



October 6, 2006

Hon. David Franczyk
1315 City Hall
Buffalo, NY 14202

Dear Council President Franczyk:

It is our understanding that the Council's Legislation Committee will be considering a Cost-of-Living-Adjustment (COLA) to the City of Buffalo's Living Wage Ordinance, as recommended by the Living Wage Commission in a contested vote on October 10.

On behalf of the 2,500 employer members of the Buffalo Niagara Partnership, I write in opposition to this proposed amendment. As you know, the Partnership has been a strong opponent of the City's Living Wage Ordinance (LWO) since its inception, consistently for the fact that increased personnel costs to contractors doing business with the City of Buffalo must be reflected in higher bids and contract values. This additional cost of doing business will only serve to further burden taxpayers.

There is a fundamental error in thinking in our region – and it's that government exists to create jobs for residents. Clearly, with the population drain from our region, that strategy has not been effective. It is the belief of our members – those employers who are consistently in search of skilled, competent workers – that our local, state and federal governments should instead be working to create an economy fertile for new business investment and growth of local companies. Mandating costs on businesses does exactly the opposite – it drives business away.

I ask you, which is more productive: Mandating that a select group of workers fortunate enough to be tied to municipal contracts get a bump in pay or eliminating burdensome regulations that frighten site selectors away from recommending the City of Buffalo to businesses capable of employing hundreds or thousands of your constituents? Among the foremost complaints cited by site selectors and existing local businesses about our region are taxes and regulations. The increased costs associated with this amendment will add to that roadblock.

Additionally, to address the additional cost, employers under contract with the City of Buffalo may choose to reduce expenses by reducing their entry-level workforce, defeating the argument that the Living Wage and the COLA will stimulate job growth for city residents.

Your constituents will have the greatest opportunity for gainful employment in an environment that fosters business investment. The Buffalo Niagara region is consistently pitted against other parts of the country with lower taxes and less regulations. Our tool chest must be well-stocked when soliciting new business. Expansion of the Living Wage Ordinance through the proposed COLA further weakens our opportunities for economic development, and we urge you to oppose the amendment.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Rudnick". The signature is stylized and cursive.

Andrew J. Rudnick
President & CEO

Cc: Buffalo Common Council

