

Testimony of Tim Sullivan
Chief of Staff, Office of the Deputy Mayor for Economic Development

Before the New York City Council
Committee on Economic Development

May 1, 2013

Good morning Chairwoman Koslowitz and members of the Economic Development Committee. My name is Tim Sullivan, and I am the Chief of Staff to Deputy Mayor for Economic Development Robert K. Steel. Joining me this morning are Chris Gonzalez, Assistant Commissioner at the Department of Housing Preservation and Development (HPD), Joseph Coletti, Senior Vice President at the Economic Development Corporation (EDC) and Hardy Adasko, Senior Vice President at EDC. On behalf of the Bloomberg Administration and Deputy Mayor Steel, thank you for the opportunity to testify this morning regarding Introductory 438-A, which would require the preparation and submission of a new report – a Community Impact Report – prior to the approval of a wide variety of job-creating economic development projects. The Administration opposes this bill because it will make it more difficult for businesses to invest and grow in New York. The bill is also likely to have unintended consequences, impractical with regard to several reporting requirements, redundant with existing reporting, vague and raises legal concerns.

While the Administration opposes this bill, we share the Council's goal of ensuring that all stakeholders, including elected officials, neighborhoods and communities have the information they need to evaluate the impacts of proposed economic development projects. We are proud of our record of collaborating closely with Community Boards, Borough Presidents and the Council to advance a range of projects in the last 11 years that have transformed our City. Together, projects advanced by this Administration have rezoned nearly 40% of the City to create room for the housing and businesses the City needs to grow, added a record number of landmarked buildings and historic districts, and added more than 700 acres of new parkland across the five boroughs. And we have done so while providing unprecedented – and increasing – amounts of information to impacted communities and all other stakeholders.

Mayor Bloomberg's five-borough economic development strategy has had a lasting impact on communities throughout the City. As a result of his commitment to improving quality of life, creating a pro-growth, pro-business environment, investing in infrastructure and major redevelopment projects and fostering economic diversification, New York City has outperformed the rest of the country since the onset of the national recession. Since the onset of the recession, New York City has gained back more than 250% of the jobs lost; the country has only regained 70%. The number of private sector jobs in the City's economy recently set a new record of 3.3 million, eclipsing the previous record set in the late 1960s prior to the City's fiscal crisis. The population of the City is at a record high and continuing to grow, and in 2012 New York City set

its third consecutive record for the number of visitors, with 52.2 million. Today, tourism employs more than 350,000 people in New York City, making it our fifth largest sector from an employment perspective.

The impact of the Mayor's strategy is being felt in all five boroughs. In fact, throughout the 11 years of the Bloomberg Administration, more jobs have been created outside Manhattan than inside Manhattan. And the rate of job creation has been faster in each of the Bronx, Brooklyn, Queens and Staten Island than it has been in Manhattan over that same period.

But for as much progress as has been made in the last 11 years, much work remains to be done. Unemployment in New York is still unacceptably high, and too many New Yorkers are still looking for work. Data recently published by the City's Center for Economic Opportunity shows that while growth in the poverty rate has slowed since the end of the recession, too many New Yorkers are still struggling to make ends meet.

That is why Mayor Bloomberg is continuing to advance major job-creating projects in each of the five boroughs – projects like the redevelopment of the Kingsbridge Armory, the remediation and transformation of Willets Point, the rezoning of East Midtown, the expansion of the Downtown Brooklyn Cultural District and the construction of the world's largest Ferris Wheel and new destination retail in St. George. Together, these projects and others being pursued by the Administration will create tens of thousands of new construction and permanent jobs in all five boroughs.

Simply stated, the Administration opposes Intro. 438-A because it would make doing job-creating projects like these more challenging, when we should be focused on making it easier for businesses to invest and expand in New York City.

Intro. 438-A would introduce yet another burden – and cost – for businesses seeking to make investments and create jobs in New York City. Despite the efforts of this Administration to create a pro-growth, pro-business environment by pursuing balanced regulation and making it easier for businesses and homeowners to comply with regulations, the City still ranks poorly in nearly all assessments of business-friendliness compared to other cities. Developers and businesses have a choice about where to invest – and the more onerous and expensive we make it to invest in New York, the more likely they are to take their business elsewhere. Intro. 438-A would add yet another step to an already-lengthy development process and introduce yet another cost – on top of living wage mandates, prevailing wage mandates, paid sick leave mandates, and other recently-enacted regulations. While none of these measures alone is likely burdensome enough to drive away a particular investment or company, these burdens add up to create an environment that will discourage job creation.

Indeed, this legislation implicitly recognizes that this bill would create new burdens by exempting certain kinds of development projects – development of new housing with 100%

affordable units and the direct provision of social services – from preparing a Community Impact Report.

Second, this bill would also have a range of unintended consequences. For example, while the bill exempts contracts for the provision of social services, projects that include city funding for infrastructure or tax incentives for developments that would host social services, which are entirely separate from the contracts to provide the social service, would be subject to this bill. The City often provides funds or tax incentives to non-profits for capital projects to improve properties or acquire properties that are entirely separate from contracts to provide social services.

Similarly, supermarkets that would bring badly-needed fresh fruit and vegetables to food deserts under the FRESH program supported by Mayor Bloomberg, Speaker Quinn and the Council would be subject to this bill. Non-profits and cultural institutions that receive economic development incentives would be subject to this new requirement. And if a developer building a new housing development that included only affordable units wanted to include a grocery store, community facility or medical facility on its ground floor – facilities which are often lacking in communities where affordable housing is needed most, the entire project would become subject to this law.

There are several practical issues with the requirements of the bill. For example, the bill requires reporting of how much rents will increase in the community district due to the project. This is not only difficult to forecast, it is impossible to isolate the impact of any one project on rent levels. Similarly, developers or agencies would be required to report the number of residents and businesses displaced and the demographic profile of the resident and employees of these businesses. This is simply impossible to forecast at the level of detail required by the bill, particularly at the individual building level. The bill requires a report of the salary and wage levels for new jobs for community district residents. Not only is this difficult to forecast with any degree of confidence at the stage of the process when reports would be required to be filed, it also ignores the reality that many projects have a citywide impact. A new housing development in the Bronx may create jobs for a building service worker who lives in Manhattan, for a construction worker who lives in Queens or for a lumber distributor based in Brooklyn. Any Community Impact Report should recognize the broader impact of projects across the City.

The bill would also give the Department of Small Business Services the responsibility for producing these reports on behalf of the City. While SBS plays a critical role in economic development, they are not involved in many of the projects – particularly affordable housing construction and the sale or lease of City-owned land – that this bill covers. Reports should be prepared by the agency most closely involved with a given project, or the project developer.

The final practical consideration is the required timing of Community Impact Reports, which are required to be submitted to the Council thirty days prior to approval of the economic

development benefit. For many projects, this is simply too early in the process to be able to provide the kind of information required in these reports. Many important economic development projects are supported directly by individual City Council members through funding allocations in the City budget. This bill would require Community Impact Reports, presumably compiled by members of the Council and their staff directly, to be filed 30 days prior to adoption of the annual budget. Because the City budget must be adopted by June 30th, projects funded by capital spending directed by individual Council members would need to file Community Impact Reports by May 30th to be considered for adoption in the budget. Given the significant number of applications received every year for these funds, this additional step could prove particularly burdensome for Council staff.

This bill also would require the collection of information that is already provided in other formats, thus creating further redundancy and inefficiency in the development process. For example, any disposition of City-owned property, including all land use actions, is required to undergo an environmental analysis. This review requires that projects analyze potential displacement of both residential and business tenants, and is routinely shared with the public and with the Council as projects are under review. Projects under IDA review are similarly subject to environmental requirements that include analysis of potential displacement.

The bill also contains several problematically vague definitions that would create confusion and legal uncertainty. As written, the definitions of “economic development benefit” and “financial assistance” appear to include as-of-right tax expenditure programs. Even if the bill adequately defined the meaning of the word “approval,” it is still inappropriate for the bill to require a Community Impact Report with respect to as-of-right tax expenditure programs such as the Energy Cost Savings Program or the Relocation Employment and Assistance Program, which promote relocating jobs from outside of the City to the outer boroughs or above 96th Street in Manhattan. Benefits under an as-of-right tax expenditure program are not discretionary, and therefore there is no “date of approval” which would trigger a report 30 days earlier. At a minimum, as-of-right programs should be removed from the scope of the bill.

Finally, this bill raises legal issues. The requirement that the reports must include information on local job recruitment efforts and expectations for the number of jobs that might be filled by these efforts raises concerns under the federal Constitution. It is impermissible for the City to set aside jobs for local or city residents over anyone else, and it would be wrong for the City to suggest, by requesting information about the number of jobs to be filled by local residents, that the City expects anyone receiving City funds to favor local residents over anyone else. While we can require these sorts of projects put a special emphasis on recruiting for open jobs from among the local community, the Privileges and Immunities Clause of the federal Constitution, and New York state law, prohibit us from requiring recipients of City funds to prioritize local residents over anyone else in their hiring.

In conclusion, while the Administration supports the intent of this bill – giving communities the information they need to consider the impact of proposed economic development projects – we oppose this bill because it would make it harder to bring job-creating investments to the neighborhoods that need them most.

Thank you for allowing us to testify today. We would be glad to answer any questions from the Committee.

NYSFAH

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New York City Council Intro 438-A

The New York State Association for Affordable Housing (NYSFAH) recognizes the City Council for its efforts to ensure that New York City's neighborhoods remain vibrant, economically diverse communities. However, Intro 438-A adds cumbersome reporting requirements to the already complex process of affordable housing development that will make it more costly to provide New York City with the affordable housing it urgently needs.

Intro 438-A requires that the New York City Department of Small Business Services "prepare or cause to be prepared" a community impact report on economic and social data related to the proposed project. The current language of the bill allows for the responsibility and cost of developing this report to be passed along to developers of affordable housing projects that do not meet the 100% affordable exemption. This report would be submitted to the Council 30 days prior to approval of any benefit and published on the Economic Development Corporation's website.

The community impact report is required to include detailed descriptions and analyses of the following areas:

- Project proposal and the entity responsible for its development
- Project funding sources and benefits under consideration by the city
- Neighborhood in which the project will be located and the economic development objectives of the project for the surrounding area
- Locations where businesses will be created or relocated in furtherance of project
- Residential units to be directly created or renovated, proposed rents for project units and the impact on existing rents in the area
- Residents who will be displaced as a direct result of the project
- Businesses and employees that will be displaced as a direct result of the project
- Jobs created as a direct result of the project and the earnings and benefits associated with these jobs, aggregated by business sector

Stable, safe affordable housing is shown to have a profound effect on childhood development, school performance, and health outcomes for families and individuals. Just as significant is the impact of affordable housing on economic development, neighborhood revitalization, and job creation in New York City. Instead of helping to provide these benefits, Intro 438-A will add cost to producing affordable housing that will harm emerging developers and mixed use/mixed income developments the most.

- *Adverse impact on small business and emerging developers:* The current language of the legislation allows for the responsibility of producing the report to be passed along to developers. Developers would need to hire a consultant in order to produce the report required by Intro 438-A, without any guarantee that the funding will be approved and the

project will move forward. These costs can easily reach the range of \$15,000 to \$30,000 per report and up. Predevelopment costs already pose a significant challenge for emerging and smaller developers in the affordable housing industry. Intro 438-A will create an additional obstacle to the ability of these emerging developers to succeed.

- *Harmful to mixed-income affordable housing development:* While Intro 438-A exempts projects in which 100% of units are affordable, it will adversely impact mixed-income affordable housing projects that include a market rate component. Mixed-income developments contribute to neighborhood economic diversity by serving a broad range of household incomes. In addition, mixed-income models enable buildings to better support themselves financially, freeing up public resources that would otherwise be required to support these buildings for additional affordable housing development.
- *Harmful to mixed-use developments:* As with mixed-income developments, affordable housing developments with a commercial component would also be required to submit a community impact report under Intro 438-A. Mixed-use development, which includes both residential units and commercial or community facilities, is critical to building strong, thriving communities. Commercial corridors with ground floor retail and community facilities are essential to providing jobs and servicing area residents. However, Intro 438-A disincentives the inclusion of commercial space in affordable buildings and makes mixed-use residential-commercial developments more costly to build by requiring the production of a community impact report.

Affordable housing is an important economic driver of New York City's economy. Every public dollar invested in affordable housing generates over a dollar in private investment, providing thousands of one-time construction jobs as well as permanent jobs every year. In addition, affordable housing is critical to building and maintaining strong, thriving communities. Intro 438-A will add further barriers to entry for emerging developers and make it more costly to employ mixed-income and mixed-use models that contribute to neighborhood economic diversity.

Formed in 1998, NYSAFAH is the trade association for New York's affordable housing industry statewide. Our 300 members include for-profit and nonprofit developers, lenders, investors, attorneys, architects and others active in the financing, construction, and operation of affordable housing. Together, NYSAFAH's members are responsible for most of the housing built in New York State with federal, state or local subsidies.

April 29, 2013

Contact: Alexandra Hanson, NYC Policy Director, NYSAFAH (646) 473-1209



Testimony of

**Edward W. De Barbieri before the New York City Council Committee on Economic
Development Concerning A Local law to Amend the New York City Charter and the
Administrative Code of the City of New York, in Relation to Community Impact Reports
for City-Subsidized Economic Development Projects**

Thank you Chair Koslowitz and Council Members of the Committee for the opportunity to testify today. My name is Edward W. De Barbieri, and I am a Staff Attorney at the Community Development Project of the Urban Justice Center.

I speak in support of Proposed Int. No. 438-A which would require the preparation and submission of community impact reports with respect to economic development projects that receive certain New York City provided benefits such an opportunity to **purchase or lease City-owned land** or receive **financial assistance** such as tax abatements or bond financing. Through the disclosure requirements of a community impact report, New York City is taking an important step towards gathering critical information about the effects of projects on disadvantaged individuals in local communities and the economic effects on businesses, job creation and wages of individuals. The proposed law builds on other successful similar legislation implemented at local, county, and state levels elsewhere in the country.

Economic development projects have far reaching impacts on communities that can last for generations, and such impacts are difficult to comprehend without having basic information about a project. It is critical for the City to ensure that it has the best data to allow it to understand how a project will have lasting effects when the City or a City agency provides an economic benefit, including through a permit or other project approval, to a developer for a project. The proposed local law will provide absolutely essential information that City decision-makers need when they approve the transfer of public financial benefits to private developers.

The legislation as proposed is a tremendous step in the right direction towards getting better information but more can be done. Currently, “financial assistance” in Section 22-801(2) is defined to mean easily quantifiable benefits such as tax abatements, bond financing, and other

financial benefits. A community impact report should be required when the City provides certain non-financial benefits such as granting a zoning variance, density bonus, or other project approval, that have significant economic impacts to the developer. In other words, a community impact report should be required whenever the Board of Standards and Appeals or City Planning Commission makes an administrative decision that has the potential to increase the value of private property.

The proposed local law will provide disclosure of a variety of information, including whether a project will be located in a highly distressed area, residential unit data, numbers of displaced individuals, demographic data, jobs created or displaced, percentage of employees receiving health benefits, and other key economic information. However, for the legislation to be successful it is important for the City to add a Section 22-802(ix) to the Proposed Legislation which would require developers to report changes in property values that occur following government action, such as granting a zoning variance. Such information is more than likely already available on to developers. It is only fair that developers disclose such information when the City is granting a **perpetual** tax-payer funded benefit, in the form a permit or project approval, that provides increased economic value for the subject property.

It is abundantly clear that private entities will not willingly disclose potential perpetual increased property value they stand to receive as the result of City approvals. Just the other week the City Planning Commission held a hearing on the proposed extension of Madison Square Garden Company's permit to operate the Madison Square Garden arena, including the addition of large electronic promotional and advertising signs. At the hearing a commissioner asked the Company's representatives about the economic benefit to the property should the permit extension be granted. Company representatives responded dubiously that not only did they lack information about the increased economic value to the property should the permit be extended but that they would not share it with the commissioner even if they had that information. The practice of private entities seeking City approvals for perpetual private property gain must include a community impact report so that City agents can be fully informed about the economic benefits private entities are seeking from the public through the approval process.

There are numerous other examples around the City where the proposed legislation would have significant positive impact. In Willets Point, for instance, there is a ULURP application pending at the Community Board right now where a joint venture controlled by Related Companies and Sterling Equities seeks to build a shopping mall of almost one and a half

million square feet on parkland leased by the City Park's Department. Right now the applicants are at no time required to disclose the potential increased value of the property because of the public approval they are seeking. Without this information community boards, borough presidents, the City Planning Commission, the Council, and citizens of New York City are at a disadvantage—they are granting public approvals that in many cases run with the land forever without clearly knowing the economic value of the approvals given to private entities.

Overall, the proposed local law will provide the City with valuable information that will allow the City to better serve disadvantaged citizens. The proposed local law will increase transparency on how economic development projects will impact a community, and empower individuals to offer thoughtful suggestions on how to mitigate harms. These exceptional qualities of the proposed local law far outweigh any negative aspects of requiring a community impact report. The cost of preparing a community impact report are miniscule compared to overall costs of developing a project, which can have an impact on a community in many cases for generations. Proposed Int. No. 438-A is an important piece of legislation not just within the boundaries of the City, but also has the potential to be influential at the national level. With the addition of requiring a community impact report after any City administrative action and having to require the disclosure of property value changes following the granting of a City economic benefit, we support the proposed local law in its entirety.

The passage of the proposed local law will be a huge success for not just the Committee, but for all local community individuals who do not have a voice and deserve to have access to information on projects that have an impact on their communities. In closing, I would like to thank the Committee, and in particular Council Member Albert Vann and his staff for their support of the community impact report disclosure requirements. I ask all other Council Members to support the proposed local law which will empower local communities with valuable information.

Thank you for the opportunity to give testimony today. Please call me at 646-459-3004, or email me at edebarbieri@urbanjustice.org, if you have any questions related to this information.



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Testimony before the New York City Council Committee on Economic Development

Proposed Int. No. 438-A - In relation to community impact reports for city-subsidized economic development projects.

May 1, 2013

Comments of Bettina Damiani, Good Jobs New York

Good morning and thank you for the invitation to testify today. My name is Bettina Damiani and I direct Good Jobs New York, a project of Good Jobs First based in Washington, DC in partnership with the Fiscal Policy Institute with offices in Albany and New York City.

Good Jobs New York promotes accountability to taxpayers in the use of economic development subsidies. Since our launch in 2000, we have worked to improve public participation in and transparency of these subsidy programs including the release – and vast expansion this year - of a searchable database of over 40,000 deals approved by the Industrial Development Agency (IDA), the Lower Manhattan Development Corporation and the Industrial and Commercial Incentive Program. Our Database of Deals is available on our website, www.goodjobsny.org.

As a subsidy watchdog and provider of technical assistance to community based organizations, GJNY has had a unique view of development in our city during the near dozen years of the Bloomberg Administration. There have been tremendous strides in transparency, especially at the New York City Industrial Development Agency thanks to the council's passage of Local Law 62 and administrative actions taken by the agency that have expanded its public hearing process.

Yet, there still remains a colossal gap in how officials engage communities in deciding which projects are worthy of subsidies and the impacts – negative or positive - they will have on neighborhoods. This legislation is a step in the right direction to help fill that gap.

Your proposal is especially timely as our city is faced with the daunting task of rebuilding neighborhoods impacted by Hurricane Sandy while at the same time, making the rest of our city resilient as possible against future storms. The city recently submitted its plan to the U.S. Department of Housing and Urban Development for the first round of Community Development Block Grants (CDBG) as part of the Disaster Relief Act. And while we acknowledge that officials wanted to ensure funds got to the city as quickly as possible, the minimal two week written comment period and unaccountable community engagement should not be the template for deciding how public funds are spent. Future proposals for the allocation of Sandy related funds must include ample opportunities for public engagement, especially from those most impacted by the storm.

On a related note, considering the emphasis on global warming and other environmental factors affecting many of the city's neighborhoods, I suggest the council consider impacts of subsidized projects on the environment as well as employment, businesses and housing (under section 2.b).

As proof Community Impact Reports (CIRs) are necessary, one only need to look to The Bronx where billions of economic development dollars have been allocated in recent years. One prominent example there is Yankee Stadium which moved across the street to its current location in 2009. There were public meetings but, frankly, officials were already on board and there were no opportunities for the community to change the course of the Yankees' plan. The city and state had alienated the parkland the Yankees wanted via a "message of necessity" ensuring the deal would move forward as the team had envisioned.¹ It is evident that the required hearings, including those for land use changes and subsidies were a useless tool for residents as the deal was fait accompli.

Not surprisingly, with no community buy-in there are no standards to uphold at the project in the form of benefits to the residents or businesses community or the creation of good paying, permanent jobs. The new Yankee Stadium has, notwithstanding the construction jobs, barely 5% full-time permanent jobs.² The bonds allocated by the Industrial Development Agency for the already heavily subsidized Stadium parking garages built on city park land (that planning and transportation groups protested³) are now in default.⁴

But we don't need to revert back to the Yankee Stadium project. Another unaccountable corporate giveaway has been recently proposed and would benefit tremendously from this proposal.

Last year, city, state and Bronx borough officials announced via a press release that the online grocer, FreshDirect would move from Long Island City, Queens to Harlem River Yards in The Bronx and receive a \$128 million subsidy package. The February 7, 2012 release came two days before the Industrial Development Agency's public hearing on the deal and failed to mention that public hearing or any subsequent ones necessary for the projects approval.⁵ As documented by South Bronx Unite, community members, including members of Bronx Community Board 1, were not informed of the FreshDirect proposal.

The community has fought back, and represented by the New York Lawyers for the Public Interest, is suing to stop the project. Legislation like Community Impact Reports would serve as an early warning sign for proposals like FreshDirect that fail to address the employment, housing or environmental justice needs of the community. Fresh Direct's business model relies on thousands of truck trips, making the proposed location in the South Bronx, an area already overburdened with traffic and air pollution exacerbating some of the highest asthma rates in the city. Additionally, like many retailers, its wages are low.⁶

The Bronx is home to two examples, but there are numerous others: Brooklyn Atlantic Yards, Albee Square (aka City Point), Manhattan's Far West Side, Willets point and Citifield to name a few.

In contrast to current procedures, CIRs should become a proactive tool to help facilitate development by using democratic planning principles to guarantee the voices of numerous stakeholders are at the decision-making table rather than in a court room.

¹ More details on the Yankee deal is on our website: goodjobsny.org and in our report, "Insider Baseball: How Current and Former Public Officials Pitched a Community Shutout for the New York Yankees".

² Jobs data per Local Law 62, FY13: Jobs total 4,372, Full time permanent jobs 208.

³ http://www.tstc.org/press/2006/032206_Sign-on_Letter_to_Speaker_Quinn-Yankee_Stadium.html

⁴ <http://www.nydailynews.com/new-york/yankee-stadium-garage-company-strikes-opening-day-article-1.1305278> and <http://goodjobsny.org/economic-development/yankee-stadium-and-mets-citifield#parking>

⁵ <http://www.nycedc.com/press-release/mayor-bloomberg-governor-cuomo-and-borough-president-diaz-announce-fresh-direct-open>

⁶ 36% of Fresh Direct workers earn less than \$25,000 a year, 37% earn between \$25,001 and \$40,000. More wage and employment data in Local Law 62 FY13 report.



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TESTIMONY OF BRONX BOROUGH PRESIDENT
RUBEN DIAZ JR.
BEFORE THE CITY COUNCIL COMMITTEE ON
ECONOMIC DEVELOPMENT

Good Morning,

Thank you Chairperson Koslowitz, and the members of the Economic Development committee for the opportunity to testify this morning.

I would also like to thank Councilwoman Foster for introducing Resolution 1257 on my behalf. This resolution calls for an improvement in the consideration of health impacts in the City of New York's decision-making process related to development and infrastructure projects. A health impact assessment requirement will facilitate an atmosphere where economic development thrives and maintains the stature of our world-class city while considering the potential health implications of these projects for New Yorkers. I put forward this resolution because I believe that health implications must be explicitly measured when promoting economic development, so as to promote long-term health. Utilizing health impact assessments and increasing citywide collaboration would do that.

Significant improvements to public health can only occur if we consider health impacts as we modernize our policies, programs and projects, particularly in the sectors that are traditionally seen as unrelated to health, such as agriculture, housing, transportation and economic development.

As Borough President, I've shown that economic development projects can thrive while also making quality of health and sustainability as part of the equation. They are inherently linked, not mutually exclusive.

You can see that commitment to economic development by walking through the borough of the Bronx. We are a burgeoning county with cranes on every other corner. I led the fight to keep the Hunts Point Cooperative Market from moving to New Jersey, and as result, we have secured commitments of approximately \$137 million of an anticipated \$350 million in renovation costs, from the city and state, not including the \$25 million dedicated from the federal government. We will modernize and create a greener more sustainable Hunts Point.

My office is working hard to ensure that the future of Hunts Point is greener and healthier. But we are not waiting for the renovations to counteract the poor air quality and resulting asthma caused by the industrial complex at Hunts Point. As part of my capital budget, I contributed \$1 million towards the creation of an alternative fueling station in Hunts Point and another \$1 million towards site remediation at the Harlem River Rail Yards. Moreover, we recruited Smith Electric Vehicles to move to the Bronx so we can convert more of the commercial fleets of the Bronx to either low or zero emission trucks. In fact FreshDirect, has already committed to transitioning to a 100 percent green transportation fleet over the next five years. To start, they have already ordered 10 electric delivery trucks from Smith Electric Vehicles.

My office has a proven track recording funding sustainable housing projects. Since I became the Borough President, over one third of all capital investments are dedicated to housing initiatives. We have dedicated \$52,274,000 in funding and they have led the way in building LEED certified projects, whether residential, commercial or institutional. Our strict environmental guidelines have not deterred private-public capital investments in our borough, and in fact, have facilitated growth in the Bronx.

My office is committed to strengthening and growing economic development, in a smarter and healthier way.

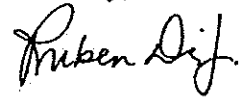
I am not the only one calling for the implementation of HIAs, similar work is already underway across the United States. Government agencies such as the San Francisco Department of Public Health, Wisconsin Department of Health Services, and Philadelphia Department of Public Health; and outside groups, such as Health Impact Partners, have pioneered the use of health impact assessments in planning decisions. As the largest metropolis in the nation, and with one of the lowest carbon footprints per capita, it is our responsibility to continue to champion the health and well-being of our great city as we develop economically. Moreover, Philadelphia has included health language, statistics, recommendations written into the city's comprehensive plan, Philadelphia2035. They have developed health-promoting development incentives, requirements, and adopted HIA guidelines into the zoning code.

I am committed to ensuring that our economic development takes health outcomes into account. I believe that HIAs can be used as a risk-management tool for businesses, this additional measure that will create healthier workplaces, healthier families and ultimately, a healthier and more sustainable New York City. Resolution 1257 is a step towards building in more tools that allow us to curb disease, prevent long-term health problems and increase economic vitality of our city.

Thank you, Madam Chairwoman, for the opportunity to testify today. I am now available for questions.

Thank you for your enthusiasm about the Bronx. If you have any further questions, please do not hesitate to contact me at (718) 590-3557.

Sincerely,

A handwritten signature in cursive script that reads "Ruben Diaz Jr." The signature is written in black ink and is positioned below the word "Sincerely,".

Ruben Diaz Jr.



The New York Academy of Medicine

At the heart of urban health since 1847

Testimony for the Hearing on Health Impacts in Connection to Economic Development Projects

Public Meeting – May 1, 2013

The New York Academy of Medicine (NYAM) has been advancing the health of people in cities since 1847. An independent organization, NYAM addresses the health challenges facing the world's urban populations through interdisciplinary approaches to research, education, community engagement, and policy leadership. Our current priorities include creating environments that support healthy aging; strengthening systems that prevent disease and promote the public's health; and working to eliminate health disparities.

NYAM supports Resolution 1257, because of the large place-based disparities in quality of health and behaviors that contribute to health outcomes in New York City. Resolution 1257 would facilitate collaboration among relevant city agencies to ensure that real estate development projects, plans, and policies contribute to the advancement of positive health outcomes in all the communities where New Yorkers live, work, play, and learn.

If you live in Harlem, Washington Heights, South Bronx or Central Brooklyn, you are surrounded by some of the highest rates of obesity, diabetes, asthma and cancers in the country; you also have poor access to nutritious foods and are less likely to be physically active.¹ However, if you live just a few miles away below 97th street in Manhattan, you are among the healthiest people in the country, and you are more likely to bicycle and walk. Why is that? Public

health research tells us that these disparities exist in part because the built environment, the physical surroundings we interact with on a daily basis, strongly influences our behaviors and even our ability to lead healthy lives. Infrastructure development can affect air quality, water quality, nutrition, access to parks, and transportation, among many other health-related impacts. The HIA is an important tool to assess the effect of proposed projects on neighborhood health in ways that will help prevent and manage high rates of preventable chronic disease and promote health. It has also been found that thoughtful community design can encourage social inclusion and neighborhood safety, which helps address violence and injury prevention.ⁱⁱ Integrating public health considerations early on into the real estate and land use planning process is a critical step to achieving sustainable development that promotes healthy people with lower health care expenditures, and this in turn contributes to a stronger local economy.ⁱⁱⁱ

The United States Department of Health and Human Service's health improvement agenda, *Healthy People 2020*, recommends that HIAs be implemented to address social determinants of health, like the quality of our neighborhoods and access to health care, and to advance healthy public policy.^{iv,v} The United States National Prevention Strategy also tells us that HIA's, "can be used to help decision makers evaluate project or policy choices to increase positive health outcomes and minimize adverse health outcomes and health inequities."^{vi}

Use of HIAs has already been standardized by many countries because it allows for public health experts to present information and evidence on how plans, projects, or policies may reduce or exacerbate health disparities. In the United States the HIA is growing in recognition as an effective way to plan infrastructure investments that will yield the best possible health outcomes for all residents.^{vii} Implementation of HIAs by American cities has increased by 800% in just the past 5 years.^{viii} Philadelphia is one of the first cities in the nation to integrate HIAs into their comprehensive plan and its Departments of Planning and Public Health have collaborated to create a Healthy Planning Toolbox.^{ix} In Oakland, CA, an HIA was utilized for a proposed greenway project in an underserved neighborhood that is heavily impacted by health disparities. The resulting, award-winning greenway plan aims to reduce traffic to improve air quality,

increase opportunities for physical activity, strengthen social networks, and also to reduce stress and violent crime.^x

In addition to engaging experts, the HIA process also engages diverse stakeholders in assessing the health impacts of proposed development by using quantitative, qualitative, and participatory techniques to identify potential risks or benefits to community health.^{xi} Providing opportunities for community input into the planning process helps to align plans with the needs of the community and engenders greater buy-in upon implementation. Employing HIAs does not mean resisting development. In fact, HIAs present the opportunity to identify innovative development strategies that will have positive effects on community health and can be replicated in future plans. Because of the strong evidence that improving health through changes to our traditional built environment will support healthier people and economies, the interest in creating healthy communities through design is growing across sectors. Developers and cities that utilize HIAs will be on the cutting edge, which makes participation in HIAs a wise investment for both business and government.

ⁱ http://www.nyc.gov/html/doh/downloads/pdf/epi/nyc_comhealth_atlas10.pdf

ⁱⁱ <http://www.naccho.org/topics/environmental/landuseplanning/upload/land-use-fact-sheet6-19-03.pdf>

ⁱⁱⁱ http://www.nyam.org/dash-ny-program/pdf/NYAM_HealthEcoDev_1.pdf

^{iv} <http://healthypeople.gov/2020/topicsobjectives2020/overview.aspx?topicid=39>

^v <http://www.annualreviews.org/doi/abs/10.1146/annurev.publhealth.28.083006.131942>

^{vi} <http://www.surgeongeneral.gov/initiatives/prevention/strategy/report.pdf>

^{vii} Wernham, A. (May 01, 2011). Health impact assessments are needed in decision making about environmental and land-use policy. *Health Affairs*, 30, 5, 947-956.

^{viii} <http://www.governing.com/news/local/gov-cities-and-states-broaden-use-of-health-impact-assessments.html>

^{ix} <http://phila2035.org/home-page/about/>

^x <http://www.healthimpactproject.org/resources/case-study-east-bay-greenway>

^{xi} <http://www.who.int/hia/en/>



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Testimony to the New York City Council Committee on Economic Development on the proposed Community Impact Report bill

May 1, 2013

Members of the Economic Development Committee

Thank you for giving me the opportunity today to comment on Proposed Int. 438-A. My name is Maya Pinto, and I am a Senior Policy and Research Analyst at ALIGN: The Alliance for a Greater New York. ALIGN is a community-labor coalition dedicated to creating good jobs, vibrant communities, and an accountable democracy for all New Yorkers. We co-anchor the statewide Getting Our Money's Worth coalition, which works to create a sustainable, accountable and transparent economic development system across New York State. We also help convene the Alliance for a Just Rebuilding, which addresses short-term and long-term rebuilding issues in the wake of Superstorm Sandy.

We all want a New York where people live in vibrant communities and have good jobs that sustain their families. Our government has a responsibility to build a better future for all New Yorkers – that means making smart investments that revitalize the economy and meet the needs of communities as a whole. While some positive steps have been taken in the last couple of years, our City's track record in economic development still falls far short of this standard. New York City spends a tremendous amount of money each year on corporate subsidies in the name of job creation; but too often, the jobs do not materialize, local residents do not benefit from training or quality job opportunities, and local small businesses and residents become priced-out of their own newly-developed communities.

New York City taxpayer dollars fund over \$1 billion in corporate subsidies each year. In 2010, the NYC Economic Development Corporation (NYCEDC) spent \$808 million, New York City's ICAP, ICIP, REAP, CEP and MSG Programs spent \$634 million, and the New York City Industrial Development Agency (IDA) spent \$96 million on corporate subsidies. Several other programs also dole out tax exemptions and tax credits, diverting city revenues that could otherwise be spent on schools, transit and other essential services.

New Yorkers' tax dollars fund economic development programs, so one would think that we would be informed about the companies being subsidized, the number and quality of jobs those companies create, and the local workforce and local business impacts. However, it is difficult to determine if our public investments are working for us, because the City's economic development programs are not asking the right questions. The NYCEDC does not set performance goals for all its programs. For example, neither the NYC Entrepreneurial Fund nor the Sales Tax Exemption for Manufacturers requires subsidy applicants to estimate the number of jobs or salaries of jobs to be generated. With the exception of the REAP program, the City's as-of-right programs do not require any job creation goals.

New Yorkers need to see a return on their very substantial investment in economic development. The City took a step in the right direction by amending Local Laws 48 and 62 to expand the reporting required by the NYC Industrial Development Agency. With improved questions and annual reporting, the public can see the successes and failures of projects in their communities, and hold decision-makers accountable. We know that in

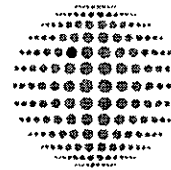
2010 alone, 253 New York City IDA projects, receiving nearly \$30 million in tax breaks, either failed to create jobs or lost jobs. If there was better analysis of the true costs and benefits of these projects from the very beginning, we would potentially have \$30 million more in our budget each year, or we would have gained quality local jobs as the result of our public investment. At the same time, the City has been able to use improved transparency to recapture money from subsidy recipients that have failed to deliver.

New Yorkers deserve to get their money's worth from corporate subsidies; Community Impact Reports would give communities a greater voice in the economic development process. Community Impact Reports would be a valuable community tool for assessing the anticipated economic and social impacts of their dollars. By asking the right questions from the outset, better-informed decisions can be made about how, when and where to spend public dollars.

Although broader subsidy reforms that improve the performance, transparency and accountability of corporate subsidies at the state level are needed, the City has an opportunity now to lead the way once again in improving the local economic development system. New federal Sandy relief funds will likely be channeled through New York City's economic development programs in the near future, creating greater urgency for improving transparency and community impact tools. Now is the time to approve Community Impact Reports.

I'd also like to briefly weigh in on the Health Impact Assessments called for in Resolution No. 1257. The success of subsidized projects should be judged on more than just a narrow set of economic measures—the social and environmental impacts of projects should factor into decisions about where public money goes. ALIGN believes that greater consideration should be given to the health impacts of economic development, particularly in the context of rebuilding after Superstorm Sandy. With climate change and extreme weather part of the "new normal," we need to carefully assess the health and environmental impacts of our public investments and minimize their carbon emissions. We look forward to expanded use of health impact assessments and greater collaboration between the Department of City Planning, the Economic Development Corporation, and the Department of Health and Mental Hygiene to protect New Yorkers' health.

Thank you,
Maya Pinto



PARTNERSHIP
for New York City

TESTIMONY BEFORE THE ECONOMIC DEVELOPMENT COMMITTEE
OF THE NEW YORK CITY COUNCIL

HEARING ON INTRO 438-A: COMMUNITY IMPACT REPORTS

WEDNESDAY, MAY 1, 2013

KATHRYN WYLDE
PRESIDENT & CEO

The Partnership for New York City represents the city's business leaders and largest private sector employers. We understand Intro. 438-A as a response to concerns about transparency and community consultation on the part of the city's Economic Development Corporation. We do not disagree with the intention of the bill sponsors, but we think that it is not in the interest of the city to enact this type of permanent change in the charter and administrative code at this time, and we oppose this legislation.

Our next Mayor -- who will be elected in a few short months -- deserves an opportunity to consider this proposal as part of a broader review of the city's economic development strategy, project approval process, and programs. There is no reason to deny an incoming administration this prerogative. In addition, adding another legal and procedural layer onto the city's primary agency for encouraging job creation and economic growth at a time when unemployment is at 8.9% and the poverty rate is 21% seems to take us in the wrong direction. There may be better ways to improve the consultative process without exposing important job-generating projects to further delay, potential costs, and risk of litigation that could be triggered by this legislation.

Earlier this month, the Partnership released the *NYC Jobs Blueprint* (www.NYCJobsBlueprint.org), which identifies key challenges that will confront the next Mayor. It outlines recommendations to accelerate job creation and ensure that NYC remains a strong, inclusive city of opportunity.

During the past decade, the city's economy has experienced steady growth, despite turbulence in the global and national economies. But our productivity and GDP growth continues to trail many of our competitor cities around the world. These cities are intensifying efforts to win jobs and investments away from NYC. The city also lost more than 100,000 middle wage jobs in the last decade and that trend appears to be accelerating. Construction employment remains well short of the number of jobs in that industry prior to the recession. Despite all the recent business startup activity, there has been no net increase in the number of companies with over 50 employees in the last decade -- signaling that businesses are failing or moving jobs to more affordable cities where the regulatory environment is more flexible and business friendly.

Intro. 438-A sends the wrong message to business, investors and developers about the priority the Council places on jobs and economic growth. It suggests an obstructionist approach to economic development and job creation that we know is not the Council's intention. Our Blueprint spells out a number of recommendations for improving the city's economic development programs and processes that we hope that Council members and the next mayor will consider as part of a comprehensive approach to the challenges of economic and community development in the next decade. We encourage moving more business and employment activity into communities across the five boroughs - something which this Intro would tend to discourage. We hope you will take time to review these ideas and reconsider the community impact assessment issues in the context of the larger jobs and employment agenda for the decade ahead.

Thank you.

JOINT TESTIMONY OF THE QUEENS & BRONX BUILDING ASSOCIATION AND THE
BUILDING INDUSTRY OF NEW YORK CITY ON INTRO. 438-A
MAY 1, 2013

The Queens & Bronx Building Association and the Building Industry Association of New York City submit this legislation in opposition to Intro. 438-A.

Below we do a paragraph by paragraph analysis of the bill seeking to note our many objections. But generally, the bill is another effort to add significant bureaucracy to the already cumbersome development process. From environmental reviews to land use reviews to approvals from various land use boards, development in New York is a slow and cumbersome process. Intro. 438 just promises to add yet another more expensive process to the equation. In a city that is already the most expensive to construct in the nation, the bill promises to hinder development, hinder job growth, and add costs to an equation that is already stacked against these things. It hurts everything from affordable housing to small business to the general public.

It is somewhat frustrating for small business that since the on-set of Occupy Wall Street some Council Members have discussed the need to have a social justice agenda. Yet, in the past year or so, almost every piece of legislation that seems to address economic issues has by far more impacted small business and for the most part had minimal, if any, impact on larger businesses. Additionally, most of the frustration of small business is that the Council seems not to understand its desires or concerns. Moreover, sometimes it seems like the Council does not understand the myriad of protections that already exist rendering a bill like 438 an example of piling on. For the reasons enunciated below, both Associations oppose Intro. 438-A.

The following provides a paragraph by paragraph analysis of the bill and then a general discussion about the destructive nature of the bill. However, in general, the law is overly broad in addition to being hostile to businesses, particularly small and medium-sized businesses.

Intro. 438 begins with a definition section. This consists of four main definitions: (i) an economic development entity, (ii) economic development benefit, (iii) economic development project, and financial assistance. Each section is poorly drafted and, again, too broad in their scope. A fifth definition cites to a city agency, the department of business services, that no longer exists, but probably means the department of business services

An economic development entity is essentially defined as a local development corporation or a non-profit entity that has a contract or agreement with the City of New York to administer economic development benefits. Thus, local development corporations who perform services to promote economic development for the City of New York are subject to the law as an affiliated entity. It seems foolish to include every LDC. Sometimes LDCs provide significant value to a business. Other times, they do

not. Ultimately, the full scope of entities impacted is tough to gauge because of the all-encompassing nature of the proposed law.

An economic development benefit is essentially any economic development from direct subsidy to tax exemption that might be given to an entity except for the provision of social services or the creation of non-market rate housing (and the whole project must be used for subsidized housing, as even one market rate unit makes the project subject to the law). And what exactly is a social service is never defined.

An economic development project is any project that is contracted for by the city or an affiliated project that receives an economic development benefit. Essentially this means just about any benefit that is not used entirely for subsidized housing or an undefined social service is subject to the law. How broad is this? An arts group receiving a grant from a local Council office is subject to the law. (And to say this is not an economic development benefit is to deny about 30 years of lobbying on behalf of arts groups).

Financial assistance seeks a very small threshold to trigger the bill. \$150,000 is very minimal in today's world. And the concept is not described as being per year or over the life of the benefit. Even assuming per year, the program would eviscerate such programs as ICAP, CEP, REAP, 421-a, and IDA, which if the Council actually looks at the annual reports on it, mostly assists small business. Indeed, a fifty person firm thinking of moving that needs to move fast, who will move into already existing industrial space and is looking at the REAP program, would be delayed for months, jeopardizing their move. What is also interesting is that for many programs, such as ICAP and 421-a, the calculation of the benefit cannot occur until after the project is complete.

So now we have four broad definitions, encompassing lots of entities and organizations. And what does the law want these groups to do? Well either the City or the entity must draft a new type of report entitled a "community impact report." And what does that entail? More government bureaucracy.

To start, the law asks for information that is logistically impossible to give for as-of-right benefits. First, benefits can often not be determined until after project approval, such as ICAP. Second the sheer number of applications in this large city would overwhelm the departments involved. Third, the volume of information requested requires a level of coordination between the beneficiary and agency that is unprecedented. The idea behind as of right programs was that the City does not have all the staff to focus in on various projects, so it is better to create programs that are not as lucrative that businesses will access. That concept would be eliminated. And that would harm not only the City agencies' budgets, but the put an administrative burden on the recipient which would make it less like to undertake economic development or stay in New York City.

The community impact report must consist of the following:

1. The estimated number of residential units created by such project (an assumption that might be incorrect because a project may contain no residential units) and then it requires a comparison with rents in the area and how the rents of the new project would impact rents in the area. The last part is clearly conjecture as the units developed will be in much better condition than the area units simply because they are new and newly renovated. (Moreover, assuming a market will change based upon any action is very dangerous, as we have found out over the past five years with the financial meltdown.) So basically, the report wants a comparison of apples to oranges and somehow thinks that an inappropriate comparison can be the basis for judgment of the project.
2. An analysis of those people being displaced. Just the wording of the legislation demonstrates the hostility of the sponsors to the project before anything is even proposed. The legislation assumes displacement, assumes it can be quantified, and of course uses the negative buzz word, "displace."
3. An analysis of displaced businesses. Again the legislation makes assumptions. Moreover, the report seeks to have this reviewed while specifically looking at certain personal characteristics of employees that businesses are generally not allowed to ask their employees, and which as a result would be speculative.
4. A review of job numbers, items which are already provided in most major projects if the Council would only ask. Again, this is available for many projects, but some projects are built on speculation and again numbers would only be conjecture.
5. An analysis of jobs created by the project broken down by sectors. Unless the project is for a specific business, this is almost impossible to do at a project's outset, unless, the project is specifically geared for something. Most discretionary projects are geared for a specific entity so this is already generally available on those projects and available from the City economic development agencies.
6. Next, the report must provide an extensive breakdown of not only salaries but where the workers are expected to come from. While estimates usually are possible for some projects on salaries, anticipating the residences of the workers before location of the project is a ridiculous and impossible task. But for other projects built on speculation, this is an impossible task. Moreover, it seems to indicate that the metropolitan job market should somehow be controlled. Ironically, it could mean that projects in certain districts should discriminate against workers from other districts. Obviously, business prefer local residents, but they will always take a non-local qualified applicant over a unqualified local applicant.
7. Finally, there must be an analysis of the infrastructure impact on the community. This ranges from roads to schools to hospitals.

And all this is to be submitted 30 days before approval of the project.

And what is wrong with this?

First of all, why do anything in this City if you must engage such a lengthy and costly analysis. Areas are already zoned for certain projects. Either the City wishes to promote projects in certain areas that are appropriate with zoning or not. But it seems as if this law is more designed to torture the Administration and the applicant with cost, time and unnecessary aggravation. Just about everything is covered by this law.

City projects take forever as it is and most have sources beyond just the City of New York. They often include State and Federal assistance, so the City has decided to slow things down, jeopardize financing from third parties and add costs to a project in order to get information that is going to be suspect at best.

And adding costs is an issue. If a project has 20 subsidized units and a report costs \$40,000 to draft, the City has essentially added \$2,000 to the cost of each subsidized unit. Essentially, this becomes a city cost as it must then add this to the subsidy of the project, or even worse, the future owner or tenant of the subsidized unit must come up with the money. For affordable housing, this essentially creates a \$2,000 per unit tax on people who are least able to afford it. And this tax is essentially unnecessary, gaining the City nothing.

And the breadth and onerous nature of this bill is amazing. For example, about 500 ICAP projects are added in any given year. ICAP projects fall under this law. Which means on any given day, two more reports must be generated for projects that may ultimately provide NO tax benefit (as a tax benefit is not guaranteed under ICAP and is not known until the year AFTER construction is complete and the project is approved).

Frankly, we don't think there are enough consultants in the City to take care of this. And this is just for one program. Imagine all the other programs which fit under the law's grasp. The number of projects proliferate as one adds REAP, 421-a, CEP, UDAAP and a host of other projects. In fact, there may not be enough consultants in America to cover all this.

Maybe this onerous nature is a reflection that the Council does not understand the processes for various economic development projects and programs. If a project has major repercussions environmentally, it might be required to undergo CEQR or SEQRA. If it has land use implications or involves the disposition of City owned land, it already undergoes ULURP. In instances where the Industrial Development Agency is reviewing a project, a significant review is undertaken regarding the jobs created by a project for a specific company because specific numbers are usually available. (Job estimates that are not company-specific are speculative, although the agency makes a good faith effort to come up with appropriate figures.) But requiring an analysis of future market rents in an area reminds one of the instance where someone asks an advisor to guarantee which way the stock market would go. The appropriate response would be if he knew, he would not be advising but rather investing and making millions himself. No one can

project a market into the future and if they say they can, run the other way. As the saying goes, man plans, God smiles.

And if the goal is to allow for better planning, the City already has the requirement of strategic policy statements that must be done by each of the borough presidents and the Administration. This, ironically, is a Charter requirement, but can any Council Member tell me when the last ones were done for each borough or city-wide? And has the Council appropriated enough money to make sure these statements are actually completed.

So much of what the Council requests is already available if it can be made available, is purely speculative in nature (and if the information is wrong, you can bet there will be a lawsuit), is impossible to provide or should be provided by another source.

And even if the report is completed, with a one month delay before the approval can be rendered, can a business or project live with such uncertainty? (In fact, the project is not only delayed by the one month requirement, it is delayed by the very need to compile the report.) Many decisions for businesses need to be made and implemented quick. If NYC slows down the process, people and businesses will go elsewhere.

Ultimately, Intro. 438 is an interesting bill, and this is because in the most bureaucratic city in America, it proposes more bureaucracy. As such, the bill promises to be nothing more than a legacy to stupidity and should be rejected.



Testimony of Arthur Mychal Johnson | mychaljohnson@gmail.com | 212.810.0862

My name is Arthur Mychal Johnson. I am a resident of the Mott Haven neighborhood in the South Bronx and a member of Community Board 1. I am here to give testimony in support of the Community Impact Report bill and to share my community's experience and ongoing fight to stop an EDC-manufactured deal that completely excluded South Bronx residents.

This deal, which seeks to give FreshDirect a \$127 million in subsidies to move to the South Bronx, ignored the local community board and local city council representatives, and it stands to undermine multiple rezonings and exacerbate the severe and well-documented health crisis in the South Bronx.

The whole world knows about asthma rates in the South Bronx. In 2002, Congressman José Serrano and the EPA sponsored the South Bronx Environmental Health and Policy Study. It found that one in five children in the South Bronx had asthma and that the asthma hospitalization rates were 21 times that of more affluent parts of the city. Most importantly, the study linked the asthma epidemic to the diesel truck-intensive highways and industries surrounding and saturating the neighborhood. (source: http://www.icisnyu.org/south_bronx/index_001.html)

In 1997 and then in 2005, the Department of City Planning and the City Council approved two mixed use rezonings near the South Bronx waterfront. Their purpose was to strengthen residential development, fortify the area's antique businesses and improve waterfront access, which also responded to the call of the study for increased availability of green space. (source: http://www.nyc.gov/html/dcp/html/port_morris/index.shtml)

But in February of this year, the Mayor and the Governor publicly announced their joint intention to give nearly \$130 million in public subsidies to FreshDirect. The company wants to build a 500,000 square foot warehouse headquarters and fueling station on public waterfront land in the South Bronx. The project would add 3,000 vehicle trips (including 1,000 diesel truck trips) through the community every day. The announcement came two days before the only public hearing on the matter. EDC staff oversaw and approved a cursory environmental review process that began six months before the sole public hearing. EDC concluded that a thousand new diesel truck trips would not negatively impact local residents and did not warrant a full environmental statement.

Community Board 1 responded by passing a resolution disapproving of the process in which this deal was struck. Four locally elected officials – including Councilwoman Mark-Viverito, Councilwoman Arroyo, State Senator Serrano and U.S. Congressman Serrano - called for a moratorium on all new development on this public waterfront land, including FreshDirect. They wanted a thorough assessment of the current diesel truck-intensive uses on the land and the cumulative effects of such uses on the residents of the South Bronx. And they wanted the socio-economic makeup of the neighborhood taken into account.

Comptroller Liu called the FreshDirect deal part of a “badly flawed process” symptomatic of EDC. He said it was a done deal from the moment it was announced by the Mayor and that EDC did not clearly justify why nearly \$100 million should be used to subsidize FreshDirect. Councilwoman James also questioned the wisdom of using taxpayer money to promote FreshDirect, particularly when Hurricane Sandy created more urgent needs and when grocery stores all over the city were closing.

Had the Community Impact Report bill been law, the 40+ community-based organizations that oppose the FreshDirect deal would have had an opportunity to be heard and the nearly 1,000 people who are boycotting the company because of this deal would have been given a voice. So, I ask you today to vote in favor of the Community Impact Report bill to ensure that community stakeholders are given the opportunity to provide meaningful input on economic development planning before deals are struck.

**Testimony of Dr. Barry Liebowitz, President of Doctors Council SEIU
Before the New York City Council Economic Development Committee
May 1, 2013**

Good morning Madam Chair and members of the Economic Development Committee. My name is Karen Imas and I am a consultant to Doctors Council SEIU. I am here to read testimony on behalf of Dr. Barry Liebowitz, President of Doctors Council SEIU, which represents more than 3,500 attending physicians and dentists at most HHC facilities and Mayoral agencies including the Department of Health and Mental Hygiene.

A confluence of factors in New York City today highlights the need for closer examination of how economic and real estate development affect a community's healthcare capacity. First, the City's population has reached record levels. According to recent Census results, for the first time in more than 60 years, more people moved into New York City than out last year. And the City's population has reached a record high of more than 8.3 million people. Second, much of the recent growth is the result of immigrant influx. Since 2010, the City has added approximately 161,500 people – two-thirds of whom are immigrants. Third, as baby boomers in New York City age and increasingly receive Medicare benefits, this places greater demands on our healthcare facilities.

As neighborhoods change and develop to meet these population needs and shifting demographics, the demand for services at New York City's hospitals balloons. This is made all the more challenging in a climate of accelerated hospital closures and consolidations, especially of safety-net hospitals across New York. Members of Doctors Council SEIU have been working tirelessly across all five boroughs responding to the needs of patients in these rapidly changing circumstances, but much more needs to be done in order to be prepared, especially in low income, medically underserved communities.

Doctors Council SEIU strongly urges the passage of Resolution 1257. We believe that assessing the impacts of development on community health, health inequities, access, and wait-times, among other factors, is critical to the vitality of our neighborhoods. And in the long run, the measures suggested in the Resolution will ensure positive health benefits are maximized and negative health impacts of development are addressed by the decision-making process.

Thank you for your time today.

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 438-A Res. No. _____

in favor in opposition

Date: 5/1/13

(PLEASE PRINT)

Name: TED DE BARBIERI

Address: 123 WILLIAM ST NY NY 10038

I represent: URBAN JUSTICE CENTER

Address: 123 WILLIAM ST

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Kathryn Wyld (President & CEO)

Address: One Battery Park Plaza, 5th Fl. NY, NY 10004

I represent: Partnership for New York City

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 438-A Res. No. _____

in favor in opposition

Date: 5-1-2013

(PLEASE PRINT)

Name: Moses Gates

Address: 50 Broad Suite 1125

I represent: AWAID

Address: _____

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 438-A Res. No. _____

in favor in opposition

Date: 5/1/2013

(PLEASE PRINT)

Name: Alexandra Hanson

Address: 242 W 36th St 3rd Fl.

I represent: NYSAAFAH

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. 438 Res. No. _____

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: Robert S. Altman

Address: _____

I represent: BIANYC & QBBA

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

in favor in opposition

Date: _____

(PLEASE PRINT)

Name: A. Mychal Johnson

Address: _____

I represent: South Bronx UNITE

Address: mychaljohnson@gmail.com

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**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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 in favor in opposition

Date: 5/1/13

(PLEASE PRINT)

Name: Tim Sullivan

Address: City Hall

I represent: PM Steel

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

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 in favor in opposition

Date: 5/1/13
5/1/13

(PLEASE PRINT)

Name: Joe Scialti

Address: 110 William

I represent: EMPC Steel

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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 in favor in opposition

Date: 5/1/13
5/1/13

(PLEASE PRINT)

Name: Joe Cole

Address: 110 William

I represent: EMDC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



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

in favor in opposition

Date: 5/1/13

(PLEASE PRINT)

Name: Joe Cole Jr.

Address: 110 E 12th St

I represent: EDC

Address: EDC

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



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

in favor in opposition

Date: 5/1/13

(PLEASE PRINT)

Name: Harold Adasko

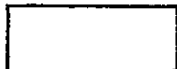
Address: 110 William St

I represent: EDC

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card



I intend to appear and speak on Int. No. 438-A Res. No. _____

in favor in opposition

Date: 5/1/13

(PLEASE PRINT)

Name: MAYA PINTO

Address: 50 BROADWAY, 29th FLOOR, NY, NY 10004

I represent: ALIGN

Address: _____

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1257
 in favor in opposition

Date: _____

Name: THOMAS LUCCANIA (PLEASE PRINT)
Address: 851 GRAND CONCOURSE
I represent: Bronx Borough President
Address: Ruben Diaz Jr.

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1257
 in favor in opposition

Date: _____

Name: MONICA CHERICI (PLEASE PRINT)
Address: 1216 5th Ave
I represent: The NY Acad of Med
Address: 1216 5th Ave

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. _____ Res. No. 1257
 in favor in opposition

Date: _____

(PLEASE PRINT)

Name: KAREN IMAS

Address: 233 BWAY, Ste 2310

I represent: DOCTORS COUNCIL SEIU

Address: 50 BWAY, 11th Fl

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

**THE COUNCIL
THE CITY OF NEW YORK**

Appearance Card

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

Date: May 1, 2013

(PLEASE PRINT)

Name: Bettina Damiani

Address: _____

I represent: Good Jobs New York

Address: _____

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