

New York City Economic Development Corporation
Committee on Economic Development
NYCEDC 2018 and Beyond- Borough-by-Borough in the Next Four Years
James Patchett, President and CEO
February 6, 2018

Good afternoon Chair Vallone and the Committee on Economic Development.

My name is James Patchett, and I am the President and CEO of New York City Economic Development Corporation. I am here today to give a brief overview of my vision for the organization, and some of the exciting projects we have been working on throughout the five boroughs. I am joined by my colleague, Lydia Downing, the senior vice president for government and community relations.

EDC is a self-sustaining non-profit organization that drives and shapes New York's economic growth. We use city resources to create a bridge between city agencies, private businesses, and local communities in three key ways. We own and operate over 66 million square feet of real estate, which we can activate to maximize economic impact. We build neighborhood infrastructure to ensure that communities remain affordable. And, we invest in growth industries to create good-paying jobs for all New Yorkers.

Over the decades, EDC's role has evolved considerably. During much of the 20th century, we worked to activate undeveloped or abandoned land, breathe life into a stagnant economy, and preserve jobs when companies were fleeing the five boroughs.

At the moment, our work has shifted as New York is experiencing an unprecedented wave of prosperity. Last year, unemployment hit a record low. We're also home to four and a half million jobs, a record high. In 2015, our gross city product was \$805 billion dollars, more than Switzerland or Saudi Arabia. And the amount of venture capital funding going to New York companies has ballooned 1400 percent since 2007.

But of course, as in every period of the city's history, success also comes with some very real challenges that cannot be ignored. For every company moving to New York, there is a small business owner worried about rising rents. For every new high-rise building, there

is a family struggling to stay in their neighborhood. And for every growing tech startup, there is a low-wage worker searching for her place in the new economy.

At the same time, we know that the problems of today are not the only problems our city will ever face, and that the economic success of the current moment will not last forever.

That's why our goal is to simultaneously address the problems of today and prepare for those of tomorrow.

We believe that everyone should be able to take part in this remarkable period of opportunity. And we believe we have a responsibility to build a resilient economy for future city residents.

Because of our unique structure, EDC uses its revenue to make both fiscal contributions to the city and long-term strategic investments. I would like to spend the majority of this testimony highlighting some of the work EDC has done to make New York a fairer city today, and a stronger city tomorrow.

Our asset management division manages a portfolio of about 200 properties, which totals about 60 million square feet of mostly industrial city assets throughout the five boroughs. These range from food distribution centers to large industrial properties to public retail markets. We also manage a number of cruise terminals and other maritime properties, including our blockbuster NY Ferry network that has carried over three million passengers since its launch last May.

Here are just five of the over 550 projects we're working on throughout the five boroughs:

In Staten Island, we are working on Lighthouse Point, a 500,000-square-foot mixed-use development that will ultimately include 100,000 square feet of retail, a 160-room hotel, and 100 residential units with 20 percent of the units set aside for affordable housing at 60 percent of the area median income. The Lighthouse Point project is a key part of our ongoing effort to transform the St. George waterfront into a dynamic hub that drives

economic growth, creates thousands of jobs, supports existing waterfront amenities, and provides new waterfront uses to benefit residents and visitors alike.

In Queens, we continue our work advancing the Jamaica Now Action Plan, which seeks to address the area's challenges, including a decline in job growth and real estate activity.

The plan has 28 strategic actions, 18 of which have been launched and will be implemented over the next few years, representing \$153 million in investments in the area. As part of the Action Plan, EDC issued an RFP for co-working and incubator space for freelancers, entrepreneurs, and small businesses. We signed a contract with the Queens Public Library in 2016 for Jamaica FEAST, an incubator for local food entrepreneurs that provide support and training. In the first three cohorts, this program graduated 35 individuals and 32 businesses.

In the Bronx, we are in the process of converting the former Spofford Juvenile Detention Center into a thriving mixed-use development, which will include hundreds of affordable homes, 50,000 square feet of publicly-accessible open space, over 70,000 square feet of industrial, commercial, and mixed-use space, and a 50,000 square-foot community space.

In Brooklyn, the Council approved our plans to transform the Flatbush Caton Market into a rejuvenated, mixed-use facility. This plan will bring 250 units of 100 percent affordable housing, a new space for the Caribbean American Chamber of Commerce, additional community space, a commercial kitchen that will serve as an incubator space and a fully revamped market for existing and new vendors. We worked extensively with the existing vendors at the market to house them at a temporary space rent-free while we complete the renovations. We were thrilled to host a ribbon-cutting on the temporary space a few weeks ago.

In Manhattan, EDC is proud to be the agency leading the development of the former MTA Bus Depot. For this project, we are working with elected officials, community leaders, clergy members, and others to create and design an African Burial Ground memorial and cultural center to honor the site history while developing a mixed-use

project that includes affordable housing and commercial space that stimulates job growth. We certified the project into ULURP last year and continue our work with the East Harlem community to ensure it reflects local residents' needs.

These, along with our hundreds of other projects, certainly keep us busy. But in addition to managing this extensive roster of projects, EDC also serves as a strategic planning and implementation firm that makes programmatic investments to diversify and strengthen the city's economy.

EDC was instrumental in outlining Mayor de Blasio's "New York Works" plan, which calls for the creation of 100,000 good-paying jobs over the next decade.

Now, some questioned why we would put so much energy in creating 100,000 jobs, when there are 4.5 million right now in the city.

While New York's economy is employing an unprecedented number of people, since the last recession, our job growth has exacerbated our class divide. Many of these new jobs are either high-paying roles that require advanced degrees OR low-paying jobs with little opportunity for growth.

That leaves a gap in good-paying, accessible jobs, ones that have relatively low barriers to entry but a clear path to the middle class. These are the ones we want, and need to make an extra effort to create.

So we created a plan by investing in sectors that met two criteria:

- They have high potential for future growth. And,
- They offer a lot of jobs that pay at least \$50,000 a year, including many that don't require advanced degrees.

Our plan focuses on tech, life sciences and healthcare, industrial and manufacturing, and creative and cultural sectors.

While the city's investments will directly account for 100,000 jobs, we expect these high-growth industries to create far more positions over the next decade and beyond. These are the job creators of our future.

A great example of a future job creator is cybersecurity.

As the threat of online cyberattacks increases, the cybersecurity field continues to grow rapidly. Postings for these jobs are up 74 percent, and the industry is expected to bring in more than 100 billion dollars by 2020. These jobs pay good wages and offer real career ladders for people with varying levels of education.

Now, New York is incredibly well-positioned to become the net home for cybersecurity. Quite frankly, we should be the leader in the field. We have the world's largest financial institutions-the biggest buyers of cybersecurity services outside of the federal government.

So we are partnering with both industry and academic leaders to build a first-of-its-kind hub for cyber innovation here in the city. We released a request for proposals to create a set of programs to strengthen the city's cybersecurity industry, and are seeking responses from academic and industry partners. Proposals are due by Friday, February 16.

We are also making historic investments in the life sciences. As part of this initiative, the city will invest \$500 million in life sciences and R&D over the next ten years. Of this \$500 million, \$100 million will be used to create a new Applied Life Sciences campus, which will drive bioengineering innovation, R&D, and entrepreneurial training. Another \$50 million will be invested in expanding New York's R&D facilities. Even though we have a strong life sciences network today, technology and R&D needs are constantly evolving. We want to make sure our spaces are the best-equipped in the country.

Our efforts in doing this are aided by the Industrial Development Agency (IDA), a public benefit corporation formed under state law in the 1970s. IDA is responsible for encouraging economic development throughout the five boroughs, preserving existing

jobs, and creating and attracting quality, well-paying ones. While the IDA is administered by EDC employees, it has a separate legal existence and an independent board.

In 2016, for the first time ever, EDC's Neighborhood Capital Corporation was selected as a recipient for the New Markets Tax Credits program with a \$55 million allocation. New Markets is a federal program designed to generate private sector capital investment in low-income communities. Since the announcement of this award, we have deployed \$48 million of those credits for affordable housing, community space, and food retail in four low-income communities, including the Rockaways, Central Harlem, and Soundview. In an effort to preserve low-cost industrial space in the city, we recently awarded Greenpoint Manufacturing and Design Center with a \$17 million allocation for its Industrial Jobs Center in Ozone Park, Queens.

While the how and what we do are extremely important, we are also laser-focused on who, that is, who it is our programs benefit. This is why we have invested considerable resources into our MWBE capacity building and local hiring programs. In FY17, we awarded over \$118 million to MWBEs. Since FY 15, we have awarded over \$269 million. We have been able to accomplish this by inserting ambitious MWBE goals on applicable projects at a rate of 35 percent. Our ConstructNYC initiative is also a crucial component in our success. ConstructNYC is a prequalification program that allows MWBE firms to compete against each other for similarly-sized contracts. To date, we have awarded \$10.5 million in contracts to qualified firms.

We are incredibly proud of the work we have done to make New York a fairer city today, and a stronger city tomorrow. We look forward to continuing our dynamic work with the Council as our partner.

Thank you for your time today. I am happy to take any questions you may have.

February 6, 2018

FOR THE RECORD

Testimony of:

Edward J. Kelly
Executive Director
Maritime Association of the Port of NY/NJ

My name is Edward J. Kelly and I am the Executive Director of the Maritime Association of the Port of NY/NJ.

Since 1873 the Maritime Association has been the primary advocate of the NY/NJ commercial maritime industry. Our paid membership of over 560 corporate and individual members includes international shipping concerns, marine terminals, longshore labor, pilots, agents, admiralty attorneys, tug/barge owners/operators, marine underwriters, ship repair facilities, draymen, and a host of other commercial maritime interests.

I am here today to remind the City of New York that commercial maritime interests are a vital component of the NY economic engine.

Since its founding, New York has been a maritime city. It remains so today and acts as a vital gateway for local, regional, and national commerce.

A recent economic study reveals that in 2016, the Port generated:

- 6.3 Million TEU of containerized cargo
- 577,223 Vehicles
- 567,649 on-dock rail lifts
- 730,617 cruise ship passengers
- 3.7 million metric tons of bulk cargoes
- 400,000 full time JOB equivalents
- 229,000 direct JOBS
- \$25.7 Billion personal income
- \$64.8 Billion business income
- \$8.5 Billion Federal/State/Local taxes

Additionally waterborne movement of people and freight is

- the most fuel efficient
- the most environmentally friendly
- requires the least infrastructure
- the least congesting
- the most cost efficient

The commercial maritime industry is of great value to the people of New York because it:

- Reduces congestion
- Reduces pollution
- Preserves bridges and roadways
- Reduces truck traffic and emissions
- Adds transportation capacity
- Produces well-paying JOBS with family sustaining benefits

Despite these benefits, it seems that New York has lost interest in its historic and vital waterfront. While the last Administration forged the visionary Comprehensive Waterfront Plan, and instituted the Mayor's Waterfront Advisory Board, the current Administration has yet to empanel the Advisory Board and has relegated the City Council Waterfronts Committee to a sub committee of the Land Use Committee.

In our dense urban environment, it is essential that New York continue to protect and promote our Significant Maritime Industrial Areas, which are unique geophysical locations located contiguous to channels, and zoned to promote water-dependent industrial usage.

It is also important that New York take steps to alert its youth to the lucrative jobs the maritime industry offers. While EDC has taken steps to promote this awareness and work with CTE High Schools, much more needs to be done to create a qualified workforce.

Please remember that the commercial maritime industry stands ready to ensure that New Yorkers are able to enjoy a future that is cleaner, safer, more environmentally friendly, cost efficient, connected, and with JOBS that are family sustaining.

Thank you.

Testimony to the NYC Economic Development Corporation
Rose Uscianowski, Harbor Ring Committee

Thank you for the opportunity to speak to you today about a subject that is near and dear to me: local waterfront access and the connectivity of recreation and alternative transportation networks across our city's shorelines. I come before you as a member of the Harbor Ring Committee which was formed in 2011 with the express intent of creating a 50 mile continuous and contiguous bike and pedestrian greenway around New York Harbor, connecting the shores of New Jersey, Staten Island, Manhattan, and Brooklyn. As a member of the Harbor Ring Committee, I fight for this vision because I believe in the unlocked potential of our city's waterfront spaces and the economic, transportation and recreational opportunities that smart investment in these waterfront spaces can and will create as long as that investment includes expanded waterfront access across our beautiful shorelines.

The increasing interest in Brooklyn's shoreline and the similar economic boom that's occurring across Staten Island's long decrepit North Shore waterfront and Northern New Jersey's Hudson River shoreline all offer testimony to the inherent value that the beautiful waterfront spaces in and around NYC hold. Likewise, the (continuing) economic revitalization happening across Manhattan's far west side and its concurrence with installation of the popular Hudson River Greenway trail demonstrates that economic expansion and recreational access don't have to be in competition along our waterfront. Our shorelines can act as both an economic driver and a place where people run, walk, bike, play, commute and take advantage of our waters.

In order to use our waterfront spaces most effectively, bike and pedestrian spaces don't just need to be accessible to all, but fully connected and fully protected. This means bringing bike and pedestrian access to the missing link to a connected New York Harbor - the Verrazano Bridge- and it means gaining an official greenway designation for the entire length of this path. The advantages of both are profound. A bicycle and pedestrian path across the iconic Verrazano Bridge can draw tourists into the further reaches of Staten Island and Brooklyn just as the Brooklyn Bridge Bike path has led millions to discover Downtown Brooklyn. Similarly, such a path has the potential to further link the regional economies of both Staten Island's North Shore and downtown Brooklyn just as the paths on the East River bridges have linked the economies of downtown Manhattan and downtown Brooklyn. Lastly and most obviously, this pathway would expand commuting options for Brooklyn and Staten Island residents while offering runners and cyclists on both sides of the narrows a wonderful space to further appreciate our beautiful city.

In the meantime, completing bike and pedestrian access to all the bridges surrounding the harbor without adding safe spaces for pedestrians and cyclists once they get to land would only serve to take away from the value of those bridge paths. Right now, Staten Island's North Shore Waterfront is the most practical place to demand expansion of the greenway in order to address that. Work on the Goethals and Bayonne Bridges is bringing us closer to restoring bicycle access to both, creating a demand for spaces to walk or ride upon leaving them. At the same time, development on the Wheel, Empire Outlets, Urby and Lighthouse Point among other projects is

increasing a demand for local waterfront access. A Staten Island North Shore Greenway would provide a solution to both while also filling in another piece of the Harbor Ring trail. It is likewise that we ask the NYC Economic Development Corporation to join us in the fight to achieve a greenway designation along Staten Island's North Shore waterfront.

You've acknowledged the deep needs to create more waterfront access along Staten Island's North Shore and to better connect Staten Island's North Shore communities in your North Shore 2030 report. Now is the time to act on those findings and join us in the fight for a more access waterfront.

Testimony of JobsFirstNYC at the New York City Council's Committee on Economic Development's Public Hearing regarding the Economic Development Corporation, 2018 and Beyond on February 6, 2018 delivered by Sherazade Langlade, Vice President of Workforce & Economic Development.

Good afternoon, Chairperson Vallone, and other distinguished members of the Economic Development Committee. My name is Sherazade Langlade and I am the Vice President of Workforce and Economic Development at JobsFirstNYC, a practice to policy intermediary working to improve the workforce development system and ensure all New Yorkers are in a position to access and climb the economic ladder of New York City's labor market.

For ten years, JobsFirstNYC has been working with local communities and citywide developing and supporting collaborative and innovative strategies to find innovative solutions to support out-of-school, out-of-work young New Yorkers. We are here today to lift up one such strategy, the Lower East Side Employment Network (LESEN), as well as to recommend that, while considering the agenda for the next four years of the New York City Economic Development Corporation, workforce strategies like the LESEN are integrated in service of the EDC's mission to promote and grow quality jobs for all New Yorkers.

The LESEN is a coalition of eight nonprofit agencies working together in partnership with their local Community Board (CB3). It has served the needs of the residents of the Lower East Side while that neighborhood has seen a swell of economic development activity by ensuring that local residents are appropriately trained for and positioned to benefit from the job opportunities that result from economic development in the area. By agreeing to collaborate, rather than compete, these eight nonprofits have improved their engagement of local employers and developers to the benefit of residents of the Lower East Side. With CB3 as a partner, LESEN is able to leverage this strong relationship to negotiate with incoming employers.

Because businesses and developers have a clear access-point for local talent, they know who to reach out to when they need candidates, and the nonprofits, by pooling their resources, can offer a broader range of training options and ready a larger talent pool. Thus, the network collectively fills a greater percentage of job openings all while reducing the developers' interview-to-hire ratio to 3:1.

We call it a "win, win, win."

That said, these models are costly, and they require hard-to-come-by planning dollars to offset the costs of development. While the city looks to invest in its physical infrastructure through the work of the NYC EDC, we recommend it considers ways to simultaneously invest in the infrastructure of its community-based organizations and workforce partners to help communities respond to and benefit from the economic activity that results in the EDC's

development. Not only would this investment benefit the residents of developing communities, but it would also double-down on the success of HIRE NYC. By offering developers and businesses access to a trained & qualified pool of local candidates, it makes local hire an easy choice removing any obstacles to fulfilling their quota.

By coordinating across systems, Workforce Development and Economic Development, we can build upon the EDC's success and ensure that, over its next four years, its work continues to cultivate dynamic, resilient communities across all five boroughs.

Thank you,

Sherazade Langlade, JobsFirstNYC
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**TESTIMONY OF LENA AFRIDI, BEFORE
THE NEW YORK CITY COUNCIL COMMITTEE ON ECONOMIC DEVELOPMENT CONCERNING
OVERSIGHT OF THE NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION**

February 6, 2018

Good Afternoon. Thank you Chairman Vallone and members of the Committee on Economic Development for the opportunity to testify.

My name is Lena Afridi and I am the Policy Coordinator for Equitable Economic Development at the Association for Neighborhood and Housing Development (ANHD). ANHD is a membership organization of NYC- neighborhood based non-for-profit community organizations. Our mission is to ensure flourishing neighborhoods and decent, affordable housing for all New Yorkers. We have over 100 members throughout the five boroughs including – community development corporations, local development corporations, affordable housing developers, supportive housing providers, community organizers, and economic development service providers..

ANHD applauds NYCEDCs commitment to job creation, in particular its partnership with ANHD and the Citi foundation in creating the Industrial Developer Fund and its support of the Urban Manufacturing Accelerator Fund, tools that help nonprofit industrial developers create and maintain properties to be used for industrial and manufacturing businesses and jobs.

We also recognize the steps EDC has taken to date, to increase transparency in its development processes. However, we believe much more can be done. We encourage EDC to implement the following measures in order to create a more open, transparent, and equitable development process:

Add community stakeholder representation on the NYCEDC Board. None of NYCEDC's 27 member Board of Directors are explicitly tasked as community representatives. Considering that NYCEDC is tasked with improving of the quality of the City's neighborhoods, ANHD would like to see board members who represent and are stewards of local neighborhood's concerns and needs.

Ensure that we protect the public interest in our public land. Public land is an extremely valuable and limited resource. EDC is tasked with developing many of these parcels. We call on EDC to work closely with community stakeholders and local elected officials to ensure that the projects built on these sites are to the benefit of and meet the needs of current neighborhood



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residents and businesses. EDC should no longer be disposing of City owned land to private companies.

Ensure that job creation or economic development programs meet current population employment levels and needs. NYCEDC spends substantial funds and resources towards job creation employment programs. However, it is not clear, on a project level or agency wide what share of these economic development opportunities meet and align with the employment needs and levels and the city's current population. NYCEDC must report not only on a project's projected job creation numbers, but on the number of jobs at each income level, potential wages earned, and whether these jobs are full or part time. The city and communities must be able to see, understand and track the potential employment and economic impact of NYEDC projects, not just in aggregate, but as it relates to the local community's population needs. Most importantly, EDC must ensure that these local jobs go to local people by strengthening its HireNYC initiative.

We look forward to working with the New York City Economic Development Corporation in our goal toward a more equitable City.



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Testimony before the New York City Council Committee on Economic Development

"NYCEDC 2018 and Beyond: Borough-by-Borough in the Next Four Years"

Riley Edwards, Research Associate, Citizens Budget Commission

Tuesday, February 6, 2018

Thank you for the opportunity to testify. My name is Riley Edwards, and I am a Research Associate at the Citizens Budget Commission (CBC). CBC is a nonpartisan organization whose mission is to achieve constructive change in the finances and services of New York City and New York State government.

Last month, CBC published a report reviewing New York City's economic performance during Mayor Bill de Blasio's first term in office and recommending ways in which the City's investments could be improved.

The city's economy has been strong in recent years, with rising median wages and high employment growth. From 2013 to 2016, private employment grew 17 percent in Brooklyn, 11 percent in Queens, 8 percent in Manhattan, and 7 percent in the Bronx and Staten Island. As of 2016, 16.2 percent of private employment in New York City was located in Brooklyn, up from 15.2 percent in 2013 and 13.5 percent in 2001. Queens, the Bronx, and Staten Island have also seen increases. The geographic diversification of employment in New York City is a continuing and positive long-term trend.

Nevertheless, job growth in the city has been dominated by low-paying occupations in health care and hospitality, and job growth is projected to decelerate in 2018 and 2019. Meanwhile, persistent poverty and inequality are reminders that more opportunities are needed.

The New York City Economic Development Corporation (EDC) leads the City's efforts in spurring job growth. In 2016 the annual cost of the City's economic development efforts totaled \$3.2 billion, with much of this overseen by EDC. With this high cost comes a responsibility to ensure that New York City's investments in its own economy are sound.



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Our recently released report, *Managing Economic Development Programs in New York City: An Assessment of Progress*, makes the following four recommendations to improve the City's economic development tools:¹

1. Establish more detailed standards for awarding discretionary tax expenditures;
2. Improve transparency and reporting on EDC projects;
3. Make capital investments in infrastructure to support job growth in underdeveloped neighborhoods; and
4. Use conduit financing to support growth in the arts, health, and educational sectors.

Discretionary tax expenditures

In addition to numerous "as-of-right" tax expenditures that are available to any firm that meets certain statutory qualifications, the City also awards substantial discretionary tax benefits, worth \$548 million in 2016, which are customized by EDC for individual projects or firms.

Twenty-two projects were awarded benefits in fiscal years 2015 and 2016. Nine projects were located in Queens and only one in Manhattan, with the rest split between the Bronx, Brooklyn, and Staten Island. Our review of these projects found wide variation in the benefits granted per job. Most projects received benefits less than \$30,000 per job created, but three projects received more than \$100,000 per job. There may be justifiable reasons for providing such a high level of subsidy; for example, these projects may be leveraging significant private investment. EDC should better articulate the goals of these projects, develop standards for awarding benefits that incorporate these factors, and provide a transparent method for calculating benefits.

Transparency

As required by local law, EDC publishes an annual report on projects receiving discretionary tax benefits; however, this report provides insufficient data to evaluate the full package of benefits provided to recipients. In addition, there is no reporting on outcomes of other EDC programs, such as start-up incubators. Two bills passed by the City Council last session made improvements to EDC reporting, but there remains a need for reporting that covers the full scope of benefits flowing to all EDC projects.

Capital investment

One of the principal ways the City supports outerborough job growth is through capital investment to establish and improve employment hubs. The biggest capital projects overseen by EDC in the last four years have been spread across all five boroughs, including Cornell Tech in Manhattan, the Brooklyn Army Terminal, the Staten Island waterfront, Hunter's Point South in



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Queens, and the South Bronx Greenway. Capital investment should be directed at establishing infrastructure to encourage job creation at the neighborhood level, like these examples, and should not be made for the benefit of individual firms.

Conduit financing

Another tool used by EDC to support economic development is conduit debt, which is issued by the City, but is the obligation of a business or nonprofit. Two entities that issue conduit debt, the Build NYC Resource Corporation and New York City Industrial Development Agency, are administered by EDC. Conduit debt has relatively low risk and low cost to the City and provides a lower cost source of capital to recipients because the debt is tax-exempt.

CBC supports use of conduit debt to assist the cultural, educational, and health sectors in lieu of direct City capital investment. Since 2016, 87 percent of conduit debt issued by these entities has been for these three sectors. Nearly half of the recipients since 2016 have been located in Manhattan, with an additional 30 percent located in Brooklyn. Conduit financing should be the City's main form of support for these sectors, rather than direct capital investment.

One final point is that, because of EDC's demonstrated success at managing its capital projects and its more flexible procurement process, EDC has broadened its responsibilities to include serving as capital project manager for other agencies' projects, many of which are not related to economic development. This trend discourages other agencies from seeking procurement reform and shifts EDC's focus away from its mission of job creation. While there has been some positive improvement in recent years, with a smaller but still substantial share of EDC capital expenditures coming from other agencies, EDC continues to have a broad mandate. For example, the NYC Ferry expansion and the BQX streetcar proposal are under the purview of EDC, although they are transportation projects in substance.

Reforms that standardize discretionary tax benefits, increase transparency, support capital investment in neighborhoods, and continue using conduit financing to assist nonprofits, while keeping EDC's focus on job creation, will move the city toward its goal of a strong economy that creates opportunities for all New Yorkers.

Thank you for the opportunity to speak on this topic. I am happy to answer questions.

¹ Riley Edwards, *Managing Economic Development Programs in New York City: An Assessment of Progress* (Citizens Budget Commission, January 2018), <https://cbcny.org/research/managing-economic-development-programs-new-york-city>.



**Testimony Before the New York City Council
Committee on Economic Development
Oversight: NYCEDC 2018 and Beyond
February 6, 2018**

Tech:NYC is a non-profit trade group with the mission of supporting the technology industry in New York through increasing engagement between our more than 500 members, New York City government, and the community at large. We work every day to establish New York as the best place for cultivating accessible technology and the companies that build it.

We would like to express our continued support of NYC Economic Development Corporation's (NYEDC) programming. NYCEDC's projects throughout the five boroughs have brought tremendous benefits to the greater NYC community—from encouraging economic growth to driving improved quality of life, NYCEDC's work has benefitted not only the New York tech community, but all of New York. As the Committee on Economic Development looks ahead to the next four years and beyond, we hope to continue to see borough-by-borough successes that has made NYCEDC such an asset to NYC.

Overview

New York has always been a city where creativity and pragmatism have gone hand in hand. With that in mind, it is important we continue to foster an environment that both enhances and strengthens New York's innovative spirit, and at the same time, encourages practical solutions—driven and developed by New Yorkers—to inevitable challenges. NYCEDC consistently does just that, and has thus played a critical role in fostering a robust and diverse tech ecosystem. We'd like to take this opportunity to highlight just a handful of successful NYCEDC programs that illustrate how a strong economic development organization like NYCEDC can impact the strength and resilience of a city like New York.

Entrepreneurship

NYC is home to one of the largest entrepreneurship communities in the world. EDC understands this and has worked to create new channels for ensuring opportunities to innovate are open to all.



For instance, NYC, through NYCEDC, is leading the way in attracting foreign-born entrepreneurs through its In2NYC program. In2NYC, which allows for cap-exempt H-1B visas, is a crucial ingredient to ensure the city continues to attract best-in-class entrepreneurs from diverse backgrounds. We fully support this program and look forward to continuing to work with NYCEDC on growing it.

The Urbantech NYC program has partnered with organizations we work closely and productively with across the city. For instance, New Lab and Grand Central Tech both create spaces for entrepreneurs to flourish and build some of the most interesting products we've seen. In addition, Urban Future Lab has become one of the nation's premier facilities for the cleantech and energy community, supporting business incubation, product demonstration, and educational programming.

The Virtual Reality and Augmented Reality Lab is the first publicly-funded VR/AR facility in the country. Supporting emerging sectors such as VR/AR allows NYC to be at the forefront of one of the greatest advancements of the technological age. By carving out a space for such innovation, world-class research and talent development will continue to flock to NYC.

By encouraging innovation within NYC, NYCEDC is providing the support for a vibrant entrepreneurship ecosystem that is helping to make communities everywhere more sustainable, resilient, and livable. We encourage the Committee to continue to support NYCEDC's efforts in the innovation space.

Transportation

To ensure that the trend of expansive and accessible service continues to improve, Tech:NYC strongly supports the efforts of NYCEDC to make NYC one of the most connected cities in the world. This is especially true because so many of our member companies rely on public transit to attract talent to NYC.

The NYC Ferry and East River Ferry Service have provided a new and affordable way to travel between waterfront communities throughout NYC. By revitalizing a previously underutilized transportation avenue, greater connectivity is available between boroughs—all while reinvigorating the water that made NYC originally prosper.



The proposed Brooklyn-Queens Connector (BQX) would greatly relieve our already overburdened subway system. The modern streetcar would increase transit access for hundreds of thousands of New Yorkers along the waterfront, from Sunset Park to Astoria. It would work within the rest of our transit network, reaching 10 ferry landings, 30 different bus routes, 15 different subway lines, 116 Citi Bike stations, and six LIRR lines. And the BQX would cut travel times significantly between and within the boroughs, for the 44,000 NYCHA residents who live near the route, and for employees of companies that could start or move there. We look forward to working with NYCEDC to make the BQX a reality.

Conclusion

Innovation has helped New York City evolve and grow—in many cases as a direct result of NYCEDC's efforts. The creativity fostered by NYCEDC regularly contributes to the public good. This is especially true to the extent that NYC can continue to find solutions to problems that affect residents of every neighborhood and community. For that reason, Tech:NYC supports NYCEDC's continued work to better NYC, and encourages the Committee to remember the progress of NYCEDC when planning for its success over the next four years.

Sincerely,

Julie Samuels
Executive Director
Tech:NYC

**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: James Patchett

Address: _____

I represent: President + CEO, EDC

Address: _____

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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: Lydia Downing

Address: _____

I represent: Senior Vice President for Govt + Community

Address: Relations, EDC

**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: 2.6.18

(PLEASE PRINT)

Name: JOHN T. FALCONE

Address: 11 PARK PL SUITE 1602, NEW YORK

I represent: JOBSFIRSTNYC

Address: 11 PARK PLACE

**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: Riley Edwards

Address: 281 Devoe St. Apt 2R Brooklyn NY 11211

I represent: Citizens Budget Commission

Address: 2 Penn Plaza, 5th Floor

◆ 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: 2/6/2018

(PLEASE PRINT)

Name: Rose Uscianowski

Address: 90 Brewster St, ST, NY 10304

I represent: Transportation Alternatives, Harbor Ring
Committee

Address: 141 John St, NY, NY, 10038

◆ 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: 2/6/2018

(PLEASE PRINT)

Name: Lena Afridi

Address: 50 Broad St

I represent: ANHD

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: _____

(PLEASE PRINT)

Name: EDWARD J. KELLY

Address: 17 Battery Place NY, NY 10004

I represent: Maritime Association Port of NY/NJ

Address: _____

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