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Contact: Leigh McIlvaine 208-484-4181 (Pacific Time)  
Or Greg LeRoy 202-232-1616 x 211 (Eastern Time)

***Denver and Dayton: Stark Contrast to Twin Cities and Kansas City***

## **Report: Sprawling Job Piracy among Cities and Suburbs Can Be Ended**

Washington, DC—The most common form of job piracy—among neighboring localities in the same metro area—can be ended, as agreements in the Denver and Dayton metro areas have proved for decades. The agreements prohibit active recruitment within the metro area, and they require communication and transparency between affected development officials if a company signals it might move.

Those are the main conclusions of a new study released today by Good Jobs First. “Ending Job Piracy, Building Regional Prosperity,” is online at [www.goodjobsfirst.org](http://www.goodjobsfirst.org).

The study finds that even regions like the Twin Cities, with revenue-sharing systems intended to deter job piracy, have rampant job piracy because they lack the procedural safeguards Denver and Dayton have. Multi-state metro areas like Kansas City suffer the problem on steroids because state subsidies fuel the problem.

Career economic development professional staff—not elected officials—are best suited to institute anti-piracy systems, although politicians and the public generally should be educated about the value of such agreements. Information-sharing about companies considering relocation is also key. And states need to amend incentive codes to stop requiring local subsidies to match state awards, to deny state monies for intra-state relocations, and to deny eligibility for such relocations to locally administered tax increment financing (TIF) districts. These changes will deter job piracy and promote regionalism, the study concludes.

“The anti-piracy agreements we describe focus on economic development professionals communicating openly with each other in a transparent system,” said Leigh McIlvaine, GJF research analyst and lead author of the study. “When local officials cooperate for the benefit of the metro area, they can better focus on attracting investment and jobs that are truly new.”

“We know from previous studies that intra-regional job piracy fuels job sprawl, harming older areas, communities of color and transit-dependent workers,” said GJF executive director Greg LeRoy. “By favoring retention, anti-piracy agreements help stabilize

employment in areas that need help the most, and areas that provide more commuters the choice of transit.”

Good Jobs First is a non-partisan, non-profit group promoting accountable development and smart growth for working families. Founded in 1998, it is based in Washington, DC.