MEMORANDUM
February 13, 2017

TO: NYS Legislators

FROM: Brian McMahon, Executive Director

RE: Economic Development Budget Priority #2: Downtown Revitalization

The New York State Economic Development Council (NYSEDC) urges your support for including $75 million in funding in the State Budget for the RESTORE NY Communities Initiative, an important economic development program administered by Empire State Development (ESD).

Investments in downtowns increase property values, create jobs, and help communities achieve broader economic development aims of attracting outside investment. After all, high-tech and other companies within advanced industries -- whose success depends on their ability to attract talent -- want to locate in communities with attractive and diverse downtown amenities, which are in high demand by knowledge economy workers.

The Restore New York Communities Initiative provides municipalities with financial assistance for revitalization of commercial and residential properties. The program encourages community development and neighborhood growth through the elimination and redevelopment of blighted structures.

The RESTORE NY Communities initiative requires planning and directs funding where it is most needed: for projects involving the demolition, deconstruction, rehabilitation and or reconstruction of vacant, abandoned, condemned and surplus properties. There is also a strong emphasis placed on projects from economically distressed communities.

In 2006, the RESTORE NY program received funding for $300 Million, which was allocated over a three-year period. Two years ago, the legislature added $25 million to the final State Budget to fund a new round of RESTORE NY grants. On January 26, 2017, Governor Cuomo announced the awarding of $40 million of RESTORE NY grants to 75 municipalities.

The $75 million investment recommended by the New York State Economic Development Council during budget testimony would fund a fifth round of RESTORE NY grants and would continue the success of this valuable and productive program.