

New York City Economic Development Corporation
New York City Council Oversight Hearing:
Fiscal Year 2015 Preliminary Budget Testimony
Kyle Kimball, President
March 20, 2014

Introduction

Good afternoon Chairman Garodnick, Chairman Cornegy, and members of the Committees on Economic Development and Small Business. I am Kyle Kimball, President of the New York City Economic Development Corporation (“NYCEDC”), and I am pleased to join Department of Small Business Services Commissioner Maria Torres-Springer in testifying before you today. Together with NYCEDC’s Chief Financial Officer Kim Vaccari, our Chief Operating Officer Zac Smith, and other members of my staff, I have a brief presentation about our operating and capital budgets, as well as a few of the principles that will guide NYCEDC’s work over the coming months.

NYCEDC Background

NYCEDC is a not-for-profit that operates under two annually-renewed contracts with the City: a Master Contract and a Maritime Contract. Under the leadership of Deputy Mayor for Housing and Economic Development Alicia Glen, we are responsible for economic development, strengthening and diversifying our economy while working to ensure that every New Yorker can benefit from new opportunities in a transformed economy.

To accomplish these goals, we have three primary functions. First, we manage a wide range of capital construction projects on behalf of the City, and are also responsible for managing some of the City’s major assets—an approximately 60 million square-foot portfolio of about 150 properties ranging from food distribution centers to cruise terminals to commercial properties. Second, we execute real estate transactions on behalf of the City, helping to revitalize or establish vibrant neighborhoods with high-quality jobs and affordable housing. Third, we serve as a think tank that makes strategic programmatic investments to diversify and strengthen our economy. Some, such as our five-borough network of 15 incubators, directly address the daily needs of small businesses and entrepreneurs. Others, such as the Applied Sciences initiative, will have a lasting impact over the long term,

transforming the economic landscape for generations.

NYCEDC is self-sustaining and receives no operating funds from the City, deriving revenues primarily from property management, financing fees, and land sale proceeds. Because of this unique structure, NYCEDC utilizes the revenue generated by our assets not only to make fiscal contributions to the City, but to make these strategic investments, either in our own assets or to fund a broad spectrum of programs and services.

Current Economic Conditions

Before moving on to our operating budget, I want to provide a brief overview of the economic conditions we currently face. Since the end of the 2007-2009 recession, New York City's economy has outperformed the national economy, recovering nearly four private-sector jobs for every job lost during the national recession, and the City now exceeds its pre-recession employment level, just recently eclipsing the 4 million total jobs mark for the first time in the City's history.

While in many ways our City's economy is moving in a positive direction, we continue to face serious challenges. Unemployment is down considerably from recession-era levels to a five-year low of 7.8%, but still remains too high. And although we have consistently added jobs over the past several years, the majority of these jobs are on the low end of the wage spectrum, deepening the inequality between the highest and lowest earners in our economy. In fact, since the end of the recession in 2009, almost 128,000 of the jobs added in New York City have come in the retail trade and accommodation and food services sectors, where salaries average approximately \$37,000 and \$30,000 per year, respectively. We must work to add jobs that can support middle-class families and to establish career pathways that enable low-income individuals to reach and to at least remain in, if not travel through, the middle class. In addition to using our leverage to expand living wages, we need to invest significantly in core City assets that have strong potential to support middle-class job growth.

Operating Budget

Moving to our operating budget, the contributions that we make to the City's budget include required annual contract payments. These contributions also include payments to eliminate the gap, or PEGs, that, in the case of NYCEDC, largely take the form of additional contributions to the general fund. In total, from 2001 through 2015, it is expected that NYCEDC will have made payments to the City totaling approximately \$1.6 billion.

This sum includes payments derived from our asset management functions, as well as NYCEDC-negotiated sales of City-owned properties that have generated hundreds of millions of additional dollars for the City. Today, payments made by NYCEDC to the City are at historic highs, totaling an estimated \$370 million in FY14. This figure includes non-recurring payments resulting from the Civic Center property sale as well as rent revenue from the Marriott Marquis hotel. Excluding these non-recurring payments, expected payments for FY14 total approximately \$133 million. In FY15, we expect our total payments to the City will be approximately \$88 million.

Investing in New York City's Assets

Investing strategically in NYCEDC's assets has generated significant returns for the City. For example, since 2005, the City and NYCEDC have together invested more than \$250 million in our cruise terminals. As a result, our terminals attract the world's state-of-the-art cruise ships, "propelling" a dramatic expansion of cruise in New York City that has generated a total economic impact of nearly \$230 million last year, an increase of 17% since 2012, contributing to a total economic impact of almost \$1 billion since 2009.

Promoting Quality Job Growth through Further Investment in Core Industrial Assets

Within our portfolio, we see clear opportunities to spur the creation of good jobs in in-demand sectors, while also supporting traditional employers. But in order to accomplish our goal of creating jobs and promoting economic growth, we will need to work together to secure this investment.

First, we will need to continue the successful modernization of the Brooklyn Army Terminal, or BAT, a City-owned facility managed by NYCEDC in Sunset Park that is a critical source of quality

industrial jobs. Over the years, NYCEDC has transformed about 3.1 million square feet of the 4 million total square feet of raw space into a modern, subdivided campus that is appropriate for modern industrial uses as part of our Sunset Park Vision Plan. We are proud of the fact that the 3.1 million square feet already transformed is 99 percent occupied by more than 100 companies that employ approximately 3,500 people. BAT is home to diverse uses ranging from manufacturing to medical laboratories. Companies based at BAT include Uncommon Goods, an online retailer of gifts and accessories that employs more than 120 people full time and 600 people seasonally. Two weeks ago I took William Dudley, President of the Federal Reserve Bank of New York, on a tour and he found the level of job-intensive manufacturing at companies including IEH—which employs 125 people in producing circuit connectors used in medicine, aerospace, and commercial electronics applications—to be an impressive sight.

However, more than half a million square feet at BAT—space that could be home to dozens more companies and up to one thousand new jobs—is currently sitting empty and unused because the space lacks the critical operational and safety systems, including fire systems and working elevators, that would permit its occupancy. The space is also not subdivided, making it too large for the small businesses currently driving industrial-sector growth. By installing necessary infrastructure, we could make this space leasable, building upon BAT's success and attracting new companies and new jobs. The industrial sector has recently seen its highest rate of annual growth in three decades, currently accounting for 13 percent of the City's private sector employment. We can capitalize upon and nurture this momentum by activating BAT's remaining raw and unleased space. A large capital investment in BAT would generate numerous benefits, including good jobs, an expanded tax base, and a greater return for NYCEDC, Sunset Park, Brooklyn, and the City.

Another major source of industrial employment in the City is the Hunts Point Food Distribution Center, the home to wholesale produce, meat, and fish markets as well as to other companies related to food distribution. One of the largest distribution centers in the world, the site is the most active

industrial site in the Bronx, housing more than 120 firms that employ approximately 8,000 people. The Distribution Center currently plays a vital role in our food supply chain, with the three wholesale markets supplying more than fifty percent of the produce, meat, and fish consumed in the City, totaling between \$5 and \$6 billion in annual sales.

Today, however, aging infrastructure, high energy costs, and business-model disruption threaten the Distribution Center's future as both a critical element in the City's food supply chain as well as a major Bronx employment hub. Aging and inefficient buildings, constrained storage capacity, and layouts inappropriate for today's uses are hampering the markets' ability to meet modern food safety standards, limiting their ability to support employment and business growth, and putting them at risk of becoming unviable in the future.

With your support in securing the necessary capital to modernize the facilities while making them more energy efficient and resilient, NYCEDC is poised not only to help the Distribution Center maintain its current, critically important position, but to encourage development to its full potential. An investment in this core asset would maintain and increase New Yorkers' access to affordable, quality food; support immigrant businesses, who are both core customers and members of market co-ops; and promote manufacturing and industrial job growth in the Bronx and citywide.

BAT and the Hunts Point Food Distribution Center are just two examples of the many assets we are ready to upgrade, with your support, in order to promote the growth of high-quality jobs.

Hurricane Sandy Recovery: Community Development Block Grants

Another major component of our work includes continuing to promote the recovery and resiliency of businesses and neighborhoods across the City following the devastation of Hurricane Sandy, utilizing the U.S. Department of Housing and Urban Development's Community Development Block Grant Disaster Recovery (CDBG-DR) program funding. NYCEDC is responsible for implementing, in partnership with the City's Department of Small Business Services, approximately \$266 million in programs to foster the recovery and improved resiliency of businesses affected by the

storm. For example, in January we launched the Resiliency Innovations for a Stronger Economy, or “RISE: NYC” Competition, which will utilize up to \$30 million in CDBG-DR funding to attract innovations and technologies from around the world to improve the resiliency of small businesses’ infrastructure and building systems. Small businesses that were either directly damaged as a result of Sandy or that are most at risk of future damage can apply to have winning technologies installed at no cost. Eventually, we hope the most effective solutions will be replicated and scaled up, decreasing the vulnerability of small businesses citywide. In addition, \$110 million has been allocated for the Business Resiliency Investment Program, which will incentivize tenants and owners of commercial space to invest directly in flood resiliency improvements. This program is currently being developed and we look forward to sharing more information with you later this year as we prepare for the program’s launch.

NYCEDC Economic Development Agenda: Increasing Opportunity for all New Yorkers

Before I conclude, I would like to discuss briefly our broader agenda moving forward and how the policies outlined today contribute to this strategy. As you can tell, we are focused on building upon NYCEDC’s past successes in utilizing City resources to generate economic activity and jobs that benefit New Yorkers. But creating economic opportunity is not enough: we must forge new paths so that every New Yorker can access these opportunities.

We are working to achieve this goal, first, by looking through a more holistic lens in developing physical transformation projects beyond real estate activation. Going forward, NYCEDC projects will endeavor to take a more comprehensive approach for revitalizing and transforming neighborhoods. This new neighborhood-oriented outlook will take into account community priorities related to affordable housing, transportation, education, the people who live and work in these neighborhoods, and other community-specific needs.

Our second overarching goal is to combat income inequality by increasing economic mobility for all New Yorkers. NYCEDC has already made progress on this front, launching, for example, eight

initiatives last year to help low-income New Yorkers access quality jobs, as well as our successful entrepreneurship program for public high school students interested in computer and technology careers, Generation Tech. We are working to develop more robust and scalable plans to help more New Yorkers access opportunities in today's economy, and I look forward to sharing details regarding these new initiatives with you in the coming months.

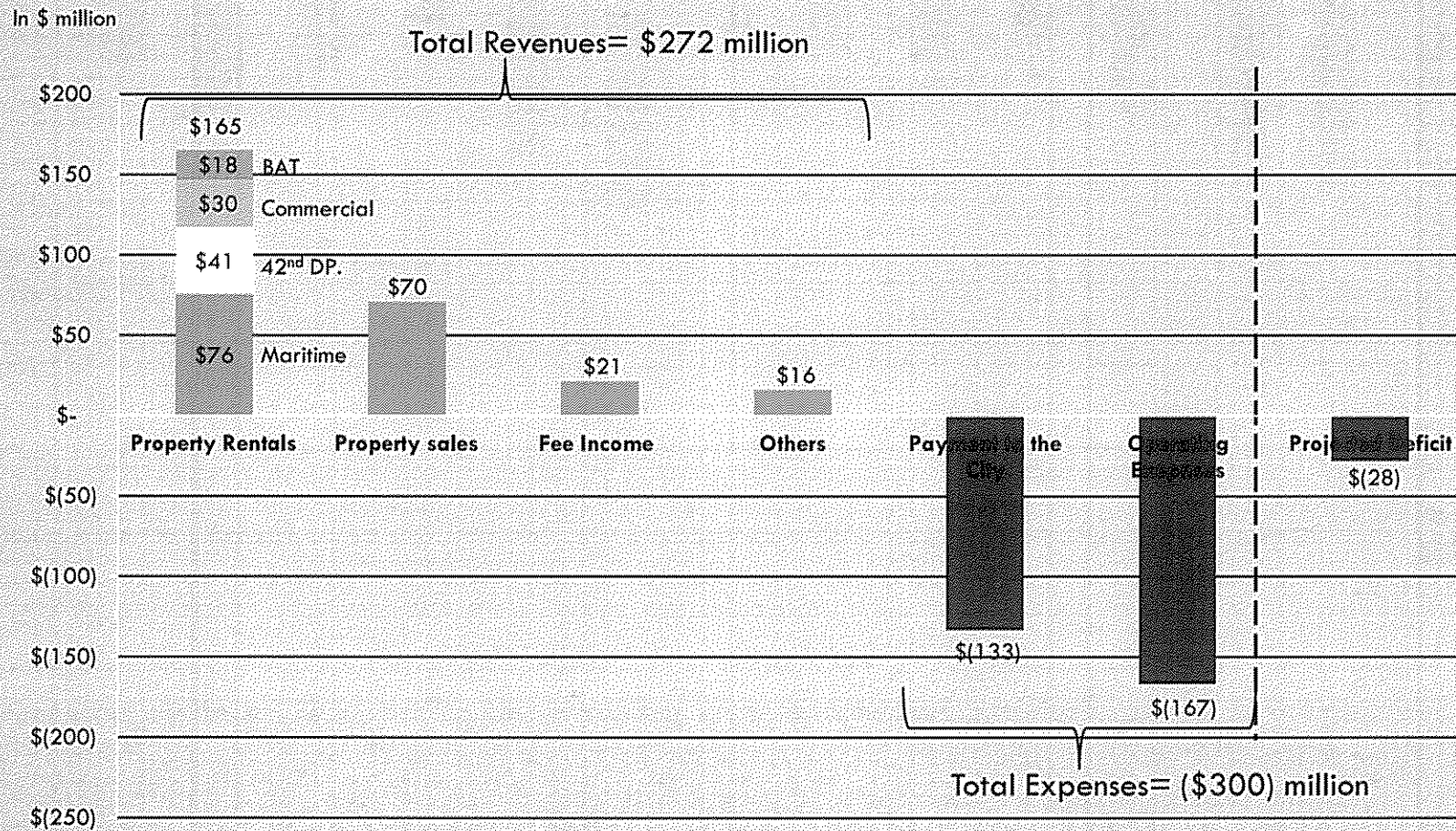
In the meantime, I am pleased to announce today that we are taking another step forward in this effort by broadening opportunities for the City's Minority, Women-owned, and Disadvantaged Business Enterprises ("M/W/DBE") with respect to all NYCEDC real estate projects. Beginning today, NYCEDC Opportunity M/W/DBE staff will set a participation goal that will be incorporated in every real estate transaction RFP, and every RFP response will consequently be evaluated based on proposed plans to meet these goals. Opportunity M/W/DBE staff will provide support to selected respondents in reaching these goals, and there will be consequences in cases where selected respondents do not work to meet these goals. This is a first but important step in attracting and utilizing more M/W/DBE businesses.

Conclusion

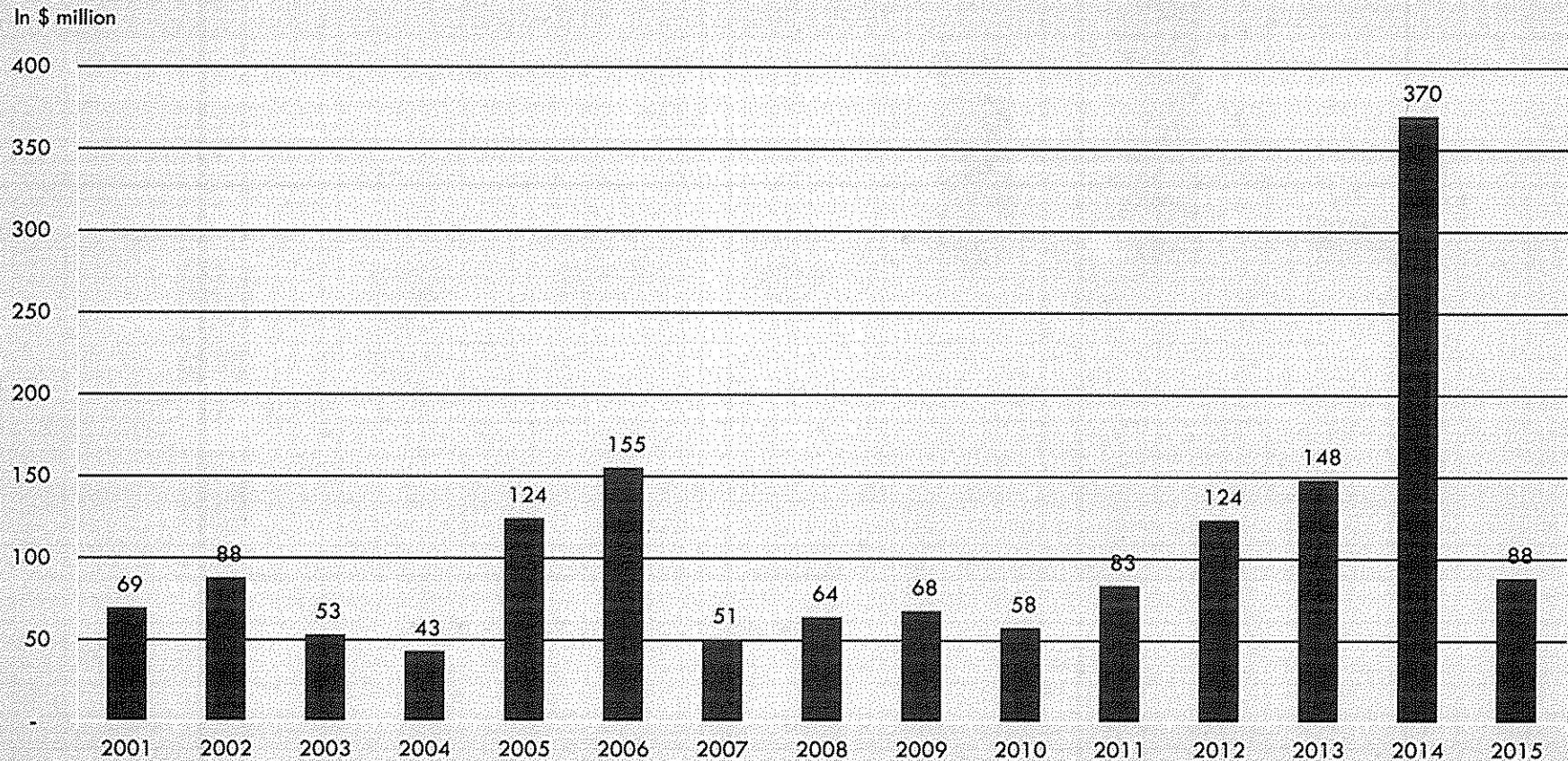
As you can see, NYCEDC is engaged in the ambitious work of strengthening and diversifying our economy, but we still have a long way to go as we seek to increase opportunities for all New Yorkers. With the continued support of, and partnership with, the City Council, I have every confidence that we will be able to leverage NYCEDC assets even further so that we can achieve these critical goals. Now, I am happy to answer your questions.

NYCEDC's Revenues & Expenses FY 14 Projections

As of March 13, 2014



NYCEDC Generates Direct Revenues to the City



NYCEDC will have contributed \$1.59 B to the City from FY01 to FY15

NYC Economic Development Budget

Budget Sources FY 14-23 = \$2.3B

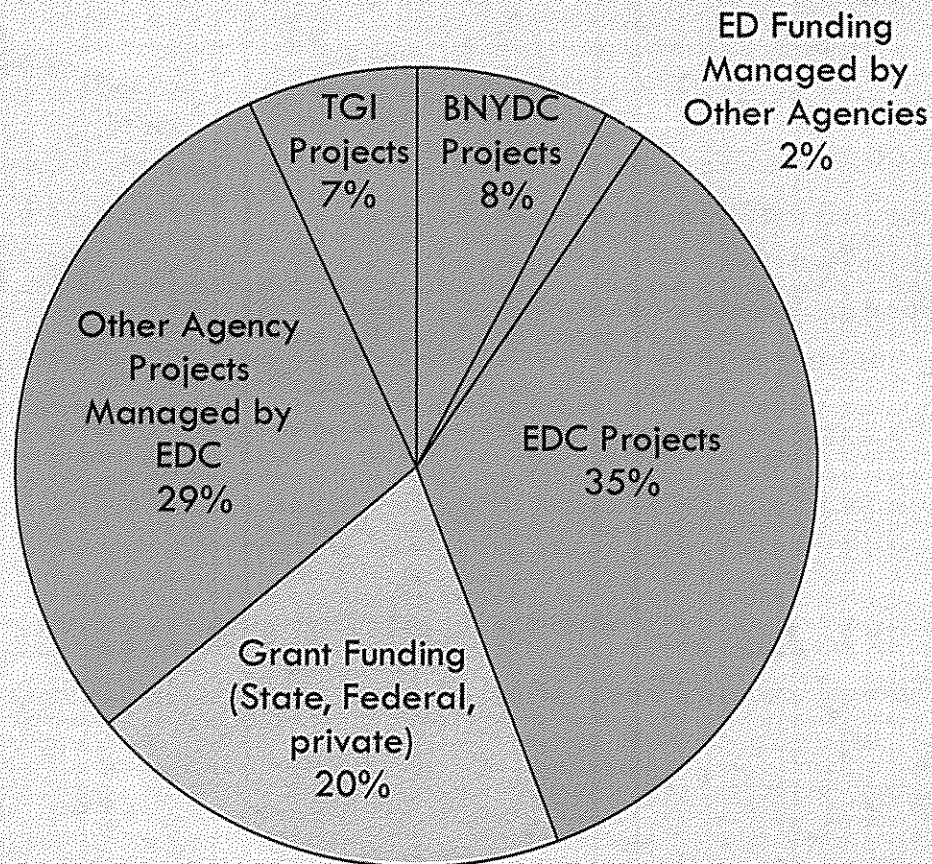
- City Capital
- Non-City Capital

EDC Project Examples

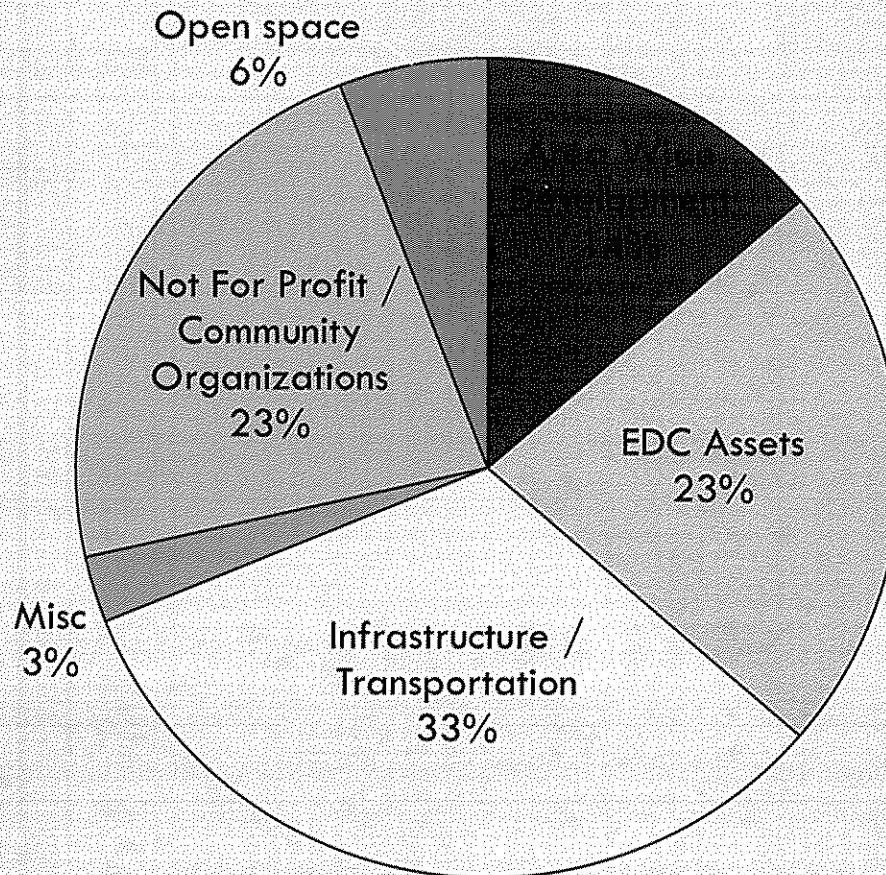
Coney Island
Willeys Point
Hunters Point South

Other Agency Project Examples

Green Infrastructure (DEP)
Rockaway Boardwalk (Parks)



NYCEDC Core Capital Budget FY 14-23 = \$1.9B



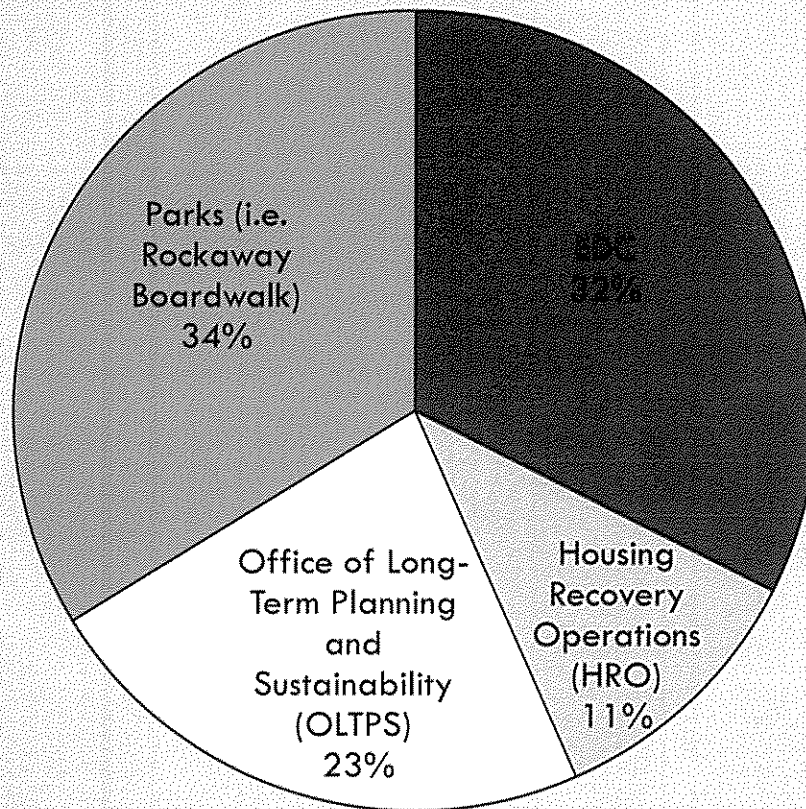
Key EDC Assets

- Brooklyn Army Terminal (BAT)
- Hunts Point Food Distribution Center
- Manhattan & Brooklyn Cruise Terminals
- East River Ferry
- South Street Seaport
- Homeport
- Public Markets

**Excludes BNYDC and TGI*

NYCEDC CDBG-DR Projects

FY14-19 = \$820M*



EDC Business Programs, \$266M

- Neighborhood Game Changer Investment Competition (\$84M)
- Business Recovery Loan and Grant Program (\$42M)
- Resiliency Technologies Competition - RISE:NYC (\$30M)
- Business Resiliency Investment Program (\$110M)

**Parks funding in the Capital Budget;
all others run through the Expense Budget*

**TESTIMONY BY
COMMISSIONER MARIA TORRES-SPRINGER
NEW YORK CITY
DEPARTMENT OF SMALL BUSINESS SERVICES
BEFORE
THE COMMITTEES ON ECONOMIC DEVELOPMENT
AND SMALL BUSINESS
OF THE NEW YORK CITY COUNCIL
MARCH 20, 2014**

Good morning Chairman Garodnick and Chairman Cornegy and members of the Economic Development and Small Business Committees. My name is Maria Torres-Springer and I am the Commissioner of the New York City Department of Small Business Services. I am joined today by my First Deputy Commissioner, Andrew Schwartz, and my senior leadership team.

This afternoon, I will lay out the basic organization of SBS, discuss the top initiatives we are working on, and touch on some of our goals for 2014.

Agency Overview

SBS is an agency of approximately 270 employees with an overall budget of approximately \$98.7 million. We have three main functions – **providing assistance to businesses**, with an emphasis on Minority and Women-Owned businesses, **providing assistance to job-seekers** and **supporting commercial districts** throughout the City.

To accomplish these goals, the agency is structured in five core programmatic divisions, with three divisions focused on supporting businesses – including the Business Development Division, the Division of Business Acceleration, and the Division of Economic and Financial Opportunity.

Providing assistance to businesses

1. Firstly, the **Business Development Division** provides direct assistance to businesses to help them form, operate and grow. SBS has developed a network of Business Solutions Centers, with 4 outside Manhattan, where businesses can take advantage of nine key services: financial assistance; business courses; employee training and recruitment; government navigation; access to incentives; selling to government; certification of local, minority, and women-owned businesses; and connections to a network of pro-bono lawyers.

In 2013, these centers assisted more than 8,300 businesses. Over 6,000 of those entrepreneurs attended one of our 25 free business courses, another 670 clients saved thousands in legal fees, while more than 110 were helped in launching a small business venture.

Increasing access to capital is another critical area of focus for SBS. In 2007, we began an aggressive and sustained push to develop relationships with critical lending institutions, forming the NYC Bank Advisory Council with 10 major banks in 2011. Our staff helps businesses with loan applications, connects businesses to loan programs and refers businesses that do not qualify for tradition bank products to alternative lenders. As a result of these efforts, in 2013, 900 businesses received over \$44 million in capital, a figure that over the last four years has doubled.

Also, our Business Development Division remains fully committed to helping businesses affected by Hurricane Sandy get back on their feet. Days after Sandy hit, SBS launched the \$20 million dollar NYC Emergency Loan and Matching Grant Program and a \$5M small business grant program funded by city and private dollars. The programs offered

\$25,000 low-interest loans with \$10,000 matching grants, and up to \$5,000 grants to damaged businesses.

In May of 2013, the City announced the federal Community Development Block Grant loan program for businesses that still had unmet need. SBS worked with our agency partners at EDC and OMB to develop the application, policies and procedures to ensure compliance with HUD regulations, and hired and trained a staff specifically dedicated to assisting applicants.

In August of 2013, we began providing technical assistance to businesses applying for the \$150,000 low-interest loans and up to \$60,000 in matching grants from the federal CDBG funds. Our first disbursement was in October 2013 and to date, more than \$2.1 million have been approved. These combined efforts of private and public dollars has resulted in over 1,300 awards in loans and grants totaling more than \$24 million in capital towards Sandy impacted businesses.

2. The second programmatic division that serves businesses is the **Division of Business Acceleration**. This team's primary goal is to make the process of starting and operating a business less confusing and more efficient by providing services to help navigate City government and streamline the regulatory process.

More simply put – this division focuses on cutting red tape.

Our team provides client management services that allow business owners a single point of contact when dealing with the City. They help businesses understand government requirements to open, resolve challenges experienced by existing businesses and coordinate services on behalf of the Department of Buildings (DOB), the Fire Department (FDNY), the Department of Health and Mental Hygiene (DOHMH), and the Department of Environmental Protection. Through the efforts of this team, SBS has served over 4,100 unique businesses and reduced the time it takes to open a business by 35%.

The Division also has an Emergency Response Unit to help businesses affected by disasters that in 2013, assisted nearly 700 businesses.

3. The last programmatic division specifically focused on supporting businesses is the **Division of Economic and Financial Opportunity**. Their mission is to make it easier for small businesses to compete for government contracts with an emphasis on historically underserved groups.

In 2013, the Division began the implementation of Local Law 1, which strengthens the City's previous City's Minority and Women-owned Business Enterprise (M/WBE) program. Local Law 1 eliminates the \$1 million cap on contracts, strengthens certification standards, improves the Online Directory of Certified Firms, and establishes a detailed accountability system for agencies. The Division also provides Selling to Government workshops, courses and one-on-one assistance to help small businesses navigate the City, State and Federal procurement systems.

Outlined in our Local Law 1 compliance report to the City Council submitted in January, the total number of certified firms has reached 3,656. In the first quarter of this fiscal year, mayoral agencies awarded \$9.2 million in contracts to certified M/WBEs, or 25% of the value of all contracts covered by the Local Law 1 goals program.

Look ahead at things to come

We are proud of all of the work SBS has done, but I believe we can do much more. I hope SBS can lead the way in creating and implementing a progressive approach to supporting businesses.

We will lead the effort to change the borough bias Mayor de Blasio discussed in his campaign. We know immigrant businesses and businesses outside Manhattan get hit with more fines and violations. To fix this we will need to work with community stakeholders to improve outreach and with relevant City agencies to streamline the inspection process and rework a confusing and sometimes contradictory regulatory process.

We will expand our Small Business Technology Coalition to help increase small business' knowledge and access to technology tools and resources, particularly in low-to-moderate income communities. We will continue to expand our digital toolkit, consisting of 14 online resources guides, 5 how-to tutorials and 3 in-person digital courses. Our team is also committed to expanding our outreach in immigrant communities by translating more of our business classes and the most downloaded resource guides into 8 different languages.

We will also assist the Department of Consumer Affairs in their outreach and education efforts regarding the paid sick leave legislation. We will distribute information through our Business Solutions Centers and networks of community-based development organizations to assure that businesses understand how to be compliant.

Our business engagement and service team is strong and I am confident they will continue to help start, operate and grow businesses in all five boroughs.

Serving Job-Seekers

4. The second core function of SBS is to support job-seekers through our **Workforce Development Division**. This Division trains job-seekers, connects job-seekers to job opportunities, and offers businesses cost-saving recruitment services.

This Division manages a \$62 million budget, 75% of which is funded by the Workforce Investment Act, or WIA. Like other sources that rely on federal funding, WIA has seen a decrease of close to \$20 million since 2004.

This Division operates 17 Workforce1 Career Centers throughout the five boroughs. Of the 17 centers, there are five Hub Centers, eight affiliate sites located in public libraries and 2 sector centers, specifically focused on careers in healthcare, transportation and manufacturing. In 2013, nearly 164,000 people visited a Workforce1 Center and we were able to place more than

30,000 New Yorkers to jobs. Of the visitors in 2013, 57% were from Brooklyn or Queens, 34% had a high school degree or GED, and 18% had a bachelor's degree.

We also place a high priority on job training. The Division trained approximately 4,000 people last year through a variety of channels including Individual Training Grants, business customized training and specialized sector-focused training with educational institutions and student internships.

For example, our Workforce Division is launching the second NYC Web Development Fellowship class, a five-month training program for people with little to no coding experience that trains participants as web developers. You may have also seen the NYC Craft Entrepreneurship Program for low-income under-employed adults with craft skills to train them with the skills to create an online store. We also currently have the Brooklyn Tech Triangle program for City Tech students to gain experience through internships in technology and manufacturing in Downtown Brooklyn.

Providing veterans with workforce support is also a key focus of this division. With the support of the Robin Hood Foundation, SBS launched the Workforce1 Veterans Employment Initiative in 2012. We have put 10 Veteran Specialists in our Workforce1 Centers, assuring that any veteran that walks into a center gets priority treatment. Since the program's inception we have served nearly 6,000 veterans and helped connect 1,300 to jobs.

Look ahead at challenges and things to come

Connecting New Yorkers to jobs will continue to be a central goal of SBS. We are committed to providing training and job placement to help lift struggling New Yorkers out of poverty. We will continue to advocate for more federal dollars, launch programs in high-growth sectors, and increase the City's job training efforts and integrate newly trained people into the workforce.

To complement our work helping job-seekers, we need to recruit more businesses by maintaining our focus on sector-specific outreach, target businesses that offer a wide range of jobs then become exclusive partners with them, set collaboration goals among centers, and engage companies that are opening in New York City and give them access to our databases.

Serving Commercial Districts

5. SBS' third core function is to support commercial districts throughout the City. To support these corridors, our **Neighborhood Development Division** works with community-based development organizations – like BIDs, Local Development Corporations, and Merchant Associations – to create conditions for businesses and neighborhoods to grow and thrive.

Today, there are 69 Business Improvement Districts, or BIDs, throughout New York City, with 45 BIDs outside of Manhattan. The Neighborhood Development Division administers and provides oversight of the BID program, and helps guide property owners, businesses, public officials and local stakeholders through the BID formation process. BIDs invest more than

\$112 million in supplemental maintenance, improvements, and promotion of their respective districts to make them better places to live, work, and visit.

NDD also manages Avenue NYC, a competitive grant program that funds local economic development organizations to carry out commercial revitalization projects. It is funded by federal Community Development Block Grants targeting investments in low-and-moderate income neighborhoods. The Division is currently managing nearly \$1.4 million in Avenue NYC contracts in 46 neighborhoods across 39 organizations. Additionally, NDD continues to provide dedicated technical and capacity building assistance and other critical resources to community organizations through our Retail Recruitment Neighborhood Leadership, Website Redevelopment, and Citywide Storefront Improvement programs.

Conclusion

At the NYC Department of Small Business Services, we are committed to fulfilling Mayor de Blasio's vision for a progressive, diverse and economically thriving New York City. Together, with the support of the City Council, we will continue to work to strengthen our neighborhoods, grow the economy, and improve the lives of hardworking New Yorkers.

I would like to thank you for your attention and your dedication to continuing to improve the small business climate in New York City. Please know we are committed to working with you to achieve Mayor de Blasio's objectives for supporting small businesses and creating prosperous commercial corridors throughout the city.



**Testimony of East Williamsburg Valley Industrial Development Corporation
NYC Council Committees on Small Business and Economic Development
March 20, 2014**

EWVIDCO is a membership organization that helps the nearly 1000 industrial businesses in North Brooklyn to grow in order to keep their 11,700 quality blue collar jobs in our community. This represents 14% of the City's manufacturing employment base. I would like to highlight the recent work that our organization has accomplished through the Industrial Business Zone (IBZ) program, and request that \$4 million in funding be allocated for the program citywide.

Manufacturing is alive and well in North Brooklyn, and for the past 30 years EWVIDCO has fought to keep it that way. North Brooklyn companies make everything from bespoke suits to architectural steel, from store installations for Park Avenue boutiques to fortune cookies for corner takeout joints. This is a dynamic combination of businesses old and new, traditional and innovative, big and small. But what they create most are good paying jobs for the people who live here. EWVIDCO serves as their voice in the community and advocate beyond it. We help these businesses get financing, find real estate, access incentive programs, and work tirelessly for support from city, state and federal government. EWVIDCO has worked to keep North Brooklyn booming. As a result, New York City can continue to be a place where actual *things*, and not just ideas, are made. In 2013 EWVIDCO obtained \$3,666,500 in financing for local firms. We placed 6 employees in jobs and improved the average wage of these positions by 35% over 2011. We managed 22,200 square feet of affordable industrial real estate to retain more manufacturing jobs in our community. And staff helped 37 businesses navigate government agencies 40 times resulting in 23 successful outcomes!

EWVIDCO continues to extend its role as the voice for businesses in industrial North Brooklyn. We represented their interests at public hearings and community meetings. We brought elected officials, like the membership of your City Council committees to meet our businesses and their employees so they could really understand the impact of the policies they develop. We advocated with City, State and Federal officials to help them understand the impact of the Superfund process on the local economy, and we educated the local businesses about how the process might affect them. We continued to serve as the connection between the business and residential community for a variety of issues such as vehicle safety and truck routes. In addition to broad based efforts, we worked with individual businesses to navigate government agencies to resolve a variety of issues such as permits, tickets, graffiti removal, illegal dumping, utilities and signage. We are able to accomplish these outcomes for our local businesses as a result of our longstanding relationship within the local business community.

Appropriate levels of funding for the IBZ program will ensure that we will be able to serve the many businesses that rely upon us for advice and support. Through the IBZ program, EWVIDCO is the portal for local industrial businesses to access city and state programs designed to help



them. They rely on our expertise and relationships to help their firms grow in the community. We're their friend and confidant, and they feel good about us. As a 30-year-old membership organization, EWVIDCO leverages the longstanding relationships it has with local businesses to promote and enroll firms in new public programs, ensuring their success (NYC Business Solutions Training Grants, Workforce One Manufacturing Center). As an independent 501 ©3 nonprofit, EWVIDCO is able to augment city investment with donations from individuals and foundations, producing more bang for the buck. Additionally, IBZ funding for administrative overhead allows us to put other public and private funding investments (such as Avenue NYC, capital grants for real estate development) straight into program delivery. Finally, EWVIDCO is an integral member of the community, and can serve as a liaison between local businesses, residents and city and state agencies when issues arise. We keep close tabs on the business community, and are able to quickly produce data for city staff as it is needed.

North Brooklyn's industrial businesses face many challenges. Manufacturing company closure and job loss in North Brooklyn and Greenpoint / Williamsburg is significantly and disproportionately higher than losses in other parts of Brooklyn and Queens in the last decade. This disparity is the result of additional pressure —i.e., residential conversion— on industrial firms and businesses in those areas, beyond industrial businesses in other parts of the city. Even in this time of economic decline, there is very low vacancy in North Brooklyn's industrial area—about 7%.

Our community needs these jobs. Nearly 40% of the industrial workforce live in the local area. These jobs, on average, pay our residents 73% more than local retail establishments; or \$52,842 vs. \$30,620 annually. Additionally, over 60% of manufacturing jobs offer benefits, compared with 30% of service jobs. Also, these jobs frequently do not require English proficiency or advanced education. Considering 20% of our local residents do not speak English, 31% live at or below the poverty line and nearly 37% of are on some form of public assistance, these jobs offer the best path to self sufficiency and economic security for our community residents.

Protecting and promoting our industrial sector is crucial to the city's overall economic development. The sector provides close to 500,000 jobs in New York City, making up nearly 15% of the city's workforce, and contributed \$1.7 billion in tax revenues. The manufacturing and industrial sector is not only a strong component of our economy but a reliable source of jobs for many of our fellow New Yorkers.

Thank you for this opportunity to discuss how we are able to nurture jobs in our community through the Industrial Business Zone program, and thank you again for your support.

TESTIMONY
ON
CAPACITY BUILDING ASSISTANCE AND WORKER
COOPERATIVES

PRESENTED BEFORE:
THE NEW YORK CITY COUNCIL
COMMITTEE ON ECONOMIC DEVELOPMENT

PRESENTED BY:

Harvey Epstein

ASSOCIATE DIRECTOR
URBAN JUSTICE CENTER
COMMUNITY DEVELOPMENT PROJECT

**URBAN
JUSTICE
CENTER**



COMMUNITY DEVELOPMENT PROJECT

MARCH 20, 2014

Good afternoon Chair Garodnick, and Committee Members. My name is Harvey Epstein, and I am speaking on behalf of the Community Development Project (CDP) at the Urban Justice Center about the need for city-wide Capacity Building and Technical Assistance for Nonprofits and Small Businesses, with a focus on worker cooperatives and their proven ability to create jobs. Thank you for the opportunity to testify this afternoon.

The Community Development Project formed in September 2001 to strengthen the impact of grassroots organizations in New York City's low-income and other excluded communities by winning legal cases, publishing community-driven research reports, assisting with the formation of new organizations, and providing technical and transactional assistance in support of their work towards social justice. Our work is informed by the belief that real and lasting change in low-income, urban neighborhoods is often rooted in the empowerment of grassroots, community institutions.

For more than ten years, CDP has offered capacity building services to community non-profits, cooperatives and small businesses in low-income NYC neighborhoods. The services that we offer these groups include such work as incorporation; developing bylaws, employment manuals and organizational policies; negotiating commercial leases; advising on land use matters; negotiating Community Benefits Agreements, and helping entrepreneurs form worker-owned cooperative businesses. CDP provides these critical services free of charge in both English and Spanish because the groups that we work with could not meet these needs any other way.

CDP collaborates with community organizations to help low-income NYC residents form worker-owned cooperatives. Worker co-ops are businesses that are owned by the workers and that have participatory management. These ventures, which focus primarily on sectors of the service industry such as restaurants, child care, home improvement and housecleaning, have created dozens of jobs for formerly low-wage, primarily immigrant workers, in which they earn much higher pay than in their previous jobs, develop business skills and have greater control over their working conditions. They are powerful economic development tools that create quality jobs that will stay in New York City and cultivate local entrepreneurship. *CDP has provided free legal services to Si Se Puede! Women's Cooperative, We Can Do It! Inc., a women's cleaning cooperative based in Sunset Park, Brooklyn, for nearly five years. Since the initial group of 11 or 12 founding members, Si Se Puede! has grown to over fifty members grossing more than \$1 million annually, and continues to expand, providing high quality job opportunities for low-income, primarily Spanish-speaking immigrant women.*

CDP not only helps form worker cooperatives but assists groups with legal issues long after formation. *We helped a group of 60 immigrant-owned automotive shops in Willets Point, Queens who are being displaced due to the development adjacent to Citi Field. The business owners worked with us to form Sunrise Cooperative, Inc. and developed a business plan to move as a group to a new site in Hunts Point, Bronx.* We have assisted them with entity formation/corporate structure, board development for their newly-formed board, financial management and budgeting training to help them manage their new organization. We worked with the Council, the Office of Queens Borough President, Queens Community Boards 7 and 2, and the New York City Economic Development Corporation to create a viable auto repair cooperative in Hunts Point and secure relocation funds for the move.

CDP also recently negotiated a Community Benefits Agreement (CBA) along with the Kingsbridge Alliance Redevelopment Alliance (KARA), a coalition of dozens of community-based organizations in the Northwest Bronx concerned with the redevelopment of the Kingsbridge Armory. *KARA negotiated an agreement with the developer of the new Kingsbridge National Ice Center for an ice rink with 50,000 square feet of community space and several significant community benefits, including: \$1 million to be set aside annually in free ice time for local children and community groups; jobs will go to local workers earning at least \$10 per hour; and the developer will help fund new school and park renovations.* This CBA has created jobs for local Bronx residents, which will further boost the local economy.

We have also been extensively involved with the Participatory Budgeting Project by helping the project incorporate and achieve tax exempt status with the help of pro bono counsel. Now that the project is in full swing, we assist constituents in voting on small to mid-size capital projects.

In addition to projects like those mentioned above, we help groups with other specific legal transactions such as negotiating commercial leases and reviewing employee manuals. When a new nonprofit called African Communities Together was in formation, CDP made suggestions to their board to ensure that their bylaws complied with the law and drafted an application of recognition federal income tax exemption. CDP's assistance allows ACT to legally continue fundraising and hiring staff and allows them to focus more time on running their programs. In another instance, we helped CAAAV: Organizing Asian Communities negotiate a commercial lease for ground floor space on the Lower East Side. Several years ago we assisted on their last lease. Today we enjoy a strong partnership with CAAAV as a member of Stabilizing NYC, a coalition that organizes tenants in buildings owned by private equity companies and defending them from harassment. This is just one of the ways CDP adds value to community-based organizations in NYC.

These are just a couple examples of the ways that capacity building services strengthen communities and contribute to sustainable change. CDP is requesting a new Speaker Initiative, Capacity Building and Technical Assistance for Nonprofits and Small Businesses, to provide \$250,000 in funding so we can continue these projects

and conduct educational workshops citywide to locate and assist many other groups in need of similar assistance. With this funding, we can create or preserve 500 living-wage jobs and provide 10-15 community organizations and 100-300 low-income NYC residents with capacity-building services.

CDP's capacity-building and technical assistance services fill a niche for cooperatives and small businesses that no other organization is providing. Our work helps create and preserve living-wage jobs in low-income NYC communities, strengthens community organizations through organizational, cooperative and small business development, educates low-income NYC residents through workshops about how capacity building services can benefit them and their communities, and connects organizations to additional legal and research support provided by CDP. These services are vital to the success of our small business, cooperative, and community organization clients who cannot afford these types of services on their own. CDP is committed to continuing this work in NYC's low-income communities and we respectfully request your support in the year to come. Once again, thank you for the opportunity to testify.

Southwest Brooklyn Industrial Development Corporation



241 41st Street, Brooklyn, NY 11232 * Tel: 718-965-3100 * Fax: 718-965-4906 * Web: www.sbidc.org

Testimony of David Meade, Executive Director of the Southwest Brooklyn Industrial Development Corporation NYC Council Committees on Small Business and Economic Development March 20, 2014

My name is David Meade and I am the Executive Director of the Southwest Brooklyn Industrial Development Corporation (SBIDC). SBIDC is a local economic development corporation whose mission is to provide advocacy and services to help businesses in the Sunset Park, Red Hook and Gowanus neighborhoods of Brooklyn grow and create employment opportunities for local residents. Thank you for giving me the opportunity to discuss the importance of the Industrial Business Zone (IBZ) program. Today I am urging that funding for this program be reinstated and expanded. Without this funding it will be nearly impossible for our organization, and organizations representing other industrial areas within New York City, to advocate and provide critical direct services to the small businesses we serve.

We help businesses on two levels. The way in which business owners and their employees—your constituents—notice it most is in the technical assistance workshops, one on one assistance to help them in assembling loan packages, coordinating with The Department of Sanitation, Business Outreach Emergency Response Unit, Manufacturing Workforce 1 center and other city agencies, and helping them deal with ticketing issues, insurance problems, and finding temporary and permanent space. In 2013, SBIDC provided one-on-one assistance to 174 businesses. SBIDC assisted 15 businesses with National Grid applications resulting in over \$115,000 in grants. We helped 7 businesses close \$144,300 in recovery loans through NYBDC in the first round of Sandy recovery funding. We also successfully assisted 43 companies in accessing city and state incentives and 33 companies with navigating government issues.

The other way in which we help them, which is little noticed by businesses, but essential to this sector of our working class jobs economy, is making sure their concerns are represented within our communities. As members of the New York Rising Communities Reconstruction Program, Gowanus Canal Superfund Community Advisory Group, and the Red Hook Coalition we are able to inform other community stakeholders about the impacts decisions have on the day to day operations of local businesses. If not for our participation some of these decisions might lead to burdensome regulations that make it impossible for a business to continue to function.

Over the past few years SBIDC has placed over 300 local residents in jobs with local businesses. Local employment opportunities, particularly those in the industrial/manufacturing sectors, are extremely important for the economic and social health of the waterfront-working class neighborhoods of Southwest Brooklyn. Poverty in these communities is already high, and, without a thriving business corridor, many of the community's residents would have little opportunity to enter the workforce at all.

Manufacturing is critical to the overall health and vibrancy of NYC's economy, especially so in our local SW Brooklyn community. This is an exciting time for SW Brooklyn with projects such as the South Brooklyn Marine Terminal, redevelopment of the 1.2 million square foot Federal



Southwest Brooklyn Industrial Development Corporation

241 41st Street, Brooklyn, NY 11232 * Tel: 718-965-3100 * Fax: 718-965-4906 * Web: www.sbidc.org

building in Sunset Park into a light industrial hub, and utilizing the state's brownfield programs to identify and remediate underutilized industrial sites in the neighborhoods. This is also an incredibly challenging time and our services are needed now more than ever to address the long term impacts Hurricane Sandy will have on the neighborhoods we serve. The storm proved how important it is to have established and committed organizations on the ground to help businesses recover. Organizations like ours who have built strong partnerships with the local community and have the resources and local knowledge necessary to provide real assistance to the communities that we serve in times of crisis. We look forward to continuing this important work with your support.

Thank you for allowing me to provide comments today.

Sincerely,

A handwritten signature in cursive script that reads "David D. Meade".

David D. Meade
Executive Director
Southwest Brooklyn Industrial Development Corporation



The Consortium for Worker Education

Testimony before the New York City Council- March 20, 2014

In 2007, confronted with devastating levels of unemployment and resultant cyclical poverty among our African American and Latino residents, the new City Council's Black, Latino and Asian Caucus tasked the Consortium for Worker Education with creating a program that would drive critically needed training and employment services directly into our economically marginalized and underserved neighborhoods. The resultant Jobs to Build On (JtBO) initiative is a whole new approach to workforce development in scale and has emerged as a recognized national model for addressing unemployment.

By bringing together the full service potential of over twenty-five of the City's leading of community service providers (please see the attached list) the JtBO and the prepatory Worker Service Center (WSC) program give our participants access to a broad continuum of career preparation, industry specific training and job placement services that were previously limited to what they could access locally. With the real-time input of our community partners, business and organized labor, the JtBO offers customized training for in-demand occupations that responds to both job seeker up-skilling, as well as local businesses hiring requirements.

The achievements of this modest program have been stunning, far surpassing and in some cases more than doubling the contract performance goals set by the Council. To date, over 12,500 New Yorkers have been placed in living wage employment (an average of \$12.00 ph), with more than 10,000 annually entering industry specific skills training. The programs dual focus on front-end preparation towards employment goals and job retention services to maintain and grow within the chosen occupational field has yielded an impressive 88% one-year post placement retention rate. On an individual basis, JtBO workers saw an average 13.3% increase in their hourly wage within the aforementioned 1 year timeframe. More importantly, for JtBO residents from target neighborhoods, the average 12-month increase was 13.7% JtBO participants who received occupational training fared even better. They averaged 23.4% wage increases after 12 months on the job.

In terms of economic impact, few programs can approach the return on investment of the Council's Jobs to Build On initiative. JtBO invests in the individual worker, removing barriers to employment and

providing a life-long industrial skill set and guiding them to the job opening. The JtBO take an individual from the rolls of unemployment and/or public dependence moves them on to the tax rolls and makes them a greater participant in their local economy. For businesses, the benefits cost savings of having a pre-trained, pre-screened local workforce lead to greater sustainability. It is important to note that one of the hallmarks of the program is its cost effectiveness; through the standardization of administration and the aggregation of available services, the JtBO spends the greatest majority of our Council allocation at the point of service.

Because of its success, the City Council's Jobs to Build On initiative has been reviewed by the White House office of Domestic Policy, the National Council of Economic Advisors, and the US Department of Labor and was honored by the Clinton Global Initiative in 2013 as a national example of excellence in workforce development provision.

In spite of these achievements, JtBO and its partner organizations have witnessed a steady erosion of budgetary support at a time when unemployment and underemployment are stark realities throughout the city. When JtBO began operating in 2007, it had a \$13,000,000 allocation. Despite its proven success, Jobs to Build On is now budgeted at \$5,100,000 annually. This as the unemployment rate in various neighborhoods throughout the city eclipses the double digit threshold.

In closing, the need for good jobs and careers is in higher demand than ever; the model of community/neighborhood focus employment services has proven to work – and continues to produce significant results, and the local partnership structure with shared goals, and accountability distinguishes the program as on a national level.

It is our hope that the Council will see the myriad economic benefits derived from your investment in the JtBO Partnership to the city as an asset. A restoration to former level of investment is critical for continuity and growth. We are conversely forwarding a matching request to the Mayoral administration to join with the Council's leadership to expand the JtBO initiative, and cover all of our communities. We respectfully ask for your support as we seek to provide our neighbors –and your collective constituents the opportunity to fulfill their aspirations through the dignity of work.

Thank you for your time and I would be honored and answer any questions you may have.



SOUTH BRONX OVERALL ECONOMIC DEVELOPMENT CORPORATION

March 20, 2014
City Council Members
250 Broadway
Suite 1882
New York, NY 10007

Dear City Council,

As of March 2014, Mayor De Blasio's budget does not project on going funding for the NYC Industrial Business Zones Program. The demise of this program will directly impact over 3,000 (est.) businesses in the Industrial Business Zone within our borough.. Discretionary funds from the NYC Council helped reinstate the funds to 2012 levels, but funding was still comparatively low to previous years. Expectations for deliverables continued to increase and program performance measures were enhanced. In 2013 DSBS measured SoBro's performance based on several deliverables including: General Financing, Incentives, Navigating Government, NYCEDC program assistance, and Trainings. SoBro performed relatively well, meeting and/or exceeding deliverables in several categories determined by DSBS. 2013 successes included:

- Incentives: Staff responded to over 21 incentive requests in the Bronx Industrial Business Zones. The industrial businesses received tax abatements or reimbursement for incentives such as ICAP, IBZ Relocation Tax Credit, Energy Cost Savings Program and the Wage Subsidy program. SoBro achieved 140% of the goal set by DSBS.
- Financing Assistance: Over 34 financing leads were generated in 2013. To date, SoBro successfully closed on 16 loan applications, representing approximately \$1,137,500 in financing. SoBro achieved 133% of the goal set by DSBS.

In addition over the years SoBro has successfully helped over 30 local business access Empire Zone benefits, bringing the total to over 121. These businesses all together have accessed an estimated \$23 million dollars in Empire Zone tax credits. The EZ certified companies represent a local workforce of about 5,000 individuals who work in fields such as manufacturing, distribution, industrial dry cleaning, and service based industries among others. Over 80% of the local workforce hired by these companies is of Hispanic descent.

SoBro has aggressively and consistently leveraged our procurement resources for local businesses. In the last two years SoBro's Port Morris business clients were awarded over \$4 million in government contracts. We are seeking your support and advocacy to encourage the Mayor to reinstate funding for the IBZ programs and hope you will agree that these services are critical to the health and success of the manufacturing community of the South Bronx. We urge you to express your support to reinstating this funding.

Please do not hesitate to contact me should you have any questions or require any additional information regarding the IBZ Program. Thank you in advance for your assistance and *support*.

Sincerely,

Stephane Hyacinthe
Director, Bronx Industrial Business Zones
SoBro
P-718-732-7548
F-718-292-6645



Greater Jamaica
Development
Corporation

90-04 161 Street
Jamaica, NY 11432
718 291-0282
Fax 718 658-1405

www.gjdc.org

Statement of Greater Jamaica Development Corporation to a joint hearing of the New York City Council Economic Development and Small Business Committees on the budget
March 20, 2014

Thank you for this opportunity to provide testimony regarding the FY 2015 budget of the City of New York. Greater Jamaica Development Corporation (GJDC) has been working to create a vibrant community to live and work in in Downtown Jamaica, Queens for 47 years. As a community-based Industrial Business Service Provider (IBSP) we respectfully request that funds for the IBSP program be restored. In the current Executive Budget no funds have been allocated for this program. Services provided to businesses within and outside of Industrial Business Zones (IBZ) have been a critical resource for local companies, helping them to operate, expand, and create jobs that remain in New York City. As a group, industrial business service providers have provided direct assistance to businesses that employ over 35,000 people throughout New York City.

The jobs the program work to create/preserve are well paid. Manufacturing jobs have an average annual salary of \$41,000 often with benefits and paid-time off. Moreover, industrial jobs are predominantly filled by minority populations from the outer boroughs and over 60% of the industrial workforce is comprised of first or second generation immigrants. As we work together to make NYC a more equitable place for all of us, creating jobs that offer financial empowerment is vital. The services we offer help retain and grow the very businesses that offer that opportunities necessary to realize this vision. We respectfully request that funding for the program be restored to its 2006 level of \$4 million dollars.

In addition, we ask your consideration of an increase in funds available through the Department of Small Business Services to organizations like ours. At one time, DSBS funds through its Neighborhood Improvement Program were the single largest source of support for GJDC's work towards the economic revitalization of southeast Queens. As funds available to DSBS for this and similar successor programs, like Avenue NYC, have dramatically declined over the last ten years, its support of GJDC through the program has decreased to the point of elimination. We regard our partnership with the City of New York as essential to our work. Our collaboration over the decades with DSBS has been a principal source of our success, and we would urge that the Council recognize the value of this important work by expanding the resources available to support it.

We appreciate the support we have received from the Council in the past for the IBSP program and for our work to expand economic opportunities for the residents of southeast Queens through industrial expansion. That support has been essential to GJDC's ability to provide these critical services. We look forward to continuing to work with our excellent local Council Members Daneek Miller, Ruben Wills and Rory Lancman to increase economic activity and the quality of life in Downtown Jamaica. Again, our thanks for your consideration.

GREATER JAMAICA DEVELOPMENT CORPORATION
Operating Support From NYC DSBS (Avenue NYC)

Contract Year	Contract Amount	Change from Prior Year	
		\$'s	%'age
07/01/04 - 06/30/05	\$400,000		
07/01/05 - 06/30/06	\$375,000	\$ (25,000)	-6.25%
07/01/06 - 06/30/07	\$266,000	\$ (109,000)	-29.07%
07/01/07 - 06/30/08	\$275,000	\$ 9,000	3.38%
07/01/08 - 06/30/09	\$205,000	\$ (70,000)	-25.45%
07/01/09 - 06/30/10	\$115,000	\$ (90,000)	-43.90%
07/01/10 - 06/30/11	\$ 95,000	\$ (20,000)	-17.39%
07/01/11 - 06/30/12	\$ 75,000	\$ (20,000)	-21.05%
07/01/12 - 06/30/13	\$ 35,000	\$ (40,000)	-53.33%
07/01/13 - 06/30/14	\$ -	\$ (35,000)	-100.00%
07/01/04 - 06/30/14		\$ (400,000)	-100.00%



Long Island City Partnership

**Testimony of
Elizabeth Lusskin, President, Long Island City Partnership**

**Before the
The New York City Council
Committee on Economic Development and Committee on Small Business**

March 20, 2014

Good afternoon, Chairman Daniel Garodnick, Chairman Robert Cornegy, and the members of the Committees on Economic Development and Small Business.

I am Elizabeth Lusskin, President of the Long Island City Partnership. I am here to tell you about one of our most successful and enduring efforts, providing essential business services to our vital industrial companies through the Industrial Business Zone (IBZ) program. We work with industrial businesses throughout Western Queens in partnership with the Business Outreach Center.

Since our founding in 1979, as the Long Island City Business Development Corporation, we have worked to help and promote Long Island City's industrial businesses first by overseeing Long Island City's In-Place Industrial Park, the largest of the IPIPs. We now oversee the Long Island City IBZ program which replaced the IPIP program in 2006. We have been successfully working with industrial businesses for over 35 years.

Despite the clear evidence of strong economic impact for this program, which I will discuss below, it is once again facing elimination from the budget. This program is essential to keeping good jobs, good companies and good services in the five Boroughs, and it needs to be restored to prior funding levels, certainly not eliminated.

Long Island City is now well known as a growing residential and commercial community, but remains a major industrial center as well. There are still over 2000 industrial businesses in Long Island City alone and over 4300 industrial businesses in our entire catchment area, as per the most recent Census data, which the City keeps expanding. We are now working with twice as many businesses as when the program began and have only 23% of our original budget. This means that we have gone from \$149 of funding per business in 2006 to \$17 of funding per business in 2011.

Good Jobs for Local People

Our assistance and advocacy is essential for the long-term stability of these firms, and the jobs they provide, most of them for local residents. For example, Tom Cat Bakery, a commercial bakery in Long Island City, has 250 employees, 80% of whom live nearby. Unique Settings, a jewelry manufacturer specializing in engagement rings and wedding bands, has 165 workers, 90% of whom are local. Virtually all of these jobs are held by residents of the five Boroughs. Most importantly, they pay an average of \$51,000 per year—enough to support a middle class family—compared to retail jobs which pay about \$36,000. These jobs are available to native New Yorkers with a wide range of educational backgrounds

and to newcomers, many of whom come to the United States with specific skill sets, looking for their piece of the American dream. And make no mistake, these companies serve the city—through goods, services, and taxes—and if they are not thriving, the City cannot thrive either.

LIC Partnership's Constituent Successes in the Past 2 Years

Despite its small size, this program makes a big difference. With a small IBZ budget of just \$78,000 per year, over the last 2 years alone, LIC Partnership's effort has had an economic impact well above \$35 million (over and above tax revenue) by helping:

- 21 companies obtain over \$25,000,000 in financing for real estate, equipment purchase or lease, lines of credit and working capital
- 13 companies with their hiring needs
- 16 companies to apply for and successfully receive CEP, ICAP, ECSP, and REAP incentives, and IBZ tax credits amounting to approximately \$10,000,000
- Several companies understand the City training funds program, one of whom recently received \$154,000 in funding to help them take their business to the next level

We also facilitate issues our industrial businesses have through our relationships with various City and State agencies and local Community Boards. Whether it is illegal parking, signage changes, sanitation tickets, graffiti removal, utility bills or taxes, we are called upon by our constituents on a daily basis. Equally important, through our network within the community, we connect these businesses to customers, suppliers, and partners. Melcon General Contractors, a certified minority-owned business, came to us when he was having difficulty obtaining financing. We were able to help him get financing and, in the process, introduced him to DKN Ready Mix, a certified woman-owned concrete manufacturer. They have been working together successfully since then.

Small industrial businesses need the help of a neighborhood-based partner like the LIC Partnership and the City needs us to provide this service. Community-based IBZ service providers are a necessary complement to the services provided by NYC Department of Small Business Services. These companies, which provide good jobs and essential services and tax revenue to the city, do not know how to navigate all the red tape necessary for them to successfully operate in NYC. They need to be connected with the best financing. They need to be connected with other businesses. And they need to keep their good workers and hire new ones. We are their one stop shop. I have attached letters from companies to my testimony to help you understand what a difference this program has made.

The benefits we provide to our industrial constituents go far beyond the small amount of City funding we receive to support these services. In order to continue, we need restoration of this program's previous funding levels at a bare minimum to its original level of \$4 million—for the entire city I might add—to allow us to reach out to and help many additional industrial companies. As you can see from the facts outlined above, this very small investment produces a very high return including good-paying jobs for city residents and economic activity that we all depend on.

Van Aken Design

Custom Furniture and Architectural Woodwork

March 17, 2014

Van Aken Design
1 Sherman Square
10th Floor
New York, NY 10023

Dear Mayor di Blasio,

I first was introduced to the IBZ program when Debra Mesloh, IBSP for Long Island City, knocked on my front door. She asked me what I did and I told her I make one off pieces of very high end furniture. She said great, you are an Industrial company, and I can work with you. That simple meeting led to many instances of her organization's assistance in helping me grow my small business and keep it open in Long Island City.

Together, she has helped me through my good growth years as well as lean years. Right now, it is fairly lean and it has been a struggle to just keep my business alive since the recession hit in September, 2008. As a frontline producer of custom furniture, when customers' discretionary income dried up, businesses like mine which produced "made in USA" products were most immediately affected. Presently, Debra is working with me and introducing me to potential customers and resources as I work to resurrect my business and relocate it back to Long Island City. Mine is a small, self-contained manufacturing business that values the Long Island City location because it is a serious industrial environment which is attainable for a small, hands-on manufacturing operation.

It is so important to have the IBZ funding reinstated at its original levels because small businesses like mine need the help the IBSP's provide. Whether they are helping to find affordable space, help us to get financing, or just be there for moral support, we need them now more than ever.

Thank you for your support,



Shlomo David Ofer

President

Cc: Queens Borough President Melinda Katz
NYS Senator Michael Gianaris
NYS Assembly Person Catherine Nolan
Speaker Melissa Mark-Viverito

Council Member Jimmy Van Bramer
Deputy Mayor Alicia Glen
President of NYCEDC Kyle Kimball
Acting Commissioner of SBS Andrew Schwartz

ONE SHERMAN SQUARE, 10TH FLOOR NEW YORK, NY 10023

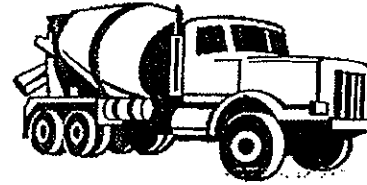
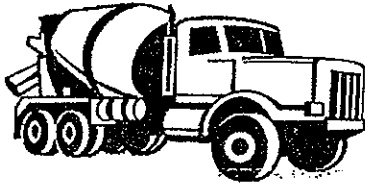
TEL: 917.860.8178 SDOFFER@AOL.COM

DKN READY MIX LLC

Office 718-729-1010

Fax 718-729-2060

25-50 Borden Avenue
Long Island City, NY 11101



March 13, 2014

Mayor Bill de Blasio
City Hall
New York, NY 10007

Dear Mayor de Blasio:

I am the owner DKN Ready Mix, a concrete manufacturing company. My understanding is that the City budget for 2014 does not include the line item for Industrial Business Zones. I am asking you to reinstate and increase the budget for this particular item.

I tried for a year to get my W/BE State Certification. It is a long story; however, it was not until I called the Partnership that someone actually listened to me. Not only did they listen but it was at the point they realized that I fell between the cracks so they took the necessary steps to put me in touch with key people in order to get things expedited. Within 2 weeks of calling the Partnership, I had my State Certification. I also filled out and submitted the paperwork for my City Certification of which I wasn't even aware of that certification. I thought it was just the State certification I was in need of but Deb was the one to educate me as to my next steps. When the City was unresponsive to my calls after I was told it would take 4 – 6 weeks before hearing anything, I again reached out to the Partnership, (because at this time it was months that I was waiting to hear) and once again, they worked their magic and in about 2 weeks after reaching out to them, I had my City Certification as a W/BE. They also managed to get me \$200,000 from a bank, when no bank would offer me financing. As a small business, I am not aware of grants, programs, etc. that are offered by the City. I depend on the LIC Partnership to make me aware of these and help me through the maze. It is so very important to small businesses to keep these folks funded, so please, make sure the funding is there in the 2014 City Budget so they can continue helping small businesses. They are so necessary for us.

Thank you,

DIANE MACCHIO

Diane Macchio
Managing Member

CC: Queens Borough President *Melinda Katz*
NYS Senator *Michael Gianaris*
NYS Assembly Person *Catherine Nolan*
Speaker *Melissa Mark-Viverito*
Council Member *Jimmy Van Bramer*
Deputy Mayor *Alicia Glen*
President of NYCEDC *Kyle Kimball*
Acting Commissioner of SBS *Andrew Schwartz*



March, 6 2014

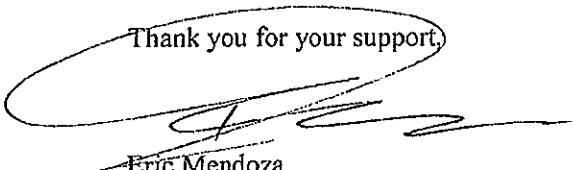
Mayor Bill de Blasio
City Hall
New York, NY 10007

Dear Mayor de Blasio

Melcon General Contractors is a construction firm. I am an M/BE City Certified firm, and act as a General Contractor for many City projects. I also have many construction projects in Miami, Georgia and Connecticut. I recently moved my main office to Long Island City. The Long Island City Partnership has been an invaluable resource. When Super Storm Sandy shut down one of my construction sites in Manhattan for over a week, LIC Partnership told me about the NYBDC Emergency Loan, helped me get financials together, sent everything in for me and as a result, I received \$25,000 Loan and \$10,000 Grant. They have introduced me to several companies I am now working with on my various sites, from a Concrete manufacturer in Long Island City, to another W/MBE Certified construction company I am now working with. They have also recommended me as a GC, resulting in several new jobs. They do all this with a friendly smile, not asking anything in return, just saying "it's my job." I have tried working with other City agencies, and can tell you, no one responds like they do.

I recently heard that the budget for this awesome service has been zeroed out of the next City budget. As a businessman, I cannot sit by and allow this to happen. You have to know how important they are to all the industrial businesses in the area. Please do not allow this to happen.

Thank you for your support.



Eric Mendoza
President

CC: Queens Borough President *Melinda Katz*
NYS Senator *Michael Gianaris*
NYS Assembly Person *Catherine Nolan*
Speaker *Melissa Mark-Viverito*
Council Member *Jimmy Van Bramer*
Deputy Mayor *Alicia Glen*
President of NYCEDC *Kyle Kimball*
Acting Commissioner of SBS *Andrew Schwartz*

■ 21-21 41st Avenue, Suite 1A ■ Long Island City, NY 11101 ■

■ (212)888-8222 Office ■ (212)888-8223 Fax ■

■ www.melcongc.com ■

CE SPACE PLANNING INC.

. Interior Renovation Contractor .

License Number 1189823

CE Space Planning Inc.
5-50 54th Avenue
Long Island City, NY 11101
718-937-5292

March 13, 2014

Mayor Bill de Blasio
City Hall
New York, NY 10007

Dear Mayor de Blasio:

The IBSP is an important part of our day to day business. They always keep our company informed of new programs and incentives that otherwise we would have no knowledge.

After the devastation of Hurricane Sandy I can honestly say I do not know where my business would be without them. Debra Mesloh of IBSP helped us with information about grants that were available to use, and it did not stop there. Debra also helped us get paper work together and checked the status daily. The end result was the Grants were received in a timely fashion and we were able to get back on our feet.

Basically what I am trying to say is it would be a tragedy and great loss to the LIC community if IBSP were not there. The amount of support and information they provide to the small businesses of LIC would be greatly affected in a negative way. As an officer of a small business, I am requesting that not only the IBSP be reinstated, but their budget be increased so they can continue to make difference in the community

Thank you for listening.

Sincerely,
Dawn Raso
Vice President

CC: Queens Borough President *Melinda Katz*
NYS Senator *Michael Gianaris*
NYS Assembly Person Catherine Nolan
Speaker *Melissa Mark-Viverito*
Council Member Jimmy Van Bramer
Deputy Mayor Alicia Glen
President of NYCEDC Kyle Kimball
Acting Commissioner of SBS Andrew Schwartz



GM printing

March 17, 2014

Dear Mayor di Blasio,

I understand that the funding for the IBZ program has not been put into the 2015 budget. I have to tell you that I have been working with the Long Island City Partnership since I was located on Broome St. and reached out to them because I wanted to purchase a building in Long Island City. Since that time, they have been an invaluable resource. I have worked with them regarding incentives, training programs and so many other things I cannot begin to innumerate.

Small industrial businesses do not have the knowledge, or the resources, of how to cut through all the red tape. I consider the help I get from the program invaluable. I consider the IBZ, in Long Island City, my information highway.

As one small industrial business owner in New York City, I request on behalf of myself and all the others, that the IBZ funding not only be reinstated, but, brought back to the level it was when the program was originally started. This way, they cannot only continue to help those of us who have become reliant on them, but, reach out to others as well, so they too can get help from this wonderful resource. Thank you.

Very Truly yours

KY Chow

Cc: Queens Borough President *Melinda Katz*
NYS Senator *Michael Gianaris*
NYS Assembly Person *Catherine Nolan*
Speaker *Melissa Mark-Viverito*
Council Member *Jimmy Van Bramer*
Deputy Mayor *Alicia Glen*
President of NYCEDC *Kyle Kimball*
Acting Commissioner of SBS *Andrew Schwartz*



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TEL: (718) 628-6868 FAX: (718) 628-1028
WEBSITE: www.wontonfood.com

March 14, 2014

Mayor Bill de Blasio
City Hall
New York, NY 10007

Dear Mayor de Blasio:

We are disappointed that the funding for the IBZ program has still not been restored in the City's budget for the year 2014.

The Long Island City Partnership, part of the IBZ program has helped us many times. They've helped us with stopping the illegal dumping of garbage near our factory by coordinating with the Department of Sanitation. They've helped us with issues concerning DOT and DOB.

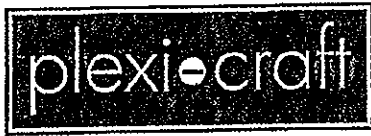
We rely on the advice and guidance of the Long Island City Partnership to help us manage our business that is located at 52-10 37th Street, Long Island City. We have been manufacturing fortune cookies at that location for more than 30 years and have grown to be the largest fortune cookie manufacturer in the world employing more than 100 workers. We attribute our success to the help the Long Island City Partnership had provided us throughout the years.

Please try to restore the IBZ funding to its original 2005 levels. Thank you.

Sincerely,

Donald Lau

CC: Queens Borough President Melinda Katz
NYS Senator Michael Gianaris
NYS Assembly Person Catherine Nolan
Speaker Melissa Mark-Viverito
Council Member Jimmy Van Bramer
Deputy Mayor Alicia Glen
President of NYCEDC Kyle Kimball
Acting Commissioner of SBS Andrew Schwartz



Plexi-Craft Quality Products Corporation

30-02 48th Avenue
Long Island City, NY 11101
Ph: 212-924-3244
Fax: 212-924-3508

March 14, 2014

Mayor Bill de Blasio
City Hall
New York, NY 10007

RE: Justification for LIC IBZ funding

Dear Mayor de Blasio:

The Industrial Business Zones are extremely important to the companies in the New York City area. Business owners are focused on the day to day running of their businesses. Most businesses are not aware of incentives, training grants, etc., which are available to them. It takes the relationships of the people managing the Industrial Business Zones to tell us about these programs. Not only to tell us, but, to follow up and be our consciences' when it comes to going to meetings, as well as applying for programs which will benefit us. Because of business owners' relationships with the Industrial Business Zone Managers, they understand our businesses and so can identify the programs which will most benefit our bottom line, thus helping us to stay in business and keep our employees working. No small task in this economy. Here is how the IBZ in Long Island City was able to be of assistance to me.

Plexi-Craft Quality Products and Chelsea Plastics, owned by the Frechter family since 1972, signed a lease for 14,000sf at 30-02 48th Avenue in Long Island City. Plexi-Craft, which manufactures acrylic furniture, fixtures, and displays for designers and consumers and Chelsea Plastics, a wholesale manufacturer of acrylic components and sub-assemblies for distributors and retail display manufacturers, had been located in the Chelsea district of NYC for over 30 years. The decision to relocate was driven by the high costs of operating a manufacturing company in NYC and the need for Plexi-Craft to grow the business and find a more functional facility.

During the initial site search, it became clear that Plexi-Craft would need to look at alternative locations outside Manhattan. The goal was then to find location within close proximity to Manhattan to be accessible to the design and creative communities. I made the decision to focus on Long Island City and, simultaneously, began discussions with LIC Partnership, LIP. LIP encouraged our broker to attend the next business seminar which LIP was about to have to become acquainted with all the financial incentive programs in place and to "tap into" the business networking community.

One key requirement for the businesses was a street-level location with the possibility for a store-front to display Plexi-Craft's acrylic furniture. At first pass, the available street-level locations were beyond our budget. However, our broker met with the staff of LICBDC, who informed her of several city and state sponsored financial benefits that would be available to Plexi-Craft. Since Plexi-Craft and Chelsea Plastics were manufacturing businesses with were relocating from below 96th Street in Manhattan to another location in NYC, our businesses qualified for several tax rebate programs to subsidize rent, location build out, and energy.

With the availability of these benefits, I was presented with two excellent locations for my businesses that now fit within my budget. Since one of the buildings had not previously had a "benefit-qualified" tenant, nor had filed the necessary paper work for such benefits, our broker, with the assistance of an expediter chosen from a list submitted to us by LIC Partnership, relentlessly pursued the landlord to get the documents in place.

This building was my first choice for my business and, once the Landlord had the benefits documents in order, we agreed on a lease.

Our location at 30-02 48th Avenue in Long Island City has been a success. Plexi-Craft has a much larger, sunlit showroom than we had in Manhattan, we were able to consolidate manufacturing into a contiguous, single floor space, and we were able to retain all of our employees, all of whom are NYC residents. The new location provides separate offices and a meeting room for designers to meet with their clients in a professional setting.

I am just one of many businesses in the Long Island City/Astoria area who has been helped by the Industrial Business Zone program.

Thank you for your help in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Allen Frechter', with a long horizontal line extending to the right.

Allen Frechter
President

CC: Queens Borough President Melinda Katz
NYS Senator Michael Gianaris
NYS Assembly Person Catherine Nolan
Speaker Melissa Mark-Viverito
Council Member Jimmy Van Bramer
Deputy Mayor Alicia Glen
President of NYCEDC Kyle Kimball
Acting Commissioner of SBS Andrew Schwartz

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Creative Engineering
5-50 54th Avenue
Long Island City, NY 11101

March 18, 2014

Mayor Bill de Blasio
City Hall
New York, NY 10007

Dear Mayor de Blasio:

We were disheartened to learn the funding for the IBZ program has still not been restored in the City's budget for the year 2014.

The Long Island City Partnership, part of the IBZ program, has helped us innumerable times. When the economy took a hit, they told us about the Shared Work Program which allowed us to keep all of our full time and part time employees.

When Sandy hit us, we had over two feet of water. LIC Partnership helped us apply for emergency loans and grants as well as SBA funding.

While these are grand scale examples of how vital the LIC Partnership and the Industrial Business Zone program is to our business, they provide smaller more everyday means of support as well.

When we are at capacity, we have 100 full and part time employees. 80% of these employees live locally and so contribute to the local economy. Without the Industrial Business Zone program helping us, at least 50 Percent of these jobs would have been lost.

Please see to it that the IBZ funding gets restored to its original 2005 budget.

Thank you for your time and consideration.

Sincerely,



Vincent Miller

CC: Queens Borough President Melinda Katz
NYS Senator Michael Gianaris
NYS Assembly Person Catherine Nolan
Speaker Melissa Mark-Viverito
Council Member Jimmy Van Bramer
Deputy Mayor Alicia Glen
President of NYCEDC Kyle Kimball
Acting Commissioner of SBS Andrew Schwartz

5 - 50 54th Avenue Long Island City, NY 11101 Tel: 718.937.5292 Fax: 718.937.1271

Tel: 212.645.8877 Fax: 212.647.1664



Ridgewood Local Development Corporation

60-82 MYRTLE AVENUE • SECOND FLOOR • RIDGEWOOD, QUEENS, NEW YORK 11385

Phone (718) 366-3806 • Fax: (718) 381-7080

E-mail: RidgewoodLDC@aol.com website: www.Ridgewood-NY.com

March 20, 2014

Testimony to the Joint Committees on Economic Development & Small Businesses
Re: Reinstatement of the Industrial Business Zones Program

Hon. Daniel Garodnick, Chairperson NYC Council's Committee on Economic Development

Hon. Robert Carnegie, Chairperson NYC Council's Committee on Small Business and other distinguished members.

My name is Theodore M. Renz, Executive Director of the Ridgewood Local Development Corporation (RLDC). The RLDC is a nonprofit organization formed in 1978 to serve the economic interests of the commercial and industrial sectors within Greater Ridgewood primarily in the Ridgewood and Glendale area.

The Ridgewood Community has a long, proud manufacturing history (mainly knitwear related). Although, the presence of manufacturing has decreased in recent years, we believe that manufacturing and related businesses remain important to our neighborhood, our city and nation.

It is for this reason that the Ridgewood LDC, Community Board #5, local elected officials and other stakeholders fought for the inclusion of our South of Myrtle Avenue Industrial Area (SOMA) as an Industrial Business Zone. We were finally included when the IBZ Boundary Commission voted in December 2013 to designate SOMA as a wholly new IBZ.

Currently, funding for the Industrial Business Zones (IBZ's) program is not included in Fiscal Year 2015 budget. We strongly urge that this important program be reinstated and furthermore that it will be restored to its 2006 level of \$4 million dollars.

Working with local manufacturers is important because light manufacturing/industrial firms provide good paying jobs for local residents as well as others outside. Further objectives are to strengthen the industrial and residential communities, identify opportunities for industrial development and expansion, and resolve conflicts between industrial and residential uses.

A diversified manufacturing base is a sound economic policy. These local jobs produce both primary and secondary benefits from taxes and locally spent incomes.

This program provides support to community based organizations and local development corporations which administer the IBZ program to provide direct, locally provided technical assistance to industrial and manufacturing businesses throughout the city. This program has been critical in its ability to provide local firms the support to create and maintain jobs, expand and invest for the future.

This program is directly in line with the Mayor's goals as stated in his policy paper "A Progressive Vision for Industrial Development in New York City". These are exactly the kinds of jobs we need to bridge the gap between New York's Tale of Two Cities. This policy paper made a commitment to assist manufacturing firms, expand the number of manufacturing jobs, improve and strengthen industrial zoning laws and strengthen the city's industrial business zones.

So, in closing, I urge you to restore funding to the IBZ/NYC Business Solutions Industrial and Transportation Providers so we can continue to enhance and preserve quality jobs and assist our industrial sector to thrive.

Thank you for your past support and consideration.

Sincerely yours,

Theodore M. Renz
Ridgewood Local Development Corporation

Written Testimony

NYC Council Joint Hearing
Economic Development and Small Business Committees

March 20, 2014

Presented by:

Nancy Carin – Executive Director, Business Outreach Center Network

Jean Tanler – Director of Industrial Business Development, Business Outreach Center Network

The Business Outreach Center (BOC) Network is a microenterprise and small business development organization with an affiliate CDFI loan fund with over 17 years' experience providing hands-on and bilingual small business technical assistance, customized small business training and access to capital in immigrant and minority communities throughout New York City. BOC Network is well known for its service model, supporting entrepreneurs at every stage of business development; for its sector-specific training for child care and construction businesses; for its job creation community economic development projects; and for its collaborative work with NYC as a Business Solutions Industrial & Transportation Provider.

Our loan program, BOC Capital, has grown dramatically, soon to reach \$10 million in dollars loaned to community businesses – targeting minority and low-income entrepreneurs and businesses located in low-income neighborhoods. BOC supported the growth of Tri-State Biodiesel with loans and workforce development assistance, helping the business grow in Hunts Point, creating 40 industrial jobs. BOC Capital's innovative contract-based loans are marketed in partnership with NYC Economic Development Corporation Kick Start Loan Program, NYC Small Business Services Upfront Capital Loan Program and Goldman Sachs 10,000 Small Businesses. BOC Capital has successfully loaned millions to MWBE and small businesses with government contracts and mainstream purchase orders, from construction contractors and environmental engineers to technology providers and fashion designers.

I have two key points to make today.

1. I am here to present BOC as an impactful and cost effective strategy to enhance business development resources for immigrant, minority and woman-owned businesses in NYC.
2. I am also here today to express strong and urgent support for expanding funding for the Industrial & Transportation Providers.

BOC is seeking to expand its longtime partnership with New York City to achieve our shared goals for community-based economic development. A local Business Outreach Center, working in concert with a mission driven network, is a valuable community asset. Today BOC has six such centers in NYC, with a diverse staff including speakers of 18 languages, and structures in place to expand, reach and serve additional entrepreneurs and communities. Today we provide one-on-one business assistance to over 1,300 new clients each year and over 3,000 entrepreneurs participate in our workshops. We help our clients access over \$3M in loans and grants annually, saving and creating hundreds of businesses and jobs. In addition, NYC support enables BOC to leverage state and federal resources through competitive programs for small business development, job creation and asset building.

For the remainder of today's testimony I would like to focus on the role and importance of the Industrial & Transportation Providers to New York City. The Industrial & Transportation Providers support business creation, attraction and retention, ultimately saving and creating

living wage jobs for New Yorkers. As a group they bring longtime experience, deep community connections and organizational resources to the city and its industrial and transportation sectors. BOC is proud to be part of this group of impactful, on-the-ground, community economic development organizations as the industrial business service provider for Queens West (with Long Island City Partnership), Brooklyn East and Manhattan Industrial Service Areas.

Currently, funding for the IBZ providers is not included in the Fiscal Year 2015 budget.

BOC strongly supports expanding funding for the Industrial & Transportation Providers to \$4 million which will address business needs and create significant impact. This level matches the IBZ funding level at the time of the establishment of the program eight years ago.

Funding levels have diminished despite recognition of the program's value and importance. Furthermore, in 2011, IBZ service catchment areas were redefined to encompass not just Industrial Business Zones but all of New York City. Therefore, I strongly recommend increased funding to the original funding level of \$4 million for services to manufacturing, transportation, wholesale and construction businesses throughout New York City. And, as these businesses survive and grow so will tax revenue to the City and so will quality jobs for New Yorkers.

IBSPs support industrial businesses, helping to sustain local economies. In fact, the industrial business sector provides over 660,000 jobs in New York City, making up over 18% of the city's workforce. These businesses depend on the Industrial & Transportation Providers for free, quick and reliable assistance with tax credits and incentives, real estate and relocation assistance, financing, workforce development, energy upgrades, navigating and complying with regulatory requirements, addressing physical infrastructure and maintenance, advocacy on behalf of the industrial community and up-to-date information on local issues. In the past year alone, the Industrial & Transportation Providers have successfully served nearly 3,000 local businesses with an estimated 35,800 employees in all 5 boroughs and within that provided one-on-one assistance to over 1,200 businesses. However, their service areas include an estimated 39,600 businesses with an estimated 460,000 jobs that could be supported under an expanded IBZ program.

Industrial businesses are at the heart of the middle-class, providing good jobs and economic activity that keeps New York's economy strong. Industrial businesses construct and renovate our buildings, homes, stores, and restaurants. They manufacture, wholesale and deliver products for NY-based designers, architects, film, theater and TV production companies, and for markets throughout the United States and around the world. Urban manufacturing is the product-development arm for small businesses, creating everything from high-end garments to one-of-a-kind furniture. Local production is growing in the food sector and emerging green industries such as alternative fuel and urban agriculture.

The average manufacturing job pays \$48,300 per year, over 32% more than a retail or restaurant job, and is more likely to be unionized and provide benefits. The manufacturing workforce tends to be non-white with limited formal education, but is frequently highly skilled.

The Mayor's Office of Industrial and Manufacturing Businesses created 16 Industrial Business Zones in 2006 with the goal to assist industrial and manufacturing businesses that could help increase the city's job and tax revenue base and to retain and grow businesses. As the City's fiscal situation deteriorated, this office was eliminated, funds for the IBZs were slashed, and in 2011, the 16 Industrial Business Zones were combined into 8 general service areas. At this juncture, funding for the IBZ providers has been eliminated entirely. Let us not abandon the promise of growing manufacturing and industrial businesses in the city. Let us build more capacity into the Industrial & Transportation Providers committed to this important work.

Attached to this testimony is some information about the Industrial services areas that BOC is contracted to service and examples of services and impacts.

Attachment:

BOC Network is the industrial business service provider for Queens West (with Long Island City Partnership), as well as for the Brooklyn East and Manhattan Industrial Service Areas. Every day the BOC industrial business staff is engaged with individual businesses, providing counseling and connections to a host of resources to start, grow, maintain and improve operations in NYC. In addition, BOC and its fellow Industrial & Transportation Providers have a unique role in preserving industrial businesses and jobs, interfacing with city agencies and facilitating Industrial Business Zone maintenance and improvements. They are an important tool in supporting the participation of M/W/DBEs in city contracting, assisting companies to address financial management issues and access mobilization loans, and interfacing with selected lenders, prime contractors and city agencies.

BOC's industrial business team provides support and information to thousands of businesses every month, and delivers direct services to literally hundreds of businesses each year, ranging from early stage food manufacturers to growing industrial and manufacturing businesses, i.e. biodiesel, certified M/W/DBE contractors, wholesale and transportation businesses.

BOC and its fellow Industrial & Transportation Providers played a critical role for industrial businesses in the aftermath of Superstorm Sandy, further demonstrating the importance of having on-the-ground service providers poised to address pressing needs. The Providers communicated issues, mobilized services and delivered emergency resources to businesses, helping bring economic activity back as quickly as possible, and we continue to do so.

Queens West

The Queens West industrial service area is made-up of all of Western Queens including the Maspeth, Long Island City, Steinway, and the recently designated Woodside and Ridgewood/SOMA IBZs. Industrial jobs make up 31% of the workforce in Queens. The Maspeth IBZ, a major hub for shipping and distribution companies, is home to more than 850 industrial businesses, which employ an estimated 15,000 workers. The Long Island City IBZ, with its close proximity to midtown and its ample transportation connections, has made it an increasingly attractive location for all types of businesses. This IBZ boasts more than 1,600 industrial businesses. The Steinway IBZ has a large concentration of construction businesses and its proximity to LaGuardia airport has generated a concentration of businesses dedicated to transportation and warehousing. More than 9,700 jobs in zip codes 1105 and 11371, where the Steinway IBZ is located, are within the industrial sector. The Ridgewood/SOMA IBZ is a rapidly changing industrial area that is home to a re-emerging garment industry and will soon be the location of a film and television production studio. This area, which is part of zip code 11377, is currently home to over 4,100 industrial jobs. The Woodside IBZ has over 6,000 jobs in the industrial sector. Recently, a design company with 35 employees producing holiday windows at Manhattan department stores, relocated to Woodside from Manhattan with the assistance of

Long Island City Partnership, which is sub-contracted by BOC Network. In 2013, BOC Network, not including the work performed by Long Island City Partnership, provided one-on-one assistance to 87 businesses in Western Queens.

BOC Network has been instrumental in the ability of a shipping and logistics company in the Maspeth IBZ, to grow in New York City. To create sustainable new employment and business opportunities to low-income individuals and families, BOC was awarded funds from the U.S. HHS Community Economic Development (CED) program to provide technical and financial assistance to Welpak, allowing them to maximize their growth and create 15 full-time jobs with career growth potential.

The Maspeth industrial area has historically been underserved by public transportation, hindering the ability of businesses to attract and retain employees and diminishing their capacity for economic growth. After hearing numerous complaints from businesses about limited access to public transportation, the Maspeth Industrial Business Association (MIBA), project of BOC Network, has embarked on a public transportation study to make recommendations for service prioritization and improvement.

With input and guidance from its Transportation Committee, MIBA analyzed the routes, schedules, reliability, and ridership of existing buses in the area, economic growth in Maspeth, and the demographics of employees and their commuter origins. Also, MIBA conducted a sample survey of 100 businesses to assess the level of transportation needs for employees, from the employer's perspective, and also to determine the employers' level of interest in supporting different types of transportation solutions. MIBA and its Transportation Committee have engaged with local officials, community boards, government agencies, and key stakeholders in developing the study. With input from local businesses and community organizations, MIBA seeks to guide future transportation and infrastructure investments in the Maspeth IBZ and make Maspeth a better and more rewarding place to do business.

Brooklyn East

The Brooklyn East industrial service area covers all of Eastern Brooklyn including the East New York and Flatlands-Fairfield IBZs. Industrial jobs make up over 22% of the workforce in Brooklyn. In zip code 11207, where the East New York IBZ is located, 206 establishments employing 4,200 workers are dedicated to industrial activities. The Flatlands-Fairfield IBZ consists of over 400 manufacturing, industrial and distribution businesses employing more than 2,600 workers. This area accommodates the Brooklyn Terminal Market, a major distribution center that concentrates wholesale distributors of products such as meat, poultry, fruits, vegetables, seafood, dairy and flowers. In 2013, BOC Network provided one-on-one technical assistance to 60 businesses.

BOC was integral in the ability of a general construction company in East New York owned by a husband and wife team, to gain an Upfront Capital Loan. Due to credit challenges stemming from the economic downturn and a personal health issue, they were unable to qualify for bank financing. BOC worked with the business to ensure they were addressing their credit problems, provided counseling to rebuild their credit and technical assistance to assist with their cash-flow projections. As a result of this work, BOC Capital was able to move forward with a \$75,000 mobilization loan for a contract of \$741,000 with the Department of Design and Construction (DDC).

Manhattan

Many industrial businesses have been able to thrive in Manhattan's high-cost environment by capitalizing on the City's competitive advantages such as a highly skilled workforce and its close proximity to suppliers and customers. More than 18% of businesses in Manhattan are industrial and in 2011, average employment was 285,953. The wholesale trade industry alone had 76,748 workers. Last year, BOC Network provided one-on-one technical assistance to 60 businesses in Manhattan.

The fashion industry is an economic engine for New York City, contributing \$10 billion annually to the local economy. 28% of NYC's manufacturing jobs are from the apparel industry. Apparel manufacturing alone employs more than 7,000 working- and middle-class jobs just in the Garment District and 24,000 city-wide.

We constantly engage with the fashion industry in Manhattan and the outer boroughs, maintaining a close relationship with the City's fashion schools, providing workshops and newsletters to deliver important industry knowledge and saving and creating businesses and jobs through technical assistance and access to financing. For instance, BOC enabled the growth of a young fashion business with contract-based loans and strategic technical assistance through seasonal sales that increased year over year, and their step up to bank financing. In another case, BOC has been a valuable partner to the New York Pattern Center in their efforts to remain in the Garment District. The New York Pattern Center is a full service apparel production contractor serving the fashion industry in Midtown for the past 20 years.

BOC's Industrial team has helped industrial business in Manhattan in a number of ways, from recruitment and employee training, to financing through the Upfront Capital Loan Program. For example, BOC continues to assist a certified MBE wholesaler to access working capital to fulfill their purchase orders with various City agencies, including NYC DCA and NYPD. To date, this business has received over \$200,000 in mobilization loans through BOC Capital.

Superstorm Sandy left a wholesale lighting distributor located on the west side of Canal Street, completely flooded, and their inventory unsalvageable. BOC assisted the business owners

in securing \$200,000 in emergency financing through various loan and grant sources. The business survived by relocating in Downtown Manhattan and is now back in business.

The Industrial & Transportation Providers are vital to maintaining a diverse and vibrant economy for New York City. Continued and vigorous support from the City Council is imperative to continue this mission.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: David Meade

Address: 187 Bond Street

I represent: SBIDC

Address: 251 41st Street

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Stephan Hyacinthe

Address: 555 Bergen Avenue

I represent: SoBRO - South Bronx Overall Eco. Dev.

Address: 555 Bergen Avenue

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: ROBERT MEDLOCK

Address: 275 7th Avenue

I represent: CWE - Jobs to Build on Astoria

Address: _____

◆ Please complete this card and return to the Sergeant-at-Arms ◆

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/20/14

(PLEASE PRINT)

Name: Mikki Columbus

Address: _____

I represent: Greater Jamaica Development Corp.

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/20/14

(PLEASE PRINT)

Name: Harvey Epstein

Address: 123 William St, 16th Fl NYC 10038

I represent: Urban Justice Center - Community Development Project

Address: same as above

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Nancy Carin

Address: 85 S Oxford St

I represent: Business Outreach Center

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3-20-14

(PLEASE PRINT)

Name:

El. Theodore M. Renz

Address:

60-82 Myrtle Ave

I represent:

Ridgewood Local Dev Corp.

Address:

Same

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name:

Jean Tanler

Address:

85 S Oxford St BK 11217

I represent:

Business Outreach Center

Address:

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name:

DEBRA MESLOH ELIZABETH LUSKIN

Address:

27-01 QUEENS PLAZA N. 9th LIC, NY

I represent:

Long Island City Partnership

Address:

27-01 Queens Plaza N. LIC, NY

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: _____

(PLEASE PRINT)

Name: Karen Nieves

Address: 11 Catherine Street

I represent: EWU & DCO

Address: 11 Catherine Street

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

3/2 Date: 3/20/14

(PLEASE PRINT)

Name: Rae Smith

Address: 11 Catherine Street

I represent: NYCEDC

Address: 110 William St

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/20/14

(PLEASE PRINT)

Name: Kim Vaccaro, NYCEDC

Address: _____

I represent: NYCEDC

Address: 110 William St

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/20/14

(PLEASE PRINT)

Name: Kyle Kimball, NYCEPC President

Address: 2nd Ave NYCEPC COO

I represent: NYCEPC

Address: 110 William

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/20/14

(PLEASE PRINT)

Name: ANDREW SCHWARTZ

Address: _____

I represent: NYC SMALL BUSINESS SERVICES

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. _____

☐ in favor ☐ in opposition

Date: 3/20/14

(PLEASE PRINT)

Name: MARIA TORRES-SPRINGER, COMMISSIONER

Address: _____

I represent: NYC SMALL BUSINESS SERVICES

Address: 110 WILLIAM ST. 7TH FL. NY NY 10038

Please complete this card and return to the Sergeant-at-Arms