



Contact: [Riley Edwards](#)

212-279-2605 ext. 337

[Kyle Sklerov](#)

212-843-8486

CITIZENS BUDGET COMMISSION RELEASES REPORT ON MAYOR DE BLASIO'S ECONOMIC DEVELOPMENT RECORD

*Report Highlights Five Areas for Improvement as
Mayor Enters Second Term*

New York, NY - January 2, 2018 - The Citizens Budget Commission (CBC) today released [Managing Economic Development Programs in New York City: An Assessment of Progress](#), a report evaluating New York City's economic development record during the de Blasio administration. New York City's economy has been strong since 2013, but the sectors creating the most jobs have relatively low wages, and the poverty rate remains high. As the Mayor begins his second term, the report serves as a measuring stick of the administration's achievements during the first term, while highlighting the areas that still need improvement.

"The City provides businesses with billions of dollars in subsidies annually, and it is imperative that those funds be used cost-effectively," said CBC President Carol Kellermann. "Our report sets clear standards for how the Mayor should improve economic development policies during the second term in order to ensure the public gets the maximum return on its investments."

The annual cost of the city's economic development efforts in 2016 was \$3.2 billion. To ensure those monies are being invested wisely, [Managing Economic Development Programs in New York City: An Assessment of Progress](#) focuses on five recommendations, originally proposed in 2013, to improve the City's economic development practices:

1. Make as-of-right tax expenditures more cost-effective with continued reform.
2. Create more detailed standards for awarding discretionary tax expenditures.
3. Make capital investments in infrastructure to support job growth in underdeveloped neighborhoods.
4. Manage EDC programs with a focus on job creation and improving transparency.

5. Use conduit financing to support growth in the arts, health, and educational sectors.

Positive changes under the de Blasio administration include more targeted conduit financing, the regular evaluation of tax expenditures, and fewer capital projects managed by the Economic Development Corporation on behalf of other agencies. However, little has been done to improve reporting and evaluation and to strengthen standards for granting discretionary tax benefits. In addition, changes should be considered to the Industrial Commercial Abatement Program; evaluations indicate this program induces investment in few cases.

To learn more about other specific recommendations and analysis, the full report is available at www.cbcny.org/research.

About Citizens Budget Commission

The Citizens Budget Commission (CBC) is a nonpartisan, nonprofit civic organization whose mission is to achieve constructive change in the finances and services of New York City and New York State government. CBC's mission is rooted in serving the citizenry at large, rather than narrow special interests; preserving public resources, whether financial or human; and focusing on the well-being of future New Yorkers, the most underrepresented group in city and state government.