



Common Council
City of Buffalo
1308 City Hall
Buffalo NY 14202

FAX: 851-4234

Re: Eliminating BEREC

Dear Council Members:

PPG
Board of Directors
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Thank you for the opportunity to comment on the resolution “Eliminating the Buffalo Economic Renaissance Corp. As A Step Toward a New Approach For Economic Development.”

Aaron Bartley
PUSH Buffalo

PPG unites over 70 organizations around a community-based vision of a revitalized Buffalo. Our diverse partners include the Buffalo Urban League, Catholic Charities, Hispanics United of Buffalo, PUSH Buffalo, and many others.

Allison Duwe
Coalition for
Economic Justice

Rahwa Ghirmatzion
Ujima Company

Amy Kedron
Buffalo First!

PPG has released several studies, policy briefs, and fact sheets regarding economic development programs in this region, including *Missing the Target: How Economic Development Programs Have Failed to Revive Buffalo's Most Challenged Neighborhoods* (2009). In our comment on the City's 2009-2010 Action Plan, we called for the reform of BURA and BEREC and noted that the City was spending large amounts of money on BEREC salaries for minimal return. (All of our publications and comments are available at www.ppgbuffalo.org).

William O'Connell
Homeless Alliance
of WNY

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We believe that radical reform of BEREC is necessary, and that eliminating BEREC is a possibility worth considering. As we demonstrated in *Missing the Target*, there are a host of problems with using government funds to subsidize individual businesses, even through programs more efficient than BEREC.

We recommend that CDBG and other community development dollars be targeted to projects that directly aid people living in poverty, tackle neighborhood blight, and protect our fragile environment. Imagine, for example, if BEREC's \$4.7 million budget were spent on a program modeled after Philadelphia's Clean and Green program, in which disadvantaged urban workers are hired to clean and maintain the city's vacant lots. Programs like this are a triple win for

impoverished workers, blighted neighborhoods, and the environment. In the big picture, they more than pay for themselves by increasing property values (and thus property tax revenues) and by reducing crime, disinvestment, and other urban ills. They stimulate the economy by putting dollars in the hands of low-income workers who spend their money locally. Other examples of triple win programs are those that hire local workers to rehab and green abandoned buildings, or to deconstruct and salvage buildings that cannot be rehabbed. Unless the City gets a better handle on its spiraling crisis of abandonment of residential and commercial buildings, many economic development efforts will be rendered meaningless.

If, however, the City decides to devote some resources to business assistance, it should explore whether that could be done more efficiently through other existing entities. For example, could some of BERC's operations be merged with the ECIDA's minority business loan program? Could the City achieve more results through non-profit organizations that aid small and micro businesses, such as the Small Business Development Center, MicroBiz Buffalo, and the Westminster Economic Development Initiative? If the City is to spend money on business assistance, it should continue to focus on small, minority and women owned businesses and to target its efforts geographically in a handful of neighborhoods with high need but significant potential. However, it must spend that money with much more accountability, efficiency, and precision than BERC has ever done.

Please feel free to contact me with any questions. Thank you for considering these comments.

Sincerely,

Sam Magavern
Co-Director, Partnership for the Public Good

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