

RESOLUTION NO. 91 -2017, DIRECTING THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND PLANNING TO ASSESS THE EFFECTIVENESS OF ECONOMIC DEVELOPMENT INCENTIVES IN SUFFOLK COUNTY

WHEREAS, local industrial development agencies are authorized and empowered to provide financial assistance to businesses for the purposes of fostering economic growth and job creation/retention; and

WHEREAS, the Suffolk County Industrial Development Agency, like all industrial development agencies, is organized as a public benefit corporation and is largely independent of Suffolk County government; and

WHEREAS, the Suffolk County Industrial Development Agency is authorized to offer businesses property tax abatements and exemptions from sales tax, as well as issue tax exempt municipal bonds to assist economic development projects; and

WHEREAS, in recent years, industrial development agencies have received more scrutiny, with critics arguing that actual gains in job creation and economic activity do not justify the large tax breaks that are granted by IDA's; and

WHEREAS, in one notorious case, tax breaks granted to a mall owner by the Hempstead Town IDA was blamed for a large property tax increase for Hempstead Town residents; and

WHEREAS, the County of Suffolk should undertake a cost benefit analysis of the Suffolk County Industrial Development Agency, to determine what benefit the County is receiving in return for the tax breaks offered by the IDA; now, therefore be it

1st RESOLVED, that the Suffolk County Department of Economic Development and Planning is hereby authorized, empowered and directed to conduct a study to determine the effectiveness of the Suffolk County Industrial Development Agency; and be it further

2nd RESOLVED, that the Department will determine the amount of tax breaks and abatements and the amount of low cost financing granted by the IDA to businesses and developers during the past five (5) years; and be it further

3rd RESOLVED, the Department will quantify the economic benefits received by the County as a result of the tax breaks and low cost financing, with a special emphasis on the number of temporary and permanent jobs resulting from IDA actions; and be it further

4th RESOLVED, that the Department will also determine whether the number of new jobs promised by businesses/developers were realized, on a project-by-project basis; and be it further

5th RESOLVED, that the Department will submit a written report of its findings to the County Executive and each member of the County Legislature within 180 days of the effective date of this resolution; and be it further

6th **RESOLVED**, that this Legislature, being the State Environmental Quality Review Act (SEQRA) lead agency, hereby finds and determines that this resolution constitutes a Type II action pursuant to Section 617.5(c)(20), (21) and (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection, and the Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this resolution.

DATED: March 7, 2017

APPROVED BY:

/s/ Steven Bellone
County Executive of Suffolk County

Date: March 13, 2017