

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson
Speaker of the Council

Hon. Daniel Dromm
Chair, Finance Committee

Hon. Paul A. Vallone
Chair, Committee on Economic Development



Report to the Committee on Finance and the Committee on Economic Development
on the Fiscal 2019 Executive Budget for

Economic Development Corporation

May 7, 2018

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Economic Development Corporation Executive Budget Overview

Capital Budget: Fiscal 2018 – Fiscal 2022

- Executive Capital Budget includes \$2.1 billion in Fiscal 2019-2022;
- Commitment Plan includes \$4.4 billion in Fiscal 2018-2022;
- In Fiscal 2017, the Corporation committed \$338.8 million or 26.7 percent of its annual capital plan of \$1.3 billion;
- Available appropriations for Fiscal 2018 total \$2.5 billion;
- Planned commitments in Fiscal 2018 total \$595.3 million;
- Capital Budget includes 569 Projects IDs; and
- Capital Budget includes 83 Budget Lines.

Executive Budget Expense Highlights

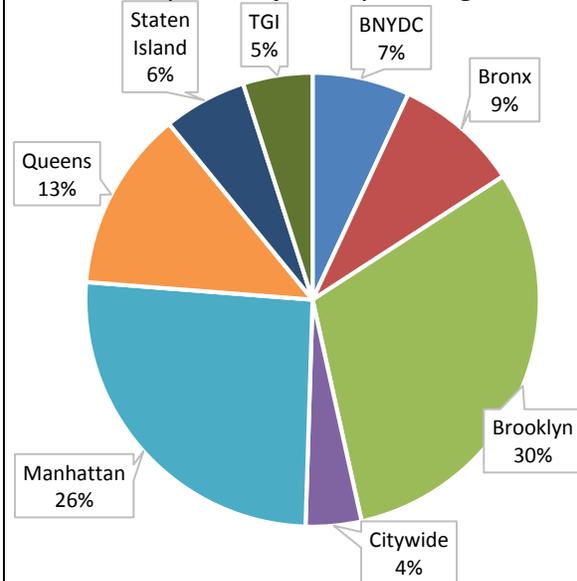
New Needs:

- \$1.2 million in Fiscal 2019 and \$650,000 in the outyears for operational support for the South Street Seaport Museum; and
- \$670,000 in Fiscal 2019 to assist the New York City Housing Authority (NYCHA) set up a compliance department.

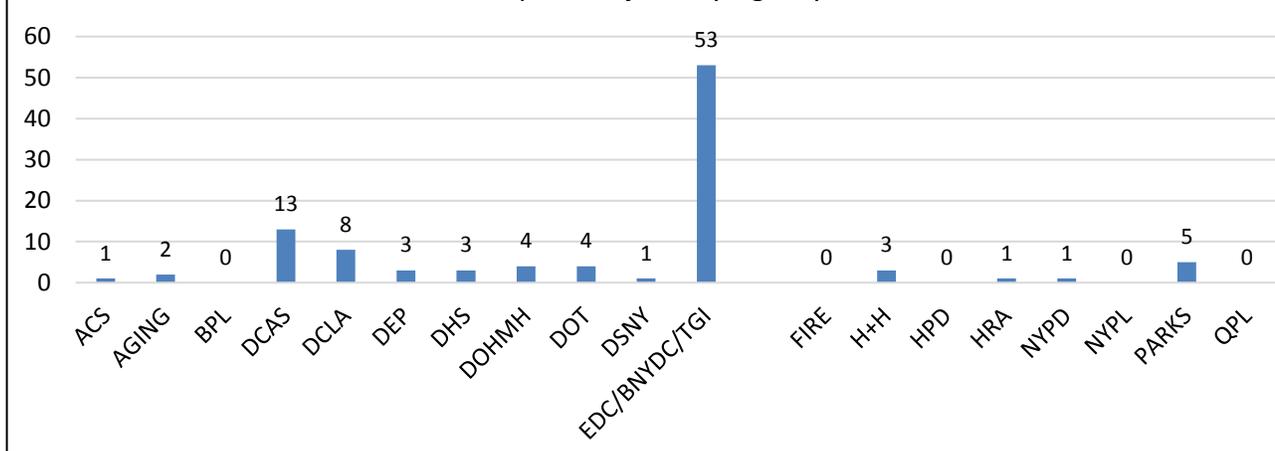
Savings:

- \$2.2 million in Fiscal 2018 and \$98,000 in Fiscal 2019 from City-sponsored Housing Preservation Development (HPD) project, which declined to receive the Jumpstart Loan.

Capital Projects by Borough

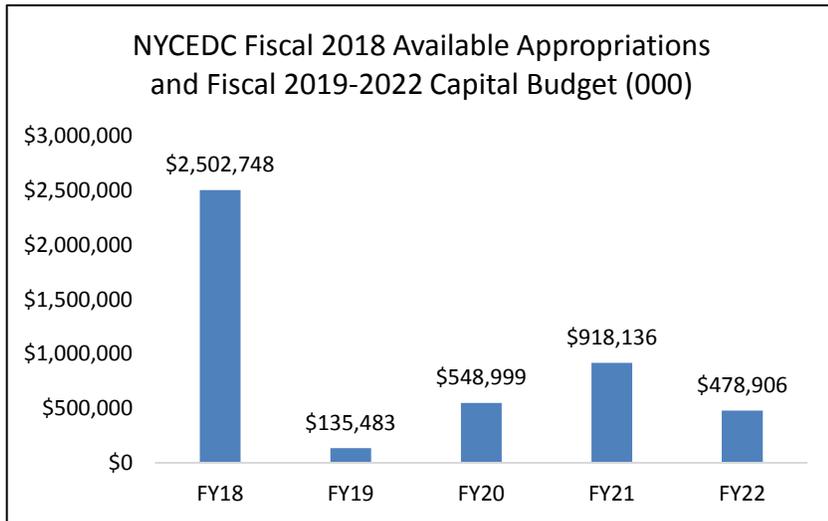


Capital Projects by Agency



Capital Program

Fiscal 2019 Executive Capital Budget and Commitment Plan for Fiscal 2018-2022



NYCEDC’s Fiscal 2019 Executive Capital Budget includes \$2.1 billion in Fiscal 2019-2022, with \$135.5 million in Fiscal 2019.¹ This represents 4.3 percent of the City’s total \$49.4 billion Capital Budget for 2019-2022. Available appropriations for Fiscal 2018 total \$2.5 billion. This includes \$1.6 billion in reauthorized prior appropriations and \$1.1 billion in authorized appropriations, less actual commitments of \$170.6 million in the current fiscal year.

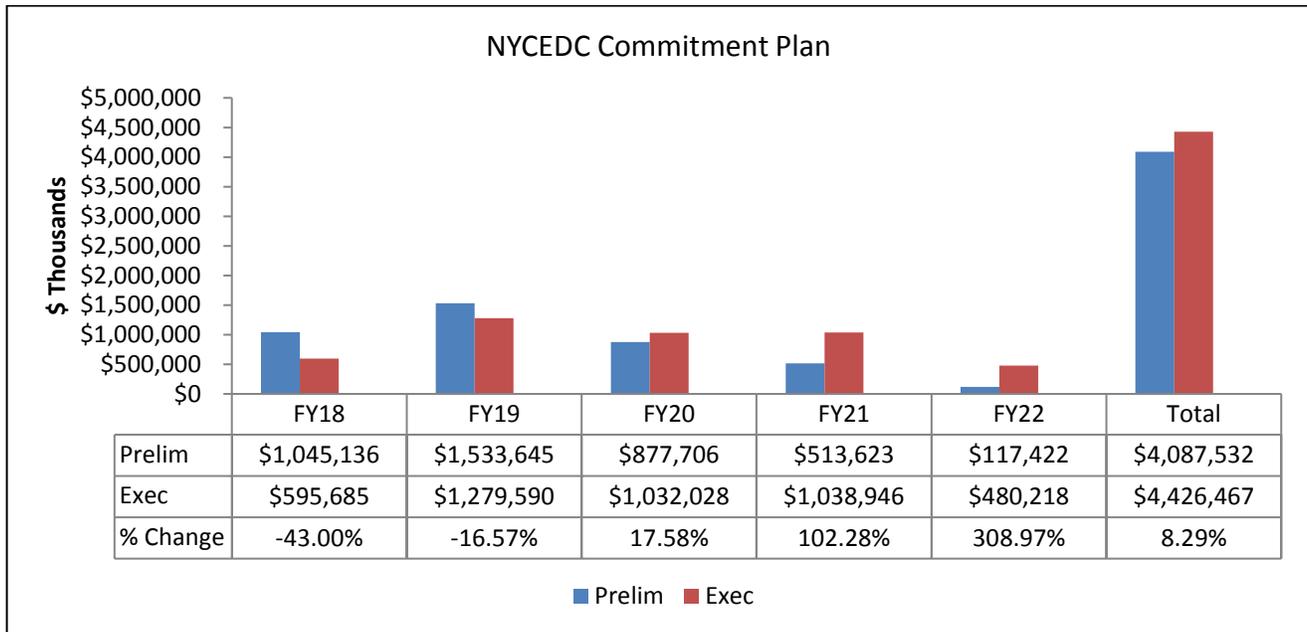
Capital Commitment Plan

NYCEDC’s Executive Commitment Plan includes \$4.4 billion in Fiscal 2018-2022. This represents 5.4 percent of the City’s total \$82 billion Executive Commitment Plan. The Department’s Capital Budget is significantly less than the Capital Commitment Plan because it does not include the current appropriations for Fiscal 2018, or the amount of funding that will be reappropriated or rolled into the Fiscal 2019 Adopted Budget. NYCEDC’s Executive Commitment Plan for Fiscal 2018-2022 is 8.29 percent more than the \$4.1 billion scheduled in the Preliminary Commitment Plan, an increase of \$339 million. This Commitment Plan includes 83 budget lines and 569 project IDs.

The total available appropriations for Fiscal 2018 are \$2.5 billion against planned commitments totaling \$595.3 million. This excess balance of \$1.9 billion in appropriations gives the Administration considerable flexibility within the capital plan. However, as the commitment of appropriations are legally bound to their budget line descriptions, this flexibility is more limited than it appears from this variance alone.

The majority of the capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. However, this also makes it difficult to track when projects were originally scheduled and completed. In Fiscal 2017, the Corporation committed \$338.8 million or 26.7 percent of its annual capital plan of \$1.3 billion. Therefore, it is assumed that a significant portion of the agency’s Fiscal 2018 Capital Plan will be rolled into Fiscal 2019.

¹ The Capital Budget provides the required appropriations for Fiscal 2019 and planned appropriations for the subsequent three-year capital program. Appropriations represent the legal authority to spend capital dollars and are what the Council votes on at budget adoption.



New Projects Added in the Fiscal 2019 Executive Budget

Citywide Ferry Service. Citywide Ferry Service was announced as part of the Mayor’s State of the City Address on February 3, 2015. The service connects waterfront communities to improve waterfront access, transit equity and resiliency, support residential growth, and promote economic development. Five new routes were launched and in addition to the existing East River Ferry route, it connects 21 landings. Fares on the new service will cost \$2.75, the same as a bus or subway ride. Since May 2017, ferries have served three million people. NYCEDC is launching two new routes this summer. The Lower East Side route will serve nearly one million rides annually and the Soundview route will serve nearly 400,000. Larger capacity vessels have been ordered to meet the increasing demand.

- **Citywide Ferry Service – Vessel Rehabilitation** is budgeted at \$297 million in Fiscal 2018 through Fiscal 2022. The additional funding of \$202.8 million included in the Executive Plan will provide NYCEDC with flexibility over the next several years to respond to service demands and purchase additional vessels on an as-needed basis. NYCEDC is currently in negotiations on the quantity and size of a first batch of vessels.
- **Citywide Ferry Service – Homeport** is budgeted at \$77.1 million in Fiscal 2018 through Fiscal 2022. The additional funding \$65 million was included in the Executive Plan to create a second Homeport for New York City Ferry in addition to the one at the Brooklyn Navy Yard. Location of the second homeport is yet to be determined.
- **Citywide Ferry Service – Barges** is budgeted at \$76.2 million in Fiscal 2018 through Fiscal 2022. Funds are being used for the construction of barges, gangways, and capital infrastructure needs required for the ferry landings. A total of \$31.1 million additional funding in the Executive Plan is for various infrastructure upgrades at existing landings and system-wide.

Stapleton Waterfront Phase II & III. In the Executive Plan, \$60 million was transferred from the Housing Fund to the Stapleton Waterfront project. The Homeport, a 35-acre decommissioned U.S. Naval Base in Staten Island, is being transformed into a vibrant, sustainable, and livable addition to the Stapleton community and the Staten Island waterfront in accordance with the community-driven

New Stapleton Waterfront Development Plan. After breaking ground in 2013, the Ironstate Development Company is investing \$150 million to transform seven acres into a sustainable development of rental housing units and retail stores. The mixed-use project will bring roughly 900 units of housing, 30,000 square feet of ground floor retail, and five acres of new waterfront esplanade to the Stapleton community. Funds will go towards road improvements; a new waterfront esplanade for the historic Stapleton community; the construction of new open space; restored tidal wetlands; reconstruction along major connector streets; new storm water systems; and streetscapes. This investment in infrastructure and open space will lay the foundation for future phases of the project, including new affordable housing units.

Jerome Avenue Rezoning. In the Executive Plan, \$25.7 million was transferred from the Neighborhood Development Fund to Department of Parks and Recreation's budget for a new park tied to the Jerome Avenue rezoning.

Appendix 1: Fiscal 2019 Budget Actions since Fiscal 2018 Adoption

<i>Dollars in Thousands</i>	Fiscal 2018			Fiscal 2019		
	City	Non-City	Total	City	Non-City	Total
SBS Budget as of the Adopted 2018 Budget	\$143,291	\$73,242	\$216,533	\$94,477	\$47,936	\$142,413
New Needs						
100K Jobs Plan CUNY 2X Tech	\$806	\$0	\$806	\$1,969	\$0	\$1,969
Construction Safety Training	3,538	0	3,538	0	0	0
MWBE Bond and Loan Roll Over	1,000	0	1,000	0	0	0
Bus Program	41,800	0	41,800	140	0	140
Construction Safety Training	0	0	0	18,704	0	18,704
Graffiti Free and CleaNYC Operating Funds	1,940	0	1,940	3,100	0	3,100
SBS ApprenticeNYC	457		457	1,098	0	1,098
BID Program	50		50	0		0
School Bus Program	0		0	41,800		41,800
Career Pathways	0		0	7,120		7,120
Downtown Rockaway Rezoning	130		130	560		560
East Harlem Rezoning	0		0	400		400
EDC Compliance Contract	0		0	670		670
Jamaica Action Plan	50		50	100		100
Jerome Ave Rezoning	0		0	2,132		2,132
MWBE	398		398	1,760		1,760
Relocation	0		0	484		484
Section 3 Coordinator	0		0	0	110	110
South Street Seaport Museum	0		0	1,150		1,150
Subtotal, New Needs	\$50,169	\$0	\$50,169	\$81,187	\$110	\$81,297
Other Adjustments						
Agency OTPS Savings	(\$198)	\$0	(\$198)	(\$386)	\$0	(\$386)
Agency PS Savings	(307)	0	(307)	0	0	0
Allocation of BNY Expense PWs	0	832	832	0	0	0
BNYDC Technical Adjustment	0	(1,118)	(1,118)	0	0	0
DCP - EDC I/C CEQR MOU	0	528	528	0	0	0
E34 St Heliport Fence FY18	0	194	194	0	0	0
EDC SAND MOD	0	978	978	0	0	0
EDC Staff Time Budget	0	1,458	1,458	0		0
EDC Technical Adjustment	0	(8,419)	(8,419)	0	0	0
Environ. Services FY18 Roll	0	100	100	0	0	0
FEMA 428 Group 5 Tompkinsville	0	3,883	3,883	0	0	0
FY 18 RENT FOR 130 CEDAR ST	0	205	205	0	0	0
FY17 HRO Roll to FY18	0	18,700	18,700	0	0	0
FY18 Budget for Connect NYC	0	159	159	0	0	0
FY18 Budget for Z043	0	355	355	0	0	0
FY18 DORIS Grant	0	75	75	0	0	0
FY18 Flood MOU	0	1,011	1,011	0	0	0
FY18 Fund Transfer 0708	0	8,600	8,600	0	0	0
FY18 Fund Transfer for FEMA RH	0	711	711	0	0	0
FY18 Funding for FEMA 428 G2	0	2,521	2,521	0	0	0
FY18 Increase for FY17 Accrual	0	2	2	0	0	0
FY18 MOER Z047 Budget	0	129	129	0	0	0
FY18 MOER Z048 Budget	0	31	31	0	0	0
FY18 MOER Z053 Budget	0	165	165	0	0	0
FY18 MOER Z054 Budget	0	165	165	0	0	0
FY18 RISE Contracts	0	777	777	0	0	0
FY18 Rollover Incr for AveNYC	0	564	564	0	0	0

<i>Dollars in Thousands</i>	Fiscal 2018			Fiscal 2019		
	City	Non-City	Total	City	Non-City	Total
FY18 Staff time Budget	0	1,138	1,138	0	0	0
FY18 transfer for Pier 42	0	176	176	0	0	0
FY18-19 Bus PREP City	0	208	208	0	778	778
FY18-19 Bus PREP State	0	1,004	1,004	0	753	753
FY18-19 HSBLGP Budget	0	903	903	0	22	22
FY18-OY Pop Grant Rev Align	0	1	1	0	1	1
FY19 NOV DOE-SBS Transfer	91	0	91	91	0	91
Hammond Cove Dredging	0	150	150	0	0	0
HRO FY18 Roll Over Amount	0	36	36	0	0	0
Hunt's Point FY18 Initial Budg	0	618	618	0	0	0
I/C EDC FY18	0	129	129	0	0	0
IC W/EDC - PHL	0	400	400	0	0	0
LMCR FY18 Initial budget	0	929	929	0	0	0
Member Item Reallocation	236	0	236	0	0	0
MiNY Media Center-MOME	0	500	500	0	0	0
MOME-EDC-VR/AR Lab Project	0	3,000	3,000	0	0	0
MOS EO26 transfer with DDC	0	(1,500)	(1,500)	0	0	0
NPS-Fort Tilden East & Riis La	0	170	170	0	0	0
NYC at Work	0	162	162	0	195	195
NYC At Work ICD Grant	0	47	47	0	23	23
NYC EDC -The Inspection of Wat	0	578	578	0	0	0
NYC Media Lab combine MOME	0	500	500	0	0	0
nyserda intracity	0	612	612	0	0	0
OER Jumpstart Savings	(57)	0	(57)	(40)	0	(40)
One-Stop Waterfront Permitting	0	28	28	0	0	0
ORR Study FY18 Balance	0	783	783	0	0	0
Pier 42 ERPC FY18	0	6,300	6,300	0	0	0
PTAC OTPS	0	150	150	0	0	0
Raise Shoreline FY18 Budget	0	2,581	2,581	0	0	0
Raise Shorelines: Title Search	0	90	90	0	0	0
Red Hook FY18 Budget	0	1,066	1,066	0	0	0
Rockaway Ferries FY18	0	434	434	0	0	0
Saw Mill Creek NYCDOS Wetlands	0	60	60	0	0	0
TAA FY17 to FY18 Rollover	0	417	417	0	0	0
TGI Savings - Electricity	(176)	0	(176)	(171)	0	(171)
(EDC) will receive funds for the Coney	150	0	150	0	0	0
EDC) will receive funds for the NYC x						
Design	100	0	100	100		100
Funds from the GreenNYC Behavior Change						
Media Campaign	(100)	0	(100)	(100)	0	(100)
Allocation of TGI Expense PWs	0	591	591	0	0	0
BNYDC Technical Readjustment	0	1,118	1,118	0	0	0
Brooklyn Bridge Esplanade	0	1,000	1,000	0	0	0
EDC Edgemere Mod	0	0	0	0	68	68
EDC Raise Shorelines Realign	0	910	910	0	4,553	4,553
EDC Technical Readjustment 2	0	2,677	2,677	0	0	0
Funding Reallocation	(50)	0	(50)	50	0	50
FY18 TAA Increase	0	645	645	0	0	0
I/C EDC FY18	0	2,000	2,000	0	0	0
NYC At Work Neilsen Foundation	0	48	48	0	82	82
OER Jumpstart Savings	(355)	0	(355)	0	0	0
SBS OTPS Savings	(449)	0	(449)	(524)	0	(524)
SBS PS Savings	(571)	0	(571)	(100)	0	(100)

<i>Dollars in Thousands</i>	Fiscal 2018			Fiscal 2019		
	City	Non-City	Total	City	Non-City	Total
TGI Savings	(347)	0	(347)	(338)	0	(338)
Waterfront Permits Unit	(200)	0	(200)	200	0	200
18EDCFlood2	0	402	402	0	0	0
Brooklyn Bridege Esplanade	0	(900)	(900)	0	900	900
Career Ladders	100	0	100	0	0	0
City Council Reallocation	367	0	367	0	0	0
Citywide Travel Savings	0	0	0	(9)	0	(9)
Clean Diesel FY18 Work	0	1,000	1,000	0	0	0
DBS - Bond Fund Reallocation	(2,950)	0	(2,950)	2,950	0	2,950
DBS - Support for Small Business Reallocation	(1,724)	0	(1,724)	1,724	0	1,724
DEFO - MWBE Disparity Study Reallocation	(50)	0	(50)	50	0	50
EDC Fema Federal Adjustment	0	(58)	(58)	0	0	0
EDC Fema Tax Levy Adjustment	(140)	0	(140)	0	0	0
EDC Raise Shorelines FY19	0	(900)	(900)	0	1,502	1,502
EDC-CTO-Broadband	0	2,557	2,557	0	3,019	3,019
Environmental Services	0	197	197	0	300	300
FEMA 428 G2 FY18 to FY19 Push	0	(2,000)	(2,000)	0	2,000	2,000
FEMA 428 G5 FY18 to FY19	0	(3,783)	(3,783)	0	3,783	3,783
FEMA Local Match Reallocation	(896)	0	(896)	896	0	896
FY18 EDC LMCR Mod	0	3,012	3,012	0	0	0
Heat, Light and Power	(244)	14	(229)	193	10	203
HRO FY18 Budget	0	(1,447)	(1,447)	0	0	0
Lease Adjustment	0	0	0	2	0	2
MOS Transfer with EDC	0	(2,135)	(2,135)	0	0	0
OEO Funding Adjustment	0	0	0	599	0	599
OER Savings	(2,171)	0	(2,171)	(98)	0	(98)
ORR FY18	0	(672)	(672)	0	0	0
Rise FY18-FY19	0	5,848	5,848	0	9,037	9,037
SBS Collective Bargaining	1	0	1	1	0	1
SBS OTPS Savings	0	0	0	(380)	0	(380)
SBS Procurement Savings	0	0	0	(22)	0	(22)
SBS PS Savings	(427)	0	(427)	0	0	0
Sunnyside Yard Reallocation	(3,300)	0	(3,300)	3,300	0	3,300
TGI Savings	(330)	0	(330)	(331)	0	(331)
Vacancy Reductions	0	0	0	(460)	0	(460)
WDD - Construction Safety Reallocation	(500)	0	(500)	500	0	500
Subtotal, Other Adjustments	(\$14,497)	\$64,398	\$49,901	\$7,698	\$27,026	\$34,725
TOTAL, All Changes	\$35,672	\$64,398	\$100,070	\$88,886	\$27,136	\$116,022
SBS Budget as of the Executive 2019 Budget	\$178,962	\$137,639	\$316,601	\$183,363	\$75,073	\$258,436