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Zemsky: Economic Progress Transcends Numbers

By Jimmy Vielkind

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ALBANY — The Cuomo administration's economic development programs transcend mere numbers, Howard Zemsky, head of the Empire State Development corporation, said Friday.

"There are some projects where it is just, almost, impossible to look individually to track," Zemsky testified during a state Assembly hearing. "When we create an entire sort of ecosystem where you have the entrepreneurship. ... the sum is bigger than the parts."

Lawmakers were asking Zemsky, whose agency oversees the distribution of economic development grants, a system of regional advisory councils and a network of tax-free "Start-Up NY" zones, for actual job-creation figures associated with those programs.

Several referenced a report from the Citizens Budget Commission which found "a widespread lack of reporting on project outcomes" from the state's regional economic development councils that "has limited the State's ability to track performance at both the regional and project levels."

Assemblyman Harry Bronson, a Democrat from Rochester, asked Zemsky for figures related to the state's Buffalo Billion program, which Gov. Andrew Cuomo has touted as a cornerstone of his economic platform. In his prepared testimony, Zemsky said the Buffalo Billion would create 14,000 jobs over the next five years.

"Over half the money has been spent, 90 percent has been announced and almost all of it is on-track," Zemsky said, noting the "psyche" has changed and Buffalo's population of millennials is increasing. "We will know we're successful everywhere when we see that population turn. We have no future in upstate New York if everyone moves to New York City who's 20-40 ... Getting kids back and keeping them — that is the litmus test, period."

"If you can project 14,000 jobs, why can't you track whether we're meeting that benchmark?" Bronson replied. "I ask that because as policy makers, we're asked to make appropriate decisions regarding funding through the budget process, then go back to our constituents and report that when we thought we were spending money on a certain item, it got the results we intended."

Zemsky pointed to New York City's High Line, a park erected on a once-abandoned elevated rail line that helped rejuvenate Chelsea.



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“We just have to protect against being overly analytical and too narrowly focused,” Zemsky said. “That’s my most sincere belief about how we are doing things now versus how we were doing things.”

Assemblywoman Carrie Woerner, a Democrat from Saratoga County, asked Zemsky about Start-UP NY, noting, “we can’t manage the things that we don’t measure.” In his prepared testimony, Zemsky noted the tax-free program now has 346 sites, rooted in institutions of higher education. They encompass 143 businesses that have pledged to create 3,846 jobs, but the only official report, issued last April, shows they have so-far created 76. A new report is due next April.

Speaking to reporters after the hearing, Zemsky said the number of jobs is now “several hundred,” and offered a testy reply to lawmakers’ desire to have updated data before a new state budget is finalized by April 1 of next year.

“If you can’t get your head around the fact that Start-Up New York is a compelling business opportunity, and you aren’t willing to commit to that for several years, then we probably never should have started it in the first place,” he said. “When I get my head around is the fact that colleges and universities and students are taking advantage of these innovative companies. If you think economic development happens over night, then you’re misguided.”

He added that Start-Up NY was “fabulous idea” along the lines of how Silicon Valley first grew, and “makes so much sense it’s indescribable.”