to over \$11 million. Reform advocates say that Monroe County taxpayers have to make up the difference in lost tax revenue.

Statewide, IDA's gave away over half a billion dollars in tax breaks but failed to deliver on the overwhelming majority of promised jobs according to the Jobs with Justice report entitled, ***Getting Our Money's Worth: The Case for IDA Reform in New York State.***

The local members of the statewide Coalition for Development Accountability are urging state legislators to adopt new IDA regulations that contain their nine-point IDA reform package: business standards (prevailing and living wages, local hiring, apprenticeship programs), accountability measures (clawback, diverse representation on IDA board, anti-raiding), and transparency reforms (community impact reports, improved reporting and monitoring, publicized and accessible hearings).

Senator Joe Robach and Assemblywoman Susan John agree that the IDA system needs to be reformed, “Anytime we provide tax incentives in an effort to retain existing businesses and to attract new employers throughout New York State, we must ensure appropriate transparency and accountability measures are in place,” stated Senator Joe Robach, adding “While Monroe County has implemented positive steps such as instituting a local labor requirement... there is a need to consider further improvements on a statewide level.”

Assemblywoman Susan John says she is committed to IDA reform, “I was a leading sponsor of an IDA reform bill that passed the Assembly and this year I am working with my colleague, Sam Hoyt, to draft legislation that will provide the protections needed to make this a successful economic development tool.”

Assemblywoman John says the bill will provide for better definitions of what projects qualify as IDA eligible development and also provide much need transparency to taxpayers and will allow local governments including school districts to make sure that an IDA undertaking is in concert with local needs, master plans, and provide a positive economic impact for property owners.

The New York State Assembly passed similar reforms last year but the bill stalled in the Senate.

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