



**New York State Senate
Joint Public Hearing:
To Review the Effectiveness of Business Subsidies and Tax Incentives in Meeting New York State's
Economic Development Goals**

January 14, 2022

Written Testimony from Long Island City Partnership

Thank you Chair Krueger, Chair Kaplan, and Chair Skoufis for this opportunity to testify on this important issue. My name is Elizabeth Lusskin, and I am the President of the Long Island City Partnership. I am writing today to reinforce the importance of the State authorized business incentive programs to our local businesses and economy, and to the people who depend on the opportunities, good and services these incentives create and sustain.

The Long Island City Partnership (LICP) advocates for economic development that benefits the industrial, commercial, tech, cultural, tourism, and residential sectors of Long Island City (LIC). Our mission is to attract new businesses to LIC, retain those already here, welcome new residents and visitors, and promote a vibrant and authentic mixed-use community. Among other programs, we manage the LIC Business Improvement District (LIC BID) and Industrial Business Zone (IBZ), providing through both one on one assistance to a wide range of companies including in accessing relocation, equipment purchasing, capital project and workforce development incentives.

Our neighborhood is one of the most important job centers, supporting a vibrant mixed-use business community, and one of the most productive manufacturing centers in New York State. LIC has more than 6,800 businesses with over 107,000 employees. In addition to providing essential goods and services to our economy, these companies hire New Yorkers with diverse socio-economic backgrounds and a wide range of skill levels; for example, more than 50% of employers surveyed in LIC across all business sectors say most of their current positions require high school education or trade specific skills.

Over the years, business incentives such as REAP, CEP, ECSP, and ICAP have been vital to retaining and attracting businesses, especially those in the industrial and manufacturing sectors and the creative innovation economy, in and to New York, while also encouraging investment in the outer boroughs to foster commercial growth. As the cost of doing business and competition from other jurisdictions continue to increase, these programs have become increasingly vital to promote middle class jobs in New York. We continually hear from our businesses that these benefits have been absolutely key to helping them choose to locate in our area and New York State over other, lower cost alternatives.

As the COVID-19 pandemic continues to disrupt our economy, it is more important than ever to support business retention and attraction through the New York State authorized incentive programs. Even as we look to extending them, though, now is also an opportune moment to update and modernize the incentives to help the state remain competitive.

In short, the incentive programs have a ripple effect across LIC, NYC, and New York State's economy. When businesses are properly supported to relocate or expand here, they make investments in these communities and create jobs in every neighborhood, which is a key component in delivering an equitable recovery for all New Yorkers.

On behalf of the LIC business community, I thank you for your consideration of these matters.

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