

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEES ON SMALL BUSINESS AND ENVIRONMENTAL  
PROTECTION

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HELD AT: Council Chambers  
City Hall

B E F O R E:  
  
JAMES F. GENNARO  
DIANA REYNA  
Chairpersons

COUNCIL MEMBERS:  
Council Member Margaret S. Chin  
Council Member Mathieu Eugene  
Council Member Letitia James  
Council Member Andy King  
Council Member G. Oliver Koppell  
Council Member Peter A. Koo  
Council Member Brad S. Lander  
Council Member Stephen T. Levin  
Council Member Peter F. Vallone, Jr.  
Council Member Ruben Wills

## A P P E A R A N C E S (CONTINUED)

Steven Caputo  
Deputy Director  
Mayor's Office of Long Term Planning and  
Sustainability

Charles Sturken  
Director of Economic Development  
Department of Environmental Protection

David Gilford  
Assistant Director  
Economic Development Corporation

Donald Giampietro  
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Department of Small Business Services

Mikelle Adgate  
Project Manager, Office of Green Infrastructure  
Department of Environmental Protection

Adam Friedman  
Director  
Pratt Center for Community Development

Kevin Manley  
Associate Vice President for Facility Management  
New York Hospital, Queens

Billie Roberti  
Owner  
Green Choices Consulting

Esteban Duran  
Organizer  
El Puente

Justin Green  
Program Director, Green Small Business Owner  
Build it Green NYC

## A P P E A R A N C E S (CONTINUED)

Mary Catalina  
Small Business Owner  
Brooklyn Navy Yard

CHAIRPERSON REYNA: Good afternoon, or good morning, I apologize. It's been quite a few hours already. I am Council Member Diana Reyna, Chair of the Committee on Small Business. I would like to thank Council Member James Gennaro who is currently en route on this way to this Committee, who is Chair of the Committee on Environmental Protection, for his cooperation with this joint hearing on the subject of leveraging green businesses in New York City. Research suggests that green business practices and processes not only protect the environment and promote the development of healthy communities, they may also help a company improve its bottom line. They can help businesses save energy costs and promoting oneself as a green business can be a strong selling point as the general public becomes increasingly environmentally conscious. At the same time, many small business owners who want to go green find that the cost of upgrading equipment and facilities is too high to justify doing so during these difficult economic times. The City and our utilities have initiated a number of programs to incentivize small businesses to become

1 more energy efficient, and to reduce air  
2 pollution. But questions remain about the  
3 efficiency, efficacy of those programs, the  
4 participation levels among small businesses, and  
5 whether we are adequately incentivizing businesses  
6 to take advantage of these programs. Today, we  
7 will examine these issues and look beyond them.  
8 Once a business does go green, what can we do to  
9 help it succeed? As the Administration promotes  
10 New York City small businesses, are we doing all  
11 we can to compete by emphasizing that our products  
12 and technologies are not only the best, but that  
13 they are green, as well? I would like to  
14 acknowledge the members of the Committee on Small  
15 Business and thank the staff of the Committee,  
16 Jeffrey Campagna [phonetic], our counsel and Faith  
17 Corbett, our Policy Analyst, and Ralph Hernandez  
18 who is here joining us as our Fiscal Policy  
19 Analyst. We've been joined by Council Member Andy  
20 King from The Bronx, Council Member Peter Koo from  
21 Queens, Council Member Margaret Chin from  
22 Manhattan, and I'd like to call on Council Member  
23 Oliver Koppell who's going to be reading Chair  
24 Gennaro's statement.  
25

1  
2 COUNCIL MEMBER KOPPELL: Thank you,  
3 Madam Chair. Good morning. I'm going to read Jim  
4 Gennaro's statement, he's on his way, and he asked  
5 me to read it for him. And I'm going to read it  
6 as he wrote it, so I'm going to say, "I am  
7 Chairman James Gennaro, Chair of the Committee on  
8 Environmental Protection, and today's oversight  
9 hearing will focus on leveraging green businesses  
10 in New York City. The number of prominent  
11 corporations driven by consumer awareness and  
12 environmental realities have recognized the  
13 business value of going green. These corporations  
14 included Canon USA, Anheuser Busch, Caterpillar,  
15 Pfizer. These corporations and others have all  
16 joined EPA's Climate Leaders program, and are  
17 committed to reducing their greenhouse gas  
18 emissions. Small businesses can also benefit from  
19 taking financial, social and environmental  
20 performance into consideration, and New York State  
21 is a national small business leader. With more  
22 than two million small businesses statewide, many  
23 local small businesses are uniquely positioned to  
24 benefit from greening measures. Consumers are  
25 increasingly concerned about environmental issues,

1 and consumer concern has caused the marketplace  
2 for sustainable products and practices to grow.  
3 As consumers learn more about environmental and  
4 health threats from hazardous chemicals and  
5 climate change, they seek companies that reflect  
6 their concerns. And increasing segment of  
7 American consumers are those highly motivated and  
8 well informed consumers. Environmentally aware  
9 businesses that have reduced their environmental  
10 footprint are better positioned to meet this  
11 market demand. Furthermore, there are a number of  
12 benefits to greening that improves the bottom line  
13 of small businesses. These benefits include  
14 saving money from reduced waste and increased  
15 efficiency, reduce concerns about health and  
16 safety liability, differentiating a small business  
17 from competitors, and minimizing risks from  
18 impacts of climate change. Opportunities to small  
19 green businesses include waste reduction, product  
20 selections, water use reduction, energy  
21 conservation, and renewable energy generation, and  
22 building retrofits and reducing transportation  
23 impacts. New York City, Con Edison and NYSERDA  
24 have a number of programs to improve energy  
25

1 efficiencies, subsidized solar energy generation,  
2 and advanced research into renewable energy  
3 technologies. Finally, New York City has  
4 increased storm water capture through funding its  
5 green infrastructure program. However, a  
6 systematic approach to greening a small business  
7 involves minimizing the impact of that business on  
8 the environment, adapting to new information and  
9 thinking long term. Finally, greening small  
10 businesses must include creation of a greening  
11 strategy, for the small business with visions and  
12 goals and identification and use of all  
13 appropriate incentives and subsidies available to  
14 make a business genuinely competitive in a  
15 changing world. Now, we look forward to hearing  
16 from the Administration, and on behalf of Jim  
17 Gennaro, let me thank the staff of the  
18 Environmental Committee for its work in  
19 preparation for the hearing." And Chair?

21 CHAIRPERSON REYNA: Thank you so  
22 much, Council Member Koppell. I'd like to  
23 introduce the panel: Charles Sturken, from DEP;  
24 Joe Coletti and David Gilford from New York City  
25 Economic Development Corporation; Donald

2 Giampietro from the Small Businesses Services  
3 Department; and Steven Caputo from the Office of  
4 Long Term Planning and Sustainability; and Reggie  
5 Thomas, from the Intergovernmental Office of the  
6 Mayor's Administration. So I'd like give the  
7 opportunity for you to give your statement and  
8 followed by questions. We have been joined by  
9 Peter Vallone from Queens.

10 [pause, background noise]

11 STEVEN CAPUTO: Hello? Okay. Good  
12 morning, Chairpersons Reyna and Gennaro in  
13 absentia, and Members of the Environmental and  
14 Small Business Committees. My name is Steven  
15 Caputo, I'm the Deputy Director of the Mayor's  
16 Office of Long Term Planning and Sustainability.  
17 And as you mentioned, I'm joined by Charles  
18 Sturken from DEP, David Gilford and Joe Coletti  
19 from EDC, and Donald Giampietro from, Assistant  
20 Commissioner of Business Incentives at the  
21 Department of Small Business Services. Before I  
22 begin my testimony, which is probably a bit too  
23 long to go through in its entirety, but I'll hit  
24 the highlights, I'd like to thank you for the  
25 opportunity to speak today on the important

2 relationship between environmental protection and  
3 small business development. And in particular to,  
4 the resources and incentives that the City  
5 provides to encourage both fronts. As you know,  
6 when Mayor Bloomberg created PlaNYC in 2007, his  
7 goal was to create a plan for the City's  
8 sustainability and its economic growth. And this  
9 dual intention was premised on the belief that  
10 improving air quality, reducing our greenhouse gas  
11 emissions and adapting to climate change is not  
12 only good, or not only good for health and the  
13 environment, but also good for business. New York  
14 City's sustainability and its competitiveness go  
15 hand-in-hand. So, this morning I'd like to  
16 briefly describe some of the incentives, resources  
17 and programs that our City agencies offer to  
18 encourage both sustainability and business  
19 development. I'll begin by describing the  
20 Department of Small Business Services' energy cost  
21 savings program, and then Charles Sturken will  
22 describe DEP's multiple efforts to conserve water  
23 and increase recycling and other initiatives.  
24 I'll briefly touch on the initiatives of the  
25 Department of Citywide Administrative Services to

2 reduce carbon emissions. And finally we'll turn  
3 to the Economic Development Council, I'm sorry,  
4 the Economic Development Corporation's multiple  
5 initiatives to incubate technology startups in New  
6 York City. And then I'll close with some  
7 overarching observations about PlaNYC. So the  
8 Department of City--of Small Business Services,  
9 their mission is to promote investment, business  
10 relocation and expansion in the five boroughs.  
11 Businesses often don't know how to get  
12 information, how they can expand the business  
13 here, they often think it's too expensive, and  
14 SBS's mission is to help with that process and  
15 create businesses here. One of SBS's leading  
16 programs is the energy cost savings program. Its  
17 goal is to attract and retain businesses, as is  
18 the entirety of SBS, and it does so by offering a  
19 credit against businesses, electricity and natural  
20 gas costs. It provides up to a 12 year benefit  
21 and it is one of SBS's most popular programs. And  
22 it's actually a very well enrolled program. Last  
23 year, 700 businesses saved more than \$20 million  
24 in combined energy costs, and these businesses are  
25 typically under 50 employees, so they truly are

2 New York City's small businesses. The energy cost  
3 savings program also promotes building and system  
4 upgrades. Specifically, if a building or a  
5 business wants to invest in excess of 40 percent  
6 of the property's value in some kind of an  
7 upgrade, it can enjoy breaks on real property  
8 taxes and in terms of lower energy costs. One of  
9 the best benefits that SBS offers to this program  
10 is to encourage cogeneration, which has been a  
11 topic of discussion before this Committee in the  
12 past. You can see more detail on how that  
13 incentive is structure, but I won't go into  
14 details this morning. A few examples of how this  
15 program has helped specific businesses, recently  
16 one of the northeast's largest bakers in suppliers  
17 of Asian specialty food, received incentives  
18 through the ECSP. This firm stands to save  
19 \$200,000 on energy costs at two of its buildings,  
20 which were also upgraded and modernized. The firm  
21 also qualified for training grants and assistance  
22 for their existing staff to increase energy  
23 efficiency. There's other examples of this  
24 program in there, as well. One of the other great  
25 aspects of the SBS program is its close

2 collaboration with NYSERDA, as well as a ConEd  
3 green team, National Grid and other private sector  
4 incentive programs for energy efficiency. We've  
5 provided some detail on the testimony about  
6 specific programs of NYSERDA that are available,  
7 but one thing to emphasize is that SBS has someone  
8 on staff whose job it is, and this person's here  
9 today, whose job it is to really make sure that  
10 businesses are not only getting access to SBS's  
11 incentives, but fully taking advantage of Con  
12 Edison and NYSERDA incentives. So, in summary, if  
13 a business is willing to commit to growing in New  
14 York, by either relocating here or moving within  
15 the five boroughs and expanding their business,  
16 then SBS's business solutions, and in particular  
17 this energy incentive program, is a great option  
18 to help them do that. Now I'd like to turn to  
19 Charlie Sturken from the Department of  
20 Environmental Protection.

21 CHARLES STURKEN: Thank you. Thank  
22 you, good morning, Chairpersons Reyna and,  
23 obviously in absentia, Chair Gennaro, and Members  
24 of the Committees. I am Charles Sturken, Director  
25 of Economic Development with the New York City

2 Department of Environmental Protection. And we'd  
3 like to thank you for the opportunity of  
4 testifying today on leveraging green business in  
5 New York City. DEP is the agency charged with  
6 protecting public health and the environment by  
7 cleaning, by supplying clean drinking water,  
8 collecting and treating waste water, and reducing  
9 air, noise and hazardous substance pollution. In  
10 carrying out our mission, DEP has programs to  
11 encourage the implementation of green projects,  
12 both with business and private property owners,  
13 and a large capital budget for retrofitting city  
14 owned property that includes numerous projects  
15 directed towards the City's sustainability and  
16 energy efficiency. The Economic Development Unit  
17 in DEP's Bureau of Communications and  
18 Intergovernmental Affairs fosters the joint goals  
19 of economic development and environmental  
20 protection by offering compliance and technical  
21 assistance to New York City industrial and  
22 commercial establishments, including small  
23 businesses and trade association and local  
24 business groups and by promoting environmentally  
25 sound business practices. For example, the

2 Economic Development Unit performs workshops for  
3 restaurants regarding proper management of oils  
4 and grease, which includes the recycling of used  
5 cooking oil, or yellow grease, that will  
6 ultimately result in the production of biofuels.  
7 Through our networking connections with New York  
8 City hospitality and restaurant associations as  
9 cosponsors of workshops, we also spread the word  
10 about greening restaurants by encouraging greater  
11 energy efficiency and wiser water use. The  
12 hospitality industry also benefits from workshops  
13 for owners of bars and clubs on how to lower noise  
14 coming from their establishment, and often  
15 overlooked environmental and health impacts. In  
16 conjunction with New York City Media, the Economic  
17 Unit has also produced three educational how-to  
18 videos for business communities on proper grease  
19 and oils management and recycling, music and noise  
20 mitigation, mainly for restaurants and bars, and  
21 on backflow prevention devices which prevent  
22 contaminated water from entering the world class  
23 water supply we have. These videos help  
24 businesses be more ecologically responsible  
25 neighbors stay in compliance and avoid fines. We

2 also assist our business clients, including green  
3 businesses, in identifying sources of local, state  
4 and federal financing. For example, the  
5 businesses we have assisted, both startups and  
6 existing entities, include property developers in  
7 The Bronx, an alternative garment cleaner in  
8 Manhattan, a laundry in Queens, a construction and  
9 debris transporter in Brooklyn, and a prospective  
10 brewer in Staten Island. Upon initial contact  
11 with businesses, we offer a menu of, as I  
12 mentioned, green financing options. Post-Sandy,  
13 we also forwarded information on the availability  
14 of federal small business administration and New  
15 York recovery funds to over 80 trade associations  
16 and local business groups that have distributed  
17 that information to tens of thousands of their  
18 members. Restaurants and other businesses can  
19 request from us a free water audit and this audit  
20 is conducted by our contractor for the program  
21 Honeywell Utilities, and helps to identify areas  
22 where owners can conserve water and energy and  
23 reduce operating expenses. Additionally, for  
24 restaurants, if warranted, our contractor  
25 Honeywell performing the order will install at no

2 cost to owners of restaurants a low flow, pre-  
3 rinse spray valve on their automatic dishwashers.  
4 DEP has had a toilet rebate program in the '90s  
5 that significantly cut water use in the City,  
6 thereby saving customers money as well. We have  
7 recently initiated a second round of that program.  
8 DEP reached out to 25 local plumbing businesses  
9 that may qualify as vendors for the TRP (toilet  
10 replacement program). DEP will award up to five  
11 contracts with these vendors in Phase I of the TRB  
12 in which up to 250,000 toilet fixtures may be sold  
13 in the next two years, and which would generate up  
14 to \$30 million in retail sales. It costs  
15 approximately \$270 for plumber costs to install a  
16 toilet. Many of the program's participants will  
17 be hiring plumbers, thereby generating work for  
18 plumbing businesses that could be upwards of \$60  
19 million. Phase II of the program will replace an  
20 estimated 550,000 toilets, having the potential to  
21 generate \$70 million in sales in the following  
22 three years. Plumbing businesses' labor revenues  
23 may be upwards of \$140 million during Phase II.  
24 Also we have a municipal water efficiency program  
25 to be launched and DEP is looking to replace

2 approximately 100,000 commercial and institutional  
3 toilets in the next five years, each retailing  
4 approximately \$800 to \$1,000. In addition, DEP  
5 and the School Construction Authority and other  
6 agencies are relying on local plumbing businesses  
7 to do the purchasing of supplies and those  
8 installations. DEP and the Citywide Administra--  
9 Department of Citywide Administrative Services  
10 have embarked on a solar power public/private  
11 partnership to reduce the City's carbon footprint,  
12 improve air quality and increase the reliability  
13 of the electricity grid, particular during the  
14 hottest months of the year. Tangent Energy  
15 Solutions, which is a private energy service  
16 company, will install solar arrays totaling more  
17 than 1.85 megawatts on the roofs of four City  
18 buildings in Staten Island and The Bronx.  
19 Together, the solar installations will produce  
20 more than two million kilowatt hours of  
21 electricity annually, enough to power 245  
22 residential homes, decrease greenhouse gas  
23 emissions by 1,636 metric tons a year, and to help  
24 the City government reach its PlaNYC goal of  
25 reducing municipal greenhouse gas emissions by 30

2 percent by 2017. Under this program, which comes  
3 up with no upfront capital costs, the City will  
4 not be responsible for purchasing, owning,  
5 installing or maintaining this system, and can  
6 purchase the electricity generated from it. As a  
7 result, the City is set to save more than \$8  
8 million compared to the cost of installing the  
9 solar systems through its capital construction  
10 program, and the four projects will help bring  
11 more than 40 new green jobs to the City and pave  
12 the way for more similar projects, both public and  
13 private. Building owners who want to install  
14 green roofs can benefit from the New York City  
15 Green Roof Tax Abatement Program, which currently  
16 offers a \$4.50 per square foot property tax  
17 abatement of up to \$100,000 or the building's tax  
18 liability, whichever is less, per green roof  
19 installed. DEP has been working with Office of  
20 Long Term Planning and Sustainability, the  
21 Department of Buildings, Office of Management and  
22 Budget, and the Department of Finance, as well as  
23 environmental advocates and green roof designers,  
24 to modify and extend this tax abatement. Last  
25 year, DEP signed an amended consent order with the

2 New York City Department of Environmental  
3 Conservation, which some of you are aware of,  
4 which includes green infrastructure and storm  
5 water management practices in our overall strategy  
6 to manage storm water runoff, mitigate combined  
7 sewer overflows and improve water quality in our  
8 local waterways. DEP has allocated \$1.5 billion  
9 for green infrastructure investments over the next  
10 20 years. And in the first phase of the program,  
11 DEP will spend \$187 million by 2015, to primarily  
12 retrofit the City's streets and sidewalks with  
13 green infrastructure in the form of right of way  
14 bio-swales and storm water green streets. These  
15 construction projects, which will be bid through  
16 DEP, the Department of Parks and Recreation,  
17 Department of Design and Construction, and the  
18 Economic Development Corporation. There will also  
19 be professional services contract solicitations  
20 for design and construction management through  
21 DEP, DDC and EDC. DEP also works with the  
22 Department of Transportation, Department of  
23 Education, School Construction Authority, and the  
24 Trust for Public Land, the New York City Housing  
25 Authority, and other agencies to add green

2 infrastructure to their existing capital projects.

3 These projects consist of rain gardens, porous

4 paving, green roofs, and subsurface detention

5 systems. We have with us today from our grant

6 program, Mikelle Adgate, who can fill in any

7 questions you may have on that later on. And as I

8 said, the grant program funds the design and

9 construction of green infrastructure installations

10 on private property within combined sewer areas.

11 The grant program, which is ongoing, typically

12 takes \$4-\$6 million, makes \$4-\$6 million available

13 for grants in each cycle. The average award has

14 been approximately \$350,000. To-date, 18 projects

15 have been funded, including eight green roofs, one

16 rooftop farm and five rain gardens. Overall, the

17 scale of the green infrastructure program will be

18 considerable. Already we are seeing increased

19 opportunity for extensive work forthcoming in the

20 trade sectors of surveyor geotechnical services

21 (drillers) and landscape contractors, in addition

22 to general contractors and the trades. DEP hopes

23 to capture the economic impact of the program as

24 we go forward. Thank you for this opportunity

25 today to testify and we look forward to any

2 questions.

3 STEVEN CAPUTO: Thank you, Charlie.

4 [pause] Okay, go it. We'll now continue with the  
5 testimony to discuss the Department's Citywide  
6 Administrative Services. New York believes in  
7 leading by example, which is why in 2007, the City  
8 government committed to accelerating its reduction  
9 of greenhouse gas emissions to achieve a goal of  
10 30 percent in just ten years, which is by 2017.

11 And that was codified by action from the City  
12 Council. To achieve this goal, the City allocated  
13 ten percent of its \$800 million energy budget, or  
14 roughly \$80 million a year, to reduce energy  
15 consumption in City buildings to invest in clean,  
16 distributed generation and renewables, like some  
17 of the projects that Charlie mentioned. As of  
18 mid-last year, we completed over 150 retrofits,  
19 there's hundreds of projects that are actively  
20 underway, we're projecting energy savings of over  
21 \$30 million a year just with that initial tranche,  
22 and we're expecting to accelerate the pace of that  
23 investment. And as Charlie mentioned, DEP and  
24 other city agencies have large capital budget that  
25 are going towards these types of retrofits, and

2 already over 25 electrical, HVAC and plumbing  
3 firms are involved in the implementation of these  
4 projects. We expect that to grow over time. I'd  
5 like to also mention that we're trying to increase  
6 our efforts to make City buildings and facilities  
7 a testing ground for some new technologies. This  
8 is a program known as the municipal  
9 entrepreneurial testing program, that City Council  
10 Speaker Quinn helped start. It's a program that  
11 has already led to some beta testing of new  
12 technologies, and it's something that we really  
13 want to expand, and that will be done under the  
14 leadership of DCAS's new Deputy Commissioner for  
15 Energy, Kristen Barbato. One final thing I'd like  
16 to mention is the City government's efforts to  
17 foster a smarter grid. We're doing that by trying  
18 to reduce the City's peak load for electricity.  
19 We already are able to pretty much automatically  
20 reduce our loads during hot summer days by 20  
21 megawatts, and we're about to procure a vendor to  
22 help take us to 50 megawatts of peak load  
23 reduction. And just one last thing, in terms of  
24 leading by example, others follow, and you may  
25 have heard that the Mayor announced about ten days

2 about that five universities and hospitals have  
3 already reached that 30 by '17 goal, and another  
4 ten new large corporations in New York City have  
5 committed to a 30 percent reduction in ten years.  
6 So we're really trying to bring the private and  
7 institutional sectors along with us. Now I'd like  
8 to tell you about the efforts of the New York City  
9 Economic Development Corporation. The overarching  
10 theory of EDC's efforts is that greening the  
11 economy will be driven by generating increasing  
12 demand for green products and services, as well as  
13 ensuring that our City is home to leading  
14 companies and suppliers to meet that demand. That  
15 is why UC has launched numerous initiatives to  
16 encourage New York City based businesses to  
17 participate in the urban sustainability agenda.  
18 And thus cultivating green industries here. Good  
19 morning, Chairman Gennaro.

20 CHAIRPERSON GENNARO: [off mic]

21 Good morning.

22 STEVEN CAPUTO: Nice to see you.

23 On the demand side, EDC is working to position New  
24 York City as one of the nation's major consumers  
25 of renewable energy. And we've done that by

2 championing industries like solar and wind energy,  
3 and the Council has been a strong partner in this.

4 As a member of New York City's groundbreaking  
5 Solar American Cities Partnership with Sustainable  
6 CUNY and the Mayor's Office, and other partners,  
7 EDC has helped to obtain and administer funds from  
8 the U.S. Department of Energy to create resources  
9 that have fostered the growth of the local solar  
10 industry, and I want to point out that each time  
11 we testify about solar, we have to add kind of  
12 another digit to the amount of installed capacity.  
13 Today we're at about 15 megawatts, and we think by  
14 the end of this year we'll probably be closer to  
15 over 20, if not 25. And that represents already a  
16 tenfold growth and more since PlaNYC started. I  
17 outline in the testimony other aspects of our  
18 solar project. But really that program is all  
19 about trying to get small businesses to be more  
20 effective in New York by helping them get more  
21 information resources, helping them acquire  
22 customers and helping them get through New York  
23 City's permitting process more quickly. In 2009,  
24 EDC launched the solar thermal pilot program,  
25 which is a competitive grant, was a competitive

2 grant program, to assist buildings in installing  
3 solar hot water systems. These are systems that  
4 we know are theoretically great for energy  
5 efficiency, but they hadn't been done much in New  
6 York City. So the program offered grants of up to  
7 30 percent of installation costs, and four were  
8 chosen. They've been constructed, they're  
9 undergoing ongoing monitoring, and so far they're  
10 successful and this is a program that should, you  
11 know, we should consider expanding in the future.  
12 EDC has also helped to create solar arrays and  
13 smart good projects at Brooklyn Army Terminal, and  
14 an urban wind demonstration project, which will be  
15 built soon, at Hunts Point food distribution  
16 center. So, to ensure New York City's capability  
17 as a supplier of green products and services, EDC  
18 and other agencies have worked diligently to  
19 foster the growth of clean tech in New York City.  
20 This is why EDC has built a network of incubators  
21 across the City that provide low cost office  
22 space, which is currently over 120,000 square  
23 feet, as well as training and network  
24 opportunities to start ups and small businesses.  
25 Today, there's approximately 600 startup

2 businesses that reside in these incubators, and  
3 collectively they've raised close to \$80 million  
4 as of mid-last year. And you may know some of the  
5 successful graduates of these incubators include  
6 ecologic solutions, which is a manufacturer of  
7 green cleaning products that was founded at the  
8 NYU Poly incubator. This past January, we took it  
9 a step further by launching the Clean Tech  
10 Entrepreneur Center, which will become the City's  
11 first incubator dedicated to assisting clean tech  
12 and energy entrepreneurs with kind of early stage  
13 startup. There's more details in here, but it's  
14 really just expanding our efforts to incubate new  
15 industries here. That's sort of the short term  
16 and medium term, but we also have a long term  
17 agenda, and that's best exemplified by the Mayor's  
18 Applied Science Campus. We've now--are in the  
19 process of creating three campuses, one with  
20 Cornell and Technion on Roosevelt Island; one with  
21 NYU and the Polytech Institute; and then a third  
22 with Columbia University. Together, these  
23 projects will leverage investments of \$3 billion  
24 by some of the world's top research universities  
25 and ultimately double the amount of fulltime

2 graduate engineering students in the five  
3 boroughs. And we think that will accrue directly  
4 to the bottom line of small businesses. Although  
5 the applied science campus is still in its  
6 infancy, it's important to note that the  
7 investment that the City and these institutions  
8 are making environmental advancement will serve  
9 businesses for years to come. New York City EDC  
10 and the City also recognize that the green sector  
11 is evolving, which is why in 2011, they began work  
12 on a study called "Green New York City 2025."  
13 This study is taking a look at the changes within  
14 the industry, and it will include a list of  
15 strategies to continue to stay ahead of the  
16 industry and make New York City a great place to  
17 locate. So, in conclusion, I'd like to suggest  
18 that we are in a tremendous period of innovation  
19 and sustainability, and the energy sectors, and no  
20 more so here than in New York City. In New York,  
21 we're working to solve some of the nation's  
22 biggest energy problems and challenges,  
23 particularly in the realm of energy efficiency.  
24 And this is starting to unlock private sector  
25 investment and business development. Want to

2 recall the fact that the Council's leadership in  
3 creating the Greener Greater Buildings plan has  
4 truly created an overarching framework for energy  
5 efficiency investment in the City, and since 2009,  
6 about 15,000 buildings have gone through the early  
7 stages of the Greener Greater Building program,  
8 and that included benchmarking their energy use.  
9 So today, almost \$2 billion square feet of real  
10 estate has been benchmarked, and there's a public  
11 database that anyone can access and see how a  
12 building performs. And just to note that that is  
13 the, built equivalent of San Francisco in Boston.  
14 There's more details in this testimony, but the  
15 thing I want to emphasize about benchmarking is  
16 that it's shown how much energy efficiency  
17 potential there is in this City, and that's really  
18 good for business. We're hoping, we're working in  
19 many ways to try to stimulate businesses to go  
20 after that energy efficiency, because it will be  
21 good for the economy, and the sustainability of  
22 the City. So, thank you very much.

23 CHAIRPERSON REYNA: Thank you very  
24 much, Mr. Caputo. I just wanted to ask, are all  
25 the testimonies in? Or is there still another

2 Department who's going to testify? No? Okay. We  
3 have been joined by our Chair of Environmental  
4 Protection, Council Member Chair Gennaro, and  
5 we've been joined by Brad Lander from Brooklyn,  
6 Ruben Wills, from Queens, and Mathieu Eugene from  
7 Brooklyn. We do have a list of questions that we  
8 are getting started, so please let Jeffrey  
9 Campagna know that you are interested. We have  
10 Peter Koo who's also interested. As I give  
11 Council Member Gennaro some time to gather  
12 himself, I just wanted to make sure that I take  
13 advantage of asking, in your testimony, which was  
14 quite comprehensive, and we appreciate it, I think  
15 it gets lost with understanding the impact on  
16 small businesses. The benefit, or the incentives  
17 that are clearly being taken advantage of by small  
18 businesses, and the size of the business, as far  
19 as what would be the majority of the City of New  
20 York's small business being less than 20  
21 employees, as opposed to less than 50. So, I  
22 wanted to just take a moment to focus in on making  
23 sure that we understand the creation of this green  
24 grid, that I vision would assist in the supply  
25 chain demand, and understanding how are we

2 contributing to that. And making sure that the  
3 City is promoting such a green grid. Is there a  
4 [background comment]--I'm sorry. Is there a  
5 subscription opportunity for green suppliers to  
6 participate with the City of New York? And that's  
7 a question. And if not, are we exploring the  
8 opportunities for such a subscription model, to  
9 contribute to what would be a green grid? Who are  
10 your vendors, as far as the plan 2030 and this is  
11 planning a sustainability office, making sure that  
12 there's an opportunity to make the connections as  
13 to who are the vendors in the City of New York,  
14 when we talk about the green industry. I know  
15 that we have Eyestone [phonetic] in the Brooklyn  
16 Navy Yard. We have other suppliers, such as  
17 Marjam, in Brooklyn in the East Williamsburg  
18 Valley Industrial Development Corporation. And  
19 the list could go on as far as different suppliers  
20 in the City of New York. And what are we doing to  
21 making sure that we differentiate what would be  
22 opportunities for NWBEs in the green industry. So  
23 these are some of my comments around your  
24 testimony, which I value, I just want to really  
25 understand how are we making an impact on behalf

2 of the small business, as you conduct your study,  
3 is that, are these types of questions being  
4 explored for your study, so that we have a better  
5 understanding as to how we're steering, as  
6 stewards of the City, the green industry?

7 STEVEN CAPUTO: Well, thanks, those  
8 are some excellent questions, some of which I'm  
9 personally not prepared to answer. But one thing  
10 I can say is that the Citywide Administrative  
11 Services is looking to revise and expand upon its  
12 environmentally preferable purchasing program. I  
13 think there will be some great opportunities there  
14 for local businesses. As was mentioned in the  
15 prior testimony, some of those businesses are  
16 creating low VOC products and other things that  
17 could be eligible. DOB also has some  
18 certifications for green vendors, that you can  
19 find on their website. I also want to point out,  
20 and then I'm going to shift to David Gilford from  
21 EDC to talk about their study, but I think the  
22 City is increasingly looking to competitive  
23 processes to foster not only innovation but  
24 business development from home grown enterprises.  
25 And one thing I'd like to point out is that as

2 part of the City's community development block  
3 grant for Hurricane Sandy recovery, the Economic  
4 Development Corporation will launch a \$45 million  
5 competition for sustainable energy technologies,  
6 resilience technologies. I think that's an  
7 example that should foster some interesting  
8 developments from local businesses, but that kind  
9 of an approach, a competitive based approach  
10 that's focusing on innovation, I think is the kind  
11 of thing that New York City can do really well, to  
12 bring about these types of benefits. Do you--  
13 David do you want to talk a little bit more about  
14 this study and its objectives?

15 DAVID GILFORD: Good morning, I'm  
16 David Gilford from the New York City Economic  
17 Development Corporation, and thank you for the  
18 opportunity to testify here. In terms of the  
19 study that was referenced by Steve, the Green NYC  
20 2025 is really looking at the, what green means  
21 today, because it's an industry that has been  
22 defined by so many people in many different ways,  
23 and it's something that's undergoing a real  
24 evolution. And while we are not yet at the point  
25 where we're able to release conclusions of what

1 we're finding, there are some trends there that  
2 are beneficial to New York City based companies,  
3 particularly around the intersection of  
4 information technology and energy. So if you look  
5 at the tremendous success that local businesses  
6 have had over the past few years, in receiving  
7 venture capital and in growing and hiring locally,  
8 a lot of this is related to industries such as  
9 digital media and finance and everything from  
10 fashion to media. So, in the green industry,  
11 we're looking at whether there are analogies there  
12 that would enable us to take some of the programs  
13 that the EDC has successfully done in the past,  
14 such as our incubators for other industries, and  
15 apply them to enable small businesses to form and  
16 grow in our network of incubators.

18 CHAIRPERSON REYNA: And in doing  
19 so, are you working with bringing together what  
20 would be the industrial business zone providers to  
21 understand? I know that we have food specialty  
22 industry that require--it's a booming business  
23 today, where there's a need for gluten free  
24 kitchen incubators, because one does not exist.  
25 And I know that they're developing it without the

2 assistance of what would be the City of New York,  
3 in the areas of what would be the IBZs. And your  
4 providers can feed you that information in order  
5 for you to get a better understanding as to what  
6 is out there, throughout the five boroughs, to  
7 understand where we're behind the eight ball and  
8 where we should be filling in the hole.

9 DAVID GILFORD: Yeah, so I think  
10 that's an interesting example, it's not something  
11 that we've covered so far in this particular  
12 study. I think that some of my colleagues in the  
13 industrial area of EDC are looking into things  
14 like that, as we evaluate the success of things  
15 like our food incubators.

16 CHAIRPERSON REYNA: And so the IBZ  
17 industrial component as far as EDC is concerned,  
18 is not testifying for this hearing?

19 DAVID GILFORD: Right, that's  
20 correct.

21 CHAIRPERSON REYNA: Were they  
22 supposed to? Okay. I just wanted to make sure  
23 that we don't leave the industrial parts out of  
24 the scope of what is green. Whether it's food or  
25 technology or finance or fashion, that they are

2 probably moving in a very aggressive direction  
3 within those zones, where the fastest growth of  
4 startups is occurring in the green industry. And  
5 if we don't include that as part of the market  
6 study, you're going to miss out as far as the City  
7 of New York is concerned. I'd like to call on  
8 Council Member King who has to leave the hearing.

9 COUNCIL MEMBER KING: Thank you,  
10 Madam Chair. And thank you for your testimony.  
11 And every time I come, I always learn something,  
12 which is great. But I want to make a comment, and  
13 ask a question also. And don't take this the  
14 wrong way, Madam Chair, I heard you mention a  
15 number of things when you started the  
16 conversation. And I just, when we come to  
17 hearings sometimes, I get blown away a little bit  
18 at times when people testify and then a question  
19 is asked, and they say, "I'm not prepared to  
20 answer that question," then it just floats away,  
21 and we never get an answer. I would ask that at  
22 any time we're able to ask questions, that if you  
23 don't know an answer, find a way that you can get  
24 the answers to us instead of just brushing it off  
25 and then we never know what's happening because

2 the situations don't disappear because you don't  
3 answer a question. And I heard you mention also  
4 in your testimony about Hunts Point. This goes  
5 into my question part. I'd like to know what  
6 other areas in The Bronx that you may be working,  
7 'cause some people have a different definition of  
8 what small business actually is, and then you get  
9 the same old businesses who get the support and  
10 services, then you'll some of the neighborhood  
11 places who have been in existence, don't ever get  
12 the conversation or support of how to transfer  
13 over to whether it's a green technology, or just  
14 other financial support. So can you let me know  
15 where in The Bronx are we working with or, other  
16 than Hunts Point, and what organizations, or what  
17 companies we might be working with, and we should  
18 be working with now?

19 STEVEN CAPUTO: I think EDC would  
20 be better able to answer that, but one thing I can  
21 tell you that is going on in The Bronx, and it's  
22 not, I can't tell you specific locations, but is  
23 the City's Clean Heat Program, which is working to  
24 phase out number four and number six heating oil.  
25 The Bronx is one of the locations with the most

2 amount of these buildings, and the City's Clean  
3 Heat Program has worked really aggressively, we  
4 have people that are dedicated to working in The  
5 Bronx to helping those buildings convert. In  
6 fact, we were at East Chester Heights about a year  
7 ago, and the Mayor announced tens of millions of  
8 dollars in financing that the City was going to  
9 bring to the table, and East Chester Heights being  
10 one of the largest buildings in the City that was  
11 formerly using heavy oil, converted to natural gas  
12 in part through the program, the NYC Clean Heat  
13 Program, and not only has reduced its emissions  
14 but has saved money in the process, and I'm sure  
15 there was local employment that went on. So,  
16 that's not a, that's a kind of example of a  
17 program that's working across The Bronx and other  
18 parts of the City, to move buildings to cleaner  
19 fuels and energy efficiency. And I think you'll  
20 see that there's a lot of employment and small  
21 businesses engaged in that effort. You can also  
22 find out more by going to the Clean Heat website,  
23 and you'll see there's about a, at least a dozen  
24 small businesses in New York City that are  
25 offering incentives and programs to help buildings

2 accelerate their transition, and we're continuing  
3 adding to that list, as these businesses identify  
4 themselves.

5 COUNCIL MEMBER KING: So, I can go  
6 to that website and get that information? Or is  
7 there any other way that y'all can provide us with  
8 a list? 'Cause each East Chester Heights just  
9 happens to be in my district, also. So I  
10 definitely would like to find out the status of  
11 how things are going--

12 STEVEN CAPUTO: Sure, we can  
13 definitely do that, we can supply you a list of  
14 where all the buildings are and what their  
15 conversion status is. The Bronx has been great,  
16 it's, there's been a lot of activity there, so--

17 COUNCIL MEMBER KING: How long  
18 would that take for us to receive that?

19 STEVEN CAPUTO: We can do that  
20 this, you know, in a couple days, we can get you  
21 the list of it.

22 COUNCIL MEMBER KING: Okay, I look  
23 forward to reading that, thank you.

24 STEVEN CAPUTO: Sure.

25 COUNCIL MEMBER KING: Thank you.

2 CHAIRPERSON REYNA: I'd like to  
3 give the Chair the opportunity to address this  
4 panel and then he'll continue to call on members.  
5 I know there's--Brad Lander's on the list.  
6 [pause, background noise] Council Member Wills,  
7 Koo, Koppell and Chin. Mr. Chair?

8 CHAIRPERSON GENNARO: Thank you,  
9 Madam Chair, and I'm sorry that I was late in  
10 getting here, I didn't want to hold anybody up by  
11 asking people to wait for me, so I'm glad that  
12 things were able to proceed, and I want to, you  
13 know, thank you, Madam Chair, for really  
14 conceiving of this hearing, and doing most of the  
15 work in getting it done. And I thank you very  
16 much for that. I do have a couple of questions,  
17 and I--With regard to the DEP section of this  
18 statement, this is Mr. Caputo's statement on--you  
19 should put page numbers on these things, so I know  
20 [laughter]--one, two, three, on the bottom of page  
21 four, with regard to DEP. It talks a little bit  
22 about the economic development unit of DEP, and  
23 how it's going to seek to foster many good  
24 public/private partnerships and on the bottom of--  
25 that's four, then it's five, six, seven, on the

2 bottom of page seven, it talks about DEP has  
3 embarked, I'm reading, "DEP has embarked on this  
4 solar public--on a solar power public/private  
5 partnership that reduces the City's carbon  
6 footprint, improve air quality, increase the  
7 reliability of the grid, particularly during the  
8 hottest months, and so on. It talks about a  
9 partnership with Tangent Energy Solutions, that  
10 will put in solar arrays totaling 1.85 megawatts.  
11 And so on. And I'll take this opportunity to ask  
12 about some other kind of big initiative that was  
13 originally contemplated by DEP, was, you know, not  
14 just to use roofs of buildings, but to use the  
15 landfills as an opportunity, like the closed  
16 landfills, to do like a big solar array. This is  
17 something that I didn't want to legislate upon,  
18 once upon a time. And I was told by  
19 Administration, "Don't worry, we're doing it, it's  
20 a lock, we got the RFP, this is moving," and I'm  
21 curious as to what the state of that initiative is  
22 with regard to the solar array. I think it was  
23 going to be Fountain Avenue or Pennsylvania  
24 Avenue, or, you know, or Fresh Kills, something.  
25 And so there was a whole big thing. And if you

2 could bring me up to date on that, 'cause that I  
3 thought was a really good idea. Whoever wishes to  
4 speak to the question.

5 STEVEN CAPUTO: Yes, I mean, I can  
6 take that. The RFP is still, this RFP is actually  
7 still open, and in fact we've continued to get  
8 responses. I think that, so--and I'm not involved  
9 in the process, so I don't have--

10 CHAIRPERSON GENNARO: No, I--

11 STEVEN CAPUTO: --details on it,  
12 but--

13 CHAIRPERSON GENNARO: I'm having  
14 difficulty hearing, speak right into the  
15 microphone.

16 STEVEN CAPUTO: Sorry, yeah, of  
17 course. The RFP is actually still open for Fresh  
18 Kills Landfill, and it was, we've actually, I've  
19 heard that they've received, on an ongoing basis,  
20 requests. I'm not part of the RFP process and  
21 it's of course--

22 CHAIRPERSON GENNARO: Right. What  
23 agency is handling that? DEP is handling that?

24 STEVEN CAPUTO: DEP is handling  
25 that, that's right.

2 CHAIRPERSON GENNARO: Okay, and so  
3 this is, so this is an RFP, not like an RFEI,  
4 right? This is--

5 STEVEN CAPUTO: It was an RFP and  
6 my understanding is that they have some promising  
7 proposals. And but maybe another way of talking  
8 about this is to say that there's actually some  
9 regulatory hurdles to building a large scale solar  
10 project. And those are things that the Office of  
11 Long Term Planning and Sustainability is trying to  
12 solve. And I think that's another example of how  
13 we're trying to create business development here.

14 CHAIRPERSON GENNARO: Right. Tell  
15 me a little bit about the regulator problems.  
16 Maybe I can help.

17 STEVEN CAPUTO: Well, yeah, so  
18 that'd be great. So--

19 CHAIRPERSON GENNARO: I mean, I was  
20 late, I have to make up something here, you know.

21 STEVEN CAPUTO: I think one way to  
22 think about--so you know about net metering, which  
23 allows, if you create more power on your site than  
24 you're using at any one time, you can--

25 CHAIRPERSON GENNARO: Right.

2 STEVEN CAPUTO: --wind back the,  
3 your meter. That's, you're able to do that at a  
4 small site, up to two megawatts, where it makes  
5 really good sense economically. Very large  
6 utility scale solar projects have a whole  
7 different set of economics, and they depend on  
8 that scale to make the economics work. But  
9 projects that are in the middle, like what we  
10 would probably see at Fresh Kills, they can't  
11 benefit from either the large, the very large  
12 scale sort of economies of scale, or net metering.  
13 So what we're trying to do, in fact I believe a  
14 bill in the State Senate was just introduced, is  
15 to try to expand the net metering cap and create  
16 some other fixes to the regulatory structure that  
17 will help unlock that investment. And that's  
18 something that would help not only Fresh Kills but  
19 potentially other large warehouses in the City  
20 that have large rooftops.

21 CHAIRPERSON GENNARO: Well, fine,  
22 what I'd like to do with that, if I could direct  
23 the Counsel to the Committee to get me together  
24 with whomever I should interact with this, to get  
25 a, you know, better sense of that. And anyway

2 that I could help with that, that would--I just  
3 think I have to get a better grasp on, you know,  
4 what the regulatory issue is. And because I  
5 would--I would just like to see that move forward,  
6 and even if it meant splitting it up into smaller  
7 projects or whatever, I might be speaking a little  
8 out of school here, because I don't--

9 STEVEN CAPUTO: No, that's great.

10 CHAIRPERSON GENNARO: --have the  
11 full grasp of the regulatory issue, that I would,  
12 you know, need to try to be of help, but that's  
13 what I would like to do. So I would be talking to  
14 DEP people, or to OLTPS people?

15 STEVEN CAPUTO: You can come, you  
16 can come through us and we can connect you to the  
17 right people.

18 CHAIRPERSON GENNARO: Okay. Well,  
19 I talked to Sergei recently about just going over  
20 to, you know, to sort of--

21 STEVEN CAPUTO: That'd be great.

22 CHAIRPERSON GENNARO: --pay him a  
23 visit and just kind of like talk shop about--

24 STEVEN CAPUTO: Be great.

25 CHAIRPERSON GENNARO: --things that

2 you guys have left on the desk that you want to  
3 get, you know, crystalized into law, before we all  
4 vaporize and so, you know, I'll just make a note  
5 to staff that that should be part of that  
6 discussion. Because, you know, I had wanted to  
7 legislate this, I was told that it wasn't  
8 necessary. And so that's, so we did that. And  
9 also, I'm going to take this as an opportunity to--  
10 -and I just sent to Counsel to the Committee, to  
11 go to her file, and pull out a Local Law that we  
12 did back in 2010, Local Law 5, perhaps you made  
13 some reference to things like this in your  
14 statement before I got here, but the purpose of  
15 Local Law 5 was twofold, and we can get it to you.  
16 As Chairman of the Committee, I was always having  
17 people, you know, come to me with technologies  
18 that they thought would be good for the City,  
19 right, a better way to process sludge, a better  
20 way, you know, to like remove nitrogen from the--  
21 better way to, you know, pick up garbage, and all  
22 these various kinds of technological innovations.  
23 And then, and that I would refer these people to  
24 the various agencies and get them, you know,  
25 meetings if I thought it had merit. And this was-

2 -so I had people coming to me, about things that  
3 could help like, the City like as a City do its  
4 business. And I said, "You know what? Like I'm  
5 tired of having people come to me." Like we  
6 should just create a panel whereby the City of New  
7 York should actively go out and try to find  
8 technologies that would be beneficial to them, or  
9 at a minimum there would be this entity that would  
10 exist that would be able to sort of field these  
11 questions, and figure out whether or not  
12 technologies that the City may be able to use,  
13 there would be some formal body that would make  
14 that assessment. That was part of Local Law 5.  
15 Now the other part of Local Law 5 was people who  
16 came to me with technologies that were not for use  
17 by the City, but could be used at the consumer  
18 level. They wanted to do like a wind turbine,  
19 they had a certain type of solar panel, they had  
20 certain kind of thing that they wanted to purvey  
21 in the City, and there was all kinds of  
22 bureaucratic impediments to how do they get this  
23 thing on a roof when there is, you know, nothing  
24 in the Building Code, like nothing in the zoning  
25 resolution, nowhere to kind of figure out how to

2 do that. And so, that was the other part of Local  
3 Law 5, which was to create a panel within the City  
4 that would--so, it did two things, it created two  
5 things. One--oh thank you, thank you--yeah, I'll  
6 use this when I'm done, I have--let the record  
7 show that I've been given like a throat lozenge by  
8 the co-chair, which is very nice.

9 COUNCIL MEMBER LANDER: That is an  
10 environmentally friendly--

11 CHAIRPERSON GENNARO: It's all,  
12 it's all--

13 COUNCIL MEMBER LANDER: --produced  
14 in New York City.

15 CHAIRPERSON GENNARO: It's all love  
16 up here, it's all love up here, absolutely. And  
17 so, the--so, Local Law 5 sought to create an  
18 interagency green team, for the purposes of, you  
19 know, making an assessment of various kinds of  
20 technologies that may be used by "the City," so--  
21 and the Innovation Review Board was the entity  
22 that was supposed to have been created pursuant to  
23 Local Law 5, with--for the formal assessment of,  
24 you know, green purveyors who are having  
25 difficulty purveying their product because of

2 issues related to zoning or building or whatever.  
3 And I was, and I was just kind of tired of kind of  
4 quarterbacking that. And so that was Local Law 5  
5 was all about, those two bodies being set up. And  
6 I guess it begs the question of, we passed the  
7 law, we signed it, I got a pen from the Mayor and  
8 everything, and did that every happen?

9 STEVEN CAPUTO: Thanks for that  
10 question. Yeah, very much so. I mean, the  
11 building, the Innovation Review Board as part of  
12 DOB has met continuously, for years and I think  
13 what they tend to do is take projects on an  
14 individual technology basis. And the Office of  
15 Long Term Planning has kind of followed the same  
16 format in going in depth on particular issues.  
17 So, for example, we've created a cogeneration  
18 working group to focus on not just city permitting  
19 issues, but as mentioned before, State regulatory  
20 issues, the challenges of interconnecting with Con  
21 Edison system, and so on. So we've gathered in  
22 that group both interagency partners, as well as  
23 probably about two dozen building professionals,  
24 energy professionals and whatnot, and that's been  
25 a process of about six months of meetings. That

2 group is about to produce a working way paper that  
3 will then feed into public service, commission  
4 proceedings that are occurring this spring. So,  
5 that's an example of the kind of in-depth around  
6 particular technologies that we're doing. As you  
7 know, we've done similar work with solar power.  
8 One thing I think where we want to go with this,  
9 though, is not just addressing obstacles, but  
10 really trying to realize the vision of having  
11 these technologies be more usable in City  
12 buildings and City facilities. So, I think you'll  
13 see, and we should discuss, how we could kind of  
14 take the Mets program to the next level, whether  
15 it's through competitive procurements, for you  
16 know, on a yearly basis, to kind of bring forward  
17 some of the best technologies, or more of a model  
18 like the community development block grants  
19 resiliency competition, where it's really a grant  
20 to private sector projects. But I think this is a  
21 really important thing, I think we've started to  
22 touch the surface of it, but there's a lot more  
23 potential, especially as New York City is trying  
24 to maintain its position as a leader in green  
25 business.

2 CHAIRPERSON GENNARO: Sure, thank  
3 you, thank you, and I'm glad that this Local Law  
4 has had a good effect. I think what I'd like to  
5 do now is just kind of stand down for a little bit  
6 and give some of the members of the Committee who  
7 were here, whose time is very valuable, an  
8 opportunity to get their questions asked. And  
9 then, I certainly reserve the right to come back  
10 and ask some more questions, but I want to involve  
11 the members, I think it's great that they're all  
12 here. And then we'll sign up for questions. And  
13 the next person on the list for questions is  
14 Council Member Lander, and I recognize Council  
15 Member Lander for questions.

16 COUNCIL MEMBER LANDER: Thank you  
17 very much to both Chairs, thanks to the  
18 Administration for doing this hearing. It's clear  
19 there's obviously an enormous amount of things  
20 going on in this area, and sort of, you know, hard  
21 to get all of our heads around. And I'm sure  
22 that's true for small businesspeople trying to  
23 figure out which things are available to them, and  
24 I mean, even for you. So, actually maybe let's  
25 start with a big question there, I mean, how do

2 you evaluate what's worth doing? What's working?  
3 I mean, there's a lot of different, you know,  
4 we're thinking about environmental return, about  
5 financial return. Just, you know, a lot of these  
6 are old programs that have been around for a long,  
7 long time before we were even thinking about, I  
8 mean the energy cost savings program wasn't really  
9 started in some ways, as a sustainability program,  
10 but a business attraction program. How are you  
11 thinking about and evaluating these programs, kind  
12 of across the spectrum?

13 [pause, background noise]

14 DONALD GIAMPIETRO: Is it on? Yes.  
15 Again, thank you very much, I'm Don Giampietro,  
16 Assistant Commissioner of Business Incentives at  
17 SBS. And yes, you're correct, Councilman Landers,  
18 the energy cost savings program, which actually is  
19 one of the most popular, was initially a business  
20 retention and attraction tool. Which serves a  
21 viable purpose in the City. And we are revisiting  
22 these programs, but we want to ensure that that  
23 which works continues. People don't often realize  
24 it actually has one of the largest green elements,  
25 although the program itself is not a green

1 program. And I'm not an expert distributed  
2 generation or cogeneration, and I know we can lose  
3 people if I start using these terms too  
4 frequently. But basically, we do have an avenue  
5 within ECSP which encourages--that's twofold, too,  
6 it encourages it to be even cleaner and greener.  
7 Because that's something else we have to  
8 underscore: you want to be green, but you want to  
9 be clean, as well. We have a mechanism within  
10 ECSP where it's a deeper benefit, if you will,  
11 beyond the standard benefit, that if you basically  
12 had--and typically it's for manufacturers, and  
13 industrial related firms, if you have say waste  
14 tea [phonetic], typically it's been natural gas,  
15 you can utilize that to recreate your own  
16 electricity, and use it, our incentive, back into  
17 the business. So we do have a mechanism. And  
18 what we did about seven years ago, we, as these  
19 technologies keep changing, and it's hard to, you  
20 know, actually keep ahead of them, we initiated a  
21 clean co-gen, it goes into nitric oxide emissions.  
22 So basically it's similar to the emissions test  
23 you have for automobiles. So if you install one  
24 and want to receive the ECSP credit, it needs to

1 be cleaner. And we have about 20, it's usually  
2 not so much the smaller businesses, it's the small  
3 to medium sized businesses, that would do this.  
4 Also, which is something that I say is to the  
5 credit of ECSP, and more broadly what it does,  
6 programs, and again, I'm not a build--Department  
7 of Building Code expert; however, more broadly, if  
8 we can encourage the City to have programs to  
9 encourage renovation and modernization, generally,  
10 say. And because there's so many, there's a  
11 myriad of different programs that are technical  
12 enough, and have criteria that sometimes are  
13 difficult for businesses, especially small  
14 businesses, to meet. But if we can encourage them  
15 to modernize, buildings that typically haven't  
16 been modernized in 20-30-40 years, that may be  
17 modernized, if they now can meet certain codes, if  
18 we can get programs to push them towards  
19 renovation, complimented by--and I'll speak to  
20 this later--state programs, then we can have them  
21 meet criteria that didn't exist. So that's, I  
22 think, a more general benefit. And again, what  
23 ECSP is doing, typically, is using something that  
24 is common throughout, because we do have National  
25

2 Grid, and Con Edison, and we have a mechanism to  
3 decrease operating costs, that's kind of uniform.  
4 So we, in a sense, we're using energy as a way to  
5 decrease operating costs, and most of the firms  
6 receive the benefit through renovation. But it's  
7 also a trigger, what we're doing now, over the  
8 last year-and-a-half, is we're seeing this kind of  
9 reservoir of ECSP applicants, we're actually  
10 triaging them as best we can with the basic  
11 triggers to see if they could initiate, or qualify  
12 potentially for NYSERDA benefits, the New York  
13 State energy research development program, and the  
14 new green programs of Con Edison. So we're trying  
15 to help them maximize the benefits. So there's  
16 ECSP in general, and then using it as a tool. I'm  
17 sorry.

18 COUNCIL MEMBER LANDER: No, and it  
19 actually prompts to--I mean, so I was more using  
20 ECSP as an example--

21 DONALD GIAMPIETRO: Oh, okay.

22 COUNCIL MEMBER LANDER: --and it's  
23 great that you--I mean, I wasn't, that I wasn't  
24 interested in hearing you drill down or anything.  
25 It raises a couple of different other questions

2 for me. So, but, let me re-ask my first one and  
3 then I want to follow up sort of the systems  
4 benefit charge issues. But, I think what I'm  
5 asking would be difficult, because it's so many  
6 different things. And so I appreciate that it's  
7 hard to figure out, you know, with limited tax  
8 dollars, with either direct investments or tax  
9 incentives, how should we be thinking about what  
10 it means to say something is working. Right, I  
11 mean, you know, how do we--and I know you're  
12 thinking about this a little more in some ways in  
13 the greener, greater buildings program, where at  
14 least you've got a kind of universe thing, you  
15 figure out what the cost savings are, and what the  
16 energy savings are. And so, but, across the suite  
17 of programs you guys are talking about, is there's  
18 some, ultimately, like we're giving up tax dollars  
19 to do these things, or we're directly spending  
20 money. You know, and so how are we thinking big  
21 picture? They all sound great. But, you know,  
22 it's sort of like, "Well, that sounds good, we  
23 should do this," and you know, is there some way  
24 that we're thinking from both a sustainability and  
25 a carbon footprint point of view, and, you know,

2 form a cost savings point of view, and from a jobs  
3 point of view, about which ones are working, we  
4 should do more of an which ones we might say, "You  
5 know what? That's not giving us the benefit that  
6 we want, we should stop doing that one, so we  
7 could do more of you know, the ones that are."

8 STEVEN CAPUTO: Right. I can  
9 answer that. I think, you know, today's testimony  
10 is, and at the hearing today, is a great  
11 opportunity for us all to look across the city's  
12 whole portfolio, so I can't say that we've done  
13 that comprehensive evaluation. But I think for  
14 specific programs, one of the key benchmarks is  
15 enrollment, the amount of projects that get, if  
16 it's an incentive, the amount of projects that go  
17 through the system, get incentivized, get built,  
18 and end up kind of producing beneficial  
19 attributes. So, one particular program that was  
20 mentioned today, that I'd like to highlight is,  
21 this City's rooftop tax abatements for both solar  
22 and green roofs. So, this is an example where one  
23 of these programs has worked really well, and  
24 another one has not worked quite as well in terms  
25 of an enrollment standpoint, and the

2 Administration is now in the process of trying to  
3 renew that program and fix some of the benefits.  
4 For the solar tax program, we saw a fivefold  
5 increase, the first three year, each of the first  
6 three years we saw about a fivefold increase in  
7 applications. I don't have the exact numbers in  
8 front of me, but it's created tens of millions of  
9 dollar of investment. And we made the design of  
10 that program--in a sense we wanted the program to  
11 be successful enough so that it could disappear.  
12 So the incentive began at 35 percent, and that was  
13 when the market was really new in New York City,  
14 and we had significant barriers to overcome. And  
15 as, after two years that went to 20 percent, and  
16 now in this renewal that went into effect last  
17 year, the incentive level is at ten percent. And  
18 what that allowed us to do is, the incentive  
19 program has lowered the cost differential of solar  
20 projects in New York City relative to Westchester  
21 and other places, and because enrollment has  
22 expanded, the goal is to kind of keep a cap, a  
23 relative cap on the amount of total dollars we're  
24 spending, but get more projects through the  
25 program. And I think that's an example of a well-

2 designed incentive--

3 CHAIRPERSON REYNA: Mr. Caputo, if  
4 you could just express to me if that's in  
5 relationship to small businesses or both  
6 commercial and residential. Because I think we  
7 need to really focus on the impact on small  
8 business, as opposed to this general view of the  
9 greening NYC programs, in relationship to  
10 everything under the sun.

11 COUNCIL MEMBER LANDER: And I  
12 apologize, Madam Chair, 'cause my question  
13 encouraged that. And so--

14 STEVEN CAPUTO: No, it's okay. I  
15 think it's fair to say that all, you know, the  
16 majority of the projects that went through the  
17 solar tax abatement were in one way or another,  
18 developed by small businesses, it may have been  
19 driven by homeowners' intention to create a solar  
20 project on the rooftop, but the majority of them  
21 are small businesses. And our sustainable CUNY  
22 has documented the growth in those businesses over  
23 time.

24 CHAIRPERSON REYNA: And that's a  
25 report you have, that you can share with this

2 Committee?

3 STEVEN CAPUTO: I believe that's  
4 documented in - -

5 CHAIRPERSON REYNA: [interposing]  
6 And we would love to see that.

7 STEVEN CAPUTO: Mm-hmm. But just  
8 to finish the thought, the solar, the green rooftop  
9 abatement is one that hasn't worked as well and we  
10 think there were some key pitfalls in the bill  
11 that are now being addressed. So, I think in  
12 general, uptake in these kinds of programs is  
13 really key, and if they're not working, then we  
14 should let them expire and move on to higher  
15 impact strategies.

16 COUNCIL MEMBER LANDER: So, and let  
17 me just, I mean, maybe kind of make a statement  
18 and then move to some more small business specific  
19 questions, but I do think one thing that would be  
20 great between now and the end of the  
21 Administration, and you know, I don't know that  
22 long term planning and sustainability is here, but  
23 on the one hand, I think it's clear that this is a  
24 set of things we need to be doing, and doing more  
25 of. And I'm sure the next Administration will

2 want to pick up on the good work you've done. On  
3 the other hand, I definitely feel like you, it's  
4 so easy to get lost in the alphabet soup of this.  
5 And that a real risk will be we, you know, the  
6 next Administration just does 107 things and we  
7 can't tell, we don't remember which ones of those  
8 are the same. And so, to the extent it's possible  
9 to take some time between now and the end of the  
10 year, not only push forward to completion on  
11 these, but give us some ability to evaluate and  
12 figure out what's working and what the next steps  
13 really are, I think it'll be very helpful for the  
14 city. So, I want to follow up a little bit on the  
15 Chair, on Chair Reyna's question about  
16 manufacturing, because I am a little surp--I guess  
17 I shouldn't say I'm surprised that there isn't  
18 someone here--I mean, on the one hand, we're  
19 talking about a lot of manufacturing related  
20 items, and I know probably people read the  
21 wonderful Nocera piece over the weekend. And I  
22 think we recognize that the future in so many ways  
23 of kind of green tech is in manufacturing, and so  
24 there's both helping manufacturers modernize, and  
25 as incentivizing them to be the place where the

2 spinoffs from the applied sciences work happen,  
3 and just nurture what's happening. And the  
4 administration in my experience is just  
5 schizophrenic on those things. So on the one  
6 hand, money's put in the Brooklyn Navy Yard, and  
7 we can say hurray and on the other hand, you know,  
8 the Mayor's Office of Industrial Manufacturing  
9 Business was short lived, the commitments to  
10 manufacturing has waxed and waned. You know, when  
11 I talk to folks at City Planning, they basically  
12 believe that, you know, it'd be fine--really what  
13 we should do is just, you know, they have much  
14 less strong commitment to strengthening and  
15 investing in 21st Century manufacturing. But it  
16 does seem to be a big and important part of the  
17 argument for manufacturing going forward is that  
18 it is at the intersection of small business and  
19 sustainability. And so, if you agree with that,  
20 I'd love to hear it and see it as part of the  
21 City's sustainability and economic development  
22 strategy, so, we can do better to make and  
23 strengthen the case for it. I don't know if,  
24 that's not a question, so it's not exactly fair to  
25 you to respond to, but--I am, nonetheless.

2 [pause] It's fair to say that lot of the things  
3 that you talked about are--

4 STEVEN CAPUTO: Yeah, great points,  
5 great points.

6 COUNCIL MEMBER LANDER: --  
7 manufacturing related, yes?

8 STEVEN CAPUTO: Sure.

9 COUNCIL MEMBER LANDER: I mean,  
10 I'm, you know, across the board. So, all right,  
11 so if you can think about that a little more, that  
12 would be, that would be great. And then my last  
13 question, is on the link to jobs, and how we think  
14 about that. I mean, obviously, part of the reason  
15 we're excited about small business and its link to  
16 sustainability for the entrepreneurial value, we  
17 want economic activity, we want growing companies.  
18 But at some level we want that happening because  
19 we want good jobs in the City for residents, you  
20 know, and a lot of the reasons are similar to kind  
21 of industrial jobs, for people who might have been  
22 able to access them. They won't all be like that,  
23 right, in that how to build a spoon article,  
24 they've only gotten jobs in the Brooklyn Navy  
25 Yard. But where, can you talk a little bit about

2 the link, the links that you're working on across  
3 these programs to make sure, as we're doing these  
4 things, that the jobs are local, that they're good  
5 jobs, you know, with standards where appropriate,  
6 that there's training and workforce development  
7 strategies. And that's of course especially  
8 important where it's a small business set of  
9 things because you know where there isn't a large  
10 employer, it's even more important that there be a  
11 workforce development strategy, that there be  
12 something that helps people make a career out of  
13 what might be jobs at a number of small companies.  
14 So, can you talk about what kind of--and you know,  
15 green jobs is a big thing people are talking  
16 about. But what does that really mean? What are  
17 we doing for workforce development or to help  
18 people build career paths in this field?

19 STEVEN CAPUTO: I can't speak to  
20 the green jobs piece, but EDC can. One thing I  
21 can say, though, 'cause our office is kind of a  
22 more of an macro-scale policy, look at this. This  
23 spring we've been studying the jobs and economic  
24 impact of the City's 30 by '30 plan, so trying to  
25 reduce emissions 30 percent by 2030. And as we're

2 looking to a deeper reduction plan of 80 percent  
3 by 2050, we've also been studying jobs. I think  
4 one of the interesting things, and again this is  
5 very high level and I think won't be satisfying  
6 for this committee to hear, but as we continue to  
7 shift away from expensive heating oil and fuels  
8 and reduce energy efficiency, we're doing a few  
9 things. One, we're freeing up money that can be  
10 spent in other aspects of the economy; and two,  
11 we're sending, taking money that's typically being  
12 sent across state and, you know, in other parts of  
13 the world, and keeping it here to retrofit  
14 systems. And make our buildings better. So, I  
15 think that the broad view is that over time, we're  
16 shifting from spending a lot of operating money on  
17 energy, to making investments in our buildings.  
18 And those investments can't be ex--can't be  
19 outsourced, they have to be, you know, the people,  
20 boots are on the ground, fixing plumbing systems  
21 and installing equipment, some of which hopefully  
22 is made here, but certainly the service part of  
23 the equation will be very strong. And that report  
24 should be out by late spring.

25 COUNCIL MEMBER LANDER: Great,

2 thank you.

3 DAVID GILFORD: And I would just  
4 add to that, that just to step back for a moment  
5 and think about the way EDC is looking at the  
6 opportunities here, there's a chance both to make  
7 New York City the best possible environment for  
8 the companies that are going to be providing green  
9 products and services; but second, also--and  
10 that's what we're doing through things like the  
11 Clean Technology Entrepreneur Center--but second  
12 to figure how can we stimulate more demand for  
13 these products and service. And some of that is  
14 things that Steve spoke to earlier, but also just  
15 to pick an example, the reason that we did the  
16 solar thermal pilot project was not primarily for  
17 the four projects that were completed through,  
18 although those of course are important and  
19 contributed directly jobs. But more important  
20 we're gathering data and lessons which we're  
21 sharing with the private sector on what does the  
22 real world performance of a system look like?  
23 Because it's easy to get caught up in the language  
24 of tax credits and incentives and kilowatt hours  
25 and so forth. But as we're evaluating the success

1 of the program, we're--and gearing up to release a  
2 public report--we're looking at really three  
3 areas: What's the impact in terms of the costs  
4 saved directly to the business owners for  
5 installing these systems? And that's looking at  
6 basically what is the savings on their energy  
7 bill? And observe, as a rule of thumb right now,  
8 with the numbers that we're seeing is basically  
9 for every dollar of incentives, they're saving \$2  
10 on their energy bills. And then second, the  
11 environmental impact. So the pounds of CO<sub>2</sub> that  
12 are not emitted because of participating in the  
13 program. And then third, the economic impact.  
14 And there is of course both the hardware and labor  
15 component to these sorts of projects. And one of  
16 the interesting things in general with solar is  
17 that the price of hardware has come down  
18 dramatically. But it means that over half of the  
19 cost of installing solar now are what is known as  
20 "soft costs." So that's everything from the  
21 actual labor, but also the permitting process you  
22 have to go through, the sales process, the  
23 interconnection with Con Edison, and all of that.  
24 So that's been a real focus, both of EDC and the  
25

2 Mayor's Office, as well as the sustainable CUNY,  
3 in working with the Department of Energy, and  
4 thinking like that's an area that we can tackle  
5 because if we reduce those costs, local businesses  
6 are able to install solar, and save a tremendous  
7 amount of money that's not part of the like trying  
8 to compete with the lowest possible solar  
9 manufacturing costs, anywhere in the world. So  
10 we're looking at the success of that based on the  
11 pilot projects that we've done so far, and  
12 certainly by the end of the year we'll be sharing  
13 all of the best practices that we've learned  
14 through the process.

15 COUNCIL MEMBER LANDER: So just a  
16 couple of concluding comments, and then I'll--

17 CHAIRPERSON GENNARO: Oh, no, but I  
18 just wanted to just kind of jump in for a second,  
19 to kind of add a thought to what you just said.  
20 When I talk to solar installers and people who are  
21 in the business, they, you know, talk about the  
22 much more favorable regulatory climate and like  
23 soft costs climate in the state of New Jersey  
24 versus here. And I'm sure you hear that yourself.  
25 So your statement sort of gets to how we can do

2 better with that, because I hear a lot of people  
3 like pulling their hair out with all of the  
4 regulator stuff they have to do and various  
5 council certifications and like UL certification  
6 and all kinds of, you know, mishegoss that, you  
7 know, we have to do here that they don't do in  
8 Jersey. And so, do you hear that? Again, I'm  
9 kind of jumping into--

10 STEVEN CAPUTO: Well, I can't--I  
11 mean, I think some of those problems the Council  
12 has helped to solve, for example the UL  
13 requirement was removed as part of the electrical  
14 code upgrade. So, I think we've had a good  
15 working relationship. I think, you know, one  
16 lesson that New Jersey can tell us is that, you  
17 know, if a state over stretches, it can lead to a  
18 crash in the incentive environment, and that's  
19 occurred in New Jersey. And right now, as opposed  
20 to two years ago, there's very little solo  
21 investment going on because the prices for  
22 renewable energy credits have crashed. So, in New  
23 York State, the City advocated that, at the state  
24 level, mostly behind scenes, that New York doesn't  
25 go that direction. But creates more of a stable,

2 competitive grant based approach to getting solar  
3 online. Because you really want a stable policy  
4 environment.

5 CHAIRPERSON GENNARO: Yeah, but I'm  
6 failing to grasp how cutting bureaucracy and kind  
7 of, you know, smoothing the process, you know, why  
8 that would be a bad thing. You kind of made  
9 reference to that, like it's, they did that in  
10 Jersey and they got kind of jammed up. But I  
11 don't--

12 STEVEN CAPUTO: Yeah, I think it--

13 CHAIRPERSON GENNARO: --understand.  
14 And of course, this is, you know, still like the,  
15 Brad is still on, I'm just kind of jumping in here  
16 for a second. Yeah. So, why is that a bad thing,  
17 to--

18 STEVEN CAPUTO: No, not a bad  
19 thing, I think what I would--the City has done a  
20 lot to break through the permitting obstacles. In  
21 fact, last fall, there were, for about a month-  
22 and-a-half every Tuesday, DOB opened its doors for  
23 - - stars to come in and, you know, six hours of  
24 nonstop plan examiners sitting with the installers  
25 to get them through the process. So that was a

2 model that worked really well, because so much can  
3 be lost in the communication channels, you got to  
4 sit down face-to-face. So we're, you know, we  
5 think we're getting there. The point I was trying  
6 to make is, you said the overarching incentive  
7 environment, that's very important, too, and I  
8 think New York State is going in a good direction  
9 with that. It's an incentive environment that's  
10 not as prone to collapse, like the one in New  
11 Jersey is. So you kind of really have to have a  
12 great incentive environment and streamlined  
13 permitting atmosphere, and I think we're trying to  
14 get to both of those things.

15 CHAIRPERSON GENNARO: Okay. Fair  
16 enough. I'll go back to Brad.

17 COUNCIL MEMBER LANDER: I'm just  
18 going to make a, sort of say a couple of things in  
19 conclusion. First, I think, Steve, and I  
20 apologize, I asked if anyone was from OLTPS was  
21 here, and I meant City Planning, of course,  
22 anyway, so I [laughter] I apologize.

23 CHAIRPERSON GENNARO: Brad, you got  
24 to keep up, man.

25 COUNCIL MEMBER LANDER: It's still

2 Monday morning, you know, it's--Second, I want to,  
3 I just, I want to push a little more on workforce,  
4 and I'm not going to ask it again, because it  
5 shouldn't have been in your--in my opinion, if  
6 you're going to have a hearing called "Leveraging  
7 Green Business in New York City," and it's 82  
8 pages, there should be some workforce stuff in it  
9 to begin with. And then I asked a question about  
10 workforce, I still didn't get a workforce answer.  
11 I know that EDC, because you guys came and gave me  
12 a presentation, has like eight different programs  
13 with 14 different acronyms and \$10 million on,  
14 that are workforce related. But part of my  
15 concern about it precisely is that I don't think  
16 it had anything to do with SBS's workforce system,  
17 or the Office of Human Capital Development, or the  
18 Workforce Investment Board. So, I just want to  
19 push on that, as well. And it's not, that's not  
20 solely about green jobs, it's obviously a broader  
21 set of issues about workforce development. But I  
22 do just want to flag it here, there are  
23 significant opportunities and we need to link  
24 that, especially given the applied sciences  
25 campus, with a workforce development strategy

2 here. And there's a, it's similar, there's a lot  
3 of good things going on. So you don't have to  
4 tell me them here, I know there's a lot of good  
5 things going on. But having them be part of what  
6 you talk about when you talk about the jobs, and  
7 trying to have that be a more coordinated  
8 strategy, I think would be a valuable thing to do  
9 for the Administration. And then the last thing,  
10 Mr. Chairman, I just think, it's not really, it's  
11 specifically small business related, but what you  
12 said about Greener, Greater Buildings, makes me  
13 think we might want to team up with Housing and  
14 Buildings and do an oversight hearing on what  
15 we've learned from the retro-commissioning audit  
16 so far. I mean obviously, that was initially, you  
17 know, contemplated, as mandatory retrofits, and  
18 then there's the whole environment, economic, the  
19 EEC and there's a lot we might learn if we did an  
20 oversight hearing that we could really dig in on  
21 what you've learned from the retro-commissioning  
22 and what's taking place there so far, which is a  
23 big part of the strategies.

24 CHAIRPERSON GENNARO: Yeah. Thank  
25 you. You want to--?

2 CHAIRPERSON REYNA: Council Member  
3 Wills? Followed by Council Member Koo.

4 COUNCIL MEMBER WILLS: Good  
5 afternoon. Is it--yeah, good afternoon. [laughs]  
6 I just have a couple of really pointed questions.  
7 With the two programs that we were talking about,  
8 the toilet replacement program, as well as the  
9 grants that go into the combined sewer areas, I  
10 wanted to know what kind of outreach have you  
11 done? Because I see that there were a certain  
12 amount of vendors, 25 local plumbing businesses,  
13 but I have some major plumbing businesses in my  
14 district, and it's Southeast Queens, and none of  
15 them have heard about this. I'm in contact with  
16 them daily. So, I wanted to know, what type of  
17 outreach are you guys doing?

18 CHARLES STURKEN: Thank you. Let  
19 me just answer on the toilet regrade program which  
20 was originally announced, I will certainly make  
21 sure your office has the press release that went  
22 out, I think it was in the last two weeks, when we  
23 worked with the plumbing industry, most of your  
24 constituency, usually members, say 99 percent are  
25 members of the Master Plumbers Council, which is

2 based in Queens. And through their organization,  
3 and the Plumbing Foundation and the Association of  
4 Contracting Plumbers, we make sure that they get  
5 our press releases, and then they spread it to  
6 their members. That's how they would like us to  
7 communicate with individual members, because they  
8 are more effective at getting that word to the  
9 trades. On the issue of green infrastructure, I'd  
10 like to ask my colleague, Mikelle Adgate, to  
11 address that, if she could come up here.

12 [pause, background noise]

13 MIKELLE ADGATE: Thanks, Charlie.

14 Good morning, my name is Mikelle Adgate, I'm a  
15 Project Manager in the Office of Green  
16 Infrastructure and I'm directly responsible for  
17 the administration of the grant program. In terms  
18 of outreach, any private property owner in a  
19 combined sewer area, is eligible for the grant.  
20 And so they can submit proposals to do things like  
21 green roofs, rain gardens, porous paving, really  
22 anything that manages one inch of storm water  
23 runoff from an impervious area. So, we do a lot  
24 of direct outreach, one through the storm water  
25 advocacy network that exists throughout the City;

2 and two, direct outreach to property owners,  
3 either through community board presentations, sort  
4 of spreading the word, we talk about the program  
5 quite a bit. And we do a lot of support through  
6 workshops and networking to make sure that  
7 applicants can submit high quality proposals.

8 COUNCIL MEMBER WILLS: So, I know  
9 you said they were eligible, and you've done  
10 proposals or you've done presentations through the  
11 community boards. So, in Southeast Queens, we  
12 have nine, ten, 11, 12, 13 and 14. How many of  
13 these grants have gone into those community  
14 boards? Or can you say, "I haven't awarded in  
15 those community boards, nine to 14"?

16 MIKELLE ADGATE: One moment, I have  
17 a spreadsheet.

18 COUNCIL MEMBER WILLS: That's not a  
19 problem. And while you're pulling that out, how  
20 many--I know that we spoke about the Senate bill,  
21 regarding the net metering. Do we know who the  
22 sponsor for the Senate bill is, and does it have  
23 an Assembly sponsor already?

24 STEVEN CAPUTO: I'll have to follow  
25 up with you with that information.

2 COUNCIL MEMBER WILLS: Okay, all  
3 right.

4 MIKELLE ADGATE: So in terms of  
5 Queens specifically, there's only two grant  
6 projects that we have going on there right now.

7 COUNCIL MEMBER WILLS: Okay.

8 MIKELLE ADGATE: We've built one at  
9 Queens College, which is a rain garden, which is  
10 actually in Council Member Gennaro's district.

11 COUNCIL MEMBER WILLS: Right.

12 MIKELLE ADGATE: And then we also  
13 have one in Long Island City, which is with the  
14 Local 1 Plumbers Union, a green roof that's going  
15 on that building. I would just say anecdotally it  
16 has been more of a challenge to get applications  
17 from Queens than it has been from other boroughs.

18 COUNCIL MEMBER WILLS: Why do you  
19 think that is?

20 MIKELLE ADGATE: I think that in  
21 terms of the issue of combined sewer overflow, and  
22 the connection to local waterways, there's just a  
23 larger advocacy presence around the Gowanus,  
24 Newtown and Bronx River than there are--

25 COUNCIL MEMBER WILLS: I would have

2 to disagree with you on that.

3 MIKELLE ADGATE: --in Flushing Bay.

4 COUNCIL MEMBER WILLS: Because we  
5 have the elected officials in Southeast Queens  
6 collective with about 15 other community based  
7 organizations, that have been speaking about the  
8 issue of flooding and combined sewers in Southeast  
9 Queens. So, I don't think that--I think there's a  
10 problem with the outreach. Because if we knew  
11 about this grant program, I'm sure Assemblyman  
12 Scarborough, who has taken the lead on this, and  
13 everybody else, would be on your phone every  
14 single day.

15 MIKELLE ADGATE: Sure. And let me  
16 just clarify that statement. When we are talking  
17 about combined sewer overflow specifically, and  
18 the grant program specifically, we're only  
19 building in combined sewer areas. Because the  
20 idea is to reduce the amount of storm water going  
21 into the combined sewer system, and then have a  
22 direct water quality benefit in say Flushing Bay  
23 or Flushing Creek. So, it's not a flood  
24 mitigation program, and so we're aware that  
25 there's a lot of flooding in Southeast Queens, I

2 know there's been a rain bell giveaway program,  
3 there's been some other efforts that have been  
4 done to work with the community there. And I've  
5 had a lot of calls and conversations with folks  
6 from Southeast Queens who are interested in  
7 building green roofs or other technologies that  
8 don't promote infiltration, because there is a  
9 high water table in Southeast Queens, it's not the  
10 best environment for say rain gardens or porous  
11 pavement, but--

12 COUNCIL MEMBER WILLS: No, I was  
13 clear on what you were saying, but--

14 MIKELLE ADGATE: Yes.

15 COUNCIL MEMBER WILLS: --we  
16 specifically have a lot of buildings that would be  
17 perfect for this, and those--

18 MIKELLE ADGATE: Great.

19 COUNCIL MEMBER WILLS: --owners  
20 just don't know about this program.

21 MIKELLE ADGATE: Okay.

22 COUNCIL MEMBER WILLS: We have  
23 buildings, I mean, maybe it's--how many square  
24 feet are you looking for?

25 MIKELLE ADGATE: There's no

2 minimum.

3 COUNCIL MEMBER WILLS: Okay, so we  
4 have buildings starting at 9,000--

5 MIKELLE ADGATE: So, any private  
6 property--

7 COUNCIL MEMBER WILLS: --up to 20  
8 something thousand square feet, that would be  
9 optimum for this type of project.

10 MIKELLE ADGATE: And specifically  
11 in the combined sewerred areas?

12 COUNCIL MEMBER WILLS: Yes.

13 MIKELLE ADGATE: Not the separate?

14 COUNCIL MEMBER WILLS: Mm-hmm.

15 MIKELLE ADGATE: So, you know, it  
16 would be great to connect with your office and to  
17 work with connecting with those property owners.  
18 I mean, we are out not only with press releases  
19 and public meetings, trying to talk about the  
20 program, but we also want to equip applicants with  
21 the tools that they need to submit, high quality  
22 proposals.

23 COUNCIL MEMBER WILLS: Okay, and my  
24 last question was, in the different phases of the,  
25 I think Steve might have to come back, in the

2 different phases of the toilet replacement  
3 program, will, as each phase goes, one, two and  
4 three, it looks like, will there be additional,  
5 well one and two, will there be additional vendors  
6 added to those phases? Being the vendors that are  
7 supplying the toilets as well as the plumbing  
8 companies? And included in that question, a part  
9 B, to tag onto what Council Member Lander was  
10 speaking about, is there a job training component  
11 maybe for individuals with barriers to employment  
12 that may be able to benefit from this type of  
13 money being spent by the City?

14 CHARLES STURKEN: The plumbing  
15 industry, and many of you know, are--there's union  
16 and nonunion contractors, and the availability of  
17 job training programs are usually done through the  
18 union contractors. And that said for the plumbing  
19 industry, has a very robust program for job  
20 creation.

21 COUNCIL MEMBER WILLIS: No, but I'm  
22 asking this, is anything directly attached to  
23 this--

24 CHARLES STURKEN: Attached to the  
25 program.

2 COUNCIL MEMBER WILLS: Yes.

3 CHARLES STURKEN: Not specifically  
4 that I can recall, but I will find out. The other  
5 components of the program, the phases, one is  
6 institutional, which is working with the City  
7 agencies, Department of Ed, the School  
8 Construction Authority, to change out that  
9 infrastructure, that plumbing area. And  
10 otherwise, it's, on the commercial and industrial.  
11 Again, it's being done mostly through the plumbing  
12 industry. So we have to rely on the union  
13 programs for job creation, for the most part.

14 COUNCIL MEMBER WILLS: Thank you.

15 CHARLES STURKEN: And they're  
16 usually good at it.

17 COUNCIL MEMBER WILLS: Thank you.

18 Thank you, Chairs.

19 CHAIRPERSON REYNA: And just to  
20 have clarity as to the question, there are  
21 apprentice slots that were created because of this  
22 particular program and new dollars being  
23 dedicated?

24 COUNCIL MEMBER WILLS: No, that's  
25 what I was asking - -

2 CHARLES STURKEN: [interposing]

3 That is all done through unions.

4 COUNCIL MEMBER WILLS: Right.

5 CHARLES STURKEN: Which we have no  
6 control over. But are you asking if is it a  
7 contract proposal?

8 CHAIRPERSON REYNA: Correct.

9 CHARLES STURKEN: In the--I will  
10 get back to you on that.

11 CHAIRPERSON REYNA: For the City of  
12 New York.

13 CHARLES STURKEN: I am not sure,  
14 but I will find out.

15 CHAIRPERSON REYNA: And that is  
16 something that the City has control over.

17 CHARLES STURKEN: In the request,  
18 in the request, you're saying.

19 CHAIRPERSON REYNA: Correct.

20 CHARLES STURKEN: Yeah.

21 CHAIRPERSON REYNA: And so I would  
22 expect--

23 CHARLES STURKEN: Certainly we have  
24 the control over the City agencies that are  
25 working with it.

2 CHAIRPERSON REYNA: Right. But  
3 there would be an opportunity for \$46 million, you  
4 said?

5 CHARLES STURKEN: Well, overall,  
6 the \$60 million in one phase, and we're not sure  
7 of how the next two phases will roll out, because  
8 it's individual agencies' capital moneys for their  
9 institutions, like Department of Ed, and etc.

10 CHAIRPERSON REYNA: And there's  
11 MWBE goals?

12 CHARLES STURKEN: Oh, there always  
13 is in City contracts. As you know.

14 CHAIRPERSON REYNA: I know that  
15 Council Member Koo has a question, and followed by  
16 Council Member Chin.

17 COUNCIL MEMBER KOO: Thank you. My  
18 question is, we know you have so many different  
19 good programs, either grants or energy saving  
20 programs. And I want to know that, how do you--  
21 which, to all the small businesses, so that they  
22 know about the programs. Because if you walk into  
23 any restaurant now, they say, "Hey, we have  
24 program, you can save energy from Con Edison, save  
25 money from Con Edison," or you can change your

2 toilet bowl to get--is it for free for them? I  
3 mean, all these different programs, how do they  
4 know about it?

5 CHARLES STURKEN: Can I just--I can  
6 answer from--

7 COUNCIL MEMBER KOO: My question--

8 CHARLES STURKEN: --one of our  
9 experiences with your office--

10 COUNCIL MEMBER KOO: Yeah.

11 CHARLES STURKEN: --in particular,  
12 when we run these work--we've run 98 workshops.  
13 And we do it in conjunction--for instance, in  
14 downtown Flushing business improvement district,  
15 and your office helped us do a workshop for  
16 restaurants, about different problems in the  
17 infrastructure that we were experiencing, and in  
18 restaurants for enforcement and ticketing and  
19 tried to ease the burden when it comes to that,  
20 we, through your office and the Flushing business  
21 community, were able to get wide support and  
22 participation in our workshops in Flushing, I  
23 think we've done two in the last two years in  
24 Flushing, and also with Council Member Chin, we  
25 did a restaurant workshop for businesses in her

2 district, in conjunction with the Chinatown  
3 partnership at the time. And the community  
4 boards. So, we rely on a lot of the network  
5 through the community infrastructure that's there,  
6 in the community board business improvement  
7 district's chambers of commerce, with all of the  
8 workshops we've done, to promote it, including  
9 advertising in local community papers, to  
10 participate. These are for small businesses, or--  
11 and we do it in partnership with small business  
12 services, as you can see, also. For our, where we  
13 can effect and have a mutuality of interest in  
14 that particular community, for - -

15 COUNCIL MEMBER KOO: [interposing]

16 I know you have done a lot, but I didn't, it's  
17 still not enough. I would suggest that we have a  
18 different method. City, when the City send them  
19 bills over--when Con Edison send them bills about  
20 water bills, electric bills or tax bills, you  
21 enclose all these programs so that business owners  
22 can take a--"Hey, I can apply for this grant, I  
23 can apply for this grant."

24 DONALD GIAMPIETRO: And, just  
25 talking about, you know that--

2 COUNCIL MEMBER KOO: Because when  
3 people need money, they know about--

4 DONALD GIAMPIETRO: Again, thank  
5 you--

6 COUNCIL MEMBER KOO: So, I would  
7 say you maybe in the future, you make a summary,  
8 all these available programs, and attach to these  
9 bills, when you send to them.

10 DONALD GIAMPIETRO: Actually,  
11 that's a good, a very good idea, and we've  
12 actually tested that, and we've done that with Con  
13 Edison, because of the--

14 CHAIRPERSON REYNA: On request, in  
15 the past.

16 DONALD GIAMPIETRO: Yes. And we've  
17 actually been able to do that. There are certain  
18 issues regarding how much information that we have  
19 put on these. In addition, through some of our  
20 broader programs, such as ECSP and the like, we  
21 also see if there's triggers for additional  
22 programs. And to compliment that, we have, in  
23 addition to the - - , because the other units that  
24 actually focus on restaurants, for the other  
25 broader commercial and industrial businesses, we

2 do have our industrial business zones, as well as  
3 our business solution centers, which it's a two  
4 way kind of communication, where we feed  
5 information of our various programs and actually  
6 they feed to us, those businesses that are in  
7 search of programs, as well as working with the  
8 Council Members and their respective districts.  
9 Again, not to go into detail regarding the  
10 program, certain programs target different types  
11 of industries, so we don't want to falsely  
12 promote, or over promote, but we target the  
13 specific areas where the businesses can take  
14 advantage of these programs. But more could be  
15 done. In addition, we've, we have the NYC  
16 Business Solutions, Business Express, site, which  
17 allows businesses to go online and to see which  
18 programs might be, they may be eligible for. And  
19 we promote that as well. Plus, our entire  
20 community of business improvement districts, and  
21 local development corporations. And we're trying  
22 to streamline this, so it's not overly  
23 complicated, as well.

24 COUNCIL MEMBER KOO: Thank you.

25 CHAIRPERSON REYNA: Thank you,

2 Peter. I think the frustration as far as  
3 listening to the statements, in relationship to  
4 your testimony, it's a lot of information, but it  
5 doesn't seem to triage what would be the small  
6 businesses in the City of New York, accessing what  
7 would be beneficial to them, so that they can be a  
8 part of this green industry movement, in the City  
9 of New York. And so, I just wanted to ask, you  
10 know, I know that Council Member Chin is next on  
11 the line of questioning, but if you can just take  
12 a moment to reflect on the fact that most small  
13 businesses do not own their own buildings. Right?  
14 And so, while we all use infrastructure, I'd like  
15 you to answer the question as to what is the role  
16 for small businesses in the--what is the role of  
17 small business in greening New York City?

18 STEVEN CAPUTO: I think that, I  
19 mean, maybe it was too implicit, but not stated,  
20 you know, directly enough, but I think small  
21 businesses are going to drive this transformation  
22 of our economy from whether it's going in and  
23 installing lighting retrofits, to--

24 CHAIRPERSON REYNA: Stop right  
25 there. So, that how many of those companies exist

2 today in the City of New York?

3 STEVEN CAPUTO: That I can't  
4 answer.

5 CHAIRPERSON REYNA: And that is  
6 what I'm trying to understand. And so if we don't  
7 know who they are, how are we helping them grow as  
8 a business, stay in New York City as a business,  
9 continue to hire people in the City of New York as  
10 a business? I think there's, you know, this need  
11 to be able to document what we're going, as far as  
12 made NYC green product that we're continuing to  
13 express in words, but we're not too certain as to  
14 what it really means as far as the small business  
15 community. Having mentioned Eyestone, I remember  
16 early on touring with Eyestone and their problem  
17 was that they couldn't get access to glass in the  
18 City of New York, because we did not have a system  
19 in place for them to be able to directly access  
20 recycled bottles in the City of New York. That's  
21 a challenge, it's a greening aspect, and we have  
22 to connect the dots for both the industry of what  
23 is Eyestone, producing countertops, and a green  
24 product in the green industry. And being able to  
25 plan appropriately so that they're able to

2 continue to access the materials they need, in the  
3 City of New York, as opposed to going outside of  
4 the state.

5 STEVEN CAPUTO: Right. If I could  
6 just respond to that, I think this is, it's a  
7 great point. On the one hand, the plethora of  
8 programs that you've heard about today can lead to  
9 a sense of being overwhelmed and in confusion.  
10 But on the other hand, these programs, and many  
11 others that we haven't discussed, are kind of,  
12 have created entire ecosystems of business  
13 activity around them. And it's hard to kind of  
14 encapsulate that across the entire City, I mean,  
15 and the best thing that could do that is a phone  
16 book. But I think the internet has actually made  
17 for some great continuity. And I just want to  
18 give an example of how we've approached this issue  
19 with the clean heat program. The clean heat  
20 program seeks to accelerate the transitions to the  
21 cleanest fuels. We've worked with the  
22 environmental defense fund, and they've worked  
23 with some businesses to create basically a neutral  
24 broker in the marketplace, that is almost taking a  
25 sales force approach to identifying buildings, and

2 seeing which ones are ready to move. So they've  
3 worked with about 3,000 different buildings. Each  
4 of those buildings is a small business, but more  
5 importantly they've also worked with what they  
6 call a trade ally network, which includes  
7 plumbers, includes fuel providers, includes small  
8 businesses that are trying to create incentive  
9 opportunities. And they do weekly webinars with  
10 these groups. They're constantly trying to  
11 cultivate this market activity, with the  
12 underlying goal of converting these buildings off  
13 of heavy oil. So, it's just an example of maybe  
14 it's a particular approach that the Administration  
15 has taken lately, which is put resources to try to  
16 really activate the marketplace, and I think for  
17 any one of these programs. And maybe we could  
18 follow up in detail later, you'd find that we  
19 actually do know that the specific businesses that  
20 are involved, and we communicate with them often,  
21 because that's how you drive change.

22 CHAIRPERSON REYNA: So you come  
23 together as a task force? As a council? Like--?

24 STEVEN CAPUTO: I think it varies  
25 by program. For the clean heat program, this idea

2 of cultivating businesses to then go out and try  
3 to get buildings to convert to clean fuels or  
4 energy efficiency, is something that is the  
5 lifeblood of the program. And that program has  
6 also tried to see opportunities across not just  
7 for heating oil conversions, but for energy  
8 efficiency and other, pretty much any avenue you  
9 could have to getting a building to do work. And  
10 I think that that, you know, that we've already  
11 had 1,900 conversions take place in two years, and  
12 that's significantly accelerated pace to what we  
13 would've had if the City hadn't invested resources  
14 to try to kind of catalyze that marketplace.

15 CHAIRPERSON REYNA: And that's  
16 1,900 conversion--

17 STEVEN CAPUTO: Buildings from  
18 heavy heating oil to the - - fuels.

19 CHAIRPERSON REYNA: Public and  
20 private.

21 STEVEN CAPUTO: That's all, that's  
22 a list of all private institutional commercial  
23 buildings. I'd be happy to kind of give you more  
24 detail on this program as a follow up.

25 CHAIRPERSON REYNA: I will

2 certainly follow up with you on that specific  
3 item. I'd like to just give an opportunity to  
4 Council Member Chin, who has been patiently  
5 waiting.

6 COUNCIL MEMBER CHIN: Thank you.  
7 Your testimony, you talked about the energy cost  
8 savings program. Is it true that it's by borough  
9 but not in Lower Manhattan?

10 DONALD GIAMPIETRO: Actually,  
11 there's a special program that was specifically  
12 designed for Lower Manhattan, called the Lower  
13 Manhattan Energy Program. So, actually, they're  
14 combined in one law. But there's the ECSP, Energy  
15 Cost Savings Program, and the Lower Manhattan  
16 Energy Program. That are similar, but technically  
17 administered differently. But provide a similar  
18 benefit. The Lower Manhattan Energy Program is  
19 only for electricity; whereas, the borough wide  
20 program is natural gas and electricity, because  
21 natural gas is not utilized as you know in Lower  
22 Manhattan.

23 COUNCIL MEMBER CHIN: So in the  
24 program, in the Lower Manhattan Program, it's all  
25 of Lower Manhattan, south of 96th Street.

2 DONALD GIAMPIETRO: Actually, this  
3 program is modeled after the commercial  
4 revitalization program for Lower Manhattan, and  
5 it's below--it gerrymanders slightly through  
6 portions of City Hall Park, but primarily below  
7 Murray Street.

8 COUNCIL MEMBER CHIN: Okay, so what  
9 happened to the rest of Manhattan, the other part  
10 of Manhattan, below 96th Street?

11 DONALD GIAMPIETRO: Well, because  
12 this only targeted, again, Lower Manhattan, the  
13 downtown area of Lower Manhattan. And the other  
14 area would be for certain targeted eligible  
15 businesses would fall under the energy cost  
16 savings program. So Lower Manhattan again is just  
17 again specifically below Murray Street.

18 COUNCIL MEMBER CHIN: Okay, but  
19 you're, but the energy cost saving program is open  
20 to all business.

21 DONALD GIAMPIETRO: All businesses,  
22 again there are specific areas, it would be  
23 businesses below--

24 COUNCIL MEMBER CHIN: Like for  
25 example, a business in the Lower East Side.

2 DONALD GIAMPIETRO: The Lower East  
3 Side, again, but it would have to be a specific  
4 business activity. The way it works is that  
5 manufacturing is eligible in Manhattan in certain  
6 manufacturing related businesses. Commercial  
7 industrial manufacturing throughout the rest of  
8 the boroughs and north of 96th Street. And below  
9 Murray--so I don't want to get into too much  
10 detail, it's a very technical program.

11 COUNCIL MEMBER CHIN: Yeah, so why  
12 are you excluding all these businesses that are  
13 down, you know, in the lower part of Manhattan, I  
14 mean, like Lower East Side, Chinatown? They're  
15 being excluded from this program?

16 DONALD GIAMPIETRO: Well, again,  
17 the Lower Manhattan Ener--Again, the Lower  
18 Manhattan Energy Program was specifically for the  
19 financial towers that were clustered, as I said,  
20 below Murray Street, and the remaining program,  
21 energy cost savings, was designed to promote  
22 businesses, again, to relocate to areas that were  
23 more effective for their growth, and those were  
24 primarily manufacturing firms and commercial  
25 office buildings. But again, the way the

2 program's designed--and this has been inherited,  
3 and it's something that we can revisit, as had  
4 been mentioned.

5 COUNCIL MEMBER CHIN: Well, we got  
6 to make sure everybody qualifies. I mean, there  
7 are--

8 DONALD GIAMPIETRO: Oh, we always  
9 ensure everyone qualifies. We speak to the letter  
10 of the law.

11 COUNCIL MEMBER CHIN: I mean, there  
12 are buildings that are being converted in the  
13 Lower East Side, in SoHo, in Chinatown, commercial  
14 buildings, but you know, they're upgrading,  
15 whatever, so they should be able to qualify for  
16 these programs.

17 DONALD GIAMPIETRO: Again, yes,  
18 the--and just to let you know, historically, the  
19 energy cost savings program, to speak to actually  
20 what Chairperson Reyna had mentioned, was  
21 originally designed for, was a manufacturing and  
22 industrial incentive program. And so we broadened  
23 it to include certain commercial elements, and  
24 then we did a larger change for Lower Manhattan.  
25 But we could again revisit eligibility.

2 COUNCIL MEMBER CHIN: We should  
3 definitely do that. Your program in Lower  
4 Manhattan, how is that working? I mean, there's  
5 about, I guess about 40 buildings, that are signed  
6 up for this program?

7 DONALD GIAMPIETRO: Yes, actually,  
8 we have the, primarily, back in '95, when we  
9 actually had most of the review of the potential  
10 benefits to the program, we've exceeded the  
11 number. We had about 50 online, it's a 12 year  
12 benefit, some of those original buildings have  
13 completed. It's a program that's designed, so we  
14 have 40 still remaining, it's designed to do major  
15 renovation, it actually compliments both the small  
16 business, and as Chairwoman Reyna had stated, both  
17 the larger building owner. So what it did was it  
18 incentivized modernization of the older building  
19 stock, some of those older towers, and it allowed  
20 the energy benefits, it requires the energy  
21 benefits, to be passed through 30--it was 30  
22 percent on the regulated bill, now it's 45 percent  
23 on regulated energy, to the various tenants that  
24 were existing in those buildings, or moved to  
25 those buildings.

2 COUNCIL MEMBER CHIN: Okay.

3 DONALD GIAMPIETRO: And we had most  
4 of the, like I said, we exceeded the towers that  
5 we thought, those were basically, basically it was  
6 designed to take those Class-C, low Class-B  
7 buildings, and renovate them and modernize them.  
8 This was a time when most of them were not wired  
9 for broadband. They shared Con Edison, the  
10 utility grid between buildings, and it's been able  
11 to complement some of the commercial condominiums  
12 that we see, where some of the buildings were kind  
13 of a hybrid between residential and commercial.  
14 And we, and actually just to state, we didn't have  
15 that Lower Manhattan, so we introduced that.

16 COUNCIL MEMBER CHIN: Are you going  
17 to test--I mean, are you going to bring that to  
18 other part of New York City?

19 DONALD GIAMPIETRO: Well, like I  
20 said, it's in the remaining areas of the boroughs,  
21 and we can see if we'd extend that line of Lower  
22 Manhattan, like even further north.

23 COUNCIL MEMBER CHIN: Okay.

24 DONALD GIAMPIETRO: Typically, it  
25 excludes like the residential towers on both sides

2 of, you know, in the 50s and the like.

3 COUNCIL MEMBER CHIN: Okay. A  
4 question with ED--DEP. In terms of like, in your  
5 testimony you were talking about the recycling of  
6 cooking oils and grease. How do we get every  
7 single restaurant to do that? Because right now,  
8 it's not happening to every single restaurant. I  
9 mean, down in Chinatown, we work with the Lower  
10 East Side Ecology Center, but getting everyone to  
11 sign up or to do it, because I think the incentive  
12 is great, because when I talked to some of the  
13 restaurant owner, they talked about the program in  
14 the past, that they actually got something back,  
15 when their oils were recycled they got some soap  
16 back. But then, lately, they had to pay to get  
17 the oil recycled. So, there's no incentive there.  
18 So how do we make sure that there is some  
19 incentive for them to do the right thing, to get  
20 their oil and grease recycled?

21 CHARLES STURKEN: In, over the past  
22 two years, we've been working on doing these  
23 workshops to make sure their handling of the  
24 grease and yellow grease, in particular, which is  
25 recyclable, is done properly. I'm surprised to

2 hear that they're being charged to carry it away,  
3 because our--and the Business Integrity Commission  
4 of the City, does track this. And they track the  
5 vines being recycled, which is going up every  
6 year, of the amounts recycled in the City. And  
7 the carting industry for how it's being taken  
8 away, and then resold for reprocessing. Our  
9 experience in all of the workshops we've done,  
10 over 30 workshops throughout the boroughs, is that  
11 most restaurants are aware of it, because the  
12 carting industry is very much interested in taking  
13 away the yellow grease, at no cost to the  
14 restaurant owners, because they are reselling it  
15 on a wide scale. So--

16 COUNCIL MEMBER CHIN: But who is  
17 monitoring that?

18 CHARLES STURKEN: Well, the  
19 Business--well, there's two things. The carting  
20 industry and the reprocessing, and the taking and  
21 moving of biof--well, yellow grease, is monitored  
22 by the Business Integrity Commission, and the  
23 State of New York, for the transport issues. On a  
24 local level, our agency does routinely go into the  
25 restaurants, of which there's approximately

2 22,000, to check on two things. One is that they  
3 have the infrastructure in their plumbing fixtures  
4 to capture bad grease, let's call it, from going  
5 into the sewer system, which is bad for all of us.  
6 The frying vegetable oil that they use is the  
7 recyclable commodity. And that we do enforcement  
8 on, and we do ask all the restaurants to produce  
9 for us documentation that they have a contract  
10 with the carter, who takes it away on a, for  
11 routine basis. And they must keep those documents  
12 for our inspection for at least a year, on the  
13 premises, and so it's available when the inspector  
14 comes in. We take a soft approach. If we don't  
15 see the documentation, we ask them to make sure  
16 they have a contract, and we will go back and see  
17 them in about 30 days or so, six weeks. And ask  
18 for whether or not there's a contract in place to  
19 take away that yellow grease for recycling. But I  
20 am surprised that people are being asked to pay to  
21 take it away. Your garbage carting contract is  
22 something, it's a bill you get. But the, a lot of  
23 places that separate their yellow grease, which  
24 they must, under the sewer regulations of the  
25 City, for the most part we found well over 90

2 something percent were being carted away for  
3 recycling by a handful of companies, or  
4 subsidiaries of the larger carting companies,  
5 because they're turning it around on the street  
6 and reselling it. But, we do get complaints of  
7 places which are, citizens have witnessed where  
8 they're pouring it down the sewers. And we try,  
9 as we can, to get after them, and then we'll issue  
10 summonses.

11 COUNCIL MEMBER CHIN: Well, I think  
12 we got to really do more education and outreach.

13 CHARLES STURKEN: Yeah.

14 COUNCIL MEMBER CHIN: On this, and  
15 then some monitoring how this private carting  
16 company is really doing their job. I mean, that's  
17 what I've heard from businesses.

18 CHARLES STURKEN: Yeah, I will ask  
19 them. - -

20 COUNCIL MEMBER CHIN: Yeah, the  
21 other question, the other question relating to  
22 that is like long term, 'cause last week, Council  
23 Member Gennaro and I was at a public high school  
24 here, and talking about Earth Day and recycling  
25 food products, and the Chancellor was talking

2 about expanding that in school. I think that's  
3 one thing that we should look into in terms of the  
4 restaurants, recycling, you know, the food waste.

5 CHARLES STURKEN: Food waste.

6 COUNCIL MEMBER CHIN: And using  
7 that for composting. And also helping them save  
8 on their garbage course. Right? So I think  
9 that's something that New York City, with all our  
10 restaurants, I mean, imagine all the food that's  
11 in the landfill, if we can reduce that, that would  
12 be also important for the City. Thank you, Madam  
13 Chair.

14 STEVEN CAPUTO: Thanks,  
15 Councilwoman. I'd like to follow up on a few of  
16 your points. First, to address the food waste  
17 issue, the timing of your comments couldn't be  
18 better. On Thursday of last week, the Mayor  
19 announced what we're calling, for lack of a better  
20 term, "The Food Waste Challenge," and we've  
21 brought together about 100 restaurants in the  
22 City, and each of them has committed to reducing  
23 their food waste by 50 percent through either, you  
24 know, portion size reduction or probably more  
25 likely, composting and other diversion efforts.

2 So, this is a new effort and, you know, we'll have  
3 to work out the kinks, but we've got a very robust  
4 kind of voluntary participation. And we're pretty  
5 excited about how that program could lead to wider  
6 spread composting. And as you said, the schools  
7 have done a great job in kind of incubating that  
8 approach, as well. I also want to address the  
9 biodiesel, or the waste grease issues. I think  
10 this is a place where the Council deserves  
11 enormous credit. Local Law 43 of 2010 created a  
12 two percent biodiesel standard for all heating oil  
13 used in the City, and to put that in perspective,  
14 we use about 700 million gallons of heating oil a  
15 year. So that's, it's a lot of oil. We think, I  
16 think that's part of the reason why you're seeing  
17 over time that the yellow grease is more of a  
18 valuable commodity. New York State also has a 20  
19 percent biodiesel tax credit. The problem is, and  
20 this is something we're trying to address, a lot  
21 of buildings, more specifically a lot of boiler  
22 companies, aren't willing to let people use that  
23 much biodiesel and their equipment, because  
24 they're afraid of the liability, so that's one of  
25 the things the Clean Heat Program's trying to do.

2 Also want to mention that in City Fleets, we use a  
3 lot of biodiesel. Or almost the entire City Fleet  
4 is at B5 for most of the year, and a lot of them  
5 are going to be 20 and the diesel using fuels on  
6 wheels [phonetic]. One last thing I want to  
7 mention is that we're actually doing a biodiesel  
8 study and it should be out later this summer, but  
9 it's looking at the kind of bigger marketplace  
10 that you mentioned, and trying to figure out, "How  
11 can we move that marketplace as quickly as  
12 possible?" Because we have a great opportunity  
13 here in New York City. And in fact, we're  
14 developing processing infrastructure at the Metro  
15 Fuel Terminal in Brooklyn, which could process up  
16 to 100 million gallons a year. So there really is  
17 a great market opportunity here. We're seeing the  
18 kind of beginning of it, but a lot of opportunity  
19 to grow.

20 COUNCIL MEMBER CHIN: Just one  
21 comment, Madam Chair, is that I think expanding  
22 the capacity of some of the smaller environmental  
23 group in the community, I think that would help in  
24 terms of the recycling, like on the oil or even  
25 the food waste, in the long run, because I mean

2 what we found, you know, working with the Lower  
3 East Side Ecology Center, it was really, you know,  
4 they went to the restaurant, they talked to them  
5 and they started a very small pilot project. But  
6 in--I trust them more than I trust the carting  
7 companies. So, I think that that might be a way  
8 of growing local businesses, and you know,  
9 building their capacity that we could create more  
10 green jobs that way. And to really ensure that  
11 these oil, these grease stuff are actually  
12 recycled. Thank you.

13 STEVEN CAPUTO: I think that's a  
14 great point, I mean, it's a new industry here, and  
15 I think it really does need to develop and it  
16 needs to professionalize, both from, you know, the  
17 grease side, but also, in particular, the food  
18 waste side. And, you know, these small pilot  
19 efforts I think are starting to move the, move  
20 towards that direction. But it's a great point  
21 that you make.

22 CHAIRPERSON REYNA: Thank you so  
23 much, Council Member Chin. And we have been  
24 joined by Council Member Levin. And there's--we  
25 have 45 minutes left to this room, and we have a

2 panel of six members of the public who are being  
3 very patient in waiting to testify, so I apologize  
4 for the delay. Clearly, this is a very  
5 interesting topic, and we wouldn't want to allow  
6 you guys to leave, but we have one more question  
7 from Council Member Levin, and the Chair, who had  
8 delayed questions for later. So, I would indulge  
9 the Chair to perhaps consider you're going to be  
10 brief?

11 CHAIRPERSON GENNARO: [off mic] Oh,  
12 yeah.

13 CHAIRPERSON REYNA: Yeah, okay.  
14 [laughter] Council Member Levin?

15 COUNCIL MEMBER LEVIN: Thank you  
16 very much, Madam Chair. I just wanted a quick  
17 follow up on something you just spoke of, which  
18 was the biodiesel efforts that the City's  
19 undertaking. Can you explain maybe what some of  
20 the efforts are to make it easier to, for  
21 businesses, particularly you mentioned Metro Fuel  
22 and that's in my district, it's a couple blocks  
23 from my house, and so--How has the City been able  
24 to--is there any tax programs, infrastructure  
25 investments that the City's looking to do, or has

2 done, that makes allowing providers to do this, to  
3 do the infrastructure upgrades that are necessary?  
4 Explain maybe some of that partnership and how has  
5 the City been able to make it a little bit easier  
6 for some of these businesses to do that.

7 STEVEN CAPUTO: Do you--are you  
8 referring to the kind of terminal and processing  
9 of infrastructure?

10 COUNCIL MEMBER LEVIN: Yes, yes.

11 STEVEN CAPUTO: Or buildings  
12 burning oil and that sort of thing?

13 COUNCIL MEMBER LEVIN: The terminal  
14 processing.

15 STEVEN CAPUTO: I'm not aware of  
16 incentives or direct involvement that the City's  
17 had with Metro. One thing I can say, though, is,  
18 I mean, and I'm just reading the news, Metro had  
19 some hard times, and it wasn't clear whether that  
20 facility would stay open. And it was a sad thing,  
21 because they had invested a lot of money in that  
22 biodiesel terminal.

23 COUNCIL MEMBER LEVIN: Yeah.

24 STEVEN CAPUTO: And we had heard  
25 that it was, you know, five, you know, 95 percent

2 of the way complete. I think the great thing  
3 though, and I think this is where, you know, we  
4 didn't actually have to do anything. They had  
5 created such a great asset and such a great  
6 business that now you've got United Fuel coming in  
7 and purchasing Metro and we've heard through the  
8 grapevine that they really intend to finish that  
9 biodiesel plant processing facility and make it  
10 work. So that, I think that's probably largely in  
11 response to the marketplace that the Council  
12 helped develop by creating a two percent biodiesel  
13 mandate.

14 COUNCIL MEMBER LEVIN: Right.

15 It's, you know, it's concerning to me, obviously,  
16 because that's a local business. But you know,  
17 as, kind of taking a step back, and looking at it,  
18 you know, there's a company that put forth the  
19 investment to meet the need that the City laid  
20 out, and that the City encouraged for them to step  
21 up to the plate for. And they did, and you know,  
22 it's just it's not working out well for them. And  
23 so, you know, that's something that is concerning  
24 to me, not only on the local level of what it  
25 means for my district or what it means for this

2 generational family owned business, but also you  
3 now, what that means for the City as a whole, and  
4 ways in which we can help protect businesses that  
5 are going to go out on a limb, to do major capital  
6 upgrades and infrastructure improvements and put  
7 in their own equity. And is the City going to be  
8 there to back them up or to help them out when,  
9 you know, as you said, 95 percent along the way of  
10 a very long process, when they're not able to get  
11 to make that return on their investment.

12 STEVEN CAPUTO: Mm-hmm.

13 COUNCIL MEMBER LEVIN: Thank you.

14 CHAIRPERSON GENNARO: And what I'd  
15 like to do, Steve, just kind of jump in and maybe  
16 give like a little bit of an answer on that. You  
17 know, we put these policies out there and we try  
18 not to pick winners and losers and people, you  
19 know, make their investments and they look at the  
20 marketplace, and I just want to make you aware  
21 that, in the very near future, we're going to have  
22 a biodiesel hearing where we're going to try to  
23 push the envelope more on that, that will create a  
24 more, you know, variable climate for--well, for  
25 people who are in the biodiesel biz, you know,

2 which has been a great small business, you know,  
3 due to our efforts. Everyone running around  
4 picking up the grease and processing the grease  
5 and making it into fuel oil. - - it's been a  
6 great success story. So there's more to come,  
7 Steve, on biodiesel, like we're not, you know,  
8 we're not done with that yet.

9 COUNCIL MEMBER LEVIN: Thank you,  
10 Mr. Chairman.

11 CHAIRPERSON GENNARO: And I guess  
12 that's a good segue way into me, right? Okay. To  
13 very briefly [background comment] sure, sure, just  
14 now. With--there was some early discussion from  
15 Council Member Lander and others regarding the  
16 rooftop, like the green roof tax abatement, that's  
17 like not doing well, like the solar tax abatement  
18 that is doing better. With regard to what we just  
19 recently did in the City, the law was just signed  
20 a couple days ago, geothermal, this is something  
21 that the Bloomberg Administration, as you well  
22 know, through DDC, has been very, you know,  
23 bullish on, they kind of like wrote the book on  
24 geothermal. And in the City, we kind of jumped in  
25 with our bill, we're making like a bigger book on

2 that, which you guys are going to write, thank you  
3 very much. And with regard to, you know, that  
4 qualifying for, you know, some kind of tax  
5 abatement, would that be on the table, and how  
6 would that even work? 'Cause I'm not like a tax  
7 abatement guy, I'm like a science guy.

8 STEVEN CAPUTO: Right. That's a  
9 good question. I think right now our approach to  
10 geothermal--

11 CHAIRPERSON GENNARO: All my  
12 questions are good questions. I'm the Chairman.

13 STEVEN CAPUTO: The approach the  
14 geothermal right now, it, for a dense urban  
15 environment it's a relatively new technology.  
16 Ironically, the City government has done the best  
17 job of making it happen. But the intention of the  
18 next part of the study is to really look at the  
19 fundamental economics--

20 CHAIRPERSON GENNARO: Right.

21 STEVEN CAPUTO: --which we don't  
22 really understand. So, it'd be hard to create an  
23 incentive structure without understanding how it  
24 works. One thing that we can do in the meantime  
25 that--

2 CHAIRPERSON GENNARO: But the City  
3 just kind of does it, like the City like deems it,  
4 waves a wand, and like that's kind of how it  
5 happened, right?

6 STEVEN CAPUTO: Well,  
7 unfortunately, we'd need State approval to create  
8 - -

9 CHAIRPERSON GENNARO: [interposing]  
10 Okay, I'm just curious about the process about  
11 that.

12 STEVEN CAPUTO: One thing that we  
13 can do, though, and I think it is maybe an even  
14 better incentive, in a way, is offering  
15 information resources. So what we're going to do  
16 is work with USGS to create much more detailed  
17 base maps of the City.

18 CHAIRPERSON GENNARO: Right.

19 STEVEN CAPUTO: So that people can  
20 say, "Wow, I could actually do geothermal in this  
21 area." So, you know, that's an interim step that  
22 we can do to foster the market.

23 CHAIRPERSON GENNARO: Okay, yeah,  
24 so we'll keep watching geothermal to move forward.  
25 We have someone from that industry is going to

2 testify later. And with that said, Madam Chair, I  
3 am done with my questions.

4 CHAIRPERSON REYNA: Thank you so  
5 much, Mr. Chair. I just wanted to make sure that  
6 we circle back with the Administration in  
7 understanding that there's a report you're going  
8 to be sharing with us.

9 STEVEN CAPUTO: Mm-hmm, I think  
10 several, yeah.

11 CHAIRPERSON REYNA: Several  
12 reports. Excellent. And making sure that I  
13 highlight the issue of the need to promote our  
14 businesses that are in the green industry, in one  
15 aspect or another, to environmentally conscious  
16 consumers, so that we're assisting our small  
17 businesses continue to grow which in fact assists  
18 our workforce to be hired, and making sure that  
19 these policies continue to benefit what would be  
20 the overall business community. Whether that's  
21 them as a supplier or them as a consumer, I just  
22 find that our hearing was so broad that perhaps we  
23 focused so much so on infrastructure, but didn't  
24 quite get to the point of how are we leveraging?  
25 And so I want to make sure that we continue to

2 challenge ourselves, both at the Council and the  
3 Administration, to be able to work together in  
4 creating that particular goal to be achieved,  
5 whether that's through your benchmarks, as have  
6 been expressed through EDC, cost saved for  
7 business owner on energy bills, environmental  
8 impact and economic impact--those could be three  
9 criteria overall, but I didn't quite understand  
10 who those small businesses are. And what scale as  
11 a small business are we referring to? Because if  
12 we're only analyzing, if we're not analyzing to  
13 understand whether or not we're impacting small  
14 businesses less than 20 employees, and only  
15 impacting businesses with more than 50 employees,  
16 or anything in between, we want to be able to  
17 capture all within the small business community.  
18 So I hope that we can continue to have this  
19 dialogue, and I want to thank the Administration  
20 and being a partner. Making sure that we are  
21 doing everything we can, in particular in the  
22 green industry movement. Thank you. I'd like to  
23 call Kevin Manley from New York Hospital, Queens;  
24 Adam Friedman, Pratt Center for Community  
25 Development. This will be the second panel, and

2 then there will be a last panel, consisting of  
3 Justin Green, Build It Green NYC; Mary Catalina,  
4 Brooklyn Navy Yard; Billie Roberti [phonetic],  
5 Green Choices Consulting; and Esteban Duran, from  
6 El Puente. That would be the third panel. As  
7 soon as Adam Friedman and Kevin Manley are ready  
8 to start, you may begin. I just want to make sure  
9 that we are conscious of the last 25, 35 minutes  
10 we have, so that way we are able to hear from  
11 everyone on these two panels.

12 ADAM FRIEDMAN: Okay, am I taking  
13 off? All right, thank you. Good morning, I'm  
14 Adam Friedman, I'm the Director of Economic--No,  
15 not anymore. Hi, I'm Adam Friedman, I'm the  
16 Director of the Pratt Center for Community  
17 Development. You have a presentation that's a  
18 series of PowerPoints, I'm just going to roll  
19 through them really quickly and try and relate  
20 them to the questions that you've been asking of  
21 the previous panel. We are firmly committed to  
22 diversifying the City's economy by building a  
23 healthy manufacturing sector, because it pays  
24 well. And encouraging green business practices is  
25 a critical part of that strategy. We don't see a

2 big gap between economic development and  
3 environmental responsibility. The rationale for  
4 that, the reason for that, is the chart at the  
5 bottom of page one: that green manufacturing is a  
6 growth strategy. It's based on a survey of  
7 companies that was completed about two years ago,  
8 and what it shows is that businesses which adopted  
9 sustainable business practices did significantly  
10 better than manufacturers which did not. So going  
11 green is good for business. Let's go to the next  
12 page. Question, and this was raised earlier as  
13 well--So what is a green business? You know,  
14 there's no, I have to say, there's no one  
15 standard. Because what is green today is not  
16 going to be green tomorrow. Right? It's  
17 changing. What's critical is it's part of a  
18 business strategy that the company has adopted,  
19 and it's going to influence everything they do,  
20 it's going to influence their marketing and their  
21 operations and their product development and their  
22 workforce development. It has to be an ongoing  
23 process of continuous improvement. So how do we  
24 do that? How do we promote sustainable business  
25 practices? One of our initiatives is, was Spec It

2 Green, which Council Member Gennaro helped provide  
3 funding for years ago. And what we were really  
4 trying to do there is show the business community,  
5 the manufacturers, that if they, that there was a  
6 market for green products. And it was putting  
7 together the architects and the developers and the  
8 contractors and the consumers of green building  
9 products with local manufacturers, so that the  
10 manufacturers knew that if they upgraded their  
11 operations and repositioned, there was money to be  
12 made. We call this the "Show Me the Money"  
13 strategy. And it included an event series, mini-  
14 trade shows to bring all the parties together, and  
15 we now have an online database of well over 1,000  
16 companies that are making products in New York,  
17 and it has a green icon, so if a consumer,  
18 responding to another question earlier about how  
19 consumers can find a green business, they can just  
20 sort and look for all the green businesses that  
21 are on it. Where we want to head with this is  
22 creating--we've done the demand side, right? What  
23 we got to provide next is the help and the  
24 technical assistance that companies need. So, the  
25 next steps in doing that, we believe, are creating

2 an extension services program just like the old  
3 agricultural extension services that upgraded  
4 agricultural practices, providing design help,  
5 packaging help, all the sorts of technical  
6 assistance that companies need to upgrade their  
7 operations. And what we've done to incentivize  
8 that is we have a number of developers, including  
9 the Dursts [phonetic] and Jonathan Rose Companies,  
10 who've agreed to work with us to source their  
11 products locally, so we clearly have a financial  
12 incentive for those companies to reupgrade and  
13 reposition. And let's go on to the last page.  
14 The first line, "Sustainability at the Navy Yard,"  
15 this grows out of a study that we completed  
16 recently on the economic impact and lessons  
17 learned from the Yard. What it shows, I think, at  
18 the beginning, is businesses are not necessarily  
19 oppositional to sustainable practice or  
20 environmental responsibility. 84 percent of the  
21 companies at the Yard who were surveyed supported  
22 the Yard's decision to move towards an echo  
23 industrial park. And more, perhaps more  
24 importantly, seeing that the Yard do that,  
25 influenced their own behavior, so that a third of

2 them said that they were now convinced and it was  
3 beginning to influence how they themselves  
4 operated. The next is just some of the practices  
5 at the Yard, but most important, down at the  
6 bottom, 53 percent of those companies that adopted  
7 sustainable practices thought it was improving  
8 their sales. That's almost the same as the prior  
9 survey work that we had done. It's good for  
10 business. One of the big lessons learned, "So how  
11 does this apply outside the Yard?" Well, this is  
12 TA. But what the secret of the art is just real  
13 estate stability. And we have to use the other  
14 tools, like zoning and investment in buildings, to  
15 stabilize real estate, so that companies have the  
16 confidence that they need to invest and buy new  
17 equipment and upgrade their workforce and make a  
18 commitment to sustainability. I just wanted to  
19 end with a program that we ran years ago growing  
20 out of the rezoning in North Brooklyn, the  
21 waterfront, which was a series of small grants to  
22 help companies improve their energy efficiency.  
23 Truthfully, one of the best things we ever did,  
24 you know, the average grant was about \$22,000. It  
25 grew, it was one of the things the City Council

2 negotiated for, out of this rezoning, and then got  
3 federal funding on top of that. In the end, we  
4 completed 39 energy efficiency projects, large  
5 scale solar, large scale cogeneration, but also  
6 tiny little manufacturers that each got \$5,000 and  
7 we had to aggregate them to get a contractor who  
8 was interested in doing the work and bidding for  
9 the whole group together. In the end, even though  
10 these were the small grant series, we were able to  
11 defer well over 2.2 megs in demand from the grid.  
12 What does that look like? That's basically enough  
13 to power 1,800 apartments. So, one of the more  
14 successful things we did, plus it shows how you  
15 can reach small businesses. Thank you.

16 KEVIN MANLEY: Thank you, good  
17 morning, Chairs Gennaro and Reyna, and thank you  
18 for the opportunity to speak here today. My name  
19 is Kevin Manley, I'm the Associate Vice President  
20 for Facility Management at New York Hospital,  
21 Queens, located at 5645 Main Street, Flushing.  
22 I'll try to go through the detail here as quickly  
23 as possible. NYHQ set a deep commitment to  
24 sustainability for the last decade. We've  
25 employed a number of different strategies to help

2 reduce hospital emissions, to help improve air and  
3 water quality in the City, and to help NYHQ save  
4 money on waste and energy costs. We've done  
5 these, a lot of these, it's been very important to  
6 partner with a number of different folks and  
7 agencies. We've partnered closely with our own  
8 employees, the local community, with other  
9 hospitals, we've partnered with the EPA,  
10 Department of Energy, the New York City Office of  
11 Sustainability, NYSERDA, and a number of other  
12 agencies, as well. In 2009, New York Hospital  
13 Queens joined the PlaNYC Mayoral Challenge to  
14 healthcare institutions. We were among the five  
15 early achievers. It was mentioned earlier, we  
16 were the first hospital in New York City to hit  
17 the 30 percent carbon emissions reduction goal.  
18 We've also partnered with Energy Star, Department  
19 of Energy's Energy Star, we participate in the  
20 national benchmark to benchmark our facility's  
21 energy use. And we have a number of other  
22 partnerships, as well. We've undertaken a number  
23 of projects over the years at the hospital, we've  
24 focused a lot on energy, that happens to be how  
25 we've hit so many of our carbon reductions. We've

2 replaced high pressure boilers, we've converted  
3 from number two fuel oil to natural gas. That  
4 conversion alone resulted in the elimination of  
5 3,400 metric tons of carbon emissions per year.  
6 Financially, it's also saved the hospital about \$2  
7 million annually on fuel oil costs. We've also  
8 targeted electricity usage; another big ticket  
9 item for hospitals running 24/7, very, very  
10 intensive facilities. We did a survey of the  
11 campus, we targeted large air handling equipment,  
12 we targeted areas that were not occupied 24/7, we  
13 were able to reprogram a lot of those units to set  
14 back temperatures during unoccupied times, and to  
15 turn them off during unoccupied times. That was a  
16 fairly simple, saved a tremendous amount of money,  
17 and again, some more carbon emissions, as well.  
18 We've done some lighting upgrades, we've put in a  
19 lot of lighting controls in the last several  
20 years. Outfitted approximately 500 light fixtures  
21 with occupancy sensors and photo cells. That  
22 saved us about 70,000 kilowatt hours of  
23 electricity per year, eliminates about 30 metric  
24 tons of carbon, and a very, very short payback for  
25 us, one that was very, very easy to do, payback of

2 only about a year-and-a-half. Two larger projects  
3 that we've recently completed, the first is the  
4 retro-commissioning of a large air handling unit.  
5 We basically took a very, very large air handling  
6 unit that served a large portion of our campus.  
7 Over the years, there's been more program, more  
8 people and more things put into that particular  
9 area. The unit has also degraded a little bit  
10 over time. It was under performing, and was not  
11 meeting our needs. So, we had to make some  
12 improvements. We sought to get as energy  
13 efficient as we could when we did this. And we  
14 initially partnered with NYSERDA, they funded 50  
15 percent of a flex tech study under the existing  
16 buildings program, to help us study that unit and  
17 design improvements to it. And we then took then  
18 and put that into a, put that into a, an  
19 enhancement of that particular unit, and it was  
20 retro-commissioned. We replaced the motors,  
21 replaced the coils, we upgraded controls and we  
22 installed a VFD, which is variable frequency  
23 drive, that allows the motor to operate at  
24 different speeds during times when the  
25 temperatures are being maintained. Saves a

2 tremendous amount of energy. So, the same unit  
3 today operates at about 25 percent electricity  
4 than before. Saves about \$250,000 kilowatt hours  
5 of electricity a year, eliminates about 100 metric  
6 tons of carbon from the atmosphere, and annual  
7 electricity savings are about \$40,000. As I said,  
8 NYSERDA helped us with the study and Con Edison  
9 benefit program provided money to us for the  
10 motors and the controls upgrades, as well. In  
11 2010, the hospital opened a brand new building.  
12 That building now houses ambulatory surgery,  
13 interventional cardiology, 80 new patient beds,  
14 the newer technology, the newer building materials  
15 and some of the newer design features in that  
16 building have also helped to make our campus more  
17 efficient. That's reduced our energy usage per  
18 square foot, as well. In addition to those  
19 things, we've targeted many other things. We have  
20 targeted water reduction, we've installed  
21 hydration stations to eliminate water use, we've  
22 installed low flow fixtures throughout the new  
23 building, and we make that standard in our  
24 existing building. And these, all of these  
25 things, provide a number of benefits, they provide

2 benefits to the community, the elimination of the  
3 fuel oil has improved air quality, the cleaner  
4 burning gas is much, much better, we've reduced  
5 the carbon emissions. We reduced stress on the  
6 City's infrastructure, as well, by getting leaner  
7 and more efficient on electricity and natural gas.  
8 That reduces stress on those particular grids  
9 during terms of high uses, especially in the  
10 summer when you see high electricity usage. It  
11 helps Con Ed and the utilities avoid brown outs.  
12 We've also helped the local economy. A little  
13 harder to quantify on some of these particular  
14 things, 'cause they're small projects over a  
15 period of time. But we hire local design firms,  
16 we do hire green firms on occasion. Borem  
17 [phonetic] Energy Engineers is a green firm that  
18 performed the initial study on a chilled water  
19 analysis. We work with NYSERDA, we used NYSERDA  
20 approved flex deck contractors on some of these  
21 projects. And we used a number of local firms  
22 here, as well. We also use local contractors,  
23 local suppliers, some of our own local suppliers  
24 are providing us with lighting controls, low flow  
25 fixtures, things of that nature. As we go through

2 existing spaces and renovate, and just to the  
3 normal course of business. And then local  
4 contractors, as well, who have provided most of  
5 the labor and most of the project work on these  
6 things. We also employ a full service energy  
7 advisor to assist in managing our budgets, our  
8 commodity procurement, regulatory compliance with  
9 Local Laws 84 and 87. They help us to target  
10 financing strategies on some of our energy  
11 projects, and they've helped us to develop a lot  
12 of these sustainable practices. The company's  
13 Gotham 360, New York City based, woman owned  
14 business, an Energy Star service provider, they  
15 provide a lot of work and a lot of benefit to us,  
16 as well. They've also helped us enroll in the  
17 Recharge New York electricity program, whereby the  
18 hospital's now actually buying a portion of our  
19 electricity now is generated through hydro power.  
20 Another thing that we've done at the hospital is  
21 we've tried to engage as many of our stakeholders  
22 as possible. We recognize the importance of our  
23 staff, our employees, our physicians, our  
24 patients, we've had a lot of questions over the  
25 years from these stakeholders as to what the

2 hospital is doing to become sustainable, what  
3 they're doing to reduce their environmental  
4 impact. And a couple years ago, we formed a  
5 sustainability counsel, also known as our green  
6 team. And this is a multidisciplinary group of  
7 people in the hospital who work together, to  
8 continue to put forth and vet new ideas and to  
9 promote the initiatives that are currently out  
10 there. This counsel hosts a annual Earth Day  
11 Fair, we just held our third annual earth Day Fair  
12 this past week, where we try to promote the many,  
13 many different initiatives that are out there, and  
14 the benefits that they do provide to our patients  
15 and our staff and the community at large. They've  
16 been very, very instrumental in increasing our  
17 recycling efforts. The hospital now recycles  
18 about--over 17 percent of all waste is recycled,  
19 our regulated medical waste is less than five  
20 percent. Both of those numbers meet some industry  
21 standard thresholds. First tier benchmarks for  
22 recycling and waste and we are diverting over 21  
23 percent of total waste right now from the  
24 traditional landfill. Another project, switch  
25 gears a little bit, is a green roof, the DEP folks

2 were speaking here earlier about the green roof,  
3 and they spoke particularly about the grant for  
4 the Flushing Bay and Gowanus Canal. And New York  
5 Hospital Queens is a participant in that. We have  
6 approximately planting half an acre of green roof  
7 on our facilities, which will directly improve  
8 water quality in nearby Flushing Bay, as well as  
9 provide a series of other benefits to us as well.

10 On the economic, or the benefit sides, here to the  
11 City, the grant program is overseen by Manhattan  
12 College, Dr. Scott Lowe, Professor of Engineering  
13 at the College, oversees the project, and their  
14 engineering students actually participate in the  
15 installations, they participate in the data  
16 gathering and analysis, and get some hands on  
17 experience in the field working on these types of  
18 projects while they are students there. We've  
19 also worked on reductions and hazardous waste  
20 reductions. Our laboratory folks, this actually  
21 came out of our green team, gentleman on the  
22 committee felt that we could reduce our use of  
23 formalin, which is used in the processing of  
24 tissue and slides in the laboratory, those efforts  
25 actually resulted in a 35 percent reduction in the

2 use of formalin, which is a hazardous materials,  
3 so now we procure less, and of course we reduce  
4 our hazardous waste as a result. We look to  
5 reduce and recycle anywhere we can. At our  
6 loading dock, we recycle shipping pallets, we  
7 recycle shrink wrap, the pallets are sent back to  
8 the companies, they're reused. The, one of our  
9 primary suppliers that probably supply a majority  
10 of the major, major materials coming into the  
11 hospital. They eventually break those pallets  
12 down into mulch for gardens, when all is said and  
13 done, and the shrink wrap that we collect and send  
14 back to them, they actually sell off to a company  
15 and it's reprocessed and it's one of the  
16 ingredients in composite lumber checks, composite  
17 lumber that you see on decking and things of that  
18 nature. So we look to participate in those types  
19 of things anywhere we can. We have a number of  
20 other initiatives that are in place, or being  
21 developed as we speak. We're currently conducting  
22 a cogeneration feasibility study, NYSERDA again is  
23 assisting us with that. They, through the flex  
24 tech existing building program, they are helping  
25 us to fund that particular study. And Genesis

2 Engineering, another green business, and a NYSERDA  
3 flex tech provider is performing that study right  
4 now. If the results are favorable, we would  
5 definitely look to consider installing a  
6 cogeneration and a combined heat and power  
7 facility at our campus. And we're also looking to  
8 issue an RFP to an energy advisor firm, to help us  
9 with some smaller goals along the way. And we  
10 will definitely be hiring somebody shortly to  
11 assist us with our energy audits and Local Law  
12 84/87 compliance. 2015 will actually be our year  
13 that our report is due, so we'll be looking to  
14 move forward with that. Thank you.

15 CHAIRPERSON REYNA: You blew me  
16 away. I want to just ask you, Mr. Manley, are you  
17 participating in a council with public and private  
18 hospitals coming together?

19 KEVIN MANLEY: Yes, we are. We're  
20 part of the PlaNYC program and part of the Mayoral  
21 Challenge. And the Health and Hospital  
22 Corporation is one of the partner hospitals.  
23 There's eleven hospitals in that challenge. So we  
24 have public and private hospitals in there.

25 CHAIRPERSON REYNA: Is Woodhull one

2 of them?

3 KEVIN MANLEY: All the HHC  
4 hospitals are.

5 CHAIRPERSON REYNA: All of them.

6 KEVIN MANLEY: Yeah, they're all  
7 in, yeah.

8 CHAIRPERSON REYNA: Okay.  
9 Represented by HHC.

10 KEVIN MANLEY: All represented by  
11 HHC, I believe someone from central office is  
12 representing the HHC folks on that panel.

13 CHAIRPERSON REYNA: Do you by any  
14 chance know if Wyckoff Hospital is in there?

15 KEVIN MANLEY: They are, yeah.

16 CHAIRPERSON REYNA: Okay. I just  
17 ask because those are my two hospitals, so I'm  
18 going to go home and tell them, "This is the  
19 blueprint I want you to now follow." I want to  
20 just express to you, you know, this has been  
21 accomplished in one year, you're referring to, or  
22 over the course of three years?

23 KEVIN MANLEY: Everything I've  
24 spoken about has probably taken place over the  
25 last ten years.

2 CHAIRPERSON REYNA: Okay.

3 KEVIN MANLEY: The, we joined the  
4 PlaNYC, the Mayoral Challenge in 2009, and by the  
5 end of 2011, we had just hit the 30 percent  
6 reduction, and we brought that a little further in  
7 2012, and the announcement was just two weeks ago.

8 CHAIRPERSON REYNA: Excellent. And  
9 the planning stage took how long, as far as  
10 understanding what consultants you had to hire,  
11 you know, who, what benchmarks you needed to  
12 reach?

13 KEVIN MANLEY: So, it's--

14 CHAIRPERSON REYNA: Before  
15 implementation.

16 KEVIN MANLEY: Yeah, it's ongoing.  
17 When we joined the campaign, there were obviously  
18 a few things already in the works, the design for  
19 the West Building was already in place. We were  
20 looking to make it as sustainable as possible,  
21 while still being as affordable as possible,  
22 hitting all our goals to provide all the services  
23 we wanted to provide in that building. So that  
24 stuff was already in place. The more we go, the  
25 better it gets. The PlaNYC campaign has been

2 very, very helpful in bringing together these  
3 hospitals. Everybody works as a partner with the-  
4 -the partner meetings are actually wonderful,  
5 they're really, it's an opportunity to sit around  
6 and share best practices. I've left some of those  
7 meetings and gone to a colleague's hospital and  
8 looked at something they were doing and I'm  
9 actually looking to implement one of them within  
10 the next couple of months. Just something they  
11 shared with us through this, you know,  
12 collaborative effort.

13 CHAIRPERSON REYNA: Sure. And as  
14 far as the supply chain, how do you see yourself  
15 as an institution impacting the small business  
16 community? Whether that's through vending  
17 supplies in the green industry amongst the small  
18 business community, or something other than?

19 KEVIN MANLEY: I don't do most of  
20 the procurement, but the procurement folks are on  
21 our green sustainability council. And one of the  
22 things we do look at, where possible, is, you  
23 know, when can we buy locally, when can we reduce  
24 truck and shipping traffic, and things of that  
25 nature. We look to do a lot of that in our food

2 services right now, we provide, you know, over  
3 3,000 meals a day are provided to staff and  
4 patients. So, they're continuously looking to see  
5 if they can buy more locally, and buy from greener  
6 providers and green their operations, as well.  
7 It's probably more in its infancy than some of the  
8 energy projects.

9 CHAIRPERSON REYNA: Sure.

10 KEVIN MANLEY: But something we do  
11 look at.

12 CHAIRPERSON REYNA: And not just in  
13 the food area, but how do you know where to go for  
14 your green vendors?

15 KEVIN MANLEY: So, once again, kind  
16 of a variety. We have a lot of purchasing  
17 agreements with some large scale vendors, you  
18 know, part of, we are part of the New York  
19 Presbyterian Healthcare System, so we have that  
20 kind of conglomerate of hospitals, much like HHC.  
21 So there's a lot of group purchasing done through  
22 that.

23 CHAIRPERSON REYNA: But not  
24 necessarily because they're green. Or is that--?

25 KEVIN MANLEY: I don't know, I

2 don't know, I'm not making the decisions there.

3 CHAIRPERSON REYNA: Sure.

4 KEVIN MANLEY: So I'm not 100  
5 percent certain what's driving their decisions. I  
6 mean, definitely economics comes to play, every  
7 dollar in the hospital competes for clinical needs  
8 and upgrades within the institutions. So,  
9 finances are always a factor. The green  
10 committee, the sustainability council, does look  
11 to push for more and more green purchasing,  
12 looking for green vendors. One thing we do is  
13 with almost all of our appliance needs, almost all  
14 our computing needs, is we do look for Energy Star  
15 ratings, that's one way we look for green. And  
16 then where possible, as an example with the food,  
17 you know, we're looking for green alternatives  
18 that are close and local. But again, still, more  
19 in its infancy than some of the energy.

20 CHAIRPERSON REYNA: Sure. Well, I  
21 look forward to hearing further into your greening  
22 of what is your hospital, what you've come up with  
23 in innovative ways to look at providing the  
24 highest of standards as far as this discussion is  
25 concerned. And for Adam Friedman, I just wanted

2 to understand, as far as your Spec It Green, you  
3 mentioned that there was an introduction of law in  
4 two thousand--Oh, I apologize. [background  
5 comment] Okay. The fact is that there was, in  
6 2011, a program for businesses to obtain green  
7 certification from the City. Should the City pass  
8 a bill like the one referred to in 2011, to  
9 certify businesses across all sectors, not just  
10 the building sector, as green? So, for instance,  
11 the Made NYC has really made some segue way, but  
12 it's only referring to what would be building  
13 infrastructure, where we could have, go beyond  
14 what would be building infrastructure, to being  
15 able to impact across all sectors, whether that's  
16 food or otherwise. What problems do you see in  
17 doing this? Are there any?

18 ADAM FRIEDMAN: Well, first of all,  
19 Made in NYC is across all sectors, there's a  
20 tremendous number of food companies and power  
21 companies and everything. It really reflects the  
22 diversity of New York's economic base. You know,  
23 the challenge is that diversity. You know, in  
24 coming up with standards and making those judgment  
25 calls. Just the sheer volume of businesses

2 involved. You know, I apologize, I'm not familiar  
3 with this specific proposal. You know, whether it  
4 rests on some sort of self-certification model,  
5 which we have a self-certification process, but  
6 every company gets called, every company gets  
7 visited, there'd have to be something like that,  
8 so there's some big administrative challenge. But  
9 it's certainly worth looking at. You know, and  
10 we'd be happy to collaborate in some way. We are,  
11 but we already have this mass, we already have  
12 well over 1,000 companies that we've certified as  
13 being, as actually manufacturing in New York City.

14 CHAIRPERSON REYNA: And not just in  
15 the building infrastructure world.

16 ADAM FRIEDMAN: Oh, no, it's across  
17 the board, yeah.

18 CHAIRPERSON REYNA: Okay. Right.

19 CHAIRPERSON GENNARO: And Adam, I'd  
20 just like to have your business card, I don't know  
21 how you - - from when you moved.

22 ADAM FRIEDMAN: Sure.

23 CHAIRPERSON GENNARO: From the  
24 other thing to what you're doing now, 'cause we  
25 had a lot of good collaboration early on, and I'd

2 like to keep that going. So just--

3 ADAM FRIEDMAN: I'd be happy to do  
4 that.

5 CHAIRPERSON GENNARO: --get your  
6 contact information and we can, you know, do some  
7 stuff.

8 ADAM FRIEDMAN: Good, thank you.

9 CHAIRPERSON GENNARO: Very good  
10 panel. Thank you.

11 KEVIN MANLEY: That's a wrap.

12 CHAIRPERSON REYNA: All right,  
13 gentlemen.

14 KEVIN MANLEY: Thank you.

15 CHAIRPERSON REYNA: Thank you so  
16 much. I'd like to call up Esteban Duran from El  
17 Puente; Billie Roberti, Green Choices Consulting;  
18 Mary Catalina, Brooklyn Navy Yard; Justin Green,  
19 Build it Green NYC. And this is our last panel of  
20 the day, and I thank all of you for participating  
21 in this joint hearing. [pause, background noise]  
22 They're going to get you some paper towels, one  
23 second. [pause, background noise] You may begin.  
24 The Sergeant-at-Arms will come by and pick up your  
25 testimony. Whoever would like to start first.

2 BILLIE ROBERTI: I'll start. Thank  
3 you, my name is Billie Roberti. And I'm very  
4 honored to be invited. It was at the behest of  
5 Samantha Swanson, Samara Swanson. And--

6 CHAIRPERSON GENNARO: Hi, Billie,  
7 good to see you.

8 BILLIE ROBERTI: Yes, and, and Jim  
9 Gennaro. Thank you very much. And thank you,  
10 Chairperson Reyna, also. Ms. Swanson thought that  
11 I had a unique point of view to this hearing, and  
12 she encouraged me to come. This is my first  
13 experience, so please be very forbearing. You  
14 know, you don't have to wear ragged jeans and  
15 Birkenstocks and have a scraggly beard to be  
16 green. In fact, you can wear a business suit and  
17 wingtip shoes or heels, and still walk gently on  
18 the earth. What distinguishes the green person is  
19 his or her commitment to green values, such as  
20 wise use of planetary resources, such as in the  
21 environmental 3 Rs: Reduce, Reuse, Recycle, in  
22 that order; energy efficiency and self-sufficiency  
23 in using renewable energy technologies, clean air,  
24 clean water, clean soil; enhancing the health and  
25 safety of both indoor and outdoor environments;

2 sustainability, working in partnership with others  
3 and the earth; and respect for the planet and its  
4 ecology. I am a native New Yorker, I now operate  
5 out of Huntington Station, my company is Green  
6 Choices Consulting. My partner is in the  
7 audience, Ira Zucker. He's a green certified  
8 commercial real estate agent. So this fits in  
9 very well with that, what he does. Together, we  
10 are Green Choices Consulting. Our tagline is,  
11 "Green advice that returns green to your pocket."  
12 I'm not here to give statistics about the greening  
13 of America's businesses or any other kind of  
14 statistics. I'm here to give personal, real life  
15 information about what I do, why I do it, and how  
16 greening homes and businesses can be easier than  
17 most people think. How did we become Green  
18 Choices Consulting? The seed from which this  
19 business sprouted was my desire to invest in green  
20 technologies. In the end, I didn't invest in  
21 stocks or mutual funds--with the way the stock  
22 market was going in 2009, these were, these things  
23 seemed theoretical to me--but in our home. This  
24 way, instead of receiving a monthly brokerage  
25 statement on any losses or gains, I would receive

2 lower monthly utility bills guaranteed. This was  
3 a return on investment that I could live with. We  
4 were inspired by TV programs: Planet Green, which  
5 has now been rebranded out of existence, was a  
6 great inspiration to us, including also the DIY  
7 Channel. This is how we spent some Saturday and  
8 Sundays, watching these programs. They inspired  
9 us on many different green products and options  
10 and concepts that we explored. In 2002, after two  
11 years of researching the best methods and products  
12 for us, we moved out to live in a nearby  
13 apartment, with Ira in charge as general  
14 contractor, our subcontractor gutted our Cape Cod  
15 house. In addition to weather sealing and  
16 insulating the building envelope, and replacing  
17 all the windows and doors with Energy Star ones,  
18 we installed a geothermal heat pump system and  
19 solar panels. Our goal was a net zero house. A  
20 net zero house is one with zero net energy  
21 consumption and zero carbon emissions. It  
22 produces all the electricity it needs to function.  
23 Although this goal was not fulfilled because we  
24 couldn't install enough solar panels to meet our  
25 electrical needs, our total utility costs

2 decreased from \$3,186 in 2009, which was the last  
3 full year of utility bills we had, to \$1,809 in  
4 2012. This was a 43 percent reduction.

5 Meanwhile, heating oil prices have increased 44  
6 percent from 2010, which is the last time we  
7 purchased oil, and that's based on NYSERDA's  
8 average home heating oil prices for Long Island,  
9 dated April 16, 2013. But we did realize a home  
10 Energy Star rating, a HESR rating, of 95. The  
11 Long Island Power Authority awarded us with  
12 \$10,000, thank you very much. We expect to attain  
13 a leadership in energy and environmental design  
14 LEED rating of silver, or perhaps even gold; right  
15 now, that's still in the works. And NYSERDA will  
16 grant us \$5,000 for this accomplishment, at least  
17 for now. After or greenovation of our home Energy  
18 Star, after our greenovation, our home Energy Star  
19 yardstick score, which can be calculated on the  
20 EPA's website, rose from 4.3 to 9.2. The home  
21 energy yardstick is a basic performance based home  
22 assessment, that looks at the actual energy use of  
23 your home, based on your last 12 months of utility  
24 bills, compared to that of similar homes. To  
25 ensure the homes across the country can be

2 compared properly, the yardstick uses a  
3 statistical algorithm to take into account the  
4 effects of local weather, home size and number of  
5 occupants on your home's energy use. We also had  
6 a before and after home energy audit. Results  
7 showed our house went from 22 air changes an hour  
8 before, to five after the work was done. That had  
9 been one drafty house. After the completion of  
10 this project, we realized few homeowners and  
11 commercial property owners would have the time,  
12 energy or technical know-how to adequately  
13 greenovate their buildings.

14 CHAIRPERSON REYNA: If you can  
15 start wrapping up your testimony, we have less  
16 than two minutes for the next hearing to begin,  
17 and I want to give every member of the panel an  
18 opportunity to continue their testimony. So we  
19 will be running late, but I want to make sure that  
20 we have appropriate time for everyone else.

21 BILLIE ROBERTI: Okay. As a result  
22 of my experience, I was nominated to the town of  
23 Huntington Renewable Energy Force Taskforce. We  
24 have done outreach about home energy efficiency,  
25 we found that there's a really low turnout,

2 disappointingly so. I also became a charter  
3 member of the Long Island Geothermal Energy  
4 Organization, which is new, and it's a nonprofit  
5 trade association, with the goal of advancing the  
6 use of geothermal. What we do at Green Choices,  
7 is we do environmentally, economically and  
8 socially responsible principles, projects and  
9 technologies in our consulting. This is  
10 groundbreaking work, no one else does what I call  
11 "360 degree green consulting." And we are only in  
12 the startup phase of our business. We work with  
13 clients, asking them about their goals, we ask  
14 them what information they want to do, how old is  
15 their heating and cooling system? I have an  
16 example in the notes about just relighting your  
17 business or home, and the costs for continuing to  
18 use incandescent bulbs, switching to compact  
19 fluorescents, or going to LEDs. It's amazing the  
20 savings. And in terms of helping businesses go  
21 green, I was comparing the solar PV incentives to  
22 the geothermal, and really geothermal is really  
23 the way to go, and we really need to get the  
24 incentives for geothermal to match those of solar.  
25 That is critical. Geothermal is a day or night,

2 24/7, rain or shine technology. It does not rely  
3 on the sun shining, unless of course the sun stops  
4 shining entirely, in which case we've got much  
5 bigger problems ahead of us. And I guess I will  
6 let your questions go, in terms of the biggest  
7 problem is outreach, getting people in to hear  
8 what we have. It seems like we need to do a TV  
9 blitz for people to know because they're otherwise  
10 occupied with other things. And it's really hard  
11 to get their attention, even when it's talking  
12 about lowering the utility bills. Thank you.

13 CHAIRPERSON GENNARO: Next.

14 Esteban?

15 ESTEBAN DURAN: Hi, good afternoon,  
16 everybody. My name is Esteban Duran, I am an  
17 organizer at El Puente. Particularly, we have a  
18 ten year initiative called the Green Light  
19 District, where we want to make a sustainable,  
20 green and growing, the Williamsburg Southside  
21 Community, and part of that initiative--just so  
22 you know, El Puente's been around for 30 years, in  
23 Williamsburg and Brooklyn, as a human rights  
24 institution in nurturing leaders for peace and  
25 justice. In 2012, El Puente was one of 17

2 community based organizations in all of New York  
3 State, awarded funds from the New York State  
4 Energy Research Development Authority, NYSERDA,  
5 Green Jobs, Green New York program to promote it.  
6 Of the 17 community based organizations doing this  
7 outreach, seven are based in New York City, two of  
8 them in Brooklyn, and in NYSERDA's own words,  
9 Green Jobs, Green New York provides funding for  
10 green assessments, low cost financing for energy  
11 upgrades, and a technical and financial support to  
12 develop a clean energy workforce. Basically, our  
13 outreach consists of raising awareness of the  
14 NYSERDA programs. One of their main programs is  
15 the home performance with Energy Star, which is  
16 for one to four family homes, so that they could  
17 become more energy efficient, and energy audits or  
18 assessments. And in particular, for small  
19 businesses, NYSERDA offers incentives up to  
20 \$30,000 in loan financing for half the market  
21 rate, up to \$100,000. And for businesses to  
22 qualify, they must have an average of electrical  
23 demand of 100 kilowatts or less. And then, small  
24 businesses begin by having the flex check energy  
25 audit, and I think the gentleman from here, from

2 Queens Hospital, from New York Hospital in  
3 Flushing, Queens, mentioned the flex tech program  
4 a few times. We're basically, El Puente, we've  
5 connected with the neighborhood business  
6 improvement districts, to promote the program.  
7 And we even conducted canvassing to businesses,  
8 just you know, walking into their businesses,  
9 letting them know about the options. And there  
10 has been interest in the program, by neighborhood  
11 businesses. The main barrier, and that was  
12 mentioned before, too, is a lack of awareness.  
13 And also financing is also one. So, just in terms  
14 of suggestions, we would just say to small  
15 businesses to make the move to energy efficiency,  
16 it's basically maybe to have our Council Members  
17 host meetings to invite, you know, the Green Jobs,  
18 Green New York CBOs to talk about the outreach.  
19 And I actually did this a little bit at a  
20 homeowner's forum that Council Member Reyna had,  
21 that Chair Reyna had. And that was very helpful  
22 for outreach to homeowners. And basically also  
23 maybe creating or exploring a local tax write off  
24 or loan fund, to ease the burden for small  
25 businesses to participate. But thank you so much

2 for your time.

3 JUSTIN GREEN: Hi, I'm Justin  
4 Green, I'm from Build it Green, I actually run a  
5 small business, a small green business. We're a  
6 nonprofit community based business, we basically  
7 take in donations of buildings--

8 CHAIRPERSON REYNA: I'm sorry, Mr.  
9 Green.

10 JUSTIN GREEN: Yeah, go ahead.

11 CHAIRPERSON REYNA: Our Sergeant-  
12 at-Arms didn't realize that you had your  
13 testimonies.

14 JUSTIN GREEN: Yeah, I can--  
15 [background comments] I realize--as I was sitting  
16 here, the, it, my testimony was a little generic,  
17 in terms of more focused on the environment. I  
18 mean, I think when I, we're nonprofit, but also  
19 business, we operate as a business, so when asked  
20 for testimony I tend to focus on the broader  
21 environmental issues than specifically what would  
22 help us as a small business. So, I thank you guys  
23 for having this and really focusing on it, because  
24 it's, you know, an issue. We started up eight  
25 years ago, we're at 30 staff people now. We

2 divert building materials by taking in donations,  
3 we're sort of like a Goodwill meets Home Depot.

4 We also have a six person composting team that's  
5 been expanding in partnership with the Department

6 of Sanitation and Parks. And we're looking at

7 expanding into other operations. So we're, we've

8 looked at different manufacturing processes we

9 could add to keep expanding our reach and job

10 creation. We're part of a larger, nonprofit

11 called Community Environmental Center, that does

12 energy efficiency work throughout the City, and

13 partners with El Puente. And but mainly in the

14 low income, residential houses, or apartment

15 buildings. One of the things that I've found as

16 running this, I've started this program from the

17 beginning, and expanded it to its current state,

18 is the--we didn't really have a lot of luck with

19 EDC, or really getting help from the City in terms

20 of helping us get our small business off the

21 ground. We got help from the State, and we got

22 help from the Empire State Development Corp.,

23 which has a waste diversion grant fund that is

24 specific to helping businesses start that are

25 going to divert waste. And so that helped us on--

2 CHAIRPERSON REYNA: - - is that  
3 because your sector is not recognized in the City  
4 of New York? Or is it because you went to the  
5 Small Business Services Department and they turned  
6 you away, or--?

7 JUSTIN GREEN: It was mainly that I  
8 think what we were looking for was better ser--  
9 there, there's nothing citywide that gives out  
10 grants on waste diversion. So what we were doing  
11 was very specific, and wasn't, there wasn't a real  
12 funding mechanism at the City level, that focused  
13 on developing that industry. So, it just worked  
14 out better for us, in terms of, there was a City  
15 Council grant that had, had sort of expired right  
16 when we were starting, that had funded a couple of  
17 startup program. Now, Lower East Side Ecology  
18 Center's electronics recycling program had  
19 initially been funded by the City Council program.  
20 And the predecessor to our organization was found,  
21 was also funded by the City Council funding. But  
22 it wasn't EDC, it was City Council funding that  
23 made that happen. So, we're, and in terms of  
24 also--what we have made use of, as a small  
25 business, is the workforce development program.

2 So we've hired a bunch of folks out of training  
3 programs, we work closely with various training  
4 programs, reentry programs, youth employment  
5 programs. So about 25 percent of our staff come  
6 from those various programs, where they came  
7 through, trained with us, and now have permanent  
8 jobs. So as a small business, though, most of the  
9 folks you see from the City are, you see the Fire  
10 Department a lot, you know, and they're inspecting  
11 for various violations. You see Sanitation out  
12 giving you, you know, tickets for potted plants or  
13 something that are out there, they're not supposed  
14 to be, and you get parking violations. What would  
15 be really useful, what we--we did make the use of  
16 flex tech, because the contractor hired by,  
17 through the NYSERDA program, came out, was  
18 knocking door-to-door. You know, and showed up at  
19 our place, and was like, "Do you guys want a  
20 audit?" And we're like, "Oh, well, you're here,  
21 yeah, let's do an audit." And so it was, we went  
22 and took advantage of that. That was for  
23 replacement of lights, though, existing, and we  
24 were doing some new installation and there was no  
25 subsidy for the new installation. So you could

2 get a change out of lights, but you know, when I  
3 think of all the small businesses in the City,  
4 like the bodegas and the small restaurants, like I  
5 don't know how, you know, they're not like--the  
6 hospital's done a great job, and it's really  
7 inspiring, but they have, you know, staff,  
8 multiple staff, people working on figuring out how  
9 to make this happen. As a small business, you  
10 know, I'm the director, and I'm the one who's sort  
11 of, I'm like managing everything, but I'm also the  
12 one who interacts with, "Okay, should we take  
13 advantage of this? Should we take advantage of  
14 that?" So, I'm like an owner. And I know I'm  
15 stretched thin, and so what I have managed to take  
16 advantage of, are the, when the City's been, or  
17 the government programs have been really proactive  
18 about reaching out. So that's the employment  
19 programs, the workforce programs, and flex tech.  
20 And so those have been really useful. What I  
21 would like to see, and sort of on a much broader  
22 scale that I laid out here in my testimony, is  
23 more about sort of broader environmental  
24 regulations that could help create business, I  
25 think, in the City. And one of the ones that we

2 focus on is that there's no regulations for C and  
3 D waste, recycling in the City, so there's no  
4 requirement that construction demolition waste be  
5 recycled or reused, and there's no incentive for  
6 that to happen. So, we offer a service where we  
7 go out with our trucks and pick up materials for  
8 free, and it's hard to get people to actually use  
9 that service. We'll come, you know, at a day's  
10 notice, 48 hours' notice, we have three trucks,  
11 going around the City, and it can be a challenge  
12 to get people to actually, you know, not throw  
13 materials out and donate them instead. And that's  
14 the same across the board, I think, for a lot of  
15 recycle--like recycling companies. They might be  
16 able to expand in the City and create more  
17 manufacturing, remanufacturing from recycling  
18 goods, if there was a guaranteed supply that the  
19 City could provide by requiring certain amounts of  
20 recycling and/or composting. And so that sort of  
21 comes out of a broader, perhaps a zero waste goal  
22 framework for the City, that San Francisco's just  
23 taken on, San Francisco's at about 80 percent  
24 recycling and composting. And I know New York,  
25 we're probably around 15 to 20 percent. So I

2 think there's a lot of room for growth, but there  
3 also is room for jobs. So, the company that  
4 handles that in San Francisco is a local, employee  
5 owned company, that handles all their composting  
6 and recycling, called Recology. And that is, you  
7 know, a model we'd love to see here in the City,  
8 is more employee controlled, instead of these  
9 giant companies coming in, taking some of these  
10 like energy efficiency contracts, taking some of  
11 the, you know, handling all the waste, but locally  
12 controlled, hopefully community based business.

13 And on the one other point, like it was said, the  
14 commercial building owners, too, that are required  
15 to make these upgrades, they're not really  
16 required to make it, so we're doing these  
17 benchmarking, but we're not really requiring  
18 anyone to make that. So, we have two buildings  
19 that we rent that are very inefficient, and we've  
20 made all the efficiency upgrades that have  
21 happened, and that's just out of our own  
22 interests. But as another small business doing  
23 that, you wouldn't necessarily make those upgrades  
24 in the building envelope. And your building  
25 owner, your landlord's not going to do it. So,

2 unless they're forced to do these upgrades, it's  
3 not going to happen. So, and I think the  
4 landlords in New York City can probably afford to  
5 make those upgrades.

6 MARY CATALINA: Okay, my name's  
7 Mary Catalina, and it's a very rare event that a  
8 person like me would be here, because I am a small  
9 business owner. I employ less than five people,  
10 and my business has been in business for 17 years  
11 in New York City. And I'm a green business since  
12 the beginning, because I recycle clothing. I'm a  
13 vintage and antique dealer. And so I have a lot  
14 of knowledge in New York City, from the bottom to  
15 the top, because I work with, you know, I buy from  
16 people in the flea markets, the rag houses, and I  
17 sell to the garment and the fashion industry. So  
18 I have a really good view of how the textile and  
19 garment industry works in New York City. There's  
20 two points--I know we don't have time, so I have  
21 two points I want to make. And I am nervous, I  
22 didn't know we were supposed to write something up  
23 for this. I thought you were going to ask us  
24 questions. But, the--and I've never spoken  
25 publicly either before--but the two points I want

2 to make are that small business people don't have  
3 time to go out and find out about all these  
4 resources and all these things that I'm hearing  
5 about in here. We have to generate income as a  
6 small business. And I think Justin understand  
7 this. And that's one of my favorite. I shop all  
8 the time, I redid my kitchen with everything from  
9 Build It Green. So, if you don't go--and small  
10 businesses are the base, you know, everybody  
11 understands that the very small, grassroots  
12 businesses are the base that holds up society.  
13 And also that is women owned businesses, and it's  
14 also that it's soft businesses, textile and food.  
15 So, there is, there's been nothing in this room  
16 that addressed textile recycling, and textiles are  
17 the biggest, the manufacturer of textiles is the  
18 biggest polluter of water in the world. So, you  
19 can take that fact and go from there about  
20 textiles and how important it is to recycle them.  
21 So, a) if you don't go out to the people, the  
22 small business owners and take 'em by the hand,  
23 you're never going to get them involved, because  
24 they're generating income to support people who  
25 have less income than them. Okay? The next thing

2 I want to say is that my biggest challenge in  
3 business in New York City is space. Everything is  
4 designed for people who have lobbyists, who can  
5 hire lawyers, who can, you know, allocate man  
6 hours to a person to go and research the programs  
7 that are available to people. And as I said, this  
8 goes back to being a business owner, and my  
9 primary responsibility is to generate income to  
10 support myself and the people who work for me.

11 So, there's a huge imbalance in New York City, and  
12 we all talk about it, and it's written about all  
13 the time, but if you don't incentivize the space  
14 for small business, it's not ever going to happen.  
15 So, I can't tell you, I mean, I could write a book  
16 about moving my business, I just moved it twice in  
17 the last five years, and after 17 years in  
18 business I would like to move out of New York  
19 City, just not to deal with it. But my customers  
20 are in the garment center. You know, I take  
21 garbage and I transform it up to the highest  
22 level, I find the highest value in--I mean, I even  
23 find stuff on the street. And it has to go to the  
24 highest level, which is the garment center of  
25 these people. So, the space thing, it just kills

2 me. There's, you know, everything is geared in  
3 New York City towards the real estate developer.  
4 So if you don't really, you know, like I said, go  
5 out and hold the hand of the small business  
6 operator, and give them a place to be, where they  
7 know they can stay for a long time, and they're  
8 not going to have their rent go up every three  
9 years, then you're going to, this is going to  
10 stimulate small business, just that, just doing  
11 that is going to stimulate small business. The  
12 incubators that you started are for what I--  
13 there's one, I'm in the Brooklyn Navy Yard now,  
14 that's my final resting place for my business; if  
15 it doesn't work then, you know, I'll go to the  
16 Peace Corps or something. [laughs]

17 CHAIRPERSON REYNA: Absolutely not.

18 MARY CATALINA: But--

19 CHAIRPERSON REYNA: We, you have to  
20 stay there, because that's the whole purpose of  
21 creating protected space, affordable space.

22 MARY CATALINA: But I really want  
23 to be in midtown. That's where my business works  
24 easy. I could walk around the block in midtown  
25 and meet customers and meet new customers there,

2 and business would move like this. [snaps] But I  
3 got forced out of midtown by the landlords. You  
4 know? And I could, you probably know the  
5 landlords, they're the biggest landlords in the  
6 world, if I mention their names. So, that's the  
7 main thing. I think, you know, and the third  
8 thing I'd like to say is the whole thing about  
9 textile recycling, you have to start a textile  
10 recycling program that benefits New York City.  
11 Right now, the - -

12 CHAIRPERSON REYNA: I wrote it  
13 down.

14 MARY CATALINA: Right now, the  
15 textile recycling that's being done, is being  
16 shipped to Haiti and South America, so our urban  
17 resource of garbage, textiles, soft goods, is  
18 being donated out of the country. So, I'm  
19 available and I would like to, if I have time, you  
20 know, in the next couple weeks, I got to like  
21 write a paper and send to you more details and  
22 everything else. But, the other--Oh, and then the  
23 other thing is getting credit for small  
24 businesses. I started to--I don't have the time  
25 to go to the City, and I started to fill out that

2 minority and women owned business. And it's like,  
3 I threw the thing over my shoulder, I said, "This  
4 is too much paperwork. I have to generate  
5 income." So, if you don't break it down into  
6 micro-loans, micro-finance, micro-grants, and  
7 micro-real estate, for small businesses, it just,  
8 this whole, you know, model of, comes from top  
9 down, it's top heavy, and it doesn't translate  
10 down into the grassroots. Small business. So,  
11 that's what I have to say. Thank you. And I'm  
12 glad that I got invited, it was just, somebody had  
13 to meet me at the Brooklyn Navy Yard and then  
14 they, by chance you were having this meeting and  
15 we were invited.

16 CHAIRPERSON REYNA: Well, I'm happy  
17 to have you all here. I think you spoke very  
18 eloquently regarding what would be the leveraging  
19 of small businesses in the green industry. So  
20 much so that the greatest ideas are coming from  
21 your panel. And we hope to explore further what  
22 you've suggested, and making sure that we're  
23 monitoring a lot of these policies, because  
24 clearly the policies that are being introduced in  
25 the City of New York is what's generating small

2 businesses of tomorrow, and more so than not,  
3 they're, the City is staying behind what would be  
4 the small business growth in the green industry.  
5 Build It Green is a perfect example of how, you  
6 know, this is a business that the City of New York  
7 is not supporting, and yet it started, it  
8 continues to grow, and we should be able to create  
9 an environment and a culture that welcomes its  
10 expansion. And so, I look forward to working with  
11 all of you and I thank you for participating in  
12 this panel. And any information that you perhaps  
13 want further, please stay in touch with our  
14 Committee staff. This is Jeffrey Campagna,  
15 Counsel to the Committee; and Faith Corbett, who  
16 is sitting in the back, who's standing next to the  
17 Sergeant-at-Arms. I welcome you to stay in touch  
18 with both staff members of the Committee, because  
19 they get to explore further a lot of the  
20 suggestions that come out of this panel and many  
21 others. So thank you very much for spending the  
22 afternoon with us, there's the morning as well.

23 MARY CATALINA: Thank you.

24 CHAIRPERSON REYNA: Thank you. I  
25 know that our Chair had to take a call. I want to

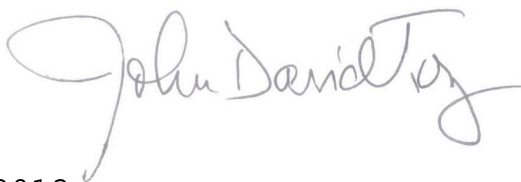
2 just take a moment to thank the Committee staff  
3 who have put this particular hearing together. We  
4 look forward to further conversations regarding  
5 this particular topic, leveraging green business  
6 in New York City. There's much work to be done,  
7 but we're on track, at least pathways have been  
8 created. And we look forward to supporting that.  
9 Jeffrey Campagna, Faith Corbett, Samara Swanson  
10 and Dan Avery, thank you so much for all of your  
11 efforts in having this hearing, creating the  
12 information, putting it together, and following up  
13 on all these issues. This hearing is adjourned,  
14 and thank you so much to our Sergeant-at-Arms.

15 [END OF HEARING]

C E R T I F I C A T E

I, John David Tong certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature

A handwritten signature in cursive script that reads "John David Tong". The signature is written in black ink and is positioned to the right of the printed word "Signature".

Date May 15, 2013