

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE

Of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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March 17, 2026
Start: 12:39 p.m.
Recess: 3:10 p.m.

HELD AT: 250 BROADWAY - 8TH FLOOR - HEARING
ROOM 3

B E F O R E: Virginia Maloney, Chairperson

COUNCIL MEMBERS:

Alexa Avilés
Chris Banks
Amanda Farías
Jennifer Gutiérrez
Kevin C. Riley
Shanel Thomas-Henry

OTHER COUNCIL MEMBERS PRESENT:

Gale A. Brewer
Linda Lee

A P P E A R A N C E S

Jeanny Pak, Interim President and Chief Executive Officer of the New York City Economic Development Corporation and Chief Financial Officer.

Jennifer Montalvo, Chief-of-Staff of New York City Economic Development Corporation

Shehila Stephens, Executive Vice President of Equity and Community Impact at New York City Economic Development Corporation

Josh Kraus, Chief Infrastructure Officer at New York City Economic Development Corporation

Anton Fredricksson, Senior Vice President and Head of Ports, Waterfront, and Transportation at New York City Economic Development Corporation

Francis Yu, Director of Supermarket Access at Community Food Advocates

Noah Meixler, Director of the Astoria Worker Project of the Consortium for Worker Education

Jorge Xoyalta Rojas, Community Food Advocates

Ligia Guallpa, Executive Director of the Workers' Justice Project

Yesmin Vega, Director of Economic Empowerment for Hispanic Federation

A P P E A R A N C E S (continued)

Melat Seyoum, Director of Policy Advocacy and
Strategic Partnerships at the New York City
Network of Worker-Owned Cooperatives

Sarah Bratko, American Hotel and Lodging
Association

Catherine Murcek, New York City Network of
Worker-Owned Cooperatives

Eli Perez, Center for Family Life

Will Spisak, Senior Policy Strategist at New
Economy Project

2 SERGEANT-AT-ARMS: Good afternoon. This is
3 a microphone check, Committee on Economic
4 Development. Today's date is March 17th, 2026, in HR
5 3 recorded by Taisha Sherman.

6 SERGEANT-AT-ARMS: Good afternoon. Welcome
7 to the Committee on Economic Development.

8 At this time, we ask that you please
9 silence all electronics.

10 If you wish to fill out the appearance
11 card, please see one of the Sergeants-at-Arms in the
12 back.

13 And at no point, no cell phones are
14 allowed. Thank you.

15 Chair, you may begin.

16 CHAIRPERSON MALONEY: CHAIRPERSON MALONEY:
17 Good afternoon, and welcome to today's hearing on the
18 Fiscal 2027 preliminary budget for the New York City
19 Economic Development Corporation. My name is Virginia
20 Maloney, and I'm honored to Chair this Committee on
21 Economic Development. We're joined today by my
esteemed Colleagues, Council Member Brewer, Council
Member Fariás, Council Member Riley, and Council
Member Shanel Thomas-Henry on Zoom. Thank you for
being here.

2 Today, we're hearing from the New York
3 City Economic Development Corporation on their
4 budget, including the preliminary capital commitment
5 plan and updates to the 2025 investment projects.
6 These programs, which utilize taxpayer dollars,
7 should support and be well integrated with one
8 another to properly execute the City's economic
9 development and vital infrastructure goals. Today, we
10 plan to examine to what extent that's occurring,
11 where improvements can be made, and the overall
12 feasibility of EDC's preliminary plan.

13 EDC is the City's primary agent for
14 economic development and their principal mandate is
15 to encourage investment and to attract, retain, and
16 create jobs here in New York City. As such, this
17 Committee is interested in having a robust
18 conversation about how EDC's budget connects to that
19 larger goal of job creation and economic development
20 strategies for the city, while maintaining equity and
21 equipping historically underserved communities with
tools for long-term success.

One of the largest investments in EDC's
budget is the World Cup, and we'll want to be digging
into the investments there and how we plan to bring

2 growth to businesses, workforces, cultural
3 organizations, and community organizations across our
4 city.

5 One of the ways EDC supports the growth
6 of the city's economy and job market is through what
7 it calls investment projects. These represent
8 discretionary financial assistance, largely in the
9 form of tax breaks and tax-exempt bond financing. In
10 Fiscal Year 2025, EDC provided subsidies to 28 new
11 investment projects, totaling 44.9 million. In
12 addition, there were over 400 projects still active
13 in Fiscal 2025, some of which started in the '90s.
14 Clearly, these projects can have costs that are borne
15 by the city over a very long time frame, so for that
16 reason, it's important that we make sure each project
17 provides the city and its residents a worthwhile
18 return.

19 I would also like to hear some of the
20 updates about the recent investment projects and
21 their impact on the City's budget, and how EDC will
be using their ability to provide discretionary tax
breaks going forward.

The capital commitment plan, which we'll
be digging into, includes key investments that fund

2 for City-owned grocery stores, redevelopment of the
3 Hunts Point produce market and Kingsbridge Armory,
4 and waterfront resiliency infrastructure. These
5 projects serve critical needs within our communities,
6 from food access to transportation to supporting
7 small business and workforce development. So today, I
8 would like EDC to provide the Committee with
9 information on how these investments will benefit New
10 Yorkers who are most in need and how the Corporation
11 has determined that this is the most effective use of
12 our resources, especially considering the ongoing
13 effort to find savings within our City agencies.

14 And I would also like EDC to give us some
15 information regarding revenue contributed by EDC to
16 the general fund and net revenue generated
17 post-contributions to the general fund.

18 It is essential that the budget that we
19 adopt is transparent, accountable, and reflective of
20 the priorities and interests of the Council and the
21 people we represent. This hearing is a vital part of
that process. I look forward to an active engagement
with the Administration over the next few months as
well to ensure that the upcoming Fiscal 2027 adopted
budget meets the goals that the Council has outset.

2 I want to thank the EDC staff for being
3 here today and for testifying. I know we were all
4 hoping that we would have a President of the New York
5 City Economic Development Corporation here, and I
6 urge the Administration to fill that position as
7 economic development is so critical for the future of
8 our city, but I'm grateful for you all to be here
9 today. I also want to thank the EDC staff who's been
10 consistently responsive to so many of our requests.
11 We would not be able to analyze the City's budget at
12 such a detailed level without your cooperation, so
13 thank you.

14 And before we begin, I would like to
15 thank the Finance Staff, Spencer Kuhn, Hector German
16 (phonetic), Daniel Kroop (phonetic), Emre Edev, and
17 Chima Obichere for their work on this hearing, as
18 well as the Committee Staff, Alex Paulenoff, and
19 William Hongach for their support. And I would also
20 like to thank Sophie Secor from my team and Shelby
21 Garner, my Chief, for all their work to prepare for
this hearing, and I will now turn it over to the
Committee Counsel to administer the oath to members
of the Administration.

2 COMMITTEE COUNSEL PAULENOFF: Thank you,
3 Chair. Alex Paulenoff, Committee Counsel.

4 Will all members of the Administration
5 testifying today please raise your right hands.

6 Do you swear or affirm to tell the truth,
7 the whole truth, and nothing but the truth in your
8 testimony today, and to respond honestly to Council
9 Member questions?

10 ADMINISTRATION: (INAUDIBLE)

11 COMMITTEE COUNSEL PAULENOFF: Thank you.
12 You may begin when ready.

13 INTERIM PRESIDENT PAK: Good afternoon,
14 Chair Maloney and Members of the Economic Development
15 Committee. Happy St. Patrick's Day, everyone, and we
16 really appreciate being here.

17 My name is Jeanny Pak, and I'm currently
18 serving as the Interim President and CEO of the New
19 York City Economic Development Corporation, as well
20 as its Chief Financial Officer. I am here today with
21 my Chief-of-Staff, Jen Montalvo, Shehila Stephens,
EVP of Equity and Community Impact, Josh Kraus, Chief
Infrastructure Officer, and Anton Fredricksson, SVP
and Head of Ports, Waterfront, and Transportation.

1 I'm excited to share the progress we have
2 made over the last year. We know that to make our
3 city more affordable and livable, New York City needs
4 a vibrant, inclusive, and globally competitive
5 economy. At EDC, our mission is to build just that.
6 Our work touches every corner of the five boroughs,
7 driving economic development and growth. We are
8 incredibly excited to continue and advance this work
9 under Mayor Mamdani, Deputy Mayor for Economic
10 Justice Julie Su, and all of our agency partners in
11 City government. EDC has maintained a strong
12 dedication to promoting equitable economic
13 development across the five boroughs, working to
14 ensure that our prosperity reaches every New Yorker
15 who calls our city home. We have long integrated
16 principles of economic justice through our projects
17 and initiatives, from developing and building
18 thousands of units of affordable housing, to
19 supporting increased economic mobility, M/WBEs, and
20 diverse entrepreneurship, to helping businesses open
21 their doors and hire locally, to creating jobs that
pay well and offer security, to redeveloping assets
and neighborhoods so New Yorkers have cleaner, safer,
and greener livable spaces. Our projects have sought

to expand opportunity and growth across the five boroughs. We continue this work today.

While my title may be interim, we have already hit the ground running on a number of different initiatives under the Mamdani Administration, including launching an RFP last month for modular restrooms across New York City, which will expand access to public bathrooms. We are also in conversations with the Administration on how EDC can support the public groceries initiative across the five boroughs, increasing food affordability to all New Yorkers.

All of our efforts are guided by and implemented through four strategic pillars. First, building neighborhoods as places to live, learn, work, and play. At EDC, we are committed to making neighborhoods places where New Yorkers can live, learn, work, and play. This means everything from planning affordable housing projects that support families staying in New York City, fostering industries of the future to promote job growth through the five boroughs, constructing open spaces for children to play, and partnering with local

1 communities and cultural organizations to grow
2 community-oriented facilities and programming.

3 At EDC, we do projects big and small
4 through the five boroughs. I will now take you
5 through a quick tour of the five boroughs and hit on
6 some of the work we are doing for New Yorkers.
7 Starting in the Bronx. Last October, our ambitious
8 plan to transform Kingsbridge Armory was approved by
9 the City Council from a training ground for troops
10 during the First World War to distributing supplies
11 after Hurricane Sandy and during COVID-19,
12 Kingsbridge Armory has served our city and the people
13 of the Bronx for generations. Backed by 216 million
14 in City, State, and Federal investments, this
15 transformation of the Kingsbridge Armory will deliver
16 500 units of 100 percent permanently affordable
17 housing, so more families and working people in the
18 Bronx have an affordable home. In addition, the
19 redevelopment will deliver a state-of-the-art venue
20 space for entertainment, recreational, cultural,
21 community, and commercial spaces, as well as an
industrial manufacturing space to the neighborhood,
making it a world-class destination for
entertainment, work, and play in our city. And

1 importantly, it will increase 3,600 jobs with a focus
2 on local jobs, delivering good-paying careers to
3 Bronx residents.

4 Moving to Hunts Point. In December, we
5 announced an historic agreement to advance the
6 redevelopment of the Hunts Point Produce Market. The
7 redevelopment envisions a new, fully electric, and
8 modernized facility which will continue to bring
9 affordability and healthy food to New Yorkers who
10 need it most, as well as preserve thousands of
11 good-paying jobs and dramatically improve the quality
12 of life for an environmentally overburdened community
13 by eliminating the diesel-fueled refrigerated trucks
14 that sit idle at the market. Hunts Point is a
15 critical component of the city's food supply chain,
16 and its redevelopment will help protect and
17 strengthen the city's food security. Last November,
18 we progressed another key link in our Blue Highway
19 Network while removing a painful relic of the past
20 with the long-awaited dismantling of the Vernon C.
21 Bain Jail Barge at Hunts Point. In its place, we will
build a gateway to a cleaner future, the Hunts Point
Marine Terminal, which will move goods like fish,
meat, and produce from ships onto barges and ferries

1 for last-mile delivery across the five boroughs,
2 bolstering our food security while getting trucks off
3 the streets and getting healthy food to New Yorkers
4 faster, making the entire Bronx area more sustainable
5 while also generating good-paying jobs in maritime
6 and the green economy. And we are expanding access to
7 jobs that provide economic security in the Bronx
8 through the Hunts Point Economic Mobility Network.
9 Last June, we named the Greater Hunts Point Economic
10 Development Corporation to lead this
11 1.4-million-dollar investment that connects the local
12 workforce to good-paying jobs in future-focused
13 industries like the green economy and tech and
14 partners with countless local businesses and
15 organizations.

16 Turning to the world's borough, Queens,
17 EDC is transforming this valley of ashes at Willetts
18 Point to a place where New Yorkers and families can
19 thrive for generations to come. At the core of this
20 transformation is the creation of 2,500 100 percent
21 affordable homes, the largest affordable housing
project New York City has seen in over 40 years. We
are reimagining and rebuilding this neighborhood into
a vibrant and modern urban hub with more than 40,000

1 historic redevelopment of the Brooklyn Marine
2 Terminal. At the heart of this plan is turning a
3 long-neglected decaying container terminal into a
4 60-acre modern all-electric port that will be the
5 crown jewel in our Blue Highways Network, taking
6 trucks off our streets and moving more goods on our
7 waterways, making our city cleaner, healthier, and
8 more sustainable. Alongside the state-of-the-art
9 port, we are building 6,000 new homes in the area of
10 which 2,400 will be permanently affordable. At a
11 moment in time when our city faces a housing crisis,
12 this will be a transformative project delivering
13 thousands of affordable homes. The transformation of
14 this site is anchored by a project labor agreement
15 that brings tens of thousands of well-paying jobs,
16 including 2,000 permanent jobs, to the Brooklyn
17 community, jobs that Red Hook residents can build a
18 life around and support their families with. This
19 project will bring more open space, parks, and
20 affordable industrial and commercial space to the
21 neighborhood. Additionally, the project will produce
a 200-million-dollar investment in the NYCHA Red Hook
houses to ensure residents have safe, high-quality,
affordable homes, and it will generate 18 billion

1 dollars of economic impact for the City and the
2 community. The project is currently moving forward
3 through the environmental review process, and we look
4 forward to continuing significant milestones later
5 this year.

6 In Coney Island, we are making
7 significant investments in helping to modernize the
8 neighborhood's infrastructure while building new
9 homes, adding to the vibrancy of this historic
10 neighborhood. We recently announced a
11 1-billion-dollar investment in reconstructing the
12 Riegelmann Boardwalk, which includes upgrades to all
13 2.7 miles of the structure. We are also redeveloping
14 the Abe Stark Sports Center, including the
15 construction of a new ice hockey rink, and bringing
16 1,500 new homes, 25 percent of which will be
17 affordable, online in the coming years. We would like
18 to thank Council for their partnership in advancing
19 the special permit for the Seaside Park and Community
20 Arts Center, a key milestone in keeping the beloved
21 amphitheater as an epicenter of Coney Island.

At EDC, we are committed to bringing
economic opportunities, services, and infrastructure
to long underserved communities. New Yorkers deserve

1 good jobs, safe streets, and bright, welcoming public
2 spaces. In East Brooklyn, we are delivering just that
3 with a generational investment in the Broadway
4 Junction redevelopment, bringing two vibrant public
5 spaces to the area, improving quality of life,
6 creating family-sustaining jobs, and unlocking
7 inclusive economic growth through East New York. And
8 last year, we launched the East Brooklyn Workforce
9 Fund, which is connecting local Brooklynite job
10 seekers to employment opportunities in legacy
11 industrial, emerging construction, and green economy
12 sectors. That means more jobs in construction, more
13 jobs in renewable energy, and more jobs in real
estate and property development for New Yorkers in
East Brooklyn.

14 The Sunset Park District is a critical
15 focal point in our efforts to marry climate action
16 with a growing and just economy. For too long, the
17 Sunset Park community has faced heightened risks from
18 flooding, air quality problems, and industrial
19 pollution. With our partners, we are working to make
20 Sunset Park the center of offshore wind in New York
21 City by transforming the South Brooklyn Marine
Terminal into a nation-leading offshore wind hub.

1 Currently, the South Brooklyn Marine Terminal is over
2 90 percent complete, with over 1,000 good-paying
3 green-collar and union jobs already created on-site.

4 We are also making significant
5 investments in expanding opportunity and economic
6 mobility for local workers and businesses in Sunset
7 Park. In June of last year, we launched the Sunset
8 Park Economic Mobility Network, connecting local New
9 Yorkers to good-paying jobs in the green economy,
10 life sciences, manufacturing, and maritime
11 industries. Just a few miles away at the Brooklyn
12 Army Terminal, in addition to supporting over 100
13 businesses and thousands of employees at this
14 critically important industrial campus, we are
15 building a world-class climate innovation hub.

16 BATWorks will anchor a growing ecosystem along the
17 New York Harbor for new climate technologies and
18 entrepreneurs working to develop, pilot, and deploy
19 new solutions to combat the effects of climate
20 change. It would also be home to the largest green
21 workforce training facility in New York City,
connecting New Yorkers, including residents in the
Sunset Park community, to real economic opportunity
while supporting green industrial growth.

Heading across the harbor to Staten Island. Last May, we continued to advance the Staten Island North Shore Action Plan by announcing the developers of 600 new housing units on Stapleton, which will be the city's largest mass timber residential development, and over 100 units will be affordable. This is part of a historic 400-million-dollar City investment in Staten Island's North Shore, which will create 2,400 homes, over 20 acres of public space, deliver more than 7,500 good-paying and family-sustaining jobs, and 3.8 billion in economic impact over 30 years. And after wide-ranging public engagement, we recently announced a new vision for the future of two key sites on Staten Island's North Shore, Empire Outlets and the former New York Wheel site. At the heart of this vision is a new, vibrant, mixed-use waterfront neighborhood near the ferry terminal with up to 2,500 new homes, open space, community facilities, and retail options for Staten Islanders, connecting more families and workers to public transportation, delivering affordable homes, increasing quality of life, and meeting the needs of the community.

1 We are also helping to connect more
2 Staten Islanders to good-paying jobs and career
3 opportunities. This February, we released the Staten
4 Island North Share Fund, RFP. The fund is designed to
5 expand and strengthen workforce programs that serve
6 young Staten Islanders across the North Shore,
7 expanding pathways to good-paying careers and
8 delivering hope and dignity to young people through
9 increased access to employment.

10 At EDC, we are committed to finding
11 creative ways to get housing online fast while
12 preserving precious City subsidy where possible.
13 Manhattan is a great example where we have three
14 different housing projects that collectively could
15 deliver more than 5,000 new homes, with the three
16 projects ranging from 25 to 55 percent affordable.
17 These include Gansevoort Square, where we have
18 selected developers for a project which will deliver
19 600 mixed income units with over half the units being
20 affordable and will be co-located with an expansion
21 of the Whitney Museum and the High Line, along with
newly constructed open space. In the Financial
District, 100 Gold will create nearly 3,700 homes, 25
percent which will be affordable. And in the Upper

1 West Side, we have an RFP open to transform the
2 Bloomingdale Library into up to 850 units of
3 much-needed affordable housing while creating a new
4 state-of-the-art library. Last year, we began
5 deconstruction at the SPARC Kips Bay site where we
6 are transforming an entire New York City block into a
7 state-of-the-art and first-of-its-kind education,
8 job, innovation hub focused on life sciences and
9 health tech. The campus will help allow students to
10 attend high school, college, and advanced degree
11 programs on the same campus as those at the forefront
12 of medicine and life sciences. We believe that this
13 campus will create synergies and help build the next
14 generation of leaders in what will be a critical
15 industry of the future.

14 Our second pillar is growing innovation
15 industries with a focus on equity. Our city has
16 always been powered by diverse talent, ingenuity, and
17 the belief of the possibility of tomorrow, but it has
18 flourished because we have invested in our greatest
19 asset, our people. The entrepreneurs, the dreamers,
20 the scientists, and the young people who dare to
21 build the future. At EDC, we seek to harness that
talent and foster the next generation of leaders in

1 tech, healthcare, life sciences, the green economy,
2 education, and workforce development.

3
4 Tech. New York City is a booming global
5 tech hub, number two in the world. Our programs and
6 initiatives in partnership with investors,
7 innovators, and academic institutions are moving the
8 sector forward. Through our workforce development
9 programs, we are helping bridge the opportunity gap
10 and building pipelines to the high-tech, good-paying
11 jobs of the future. Just a few weeks ago, we
12 announced the fifth cohort of our Founder Fellowship
13 Program, which seeks to address longstanding
14 inequities in tech. Since the Founder Fellowship
15 launched in 2022, we have opened the door to nearly
16 400 New York City-based entrepreneurs across 243
17 startups who have raised over 170 million in
18 follow-on capital. That means more New Yorkers are
19 opening offices, creating better jobs, employing
20 people, launching new products, and scaling their
21 businesses. And our 2025 CUNY Startup Internship
Program placed more than 110 New York City-based
students at over 80 startups and venture capital
firms across the five boroughs, with many of them
continuing their internship beyond the summer or

receiving full-time offers, putting more young New Yorkers on the pathway to high-wage jobs in tech.

The Green Economy. New York City has always been at the forefront of finding solutions to the challenges of today and tomorrow. As we all know, the climate crisis is here, but so are the solutions to combat it. By developing these solutions, we can also build a thriving green economy for all of us, a green economy that creates good-paying jobs, makes our city more livable and affordable, our neighborhoods healthier and more resilient, and cements New York City as a leader in innovation, sustainability, and climate solutions. EDC's Green Economy Action Plan, a first-of-its-kind plan, lays out a roadmap to growing our green economy. As mentioned earlier, in Sunset Park at Brooklyn Army Terminal, we are building the Climate Innovation Hub, a 100-million-dollar investment bringing business development, incubation, research, and workforce development programs to a four-million-square-foot campus, turning Sunset Park into a center for innovation, advanced manufacturing, and workforce training.

2 Life Sciences. Similar to the tech sector
3 and the green economy, we want to make New York City
4 the number one global hub for life sciences. New York
5 City is where innovation happens, and we can make it
6 the center of life sciences, where people find cures
7 to chronic diseases, create the new life-saving
8 vaccines, pioneer new treatments, and make the
9 scientific discoveries for tomorrow. As mentioned
10 earlier, our once-in-a-generation project at SPARC
11 Kips Bay will make New York City a leader in life
12 sciences, healthcare, and public health. Once
13 complete, this is where we'll invent new vaccines and
14 unlock the knowledge that will help millions of
15 people live longer, healthier lives, create
16 high-wage, high-growth jobs for New Yorkers, and
17 build a pipeline of opportunity for our young people
18 in the jobs of the future.

16 We are also committed to ensuring
17 diversity in our contracting, expanding the ladder of
18 opportunity to more New Yorkers. In Fiscal '25, 30
19 percent of all awards went to M/WBEs, equating to 234
20 million in contract value. Our M/WBE-focused programs
21 like ConstructNYC and Waterfront Pathways create
critical pipelines for diverse firms to access EDC

2 contracts, while also giving them technical and
3 financial support to expand.

4 Our third pillar, delivering sustainable
5 infrastructure. At EDC, we work to deliver the
6 sustainable infrastructure New York City needs today
7 and for the future. Earlier this year, together with
8 NYC Ferry, we announced the 50 millionth rider in the
9 history of the system. NYC Ferry operates with the
10 lowest subsidy per rider of any publicly funded
11 passenger-only ferry system in the U.S., and a lower
12 subsidy than both the Long Island Railroad and Metro
13 North. We do this while continuing to expand access
14 and affordability to New York City riders through the
15 Fair Fares program and making it cheaper for high
16 school students and senior New Yorkers to get around
17 the city.

18 At EDC, we're committed to expanding
19 increasing access to New Yorkers to our parks,
20 waterfronts, and public green spaces, improving the
21 quality of life for underserved communities, and
creating more spaces for pedestrians and cyclists to
get around the city. Working with our partners at New
York City DOT and Parks, our Greenway projects total
7.5 miles, including over 1.5-billion-dollar

1 investments from the Manhattan Water Greenway to the
2 Staten Island Waterfront Greenway and to Queensway in
3 Central Queens, making the five boroughs greener,
4 healthier, and expanding access to more New Yorkers.

5 New York City has always been a maritime
6 city. Our past economic success built on the back of
7 a natural network of waterways with trade, business,
8 and shipping. Our Blue Highways initiative builds on
9 this legacy, investing in sustainable infrastructure
10 that moves goods off the streets and roadways, and
11 onto our waterways, reducing pollution and making our
12 city cleaner, healthier, and more sustainable. From
13 Hunts Point to the Brooklyn Waterfront to Manhattan,
14 our Blue Highway network will reduce truck traffic
15 and get goods, produce, and food to New Yorkers
16 faster and more efficiently.

17 Sustainable infrastructure is not just
18 limited to our waterways. We are making our sky
19 quieter and greener with the electrification of our
20 helicopter infrastructure. Last year, we unveiled the
21 newly named Downtown Skyport, formerly known as the
Downtown Manhattan Heliport, which we are
transforming into a hub for sustainable
transportation and last-mile freight delivery,

2 upgrading the site's infrastructure for electric
3 vertical takeoff and landing aircraft, and building
4 out maritime freight berthing infrastructure to also
5 make New York City's Blue Highway a reality.

6 And the fourth pillar, strengthening
7 business competence. EDC works to strengthen
8 competence in New York City as a great place to do
9 business, ensuring that industry and business
10 leaders, entrepreneurs, investors, and top talent
11 have confidence that our city, the world's 10th
12 largest economy, is the best city in the world to do
13 business. And this summer is going to be a big one,
14 with our city welcoming the 2026 FIFA World Cup in 86
15 days. We are also welcoming Sail 250 to our harbor, a
16 maritime celebration of the 250th anniversary of the
17 USA. Both events present us with a
18 once-in-a-generation economic opportunity that will
19 generate billions of dollars, helping support jobs
20 and local businesses. This is a rare moment to show
21 the world that New York City is open for business to
a global audience of tourists, companies, investors,
and delegations.

 In conclusion, at EDC, we don't measure
our work in months or years. We think in terms of

1 decades and generational change, from the north shore
2 of Staten Island to the Brooklyn waterfront, to the
3 fish and meat markets at Essex Street, to the largest
4 food distribution center in the nation at Hunts
5 Point. Our projects and initiatives seek to build an
6 equitable and competitive economy, an economy that
7 ensures the promise and prosperity of our city
8 reaches this generation and the next. We believe in
9 building a city where hope and ambition create new
10 industries and opportunities, a city that is more
11 affordable and sustainable, a city that allows our
12 workers and businesses to succeed, a city where
13 families can thrive and grow. We are proud to work in
14 partnership with the City Council to improve the
15 lives of our neighbors, expand opportunity, ensure
16 New York City remains a global hub of business,
17 culture, and innovation. I want to thank you for the
18 opportunity to speak with you today, and we welcome
19 any questions you have.

17 CHAIRPERSON MALONEY: Thank you so much
18 for that testimony and for the very thorough overview
19 of all the work that EDC does across all five
20 boroughs and touching key sectors like tech, life
21

2 sciences, the green economy. That was very helpful.

3 Thank you so much.

4 I want to acknowledge we've been joined
5 by Council Member Gutiérrez and Council Member Banks.

6 Thank you for being here.

7 Just to start with some of the questions
8 about the higher-level economic context. So many,
9 many of the inclusions in the preliminary plan,
10 especially in the preliminary capital budget, are
11 continuations of commitments that were made by
12 previous mayoral administrations with a lot of
13 changes. The departure of your former CEO, the
14 election of a new Mayor, how has EDC's priorities,
15 both in the programmatic sense or the capital
16 funding, how have those shifted?

17 INTERIM PRESIDENT PAK: Yeah. Thank you
18 for that question. You know, EDC really has had a
19 very smooth transition. We really continue to work on
20 all the projects and programs that we have always
21 worked on and to continue to work with the Mayor and
Deputy Mayor Su to ensure that all these projects are
meeting the timelines and obligations, and we're also
looking forward to working on, you know, initiating
new projects as well.

2 CHAIRPERSON MALONEY: Are there any
3 existing projects or initiatives that are being
4 deprioritized, delayed, or re-scoped to shift to new
5 priorities?

6 INTERIM PRESIDENT PAK: No. We continue to
7 work. I mean, EDC has a long-standing commitment to
8 economic development and growth, focus on equity and
9 inclusion, and so we continue to do that with Deputy
10 Mayor Su. Also, as I mentioned in my testimony, we
11 were asked to procure a vendor for modular bathrooms
12 so we did that very quickly, and also we are working
13 on the food affordability for New Yorkers through a
14 sort of public grocery plan.

15 CHAIRPERSON MALONEY: And we'll be digging
16 into both of those over the course of the hearing.

17 I wanted to touch on Moody's recently
18 downgraded City bond rating. Can EDC provide its
19 assessment of the factors that Moody's may have
20 overlooked, such as projected capital investments,
21 pending federal or state funding, and revenue streams
from City-owned enterprises, and how these affect the
City's true fiscal position?

INTERIM PRESIDENT PAK: Yeah. So, we have
an economic research and policy group that focus on,

1 they track every month, and I encourage you to look
2 at our economic snapshot that we put out monthly.
3 They track the City's economic indicators and they
4 compare year over year, month over month. And so, we
5 do appreciate and understand sort of the headwinds
6 that the City, as well as the State and the country,
7 is facing, given sort of what's happening globally
8 and the impact on the City's financial state. But we
9 do feel that, having studied and looking at these
10 month by month, we have strong economic indicators
11 that sort of prove that New York City is resilient. I
12 mean, New York City is an incredibly resilient city.
13 Having recovered from 9/11, the financial crisis, and
14 COVID-19, we always prove that we can come out
15 strong. Even the Moody's report, which is very
16 specific to the GEO and TFA bonds, even the Moody's
17 report says that we are very strong with a diverse,
18 you know, economy base and sort of positive revenue
19 projections. So, we track this very closely and we
20 will continue to do so.

18 CHAIRPERSON MALONEY: Thank you. OMB, as
19 well as the Council Finance Team, have forecasted a
20 slowing of job growth over the course of this
21 financial plan. Without jobs in healthcare and social

1 services, we would have actually seen declining
2 numbers in the past year. So, how does EDC conceive
3 of its role in generating stronger job growth in the
4 future, and how do we ensure that those jobs are high
5 quality?

6 INTERIM PRESIDENT PAK: Yeah. So, the
7 mission of EDC is to promote, we're dedicated to
8 promoting economic development and growth for all New
9 Yorkers focused on equity and inclusion. And so,
10 through that, we have many programs. We leverage our
11 sites to ensure that small businesses have a place,
12 industrial companies have a place to open up their
13 offices and do their work. In addition, we have a lot
14 of workforce development and economic development
15 programs specifically, not only to ensure that New
16 Yorkers are educated and trained for high quality,
17 good paying jobs, but also that there's career
18 pathways for them to expand their career. And, you
19 know, I'm here with Shehila Stephens who runs that.
20 So maybe she has a few comments she'd like to make.

21 EXECUTIVE VICE PRESIDENT STEPHENS: Yes.
22 Again, Shehila Stephens, Executive Vice President of
23 Equity and Community Impact. So, what that means is I
24 primarily oversee aspects of the workforce

2 development, diverse entrepreneurship, and M/WBE
3 procurement across EDC's projects.

4 I think in this particular context, EDC
5 has been very intentional about creating pipelines to
6 innovative industries that are going to be able to
7 provide long-term stability and financial growth for
8 New Yorkers, and that is really aligned with our
9 efforts around improving job quality and trying to
10 get New Yorkers to a space where they're able to
11 sustain jobs at a livable wage.

12 INTERIM PRESIDENT PAK: And I would just
13 add there that we have several programs specific on
14 sort of, you know, previously disenfranchised
15 communities, such as we have a women.nyc program that
16 really provides sort of a network and technical
17 support. We have construct NYC, which I mentioned in
18 my testimony, and Waterfront Pathways that provides
19 M/WBE, again, access to EDC projects, but also
20 ongoing technical support, and the Founder
21 Fellowship, which really looks to diverse
entrepreneurship for these innovation industries.

CHAIRPERSON MALONEY: Thank you.

What are some of the metrics or the
indicators that EDC uses to internally measure

2 success or impact on the City's broader economy? And
3 how do those indicators look different in periods of
4 strong growth versus weak growth?

5 INTERIM PRESIDENT PAK: Again, we have a
6 whole social impact and sort of metrics that we look
7 at, but what we strive to do is create good,
8 high-paying quality jobs to support small businesses,
9 to grow like industrial sector, innovation sectors
10 for all New Yorkers, and to create a more affordable
11 city for both residents as well as promote businesses
12 coming here so that we can increase sort of our tax
13 dollars to provide these services. So, that's sort of
14 the overall mission of the economic growth that we
15 look to, but we also, as I mentioned, have this
16 economic snapshot and look at very specific
17 indicators of employment and unemployment and labor
18 force participation disaggregated by gender, race,
19 and ethnicity, and we track that very closely just to
20 see what trends are and the reasoning behind that. We
21 track sort of the health of commercial and
residential sectors in the city, as well as how
tourism is doing and how people are using transit, so
just the ongoing sort of economic activity of New
York City. And if we see something that is changing

2 in a direction that we like, we don't like, we really
3 try to dig in to see what's going on there.

4 CHAIRPERSON MALONEY: The City's job
5 numbers from the federal government are from January.
6 How is EDC managing having outdated data when you're
7 trying to assess current economic conditions?

8 INTERIM PRESIDENT PAK: Yeah. So, as I
9 mentioned, we put out this snapshot monthly, but we
10 haven't put it out since January for that very
11 reason. Our next anticipated snapshot is going to
12 come in April, but we pay attention to news, we see
13 the trends, and we are very invested in the programs
14 that we have in terms of making sure like workforce
15 development, job creation, good paying jobs, and
16 economic mobility are all part of everything we do.

17 CHAIRPERSON MALONEY: I want to ask one
18 more question on attracting new companies to New York
19 and what strategies or incentives EDC has in place to
20 support existing businesses, but also growth in those
21 sectors.

INTERIM PRESIDENT PAK: Yeah. So, we have
a couple of things that we do. First and foremost, we
have an entire business development group that works,
this is a free service, so to speak, of we do

2 outreach to companies that are considering coming to
3 New York City, both in other parts of the U.S. and
4 also globally, and we provide them connections to New
5 York City. We give them like a one-on-one on the
6 incentives that they might be able to access. In
7 addition, we give site visits, and we might connect
8 them to commercial brokers. So, this is an ongoing
9 program that we have, and they're very, very active,
10 and they're well known. We also have IDA, which is a
11 discretionary incentive program that we have that
12 works to attract companies to stay here and grow,
13 reinvest here, or bring new companies here, and we
14 really focus on the providing these tax incentives so
15 these tax incentives are used as for like as a
16 but-for argument, like before these tax incentives,
17 this company would not move here, reinvest here, or
18 grow here. So that's first and foremost, and we look
19 at the return to the city, the jobs created, and sort
20 of other community benefits that this company will
21 bring.

18 CHAIRPERSON MALONEY: Thank you.

19 I want to acknowledge that we have our
20 Finance Chair, Council Member Lee, here. Thank you.

2 I'm going to ask two questions about the
3 Mayor's Management Report, and then turn to Council
4 Member Lee for any questions that she might have.

5 So, the Preliminary Mayor Management
6 Report outlined that the previously reported value of
7 the M/WBE award rate miscounted prime contractors and
8 inflated the award rates for minority groups. Has EDC
9 verified the calculations from that report, or the
10 award rates for prior years, that they're correct?

11 INTERIM PRESIDENT PAK: Yeah. So, this was
12 not a miscalculation of this award rate for M/WBEs.
13 The PMMR is a very specific report that truncates the
14 year for four months, so it doesn't capture a full
15 year. We will put out an MMR, and it'll come out in
16 September, and so I encourage you to review that,
17 because that will have the real data. But the PMMR
18 showed four months, so what happens is the M/WBE
19 award rate is the amount of M/WBE awards we give over
20 the total awards we give. And because it's only four
21 months, it didn't capture the full denominator, so it
didn't really capture the full value. But we do have
a 35 percent M/WBE award rate goal, and in 2025, we
had 35 percent of our sort of construction award
rates go to M/WBEs, which was a value about 240

2 million. We anticipate sort of the goal being met at
3 the end of this Fiscal Year as well.

4 CHAIRPERSON MALONEY: Got it. So, on track
5 for that 35 percent.

6 INTERIM PRESIDENT PAK: Yes.

7 CHAIRPERSON MALONEY: Okay. Thank you for
8 clarifying that.

9 And another question on that report, the
10 reporting period for the businesses served by
11 industry-focused programmatic initiatives and people
12 receiving skills training slash work experience
13 through NYCEDC, the indicators that used to measure
14 those things were changed, and data was not included
15 in the PMMR. A little concerning about the exclusion
16 of those metrics, so are there any key insights that
17 would be helpful in shaping investments as we work
18 through the 2027 budget, and can you speak to the
19 reasoning for excluding those indicators in the
20 report?

21 INTERIM PRESIDENT PAK: Yeah. This is a
similar reason as the M/WBE award rate. Because it's
only four months, it doesn't really capture, so the
businesses that we serve or the people that we serve,
and so what we asked the Mayor's Office is if we can

2 just look at it a full year, because most of that
3 work is done towards the end of the year, so just
4 looking at four months really understated the value
5 of what we do. So, we have like 28 programs for the
6 businesses we serve, and we have about 20 or so
7 programs for the people that we serve in terms of
8 work skills.

9 CHAIRPERSON MALONEY: Thank you.

10 Council Member Lee.

11 COUNCIL MEMBER LEE: Thank you. Hi. Good
12 afternoon.

13 INTERIM PRESIDENT PAK: Hi.

14 COUNCIL MEMBER LEE: Just a few questions.

15 First one on the tax expenditure
16 efficiency. So, the Committee's interested in
17 exploring possible savings in the City's tax
18 expenditures, and we spend over 3.3 billion annually
19 in tax breaks to encourage economic development in
20 the city. And while much of this definitely
21 represents commitments made that are important, and
several years ago, many of the same tax incentive
programs remain on the books and are unchanged from
when they were developed in some cases decades ago.
So, do you believe that each and every single one of

2 the City's existing economic development tax
3 incentives are working as efficiently as they could,
4 and if not, which do you think need improvement, and
5 you know, how you're basing that information?

6 INTERIM PRESIDENT PAK: Thank you for that
7 question. I think you're referring to the 3.3 billion
8 I think is related to the Department of Finance
9 statistics. We at EDC run the IDA Tax Incentive
10 Discretionary program. So, just to give some
11 background on IDA, a lot of the tax incentives that
12 the State and the City give out are as-of-right tax
13 incentives. IDA is a discretionary tax incentive tool
14 that we use to, like I said, to bring businesses to
15 New York City, have them grow in New York City if
16 they're already here, or reinvest into their
17 businesses in New York City. And we look at every
18 single transaction individually to ensure that we're
19 getting the best value, both return to City and jobs,
20 through that transaction, and we negotiate very
21 directly deal by deal with that counterparty company,
and so to ensure that we're getting the maximum
benefit. So, I think it's only about 330 million of
the tax benefit that we have of the 3.3 billion that
you're quoting. But we do think it's an important

2 tool because it's a flexible tool, and it allows us
3 to attract business into New York City and have them
4 grow here.

5 COUNCIL MEMBER LEE: Okay. And which ones
6 in particular do you think, from your vantage point,
7 are working really well, that are working
8 efficiently, and which ones perhaps need to be
9 revisited?

10 INTERIM PRESIDENT PAK: We're open to
11 looking at, you know, all the various tax incentives.
12 Again, we only have the IDA Tax Incentive Program for
13 the discretionary tax for private businesses, and we
14 can apply that very flexibly. That's the other thing
15 about IDA. It doesn't have to be for a particular
16 sector. We can address whatever is the ongoing issue
17 or the priorities of the City to attract certain
18 companies or invest in, for example, the green
19 economy is what we've done recently because we
20 understand that combating climate change is really
21 important. So, we can use those to attract companies
and build those industries appropriately through IDA,
but we're open to looking at other possible incentive
programs.

2 COUNCIL MEMBER LEE: Perfect. And you have
3 the ability to, and ultimate responsibility for,
4 ensuring that the economic tax breaks are relevant
5 and efficient, right? So, if there is a need, if it's
6 the environment this time around, but there's a new
7 need that comes up, you guys have the discretion to
8 be able to switch that, right?

9 INTERIM PRESIDENT PAK: Correct. And we
10 look at every single, even if it's the same sector,
11 we look at every single transaction and company.

12 COUNCIL MEMBER LEE: Okay. Perfect.

13 And I know that the Chair touched upon
14 this, but going back to the discount rate and present
15 value for the discount rates for multiple year tax
16 breaks. Since Fiscal 2006, EDC has used a discount
17 rate of 6.25 percent despite fluctuations in
18 inflation and the overall interest rate environment.
19 So, just wanted to make sure prior to Fiscal 2006,
20 EDC used a higher discount rate of 7.75 percent and
21 what motivated the change in the discount rate back
then?

INTERIM PRESIDENT PAK: Yeah. So, we want
to be in line with what OMB uses. OMB uses 6.25
percent, and we adjusted to be in line with them

2 because having different discount rates is confusing
3 and we need to be uniform about it. So, I think it
4 was a reflection of rates coming down, but
5 essentially the discount rate reflects the
6 opportunity cost of sort of investing that revenue
and so we are very aligned with OMB on this.

7 COUNCIL MEMBER LEE: Okay. And then when
8 was the last time you reviewed the discount rate? Is
9 it always the case where if OMB moves, you guys move
also?

10 INTERIM PRESIDENT PAK: Yes.

11 COUNCIL MEMBER LEE: Okay. And just wanted
12 to get your thoughts on would it make sense or more
13 sense to regularly update the discount rate to better
reflect economic conditions?

14 INTERIM PRESIDENT PAK: I think it's
15 really relative. I mean, I think, you know, as long
16 as we're all using the same discount rate, if
17 someone's using a higher discount rate, it's going to
18 reflect the different value of the project than
19 another one, so you can't compare the value of two
20 different projects if you're using two different
21 discount rates. So, I think what the primary, the
goal is to use the same discount rate in order for us

2 to do comparisons of sort of the value of projects,
3 not necessarily like changing the discount rate if
4 the markets move like, you know, it's too much.

5 COUNCIL MEMBER LEE: Right. So, not that
6 it would be different because I hear you and you're
7 saying that you need it be same as OMB, but in terms
8 of the frequency of how often you look at them.

9 INTERIM PRESIDENT PAK: Yeah. I think we
10 look at the direction of OMB and we want to be in
11 line with them.

12 COUNCIL MEMBER LEE: Okay. So, would you
13 be able to make recommendations if the, you know, if
14 that needs to be looked at in terms of timeline,
15 right? So, if it's every one year, is it every five
16 years, three years?

17 INTERIM PRESIDENT PAK: I can get back to
18 you on how OMB looks at it. We take their direction.

19 COUNCIL MEMBER LEE: Okay. And then just
20 lastly, if I could, about the Chief Savings Officers.
21 So, wanted to know if you have appointed the Chief
Saving Officers, and are you able to share any other
proposals for savings within the expense funding that
EDC receives through SBS? And I know that your agency

2 is slightly different, so just wanting to see if that
3 is the same mandate that you all have.

4 INTERIM PRESIDENT PAK: Yes. We were asked
5 by City Hall and OMB to, like every other agency, to
6 appoint a Chief Saving Officer at EDC, which we have,
7 and so we're working with OMB and that submission
8 should be, I believe, due this Friday.

9 COUNCIL MEMBER LEE: Okay. And is it the
10 same where it's 1.5 percent for '26?

11 INTERIM PRESIDENT PAK: Yes.

12 COUNCIL MEMBER LEE: Okay. Are you
13 considering potential revenue loss resulting from the
14 implementation of the savings plan affecting net
15 positive revenue programs?

16 INTERIM PRESIDENT PAK: No.

17 COUNCIL MEMBER LEE: Okay. And are you
18 considering changing any tax expenditures as a way to
19 find savings? I'm assuming if it's...

20 INTERIM PRESIDENT PAK: No. As you know,
21 EDC is sort of self-sufficient financially. We
22 collect revenue on behalf of the City on our assets,
23 and so we operationally sort of self-fund as well as
24 do impact programs for the City.

2 COUNCIL MEMBER LEE: Okay. Perfect. Thank
3 you. Thank you, Chair.

4 CHAIRPERSON MALONEY: Thank you very much,
5 Chair Lee.

6 I am going to jump into some of the
7 specific expense items that were addressed in your
8 opening statement, and then we'll ask Council Member
9 Brewer to ask her questions.

10 So, the first is on the modular
11 bathrooms. EDC released an RFP for the development of
12 modular public bathrooms, and the request seeks
13 proposals for designs of these modular units to be
14 installed at various sites across the city, and the
15 Preliminary Plan has four million dollars in support
16 of this. The RFP closed in February, on the 24th, I
17 believe, and I'm wondering if you can share any
18 information about the number of bathrooms or anything
19 about that plan so far.

20 INTERIM PRESIDENT PAK: Yeah. We were
21 happy on behalf of the Mayor to work on the
procurement for modular bathrooms to bring more
public bathrooms throughout the five boroughs, and so
we did put out that RFP. We're currently in the
selection process with DOT and Parks as the bathrooms

2 will be on their sites at DOT and Park sites, and so
3 we'll be getting back to you very quickly with that
4 selection and information.

5 CHAIRPERSON MALONEY: Looking forward to
6 that.

7 Is EDC responsible for selecting the
8 locations of where the bathrooms will be placed?

9 INTERIM PRESIDENT PAK: The plan is
10 currently being developed with really being charged
11 by DOT and Parks but EDC is in collaboration with
12 them along with City Hall.

13 CHAIRPERSON MALONEY: So, is DOT
14 responsible or Parks responsible for the locations.

15 INTERIM PRESIDENT PAK: It's like an
16 interagency. I think the RFP just was clear that we
17 wanted it across the five boroughs.

18 CHAIRPERSON MALONEY: Is there any
19 outreach being done to communities to determine which
20 neighborhoods or communities need the bathrooms the
21 most?

INTERIM PRESIDENT PAK: We were initially
just doing the RFP and the procurement first and then
there's going to be a plan that will be developed,
again interagency.

2 CHAIRPERSON MALONEY: Sounds good.

3 Bathrooms are long-term investments.

4 Could you give more information on why the City chose
5 to have these listed as an expense rather than
6 capital funding when presumably an investment in
7 bathroom development could be capital eligible?

8 INTERIM PRESIDENT PAK: Yeah. So, capital
9 eligible requirements are very strict. Modular
10 bathrooms actually are not capital eligible so they
11 needed to use CTL. The 4 million was allocated in the
12 preliminary budget. It's because these are movable so
13 they're not considered long-term infrastructure so
14 they're not capital eligible.

15 CHAIRPERSON MALONEY: Thank you.

16 And I did have some questions on the
17 City-owned grocery stores but wanted to pass to
18 Council Member Brewer to ask your questions.

19 COUNCIL MEMBER BREWER: Thank you very,
20 very much. I think you're doing fine. I don't know
21 that you need anybody new. You're doing great.

INTERIM PRESIDENT PAK: Thank you.

COUNCIL MEMBER BREWER: I also love the
internship, Rich Robbins' internship program,

2 whatever you call it, something fellowship and Essex
3 Market. Those are two great EDC projects.

4 Okay. So, there's a lot of discussion
5 around the State and City budgets about corporate
6 taxes and so my question they say New Jersey, you
7 know, we're going to be not able to compete and then
8 Mayor Bloomberg always said taxes don't determine
9 where companies locate. So, I have about 10
10 questions. That's number one.

11 Quick questions. What is your opinion on
12 if we tax more corporations in the City of New York,
13 how does that impact New Jersey competition, number
14 one.

15 Number two, where is my Brooklyn Bridge
16 Beach? If you don't know about it, somebody here does
17 know about it. I want to know where it's at.

18 Number three, the Bloomingdale
19 Library/project. People aren't happy with it. We want
20 100 percent, I think you know that, affordable. We
21 like the library, blah, blah, blah, but we think it
should be turned over to HPD as much as we like EDC.
So, that's very, very controversial. I want to know
if you would do that.

2 Three, lettuce washing machines. So,
3 we're trying to get more upstate farmers to sell to
4 the City of New York, but California has to provide
5 the lettuce because they wash it. So, we need EDC to
6 build us a lettuce washing machine so that the
7 farmers can go to GrowNYC's hub at Hunts Point, you
8 know, get the lettuce washed and then it could come
9 to the schools and other places in New York City. I
10 need a lettuce washing machine.

11 I also want to just say that the hole in
12 the ground when you did the issue with, you know, the
13 place that you're talking about that you traded with
14 Hunter College, you left a hole in the ground at 74th
15 Street, and you own it, and I want to know what
16 you're going to do. It's right near MSK. I want to
17 know what you're going to do with that.

18 And then also restrooms, I think it's
19 great, but we did a report in the City Council last
20 year and 63 percent of public restrooms now in the
21 City of New York do not work or have repairs. So, can
we use any of that very small amount of money, 4
million, to repair the restrooms or how do you look
at the restrooms?

2 Those are just some of my questions.

3 Thank you.

4 INTERIM PRESIDENT PAK: Okay. I'm going to
5 try to tackle them.

6 COUNCIL MEMBER BREWER: Oh, helicopters.
7 We don't like your helicopters going out of downtown.

8 INTERIM PRESIDENT PAK: Okay. Well, that's
9 Anton, so I'm going to turn that over to Anton in a
10 minute, but let's start with the restrooms. You know,
11 I think everyone feels that there needs to be more
12 public restrooms, so these are all good solutions.
13 So, repairing the existing restrooms, those will be
14 City capital eligible so, we are doing that, Parks is
15 doing that, but this is not like a one --

16 COUNCIL MEMBER BREWER: Parks isn't.
17 That's the problem. Just so you know. They're not
18 putting any money into them.

19 INTERIM PRESIDENT PAK: Well, yeah. Parks
20 is looking to try to invest in improving their public
21 bathrooms, but that's a capital eligible project.

COUNCIL MEMBER BREWER: Yes.

INTERIM PRESIDENT PAK: This module
bathroom is sort of different.

2 COUNCIL MEMBER BREWER: I understand, but
3 the public, they stand out there and ask me that
4 question, the public, because they like what's wrong.

5 INTERIM PRESIDENT PAK: Understood. All of
6 these are sort of, you know, solutions that we're
7 looking to.

8 COUNCIL MEMBER BREWER: I understand.

9 INTERIM PRESIDENT PAK: And East 73rd is,
10 yes, we're going to be acquiring East 73rd. We
11 haven't acquired it quite yet and we are going to --

12 COUNCIL MEMBER BREWER: What about the
13 hole in the ground, which when you say East -73rd,
14 what do you mean? I call it the hole in the ground.
15 Go ahead.

16 INTERIM PRESIDENT PAK: Yes. That's our
17 property. We're going to redevelop it into sort of
18 institutional life sciences, but we're still working
19 on a program to redevelop that site.

20 COUNCIL MEMBER BREWER: Do you have some
21 timing on that? Because it was supposed to be part of
22 Hunter College. Will they get anything out of it?

23 INTERIM PRESIDENT PAK: Yeah. Maybe we'll
24 go back to you on that.

2 COUNCIL MEMBER BREWER: Does Josh has more
3 information? Hunter College wanted to have sciences
4 there because they don't have a great science space.

5 INTERIM PRESIDENT PAK: It's part of the
6 whole life science redevelopment.

7 COUNCIL MEMBER BREWER: I understand that,
8 but I'm trying to think about CUNY.

9 INTERIM PRESIDENT PAK: Yes. So, CUNY is
10 going to get SPARC Kips Bay, that's part of the SPARC
11 campus, so they have a whole new --

12 COUNCIL MEMBER BREWER: A little bit, a
13 little bit.

14 INTERIM PRESIDENT PAK: -- school there.

15 COUNCIL MEMBER BREWER: All right. When
16 you're talking about East 73rd, I want to make sure
17 that you at least consider also putting CUNY --

18 INTERIM PRESIDENT PAK: Understood.

19 COUNCIL MEMBER BREWER: -- projects there.
20 Okay.

21 INTERIM PRESIDENT PAK: The lettuce
washing, we'll have to get back to you on that one
(INAUDIBLE) and same with the Brooklyn Beach.

Remind me the other question.

2 COUNCIL MEMBER BREWER: Yeah. So, what
3 about New Jersey competition?

4 INTERIM PRESIDENT PAK: Oh, yeah. So, you
5 know, again, as I mentioned, we have an economic
6 research and policy group that tracks these things
7 very closely. We don't opine upon sort of like tax
8 changes in terms of policy, but we do track the
9 impact of it, so we can do ongoing analysis, and we
10 month to month, we track what the implications are.

11 COUNCIL MEMBER BREWER: Helicopters.

12 INTERIM PRESIDENT PAK: Okay. I'll turn it
13 over to Anton.

14 COUNCIL MEMBER BREWER: Everybody doesn't
15 like those damn helicopters.

16 SENIOR VICE PRESIDENT FREDRIKSSON: Thank
17 you for the question, and appreciate the... We
18 certainly recognize the concern around helicopter
19 noise and emissions for many New Yorkers. So, EDC, we
20 manage two, for those who aren't familiar, there's
21 three heliports in Manhattan. EDC is the agreement
administrator for two of those heliports, and
aviation and airspace in particular operates within a
complex regulatory environment, as you can
appreciate. So, the airspace is all federal, so there

2 are very limited local powers on where these aircraft
3 can or cannot go. However, where we do have the
4 ability, we are taking a number of steps. So, thanks
5 to your leadership, Council Member Brewer, there was
6 the 50 percent cut of 2015 levels that remains in
7 place. We also limit the operating hours, and we've
8 negotiated with industry-designated overwater tour
9 routes as well. So, the tour helicopters that leave
10 the Downtown Skyport, as we're calling it now, they
11 stay over water, which cannot be said for aircraft
12 that originate from heliports outside of the five
13 boroughs.

14 Now, in addition to this, we're looking
15 forward to new technology on the horizon, this
16 electric aviation or electric vertical takeoff and
17 landing aircraft. A couple points on that. As part of
18 a 2023 announcement for a procurement of an operator
19 at what was then known as a Downtown Manhattan
20 Heliport.

21 COUNCIL MEMBER BREWER: We were there.

SENIOR VICE PRESIDENT FREDRIKSSON: Yeah.

We appreciated your attendance there. We demonstrated
a piloted electric eVTOL flights with a leading
European and leading American company, and you could

2 hear, or rather not hear, the improvements that has
3 over traditional helicopters. So, we're leaning into
4 that industry heavily. So, we made electrification a
5 requirement at Downtown Skyport, and so we were
6 selected Downtown Skyport, the operator, Skyport
7 Infrastructure and Group ADP to electrify the
8 heliport. I know you are familiar with a lot of
9 these.

10 COUNCIL MEMBER BREWER: Every last bit of
11 it. Go ahead. I could give the speech.

12 SENIOR VICE PRESIDENT FREDRIKSSON: In
13 addition to that, we also required blue highways
14 build out with the City at Downtown Skyport. So, this
15 is tying into the blue highways work and moving our
16 freight from our roadways to our waterways. And then
17 at the East 34th Street heliport, there was a
18 five-year extension in 2024 that we also included
19 this requirement to electrify. So, that's what we're
20 doing..

21 COUNCIL MEMBER BREWER: What's the timing
on this electrify? It's quite far in the future, I
believe.

SENIOR VICE PRESIDENT FREDRIKSSON:
Potentially closer than we think. So, just a week

2 ago, we announced a joint New York/New Jersey
3 application was selected by the U.S. Department of
4 Transportation and the Federal Aviation
5 Administration as one of eight kind of launch regions
6 as part of the eVTOL integration pilot program. So,
7 we're actively working with the private parties that
8 develop these aircraft as well as our partner kind of
9 agencies to safely integrate this technology into our
10 skies.

11 COUNCIL MEMBER BREWER: I'm sorry, the
12 timing?

13 SENIOR VICE PRESIDENT FREDRIKSSON: The
14 timing could --

15 COUNCIL MEMBER BREWER: A year, two years,
16 three years, because meanwhile... Go ahead.

17 SENIOR VICE PRESIDENT FREDRIKSSON: In
18 terms of the EIPP program, there are provisions in
19 place that could see, by the end of this year,
20 certain kind of demonstrations and pilots that will
21 inform the certification.

COUNCIL MEMBER BREWER: Okay. I mean, just
saying people are just not, you know, going to the
island, which is what they do in the summer. It's
noisy. They're still flying over. They're not all

2 going over the waterway. I don't need to talk about
3 this forever, but the numbers of complaints on 3-1-1
4 is the highest in ever. So, I mean, I know it's New
5 Jersey. I went in that plane. I took the wheel, you
6 know, the door off. I flew it. I got it. But you
7 still have to curtail it or do something because of
8 the complaints, I would suggest.

9 SENIOR VICE PRESIDENT FREDRIKSSON: Yeah.
10 And the tours, as you know, and the kind of airport
11 shuttles are great initial use cases for this
12 electric aviation just because of the distance. Our
13 hope is by accommodating and welcoming this new
14 technology, you can start to out-compete the
15 traditional ladder helicopters.

16 COUNCIL MEMBER BREWER: We have buses and
17 subways that go to the airports, just in case you
18 didn't know. Thank you very much.

19 CHAIRPERSON MALONEY: Thank you, Council
20 Member Brewer.

21 I have some follow-up questions,
particularly on the 34th Street heliport, and then
we'll turn to Council Member Riley.

In the Preliminary Capital Plan, we have
an additional 41 million over a 10-year period to

2 support the rehabilitation of the heliport, bringing
3 the total City capital commitment to 52 million. My
4 question is first, who owns the 34th Street heliport
5 and what's the mechanics of the with Atlantic
6 Aviation? This is building off of Council Member
7 Brewer's questions.

8 SENIOR VICE PRESIDENT FREDRIKSSON: Yeah.
9 So, the City of New York owns the heliport, and EDC,
10 through the maritime contract, is the agreement
11 administrator, and the private operator is Atlantic
12 Aviation. Now, to your earlier point on the capital,
13 that's substructure work that is keeping the island
14 of Manhattan upright, and it's more than just a
15 heliport. So, it's stretching a number of sites to
16 the north and a number of sites to the south.

17 CHAIRPERSON MALONEY: That's helpful.

18 How much revenue does EDC take in from
19 its lease agreement with Atlantic Aviation for
20 operation of the heliport, and is any of that
21 remitted to the City?

22 SENIOR VICE PRESIDENT FREDRIKSSON: Yeah.
23 Thank you for the question. So, the way the fee
24 structure is done, it's the greater of a minimum
25 annual guarantee payment, which escalates depending

1 on the year. This year is one and a half million
2 dollars, or 38 percent of gross receipts of the
3 revenues collected. So, one and a half is what we're
4 currently making. The heliport is actually operating
5 significantly below capacity today.

6 CHAIRPERSON MALONEY: And can you explain
7 the breakdown of who's rehabilitating the 34th Street
8 heliport, and how the additional funds are going to
9 be applied? And is Atlantic Aviation committing any
private funding to the to the project?

10 SENIOR VICE PRESIDENT FREDRIKSSON: So,
11 all the investment at the heliport itself is the
12 responsibility of Atlantic Aviation. So, the
13 electrification work, we put that onus on the private
14 sector. The work that you're referencing is the
15 substructure work throughout this stretch of
16 waterfront, and we can get back to you with specific
17 details on the contractors behind that if helpful.

18 CHAIRPERSON MALONEY: That's helpful to
19 clarify. Thank you.

20 Council Member Riley.

21 COUNCIL MEMBER RILEY: So, good afternoon,
and thank you, Chair Maloney, for your leadership.
And I just want to share the same sentiments as

2 Council Member Brewer, saying that you guys are doing
3 a tremendous job this morning. Thank you.

4 I just want to spend some time with the
5 World Cup. We know that it's coming very, very soon.
6 And recently, the Administration allocated funding
7 for activations and fan events. What are the primary
8 goals for the additional 15 million dollars allocated
9 for the FIFA World Cup? And how does the investment
10 align with the City's broader economic and tourism
11 strategies?

12 INTERIM PRESIDENT PAK: Yeah. Thank you
13 for that question. This is going to be a very
14 exciting time for the city. You know, we're again,
15 like we're like a diverse immigrant community city,
16 and so this is like the world sports that coming so I
17 think it's gonna be very exciting for the city where
18 it's going to generate an incredible economic impact
19 to the city. We're estimating over 3 billion dollars
20 from the World Cup activity.

21 So, the 15 million specifically that was
in the preliminary budget, we are working with the
World Cup czar now to seeing how that's going to be
deployed. But the sort of the primary goals for the
World Cup is to promote the World Cup. EDC's prime

2 sort of role in that is to promote the World Cup. So,
3 to get the word out that the World Cup is coming, get
4 people excited about it, you're going to see flags,
5 you're going to see murals, you're going to see
6 banners sort of all across our EDC assets to engage
7 the community prior to the World Cup, but also during
8 the World Cup, like fan events and community-based
9 programming, etc., watch parties, and then business
10 attraction. Again, we really believe this is an
11 incredible opportunity to highlight that New York
12 City is open for business. And that is through not
13 only companies coming from other parts of the U.S.,
14 but global companies are going to have delegations
15 here. And so, we're going to actively work to make
16 sure that they understand everything we have to
17 offer.

18 COUNCIL MEMBER RILEY: Thank you. I'm
19 really interested to hear about the small business
20 engagement that you guys are going to be doing,
21 especially within the outer boroughs. Want to make
sure that majority is not even though Council Member
Brewer is looking at me, majority is not in
Manhattan. We want to get some love in the Bronx to
make sure that they're utilizing some of the small

2 businesses out there as well. So, if you could just
3 speak a little bit more how you're trying to get
4 outer boroughs more engaged during the World Cup.

5 INTERIM PRESIDENT PAK: Absolutely. So,
6 small businesses are sort of the backbone of the
7 economy for New York City, and it's, you know, a
8 tremendous part of all of our New York City assets.
9 We have over 100 small businesses and all of our
10 assets. We also have the public markets. So, the
11 public markets has also La Marqueta in East Harlem,
12 Essex Street, and Moore Street in Brooklyn. They also
13 have about 100 small business and vendors. And all of
14 that together, we're going to look at all of our
15 sites, Coney Island, East New York, Kingsbridge,
16 etc., just all across the city, especially in the
17 outer boroughs, and we're going to activate those
18 sites for the World Cup. And we really think this is
19 going to bring both people in the community to like
20 spend money, the small businesses in the community,
21 but also bring people into that community to support
the small businesses as well.

COUNCIL MEMBER RILEY: Thank you, Madam
President.

2 I wanted to take a step and move to the
3 modular bathrooms. I see right here that the
4 Administration said 4 million dollars in funding. Is
5 this 4 million dollars supposed to be invested in all
6 the bathrooms that are being installed?

7 INTERIM PRESIDENT PAK: So, this 4 million
8 is for a one-year contract.

9 COUNCIL MEMBER RILEY: Okay.

10 INTERIM PRESIDENT PAK: And so it is to
11 bring online modular bathrooms throughout the five
12 boroughs. And again, we're in this selection process,
13 and so you'll see more announcements about that.

14 COUNCIL MEMBER RILEY: So, you don't have
15 an anticipation of how much each bathroom will cost?

16 INTERIM PRESIDENT PAK: It's 4 million for
17 all of the bathrooms. That's...

18 COUNCIL MEMBER RILEY: The only reason I'm
19 asking, because I just spent, I think, 5.3 million on
20 a bathroom in my District, and it was a comfort
21 station in a park. So, I was just interested in
seeing 4 million dollars here and seeing if you guys
were just going to install one public bathroom.

INTERIM PRESIDENT PAK: No, no. I think
the reason why we're doing these modular bathrooms is

2 sort of like innovative technology, is that the 4
3 million is going to deploy many bathrooms.

4 COUNCIL MEMBER RILEY: Okay. That's good.

5 If we could talk about Hunts Point real
6 quick. The money, can you speak about the phases on,
7 I believe it was 240 million you stated that was
8 going to Hunts Point?

9 INTERIM PRESIDENT PAK: For the Hunts
10 Point produce market?

11 COUNCIL MEMBER RILEY: Yes.

12 INTERIM PRESIDENT PAK: It's about 405
13 million.

14 COUNCIL MEMBER RILEY: 405 million. Excuse
15 me. Can you discuss the phases on how that money will
16 be implemented in this construction process?

17 INTERIM PRESIDENT PAK: Yes. So, the Hunts
18 Point produce market will be an all new electric new
19 facility so there's not really phases. It's going to
20 be built all at once because you're not going to be
21 decanting and moving people out. The current Hunts
Point produce market is going to stay as is. We're
going to build an all electric new facility right
next door. And so, once that is fully online,
hopefully by the end of 2029, the Hunts Point produce

2 market will move in there. We're doing it under a
3 design build contract. So, we're hoping that that's
4 going to move it quicker because...

5 COUNCIL MEMBER RILEY: Can you discuss the
6 difference between that contract and the normal
7 contract?

8 INTERIM PRESIDENT PAK: Yeah. Josh Kraus,
9 who runs our capital team can sort of...

10 COUNCIL MEMBER RILEY: Thank you.

11 CHIEF INFRASTRUCTURE OFFICER KRAUS: Yeah.
12 Happily.

13 So, I think generally speaking, the way
14 that the City approaches things is what we call
15 design bid build. So first there is a design
16 consultant that is procured. They complete a design,
17 and then the City goes back out separately to procure
18 a construction contractor. And sometimes there are
19 disadvantages to this because the contractor who's
20 doing the work wasn't a participant in the process to
21 design the facility. So, there are some gaps that
sometimes occur. Also, there is the gap in time
between when the design is complete and when the
procurement for the construction can begin.

2 Under design build, these things are
3 brought together as one so that you have a faster
4 implementation and you don't have the ability for
5 there to be any gaps between the design phase and the
6 construction phase. So, that's why we're approaching
7 it in this way. We think it will really help us to
8 deliver this project in the most efficient, both
9 time-efficient and cost-efficient way.

10 COUNCIL MEMBER RILEY: Thank you. Sorry,
11 Madam Chair. If I may have a few more questions.
12 Thank you.

13 During this construction process, can you
14 speak about job retention on those who are currently
15 there working? Will they be moved to another location
16 to work or what will happen during the construction
17 process? And can you talk about the implementation of
18 new possible jobs being there after this is
19 completed?

20 INTERIM PRESIDENT PAK: Yeah. So, the
21 Hunts Point Food Dish Center has hundreds of jobs up
there, thousands of jobs up there that are all mostly
union, and all of those will be retained. Again,
we're not closing anything. There's no businesses
that are going to close temporarily. Everything is

2 going to be up and running all through the
3 construction. In fact, there'll be tons of new
4 construction jobs up there. Once it's fully online,
5 then the produce market will move next door and it'll
6 be fully operational. So, there'll be no time where
7 people are out of work.

8 COUNCIL MEMBER RILEY: Okay. And my last
9 set of questions will be focused on M/WBEs. Do you
10 have... and I'm only asking this because I have a very
11 interesting bill, not the place to speak about it,
12 but I just want to know. Within my community, I have
13 a lot of young people that are transitioning into
14 entrepreneurship, right, and a lot of them want to
15 learn about how to get City contracts. You spoke
16 about 35 percent of the contracts were given to
17 M/WBEs. Do you have like, I guess, an age range on
18 those contracts given to those business owners
19 between the ages of 18 and 25? And if you don't have
20 that now, could you please provide that for me at
21 some time? And also, would you guys be interested in
entertaining the conversation of youth business
entrepreneurship of guaranteeing these contracts to
youth businesses?

2 INTERIM PRESIDENT PAK: We don't have that
3 data, so we will have to get back to you on that, but
4 we appreciate the question.

5 COUNCIL MEMBER RILEY: Okay. And would you
6 guys be interested in that conversation with youth
7 businesses?

8 INTERIM PRESIDENT PAK: We'd like to talk
9 about it further. Yes. Thank you.

10 COUNCIL MEMBER RILEY: All right. Thank
11 you so much. Thank you, Madam President. Thank you,
12 Chair.

13 CHAIRPERSON MALONEY: Thank you, Council
14 Member Riley.

15 Turning to FIFA, one of the questions
16 that Council Member Riley just brought up. I guess
17 about a few weeks ago in our last hearing, we raised
18 oversight over a lot of questions that have yet to be
19 answered with FIFA, and the first match of the World
20 Cup is just 86 days out. Do you have any more
21 information that you can share about the World
22 Cup-related plans, or I can get into more specific
23 questions?

24 INTERIM PRESIDENT PAK: I mean, yes, we
25 are working with the World Cup czar very closely and

2 sort of activating our sites for these engagements
3 for the World Cup.

4 CHAIRPERSON MALONEY: Great. Do we have
5 any specifics on the programs or the partnerships
6 that are in place to ensure small businesses are
7 incorporated, and how will that support be measured?

8 INTERIM PRESIDENT PAK: Yeah. Again, we're
9 working closely with the Mayor's Office on this.
10 Also, you know, we have our own assets that we are
11 going to activate, such as BAT, Coney Island, Staten
12 Island, etc., Kingsbridge. So, our public markets are
13 also a good venue. So, we are actively working with
14 our asset management team to be making sure that
15 we're going to activate that for community engagement
16 and to support local small businesses.

17 CHAIRPERSON MALONEY: In the oversight
18 hearing, we heard from BIDs and community
19 organizations about the plaza activation permit
20 moratorium during and leading up to the World Cup,
21 and has there been any progress made on lifting that
moratorium from June 1st to July 18th so that BIDs
can participate in fan activations and contribute to
driving regional economic development and even just
continue with their regularly scheduled programming?

2 INTERIM PRESIDENT PAK: I don't have that
3 information, but we can look into that and get back
4 to you on that.

5 CHAIRPERSON MALONEY: And is EDC utilizing
6 any additional funding outside of City Council
7 allocations to support fan engagement and community
8 events, for example, public-private partnerships?

9 INTERIM PRESIDENT PAK: Yes. You know, we
10 have our own, like I said, our own budget. We're
11 self-sustaining, so we'll be using our asset
12 management budget that we have for our particular
13 assets, and we are going to activate those assets for
14 World Cup-related engagements using our own budget.

15 CHAIRPERSON MALONEY: Great. Are there any
16 other public-private partnerships in the works?

17 INTERIM PRESIDENT PAK: I'm not aware of
18 this time.

19 CHAIRPERSON MALONEY: In the scope of
20 services contract, the projected economic output
21 varies from 2.14 billion to 3.4 billion for what to
expect from, in terms of local economic impact for
the area. What steps is the City taking and EDC
taking to ensure that our return is closer to the 3.4
billion?

2 INTERIM PRESIDENT PAK: This is for the
3 World Cup?

4 CHAIRPERSON MALONEY: For the World Cup.

5 INTERIM PRESIDENT PAK: We estimate about
6 3.3 billion of economic activity. Again, I think it's
7 multiple sort of ways that we're going to create that
8 activity. One is city residents just sort of being
9 out, spending money, engaging. Visitors coming into
10 the city, and also from other parts of the country,
11 and also global delegations. Also, a lot of companies
12 will be spending a lot of their own to create
13 excitement and build upon the FIFA World Cup.

14 CHAIRPERSON MALONEY: And then still
15 within the World Cup, that 15 million in Fiscal Year
16 2026, is that going to be negotiated through an
17 additional contract with the host committee, or spent
18 separately? If you could share more information about
19 that 15 million.

20 INTERIM PRESIDENT PAK: Yeah. Again, we're
21 working with the World Cup czar now to see how it's
going to be deployed and budgeted, and how it's going
to be structured. So, we'll get back to you on that.

2 CHAIRPERSON MALONEY: All right. We look
3 forward to more information in 86 days. Just calling
4 that out.

5 I'm now going to ask Council Member
6 Gutiérrez to ask questions, and then we'll turn to
7 Shanel Thomas-Henry on Zoom.

8 COUNCIL MEMBER GUTIÉRREZ: Thank you so
9 much, Chair. And thank you all so much for your
10 testimony.

11 Before I ask questions, I just want to
12 give flowers to the awesome folks at the Moore Street
13 Market, at the Marqueta, Natalie, Eileen. It's been
14 an amazing experience, really transformative. And so
15 I'm really encouraged by your response to like what
16 how these small businesses will be activated. Would
17 love to, when the time comes, really learn a little
18 bit more about it. But I just want to make sure that
19 they get all the praise, because we're really happy
20 and the community is really happy.

21 My questions are, the first is just
22 regarding industrial businesses. Council Member
23 Farías and I in the last term worked really hard with
24 DCP specifically on legislation to ensure thoughtful
25 planning to preserve industrial businesses, as well

2 as, you know, creating opportunities for job
3 retention. And so, I just have two questions related
4 to one of their policies. The City just released its
5 industrial plan late last year, calling for
6 specialized place-based support for industrial
7 businesses. And so my concern, and I think Council
8 Member Fariás' concern is about SBS' RFP that was
9 released, essentially eliminating the industrial
10 business service provider program and replacing it
11 with a rotating borough-based model. So how does, and
12 I get that this is a question for SBS and we will
13 have that conversation, but you all at EDC, how do
14 you think that a plan or an RFP like this really
15 aligns with the recommendation of specialized
16 place-based support for these industrial businesses?
17 And you all are doing a tremendous amount of work.

18 INTERIM PRESIDENT PAK: Thank you for that
19 question. You know, we greatly appreciated the
20 Council's leadership in driving that industrial
21 action plan. And, you know, we have a lot of City
assets and they're focused on sort of industrial
industries so, Brooklyn Army Terminal, Hunts Point
that we talked about, Bathgate, East New York, one in
three of our tenants are industrial companies, and

1 one out of 12 industrial companies in the outer
2 boroughs are our tenants so we are really engaged
3 with them. We are very focused on focusing on them,
4 on the industrial sector and growing the industrial
5 sector. And we are focused on workforce development
6 and economically as it relates to those industrial
7 sector. You know, again, we have the benefit of
8 having Shehila Stephens here, so I'd like to turn it
9 over to her to sort of answer any more additional
color.

10 EXECUTIVE VICE PRESIDENT STEPHENS: How
11 are you? So, I do want to talk a little bit about
12 EDC's commitment around equity, especially in these
13 industrial industries. So, EDC launched what we call
14 the East Brooklyn Fund in October 2025. So, this fund
15 created opportunities to build capacity for
16 community-based organizations. So, we spent a lot of
17 time with the community, talking with them about
18 like, what is the support that they need to be able
19 to stay in place and grow, and this is really a part
20 of our commitment to place-based equity. And so we
21 did award over five community-based organizations to
offer either workforce pipeline training, as well as
transitioning from a workforce into an

2 entrepreneurship space, and also providing additional
3 capacity for smaller industrial businesses to help
4 them grow as well. So, we committed about 1.4 million
5 to that particular fund.

6 COUNCIL MEMBER GUTIÉRREZ: Well, this is
7 great. I remember hearing that in your testimony, but
8 would it be too much to ask if you all connect with
9 SBS and really speak to the thoughtfulness and
10 success of this community-based program? It's really
11 what the role of the industrial business service
12 providers have been doing, have been funded in the
13 city for the last 40 years to do. And every year they
14 do come to these budget hearings and say, we need
15 more money because we want to be able to do more of
16 this work. And I really believe that this RFP is
17 going to reverse a lot of that progress. And yes, you
18 should have an unhappy face because we are out here
19 really fighting for our industrial businesses,
20 especially in Districts like ours that really employ
21 such a vast majority of people. And you all know the
benefits. I don't have to preach here to you, but
it's really important that we really invest in
organizations that are really filling holes for
manufacturing businesses that are day-to-day facing

1 so many challenges, and we fought so hard in the,
2 with the last Administration to make sure that we are
3 being inclusive. So, I would love for some
4 communication and maybe we can help make that happen.

5 My next question is related to tech and
6 I'll be fast. I see EDC is investing heavily in
7 sectors like the green economy and energy
8 infrastructure, yet many of those projects rely on
9 industrial space and workforce. How is the City
10 ensuring that industrial land and businesses are
11 preserved as part of its broader tech and innovation
12 strategy?

13 INTERIM PRESIDENT PAK: Yeah. So, tech is
14 an important sector for New York City. It has
15 diversified our economy here when we were like, you
16 know, decades ago, very reliant on sort of the
17 financial businesses. And now we've diversified so
18 it's about 7 percent of our city's total workforce.
19 We have about 25,000 tech-enabled startups. We're
20 number two in the world in tech. And so we really are
21 working hard to make sure that tech grows here. We
understand though that there's a lot of communities
that have been sort of boxed out of sort of the tech
sector, and so we are working on creating workforce,

2 not only workforce, economic mobility programs, but
3 also supporting diverse entrepreneurship through the
4 Founder Fellowship program.

5 COUNCIL MEMBER GUTIÉRREZ: Yeah. I think
6 they're both great. Thank you so much for
7 highlighting it in your testimony. And please just
8 keep the conversation going on that piece.

9 And, Chair, can I just ask one more
10 question? Related to childcare, there's a report that
11 shows that EDC is investing hundreds of millions into
12 economic development projects and long-term business
13 incentives. How is the City thinking about childcare
14 as part of its economic development strategy,
15 particularly as a prerequisite for workforce
16 participation?

17 INTERIM PRESIDENT PAK: Yeah. Affordable
18 childcare is an incredibly important for the economic
19 growth of the city. We understand that childcare is
20 needed for all sort of workers to be able to go to
21 their jobs and work every day, and so we are aligned
with the Mayor on sort of figuring out sort of a
childcare affordability solution. So, you know, we
are working on that and we support that because it's
part of economic development. It can't be separated.

2 COUNCIL MEMBER GUTIÉRREZ: And I'll just
3 say last year, I want to also just uplift the work of
4 the modular bathrooms. I think it's really great,
5 really innovative, really excited for the
6 administration. But I also just want to give flowers
7 to my Colleagues, Council Member Joseph and Nurse who
8 passed legislation on expanding bathroom access
9 citywide before the Administration's announcement
10 earlier this year and would just love more
11 collaboration on some of these things, but really
12 good stuff. Thank you so much, Chair.

11 INTERIM PRESIDENT PAK: Thank you.

12 CHAIRPERSON MALONEY: Thank you, Council
13 Member.

14 And now to Zoom, Council Member
15 Thomas-Henry.

16 COUNCIL MEMBER THOMAS-HENRY: Thank you so
17 much, Chair.

18 Good afternoon, everyone. I have a couple
19 of quick questions. In terms of, so Willard's Point
20 is in my District, and I just wanted to get a
21 timeline for Phase 2, so the rest of the affordable
housing units, the school, the hotel.

2 INTERIM PRESIDENT PAK: Yes. So, we'll
3 have to get back to you on the specific timeline. As
4 you mentioned, Phase 2 includes additional 1,400
5 affordable units, a 25,000 privately financed
6 all-electric soccer stadium, a 250-key hotel, about
7 115,000 additional square foot of open space, and
8 more remediation on 17 acres there so, we are looking
9 forward to that. We'll have to get back to you on a
10 specific timeline.

11 COUNCIL MEMBER THOMAS-HENRY: Okay. And
12 with that in mind, since that only accounts for about
13 a third of the entire Willard's Point property, all
14 that's out there, does the Admin have any desire, or
15 have there been any conversations about acquiring
16 additional parcels for affordable housing?

17 INTERIM PRESIDENT PAK: Well, part of the
18 project includes a public school, and in order to
19 build that public school, we do need to acquire some
20 of those private assets, private sites. So, we are
21 undergoing that right now.

COUNCIL MEMBER THOMAS-HENRY: But any
discussions about the remaining approximately 40
acres that are out there privately, currently
privately owned?

2 INTERIM PRESIDENT PAK: I'm not aware of
3 that. I have to get back to you on that one.

4 COUNCIL MEMBER THOMAS-HENRY: Okay. Moving
5 to ferry service. So, there is a desire by the
6 community, the local electeds in the area, from the
7 Borough President to our State electeds, to myself,
8 for ferry service out at Flushing Meadows-Corona
9 Park, the Malcolm X Promenade. Have any studies been
10 done to see the feasibility of this? We have 880
11 units coming online next month, and right now there's
12 only one bus that stops there and the 7 train, which
13 on a good day is overcrowded, and then you have the
14 soccer stadium opening next year, you have USTA, you
15 have Citi Field. Have you guys started looking at the
16 possibility of putting a ferry there?

17 INTERIM PRESIDENT PAK: Thank you so much
18 for asking that question. We love talking about NYC
19 ferries. We're really happy with our progress with
20 NYC ferries. Everybody loves NYC ferries, and that's
21 why everybody wants more NYC ferries in their
communities. It's an important part of the transit
hub of New York City, activating our waterways. You
know, as I mentioned in my testimony, we're at an
all-time high in ridership. 95 percent or over 90

2 percent of our riders are New York City residents,
3 you know, students, senior citizens, commuters, and
4 also we have these like fun services to the beach,
5 Rockaway, Rocket, etc. So, we also have worked
6 really, really, really hard to make it more
7 efficient. So, our per-rider subsidy is the lowest
8 it's ever been. In terms of expanded service, I'm
9 going to turn it over to Josh Kraus, who runs the NYC
10 ferry system.

11 CHIEF INFRASTRUCTURE OFFICER KRAUS: Yeah.

12 Thank you so much, Jeanny.

13 So, you may have heard that towards the
14 end of last year, we put out our 2025 Future of
15 Ferries Report, and one of the things that was
16 included within it was a vision for the future of
17 ferry service, really across the harbor. We are
18 deeply aware of the interest that many communities
19 have in seeing expansion of the NYC ferry service,
20 and through this study, this is going to be the
21 vehicle for us to really take an in-depth look at
some of these places that have long been called for,
such as the one at Willett's Point that you raise,
and delve deeply into understanding all of the
constraints and opportunities that may exist. So, we

2 are just getting started on that study, and as we
3 proceed with it, we're going to be working very, very
4 closely with communities, with Council Members, with
5 affected stakeholders, and all who have jurisdiction
6 to help us really evaluate the possibility of going
7 farther than we have before. And I'll even point out
8 that really, even within the Ferry Report that we put
9 out last year, Willett's Point is one of the
10 locations that we flagged for study, so we are
11 definitely aware of it, and we're looking forward to
12 getting that work started.

13 COUNCIL MEMBER THOMAS-HENRY: And just to
14 plug, it would be great if you tested it out during
15 FIFA. We have one of the fan zones right here in our
16 backyard, and we also have the Mets playing for a
17 good length of time that it's here, so that would be
18 a perfect opportunity to test it out.

19 Another quick question, with the
20 Sunnyside project, with federal funds being involved,
21 would that rely on the federal DBE program in terms
of participation, or would we still be able to rely
on our M/WBE program for participation on
construction opportunities for that plan?

2 INTERIM PRESIDENT PAK: Yeah. The
3 Sunnyside Yard redevelopment is sort of a
4 generational development to bring over, you know, 100
5 acres, creating tons of housing, open space,
6 commercial uses, etc. The visit from the Mayor to
7 Washington with the 21-billion-dollar price tag is
8 sort of the initial conversation, allowing us to have
9 conversations with our federal, state, and local
10 partners, and engaging the community in sort of
11 everything in the development. As you know, NYCEDC
12 developed the Sunnyside Yard Master Plan in 2020, so
13 we are now sort of in the initial conversation, so
14 we'll know more as time goes on.

15 COUNCIL MEMBER THOMAS-HENRY: I do want to
16 flag for you, if it is dependent upon the DBE
17 program, as of last year, the Trump Administration
18 has rescinded a lot of those certifications based on
19 gender and race, so a lot of our firms that were
20 certified under the DBE certification program have to
21 be recertified, so as any conversations are being
had, it would be good to keep that in mind, because
it would be a great disadvantage that a lot of our
women and minority businesses don't get to partake in
this monumental development.

2 INTERIM PRESIDENT PAK: Thank you. We
3 appreciate that comment. We'll take note.

4 COUNCIL MEMBER THOMAS-HENRY: My final
5 question, Chair, if I may, with the 250th
6 anniversary, similar to the World Cup, is there a
7 plan in terms of promoting it, revenue generating
8 activities, merchandise, or the like, to help the
9 City?

10 INTERIM PRESIDENT PAK: Yeah. We're very
11 excited for Sail 250. We are activating our waterways
12 for that, and I'm going to turn it over to Anton.

13 SENIOR VICE PRESIDENT FREDRIKSSON: Thank
14 you for the question. So, 250th birthday of the
15 United States. We're estimating 2.85 billion dollars
16 of economic impact as part of that, so this is July
17 3rd to 9th, we'll be welcoming 46 nations, 50 tall
18 ships, and 52 allied and U.S. naval vessels, and EDC
19 is supporting in accommodating those vessels to the
20 New York Harbor, so we're really looking forward to
21 that event.

22 COUNCIL MEMBER THOMAS-HENRY: Thank you,
23 Chair.

24 CHAIRPERSON MALONEY: Thank you, Council
25 Member Thomas-Henry.

2 On the World Cup, one final question, the
3 Comptroller and Council Finance estimates a 50
4 million dollar return for the City in tax revenue.

5 Can EDC share any estimates that they have generated
6 for local tax revenue?

7 INTERIM PRESIDENT PAK: In terms of the
8 FIFA World Cup, we've not done our own projection
9 from what I'm aware of.

10 CHAIRPERSON MALONEY: And building on our
11 favorite topic, the New York City Ferry, I personally
12 love riding the ferry, I know we have new local laws
13 to make it easier and more affordable for middle
14 school students to take the ferry approximately one
15 month from now. What increase in ridership do you
16 expect after those laws go into place?

17 CHIEF INFRASTRUCTURE OFFICER KRAUS: Thank
18 you so much for the question, and we share your
19 excitement. It's been since September of 2024 that
20 we've been welcoming our high school students on
21 board, and this has been a really successful program,
very meaningful for those high schoolers who are able
to now commute by ferry, and we're very excited to
now do the same for our middle schoolers. We intend
to follow a similar playbook in terms of getting the

2 word out, working with our partners of the Department
3 of Education, working with our operator, Hornblower,
4 through their social media, through our social media,
5 doing tabling, doing everything we can to make sure
6 that we get the greatest possible uptick in ridership
7 there. We don't have any projections right now, but
8 we are really looking forward to welcoming our middle
9 schoolers on board.

10 CHAIRPERSON MALONEY: That's great. And I
11 want to again commend you on ridership trending
12 upward, reaching a record high of 7.4 million in
13 Fiscal Year 2025, and subsidy per rider trending down
14 to roughly 8 dollars in Fiscal Year 2025.

15 What steps is EDC taking to continue to
16 increase ridership and lower that cost per rider
17 subsidy?

18 CHIEF INFRASTRUCTURE OFFICER KRAUS: Thank
19 you so much for highlighting the work that we have
20 been so focused on over the past four years,
21 especially through our NYC Ferry Forward program. As
you correctly point out, we are now at record high
ridership coupled with record low subsidy per rider,
and we don't intend on looking back.

1 So, I'll talk about probably two things
2 that come to mind first when it comes to making sure
3 that our ridership remains robust and that we are
4 welcoming as many New Yorkers as possible onto our
5 boats. The first one is the work that we really
6 talked a lot about and began towards the end of last
7 year, which was to really reconfigure the routes that
8 we have in NYC Ferry. The things that we did, a
9 couple of the most important ones, were one, to break
10 our very, very popular East River route into an A
11 route and a B route, which we did to ensure that we
12 would have faster travel times and fewer folks who
13 are left behind. We also, for the first time in many,
14 many decades, re-established a water-based
15 transportation between Staten Island and Brooklyn. I
16 remember the tremendous excitement, despite the
17 frigid weather that we had on the day that it was
18 begun. And so even beyond that, we've also made some
19 small changes to ensure that more riders across the
20 system have access to Midtown, and the reason we did
21 that is because in the surveys that we completed
 leading up to our change, that's one of the main
 things we heard, is that our riders, especially our
 regular riders, are seeking opportunities for

1 employment, for healthcare, for entertainment in
2 Midtown, and we want to be responsive to that request
3 to those riders. That's why I think when we got our
4 surveys back, the tremendous majority, something like
5 90 percent, said that on the basis of what we are
6 doing, they would ride the same or more, so we have
7 had that in place since December, and we're just now
8 starting to really see, as we get into the warmer
9 months, how successful that's going to be. Our
10 prediction is that thanks to this reconfigured route
11 system, we're going to see even more riders, so
12 that's a very big piece of how we are moving the
13 system forward and ensuring continued ridership.

14 The other thing that we did is to create
15 a new ticket. We created a new ticket type, mostly
16 targeted at tourists, but also for New Yorkers who
17 want to do some intensive ferry riding over a two-day
18 period, so this too, a two-day unlimited 15-dollar
19 ticket, we think is going to help us to reach more
20 people. It's a great deal for riders. It's a great
21 deal for us, so these are just a couple of the ways
that we are not resting on our laurels and continuing
to drive ridership on NYC Ferry.

2 CHAIRPERSON MALONEY: Thank you. I raise
3 my hand as interested in the two-day unlimited
4 ticket.

5 CHIEF INFRASTRUCTURE OFFICER KRAUS: All
6 right.

7 CHAIRPERSON MALONEY: As you're thinking
8 about new... well, first off, when are those new routes
9 to be implemented?

10 CHIEF INFRASTRUCTURE OFFICER KRAUS: So,
11 they are going on now.

12 CHAIRPERSON MALONEY: Okay.

13 CHIEF INFRASTRUCTURE OFFICER KRAUS: They
14 have been implemented.

15 CHAIRPERSON MALONEY: And have you seen
16 any shifts in ridership or any data changes?

17 CHIEF INFRASTRUCTURE OFFICER KRAUS: So,
18 there's a reason why we made this change in the
19 December time period. It's because this is generally
20 among the lower sort of ridership times of year, and
21 the good thing about that is that it allows our
riders, and in fact even our system operator, to
develop a rhythm and to really perfect the way the
schedules are working before we get to the spring and
summer months when ridership is really high. So, it's

2 probably a little too early to draw meaningful
3 conclusions from the data, but from what we have seen
4 so far, we're seeing a small but measurable uptick in
5 ridership, especially on our East River route and our
6 St. George route.

7 CHAIRPERSON MALONEY: That's encouraging.

8 And as you're looking at new ferry
9 terminal sites, in new neighborhoods like Council
10 Member Shanel Thomas-Henry mentioned, how do you
11 measure whether expansion will generate sufficient
12 ridership to open up that site or other economic or
13 social returns that justify the investment?

14 CHIEF INFRASTRUCTURE OFFICER KRAUS:

15 Excellent question. Thank you so much. This is we
16 spend a lot of time focused on. There are a number of
17 factors, one of which is the ability for the service
18 to really work from a physical and operational
19 standpoint. Not all areas in our waterfront are
20 exactly the same in terms of water depth, in terms of
21 access. So, we need to make sure that at a minimum,
the physical access and the operational accessibility
are there. Then we also look at whether the service
that we provide can be competitive with other modes
that are existing options for riders. So, if there is

2 a subway ride that can be substantially faster than
3 the service that we can offer, we think it might be
4 less likely that we're going to have a huge amount of
5 ridership, even though sometimes there are mitigating
6 factors because people say they enjoy the commute so
7 much more. We also take a very close look at the
8 upland conditions, so to speak, how easy it is for
9 members of a community, folks in the neighborhood to
10 access the landing, and also we look at socioeconomic
11 and demographic factors. It is very important to us
12 that NYC Ferry is accessible to all New Yorkers from
13 all walks of life. So, this is something that is
14 really centered in our evaluation and is something
15 that we're going to be taking a very close look at in
16 the vision study that I talked about earlier.

14 CHAIRPERSON MALONEY: Thank you. One last
15 question. The Preliminary Plan includes 4 million in
16 FY26 of federal Highway Administration grant funding.
17 How can EDC maximize incoming funds from those types
18 of grants? Is it based on ridership? What are the
19 other factors?

19 CHIEF INFRASTRUCTURE OFFICER KRAUS: Thank
20 you so much. We're looking at that as well.
21 Obviously, we want to maximize the amount of federal

2 dollars that we get. Some of them are earmarks. Some
3 of them are formula based. So, we're going to
4 continue to look at all of the federal opportunities
5 and do what we can to maximize those.

6 CHAIRPERSON MALONEY: Would expanding to
7 more locations, particularly other boroughs that
8 aren't served by ferry access right now, would that
9 unlock additional funds or not necessarily?

10 CHIEF INFRASTRUCTURE OFFICER KRAUS: I'd
11 have to look a little bit more carefully at the
12 language of some of the federal bills and get back to
13 you on that question.

14 CHAIRPERSON MALONEY: Thank you.

15 I'm going to now turn to Council Member
16 Banks.

17 And I also want to recognize that we have
18 Council Member Avilés who joined us, and I'll turn to
19 her afterwards for questions.

20 COUNCIL MEMBER BANKS: Thank you, Madam
21 Chair.

First of all, I heard East New York
mentioned a couple of times so it's always good to
hear that.

1
2 Particularly, and I guess on a sidebar, I
3 would love to hear about the plan on how they're
4 going to activate the community for the World Cup. I
5 know that was mentioned, that you're going to
6 activate the East New York community so we'd
7 definitely love to have further conversation about
8 that, as well as we would love to get a timeframe on
9 the BRC, 160-million-dollar project that is supposed
10 to be a demolition, and we're supposed to get a new
11 community center so, if we can get some information
12 on that particular timeframe on that as well. Also,
13 too, in our District, we also do have a desire for a
14 ferry service as well. As you do know, we're right up
15 the block from the Canarsie Pairs, and we do have the
16 amazing Shirley Chisholm Park that definitely a lot
17 of residents would be happy if there was a ferry
18 service, especially in that area where there is a
19 transportation desert in the Starrett City, the more
20 southern part of my District.

17 Let me get to my line of questions,
18 particularly dealing with the energy storage
19 community impact. Given the concentration of energy
20 storage projects and ongoing concerns from residents,
21 what resources in the 2027 preliminary budget are

2 being allocated for community engagement, oversight,
3 and safety view of these developments?

4 INTERIM PRESIDENT PAK: Yeah. Thank you
5 for that question. The battery storage projects are
6 incentivized through our IDA benefits. So, these are
7 private companies that come in that we structure
8 these transactions individually so that they provide
9 tax incentives for them to build battery storage,
10 which is incredibly important for our green economy
11 and building a more resilient New York City. It does
12 have benefits to the community because it takes off
13 these gaseous peaker plants that put out noxious
14 fumes into the community to a more greener sort of
15 renewable energy grid. So, this is an IDA program,
16 and through that, in each of the battery storage
17 projects that we've done recently, we've ensured that
18 there's a workforce development component that these
19 companies are creating to train local residents to
20 serve in this new industry of battery storage. And
21 so, it's not only just at the plant, but all these
companies have relocated and built their offices in
New York City, in Brooklyn, and so their headquarters
was not quoted in sort of the jobs created by the IDA

2 project, but they are creating jobs in that company
3 for Brooklyn residents.

4 COUNCIL MEMBER BANKS: All right. And I
5 guess you'd probably answer this, but I'm going to
6 ask the question, is the EDC currently involved or
7 supporting the proposed battery storage project in
8 the Jewel Street area? And if so, what outreach has
9 been conducted with residents in the 42nd Council
10 District? And additionally, what resources are being
11 directed specifically to my District to ensure
12 meaningful community engagement?

13 INTERIM PRESIDENT PAK: Yeah. So, I'll
14 have to check specifically about Jewel Street, if
15 it's an IDA project or not, and so we'll get back to
16 you on that.

17 COUNCIL MEMBER BANKS: If you can.

18 When it comes down to Brooklyn's EDC
19 support, in the last year's preliminary budget,
20 Brooklyn received approximately 12.1 million in
21 economic development support and about 709 million in
lifetime support, the second lowest among the
boroughs, despite being the largest borough by
population. How does the FY27 preliminary budget
address this imbalance?

2 INTERIM PRESIDENT PAK: You know, I'd have
3 to get back to you on that. I don't have the
4 specifics on sort of that budget now. I'm not sure.

5 COUNCIL MEMBER BANKS: If you can get back
6 to me, I'd appreciate that.

7 Can you provide any updated figures or
8 anything? Is there any information that you have?

9 INTERIM PRESIDENT PAK: I am not sure that
10 goes through EDC specifically, but we'll get back to
11 you.

12 COUNCIL MEMBER BANKS: Okay. Also, when it
13 comes down to small business support that we believe
14 has taken a decline based off the data, the data
15 shows that the number of small businesses served
16 declined by 8 percent from over 6,000 to just over
17 5,500. Yet there were no new investments in the 2027
18 preliminary budget to address this. Why is small
19 business support declining, and are there any
20 resources to reverse this trend?

21 INTERIM PRESIDENT PAK: Yeah. So, EDC
focuses on sort of supporting small businesses
through our assets. Again, we have 64 million square
feet, 224 assets, and primarily it's Brooklyn Army
Terminal, Hunts Point, East New York, Coney Island,

2 etc., and also our public markets, you know, we have
3 three major public markets. One is Moore Street in
4 Brooklyn, and so, through that, we support small
5 businesses. We also support small businesses, M/WBE
6 businesses through our sort of construction awards.
7 So, 35 percent of all of our construction awards are
8 to M/WBE. That equates to about 240 million last
9 year. And we have sort of pathways to break barriers
10 of entry for M/WBE firms, both in sort of maritime
11 construction and also regular construction through
12 our Construct NYC and Waterfront Pathways Program.

13 COUNCIL MEMBER BANKS: Okay. Thank you for
14 that response.

15 I have two more questions, if you may,
16 endorse, Madam Chair.

17 Since we just spoke about M/WBE
18 participation, we're going to talk about the decline.
19 M/WBE participation has declined significantly from
20 over 40 percent to under 20 percent. What specific
21 funding and corrective actions are included in the
FY27 preliminary budget to reverse this trend and how
will the Administration ensure accountability and
meeting participation goals?

2 INTERIM PRESIDENT PAK: So, the City has a
3 30 percent M/WBE goal. EDC on our projects that we
4 manage and we award, we have a 35 percent M/WBE goal,
5 and we have been meeting that. We met that in last
6 year, as I mentioned in Fiscal '25, and we anticipate
7 meeting that 35 percent goal in Fiscal '26.

8 COUNCIL MEMBER BANKS: And the last thing,
9 we want to also, you know, thank the EDC for the East
10 Brooklyn work workforce fund. The 42nd Council
11 District had the opportunity to partake in it. We had
12 two community-based organizations that were
13 recipients of the RFP or selected, so we thank you
14 for that opportunity. Obviously, it's still in effect
15 because they're doing the work so we want to thank
16 you for that and, you know, the participation in that
17 as well.

18 Thank you, Madam Chair.

19 INTERIM PRESIDENT PAK: Thank you. We
20 really appreciate that.

21 CHAIRPERSON MALONEY: Council Member
Avilés.

COUNCIL MEMBER AVILÉS: Thank you, Chair.

2 Hello, friends. I know you're waiting for
3 me. I need more time, of course, but let me not
4 belabor the many, many questions I have.

5 So, I guess first I want to underscore
6 the importance of Council Member Gutiérrez's comment
7 about the change of the RFP related to industrial
8 businesses and our profound concerns there. Could you
9 tell me what metrics EDC uses to track industrial
10 growth? And is there a metric that you are using on a
11 yearly basis to note whether in fact that is
12 happening?

13 INTERIM PRESIDENT PAK: Yeah. So, our
14 assets are very industrial focused. We have one in
15 three of our tenants at our assets are industrial
16 companies and one in 12 of the industrial companies
17 in outer boroughs are at our assets. So, we invest
18 heavily not only in sort of as tenants, but as an
19 industry. So, we are constantly looking at how to
20 support the industrial sector, both in the new
21 development projects, as well as in our existing
assets. And so we know it's a very important
workforce for, you know, high paying good jobs for
blue collar workers, and so it's really important to

2 us to make sure that that industry expands, is
3 supported and grows.

4 COUNCIL MEMBER AVILÉS: Right. So can you
5 I guess off the record, if you would send me what the
6 breakdown of those industries are and the markers.

7 INTERIM PRESIDENT PAK: Sure.

8 COUNCIL MEMBER AVILÉS: Having one in
9 three tenants necessarily doesn't say that we are
10 meeting growth targets. It means that's what's
11 existing. Are we maintaining those and what is in
12 fact the growth target, and are we pushing those
13 targets, you know, in the coming years? So, I'd love
14 to really learn more granularly how growth is defined
15 and whether or not we are actually meeting that in
16 the various sectors, because I'm sure there are
17 smaller manufacturers, larger, and what we consider
18 industrial might be a point of, I don't know,
19 interpretation.

20 INTERIM PRESIDENT PAK: Yes. Thank you.
21 We'll reach out to you.

22 COUNCIL MEMBER AVILÉS: Yeah. So, in terms
23 of has, can EDC provide its gross and net revenues
24 for the last Fiscal Years, like for Fiscal '25 or
25 Fiscal '24, '25, and '26.

2 INTERIM PRESIDENT PAK: Yeah. So, so EDC
3 is a not-for-profit organization and we collect,
4 operate, and maintain assets on behalf of the City.
5 So, through that, we collect revenue mostly through
6 our ground leases and from our tenants at our assets
7 and we operate and maintain them so we have
8 expenditures. We also do a lot of programming like
9 workforce development, economic mobility, etc.,
10 activating for the World Cup at our assets, you know,
11 whatever is sort of important for the City and for
12 EDC. We use our sort of net dollars to activate
13 programs. We call it our impact spending. So, we
14 don't really have sort of net revenue. If anything,
15 we have an unrestricted cash balance that we keep in
16 sort of as a financial measure in case like a
17 COVID-19 happened so, if all of our assets shut down
18 and we're not collecting any revenue, we we can still
19 continue like paying our staff and running our
20 programs.

17 COUNCIL MEMBER AVILÉS: Sure. So, I guess
18 I would love if EDC could send me, you know, on the
19 record, particularly what the revenue, the gross and
20 net looks like specifically for Atlantic basin. And
21 then particularly because I'm one of the Council

2 Members that has quite a large EDC footprint in my
3 District, the Sunset Park waterfront includes
4 everything from BAT all the way to SBMT, as you know.
5 I would like to understand very clearly what each of
6 those asset centers are generating. Obviously, you're
7 saying you're putting that back into programming. I'd
8 like to really understand what that looks like
9 specifically for my District.

10 INTERIM PRESIDENT PAK: Okay.

11 COUNCIL MEMBER AVILÉS: Okay. Great.

12 And in terms of in terms of the Brooklyn
13 Marine terminal, my favorite topic we, we noticed in
14 the Fiscal '26 November Plan that there is added
15 three staffing positions for the development
16 corporations, which my understanding was supposed to
17 be self-supporting, and the Preliminary Plan also
18 includes 129 million for various infrastructure
19 improvements at the terminal. Can you tell me
20 specifically what these positions are, have they been
21 filled, and then is there a timeline for further
staffing? And also, can you talk to me specifically
about what is included in that 129 million?

INTERIM PRESIDENT PAK: Yes. Happy to do
that. So, the BMTDC once it's online is going to

2 sort of operate and maintain the BMT redevelopment,
3 and so we are anticipating --

4 COUNCIL MEMBER AVILÉS: It has been
5 formed.

6 INTERIM PRESIDENT PAK: I'm sorry. BMTDC.

7 COUNCIL MEMBER AVILÉS: Yes.

8 INTERIM PRESIDENT PAK: Yes. So, they're
9 going to operate and maintain the implementation of
10 the redevelopment. So, we are anticipating an
11 executive director being hired maybe the end of this
12 year, and it accounts for two staff members. We
13 haven't defined exactly the level for the staff
14 members, but that's what that CTL is for. As for the
15 129 million, that is really looking at some of the
16 investments that we're doing now. So, the 15 million
17 all electrical crane that we pre-ordered that's
18 hopefully going to come this summer as well as some
19 pier improvements that we're doing on the piers, and
20 the 129 million also is the 109 local match or the
21 City match for the --

22 COUNCIL MEMBER AVILÉS: So, is money we've
23 been talking about in the previous fiscal years that
24 is just rolling over. This is not new money. The 15
25 million last year -- oh, I'm looking over like you

2 were there. The 15 million for the electric crane was
3 something last year that, actually maybe two years
4 ago, that the Administration had on the book. So, is
5 this just rolling over money?

6 INTERIM PRESIDENT PAK: Yes. This is not
7 new money.

8 COUNCIL MEMBER AVILÉS: Okay.

9 Lastly, if you could, so actually for the
10 129, if you could send to my office an itemization of
11 what that is going to be paying for.

12 And then I'd like to know, as it relates
13 to the Brooklyn Marine terminal, I know there was a
14 10-million-dollar pot of consultants that were being
15 paid for a process. I asked EDC at a hearing many,
16 many months ago to provide an itemization of those
17 payments and who they went to and how much they were
18 for. I have never received any of those documents.
19 So, I'm just asking for re-upping of that.

20 I have so many more questions, but this
21 is your -- I'll just say lastly, before I hand it
back, the Chair is incredibly gracious with all her
Council Members who can't get enough of questions in.
Obviously, I have ongoing concerns about Brooklyn
Marine terminal, and I'm deeply concerned that this

2 Administration has decided to just continue and not
3 really look deeply at alternative options and real
4 plan options on all the points that community members
5 have put out very clearly and have articulated that.
6 So, I will continue to be a little bit of a thorn in
7 the side around this issue because it is the biggest
8 land use transaction in New York City and has gotten
9 very, very little support in the way that our
10 community feels very overlooked. And in terms of
11 reinvest investment, I know EDC has a number of
12 workforce. We pump in a ton of workforce. What we
13 have yet to see is a materialization of jobs, actual
14 jobs from the property. So, again, I know you've
15 heard me say this a million times. I would like to
16 see what jobs are resulting from any of this
17 investment in the communities that directly abut all
18 of these properties. I have yet to see any
19 articulation that these investments are having any
20 positive impact on our community other than seeing
21 extraction for big corporations. I'll continue to
chase that number across projects because it is
important to my community that watches the City pump
in hundreds of millions of dollars and see no direct
benefit. So, thank you.

2 CHAIRPERSON MALONEY: Thank you.

3 All right. I want to turn back to the
4 budget and the 70-million-dollar allocation for EDC
5 to develop citywide grocery stores. This is one of
6 the commitments that were made during the Mayor's
7 campaign. Implementation of these citywide grocery
8 stores is part of the affordability agenda, and I
9 gather there's an intention to develop five stores in
total, one in each borough. Is there any information
you can share about this plan?

10 INTERIM PRESIDENT PAK: Yeah. So, we're
11 really excited to create more food affordability for
12 New Yorkers. Since pre-COVID, food prices have gone
13 up more than 30 percent for all of New Yorkers, and
14 so we're really looking to ensure that New York City
15 is more affordable and food affordability is part of
16 that. So, we're working with the Mayor and Deputy
17 Mayor Su in developing a plan. The 70-million-dollar
18 allocation that was in the preliminary budget is for
19 capital only. It's not for expense, so it will be
used primarily for the build out and fit out of those
five grocery stores.

20 CHAIRPERSON MALONEY: And besides having
21 that borough level target, do you have any other

2 criteria in place such as income levels or food
3 insecurity rates or retail gaps that are being used
4 to determine the locations?

5 INTERIM PRESIDENT PAK: Yeah. The main
6 objective for these five grocery stores is food
7 affordability and sort of clean, nice grocery stores,
8 a good experience for the customer, and good paying
9 jobs for the workers at the grocery stores.

10 CHAIRPERSON MALONEY: Any other criteria
11 in place?

12 INTERIM PRESIDENT PAK: We're working and
13 developing that as we move forward the plan.

14 CHAIRPERSON MALONEY: And what will the
15 total number of grocery stores be constructed?

16 INTERIM PRESIDENT PAK: The 70 million
17 includes five grocery stores, one in each borough.

18 CHAIRPERSON MALONEY: And do we have a
19 timeline or when we expect those to be complete?

20 INTERIM PRESIDENT PAK: Yeah. We're
21 actively working on a development plan. I think
you'll see some announcements made in the near
future, and we're really excited about bringing it
online.

2 CHAIRPERSON MALONEY: Okay. And is the
3 Administration, and I know you're speaking on behalf
4 of the Administration, envisioning a plan to expand
5 grocery stores in future years, additional funds for
6 more locations?

7 INTERIM PRESIDENT PAK: We're focused on
8 these first five stores, and so that is what we're
9 working on right now.

10 CHAIRPERSON MALONEY: EDC operates
11 existing retail markets.

12 INTERIM PRESIDENT PAK: We operate,
13 directly manage three public markets, La Marqueta in
14 East Harlem, Morris Street in Brooklyn, and Essex
15 Street in Lower East Side.

16 CHAIRPERSON MALONEY: What is the annual
17 operating cost and the net revenue or loss for those
18 existing retail markets?

19 INTERIM PRESIDENT PAK: Yeah. So, the
20 public markets are really important for the city. It
21 brings, you know, again, like I mentioned, it
supports 100 small businesses, you know, 300 or so
workers in those businesses and it also provides
fresh, culturally relevant food for those
neighborhoods, so we think it's a really important

2 sort of public good for New York City. It is not a
3 moneymaker, and so I would have to get back to you on
4 the details on that, but we're committed to these
5 public markets as a public good for New York City.

6 CHAIRPERSON MALONEY: Great. It would be
7 helpful to understand the economics.

8 And how do these markets that currently
9 exist differ in structure and operation from the
10 intention behind the new City-owned grocery stores?

11 INTERIM PRESIDENT PAK: So, the public
12 markets are really just, as I said, these are
13 allowing for culturally relevant sort of small
14 businesses and food vendors in these markets. The
15 public grocery stores are specifically for food
16 affordability, but both of them, you know, in terms
17 of food access, food affordability, etc., there's
18 like multiple tools that we're using, so these sort
19 of align, but the public grocery stores are
20 specifically going to have food discounts.

21 CHAIRPERSON MALONEY: And do you suspect
that we'll need additional City subsidies in the
future to continue to support operations and the
ongoing infrastructure needed to operate the five
stores?

2 INTERIM PRESIDENT PAK: We're looking into
3 that now. We're sort of developing a plan, so we'll
4 get back to you very quickly on that.

5 CHAIRPERSON MALONEY: And will the stores
6 be staffed by the City or contracted out to a
7 managing company?

8 INTERIM PRESIDENT PAK: We're looking for
9 a third-party operator because it's a very complex
10 business, and so we want to make sure we have experts
11 sort of doing that.

12 CHAIRPERSON MALONEY: And are you in touch
13 with food access organizations about partnering,
14 partnering with them?

15 INTERIM PRESIDENT PAK: Part of the
16 development plan is a whole outreach in terms of
17 everyone involved, including community folks involved
18 in sort of the supermarket world and the food
19 accessibility world, so we're having those
20 conversations.

21 CHAIRPERSON MALONEY: The other resource
available is the Food Retail Expansion to Support
Health or FRESH programs, where we have 100 million
in total assistance granted over the lifetime of
those projects. Can you speak to the advantages or

2 differences between the FRESH program and the
3 proposed City-owned grocery stores?

4 INTERIM PRESIDENT PAK: Yeah. So, the
5 FRESH program is part of our IDA tax incentive
6 program, and so again, this is like another tool that
7 we use to bring food accessibility and food
8 affordability to New Yorkers, and this one
9 specifically is for food accessibility. It targets
10 specific high-need neighborhoods, and we provide tax
11 incentives for those private supermarkets to go into
12 those neighborhoods. It doesn't necessarily focus on
13 discount, but it focuses on food accessibility.

14 CHAIRPERSON MALONEY: And why the decision
15 to create a new program versus invest further in
16 these existing programs?

17 INTERIM PRESIDENT PAK: So, these public
18 grocery stores are, you know, we found that there's a
19 real affordability crisis, you know, and it became a
20 priority of the Mayor that one of the measures to
21 combat sort of the affordability crisis is through
22 food affordability, and so this is a way to offer,
23 again, like the public markets, the FRESH program,
24 they don't really specifically target, like, food
25 prices, and these public grocery stores will very

2 specifically target food prices and food
3 affordability.

4 CHAIRPERSON MALONEY: Has EDC done any
5 analysis on the impact of opening these grocery
6 stores on other community-based food groups? For
7 example, the Council's food initiatives provides over
8 27 million to scours of local organizations for food
9 access in underserved communities.

10 INTERIM PRESIDENT PAK: Yeah. That is part
11 of our sort of public grocery store plan and sort of
12 development, and so we're working through that right
13 now.

14 CHAIRPERSON MALONEY: So, more information
15 to come?

16 INTERIM PRESIDENT PAK: Yes.

17 CHAIRPERSON MALONEY: And I am in
18 particular curious about, you know, the long-term
19 subsidies to keep the program funding. If we're
20 committing 70 million now, what does that commitment
21 look like year over year and into the future,
particularly in a year where we are scouring for
savings in every turn?

INTERIM PRESIDENT PAK: Understood.

2 CHAIRPERSON MALONEY: I wanted to also ask
3 about the Tin Building, since we're on the topic of
4 food. So last month, we learned that the Tin Building
5 Food Hall at the South Street Seaport is being
6 replaced by the Balloon Museum, and in a 2014
7 agreement with the Council and EDC as part of that
8 redevelopment, the Howard Hughes Corporation
9 committed to putting a food market occupying at least
10 10,000 square feet that would include locally and
11 regionally sourced food items that are sold by
12 multiple vendors and open to the public seven days a
13 week, so certainly getting at that issue of
14 accessibility of food, if not affordability of food.
15 Is this new change of the Balloon Museum in violation
16 of that original agreement?

17 INTERIM PRESIDENT PAK: No. They stayed
18 within the requirements under the original agreement.
19 Bringing a cultural institution is part of that, and
20 the Balloon Museum is a cultural institution. I would
21 say that, you know, it had been losing money,
millions and millions of dollars every year, and they
were planning to shut it down anyway, but we did get
a commitment is that they're going to keep sort of,

2 what is it called, a farmer's market open seven days
3 a week right next door.

4 CHAIRPERSON MALONEY: Got it. So, the
5 original agreement did not require that food market?
6 My understanding was that there was an agreement
7 between the Council and EDC as part of that
8 redevelopment requiring the food market, but...

9 INTERIM PRESIDENT PAK: Yeah. So, the food
10 market's going to stay. It's going to still be open
11 seven days a week, but it's not going to be in the
12 Tin Building.

13 CHAIRPERSON MALONEY: And not at least
14 10,000 square feet?

15 INTERIM PRESIDENT PAK: I'm not sure what
16 the size is, yeah.

17 CHAIRPERSON MALONEY: So, is it EDC's
18 responsibility to enforce those commitments from that
19 original agreement?

20 INTERIM PRESIDENT PAK: So, the original
21 agreement... the Balloon Museum coming into the... we did
take a very close look at it. All the requirements
under their original agreement were met, or the
lease.

2 CHAIRPERSON MALONEY: So, I see that the
3 reports indicated the Seaport Entertainment Group was
4 losing 33 million alone in one year. Is there
5 anything EDC or the City could have done to support a
6 venture like that on City land?

7 INTERIM PRESIDENT PAK: I mean, 30 million
8 a year is a steep number, and so we worked with them
9 to try to help promote the Tin building more, but the
10 risk is really on the private entity, and that's how
11 we structure the deal, within the confines of sort of
12 the use restrictions of that site.

13 CHAIRPERSON MALONEY: And in the case of
14 these new City-owned grocery stores, is that
15 responsibility then placed on the City to ensure that
16 we're having an economically stable business?

17 INTERIM PRESIDENT PAK: We're still
18 working out the development, but those City-owned
19 grocery stores will be restricted to be used for sort
20 of food purposes.

21 CHAIRPERSON MALONEY: Well, I don't have
any other Colleagues here to ask questions.

Thank you very much for your testimony.

Are we now moving to public testimony?

Thank you. What else am I supposed to say?

2 All right. The panel is dismissed. Thank
3 you very much.

4 INTERIM PRESIDENT PAK: Thank you.

5 CHAIRPERSON MALONEY: First, I want to
6 invite Francis Yu from Community Food Advocates, Noah
7 Meixler from Consortium for Worker Education, Ligia
8 Guallpa from Workers' Justice Project, and Jorge
9 Rojas from Workers' Justice Project.

10 And thank you again to EDC for your time
11 today and helpful testimony.

12 All right. You may begin, starting with
13 Francis.

14 FRANCIS YU: Good afternoon, Chair Maloney
15 and Members of the Committee. My name is Francis Yu,
16 Director of Supermarket Access at Community Food
17 Advocates. On behalf of CFA and the growing coalition
18 we are building to advance equitable supermarket
19 access across New York City, thank you for the
20 opportunity to testify on the upcoming preliminary
21 budget.

Community Food Advocates works to ensure
all New Yorkers have access to healthy, affordable,
culturally affirming food. In addition to leading
major city-wide campaigns such as universal school

1 meals and Good Food New York, we have spent the last
2 several years conducting research and organizing
3 partners around equitable supermarket access. The
4 urgency is clear. A newly released 2026 Share Our
5 Strength New York hunger survey found that two-thirds
6 of New Yorkers had to choose between buying enough
7 nutritious food and paying for other essential
8 household expenses in the past year. For families
9 with children, that number rises to 74 percent. This
10 is why we strongly support Mayor Mamdani's initiative
11 to develop city-owned supermarkets. Community Food
12 Advocates currently convenes a growing coalition of
13 community organizations, food systems experts, and
14 researchers helping shape recommendations for the
15 initiative. Last year alongside industry experts
16 Errol Schweizer and Raj Patel, we released a report
17 outlining strategies to ensure these supermarkets
18 deliver real affordability and access. This report is
19 included in the materials I provided. Two factors
20 determine whether this effort succeeds, scale and
21 sustained operational investment. Achieving real
affordability requires a model that operates at
sufficient scale that unlocks significant wholesale
savings which we've identified at 20 stores and

2 recognizes supermarket access as a public good. We're
3 very pleased with the 70 million dollars in capital
4 funds in the preliminary budget. While this initial
5 capital investment is important, long-term success
6 depends on ongoing operational funding. Current
7 projections suggest approximately 20 million dollars
8 per store in annual subsidy, roughly 100 million
9 dollars annually for these first five stores to
10 ensure sustained affordability, quality jobs, and a
11 dignified grocery experience for New Yorkers. Thank
12 you for your leadership and your attention to this
13 issue.

14 CHAIRPERSON MALONEY: Thank you. Noah from
15 Consortium for Worker Education.

16 NOAH MEIXLER: Great. Thank you, Chair
17 Maloney and Members of the Committee on Economic
18 Development. My name is Noah Meixler, and I serve as
19 the Director of the Astoria Worker Project, an
20 initiative of the Consortium for Worker Education.

21 As the workforce development arm of the
New York City Central Labor Council, CWE brings a
worker-centered approach to workforce development.
The Astoria Worker Project has anchored our work in a
neighborhood as we seek to build worker power and

1 develop innovative programming and partnerships to
2 reach underserved populations. Over the past three
3 years, with the support of the Council, we have built
4 this program from the ground up, seeing steady growth
5 each year. Our programming is designed and responsive
6 to community feedback. We began our work with a
7 quantitative analysis of the local economy paired
8 with a focus group study of workers in the
9 neighborhood. Last fiscal year, we delivered over
10 12,000 hours of instruction and served thousands of
11 local residents. Our programming includes ESL, Know
12 Your Rights, finance and work readiness classes,
13 leadership development, and cooperative business
14 education, all delivered in partnership with unions
15 and trusted community organizations. Our partners
16 include the UAW, Local 79, 1199, Workers United,
17 Malaga, the ANSEP Center for Refugees, What's That on
18 the Move, the Variety Boys and Girls Club, and the
19 AIDS Center of Queens County. We started this program
20 as a pilot initiative, and we're now working in
21 partnership with Our Bronx, formerly known as the
Northwest Bronx Community and Clergy Coalition, to
replicate this model in the Kingsbridge Armory. Our
vision for Kingsbridge is rooted in the same

2 principles that have guided our work in Astoria,
3 meeting workers where they are, investing in
4 underserved communities, and building economic power
5 from the ground up. We will keep the City Council and
6 this Committee informed as we continue to work to
7 move this work forward. Thank you for the time.

8 CHAIRPERSON MALONEY: Thank you.

9 Workers Justice Project.

10 JORGE XOYALTA ROJAS: (SPEAKING SPANISH)

11 LIGIA GUALLPA: And the translated version
12 is printed.

13 JORGE XOYALTA ROJAS: (SPEAKING SPANISH)

14 LIGIA GUALLPA: Okay. So, good afternoon.

15 Thank you for the opportunity, Chair Maloney, to
16 testify today. My name is Ligia Guallpa. I'm the
17 Executive Director of the Workers' Justice Project,
18 and I'm here to emphasize the importance of
19 supporting day laborers, domestic workers, and app
20 delivery workers in the City of New York. I want to
21 share a bit about our programs and how we're creating
pathways for hardworking New Yorkers to access living
wage jobs in industries that often are low paid and
also exploitative.

2 Workers' Justice Project runs workforce
3 development programs and workers' rights programs
4 that fills critical gaps for immigrant New Yorkers in
5 low-wage industries. Our programs have helped set
6 labor standards in the app delivery industry,
7 construction, and domestic work, providing workers
8 with dignified jobs, fair wages. Just this fiscal
9 year, we have connected domestic workers and day
10 laborers to 600 jobs, helped over 400 delivery
11 workers return into their jobs after unfair being
12 deactivated, which is a form of being fired in the
13 app industry, and ensure that many construction and
14 domestic workers earn an average wage of 25 dollars
15 an hour. Through our workers' rights program, we have
16 recovered 20 million dollars in stolen wages for
17 delivery workers, and also 123,000 for day laborers
18 and domestic workers. We have trained 400 workers in
19 40 hours of construction site safety. We're proud to
20 be able to do this work with the support of the New
21 York City Council. And I'm here today asking for the
support again to make sure that our key initiatives
that programs are fully funded, the Day Labor
Workforce Initiative, the Construction Site Safety,
the Worker Cooperative. So, for the day Labor

2 Workforce Initiative, we're asking 4.9 for five
3 worker organizations, which we're part of that
4 coalition across the city. Also, for our legal
5 service for day laborers and domestic workers to be
6 restored at 500 for Workers' Justice Project, the
7 Construction Site Safety 150, and also, I'm ending
8 now, and also supporting our new initiative, which is
9 the Workers' Rights Organizing Education Initiative,
10 which will be launching soon. Thank you for the
11 opportunity, and we look forward to working with you.

12 CHAIRPERSON MALONEY: Thank you for your
13 testimony.

14 Next, we have Yesmin Vega from Hispanic
15 Federation, and Hannah Burson (phonetic) from Western
16 Queens Community Land Trust. Thank you.

17 Whenever you're ready.

18 YESMIN VEGA: Good afternoon. It's my
19 first time here. My name is Yesmin Vega, Director of
20 Economic Empowerment for Hispanic Federation, and
21 thank you so much for taking the time to hear this
testimony today on behalf of Hispanic Federation, a
non-profit organization dedicated to empowering and
advancing Hispanic communities through its programs
and legislative advocacy.

1 Our network of over 780 member and
2 partner organizations, including 200 located here in
3 New York City, are frontline service providers for
4 our neighborhoods and communities. Despite being
5 significantly undercapitalized and under-resourced,
6 these local organizations remain at the heart of our
7 communities and are a critical support system for
8 Latino families. These organizations are deeply
9 embedded in our neighborhoods, providing the most
10 vulnerable residents with food, shelter, and
11 clothing, supporting at-risk youth in achieving
12 academic success, and assisting low-income families
13 in obtaining health insurance, helping workers gain
14 the training and skills needed to achieve economic
15 mobility. And additionally, these organizations that
16 might otherwise go unheard of are really at the heart
17 of advancing equitable opportunities that improve New
18 Yorkers' quality of life. And today, we are asking
19 for the expansion of key funding for the incoming
20 fiscal year to support our growing Latino families
21 and to ensure that the City prioritizes the
allocation of resources that will improve the
well-being of vulnerable communities across the City.
HF is requesting that the City Council provide

1 baseline funding of 100 million for community food
2 connections to support emergency food providers in
3 battling food insecurity for all New Yorkers... oh my
4 goodness. Additionally, HF supports an allocation of
5 25 million in the Feeding Our Communities Council
6 initiative in Fiscal Year '27 to support food
7 pantries, including Hispanic Federation and partner
8 organizations such as the Met Council and Catholic
9 Charities. For over 16 years, Hispanic Federation's
10 Lucha Contra el Hambre hunger relief effort has been
11 a cornerstone in improving the health and nutritional
12 status of New Yorkers by expanding nutrient-rich food
13 to needy families across the City and filling a gap
14 in food items, specifically culturally responsive
15 food items that pantries often have a hard time
16 sourcing. (TIMER CHIME) And in 2025, Lucha Contra el
17 Hambre provided 1.3 million meals, including
18 Thanksgiving turkeys and Christmas pernils, impacting
19 over 100,000 underserved families in New York. So,
20 thank you so much for your support and looking
21 forward to working with you.

CHAIRPERSON MALONEY: Thank you so much
for your testimony.

2 We'll now turn to the Zoom. We'll start
3 with Melat Seyoum and then go to Sarah Bratko,
4 followed by Catherine Murcek.

5 Melat, if you're on the Zoom.

6 MELAT SEYOUM: Yes. Thank you. Good
7 afternoon, Honorable Chairperson and distinguished
8 members of the New York City Council Committee on
9 Economic Development. My name is Melat Seyoum, and
10 I'm the Director of Policy Advocacy and Strategic
11 Partnerships at the New York City Network of
12 Worker-Owned Cooperatives, also known as NYC NOWC. We
13 are the member-led local trade association
14 representing worker-cooperative businesses and
15 democratic workplaces in New York City.

16 I'm here alongside my colleagues from the
17 Democracy at Work Institute, the Center for Family
18 Life, CUNY Law, and also our WJP advocates with our
19 advocacy council members representing nine other
20 organizations that make up the Worker-Cooperative
21 Business Development Initiative. We are here asking
the New York City Council to continue supporting the
expansion of worker ownership in next year's budget
and firmly into the future. Since the inception of
the initiative, we've created over 200 new

1 worker-owned cooperative businesses and over 1,200
2 new jobs that are not only providing higher hourly
3 wages, but also building wealth and assets for
4 individuals who are overwhelmingly BIPOC women and
5 immigrants. We have seen firsthand how this
6 initiative has served to bolster our sector and
7 strengthened existing cooperative businesses and
8 created new ones. The initiative partners have
9 collectively worked to create a comprehensive
10 ecosystem of support for cooperative businesses that
11 not only ensures the creation of new cooperatives in
12 low-income areas, but also the technical assistance
13 needed to sustain businesses and create jobs, as well
14 as the education and outreach needed for communities,
15 interested entrepreneurs, and allied organizations.
16 We did a lot of work during the early years of the
17 pandemic and beyond to bring in over 20 million in
18 grants and loans to keep cooperatives afloat, and we
19 did this with a 3.7 million budget. We are here
20 asking the City Council to finance our funding to
21 5,097,000 dollars in order for our initiative to
double down on the essential long-term economic
recovery for cooperative businesses that is needed to
claw ourselves out of this current crisis that we are

2 facing. We thank the City Council for the opportunity
3 to testify, and we hope that you will consider our
4 budget priorities and recommendations during the
year's negotiation process. Thank you.

5 CHAIRPERSON MALONEY: Thank you very much.

6 Sarah Bratko, followed by Catherine
7 Murcek.

8 SERGEANT-AT-ARMS: You may begin.

9 SARAH BRATKO: Thank you. My name is Sarah
10 Bratko here on behalf of the American Hotel and
Lodging Association.

11 The economic strength of New York City is
12 inseparable from the vitality of its hotel industry.
13 Each hotel room night drives roughly 1,100 dollars in
14 total visitor spending, totaling 38 billion dollars
15 annually across all five boroughs. That money is
16 going directly back into the community through
17 restaurants, attractions, retail, and other small
18 businesses. It's also going directly back to the City
19 budget. In total, the industry is projected to
20 generate an estimated 4.9 billion dollars in tax
21 revenue in 2026 alone for the federal, state, and New
York City. Hotels support nearly 264,000 jobs in New
York City, and these are careers that provide strong

1 wages, benefits, and advancement opportunities for
2 New Yorkers. Since 2020, average hotel wages have
3 grown more than 15 percent faster than wages in the
4 broader economy.

5 As we said in our February 27th
6 testimony, the industry is also facing significant
7 cost pressures. Over the last five years, operating
8 costs have risen roughly four times faster than
9 revenue growth, with local policy decisions making
10 New York City one of the most expensive operating
11 markets in the world. We continue to face uncertainty
12 due to the decline in international travel and
13 ongoing tariff and trade disputes. And even with
14 major events like the World Cup on the horizon, hotel
15 revenue growth nationwide is projected to remain
16 under 1 percent this year. It's because of this and
17 against this backdrop that budget proposals to
18 increase corporate taxes, reduce the pass-through
19 entity tax credit, and significantly raise property
20 taxes would add further strain. Hotels can't simply
21 relocate when operating costs become unsustainable.
They close. And we have seen this dynamic in cities
like San Francisco and Los Angeles, where compounding
policy decisions, including continuous tax increases

2 and extreme labor mandates, have placed significant
3 strain on the hospitality sector, leading to visitor
4 decline and hotel closures. A strong hotel industry
5 means a strong New York City economy, and we look
6 forward to working with the Council to advance
7 policies that promote job creation and sustained
8 economic growth for the city. Thank you.

9 CHAIRPERSON MALONEY: Thank you.

10 Catherine Murcek, followed by Eli
11 Shin-Perez.

12 SERGEANT-AT-ARMS: You may begin.

13 CATHERINE MURCEK: Thank you for the
14 opportunity to testify today. My name is Catherine
15 Murcek, and I'm a worker owner at two co-ops here in
16 New York City, the Samamakaya Yoga Back Care and
17 Scoliosis Collective and Oasis Solidarity Collective.
18 We're members of NYC NOWC, who you've heard from
19 already, which is a partner organization in the
20 Worker Cooperative Business Development Initiative.

21 Your support of our community of
democratically run businesses helps to protect and
create jobs for women, immigrant workers, and
communities of color across the five boroughs and in
a wide array of industries. New York City now has the

1 most co-ops in the country because of your support.

2 I'm testifying today to urge you to continue to

3 support the great work of WCBDI, enhancing the

4 initiative's funding to 5.09 million, and to also

5 support commercial rent stabilization to protect New

6 York City's workers and small businesses from

7 displacement. The first co-op I joined, Samamkaya, is

8 a very special little studio for therapeutic yoga in

9 Chelsea, with classes both online and in studio. I'm

10 proud to say my 19 other worker-owners and I have

11 been democratically running the studio together for

12 11 years in the same space the whole time. To make

13 yoga accessible to all ages and abilities, we use

14 specialized rope walls and equipment, which incurred

15 a lot of startup costs that we are still paying back.

16 Getting our business through the pandemic was a huge

17 challenge that forced us to close our physical space

18 temporarily and pivot to teaching online, but we were

19 able to get through it for two main reasons. One,

20 because we're a cooperative, and two, our landlord

21 was willing to renegotiate our lease. As a co-op, we

banded together to decide as a team how we would

pivot, divide the labor, and work together to keep

the studio afloat, while making sure our teachers who

2 most needed to work could keep teaching online and
3 make ends meet. We were also grateful to have access
4 to technical support from WCBDI partners and a couple
5 small grants specific to worker co-ops. This support
6 provided pro bono legal services with Take Root
7 Justice to help us with the negotiation of our lease,
8 and NYC NOWC's Cooperative Sustainability Fund, which
9 allowed us to pay for consulting (TIMER CHIME)
10 sessions.

11 SERGEANT-AT-ARMS: Thank you. Your time
12 has expired.

13 CATHERINE MURCEK: Okay. Just please
14 enhance the fund to 5.09 million, and I'd like to put
15 in a request to please extend testimony time to three
16 minutes like it was before the pandemic. Thank you.

17 CHAIRPERSON MALONEY: Thank you very much.

18 Eli Shin-Perez and then Will Spisak.

19 SERGEANT-AT-ARMS: You may begin.

20 ELI SHIN-PEREZ: Hi. Good afternoon, Chair
21 Virginia Maloney and distinguished Members of the New
York City Council on Economic Development. Thank you
so much for the opportunity to testify. My name is
Eli Perez, and I'm a business developer at the Center
for Family Life in Sunset Park.

2 I'm here today to respectfully urge the
3 Council to support the Worker Cooperative Business
4 Development Initiative in allocating 5.09 million
5 dollars in Fiscal Year 2027, including 675,000
6 dollars to the Center for Family Life This work is
7 deeply personal to me. In Fiscal Year '25, I helped a
8 group of low-income immigrant women launch their
9 business. Many of them came to this country seeking a
10 better life, only to be mistreated and exploited for
11 their labor, an experience echoed by my own family.
12 Some of them earned as little as 11 dollars an hour
13 here in New York City. These past two years, I
14 watched them grow, find their voices, and take up
15 leadership positions, learning so much along the way.
16 With your help, we're going to continue equipping
17 them with the tools to manage and sustainably grow
18 their own business. In Fiscal Year '27, with your
19 support, we plan to offer 275 technical assistance
20 services to existing worker co-ops to help them
21 address administrative challenges and remain
operational. We'll also provide 20 trainings in
business administration, finance, marketing, and
domestic industry-specific skills so that 400
participants can strengthen their entrepreneurial

2 knowledge. Through these efforts, we aim to create at
3 least 15 new jobs in cooperative businesses and
4 ensure that members of the co-ops we incubate earn an
5 average of 39 dollars per hour. These achievements
6 are only possible with the steadfast support of the
7 Council, and on behalf of the Center for Family Life
8 and the Worker Cooperative Business Development
9 Initiative, thank you so much for your time
10 consideration and commitment to economic equity. We
11 respectfully ask for your continued support in Fiscal
12 Year '27. Thank you.

13 CHAIRPERSON MALONEY: Thank you for your
14 testimony.

15 And last, we have Will Spisak.

16 SERGEANT-AT-ARMS: You may begin.

17 WILL SPISAK: Good afternoon, Committee
18 Chair. My name is Will Spisak. I'm a Senior Policy
19 Strategist at New Economy Project, a statewide
20 organization that works with community groups across
21 the city to build a new economy that works for all
New Yorkers based on community wealth building,
collective ownership, and racial justice. We
coordinate the city-wide coalition of community land
trusts, known as NICELY, and manage the New Economy

2 Loan Fund, which provides non-extractive financing to
3 community-controlled solidarity enterprises across
4 the city. Since 2019, our organization has received
5 City Council discretionary funding through the
6 Citywide Community Land Trust Initiative, or CLT
7 Initiative, and we are asking the City Council to
8 enhance funding for that initiative to 3 million
9 dollars in Fiscal Year '27 expense budget. We're also
10 asking the City Council to hold the Mayor accountable
11 to his campaign promise to create a 50-million-dollar
12 CLT capital fund to provide nimble funding to CLTs
13 operating in a fast-paced competitive market. By
14 bringing land into community ownership, CLTs are a
15 driving force away from the old model of economic
16 development, so-called smokestack chasing, and
17 towards community wealth building and locally-rooted
18 economic development. Since the '90s, Cooper Square
19 CLT on Manhattan's Lower East Side has preserved more
20 than 320 deeply affordable apartments and two dozen
21 affordable storefronts in 21 buildings, with
primarily M/WBE businesses operating in them. More
recently, the Bronx CLT, Western Queen CLT, East New
York, Monthaven, Fort Morris, Community Land
Stewards, and the Real Edgemere CLT have acquired or

2 are in the process of closing on properties that will
3 provide much-needed affordable community, commercial,
4 and manufacturing space to build economic opportunity
5 in their neighborhoods from a community wealth
6 building solidarity framework. We're asking you to
7 take this opportunity with this Council and this
8 Administration to create a new, unique way for New
9 York City to do economic development and use CLTs as
10 the tip of the spear to lead community wealth
11 building projects and hopefully become the new norm
12 for the way New York City does economic development.
13 Thank you.

14 CHAIRPERSON MALONEY: Thank you for your
15 testimony.

16 That concludes the public comment.

17 Thank you all for being here, and this
18 hearing is adjourned. [GAVEL]
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C E R T I F I C A T E

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World Wide Dictation certifies that the foregoing

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transcript is a true and accurate record of the

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proceedings. We further certify that there is no

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relation to any of the parties to this action by blood

or marriage, and that there is interest in the outcome

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of this matter.

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Date May 24, 2026

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