



Written by [Michael Tennant](#) on March 14, 2016

Schumer Wants \$1 Million From Washington for Long Island Brewery Project

Senator Charles Schumer (shown, D-N.Y.) — cumulative Freedom Index score [13 percent](#) — is brewing up yet another way to fleece taxpayers. Schumer recently announced his support for a \$1 million federal grant to help build a craft-beer “incubator” on Long Island, which is home to numerous microbreweries.



“This could be the Mecca of beer brewing in all of New York State,” Schumer declared at a March 7 press conference at the site of the proposed microbrewery complex in Copiague.

The project, at least at this stage, is a burden to taxpayers in multiple ways. It is the brainchild of the Town of Babylon Industrial Development Agency (IDA), which has asked Suffolk County to forgive the blighted site’s \$750,000 cleanup costs and \$1 million property tax bill, according to [Newsday](#). The IDA has already received \$700,000 from the Empire State Development Corporation, a state agency, for the project. Another state agency, the Long Island Regional Development Council, has also kicked in some cash.

Now the agency is seeking at least \$1 million from the U.S. Economic Development Administration, a Commerce Department bureau whose mission, according to its website, is “to lead the federal economic development agenda by promoting innovation and competitiveness, preparing American regions for growth and success in the worldwide economy.” In other words, this Lyndon Johnson-era bureau exists to pick winners and losers in the market, something the federal government was never intended to do. One will search in vain for that clause in the Constitution that even provides for the existence of a “federal economic development agenda,” let alone the disbursement of taxpayer dollars to that end.

Even if the IDA gets its federal grant, it will still have a long way to go to pay for the project, which is estimated to cost \$12 million. That’s because, in addition to paying for the property — the current asking price is \$750,000 — there will also be significant cleanup at the site, which formerly housed a defense contractor and, later, a wallpaper factory. According to the [Long Island Press](#),

The property ... would need more than a face-lift. The building has been abandoned for about three decades, according to Babylon Town Industrial Development Agency’s chief executive officer, Matthew McDonough. As a result, the building is tagged with graffiti, its windows are broken, and the roof has partially collapsed, rattling dangerously on windy days. Apparently, local kids have turned the interior into a skate park littered with empty beer cans and broken glass. The local fire department has reportedly complained about bonfires being set inside the building, prompting firefighters to respond on several occasions.

The plan, therefore, is to raze the existing facility and replace it with a 25,000-square-foot building that would allow up to 10 brewers, each paying an estimated \$2,500 to \$3,500 a month in rent, to make beer



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onsite and then present their wares to the public in a spacious tasting room. The assumption is that successful brewers would make enough money to be able to open their own facilities, making room for new brewers to get started in the “incubator.” *Newsday* reported that about 20 brewers have already expressed interest in the facility.

“Hundreds of Long Islanders who brew in their garages or makeshift facilities would have the chance to taste and perfect the recipes in a state-of-the-art commercial space,” Schumer said.

The IDA and Schumer believe the project is a good idea because beer is big business in the Empire State. According to a Schumer [press release](#), “In New York, the beer industry directly supports approximately 8,000 jobs through brewing and distribution, and nearly 60,000 jobs overall when retail sales are factored in. These jobs paid \$2.1 billion in wages in 2010, and accounted for \$5.3 billion in economic activity. According to the New York State Brewers Association, the number of New York State breweries grew from 95 in 2012 to 207 in 2014. There are at least 27 breweries on Long Island.”

Contrary to Schumer’s intent, these figures suggest that the beer industry is doing just fine without the guiding hand (and taxpayer dollars) of government. Still, he and the IDA believe the beer “incubator” could create as many as 50 full-time jobs. Assuming that number and the cost estimate turn out to be accurate, project backers, including taxpayers, will be shelling out \$240,000 for each job created.

Then there’s the question of how many jobs will be destroyed elsewhere to “create” the ones on Long Island. To the extent that taxpayer funds are used for the project, jobs are merely being transferred from where the free market would have them to where politicians and bureaucrats would. Moreover, as Phil Ebel, sales and marketing director for the nearby Great South Bay Brewery, told [CBS New York](#), the new facility is “more about us trying to take away market shares from the larger breweries,” which can only mean fewer jobs at those breweries.

For stumping for federal dollars for the brewery project, Schumer, who is up for reelection this year, is likely to gain a few votes on Long Island. Taxpayers, as usual, will be left to cry in their beer — if they can afford it.

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