



New York City Comptroller
John C. Liu

STATEMENT

PR12-02-015
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February 14, 2012
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**LIU STATEMENT ON EDC’s \$100 MILLION
SUBSIDY TO FRESH DIRECT**

NEW YORK, NY – City Comptroller John C. Liu statement in response to questions on the Industrial Development Agency’s vote to approve a major subsidy for Fresh Direct:

“Today’s \$100 million subsidy to Fresh Direct was already a done deal from the moment it was announced last week and the reality is that my vote today does not change the outcome. Nonetheless, I cannot vote for this subsidy in good conscience. There may be more ways to ensure a better return on this investment.

“For the cost of this benefits package the city could give 4,385 students full, four-year scholarships to CUNY or hire 1,458 new teachers or pay for 350,000 GED test-prep programs or launch a micro-lending program for minority and women entrepreneurs.

“The EDC has not clearly justified why this much money should be used to subsidize this company. This subsidy seems to give away too much in exchange for the jobs and economic development it promises, despite the rosy numbers provided by the EDC.

“A few months ago, the EDC attracted a world-class university by promising \$100 million in capital for a project that by their own estimate will generate 30,000 jobs. Now the EDC is giving close to \$100 million to create 962 jobs. The cost to the City is \$93,000 for each new job.

“Fresh Direct does appear to have support from elected officials, labor leaders, and the workers and we understand and concur with the sentiment that to keep jobs in New York City and create jobs in the Bronx are high-priority objectives.

“This agreement comes on the heels of the city’s decision to have taxpayers fund the estimated \$180 million Ferry Point golf course. That the Fresh Direct deal was announced before the public even had a chance to comment is symptomatic of this badly flawed process.”

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