


CITY  OF  
**BUFFALO**

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MAYOR BYRON W. BROWN

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CITY OF BUFFALO, NEW YORK

TESTIMONY BEFORE  
NEW YORK STATE JOINT  
LEGISLATIVE FISCAL COMMITTEES  
REGARDING  
GOVERNOR'S 2025 RECOMMENDED STATE BUDGET

SUBMITTED  
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ALBANY, NEW YORK

## STATE BUDGET TESTIMONY

Thank you for the opportunity today to deliver testimony to the Joint Legislative Budget Committee on the Fiscal Year 2025 Executive Budget. I would like to thank Senate Finance Committee Chair Liz Krueger, Assembly Ways and Means Chair Helene Weinstein, Senate Local Government Committee Chair Monica Martinez and Assembly Local Government Committee Chair Fred Thiele for allowing me to speak on behalf of the residents of the City of Buffalo. I'd also like to acknowledge two of Buffalo's greatest champions Assembly Majority Leader Crystal Peoples-Stokes and Senator Tim Kennedy. We appreciate all that you have delivered for our community and what you will continue to deliver moving forward.

The City of Buffalo is at a critical crossroads. The world around us is rapidly changing. Our economy has evolved in a way that was unimaginable before the COVID-19 Pandemic. Climate Change has created an entirely new reality of what a Buffalo winter looks like, and this requires more essential services from our municipal workers than ever before.

Instead of responding to 50 or 60 inches of snow falling over several months, it has become more common that this snow falls in a couple of days, threatening the life and safety of our residents. No city has enough equipment for this type of response or personnel. Instead, we must retain additional equipment and labor from private contractors at the cost of millions of dollars. For Buffalo's storms this January, we've already paid outside contractors over \$5 million, with a total overall cost approaching \$7 million. These massive, speedy responses drive millions in unbudgeted overtime

for the municipal workforce, as they clear roads, respond to emergencies, and shelter our most vulnerable residents. If Buffalo is to fulfill its obligation to its residents, many of which are the most vulnerable in the Greater Niagara region, Buffalo must be climate resilient.

Beyond the weather, new obstacles are constantly encountered in municipal government. At least 70% of City costs are fixed or contractual. There are frequently negotiated, increased costs for settled Union Contracts, as well as the inflation we are all hearing about. Let's face it, once costs go up, they rarely if ever come back down. We desperately need new revenue to cover ever-increasing costs of fuel, supplies, utilities, and essential services.

Let me remind you: New York State has some of the most segregated regions in the county, by both race and income. New York State fails to remember that our system of local government was built for a society that existed before 1950, when wealth was concentrated in urban centers. That wealth and population has shifted to the suburbs and brought the political center of county government with them. Poor families, racial minorities, and affordable housing are concentrated in cities across upstate New York. With this, the county legislature is unlikely to act on solutions addressing our region's financial structural inequity. Solutions must be driven by New York State.

For this, I am requesting full funding for Aid and Incentives to Municipalities. I am confident my mayoral colleagues here today will join me in this request to restore equity. State financial aid to municipalities has been provided through one program or another since 1789. Revenue sharing was introduced with the goal of redistributing tax dollars broadly to municipalities. The original intent of the program was "to provide local governments with predictable amounts of State aid that would GROW commensurately with the State's revenues." Unfortunately, this has not happened, and that failure has resulted in deep inequity across New York State, particularly in Buffalo.

This past fiscal year, Buffalo's AIM disbursement made up 28% of the city's revenue. Tragically, this funding has remained flat since 2012, when it was 35% of the city's revenue. Coupled with inflation, the amount of AIM we receive is a decrease in support, year after year. After over a decade without an adjustment, Buffalo deserves equitable support from New York State.

A major priority, as always, is the health and safety of our residents. Safety begins with preparation and resiliency. With these goals in mind, I am requesting funding to build a new Department of Public Works Campus, in the amount of \$60 million. This DPW Campus will combine five city functions in a streamlined manner, in order to best prepare and protect our city in the face of extreme weather, as well as to efficiently continue to provide day-to-day public works services. We saw this a few weeks ago with the January storms and everyone here understands the ever-growing need to be able to withstand extreme weather. While there was a commitment of \$10 million in last year's budget, I am requesting full funding through a SAM grant to equip the City of Buffalo as is needed.

I am also here to request assistance, by State budget legislation, in how local taxes are split between Buffalo and Erie County. When Erie County was in financial crisis in 1985, the City of Buffalo agreed to an increase in the sales tax by an additional one percent. This additional one percent of

sales tax has not been shared by the original formula. This was supposed to be temporary. If this additional sales tax was shared according to the original formula for the seven percent, Buffalo would have received at least \$3.5 billion as opposed to \$2.3 billion from 1986 – 2022. Instead, Erie County has reaped an additional \$4 billion during this period. This is a major inequity that should be corrected by an act of this State Legislature.

New York State can reform the Erie County Tax Act of 1985 to provide budget certainty to the cities of Buffalo, Lackawanna, and Tonawanda, like Erie County does for its wealthy suburbs. As Erie County makes wealthy suburbs whole each year for tax delinquency and the associated costs of vacancy and abandonment, Erie County should do the same for its most vulnerable neighborhoods. We are also requesting legislative action for how bed and occupancy taxes are distributed among the localities. Visitors come to Buffalo to experience BUFFALO, and while the City provides public safety, street maintenance, and amenities in the city, we do not benefit from these visitor's hotel stays or fully from their retail and service purchases. Instead, the county outside the city benefits from this activity. It is time to adjust the split of these taxes to equitably reflect both the City's efforts and needs.

As visitors flock to experience all that Buffalo has to offer, our world-class attractions also need State support. Shea's Performing Arts Center is undergoing capital improvements including safety modifications, which will cost \$5 million. Similarly, Sahlen's Field, home of the Buffalo Bisons and occasionally the Toronto Blue Jays, has a range of improvements to the field, seating, grounds and stadium infrastructure, electrical and mechanical equipment, and security apparatus that total \$12 million.

Finally, the USS Sullivans, our resident naval ship that suffered extensive damage to the hull, has an outstanding need of \$13 million to complete repair work. Interestingly, scrapping the ship could cost as much as or even more than repairing the ship. This ship was federally designated to Buffalo in 1977 and the Buffalo and Erie County Naval & Military Park would prefer to restore this historic vessel instead of spending even more money to lose it.

The time for the New York State Legislature to act is now. Buffalo and other upstate cities have endured to date because of the significant investment made by the federal government with the American Rescue Plan Funds, but these funds are coming to an end, and a stark reality will present itself. We are at an inflection point legislators - if we do not properly invest in an equitable manner, then we cannot ensure the growth and strength in New York State. Thank you.