Resolution 25: Make Cornell Pay

Abstract: This resolution supports the Make Cornell Pay campaign and calls upon the University to provide institutional support to the City of Ithaca that is proportional to its wealth and use of city amenities.

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Type of Action: Recommendation

Originally Presented: 03/02/2023

Current Status: New Business

Whereas, Cornell University does not pay taxes to the City of Ithaca on properties that have an educational purpose, forcing a small number of taxpayers to subsidize the operations of our disproportionately wealthy institution;

Whereas, Tompkins County 2022 assessment data states that “Cornell’s city property exempted from taxes totals more than $2.7 billion”¹;

Whereas, New York state comptroller, Thomas DiNapoli, has said that Tompkins County “has the highest rate of exempt property in New York”²;

Whereas, Cornell University only pays about $8 million in city property taxes, despite its operating budget of $5.5 billion and endowment of $10.5 billion¹;

Whereas, former Mayor of Ithaca Svante Myrick ‘09 was quoted saying Cornell “owns so much land in our community, if they paid taxes they would pay somewhere around $35 million a year. Right now they pay like $1.25 million… Just for scale, that would be half the city budget”³;

Whereas, in lieu of property taxes, Cornell pays an annual sum to the City of Ithaca that, in theory, should cover amenities such as “fire, police, water and sewer, garbage collection and disposal, snow removal, roads and bridges, parks, youth services” and so on¹;

Whereas, in practice, Cornell’s contribution is not nearly enough, as the City of Ithaca’s budget is consistently strained despite the city’s tax rate being more than double Tompkins County’s and almost five times more than the neighboring Town of Ithaca’s¹;

Whereas, in 2023, Cornell contributed $1,575,204 to the City of Ithaca, which “amounts to just a bit less than the amount collected by the city for dog and other licenses and permits”;

Whereas, despite not paying for many of these amenities, Cornell University and its affiliates still benefit from them;

Whereas, Cornell University, the City of Ithaca, and Tompkins County are the three underwriters for Tompkins Consolidated Area Transit (TCAT). Despite 70% of TCAT users being associated with Cornell, they only pay a third of the operating costs;

Whereas, in August 2022, the TCAT Board of Directors requested an additional 8% in funding, largely due to inflation and supply chain issues. However, Cornell refused to increase payments, causing TCAT to cut bus routes and services;

Whereas, “Ithaca has the highest rent of any small city in the U.S.” while 34.5% of the city lives in poverty;

Whereas, the high rents and subsequent housing crisis in Ithaca are largely due to Cornell’s nonpayment of property taxes, as the cost of rent and property taxes are linked. Local taxes are a key factor in establishing rents, and non-Cornell affiliates, including landlords, have to pay higher taxes to make up for Cornell’s lack of payment. As a result, rent across the city is artificially driven up, with a detrimental impact on the 73.6% of residents that rent their homes;

Whereas, Cornell’s Memorandum of Understanding (MOU) with the City of Ithaca regarding its financial contribution is set to expire in 2024;

Whereas, the upcoming renegotiation of the MOU gives an opportunity for Cornell to adequately support the City of Ithaca, breaking from the trend of our disproportionately wealthy institution being subsidized by a small number of taxpayers;

Whereas, as (albeit temporary) residents of Ithaca, Cornell students have a moral imperative to expose the truth about the University’s parasitic relationship with Ithaca and demand proportional institutional support for the city and its residents;

Whereas, movements at peer institutions such as Yale, Harvard, Princeton, Brown, Dartmouth, Columbia, and the University of Pennsylvania have all pushed for greater investment in host cities by their universities;

https://ithacavoice.org/2022/12/cornell-declines-increased-funding-request-from-tcat-citing-lack-of-specific-justification/

https://www.census.gov/quickfacts/ithacacitynewyork
Whereas, the Cornell Student Assembly’s Office of Student Government Relations (OSGR) works to “foster a closer relationship with the Ithaca community and advance initiatives that benefit both Cornell students and the community as a whole”;

Whereas, members of the Ithaca community are demanding a larger payment from Cornell to the city, with the campaign entitled “Make Cornell Pay”;

Be it therefore resolved, the Cornell Student Assembly condemns the University’s insufficient contribution to the City of Ithaca’s budget despite disproportionately benefitting from its amenities;

Be it further resolved, the Student Assembly calls upon the Office of Student Government Relations to advocate for increased payment by the University at local levels of government in collaboration with the Make Cornell Pay campaign;

Be it finally resolved, the Cornell Student Assembly calls upon the University to enter the upcoming MOU negotiations in good faith, and demands Cornell pay what is owed to the City of Ithaca.

Respectfully Submitted,

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6 https://www.cornellosgr.com/about-us