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COMMITTEE ON ECONOMIC DEVELOPMENT JOINTLY
WITH THE COMMITTEE ON LAND USE

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ECONOMIC DEVELOPMENT
JOINTLY WITH THE COMMITTEE ON
LAND USE

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June 29, 2023
Start: 1:53 p.m.
Recess: 5:02 p.m.

HELD AT: COUNCIL CHAMBERS - CITY HALL

B E F O R E: Amanda Farias,
Chairperson for the Committee on
Economic Development

Rafael Salamanca Jr.,
Chairperson for the Committee on
Land Use

COUNCIL MEMBERS:

- Speaker Adrienne Adams
- Alexa Avilés
- Jennifer Gutiérrez
- Ari Kagan
- Kevin C. Riley
- Rafael Salamanca Jr.
- Inna Vernikov
- Erik Bottcher
- Farah N. Louis
- Darlene Mealy
- Selvena Brooks-Powers
- Francisco Moya
- Shaun Abreu

COMMITTEE ON ECONOMIC DEVELOPMENT JOINTLY
WITH THE COMMITTEE ON LAND USE

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COUNCIL MEMBERS: (CONTINUED)

- Carlina Rivera
- Pierina Ana Sanchez
- Tiffany Cabàn

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2 WITH THE COMMITTEE ON LAND USE 3

4 A P P E A R A N C E S

5 Carolyn Grossman Meagher
6 Director of Economic Development and Regional
7 Planning at the New York City Department of City
8 Planning

9 Kitty Chan
10 Department of Small Business Services

11 Neil Padukone
12 Office of Talent and Workforce Development

13 Jennifer Sun
14 New York City Economic Development Corporation

15 Lindsay Greene
16 Brooklyn Navy Yard

17 Chris Walters
18 Senior Land Use Policy Associate at the
19 Association for Neighborhood and Housing
20 Development, ANHD

21 Tim Dumbleton
22 Chief Operation Officer of Microgrid Networks

23 Brady Meixell
24 Southwest Brooklyn Industrial Development
25 Corporation

Quincy Ely-Cate
Director of Industrial Business Development at
the Business Outreach Center, BAC Network

Krista Starrett
New Town Creek Alliance

Raul Rivera
TLC Driver

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

4 Ashley Saunders
Resident of 315 Amber Street

5 Peter Goldberg
6 Organizer with Tenant Union Flatbush

7 Scott Van Campen
Executive Director and Co-Founder of Makerspace
8 NYC

9 Charles Yu
Vice President of Economic Development at the
10 Long Island City Partnership

11 Leah Archibald
Executive Director of Evergreen

12 Rami Dinnawi
Environmental Justice Campaign and Policy Manager
13 at El Puente

14 Kevin Garcia
Transportation Planner with the New York City
15 Environmental Justice Alliance

16 Brian Coleman
17 CEO of the Green Point Manufacturing Design
Center

18

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3 SERGEANT AT ARMS: Check one, two. Check one,
4 two. This is a prerecorded sound test for the
5 Committee on Land Use joint with Economic
6 Development. Today's date is June 29, 2023. It is
7 being recorded by Michael Leonardo in the Council
8 Chambers.

9 SERGEANT AT ARMS: Good afternoon and welcome to
10 today's New York City Council hearing for the hearing
11 on Land Use joint with economic development. At this
12 time, we ask that you silence all cellphones and
13 electronic devices to minimize disruptions throughout
14 the hearing.

15 If you have testimony you wish to submit for the
16 record you may do so at
17 landusetestimony@council.nyc.gov. Once again, that
18 is landusetestimony@council.nyc.gov. At any time
19 throughout the hearing, please do not approach the
20 dais. Thank you, we are ready to begin.

21 CHAIRPERSON FARIAS: [GAVEL] Good afternoon and
22 welcome to this joint hearing of New York City
23 Council's Committees on Economic Development and Land
24 Use. Today is June 29, 2023. My name is Amanda
25 Farias and I have the privilege of Chairing the
Committee on Economic Development. I would like to

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3 extend my thanks to the members of both Committees,
4 the Administration and the many advocates from the
5 Industrial Manufacturing Sector for coming today for
6 this hearing. It has definitely been a marathon to
7 get here, so thank you all for joining.

8 New York's industrial businesses are an essential
9 component of the city's daily operations, playing a
10 vital role in the functioning of our supply chains
11 and critical infrastructure. Industrial businesses
12 encompass various sectors, such as manufacturing,
13 wholesale trade, transportation, warehousing
14 utilities, construction, and media recording,
15 employing over 520,000 people and accounted for
16 nearly 13 percent of the city's private workforce.

17 The industrial sector and large industrial sites
18 are necessary to facilitate New York's transition
19 from fossil fuels to green energy, to transform the
20 city's energy grid, construction supply chain, and
21 freight network in order to reach 100 percent clean
22 power by 2040 and eliminate 80 percent of Green House
23 Gas emissions by 2050. Industrial sector jobs also
24 provide career pathways to the middle class for
25 hundreds of thousands of New Yorkers, with a
workforce that is over 80 percent people of color.

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3 Industrial jobs offer relatively higher wages
4 compared to many service sectors. Manufacturing,
5 wholesale trade, transportation and warehousing jobs
6 all provide average annual wages of \$53,000,
7 considerably higher than the \$33,000 average annual
8 wage for jobs in the retail, restaurant and
9 hospitality sectors.

10 Unfortunately, there has been a consistent
11 decline to traditional industrial jobs in recent
12 years, partially due to the pandemic and partially
13 due to challenges posed by the city's allotted
14 manufacturing zoning framework. The zoning districts
15 were established in 1961 and envisioned a much
16 different future for the city's industrial areas.
17 Excessive requirements for parking spaces and loading
18 docks limited density allowances and a lack of
19 distinction between areas essential for heavy
20 industry. And those suitable for mixed commercial
21 and industrial use hamper the growth and retention of
22 industrial businesses within the city fail to align
23 with the needs of existing businesses and discourage
24 new development.

25 In light of these challenges, I sponsored Intro.
1012, which proposes a five-year planning cycle for

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3 city agencies to analyze economic trends, growth
4 opportunities and challenges in the industrial
5 sector. It requires collaboration between Department
6 of City Planning, the Department of Small Business
7 Services and the Economic Development Corporation to
8 formulate a citywide industrial development action
9 plan. This would not only support industrial
10 development but also expand and retain industrial
11 businesses and jobs, facilitate coordinated planning
12 for city infrastructure and green energy needs and
13 ensure the resiliency of supply chains for essential
14 goods and services.

15 At today's hearing, the Council looks forward to
16 gathering feedback from city agencies, the business
17 community and the public on the framework proposed by
18 Intro. 1012 with any additional ideas on how to best
19 achieve the expressed goals to support industrial
20 development. By aligning the city's land use policy
21 with infrastructure investment, linking workforce
22 development with new job creation strategies and
23 collaborating with advocates in the industrial and
24 manufacturing sectors, we can shape a future where
25 industrial development thrives offering quality

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3 employment opportunities, equitable wages and a more
4 sustainable and resilient city.

5 Before we begin, I would like to thank the
6 Economic Development Team here at the Council, Senior
7 Counsel Alex Paulenoff, Senior Policy Analyst William
8 Hongach, and Finance Analyst Glenn Martelloni or all
9 their hard work preparing for this hearing.

10 I will now turn over the floor to my Co-Chair
11 Rafael Salamanca for his opening remarks.

12 CHAIRPERSON SALAMANCA: Good afternoon and thank
13 you Chair Farias for the introduction to today's
14 joint hearing of the Council's Committee on Economic
15 Development and Land Use. This joint hearing between
16 the two Committee's reflects the goals of this
17 proposed legislation to coordinate economic
18 development and land use policy and proactively plan
19 to grow and improve New Yorks industrial sector.

20 My district in the South Bronx is home to one of
21 the largest IBZ's, Hunts Point and Port Morris, which
22 is one of the city's most significant industrial
23 areas, including the Hunts Point Produce Market. Our
24 central hub for citywide food distribution. In my
25 district, we know how important the industrial sector

3 is in supporting the city's infrastructure and supply
4 chains and providing good jobs.

5 We've worked closely with EDC to invest in the
6 market and improve its infrastructure but we also
7 know how poor and uncoordinated planning outside of
8 the city owned properties holds back the industrial
9 sectors potential and creative real negative
10 consequences for local communities. Without better
11 planning for sustainable freight and last mile
12 delivery, Amazon and E-Commerce warehouses are
13 popping up throughout the district, including on the
14 sites with direct freight real access that could be
15 critical for future green industries. Thousands of
16 trucks have been added to the neighborhood with no
17 plan to address the consequences.

18 We cannot allow environmental justice communities
19 adjacent to industrial zones like Hunts Point, Red
20 Hook, Sunset Park and East Williamsburg to once again
21 be burdened with the consequences of New York's
22 failure to plan. We can also see the effects of the
23 1961 M1-1 and M3-1 zoning in my district. Blocks and
24 blocks of decades old one-story warehouses and open
25 lots where the current zoning makes it very difficult
for businesses to build new or to expand.

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3 This proposed legislation Intro. 1012, will
4 ensure coordinated planning for each IVZ that can
5 both grow industrial jobs and improve the environment
6 and infrastructure for surrounding communities. On
7 the Zoning front, the Council continues to urge DCP
8 to add reform of the manufacturing districts to the
9 upcoming zoning for economic development text
10 amendment. We look forward to hearing from the city
11 agencies and the public today on how we can best
12 advance our shared goals to better plan. Thank you
13 Madam Chair.

14 CHAIRPERSON FARIAS: And before we begin, I'd
15 like to acknowledge the Council Members who have
16 joined us today. Council Members Riley, Kagan,
17 Bottcher, Louis, Mealy and Moya virtually. I will
18 now turn it over to Committee Counsel.

19 COMMITTEE COUNSEL: Good afternoon. Alex
20 Paulenoff, Senior Counsel, will the members of the
21 Administration who are testifying today please raise
22 your right hands. Do you swear or affirm to tell the
23 truth, the whole truth and nothing but the truth
24 before these Committees today and to respond honestly
25 to Council Member questions?

Thank you. You may begin when ready.

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3 CAROLYN GROSSMAN MEAGHER: Good afternoon Chair
4 Salamanca, Chair Farias and members of the Land Use
5 and Economic Development Committee's. My name is
6 Carolyn Grossman Meagher, I'm the Director of
7 Economic Development and Regional Planning at the New
8 York City Department of City Planning and I really
9 thank you for the opportunity to be here today to
10 discuss industrial Policy and Intro. 1012. I am
11 joined here by Kitty Chan of the Department of Small
12 Business Services, Neil Padukone of the Office of
13 Talent and Workforce Development, Jennifer Sun of the
14 New York City Economic Development Corporation and
15 Lindsay Greene of the Brooklyn Navy Yard. And they
16 represent agencies and organizations that also play a
17 critical role in shaping the Administration's
18 economic policy.

19 This Administration is committed to smart,
20 innovative, and equitable strategies to grow these
21 city's industrial sector. And I'd like to start
22 today by summarizing some recent interagency
23 collaboration around planning for the industrial
24 sector. Share a bit of background research and I'm
25 going to start specifically with what we believe
constitutes the "industrial economy. And you know,

3 we think that a fact basis is a really important
4 place to start and a data booklet with the key
5 statistics I'll mention throughout my testimony
6 today, as well as more detailed definitions are
7 attached to your testimony. We'd be happy to follow
8 up with any Council Members who are interested in
9 hearing more from us about the facts and figures we
10 present.

11 So, from our perspective in this common
12 definition, the industrial sector represents three
13 big categories of economic activity. Business and
14 workers who make things. Business and workers who
15 move things and business and workers that provide
16 industrial services or support the other kinds of
17 business activity. So, the businesses that make
18 things include: Our construction industry 139,000
19 New York City jobs; our manufacturing industry which
20 has 57,000 jobs; and the production of information
21 and media including film and TV with 64,000 jobs.
22 The businesses that move things include everything
23 related to transportation and logistics, which
24 represents 125,000 New York City jobs, as well as
25 wholesale trade, which is 121,000 jobs.

3 And lastly, the businesses that support and
4 provide services like waste management and auto
5 repair, which includes 43,000 workers at our utility
6 companies and other industrial service businesses.
7 Altogether, that's 550,000 people employed at 48,000
8 industrial businesses in New York City, which
9 represents 14 percent of the city's total private
10 sector employment.

11 From 2012 to 2022, the city gained about 40,000
12 new private sector industrial jobs and grew by about
13 eight percent. However, that growth is slower than
14 the citywide average growth of employment of 18
15 percent and slower than 20 percent growth of office
16 space jobs and much slower than the 38 percent growth
17 in education and health care jobs over the same
18 period.

19 But within that industrial economy, there's a
20 much, a very picture of growth in decline. Over that
21 decade, we saw considerable gains in construction,
22 production of film and media, telecommunications,
23 transportation and warehousing that outpace the city
24 averages. At the same time, other industrial
25 subsectors primarily manufacturing in goods wholesale

1 declined, which was a continuation of a decades long
2 pattern.
3

4 But despite that slow growth, the industrial
5 sector remains today an incredible important source
6 of good jobs that are accessible to a wide range of
7 New Yorkers. 30 percent of the jobs in our city that
8 do not require a bachelor's degree but do pay more
9 than \$50,000 a year are in the industrial sector.
10 And we also know that 70 percent of industrial
11 workers are persons of color, 52 percent are foreign
12 born, which skews higher than the average for all
13 other industries.

14 So, this sector punches above its weight in
15 helping the city maintain an economy that is diverse
16 and inclusive. And it's also very important to note
17 it's not just about jobs and job growth. The
18 industrial sector also houses our critical
19 infrastructure, which in many cases isn't that job
20 dense, right? Think about a power plant, or a bus
21 depot. These uses may not significantly contribute
22 to job growth for the city, but they are extremely
23 important to the basic functioning of our whole city.
24 And it's integral that these businesses also have
25

3 somewhere to locate, and that we enable them to
4 operate safely and successfully.

5 So, building on this baseline understanding, of
6 what we mean by the industrial sector, our goal as an
7 Administration is to retain and expand the industrial
8 job base that is critical to the functioning and
9 growth of our city, as well as to help the sector
10 modernize and evolve along with the city, and to
11 ensure that our workforce is well positioned to meet
12 and benefit from the emerging needs of this sector.

13 So along these lines, I'd like to turn to the
14 work that's being done to support the industrial
15 sector in New York City. Multiple administrations
16 have developed a range of tools that seek to support
17 our industrial businesses, through tax programs that
18 support operational and capital challenges, programs
19 that catalyze and support the growth of particularly
20 promising subsectors, and workforce programs that
21 provide training and pipelines to good jobs, and land
22 use policies that seek to enable businesses to meet
23 their space needs.

24 So, starting with tax programs. The primary
25 tools that we have to support industrial businesses
are tax programs that provide operational and capital

3 support, workforce development that creates pipelines
4 to support businesses and land use reforms that allow
5 us to create space.

6 The city offers a range of tax incentives that
7 are geared towards preserving and growing industrial
8 businesses and jobs. These include the Industrial
9 and Commercial Abatement Program or ICAP, which
10 supports modernization, expansion, and physical
11 improvements of industrial and commercial buildings,
12 the New York City Industrial Development Agency or
13 NYCIDA, which awards funding which supports business
14 growth, relocation, and expansion by lowering the
15 cost of capital investment, the Industrial Business
16 Zone Credit Program, the Energy Cost Savings Program,
17 and the Relocation and Employment Assistance Programs
18 or REAP.

19 In 2005 the city created in particular, the
20 Industrial Business Zones Program, which creates the
21 IBZ Relocation Tax Credit, which is available to 21
22 priority geography areas which cover today about half
23 of our existing manufacturing zones. This program
24 also created funding for dedicated business
25 assistance via nine Industrial Business Service
Providers, IBSPs, that are contracted through SBS.

3 These IBSPs connect businesses to resources they
4 need to remain competitive in New York City, such as
5 the financing and incentives programs mentioned
6 above, as well as state and federal resources, and
7 also help them navigate complicated government rules
8 and regulations, as well as recruit and train
9 employees.

10 On workforce development, SBS is also leading the
11 way on helping businesses modernize, train workers
12 and provide employers with newly trained, skilled
13 labor they need to thrive in a post-COVID-19 economy.

14 In Fiscal Year 2023, SBS served more than 84,000
15 people at their 18 Workforce1 Career Centers. And
16 during that same period, SBS enrolled just under
17 5,500 individuals in training programs.

18 In the coming years, the city will be working to
19 enact the Mayor's moonshot goal of connecting 30,000
20 New Yorkers with apprenticeships by 2030, ensuring
21 that more New Yorkers can access fulfilling careers
22 while earning while they learn. The industrial
23 sector, with its large supply of jobs that are
24 largely accessible even to those without formal
25 college credentials is a particular opportune
industry for expanding the apprenticeship model. To

3 that end, NYC Talent and SBS will be expanding upon
4 the work of the Apprentice NYC program for Advanced
5 Manufacturing to build additional industry-wide
6 talent training pipelines in key, vital occupations.

7 Pathways to Industrial and Construction Careers,
8 the PINCC program, meanwhile is a program supported
9 by the US Economic Development Agency's Good Jobs
10 Challenge, will help place nearly 2,300 low-income
11 New Yorkers on the trajectory to careers in two high-
12 growth sectors of the city's economy over the next
13 three years. PINCC is not only developing new
14 industrial career trainings and matching in sectors
15 that are key to a resilient supply chain but is
16 nesting those trainings within social services
17 provided by the Human Resources Administration to
18 ensure that the nontechnical elements of workforce
19 development support job retention and career growth
20 in the industrial and construction sectors. PINCC
21 will provide a model for a holistic workforce
22 development program that we hope can inform
23 programming citywide.

24 Looking to the future, New York City is leading
25 the way in multiple emerging sectors of the economy,
including sectors within the industrial economy.

3 NYCEDC is taking bold actions to help achieve the
4 city's nation-leading climate goals while advancing
5 green economic opportunities. The Green Economy
6 represents industries and workers that are
7 contributing to decarbonization and environmental
8 goals. And by our counts, there were at least
9 140,000 New Yorkers employed in the Green Economy in
10 2021, and we anticipate that that will grow to over
11 230,000 by 2030 as we create new jobs specifically to
12 meet the needs of the green economy and evolve
13 traditional jobs into green jobs.

14 The Green Economy represents new opportunities
15 for Minority and Women Owned Business that are
16 dedicated to green retrofitting, green construction,
17 and green manufacturing. EDC's Construct NYC program
18 started in 2016 and is designed to connect small to
19 mid-sized minority and women owned and otherwise
20 disadvantaged business enterprises with exclusive
21 opportunities to work on NYCEDC construction
22 projects.

23 Within this burgeoning Green Economy, there is
24 particular opportunity in the offshore wind sector.
25 Over the next 15 years, the city will make the
investments in our industrial waterfront required to

1
2 attract offshore wind operations. The city also
3 supports the growth of film and TV production through
4 sector specific tax incentives, which account for
5 thousands of living wage jobs.

6 The city has a strong commitment to reducing
7 barriers to siting and developing new Life Sciences
8 facilities and is investing over \$1 billion in
9 research and development related innovation through
10 LifeSciNYC.

11 Additionally, EDC's asset management portfolio
12 includes many properties in Industrial Business
13 Zones, and these assets and tenants include hundreds
14 of businesses which reflect a range of industrial
15 businesses and tenants, such as food wholesale and
16 Hunts Point, film and TV production, light
17 manufacturing at Sunset Park, advancing manufacturing
18 at Brooklyn Navy Yard. EDC is investing over half a
19 billion dollars in these critical assets including
20 nearly \$300 million in the Made in New York Campus
21 which will be home to a 500,000 square foot film and
22 TV production hub, over \$50 million in the South
23 Brooklyn Marine Terminal which will be transformed
24 into a leading offshore wind hub. We work with city,
25 state, and federal partners to secure nearly \$400

1 million in public funding to modernize and green the
2 Hunts Point Produce Market.
3

4 The city has invested heavily in the Brooklyn
5 Navy Yard since the early 2000's, with a lot of
6 investment coming since 2015 in particular. The city
7 invested over \$140 million to leverage 1.2 times that
8 in private financing to create or renovate over 1.5
9 million square feet of modern industrial space to
10 support over 4,300 jobs at over 200 companies, with
11 more jobs expected as additional spaces complete work
12 at the yard.

13 Additionally, the city has committed over \$200
14 million as a partial downpayment for Brooklyn Navy
15 Yard's first new construction Master Plan development
16 project along Kent Avenue. This is on top of the
17 millions that Brooklyn Navy Yard receives every few
18 years to assist with upgrades to their base building
19 and in-ground infrastructure to keep a state of good
20 repair for the 550 plus tenants that call the Yard
21 home.

22 So now I'll talk a little bit about land use,
23 which is important because the zoning rules of the
24 city set the stage for how our businesses can
25 physically locate and grow. Representing 28,500

3 acres of land, which is an area the size of the city
4 of Boston. Our Manufacturing zoned or M zoned land
5 is one of the city's precious resources. With 14
6 percent of our land allowing industrial uses, we
7 falls somewhere in the middle between peer cities.
8 We have proportionally less industrially zoned land
9 than Detroit, Philadelphia, or Baltimore, but
10 considerably more than Washington D.C., Boston, or
11 San Diego. And in the last decade, we've preserved
12 our manufacturing areas, rezoning less than two
13 percent of M-zoned land to non-M uses since 2012.

14 Despite the name though, New York City's
15 "Manufacturing zones" have historically allowed for a
16 wide range of uses, which include but are not
17 exclusive manufacturing. Today, our M-zones are home
18 to 20 percent of all New York City jobs, representing
19 a very diverse range of businesses. That includes
20 half the city's 550,000 industrial jobs, like 50,000
21 construction jobs, 33,000 manufacturing jobs, 87,000
22 transportation and warehousing jobs in our M-zones.
23 But it also houses nearly half a million non-
24 industrial jobs including 230,000 office-based jobs
25 and 137,000 jobs in retail, food, and service
businesses and that diversity has meant in part that

3 industrial businesses are surrounded by a supportive
4 economic ecosystem. It also is meant that our M-
5 zones are amongst the most flexible and accommodating
6 a wide range of commercial, recreational and other
7 uses that have historically been locked out of other
8 areas of the city due to perceived conflict with
9 residences.

10 That flexibility is also the reason we saw
11 significant job growth in M districts over the last
12 over the last decade. Employment in M zones grew by
13 seven percent for industrial businesses and by 34
14 percent for nonindustrial businesses. However, we
15 also know that that flexibility contributes to a
16 perception of competition for space among different
17 kinds of businesses, especially those that can't
18 locate in other areas, which we think frankly means
19 we need to come up with more space.

20 One of the reasons there's not enough space in
21 our M areas is because they are very low density. 96
22 percent of our M zones allow only up to two FAR and
23 for those who are not as familiar with zoning lingo,
24 FAR or floor area ratio is the primary means by which
25 zoning regulates building densities in the city. So
if for instance, you have a site that is 10,000

3 square feet in size and it has an FAR of 2, you can
4 have a maximum building of 20,000 square feet. So,
5 in addition to being limited in size, our M-zones
6 suffer from a whole host of other zoning challenges
7 due to their outdatedness that make facility
8 expansion and modernization prohibitively difficult
9 to execute for most space users. They simply can't
10 build bigger or build up and that means we're not
11 adding new space even as we add more businesses to
12 these areas.

13 So, as many of the Council Members are aware,
14 city planning is working on proposals for three
15 citywide text amendments to support a more inclusive,
16 equitable city of yes. The second text amendment,
17 the city of yes for economic opportunity, while born
18 of and primarily focused on recovery in our
19 commercial main streets and central business
20 districts, is also able to help address the
21 challenges of industrial businesses and industrial
22 areas in a few really critical ways.

23 First, this proposal would include a range of new
24 higher density M district zoning options to be
25 deployed in future rezoning areas. These tools would
allow for businesses to locate and expand at higher

3 densities and relieve all the physical challenges we
4 see in developing a building in an M area. Imagine a
5 four-story loft building sitting alone in one of our
6 industrial areas, surrounded by surface lots or one-
7 story buildings.

8 Likely, the zoning in place does not allow a
9 business to replicate that loft building but our new
10 zoning tools would. These zoning tools would need to
11 be mapped as part of future rezonings but they would
12 give city planning and the Council tools to work with
13 that are better than what we have and we would look
14 forward to working with you to shape and deploy them.

15 City of Yes for Economic Opportunity would also
16 seek to fix a range of other physical problems that
17 make it challenging to build the kinds of spaces that
18 businesses want. Imagine a film studio that wants to
19 build a sound stage, only to discover that their rear
20 yard requirements or physical setbacks from the
21 street make it impossible to build the high ceilings
22 and open interior spaces that are required for a
23 sound stage. The City of Yes for Economic
24 Opportunity would create a pathway in zoning to allow
25 business to seek limited bulk relief that would
enable that kind of construction.

3 Imagine next, a 3D printing company that wants to
4 reuse an old loft building, only to discover that
5 loading requirements would mean you have to cut a
6 whole in the side of the building to add three or
7 four truck berths just to be able to tenant the
8 space. City of Yes for Economic Opportunity would
9 propose changes that ensure loading requirements
10 still apply when you're building a new building but
11 don't stand in the way of re-tenanting an existing
12 space.

13 But also worth noting that as important as the M
14 Zones are today, of the 550,000 industrial jobs that
15 are in New York City, 284,000 of those jobs are
16 registered to locations that are not zoned for
17 manufacturing. How can this be? We think there are
18 couple of reasons. One is that an industrial
19 business is often not doing industrial business on
20 their headquarter site. So, think about that for
21 construction jobs, which are significant component of
22 our industrial base, the construction happens on the
23 side of the building, which is maybe in a residential
24 area. Or for a transportation company, the moving
25 truck on the street is typically the site of the

3 production instead of inside of the confines of the
4 building.

5 In other cases, we see industrial businesses that
6 may be stretching the zoning or maybe partially legal
7 in a commercial area. And we think that's a good
8 thing and we need to embrace that stretch because the
9 idea that all makers and producers need to be far
10 away from our residential parts of the city, we think
11 is antiquated thinking. And City of Yes for Economic
12 Opportunity will embrace this idea and will for the
13 first time legalize clean industrial uses in all of
14 our commercial zones.

15 Imagine a shop on main street that can now sell
16 and manufacture tortillas in the same space or a
17 bakery that can expand into the next storefront as
18 its business increases instead of moving out of the
19 neighborhood that maybe it's been in for 30 years
20 just to go to an industrial area. So, industrial
21 uses would still have environmental regulations to
22 make sure they're compatible with areas that have
23 residents but we think it will be a huge win for
24 businesses to just get zoning out of the way and
25 allow for a much wider range for businesses to occur,
not to mention a huge opportunity given vacant

3 storefronts and office buildings that we see all
4 across the city.

5 And finally, City of Yes for Economic Opportunity
6 will also help industrial businesses because its
7 helping businesses that are today restricted to
8 manufacturing zones find other kinds of businesses.
9 Find a home outside of industrial areas, amusements
10 and night life for example. Amusements have
11 historically only been allowed in manufacturing areas
12 in Coney Island, which is not only a disservice to
13 communities that may benefit from having more family
14 friendly entertainment nearby and not having to drive
15 to Long Island or New Jersey just to go take their
16 kids to a Chucky Cheese. But it also means that
17 amusements have nowhere else to go besides our
18 industrial areas. And our nightlife options have
19 also been hampered by outdated zoning rules that
20 prohibit dancing in most areas of the city, even
21 where live music is allowed. So, without changing
22 the important rules that govern the size of nightlife
23 establishments in the city, by making common sense
24 changes to allow dancing, we are also providing an
25 important relief valve for locating those kinds of

3 uses outside of our industrial areas and in our
4 commercial areas.

5 So, together, we think these changes can help our
6 industrial businesses evolve and meet their needs and
7 help us grow this sector. Ultimately, our industrial
8 economy is never going to look like other parts of
9 the country. Consider this, when Micron landed upon
10 exurban Syracuse for their new facility, they picked
11 a site that was the size of LaGuardia Airport.
12 Modern industrial buildings being built in the
13 national market are on average between 100,000 and
14 300,000 square feet and set on 10 to 30 acre lots.
15 And in that context, New York City just doesn't
16 compete but we can compete for businesses that can
17 thrive in an urban space constrained city take
18 advantage of our incredible talent base and our un-
19 paralleled customer base and for those businesses, we
20 can make our land use policies work a little better
21 to help business locate an expansion. These are all
22 proposed tools and we look forward and really
23 appreciate the partnership with the City Council to
24 enact and deploy these tools effectively.

25 So, finally, turning to the bill. We think
Introduction 1012 is timely and we share many of your

3 goals. We particularly appreciate and agree with the
4 need to make data informed decisions that incorporate
5 long term citywide planning into our neighborhood
6 level and project level work and we think a process
7 like this could prove to be a useful compliment to
8 all of the ongoing planning work that we do. We want
9 to work with you to make sure that the timeframe and
10 scope are both achievable and impactful and we look
11 forward to those follow-up conversations to help
12 structure this in a fruitful way.

13 So, in conclusion, we very much appreciate the
14 opportunity to testify and welcome further
15 discussions and questions from you on this matter.

16 CHAIRPERSON FARIAS: Thank you so much for your
17 testimony. I'd like to acknowledge Council Member
18 Abreu, Gutiérrez, Brooks-Powers, Rivera, Sanchez,
19 Borelli and Speaker Adrienne Adams, who I will now
20 turn the mic over to.

21 SPEAKER ADAMS: Thank you so much Madam Chair and
22 good afternoon to everyone. I again want to thank
23 our Chair of the Committee on Economic Development
24 Council Member Amanda Farias. Thank you so much and
25 of course, our Chair of the Committee on Land Use
Council Member Rafael Salamanca for holding today's

3 joint oversight hearing on Proposed legislation that
4 would require the City Planning Commission,
5 Department of Small Business Services and the
6 Economic Development Corporation to collaborate on a
7 citywide industrial development action plan.

8 New York's industrial sector is a goldmine of
9 untapped potential. Planning for the industrial
10 sector can deliver the triple bottom line. Benefits,
11 social, economic and environmental that more than
12 justify the city's investment of resources.
13 Industrial jobs can be the equalizer in providing
14 economic opportunity, offering family sustaining
15 wages without requiring an advanced degree.

16 People of color make up 80 percent of this
17 workforce and average wages are greater than \$50,000.
18 At a time when unemployment remains over 7 percent
19 for New Yorkers, for New Yorkers of color, and nearly
20 8 percent for those without a college degree. It is
21 imperative to focus on industrial and green jobs as
22 an effective pathway to economic mobility.

23 The industrial sector and industrial land are
24 also a critical part of our transition to green
25 energy and zero carbon. New York needs sites and
planning for offshore wind facilities, energy

3 storage, new facilities for rail and marine freight
4 to get trucks off the road and the many new green
5 businesses connected to this transformation.

6 This is a shared priority with the Biden Harris
7 Administration that is seeking to build a thriving
8 green energy industrial economy yet our lack of a
9 coherent economic development strategy is preventing
10 us from being able to fully cultivate industrial
11 growth and provide New Yorkers with equitable
12 opportunities. There is currently no track record or
13 requirement for city agencies to coordinate land use,
14 economic and workforce development, and capital
15 budget tools to support the industrial sector and its
16 essential role in the city's day to day operations,
17 as well as future sustainable development.

18 The city's M manufacturing zones that govern land
19 use regulations in industrial areas have not been
20 revised since 1961, more than 60 years ago. This
21 outdated zoning limits industrial growth through low
22 FAR and stringent parking and loading requirements.
23 It also fails to protect essential industrial sites
24 from unrelated commercial development. The Council
25 continues to urge the Administration to revise M
zones as part of the upcoming zoning for economic

3 development text amendment and we're optimistic about
4 the progress on this longstanding issue.

5 In my State of the City address earlier this
6 year, I highlighted these concerns and raised the
7 need for city government to advance collaborative
8 efforts at the city, state and federal levels to
9 support industrial development and planning. We have
10 the available land and workforce. In my own
11 district, in Jamaica Queens, there's the old Elmhurst
12 Dairy site, a sprawling 15-acre dairy plant that
13 closed its doors 7 years ago.

14 This large industrial property with potential
15 freight rail access has been sitting dormant in part
16 because the city has no clear policy or plan for
17 working with owners of sites like this to update
18 zoning and infrastructure, apply and incentives and
19 attract new industrial investment. By investing in
20 industrial development, we can power small
21 businesses, create more equitable, economic
22 opportunities, transition to green energy and help
23 build the infrastructure that would allow our city to
24 rely less on others and produce our own essential
25 goods. The equitable and sustainable future we're
building demands that collaborate across our city

3 agencies to create a plan that jumpstarts our
4 industrial growth.

5 I look forward to the work ahead to fulfill our
6 city's full potential. Thank you very much and I
7 turn it back to over to Chair Farias.

8 CHAIRPERSON FARIAS: Thank you so much Speaker
9 and we'll just get right into it. When the
10 Administrations Industrial Group was announced last
11 year, the press release clearly stated the importance
12 of the industrial sector to the city's wider economy
13 and value of a multiagency collaborative approach to
14 planning for the sector.

15 Yet the working group has not released a report
16 for a set of recommendations and beyond the short-
17 term convening of this working group, there is not a
18 clear process for DCP, EDC and SBS to plan and
19 coordinate land use, economic and workforce
20 development and capital budget tools to support the
21 industrial sector and its essential role to the
22 city's day to day operations and future sustainable
23 development. How do agencies like DCP, EDC, and SBS
24 currently work together to plan for the industrial
25 sector and related citywide policy goals like

1
2 reducing truck traffic and transitioning to green
3 energy?

4 CAROLYN GROSSMAN MEAGHER: Sure, thank you
5 Council Member and thank you Madam Speaker. First, I
6 just want to start and say, the agencies represented
7 here work together all the time, every day on these
8 issues and on all economic development issues. We
9 are routinely in communication and working on project
10 basis in individual neighborhood areas and across
11 larger policy areas like our industrial portfolio.
12 We routinely share data and in fact, the data that
13 you have in front of you is a product of that shared
14 data and research platform between city planning and
15 the economic development corporation and we form new
16 projects together and I'll mention one for instance,
17 the work that EDC is doing on the green economy and
18 work that EDC, DOT and City Planning all do together
19 on planning for sustainable freight development, is
20 already informing DCP zoning for carbon neutrality,
21 which is removing impediments to electrical vehicle
22 charging and introducing micro distribution potential
23 and allowing for solar and new kinds of energy
24 storage and construction on different sites.

3 I'm going to turn to Jen Sun at EDC to see if
4 she'd like to add some things on EDC's work.

5 JENNIFER SUN: Thanks Carolyn. As Carolyn
6 mentioned, with the example of sustainable freight,
7 EDC is in constant engagement with the private
8 industry about how what conditions are necessary in
9 order for them to move freight more by water, rather
10 than by truck. And through those industry
11 engagements, we've learned that there is an interest
12 from large package delivery companies like Amazon,
13 UPS, and FedEx and actually using zero emission
14 vehicles like electric cargo bikes, electric trucks
15 and vans for last mile distribution. That
16 information has been shared with City Planning in a
17 way to support the collaboration and design of micro
18 distribution hubs to be located in commercial
19 districts to encourage more sort of sustainable last
20 mile delivery to happen in commercial areas. And
21 then in the industrial areas, our focus has been
22 working with DOT, looking at the waterfront assets
23 that are managed by EDC of using existing waterfront
24 landings to activate them for a green highway system.

25 So, EDC received an over \$5 million federal
transportation grant specifically for the purpose of

3 beginning to create this network. And so, we are
4 planning to upgrade six waterfront landings in the
5 Bronx, Manhattan and Brooklyn to move packages, as
6 well as other commodities by water between those
7 boroughs.

8 And the last thing that I'll mention, the
9 collaboration between EDC and DOT around sustainable
10 freight is also looking at areas that are not close
11 to water but also supporting industrial companies and
12 using electric trucks, rather than diesel trucks for
13 distribution. And so, our role is to partner with
14 private industry in identifying either city owned
15 sites or privately owned sites that could support
16 shared charging depots and to actually implement the
17 charging infrastructure that would support the
18 adoption of electric trucks by industrial firms.

19 CHAIRPERSON FARIAS: Thank you for that thorough
20 response. It sounds like there's obvious some
21 interagency coordination that just - I want to know
22 if there's any interagency cooperation in setting the
23 amount and type of industrial sites needed for use of
24 like energy source that are central to transitioning
25 to green energy. So, I'm hearing, it sounds like a
yes but I'm wondering if we're deeply looking into

3 what's being used and how much do we actually need to
4 keep up with our green goals and if that's data sets
5 that we're using or metrics that we're using to
6 continue on investing into the industrial sector.

7 JENNIFER SUN: Yeah, so I can affirm that we are
8 actively collaborating in this phase but it's a very
9 new mode of transportation of using waterways to move
10 freight. So, it's really hard at this early stage
11 for us to quantify what the demand will play. So,
12 instead, we you know rely on again sort of active
13 industry engagement with what we call the end users,
14 the package delivery companies that ultimately will
15 be making choices between either continuing to use
16 trucks or shifting that either using water or rail
17 for the movement of goods.

18 And so, it's hard to quantify what that demand is
19 going to look like. They are also still sort of
20 understanding how to shift their transportation
21 systems into a new mode but we think that there are
22 market conditions that make this more feasible than
23 ever before. Most importantly congestion pricing,
24 the approval by the federal government to implement
25 congestion pricing we think will be a huge driver for
package delivery companies, industrial companies to

3 really seriously consider using alternative modes of
4 transportation. So, we think that will help really
5 compel companies to make different choices and our
6 roles to make that infrastructure available.

7 CHAIRPERSON FARIAS: Great.

8 CAROLYN GROSSMAN MEAGHER: Council Member if I
9 could also pick up?

10 CHAIRPERSON FARIAS: Sure.

11 CAROLYN GROSSMAN MEAGHER: I know you also
12 mentioned battery storage, which I think is another
13 great example here where you know quite frankly we do
14 not know exactly how many batteries will be needed in
15 the city or the exact square footage associated with
16 sited them but what we do know is that it's a lot and
17 it's not just industrial areas. It's commercial
18 areas and residences where we imagine batteries will
19 be needed to store the energy that's being created on
20 solar rooftops for example.

21 And so, when we look at a policy like that, we
22 try to understand the overall potential, the physical
23 parameters of how those are stored and how joining
24 interacts with it and what we discovered is that a
25 lot of the battery storage that we know we are going
to need, particularly in residences and commercial

3 areas is not allowed under our zoning today. So, the
4 city for carbon neutrality, one of the proposals that
5 we'll be making is to enable exactly that kind of
6 battery storage.

7 So, we think about that, you know we're informed
8 by a sort of forecasting mentality of what do we need
9 and what will be the physical parameters associated
10 it. We'll never have a magic number right that we
11 can actually say x batteries and x square footage but
12 we can continually improve our zoning to enable the
13 kinds of physical activities that we want to see.
14 And so, I want to put that out because I think you'll
15 hear a lot of that from us about how we think about
16 future forecasting and future proofing our zoning to
17 enable future needs even as the exact size and
18 physical footprint of those needs is not known and
19 much of it is happening on private property.

20 CHAIRPERSON FARIAS: Sure, and so in that same
21 vein, do you agree that there's a value in
22 establishing a required interagency planning cycle
23 for the industrial sector?

24 CAROLYN GROSSMAN MEAGHER: We do and I think we
25 really appreciate the Council's attention. We think
you hit on something important about the visibility

3 and transparency of all of the interagency
4 collaboration that happens on this critical policy
5 area. The devil is always in the details. We want
6 to work with you and figure out how to make this work
7 and you know the right scope and scale of
8 improvements but we do agree and we think
9 philosophically we're aligned.

10 CHAIRPERSON FARIAS: Great, will there be a
11 policy platform or report released by the
12 Administrations Industrial Working Group?

13 LINDSAY GREENE: Hi, this is Linsey Greene from
14 the Navy Yard. I was one of the Administration
15 Coordinators of the Industrial Working Group. Just
16 to recap for those that may not know the Industrial
17 Working Group was convened by the Administration
18 principally as its own tool of outreach and was
19 comprised of you know various members of the
20 industrial sector, principally businesses that have
21 been successful across the different subsectors.
22 Their voices don't always bubble up as much in
23 conversation. We met several times predominantly
24 over the course of last year and our goal has always
25 been to take a lot of the feedback and concern shared
by those members and incorporate them into

3 Administration actions. We have been spending the
4 last several months digesting that feedback and
5 working with some of the other existing
6 administration efforts that touch industrial policy
7 like some that the testimony mentioned but we are in
8 the process of finalizing that process with VIWG
9 members in July.

10 CHAIRPERSON FARIAS: Okay to TBD?

11 LINDSAY GREENE: July.

12 CHAIRPERSON FARIAS: Okay July. As I mentioned
13 in my opening remarks, the industrial sector in New
14 York City employees over 500,000 New Yorkers with an
15 average annual salary of over \$50,000. The workforce
16 is over 80 percent people of color and industrial
17 jobs provide more than one-third of New York City's
18 jobs that pay over \$50K and are available to those
19 without a college degree. Really important stuff.
20 Does the Administration agree that growing industrial
21 sector jobs including green jobs are important to
22 advancing economic equity?

23 CAROLYN GROSSMAN MEAGHER: Absolutely, we do.
24 I'm going to pivot to Neil to talk a little bit about
25 how we support that.

1
2 NEIL PADUKONE: Good afternoon. My name is Neil
3 Padukone. I am with the Mayor's Office of Talent and
4 Workforce Development managing our industry
5 partnership with the manufacturing industrial sectors
6 and yeah, I just want to echo exactly what you said
7 about the importance of this sector in our job growth
8 strategy. In particular, in his State of the City
9 Address, the Mayor announced a sort of moonshot goal
10 for connecting 30,000 New Yorkers with
11 apprenticeships by the year 2030 and the industrial
12 sector is really a primary vehicle through which we
13 aim to accomplish that for all the reasons that you
14 mentioned. The accessibility, the lack of a
15 requirement for a formal certification for entry into
16 a lot of these jobs and frankly because a lot of the
17 jobs are earn while you learn models. They're
18 particularly well suited for the apprenticeship
19 model, which we think is easily scalable and will get
20 us to our goals of attaining the 30,000 and advancing
21 economic activity.

22 CHAIRPERSON FARIAS: And does the administration
23 share the prior Admin's commitment to maintain
24 industrial business zones for industrial and
25 commercial uses?

3 CAROLYN GROSSMAN MEAGHER: We do share that
4 commitment from the prior administrations and I think
5 we really appreciate the stability and predictability
6 that those commitments have offered to industrial
7 businesses and that's been really important. With
8 that being said, the IBC's haven't been
9 comprehensively looked at since their creation under
10 the Bloomberg Administration and we think that the
11 process that you're outlining and the opportunity to
12 evaluate existing conditions and appropriate land use
13 frameworks can help us take a refreshed look at
14 whether we have all the tools we need.

15 CHAIRPERSON FARIAS: Great, what baseline
16 infrastructure such as broadband, clean energy,
17 supply delivery, stormwater management, flood
18 prevention, open space, shade or others should New
19 York City's industrial areas be equipped with to best
20 support the industrial sector?

21 JENNIFER SUN: So, we think that the types of
22 infrastructure that you just described are important
23 for supporting the competitiveness and long-term
24 viability of industrial businesses. I would add also
25 I think another piece of important infrastructure is
roadways and having clarity for industrial businesses

1
2 of where trucks can and cannot go in the course of
3 distributing their goods.

4 You know many of the infrastructure needs that
5 you've listed are under the purview of sister
6 agencies obviously, so we do work together with DEP
7 for example around stormwater and sewer
8 infrastructure or really with the Office of
9 Technology and Innovation and Broadband expansion.

10 EDC's focus is on really investing the
11 infrastructure to support city owned industrial
12 assets and the tenants there.

13 CHAIRPERSON FARIAS: And what infrastructure
14 investments has EDC made in IBC's over the past ten
15 years?

16 JENNIFER SUN: Yeah, so just to provide an
17 example, I think generally, uhm, EDC's focus on
18 investments is really around creating leasable
19 affordable space, small and large sizes in our
20 industrial assets. It's also about really
21 integrating these industrial campuses with the
22 surrounding community. And so, that's been a real
23 focus of our work for example in Hunts Point and at
24 the Brooklyn Army Terminal at the Bush Made in New
25 York Campus.

3 And then providing flood proofing where it's
4 needed. And so, Hunts Point is another example where
5 flood protection is very important.

6 CHAIRPERSON FARIAS: Bless you on record. What
7 is the total value of city and state financial
8 incentives and workforce development expenditures
9 distributed annually to industrial businesses in
10 IBZ's across the city?

11 JENNIFER SUN: So, I can share from EDC's
12 perspective that the IDA over the last ten years has
13 provided almost \$500 million in incentives for more
14 than 100 industrial and manufacturing projects that
15 together leveraged over \$1 billion in private sector
16 investment. As you might know, the IDA works by
17 really incentivizing private investment into
18 industrial real estate and modernizing equipment at a
19 large scale. So, it does require you know a private
20 business to make that investment and then our role is
21 to lower the cost of that investment by providing
22 property tax abatements, mortgage recording tax
23 waivers and sales tax waivers.

24 I think by looking at the utilization of these
25 incentives across all five boroughs, we believe that
they have been effective and we also have been able

1
2 to confirm that through our continuous outreach to
3 the IBZ service providers, business improvement
4 districts and other chambers of commerce and
5 promoting these programs and hearing their feedback
6 that these incentives are important to maintain and
7 to continue to promote.

8 The other sort of incentive or program that I
9 also really want to highlight is EDC's partnership
10 with nonprofit industrial developers. And so,
11 through an industrial developer loan fund, we
12 provided almost \$40 million in city capital, as well
13 as affordable subordinate loans to facilitate
14 industrial nonprofits like you know the Green Point
15 Manufacturing Development Corporation, Evergreen
16 Greater Jamaica Development Corporation, and even a
17 mutual housing association of New York in acquiring
18 buildings and rehabbing buildings to provide
19 multitenant and affordable spaces.

20 CHAIRPERSON FARIAS: And do you folks have a
21 breakdown by sector?

22 JENNIFER SUN: We don't have a breakdown by
23 sector. So, the data point that I shared of the IDA
24 supporting 100 businesses is specific to industrial
25 and manufacturing.

3 CHAIRPERSON FARIAS: Okay.

4 JENNIFER SUN: And then I have a borough
5 distribution, which is of those 100 projects, 40 of
6 them were in Brooklyn, 11 in the Bronx, 36 in
7 Manhattan, and 6 in Staten Island. And then we can
8 get back to you if you want a more detailed
9 breakdown.

10 CHAIRPERSON FARIAS: Sure, I'm surprised.
11 Council Member Borrelli would be impressed in 6 in
12 Staten Island. New York City needs to rapidly expand
13 production distribution and the uptake of clean
14 energy to meet state and city requirements. The city
15 will have to make space for assembly and staging of
16 optional winter binds, battery storage, new green
17 construction business, expanded marine and rail
18 freight transportations, electric truck charging
19 depots and other essential large-scale operations.

20 What are the land use needs for each of these
21 sectors and what types of sites will be required for
22 each sector and how many?

23 JENNIFER SUN: Yeah, so I will start and then I
24 think Carolyn can also add to this. I think
25 generally the economy that as we're learning through
EDC's work in studying this very new industry in the

3 city is that it's not specific to one industry but
4 spans lots of industries including buildings,
5 transportation, financing and consulting, consumer
6 products like sustainable food and clothing. And so,
7 because of such a diverse sort of multi-industry
8 sector, their land use needs and their site needs are
9 quite different as well.

10 So as an example, we have offshore wind that
11 needs to be located at industrial waterfront sites on
12 significantly large parcels of land, typically 20
13 acres or more. But then in contrast, you have an
14 emerging field called prop tech or real estate tech
15 that's really focused on supporting building owners
16 and complying to Local Law 97 for example and
17 designing and operating energy efficient buildings
18 that are also decarbonized. Those activities could
19 happen outside of manufacturing districts, in an
20 office building, in a commercial district instead.

21 So, you know that gives you a sense of how
22 different and varied the land use and site
23 departments might be depending on the industry and
24 business.

25 CAROLYN GROSSMAN MEAGHER: I'll pick up. I think
Jen covered much of it but to echo I think when we

3 think about this from a zoning perspective, those
4 particular, those different kinds of and parameters
5 of space needs for the different kinds of businesses
6 tend to fall into these different categories. Can
7 they be collocated or can they or did they really
8 require open sort of unbuilt kinds of or very low
9 scaled building.

10 And we think our zoning can really respond to
11 those different kinds of conditions. We think
12 there's a lot of opportunity in trying to unlock our
13 industrial areas to do more collocation. We think
14 that you know typically that's how New York City
15 creates more spaces by building up and so that
16 opportunity both in new construction as well as in
17 our existing vacant commercial spaces. The business
18 that where that can make sense, we think is a real
19 opportunity and we would say you know that there are
20 some businesses that have not historically operated
21 in that context but may still be able to if we make
22 the right kinds of investments and I think urban
23 agriculture, small scale manufacturing, battery
24 storage, you know hybrid production retail uses are
25 the kinds of things that we think maybe have been in
larger sites and industrial areas or maybe look

3 physically different outside of New York City but
4 could work in that more vertical and dense
5 environment.

6 And then at the same time, you can't put a wind
7 turbine inside of a building and so, we're going to
8 need relatively unbuilt sites. Those are the hardest
9 to locate in the city, and so, thinking about the
10 kinds of protections that we can offer to ensure that
11 we reserve some amount of sort of unbuilt space as we
12 also try to unlock is our objective.

13 LINDSAY GREENE: If I could also just add some
14 perspective on just seeing some of the very young
15 companies that work in the green economy space. Some
16 of them are still, they don't necessarily even have
17 the best visibility of their future space needs or
18 their ability to manufacture and where they
19 manufacture, they're still creating the products that
20 will help solve the problems and figuring out how to
21 test them and you know a lot of the city agencies are
22 collaborating trying to figure out where they can do
23 that testing safely and get that real world knowledge
24 about what devices work and don't work, so that they
25 can figure out if they're going to manufacture it and
how much but it's still a very young industry.

3 And so, any of our ability to even produce
4 something solid after a period of study, the
5 entrepreneurs themselves don't even know those
6 answers yet, so it's still coming.

7 CHAIRPERSON FARIAS: Yeah, that's a really great
8 point. I keep thinking as I'm sitting here, like I
9 think what folks view as industrial or a green
10 economy, like it is shifting or maybe even becoming
11 larger in terms of scope and what the definition use
12 to be versus what's it's going to be in the future.
13 So, thank you for making that note.

14 I will yield right now and let Chair Salamanca
15 ask questions. Thank you.

16 CHAIRPERSON SALAMANCA: Thank you Chair Farias.
17 Good afternoon panel. Thank you for your testimony
18 and your presentation. So, as I mentioned in my
19 opening statement, I represent the South Bronx. I
20 have two big IBZ's, Hunts Point being the biggest one
21 and also Port Morris.

22 Local communities and environmental justice
23 advocates have raised concerns and the development of
24 large-scale E-Commerce, last mile distribution
25 warehouses that are currently allowed to locate as of
right in all M and CA zoning districts. Certain

3 neighborhoods like Red Hook and Hunts Point are
4 experiencing a concentration of these new facilities
5 and the associated impacts of increased truck
6 traffic. Moreover, these facilities are currently
7 allowed to occupy sites with potential access to
8 Murray Time or Rail freight without any required
9 provisions to facilitate such access and utilization.
10 Does DCP or EDC have any updates on the city's
11 policies response to this issue?

12 CAROLYN GROSSMAN MEAGHER: Great, well thank you
13 Council Member and I first want to just acknowledge
14 that we hear from your constituents as well. Council
15 Member Avilés I know has been very active on this
16 issue as well. So, we hear it. We acknowledge and
17 we agree that there are real challenges when you have
18 a facility that is creating significant vehicular and
19 truck traffic near where people live and where people
20 go to school and where they work. There are real
21 environmental challenges that are being experienced
22 by communities and we are looking at that and we are
23 working on solutions.

24 I want to also acknowledge, there is a private
25 application from the environmental justice community
26 looking at one particular solution to these

1
2 challenges that is in front of City Planning in the
3 preapplication stages and we are looking at that in
4 the same way we look at every other private
5 application that comes before us, which is we are
6 putting it through its environmental and technical
7 review to prepare it for the public review, you know
8 sort of ULURP process and those meetings with the
9 actual applicant teams are ongoing and been happening
10 you know in recent days.

11 The policy challenge here is a tough one because
12 we on the one hand, we are generating significant
13 demand for logistics and transportation, which is
14 allowed in our manufacturing districts and is a large
15 component of the employment base and the ecosystem
16 that is in our manufacturing districts and our demand
17 for those kinds of services increases as the city is
18 increasing its volume of freight movement into the
19 city.

20 And we expect that that demand for freight
21 logistics and movement will continue to grow and that
22 you know when you on the one hand, acknowledging the
23 challenge of being close to residences, the flip is
24 when we have facilities that are farther away from
25

1 residences, we are increasing truck traffic to their
2 final destinations.
3

4 So, how do we square that challenge? We're still
5 looking at the zoning question. I think one thing
6 that is most promising that Jen spoke about quite a
7 bit is trying to find alternatives right and just
8 trying to rethink our freight system to give us
9 different options than large scale truck distribution
10 facilities and really break down the model that is
11 persisting.

12 I'm going to turn to Jen and see if you want to
13 talk a little bit more about how we're rethinking
14 freight.

15 JENNIFER SUN: Sure.

16 CHAIRPERSON SALAMANCA: Hold on. I want to stay
17 on the last mile of what's happening because I also
18 want to talk about Freight NYC, which was presented
19 to my office a couple of years ago and I just have a
20 few questions on that.

21 Now, let's go to the last mile facilities that we
22 have. You do agree, does DCP agree that these last
23 mile facilities raise environmental justice? They
24 raise environmental justice issues in our
25 communities?

3 CAROLYN GROSSMAN MEAGHER: Yeah, I think we
4 absolutely acknowledge the issues that people are
5 seeing, a proliferation of facilities that are
6 generating truck traffic near their homes and
7 schools. That's a real challenge.

8 CHAIRPERSON SALAMANCA: Okay, so now, does the
9 DCP or EDC track or have a list of last mile
10 facilities throughout the City of New York?

11 CAROLYN GROSSMAN MEAGHER: We do and it's a good
12 question because what we mean by last mile facility,
13 it's not a zoned, it's not a defined determined
14 zoning and it's not a defined term in any other sort
15 of legal definition. So, some of the work we have
16 been doing and thinking through this policy issue is
17 developing an actual definition of that and trying to
18 track that through a dependent research. So, we do
19 have information we'd be happy to share with you
20 Council Member.

21 CHAIRPERSON SALAMANCA: Does DCP or EDC or the
22 Administration agree that certain communities are
23 overburdened with these last mile facilities compared
24 to other communities?

25 CAROLYN GROSSMAN MEAGHER: Yes, I would say the
physical location of our manufacturing districts is

3 not equally spread across the city and the position
4 between manufacturing zoned districts and residential
5 areas, there are very specific communities that I
6 think have that interaction more than others and I
7 think your community -

8 CHAIRPERSON SALAMANCA: Mine, Sunset Park, and
9 there may be others.

10 CAROLYN GROSSMAN MEAGHER: And Red Hook I would
11 say.

12 CHAIRPERSON SALAMANCA: I'm sorry, yeah Red Hook,
13 yeah. Uhm, look, I will be very clear here. In
14 Hunts Point, Amazon is taking over Hunts Point
15 communities and we're talking about last miles. Now,
16 do they bring a convenient service? Absolutely, I'm
17 a customer. Many of my neighbors, you know my wife.
18 I always have to buy something for my son. It's much
19 easier when you're working fast pace to get a package
20 delivered to you and when you go and you drive
21 through Hunts Point, in Hunts Point we had the
22 world's largest markets. Food, produce and fish plus
23 we have over 700 businesses in that community. And
24 we're seeing Amazon moving in and taking over these
25 empty warehouses or you have other light
manufacturing businesses in which they're not doing

3 as well as they were years ago and therefore, they're
4 selling their property over to Amazon.

5 So, you compound the 15,000 or 18,000 trucks that
6 are coming in and out of Hunts Point every day just
7 for these other businesses and then you tag along a
8 couple of hundred, maybe thousands of smaller
9 vehicles who are coming in to do deliveries
10 throughout the Borough of the Bronx, which is a
11 problem. Now, I know that there may be some public
12 testimony later on to speak on the concept of a
13 special permit for these last mile facilities.
14 Something similar to what we did with hotels in the
15 City of New York. I am a big proponent of that. My
16 question is, is EDC open to putting together a text
17 amendment so that we can propose a special permit for
18 these last mile facilities?

19 CAROLYN GROSSMAN MEAGHER: Sure and Council
20 Member, you said EDC, I'm going to assume -

21 CHAIRPERSON SALAMANCA: I'm sorry, the
22 Administration right?

23 CAROLYN GROSSMAN MEAGHER: So, I want to
24 acknowledge again, the special permit application
25 that you're speaking of is in front of City Planning
and has been submitted as an application and it is

3 going through the preapplication process as we speak,
4 which requires an environmental and a technical
5 review and I know those teams -

6 CHAIRPERSON SALAMANCA: Where are we with that
7 status with that application? In terms of the
8 environments or review?

9 CAROLYN GROSSMAN MEAGHER: I can tell you that
10 the applicants teams met with City Planning within
11 recent weeks and so, they are as I understand it,
12 they are in that environmental review process. So,
13 it would be premature for me to judge that.
14 Ultimately it will be the City Planning Commission
15 and the City Council to judge the merits of that
16 application.

17 CHAIRPERSON SALAMANCA: Alright, well just know
18 that this Council Member and Land Use Chair is a big
19 proponent of that and I would love to see a special
20 permit that we can implement for these last mile so
21 we can track them. Now, in terms of a few more
22 questions. DCP and EDC, do you guys have a tracking
23 mechanism for these last mile facilities, especially
24 the NIBZ's?

25 CAROLYN GROSSMAN MEAGHER: We don't have a
tracking mechanism. We have done research to define

1
2 what we think is meant by a last mile facility and
3 using private proprietary you know real estate data
4 and you know understanding, have collected
5 information about where we agree but they are not
6 specifically licensed as a last mile facility, so we
7 do not have a tracking mechanism. I think in the
8 sense you mean it, which by the way, is consistent
9 with we don't have a tracking mechanism for an office
10 building either but we use multiple data sources to
11 you know learn where office buildings are and their
12 space needs.

13 So, we're able to draw on a large set of both
14 government and third-party data sources to look at
15 land use conditions.

16 CHAIRPERSON SALAMANCA: Alright, uhm, and Speaker
17 Adams 2023 State of the City Report, as well as the
18 coalition of Council Members, represent the NIBZ's
19 have called for DCP to create a new M-zone as part of
20 the fourth coming zoning for economic opportunity
21 text amendment. Does DCP agree to work with the
22 Council to accomplish this goal and finally create
23 new zoning tools for manufacturing districts?

24 CAROLYN GROSSMAN MEAGHER: Absolutely, I spoke
25 considerably in my testimony about the new m-zone

3 tools. We're really excited about it and we're
4 having continued conversations with the Council to
5 shape those tools.

6 CHAIRPERSON SALAMANCA: Okay, Freight NYC. Where
7 are we with the implementation?

8 JENNIFER SUN: Yeah, so I can speak to that Chair
9 Salamanca.

10 CHAIRPERSON SALAMANCA: Yes, thank you.

11 JENNIFER SUN: It's good to see you again. As
12 you might remember in December 2021, DEDC and DOT
13 actual partnered together to issue a joint vision in
14 an update to Freight NYC called Delivering Green that
15 really I think doubled down on our commitment to
16 working to working together to create a more
17 sustainable freight network.

18 I'm happy to say that you know since that report
19 we've succeeded in securing an over \$5 million
20 federal grant, which we're in the initial stage of
21 planning for really investing in those grant funds
22 and upgrading six waterfront landings to begin to
23 create a Marina Highway Network. So, I would
24 consider this a pilot project that brings together
25 both public waterfront landings that are managed by
EDC, so five of them are publicly owned in Manhattan

3 and in Brooklyn and then one is privately owned
4 actually in your district at Hunts Point, the Oak
5 Point Waterfront Landing. So, as you might know
6 we've been partnering with the owner there as well as
7 on community stakeholders in Manhattan Beer and
8 piloting the use of water for transporting beer from
9 the Bronx to lower Manhattan.

10 So, that's an example of how marine freight can
11 be used either to transport other goods like beer or
12 other commodities or even package deliveries with
13 Amazon, UPS and FedEx.

14 CHAIRPERSON SALAMANCA: This five-minute nomogram
15 that you received from the federal government, is it
16 to do a study and pay lobbyists or is it to actually
17 physically creating these loading docks and you know
18 the infrastructure needed.

19 JENNIFER SUN: It's to invest in the
20 infrastructure, so specifically it's about you know
21 depending on each site and its infrastructure needs.
22 It's putting in what we call spud barges and gain
23 ways to allow for marine vessels to dock at these
24 landings and support the weight of either an electric
25 delivery truck, a cargo van or e-cargo bikes to roll

3 off of those vessels upland to then distribute you
4 know in a zero-emission way.

5 CHAIRPERSON SALAMANCA: Okay, of these few
6 loading docks that you mention or waterfront
7 landings, which one do you anticipate opening up
8 first?

9 JENNIFER SUN: We're actually moving all of them
10 forward at the same time, even though depending on
11 sort of their existing condition and infrastructure
12 needs, they might not all be delivered at the same
13 time but our goal is to try to have them in place by
14 2025. I would say that the more, the more
15 challenging aspect of this is less on the
16 infrastructure side but really ensuring that there
17 are going to be customers who use the service. And
18 so, in addition to moving forward on the capital
19 improvements, we're hyper focused in making sure that
20 we're in touch with the customers. The package
21 delivery companies, industrial companies to make sure
22 that they're aware of the improvements that we're
23 making but also to assist and plan to understand
24 where they will be shipping things into the city and
25 making sure that those are matched together, so that
there shipping point comes from a place where they're

3 using water and they're putting commodities on boats
4 and then shipping that into the city to the
5 waterfront landings that we control.

6 CHAIRPERSON SALAMANCA: Yeah, my only concern
7 that I have with Freight NYC is and I'll give you an
8 analogy. In Hunts Point, we have the produce market.
9 We may get produce to come in in the barge. You may
10 get the Hunts Point Business to Go pick up the
11 produce then take it back to their business and then
12 you may get an outsider coming in and then coming
13 back. I'm just concerned about the amount of truck
14 routes or visits that we will get and opposed to that
15 produce coming into the market and then coming right
16 back out. That's just my only concern.

17 JENNIFER SUN: Yeah, I know, I think you raise a
18 really important point, which is that I think in
19 designing and operationalizing this system, we
20 continuously hear that minimizing the number of
21 touches and moving produce between different modes of
22 transportation is really important. So, our
23 challenge is creating a really time-consuming and
24 cost-effective service that companies will actually
25 use.

3 Understanding that, we're not relying just on
4 marine highways being the solution but I think you
5 alluded to real infrastructure and I think that's why
6 you know the produce market modernization, it's
7 important to continue to preserve and improve that
8 real infrastructure to offer as many different modes
9 of transportation as possible. And then the last
10 thing is our partnership with Volvo, community
11 stakeholders in your district around breathing green
12 and you know leveraging the NYSERDA funds to create a
13 shared electric truck charging depot. Recognizing
14 that companies might fundamentally continue to use
15 trucks but really supporting their ability to replace
16 these old trucks with electric trucks by offering
17 that infrastructure while continuing to look for ways
18 to make that transition more affordable.

19 So, the other last thing that I'll mention is
20 partnerships with companies that specifically target
21 industrial firms that don't own their vehicles but
22 lease their vehicles. So, they are offering a
23 service where they also lease electric trucks rather
24 than compelling industrial companies to purchase
25 electric trucks. So, they can try it, it's more
affordable. They also offer the maintenance and

3 repairs services where it's sort of an all packaged
4 service that makes it more attractive for companies
5 to actually consider making that transition.

6 CHAIRPERSON SALAMANCA: I want to give a big
7 shout out to Manhattan Beer for implementing their
8 electric trucks. The entire fleet is not electric
9 but to see that they've invested and have worked with
10 EDC to implement this, I just want to recognize them
11 for that.

12 I have two more questions and then I'll hand it
13 off to my colleagues. I've been in the Council for
14 seven years. Prior to that I was a District Manager
15 for five and a half years. In the beginning of my
16 term as a district manager, EDC came and presented
17 the Alternative Field Station on Full Center Drive
18 and Hallock. To this day, it is just an empty lot
19 with garbage. What's the status of that project?

20 JENNIFER SUN: I should confirm with my project
21 team but my understanding is that I don't think the
22 alternatives fuels project is moving forward and we
23 look forward to working with you to think about a
24 better and different use for that site.

25 CHAIRPERSON SALAMANCA: Okay, and then finally,
when managing and planning for city owned properties

3 like the Hunts Point Terminal Market or Sunset Park
4 Waterfront, what fact does EDC consider when deciding
5 what types of uses or businesses to plan for and
6 attract?

7 JENNIFER SUN: So, EDC really approaches this
8 with a sensitivity to the specific industrial asset
9 and the kinds of spaces that they offer. So, for
10 example, in Hunts Point, as you know the campus is a
11 mix of you know relatively low story buildings, as
12 well as multi-tenant building like the wholesale
13 market. Because it's an existing food industry
14 cluster, a lot of our business attraction is around
15 strengthening that existing food cluster. So, that
16 explains why we believe partnered with the state for
17 example and bring other types of food businesses that
18 would complement the existing types of businesses
19 that were there.

20 Since food wholesaling and distribution was so
21 prominent, when there was an opportunity to respond
22 to consumer interest in more locally grown produce,
23 and the Grow NYC identified a need for a wholesale
24 regional food hub, we thought that that was an
25 important opportunity to bring that kind of food
business into the Hunts Point Peninsula. Similarly

3 Baldor, they do food wholesaling and distribution but
4 they also provide a different kind of service to
5 restaurants and retailers in terms of value and food
6 processing.

7 So, there are our strategy around business
8 attractions really about strengthening the existing
9 cluster by you know supporting a diversity of food
10 businesses and business models. Whereas in Sunset
11 Park, you have a campus like the Brooklyn Army
12 Terminal where you know multi-buildings small as well
13 as large spaces, that then provide the environment
14 for supporting a greater diversity of industrial
15 businesses, rather than a single industrial cluster.

16 So, at Brooklyn Army Terminal, you find instead a
17 mix of light industrial wholesale distribution, food
18 production, garment manufacturing. Because again,
19 the variety of spaces that are there are different
20 and there isn't an existing food cluster for us to
21 focus on. So, it's much more diverse.

22 CHAIRPERSON SALAMANCA: Alright, with that, I
23 want to thank you for your answers and I just want to
24 give EDC also, I want to say thank you in Hunts Point
25 because we have so many projects occurring and we
feel that agencies do not speak to one another. We

1
2 form the Hunts Point Coalition and EDC funded – gave
3 funding to this Coalition, which we were able to put
4 together the Hunts Point Forward Plan on how to move
5 Hunts Point forward in the next ten years. So, I
6 want to continue working with you and your president
7 on ensuring that we implement some of these
8 recommendations that the community has and with that,
9 thank you.

10 JENNIFER SUN: Yeah, I look forward to your
11 partnership.

12 CHAIRPERSON FARIAS: Thank you so much. I'd like
13 to acknowledge we've been joined by Council Member
14 Avilés and I will now call on Council Member
15 Gutiérrez to ask her questions.

16 COUNCIL MEMBER GUTIÉRREZ: Thank you Chair. Good
17 afternoon. I just, she's not here but I want to –
18 oh, there she is. I want to uplift Diana Arena, my
19 predecessor and huge advocate for manufacturing.
20 Thanks for continuing your advocacy. I also want to
21 uplift the Speaker, who at her State of the City and
22 certainly today has continued to stay on the path on
23 the economic opportunity that lays in our
24 manufacturing district. So, really excited to have
25 you all here.

3 My first question is related to the Intro. that
4 Chair Farias and myself and a few other colleagues
5 are introing and would love to discuss, which is
6 Intro. 1012. Can you – I don't know if you've had a
7 chance to review it yet but can you speak to whether
8 or not you are in support of it at DCP?

9 CAROLYN GROSSMAN MEAGHER: Sure, thank you
10 Council Member. It's great to see you. We are. We
11 testified that we think that the Council has hit on
12 some really worthy goals here. I hope we have given
13 the impression rightfully that we are in coordination
14 across sister agencies on a whole host of the issues
15 that are important to our industrial areas and our
16 industrial businesses but we think that a bill that
17 helps formalize and makes some of that process more
18 transparent and sort of systematically forward
19 thinking could be a really good compliment,
20 especially as we do work on the green economy at EDC,
21 as we're thinking about freight reinvention and as we
22 create new zoning tools through City of Yes, that we
23 believe will help unlock opportunities in our
24 industrial areas. We think all of that could be a
25 compliment working on a plan. We want to work with
the Council to shape it and make it feasible and

3 impactful in the right ways but we are absolutely
4 testifying in support of the idea.

5 COUNCIL MEMBER GUTIÉRREZ: Wonderful, thank you
6 and I also wanted to just thank you and the team for
7 just having the lines of communication open with my
8 colleagues here. I think it's been a really good use
9 of all of our time and really exciting. I wanted to
10 touch on a couple of things that are important and
11 personal to me in my district. I'll touch quickly on
12 the industrial plan but curious because for a long-
13 time advocates have really been pushing different
14 administrations to use best practices in other cities
15 to update the M-zoning district to really preserve
16 essential industrial spaces and to limit unrelated
17 commercial uses. Can you speak to that under this
18 Administration? Yeah, what can you speak on to that?

19 CAROLYN GROSSMAN MEAGHER: Sure, well first I
20 want to start with and I think that 1012 speaks to
21 this as well. We talked a little bit of this in our
22 testimony but I think that the idea of looking at
23 pier cities is actually a really important one and
24 it's a hard one to do when you don't prioritize it
25 but we have been doing a good amount of that at City
Planning. And you know I will say from our

3 preliminary like research, we actually think we're
4 sort of in the middle when it comes to other American
5 cities and thinking about our private industrial
6 market.

7 There are cities that are far more industrial,
8 both in terms of proportionally the amount of land
9 zoned. They're industrial base and the way that
10 they're incorporating industrial planning into their
11 economic development, in a way that isn't a really
12 good comparable and I'll use Detroit as like an
13 example, where there's significantly more industrial
14 land and the kinds of industrial properties that
15 they're able to attract are large GM plants, right?
16 We're talking about you know a million square foot
17 footprint on an interstate, very antiurban, right?
18 So, even though it's within a city boundary, it's not
19 a model that's really comparable for us. Or I
20 mentioned in my testimony, micron, another good
21 example. A business that went to upstate New York
22 occupying a site that is the size of LaGuardia
23 Airport. So, a lot of you know a lot of modern
24 industrial development in the United States that is
25 repatriating from global economies looks like that

3 and that we think is fundamentally the wrong model
4 for New York City.

5 But where we do think - so, that's one side of
6 the equation. The other side of the equation and
7 what we see in the United States is a city like
8 Washington DC that essentially has rezoned to other
9 uses all of its private industrial space. They have
10 a little bit of a something equivalent to the
11 Brooklyn Navy Yard and you know so fundamentally
12 under public control and even that is not really
13 fully industrial. It has much more of a commercial
14 quality to that.

15 And we think that's the wrong model too. We
16 actually think that the 30,000 acres of private
17 industrial space we have, not under public control,
18 right? A private market for industrial land is also
19 really important. So, that space of you know still
20 having a considerable industrial market and not
21 rezoning all of it away but also not trying to mimic
22 cities that have you know a space and an
23 infrastructure that is very different than ours and
24 effectively anti-urban. We think we need to position
25 somewhere in between those. So, how do we learn the
best from those models? I think we are learning them

3 in City of Yes. We're trying to update those - our
4 tools. It is true as we discussed that our
5 manufacturing districts historically have allowed for
6 a wide range of uses. We think that is also
7 fundamental to their success and diversity but we
8 understand that that you know that when we have
9 significant job growth that is non industrial in
10 areas where we're not adding space, that that is also
11 contributing to a perception of competition.

12 And so, you know to us, the first and most
13 important thing we should do is address the space
14 crunch and find places to put more businesses, both
15 by building up in our industrial areas and by
16 unlocking our commercial areas for a wider diversity
17 of businesses but we also think as I said before, you
18 know you can't put a wind turbine inside of a
19 building, so as we think about ways to build up and
20 densify in our industrial areas to find more
21 opportunities for colocation, we're also going to
22 have to think about what areas are sort of off limits
23 or undeveloped, so that we are still preserving that
24 openness for our most critical and sort of most
25 industrial assets.

3 COUNCIL MEMBER GUTIÉRREZ: Can I ask just a
4 follow up question Chair? Yeah, both Chairs. Thank
5 you. So, just a follow up to that. So, I hear what
6 you're saying. Obviously, I'm certainly encouraged
7 that the Department of City Planning wants to plan.
8 I can certainly appreciate that.

9 CAROLYN GROSSMAN MEAGHER: Thank you.

10 COUNCIL MEMBER GUTIÉRREZ: However my concern and
11 I'm speaking to District 34 but I think we're all
12 here because there's level of anticipation if we're
13 all hands on deck for this bill and for City of Yes
14 for example, we've seen other cities that clearly are
15 restricting noncommercial uses in commercial
16 districts as a way to preserve manufacturing and I
17 hear what you're saying, I hear what you're saying
18 that there's a balance but what I am hearing in my
19 district is when we are allowing for noncommercial
20 uses in the core districts specifically, that
21 speculation alone can be very harmful.

22 And with so many other incentives that really are
23 not made available to manufacturing business owners,
24 that's problematic and in many ways, I think that the
25 North Brooklyn Industrial plan kind of highlights
that and can set the tone for other industrial

3 sections in the district, in the city, excuse me but
4 I'm concerned that we're not going hard enough on
5 this idea, on this concept seeing how useful and how
6 beneficial it has been in other cities with similar
7 amounts of dynamics that you yourself highlighted.
8 It is a concern for me that we're not doing enough,
9 that we're not moving urgently to do both things at
10 the same time, which is utilizing this idea of a core
11 district to preserve manufacturing and at the same
12 time saying, we have to restrict these noncommercial
13 uses in these spaces.

14 CAROLYN GROSSMAN MEAGHER: Yeah, I think Council
15 Member, I think we definitely agree with you that our
16 industrial, our manufacturing zones need an update.
17 They're not really working for anyone, right?
18 They're not working to really put our industrial
19 areas on their best foot forward in terms of economic
20 growth and they're not working to support our
21 businesses that want to expand, and they're making
22 people feel fresher.

23 So, we think the City of Yes tools can help us
24 create some better ways to address that but we're
25 going to need to work together with you to shape them
and also to deploy them because we will need to do

3 that in you know in areas, right? We can create the
4 tools but then we're going to have to go through the
5 process of really revisiting our industrial areas and
6 trying to actually give them the tools they need to
7 grow and grow differently.

8 So, we look forward to that conversation with you
9 as well.

10 COUNCIL MEMBER GUTIÉRREZ: Okay, and I'll just
11 say one last thing because it's important for the
12 record. My main concern, specifically for North
13 Brooklyn is the way that nightlife is occupying a
14 massive amount of space in our core district and I
15 know I brought this up and I know we're working
16 through it but would love to also hear in that
17 continued conversation what you all believe is the
18 key value there or the challenge in supporting
19 nightlife in core districts, especially in North
20 Brooklyn is something that I look forward to
21 continuing that advocacy and conversation on. Thank
22 you. Thank you both Chairs.

23 CHAIRPERSON FARIAS: Thank you so much Council
24 Member Gutiérrez. I'd now like to call Council
25 Member Avilés for her questions.

1
2 COUNCIL MEMBER AVILÈS: Good afternoon everyone.
3 Apologies for my delay and thank you for being here
4 and responding to Council questions. So, uhm, as you
5 know we've been talking a lot about Sunset Park and
6 certainly Red Hook, our waterfront and industrial
7 sector is very important to me. I've had many
8 conversations. I want to give a shout out to some of
9 the EBC team that we've been troubleshooting some
10 issues with of recent. Just to note, I think what's
11 really important for us is we know that closing the
12 loopholes right in both the zoning and kind of what
13 is allowable is critically important because of the
14 coerciveness of what is happening and the withering
15 away of our industrial zones. I mean, what is
16 Council Member Gutiérrez challenge of nightclubs is
17 my challenge of last mile facilities. That is quite
18 frankly a coercive element within our industrial
19 business zone. No one can compete with Amazon
20 facilities who have endless reams of money and buy
21 incredibly large swaths of you know facilities and
22 they can do what they want with them and we have no
23 tools to mitigate. No tools to address so obviously,
24 this is a huge issue for us in our district.
25 Appreciate the work you're doing and we're going to

1
2 continue to push every day that goes by another
3 facility is in the process of converting under right.
4 And with nine already in the small geography of Red
5 Hook, it is, we are at an impossible stage.

6 And so, I'm looking for urgent, all hands-on
7 deck, immediate action today because the houses on
8 Van Brunt are falling into the street today. So, I
9 guess what I would like to know is uhm, uh, I guess
10 to go back to Sunset Park, we know we have a number
11 of excuse me, a number of projects in our industrial
12 business zone that EDC is involved with that does not
13 provide adequate job data once the project is
14 implemented.

15 We often hear promises about job creation with
16 little understanding of how projections are made or
17 how they actually pan out. Well, this problem
18 obviously is not exclusive to EDC and we see this
19 happening in other economic development projects. I
20 would like to understand very specifically what the
21 methodology EDC employs at arriving job descriptions.
22 How does EDC monitor actual local hiring? I have yet
23 to see a data set that tells me anyone in our
24 neighborhood is actually being employed in any of the
25 major footprints within our community.

3 So, how that local hiring is monitored once
4 employment projects are made to make sure the project
5 is staying on target. On which, if any projects EDC
6 provides employment data to the public, and lastly,
7 why doesn't EDC provide employment statistics
8 publicly? I know this has been an ongoing
9 conversation in our community for quite some time.
10 And lastly, if we can be provided with any employment
11 data related to Brooklyn Army Terminal as well as
12 South Brooklyn Marine Terminal?

13 JENNIFER SUN: So, Council Member, I will say I
14 probably don't have the answers to all those
15 questions. But generally, in terms of job
16 projections. I know that we have an economic
17 research group within EDC that does a lot of
18 forecasting to understand the economic impact of
19 projects. Specifically, that will be receiving city
20 capital.

21 And so, under that very specific scenario our
22 group internally will then you know use the
23 methodology to understand and forecast what the job
24 impact with the revenue impact might be from making
25 that city capital investment. Then through our real
estate dispositions and RFPs, I know that we

3 integrate into those RFPs when we are either leasing
4 or selling city owned property. The requirement for
5 the developer to participate in Hire NYC and through
6 that, we have the mechanism to then monitor whether
7 they are complying with that in addition to trying to
8 support and connect that developer and their tenants
9 to services like at SBS and other local workforce
10 service providers to ensure that there's targeted
11 marketing in the local neighborhood where the
12 projects going to be developed. And then once that
13 project is developed, stabilized and fully occupied,
14 there's ongoing monitoring for a period of time of
15 whether they've complied with Hire NYC.

16 We are also going through the process because we
17 think it's important as you do and really
18 understanding whether our job forecast in fact
19 materializes into real jobs and then how many you
20 know local residents are participating in those job
21 opportunities. What I'm seeing are two data sources.
22 One is we're trying to establish a way of working
23 with our tenants around self-reporting to better
24 understand within the assets managed by EDC what is
25 the workforce? What are the number of jobs? What
does workforce participation look like? And then

3 we're also looking at external data sources like the
4 Department of Labor and then together sort of
5 providing a more holistic picture and an
6 understanding of that.

7 COUNCIL MEMBER AVILÈS: So, do you have any data
8 related to Sunset Park because I have not seen the
9 data source.

10 JENNIFER SUN: Yeah.

11 COUNCIL MEMBER AVILÈS: And I'd love to receive
12 probably the written protocol of the methodology
13 because I'm not quite sure I understand it. I know
14 we get a lot of projections. 5,000, 3,000 we have
15 yet to receive any clear source data around how many
16 residents actually are participating, are benefiting
17 from the hundreds of millions of dollars the city has
18 invested in any of the property managed by EDC. I
19 would love to see that data and I'd like to know why
20 doesn't the agency publicly note that data?

21 JENNIFER SUN: I can't answer that question. I
22 don't know what our policy is around disclosure.
23 There might be certain legal requirements that
24 prevent us from actually sharing that data because it
25 might be proprietary but I don't want to speculate
any further and so, you know I will certainly talk

3 with our research department to understand what can
4 be shared. And if we are not able to share it, why
5 not? And also to kind of walk you through the
6 methodology. But the data that I am able to share
7 today comes from the New York State Department of
8 Labor comes from the quarterly census of employment
9 and wages and because it's reported on a quarterly
10 basis, the numbers that we have for a full year, the
11 most recent data is for 2021. And according to that
12 data source, looking at our industrial assets at
13 Sunset Park, we have for example at Brooklyn Army
14 Terminal over 3,000 jobs specifically 3,271 jobs that
15 we reported in 2021.

16 Then at the Brooklyn Wholesale Meat Market, we
17 have -

18 COUNCIL MEMBER AVILÈS: It actually just proves
19 my point. So, of the 3,000 jobs, we have no idea if
20 one of those jobs was received by a Sunset Park
21 resident?

22 JENNIFER SUN: We would not from this data source
23 is my guess, we would probably rely on tenants to
24 then have to survey their workforce to understand
25 that.

3 COUNCIL MEMBER AVILÈS: Have you collected any
4 data of any of your tenants that reside on any
5 properties in Sunset Park?

6 JENNIFER SUN: I will need to confirm that with
7 my colleagues.

8 COUNCIL MEMBER AVILÈS: Okay, right because we
9 receive 3,000. We see companies moving in with their
10 employees from other neighborhoods. We do not see
11 the employment opportunity in our district. So, I
12 guess, just Chair if I could, we also have similarly,
13 alright, we have the Made in New York Campus, which
14 is a very huge project in our industrial zone. It
15 was announced elected officials. It was said that
16 there was going to be a lot of public engagement.
17 The project has grown substantially in size and scope
18 from 300,000 square feet to now 1.5 million square
19 feet from an initial investment of \$136 million to
20 \$323 million. Huge growth.

21 We are curious about at what threshold does the
22 size and scope of these projects change and how
23 community is or is not involved. It seems like it
24 was not. We just kind of received that the project
25 continues to grow, continues to receive public
subsidy with no clear local impact and requests

3 around how that is actually going to benefit the
4 community. We understand obviously there was a CBA
5 that was connected to the project. It's unclear to
6 me whose holding the accountability around the CBA
7 and when a CBA was done with let's say the scope of
8 the project initially was 123, it has now tripled.
9 Does the CBA also triple in size and scope with that
10 kind of investment?

11 So, I'd love to know like who is holding the CBA?
12 How is that being held accountable and does it also
13 change in size and scope as the projects increase?

14 JENNIFER SUN: I again will need to follow up
15 with my colleagues to be able to provide answers to
16 that. I know just generally from my experience with
17 CBAs that that is one of the challenges, is that the
18 city doesn't typically play a role of enforcing that
19 CBA because it's usually negotiated between a
20 coalition of community groups and the developer. And
21 so in that scenario it often falls upon that
22 coalition of community groups to then play that
23 ongoing monitoring and enforcement role. But again,
24 I'll ask the question of my colleagues to understand
25 if that's the case here or different.

3 COUNCIL MEMBER AVILÈS: Sure, and here too same
4 question around employment data. How much of this
5 \$300,000 million project will we see a job from our
6 community and what kind of job? We not only want to
7 see the 30 jobs; we want to see are they full-time
8 jobs? Are they part time jobs? Are they living wage
9 jobs? We'd like to see the full data set around what
10 these economic developments are actually producing
11 for the local community that bears the brunt of these
12 industries.

13 So, yeah, I just want to quickly Chair if I may,
14 seg for a quick question to our DCP colleagues. I
15 came in late, so I don't know - there you go sorry.
16 On May 22nd our office sent a letter to DCP asking
17 for clarification on a project at 6128 8th Avenue and
18 we have not yet received a response from your office.
19 I'd like to flag it to you and would like to know
20 when can we expect a response from this letter. It's
21 particularly important and highly contentious.

22 CAROLYN GROSSMAN MEAGHER: Sure, Council Member,
23 I'm not familiar with the issue but I have written
24 down the address and I can assure you that as soon as
25 this meeting ends, we will go get you an update.

3 COUNCIL MEMBER AVILÈS: Awesome and I have more
4 questions but I'm going to give it back to the Chair
5 so I can get myself together and would love to
6 revisit all this work but thank you so much.

7 CHAIPRERSON FARIAS: Thank you Council Member
8 Avilès. I just have a couple of quick questions for
9 SBS. Which offices within SBS work with industrial
10 businesses and IBZs and how many staff are dedicated
11 to serving the industrial sector?

12 KITTY CHAN: Thank you very much for that
13 question. Within SBS we have multiple divisions, the
14 division of business services, which is my division.
15 We manage the nine industrial business service
16 providers and through that we have 14 staff members.
17 The workforce development center which manages the
18 Workforce 1 Industrial Center and the Industrial
19 Transportation Career Centers, which there are four
20 of those. There are 56 staff members.

21 CHAIRPERSON FARIAS: Great, thank you. And then
22 what information does SBS currently collect about
23 industrial businesses in New York City and how is it
24 collected? How often? When is it made available if
25 it is at all?

3 KITTY CHAN: The IBSP providers are responsible
4 for collecting data to inform their services. It's
5 very informally done when they do outreach into the
6 community. So, they look at things like market
7 trends or openings in different communities, anything
8 that they would notice that might impact their
9 delivery of service.

10 CHAIRPERSON FARIAS: Okay, great and then how
11 does SBS currently ensure that services are reaching
12 industrial businesses in each IBZ and what does SBS
13 view as most effective in industrial business support
14 services and incentive programs?

15 KITTY CHAN: SBS is taking a very proactive
16 approach in our outreach. So, we're doing more door-
17 to-door outreach as well as corridor tours, which
18 we've done with many of these Council Members. So,
19 thank you very much for that. So, for example,
20 during small business month, the month of May, we
21 actually reached between door-to-door outreach and
22 our events during the month, we reached 3,000
23 businesses throughout the neighborhoods.

24 In terms of our most I'm sorry, the best service
25 the IBSPs provide, we actually work, the IBSP
providers work with businesses to apply for different

3 incentives. So, there are a number of them that are
4 it varies depending on the business but they'll
5 actually help the applications.

6 CHAIRPERSON FARIAS: Okay, great thank you. We
7 have, Council Member Avilés does have additional
8 questions, so we're going to give her like a couple
9 minutes, I'm sorry. I'm done with my questioning but
10 I am but I can always look for more things to ask.
11 Sure.

12 COUNCIL MEMBER GUTIÉRREZ: I do have a question
13 about, I was excited to hear in your comprehensive
14 but lengthy testimony, so I'm sorry if I missed it
15 but I have it in print. I will read it afterwards.
16 Just about battery storage. I would love to hear a
17 little bit more on how you are all moving forward.
18 I'm obviously very supportive of it but in my
19 district, there was a little bit contingent around
20 the installation of battery storage in a particular
21 you know one off building and while I do believe we
22 all have to do our part, my understanding is, you
23 know we have a long way to go in the City of New York
24 as far as battery storage, so would love to hear what
25 the Administrations long term plan is. How you are
all engaging and what's really the best role that the

3 Council can play, especially for those of us that are
4 in support of meeting our goals quickly.

5 JENNIFER SUN: So, Council Member, I think what
6 you're alluding to is perhaps a lot of the safety
7 concerns right, especially because the types of
8 battery used for energy storage systems might be
9 similar to the batteries in e-bikes, which have
10 escalated I think some concern.

11 COUNCIL MEMBER GUTIÉRREZ: Oh, I'm personally not
12 concerned. I know the distinction. I've been
13 totally prepped on it. I think it's mainly about I
14 guess what I wanted to say is what I learned from
15 that experience is, it was a drop in the bucket.
16 What we were trying to do in that particular
17 building, I'm curious what is the role that we can
18 play in doing more quickly. But I appreciate that
19 you're raising that because yes, there needs to be a
20 distinction made and you're more than welcome to make
21 that on the record but I am fully aware.

22 JENNIFER SUN: Right and so what I was trying to
23 get to is that I think, so City Planning is trying to
24 make it more possible for a battery storage to happen
25 in more buildings. EDCs role is through the IDA to
offer the tax incentives to make that capital

3 investment for actually building. Building a battery
4 storage system is more affordable, so lowering the
5 cost of capital investment but I think there's a
6 whole regulatory side where there's probably still
7 room for thinking about working with the FDNY
8 Department of Buildings about where to streamline the
9 permitting of battery storage systems while still
10 balancing that with safety.

11 CAROLYN GROSSMAN MEAGHER: Yeah, I think Jen
12 covered it Council Member but I will just clarify in
13 particular the City of Yes for Carbon Neutrality Text
14 Amendment is looking at lifting some of the zoning
15 barriers to siting them. Battery storage is allowed
16 in manufacturing districts today in an unlimited
17 square footage way, so there we think the issue
18 really about cost and I think that's where the IDA
19 subsidies have been effective in a number of cases
20 already but zoning does not allow battery storage in
21 commercial and residential areas except in limited
22 cases today. And so, we're making some very
23 important improvements through that proposal because
24 the battery storage, as I think you're also alluding
25 to, you know, it's not just about, you know in some
cases it's a field like a substation. In other

3 cases, we're talking about solar arrays on a rooftop
4 that are linked to storage within a residential or a
5 commercial building but today, zoning treats that the
6 same as a power plant.

7 And so, you know that is one good case and by the
8 way, I think in my comprehensive but lengthy
9 testimony, you will see you know a lot of the cases
10 where we're thinking about just breaking down that
11 binary sense of industrial and nonindustrial because
12 there's such a wide spectrum here and we think that
13 that binary sense is what's gotten you know
14 particular in zoning in the way in the past of
15 allowing us to bring more industrial uses into our
16 commercial areas. And so, this is you know a lot of
17 the improvements we're making in both the Carbon
18 Neutrality Text Amendment and in economic opportunity
19 are unleashing uses that are only in our
20 manufacturing districts because they've been so
21 permissive and giving them other opportunities
22 outside because we think they're needed, because we
23 think they reduce vacancy, they give businesses more
24 flexibility and they are a relief valve to the M-
25 districts themselves.

3 COUNCIL MEMBER GUTIÉRREZ: I see there what you
4 did with the binary piece. I got it. Can I ask one
5 just quick follow up question and then I'm done?
6 Lindsay, shout out to you. We had a wonderful tour
7 last week, I think. Would love to hear, I don't know
8 if you got to look at the bill we're discussing today
9 but would love today and you've been so active, a
10 part of the working group. Would love to hear if
11 there are, if there's anything that you reviewed in
12 the bill that is a flag to you. For example, the
13 timeline that we've proposed, the kind of reviewing
14 of it every five years. Certainly the sponsors of
15 the bill feel this is much needed. We've never ever
16 actually done kind of a comprehensive planning.
17 Would love to hear if there's any initial flags for
18 you, someone who has so much experience in this.

18 LINDSAY GREENE: Thank you Councilwoman. Yes,
19 we've all looked at the bill and I echo my
20 colleagues' comments that the goals are allottable
21 and we all you know spent much of our career trying
22 to do this work. We share a lot of our sort of
23 technical feedback. I do think candidly, doing the
24 work you know just the questions that Council Member
25 Avilés asked about the data and our ability to

3 actually know some of this information, get it from
4 the businesses who are busy trying to run their
5 business and don't really want to respond to a tenant
6 survey. I'm living that in real time at the Navy
7 Yard, even if it is a requirement if someone at least
8 tell us how many people they have hired and what
9 their wages are. Getting them to comply without
10 having to be really heavy handed is quite difficult.

11 So, and that's just trying to do things like
12 count the number of people, right? And we can do
13 that in other ways, whether they have you know,
14 whether we count access. So, there's just, there's a
15 lot of layers to it, so I think it's quite a
16 significant you know boots on the ground kind of
17 effort to do a lot of the work and have it be smart
18 and thoughtful.

19 So, I think the timing is really intense to be
20 able to do it and then give the Administration time
21 to put together a policy that responds to the data
22 and then try to enact it. That might get a little
23 tight.

24 COUNCIL MEMBER GUTIÉRREZ: The five-year
25 timeline?

3 LINDSAY GREENE: Yeah, just you know thinking
4 through our own work on our master plan. You know
5 obviously the pandemic you know put some pause in new
6 construction but thinking about the work that goes
7 into looking at what kind of building you might want
8 to build and then trying to figure out how much it
9 costs and how do you design a building for industrial
10 businesses of the future as opposed to just the ones
11 you have today and then figuring out going and
12 getting those tenants and having them sign up to say,
13 yes, I know how much space I might need in a few
14 years. It just can take a lot of time because a lot
15 of the businesses really love what they're trying to
16 do. They're working very hard. They don't have the
17 luxury of planning very far ahead unless they're very
18 big corporations, like a General Motors or folks that
19 are like Fortune 1000 companies and those don't tend
20 to be the folks that do manufacturing in New York
21 City for a lot of reasons and changing demographics
22 of businesses over the last decades but it's
23 something I think we would all love to see change if
24 we're going to have the mature, thriving, industrial
25 and manufacturing sector, it just, I think it will
just take us some time.

3 COUNCIL MEMBER GUTIÉRREZ: Yeah, I think and
4 we'll continue having that discussion but you know
5 certainly Chair Farias in workforce, I think does a
6 lot of this kind of like reporting and I do think
7 it's so vital. I would love to understand a little
8 bit more maybe offline on like what those challenges
9 look like and how we can be helpful, how tech can be
10 helpful but I think it's important that we do kind of
11 push back a little bit on that because that's why
12 we're here.

13 LINDSAY GREENE: Totally.

14 COUNCIL MEMBER GUTIÉRREZ: Thank you. Thank you
15 Chair.

16 CHAIRPERSON FARIAS: Thank you and Council Member
17 Avilés.

18 COUNCIL MEMBER AVILÈS: Yes, thank you, I'm ready
19 and I appreciate what you were saying about the
20 complexity of obviously collecting the data. We're
21 very aware of that challenge but I think, I hope you
22 understand how frustrating it is as a community to
23 see millions of dollars being pumped into private
24 businesses, always with a promise of jobs for your
25 community and never seeing that materialize because
it's just so hard to collect.

3 So, you know we can figure this out and we have
4 to be honest about what it is. And so, we'll
5 continue to ask those questions but certainly
6 recognize these are complicated but not complex. But
7 I guess I wanted to go back to Last Mile, since you
8 know it's my favorite topic. I guess with regard to
9 the special permit application, which I was proud to
10 be a signatory on that. I want to given the scope
11 and scale of the Last Mile problem which DCP
12 acknowledges, whether consideration would be given to
13 waiving the enormous fees associated with the
14 application process, so that our CBOs don't bear the
15 brunt of the city's lack of planning around this
16 particular issue.

17 CAROLYN GROSSMAN MEAGHER: Okay, Council Member,
18 I don't feel prepared personally to speak to our
19 ability to wave fees. Happy to have our
20 Administration - that is a question I would certainly
21 be directing to our Council's office and our ability
22 to change fee structure for particular applicants.

23 COUNCIL MEMBER AVILÈS: Fair, fair response and
24 as I mentioned earlier, you know we have millions of
25 square feet within a very small community coming
online, generating emissions, traffic, pedestrian

3 safety hazards. What are the steps that DCP and
4 other agencies that are here can implement
5 immediately to mitigate some of this impact
6 specifically related to Last Mile facilities?

7 CAROLYN GROSSMAN MEAGHER: Sure, well I - first
8 of all Council Member I'm not sure if you were here
9 for the entire conversation on this earlier, so I
10 just want to say while you're in the room that we
11 absolutely acknowledge the challenges that you're
12 experiencing in Red Hook. I know you work very
13 closely with our Brooklyn Office. Our transportation
14 team is looking at some of the issues there too and
15 we work very closely with our colleagues at DOT. And
16 I know that some of the most basic things about truck
17 routes and stripping and pedestrian safety
18 interventions on Red Hook streets. Like those
19 interventions which I believe you've also been in
20 discussions about, are the most immediate things that
21 can be done to address.

22 The challenge of what we do about Last Mile
23 facilities in general, a complicated but not complex
24 one right, I think it really boils down to, we're
25 creating a demand for freight and this is the way
that our system is responding to meet that freight

1 demand right now. So, as a land use matter, I think
2 we are trying to balance the challenges of you know,
3 our manufacturing districts in some part doing what
4 they are supposed to do, which is support
5 transportation and logistics for the city, running up
6 against the very real challenge when they are near
7 residences and near schools. And how we physically
8 balance that. But I think the even larger question
9 is, can we change the system, right? We are not
10 going to stop demanding freight, so can we make the
11 system behave differently by introducing alternatives
12 to trucks and alternatives to these sort of mega
13 distribution centers by breaking that down into the
14 more neighborhood distribution models and I think
15 there's efforts on both of those fronts to try and be
16 more long term.

17
18 So, to me, there's not a single response. Some
19 of it is what can we do today on the ground with
20 facilities that many of which have already been built
21 in your neighborhood. What can we do to think about
22 how these facilities get built differently and then
23 what do we do to rethink our freight system entirely.

3 COUNCIL MEMBER AVILÈS: Yeah and what is - no, I
4 appreciate that and what does the healthy industrial
5 sector look like?

6 CAROLYN GROSSMAN MEAGHER: That is the most meta
7 question of the entire -

8 COUNCIL MEMBER AVILÈS: And you don't have to go
9 full but I think this is the question that we
10 obviously struggle with living with the industrial
11 sector right? Seeing a healthy, I mean I think the
12 simple answer parallels a community right? A kind of
13 diverse ecosystem of things that we need right that
14 is kind of interconnected. What we are seeing though
15 is an industrial sector obviously that has gone
16 through many waves or evolutions in time, right
17 depending on a whole bunch of factors but that is now
18 seemingly getting sucked up by one sector with no
19 avail and no safeguards for communities around how
20 those, so I think this is what we're all contending
21 with is how do we safeguard and change both the
22 zoning, the land use principles that guide that. How
23 agencies are assessing or not assessing until after
24 the fact and mitigating kind of what currently is
25 there but it's kind of the meta question that we are
struggling as we are watching our industrial sector

1 shift in ways that feel very unhealthy, are certainly
2 unhealthy for the people that live there.
3

4 So, we don't have to answer the whole question
5 now but I guess I'd love to know in terms of the
6 legislation, in terms of the industrial plans, which
7 we are very, very supportive and happy to see. Would
8 you be open to looking at cumulative impacts within
9 an industrial sector? And what I mean is like the
10 environmental justice impacts of having all these
11 kinds of - a variety of facilities together, often
12 adjacent to communities of color or integrated in
13 communities of color.

14 But looking cumulative impacts seem to be kind of
15 a loss notion and you don't often see city agencies
16 looking at it until it's too late, right. Until
17 we're trying to truly repair something that it
18 frightenly broken. Would you be open to looking at
19 cumulative environmental justice impacts?

20 CAROLYN GROSSMAN MEAGHER: Sure, so there are a
21 few legal ways. I think the phrase cumulative impact
22 may trigger some specific legal obligations we
23 actually do have under both there's a law and other
24 federal environmental justice laws. So, I think the
25 answer is we may have some obligation to do that but

1
2 as a practical matter, so I'm going to say not using
3 the technical definition but do we look at and are we
4 open to looking at the preponderance of facilities in
5 a particular area and how that's relative to other
6 areas. Absolutely, we do all the time and we're very
7 well aware that many of the facilities are being
8 built in your district as well as in Council Member
9 Salamanca's district.

10 By the way, when you look at a regional
11 perspective, those are not the only two sites, right?
12 We're actually also equally aware that our neighbors
13 in New Jersey and Pennsylvania are building Last Mile
14 facilities and distribution facilities that service
15 New York City's consumer demand at exponentially
16 larger numbers, right? So, I think we actually do
17 look at that and try to understand the entire system
18 you know more globally and I think you know to us,
19 it's just a fundamental question of the demand is not
20 going away for serving freight and particularly
21 consumer and freight into New York City, so how do we
22 site that in a way that is more beneficial to
23 communities? And historically we have relied on our
24 manufacturing areas to be the place where we can site
25 that. But in your case, I think there's a very

3 particular challenge about the relationship between
4 our manufacturing areas, which should be servicing
5 our transportation logistic needs. Also, being
6 really close to residences and schools in particular.

7 So, I think we're absolutely open to that but I
8 think that's fun from a planning perspective. I
9 think our challenge is really thinking about what is
10 the outcome we would like to see that still allows
11 the city to be serviced but reduces the conflict and
12 it is a deep challenge and the best answer we have is
13 thinking about neighborhood scaled and alternative
14 systems that reduce some of that demand in the form
15 that is most problematic for communities.

16 COUNCIL MEMBER AVILÈS: Sure and when you
17 understand the cumulative impact, right in relation
18 to the community that is housing those facilities and
19 you have a guardrail in place, where you understand
20 six facilities means this much billions in toxins
21 into the air, we won't continue to site facilities or
22 allow them to be kind of unregulated. I'm having
23 such issues speaking today. So, this obviously is an
24 ongoing conversation.

25 I'd also like to know if you'd be open to
ensuring with relation to the legislation, even more,

3 legislation currently calls for one public hearing.
4 I'm a big advocate of having more public engagement,
5 seeing a community that has such little community
6 engagement in some regards. Would you be open to
7 having even more public engagement?

8 CAROLYN GROSSMAN MEAGHER: Yeah, I think Council
9 Member, we're looking forward in general to following
10 up with you on the specifics of the bills but we, we
11 agree, we would never I think have one meeting about
12 an important topic.

13 COUNCIL MEMBER AVILÈS: Awesome and I guess
14 lastly, in terms of uhm, you noted obviously looking
15 at the regional layouts of Last Mile facilities and
16 many other states have in fact you know, been much
17 more forward thinking in terms of getting a handle,
18 not forward thinking but trying to regulate what they
19 see the impacts have been on the ground within their
20 communities. I guess, I'd love to hear more about
21 what has DCP learned in terms of expiration of how
22 other states are regulating Last Mile facilities in
23 their states that you might, you are considering
24 importing into our state?

25 CAROLYN GROSSMAN MEAGHER: Sure, uhm, well, I
think maybe I'll start with mentioning, I think

3 you're comments earlier about just the complexity of
4 data and understanding what you're seeing. This
5 subject is one I think that really, I would start
6 lending itself to that, because there is under New
7 York City and New York State law no definition for
8 what a Last Mile distribution facility is.

9 So, I think even starting at that place, we've
10 looked to other cities and other states to understand
11 when people use that phrase, what exactly are we
12 looking at because you know I think in a common
13 sense, we understand you're talking about and
14 particularly Amazon and you know certain facilities
15 that are being built in your district, but they're
16 not the only users of you know large sites with
17 trucks. Whether people are using size or volume of
18 movement or particular kinds of users.

19 So, I think we've learned a lot from comparable
20 cities just even just trying to understand what is
21 the class of business or industry that we are looking
22 at and how do we distinguish one from another in
23 terms of the kinds of impacts that we are trying to
24 evaluate.

25 So, I think that's where - certainly, I think
we've seen from New Jersey different, there are

3 varying opinions about the success. I mean at the
4 state level, I think there's been a real embrace of
5 being the transportation and logistics capital of the
6 United States, in part because of the jobs that that
7 is bringing to New Jersey. But then we've also seen
8 more local responses in certain neighborhoods that
9 also are seeing a preponderance and some of the
10 physical challenges that are associated with that.

11 I think a real range of responses that are you
12 know from bans to more designed guidance related to
13 how facilities are built.

14 COUNCIL MEMBER AVILÈS: Yeah, all of those will
15 be certainly important and 100 percent agree, there
16 is no definition and we've been trying really hard to
17 get a definition, so that we can create a baseline
18 somewhere and certainly, this is part, this is why
19 you know the text amendment is both very important to
20 begin to create that because what we have right now
21 is too porous and too problematic. And we see the
22 clustering and the impacts with very little ability
23 to stop it and mitigate it, which we are obviously
24 all working on but I appreciate that and certainly
25 there is a ton more to learn. I know you've seen all
the articles of many states and communities who are

3 struggling with the environmental justice impacts of
4 these facilities are quite profound. So, thank you
5 so much.

6 CAROLYN GROSSMAN MEAGHER: Appreciate it.

7 CHAIRPERSON FARIAS: Thank you Council Member
8 Avilés. We were also joined by Council Member
9 Tiffany Cabàn on line that is virtual and because
10 there is now quorum in the room, she does have three
11 questions that she sent me over that I would like to
12 ask.

13 Jobs in the transportation sector and
14 transportation and warehousing sector, which have
15 doubled over 16,000 in recent years, have high injury
16 rates, frequent turnover and inadequate benefits in
17 pay. What labor issues are you aware of workers in
18 Last Mile facility spacing?

19 CAROLYN GROSSMAN MEAGHER: So, apologies Council
20 Member. I was actually looking for a particular piece
21 of information I know is in the packet here because
22 one of the points that stuck out to me is that um,
23 when we actually look at transportation and
24 warehousing as a subsector in general, it actually is
25 one of the larger locusts of good jobs. You know
when we talk about workers in the industrial sector

1
2 without a bachelor's degree that are earning over
3 \$50,000, a considerable amount of those are in
4 transportation and warehousing. So, I'm not making
5 any particular claims about you know certain
6 employers who send us all of our goods on next day
7 and maybe don't have employment practices but as a
8 sector overall, actually we think that is a really
9 important employer. I can't speak to the specific
10 issues around labor practices and any individual
11 employers that's not within City Plannings
12 wheelhouse. I'm not really sure.

13 JENNIFER SUN: Yeah, I don't have insight either.
14 I think what comes to mind is that you know the
15 drivers for different companies obviously and they
16 probably have very different employment practices.
17 They're probably really good employers that are very
18 thoughtful of you know providing their workers
19 benefits and there's certainly other types of
20 companies that are contributing to the kinds of
21 issues that the Council Member described. That's all
22 I can say here.

23 CAROLYN GROSSMAN MEAGHER: Okay, and I think it's
24 probably worth pointing out that when we're talking
25 about public sector employers or workers where the

3 city is putting in money through the economic
4 development corporation, they are typically wage
5 standards and labor practices associated with those
6 contracts, but I think the question seemed more
7 directed at private industry that is not receiving
8 public money on public land and so our ability to
9 even speak to those labor practices really only goes
10 to understanding like basic labor law within the
11 State of New York.

12 CHAIRPERSON FARIAS: Sure, thank you. Do you
13 think the city should play an active role in ensuring
14 Last Mile facilities are developed with the basic
15 environmental and labor protections?

16 CAROLYN GROSSMAN MEAGHER: So, I'm going to
17 repeat what I just said, which is I think in the
18 cases where we're talking about private industry on
19 private sites, we do not regulate labor practices and
20 while we are taking very seriously the siting
21 considerations for Last Mile facilities and whether
22 there are particular environmental issues about large
23 sites generating truck traffic, we are not able to
24 use zoning and it's not an illegal use of zoning to
25 manage the labor practices associated with a class of
uses.

3 CHAIRPERSON FARIAS: Are you aware of the extent
4 of the street safety concerns for pedestrians near
5 Last Mile facilities?

6 CAROLYN GROSSMAN MEAGHER: We are certainly aware
7 of them.

8 CHAIRPERSON FARIAS: Okay, and what is the city
9 doing to ensure there is an analysis and a plan for
10 reducing the risk of collisions, traffic violence and
11 parking violations caused by delivery traffic and
12 routing?

13 JENNIFER SUN: So, I think if City DOT were here,
14 I think part of what they're focused on is around
15 this idea of piloting micro distribution hubs,
16 meaning looking at how to perhaps remove some of that
17 traffic from the streets to reduce conflicts with
18 pedestrians to off street locations.

19 So, for example, areas under bridges. Uhm, where
20 there isn't as much pedestrian traffic and where it
21 might be safer for these Last Mile delivery companies
22 to be doing that staging, unloading and deliveries of
23 goods as a way of trying to address those safety
24 concerns. And so, I know DOT is in the process of
25 designing a pilot to be launched later this year.

3 CAROLYN GROSSMAN MEAGHER: If City DOT were here,
4 I think they'd also comment on how much of their work
5 overall in the city is about improving street safety
6 for pedestrians, which are challenged by both
7 passenger vehicles and trucks in many circumstances
8 and that much of the interventions they do in terms
9 of cross walking and pedestrian intersection
10 improvements and street redesigns are directed at
11 exactly this challenge. Where City Planning
12 interacts with that typically is in site design.
13 Both are for sort of based zoning as well as when we
14 have the legal wear with all to be doing site review.
15 We constantly work with DOT to manage curb cuts and
16 the design of loading facilities and where they
17 interact with the street to produce the pedestrian
18 conflicts on a site, making sure that where we have
19 parking coming in and out of buildings is not also at
20 intersections and where we see those largest
21 pedestrian loads.

22 So, we do have that interface where a buildings
23 meets the street?

24 CHAIRPERSON FARIAS: And outside of DOT not being
25 here, would you support legislation mandating such of
an analysis?

1 COMMITTEE ON ECONOMIC DEVELOPMENT JOINTLY
2 WITH THE COMMITTEE ON LAND USE 113

3 CAROLYN GROSSMAN MEAGHER: I'm not totally clear
4 on exactly what the analysis would be but we'd be
5 happy to talk with the Council Member and follow up.

6 CHAIRPERSON FARIAS: Great, thank you so much.
7 I'll make sure she has your contact information to
8 follow up with you. And seeing no additional
9 questions from members. You are all free to go.
10 Thank you all for joining us today and testifying.

11 PANEL: Thank you.

12 COMMITTEE COUNSEL: Thank you Chair. Again, Alex
13 Paulenoff, Senior Counsel. We'll now turn to the
14 public portion of the hearing today. For in person
15 panelists who are testifying publicly, please come up
16 to the dais once your name has been called.

17 For virtual panelists, we will calling
18 individuals one by one to testify. We will be
19 limiting public testimony today to three minutes
20 each. So, please begin once the Sergeant has started
21 the timer. Council Members who have questions for a
22 particular panelist should raise their hands and
23 Council Members who are here virtually, please use
24 the Zoom raise hand function and the Chair will call
25 on you after the panelist has completed their
testimony. For virtual panelists, once your name is

3 called, a member of our staff will unmute you and the
4 Sergeant at Arms will set the timer and give you the
5 go ahead to begin.

6 So, please wait for the Sergeant to announce that
7 you may begin before delivering testimony. I would
8 like to now call the following people to the stand to
9 testify: Tim Dumbleton; Emily Goldstein, Brady
10 Meixell, Quincy Ely-Cate. Apologies if I messed up
11 anyone's name there but please come on up and you may
12 begin once the Sergeants announce the timer.

13 CHAIRPERSON FARIAS: Tim, you can begin whenever
14 you're ready.

15 TIM DUMBLETON: Good afternoon Madam Chair,
16 members and staff of the Committee. My name is Tim
17 Dumbleton, I am the Chief Operation Officer of
18 Microgrid Networks. Our company is building and
19 operating energy storage facilities in New York City.
20 We're committed and aligned with the state and city's
21 policies for decarbonization.

22 Currently, the clean energy industry in New York
23 City suffers from a lack of government coordination
24 planning and policy, which jeopardizes New York
25 City's chance of meeting ambitious state goals for
decarbonization. This includes the deployment of

1
2 6,000 megawatts of energy storage, roughly half of
3 which should be installed in the five boroughs.

4 In the past four years, the city has installed
5 less than one percent of the 2030 goal and we have
6 only seven years left.

7 This lack of coordination of planning risks
8 further damage to the climate, as well as delaying
9 the benefits of the clean energy economy for all New
10 Yorkers. We believe that creating an action plan
11 that incorporates economic development and industrial
12 policy around clean energy will maximize benefits
13 both inside and outside of the industrial business
14 zones.

15 Today, I would like to share with you key points
16 on the importance of energy storage and the role that
17 IBZs play in deploying this critical technology now
18 and in the future. Energy storage is a cutting-edge
19 technology engineered to the highest standards, which
20 utilizes you all tested, FDNY approved and 24/7
21 monitored batteries on a large scale to absorb
22 electricity during the night from our electricity
23 grid, store it locally and then inject it back into
24 the grid when local demand is high. This process has
25

1
2 four distinct direct benefits to the average New
3 Yorker.

4 First, it enables our current grid to carry more
5 electricity, which means fewer expensive upgrades and
6 less disruption caused by those upgrades. Second,
7 energy storage increases network resiliency by
8 reducing the likelihood of local outages caused by
9 overloads.

10 Third, it improve air quality by reducing the
11 need to run expensive polluting peaker plants in
12 designated environmental justice areas. Fourth, it
13 allows more cheap energy from upstate solar and
14 offshore wind to enter our local congested grid and
15 to be consumed by New Yorkers. NYSERDA has
16 calculated that energy storage installation will save
17 rate payers \$2 billion. Put simply, energy storage
18 reduces the cost of energy, makes it cleaner and
19 makes it more reliable. What's not to like?

20 New York City's electrical grid is made up of 70
21 smaller grids, each served by a substation, some more
22 stressed than others. The electrification of every
23 building in NYC under Local Law 97 increase use of
24 EV's and the increased reliance on renewable energy
25

3 like wind and solar will only exacerbate the network
4 capacity issues we're facing today.

5 There's no alternative plan to increasing the
6 capacity on those networks without building a massive
7 amount of energy storage in the city, in each of
8 those 70 electric grids. It's critical to our city
9 and state goals for electrification that this gets
10 done quickly and well.

11 While it's clear that NYC should be pushing and
12 prioritizing, and also planning for the deployment of
13 energy, there are many obstacles in our way.
14 Permitting review times are extremely long. Siting
15 large scale energy storage is challenging. Even in
16 IBZs, where 100 percent of our sites are currently
17 located as of right due to competition with other
18 more lucrative uses and city level incentives do not
19 exist.

20 Three, there's no centralized planning to help
21 locate energy storage where it's needed most. The
22 impact of energy stored deployment in IBZs can
23 benefit the city as a whole. Energy storage will
24 directly improve the functionality and capacity of
25 our grid. In IBZs for example, utility

1
2 infrastructure is substantially lacking compared to
3 core and business residential districts.

4 In fact, the primary complaint we hear from IBZ
5 administrators is that companies cannot get enough
6 reliable power. Asking our city employers to show
7 their production in the industrial sector is not a
8 solution. Energy storage can make this better.
9 Siting energy storage in these facilities improves
10 network capacity and opens up the power for more
11 power-hungry users.

12 CHAIRPERSON FARIAS: Tim, I'm going to have to
13 ask you to wrap soon.

14 TIM DUMBLETON: Okay, I'm almost -

15 CHAIRPERSON FARIAS: You're going two minutes
16 over.

17 TIM DUMBLETON: I'm sorry, I apologize. The City
18 for Yes Carbon Neutrality Proposal introduced by the
19 Administration is an excellent example of forward
20 progress and comprehensive planning and we strongly
21 urge to vote in support of that proposal. However,
22 it's not enough. Energy storage should be a major
23 component of industrial policy and an economic
24 development policy, which could act its cohesive
25 voice and guidance for our permitting departments.

3 We're in support of this bill and we look forward to
4 working with the Committee and city agencies to help
5 this work.

6 In closing, I would like to invite all of you to
7 come visit our energy storage facility in the North
8 Brooklyn IBZ. It's one of the largest and newest
9 facilities in New York City and we'd be very glad to
10 tour you there. Thank you.

11 CHAIRPERSON FARIAS: Thank you so much.

12 CHRIS WALTERS: Great thank you Chair. Thank you
13 for the opportunity to testify. My name is Chris
14 Walters and I'm the Senior Land Use Policy Associate
15 at the Association for Neighborhood and Housing
16 Development, ANHD.

17 ANHD is a member organization of community groups
18 across the city, with a mission to build community
19 power to win affordable housing in thriving equitable
20 neighborhoods for all New Yorkers. As a key part of
21 our work, we convene and participate in the
22 Industrial Jobs Coalition, IJC. We strongly endorse
23 the goals of the proposed industrial development
24 action plans legislation and believe it would serve
25 as a crucial step in ensuring coordinated
comprehensive planning for the industrial sector in

1
2 NYC to address the numerous challenges it currently
3 faces.

4 I want to first just emphasize here how this
5 legislation is timely and laying the ground work to
6 advance proposals that we're all advocating to come
7 out of DCP City of Yes Economic Opportunity Text
8 Amendment to address and update zoning issues that
9 have long hampered industrial growth.

10 The Economic Opportunity Text Amendment will be a
11 chance to address these issues by creating new types
12 of zoning districts that redefine what uses and
13 building type should be permitted in different areas.

14 It is essential that these new zoning districts
15 include a core industrial district that increases
16 industrial density and limits competing non-
17 industrial uses. Once these new districts, including
18 vitally core industrial are created through City of
19 Yes, the IDAP planning process as outlined in this
20 legislation, will help determine where these
21 districts are most appropriate to be mapped in IBZs
22 as part of the larger planning goals of expanding and
23 supporting the industrial sector.

24 I will now just quickly turn to ways we would
25 like to strengthen this bill to ensure its focus on

3 expanding and retaining industrial businesses in ways
4 that do not put their interest and viability at risk.

5 I think first as touching upon with the core
6 industrial, we want to make sure that the main focus
7 of the land use framework in this legislation is
8 around mapping core industrial and IBZs and as much
9 of IBZs as possible.

10 We'd also like to more strongly identify IBSPs,
11 Industrial Business Service Providers as lead
12 partners in the planning process coming out of this
13 bill. They bring invaluable expertise and
14 connections with local businesses that I think that
15 also help with some of the concerns the city was
16 addressing in terms of their capacity to do this
17 work.

18 We want to make sure that there's a goal of
19 optimizing and growing industrial incentives. I
20 think there's a lot of ways that they can be more
21 equitably accessed by industrial businesses. We want
22 to make sure this legislation points us toward that.
23 And then lastly, we want to strengthen potential
24 levers for requiring or encouraging implementation
25 and integration with other planning. In short, we
want to ensure that this legislation is implemented.

3 The plans coming out of this legislation are
4 implemented by the city.

5 Thank you very much. We're excited to work with
6 the Council to ensure this planning bill truly
7 protects and reimagines the city's industrial
8 business zones, allowing industrial businesses to
9 remain and grow while enhancing the capacity of
10 industrial business service providers to advance
11 economic equity and opportunity for every New Yorker.
12 Thanks very much.

13 QUINCY ELY-CATE: Good afternoon Council. Thank
14 you for this opportunity. My name is Quincy Ely-
15 Cate. I'm Director of Industrial Business
16 Development at the Business Outreach Center, BAC
17 Network. Our organization provides services to
18 industrial manufacturing businesses in the Maspeth,
19 Ridgewood, Steinway and Woodside IBZs in Queens, and
20 the East New York and Flatlands Fairfield IBZs in
21 East Brooklyn.

22 The IBZs are critical for providing quality jobs
23 and promising career path to New Yorkers who
24 historically have little access to higher education
25 and options for living wage employment. The
industrial manufacturing workforce is made up of

1
2 predominantly minority and immigrant populations with
3 a high percentage of non-native English speakers.

4 In the Maspeth IBZ alone, there are over 15,000
5 blue collared jobs across 800 businesses. It is for
6 these reasons that we commend the Council in bringing
7 forth this long overdue legislation that begins to
8 prioritize the value and importance of the IBZs, the
9 businesses that operate within them and most
10 importantly, the jobs they provide our local
11 communities.

12 It is with complete certainty that I can tell you
13 that without thoughtful zoning regulations and
14 incentive programs, New Yorks industrial and
15 manufacturing sectors would be a small fraction of
16 what it is today.

17 We believe that the IDAP legislation is important
18 to ensuring that New Yorks manufacturers and
19 industrial businesses continue to have a home here
20 and that future businesses are motivated and
21 encouraged to locate to our IBZs. A mandate to study
22 the IBZs is critical to understanding the trends
23 influencing the IBZs. Importantly though, these
24 studies need to be geared with an eye to how to grow
25 the number of businesses and jobs including how to

3 modernize our archaic industrial zoning limitations
4 and analyzing the incentives being offered in
5 competitive places like New Jersey, Long Island and
6 upstate in order to be more competitive when
7 businesses are making decisions where to locate.

8 Additionally, as IBSPs, it is important that we
9 are part of the planning process and the study
10 process, able to provide input, relay information
11 from the businesses that we work with so that the
12 plans that are being implemented are actually
13 impactful and grow our industrial sector. Thank you
14 for the opportunity.

15 BRADY MEIXELL: Hello Chair Farias and Committee
16 Members. My name is Brady Meixell and I represent
17 the Southwest Brooklyn Industrial Development
18 Corporation. SBIDC is a local nonprofit organization
19 whose mission is to create equal opportunity that
20 helps the people, businesses, and community of
21 Southwest Brooklyn grow. We serve over 1,500
22 businesses across Sunset Park, Gowanus and Red Hook.

23 SBIDC urges passage of Intro 1012, which
24 establishes Industrial Development Action Plans. We
25 want to thank the Committees for considering this
legislation, which we believe is an important step

1
2 towards reinvigorating industrial policy and planning
3 in New York City, and helping to ensure our
4 industrial sector is protected, expanded, and
5 continues to thrive. By encouraging the retention
6 and growth of industrial jobs, the city can uphold
7 the livelihoods of the hundreds of thousands of New
8 Yorkers who rely on these well-paying quality jobs
9 which are accessible across educational backgrounds
10 and provide pathways into the middle class.

11 Historically, with the notable exceptions of
12 Gowanus and North Brooklyn, the city has neglected
13 thoughtful long-term planning around Industrial
14 Business Zones. With this in mind, we are excited to
15 see the city considering proactive efforts to
16 comprehensively plan for its industrial areas. We
17 believe it is crucial to study the IBZs because from
18 a policy perspective, we need to understand these
19 areas and the growth trajectory of these sectors if
20 we are to effectively train our workforce for them.

21 We believe that IDAPs can help to further unlock
22 the economic potential of industrial uses in
23 Southwest Brooklyn and throughout the city by: One,
24 supporting the city's industrial business service
25 providers to ensure that they can continue to provide

3 the free high-quality services that businesses in our
4 areas depend upon.

5 Two, examining dated zoning regulations that
6 currently hinder the ability of industrial businesses
7 to grow. And three, recommending needed
8 infrastructure improvements and updates to industrial
9 incentives. Over time, we've experienced the slow
10 erosion of areas where industrial work can be done in
11 this city. Any future study should leave no room for
12 further reduction or de-emphasis. The entirety of
13 the IBZs should prioritize industrial and
14 manufacturing uses.

15 Currently the legislation allows for portions of
16 the IBZs to be classified as transition areas or
17 growth districts, which could promote more office or
18 other commercial use. We believe that, instead, the
19 full area of each Industrial Business Zone should be
20 mapped as Core Industrial Areas, allowing for these
21 districts to utilize all newly made available tools
22 and continue to be fully protected. Growth districts
23 and transition areas should be reserved for M Zones
24 that fall outside of IBZs.

25 This is important legislation and we look
forward, along with the other members of the

3 Industrial Jobs Coalition, which you've heard speak
4 today, to being in continued partner in your efforts
5 to sustain and grow New York City's industrial
6 sector. Thank you.

7 CHAIRPERSON FARIAS: Thank you all for
8 testifying. Do you have any questions for this
9 panel?

10 COUNCIL MEMBER GUTIÉRREZ: Yes. Just one
11 question. Thank you all for testifying. Tim, good
12 to see you. I have a question about a big like
13 driver in this bill is to like talk about jobs in a
14 real way. Curious if you can share how reporting is
15 done for Microgrid and what are the job opportunities
16 for fire storage or battery storage installation,
17 excuse me, if I'm you know kind of ignorant on this
18 whole process. I think it's valuable but can you
19 speak to a little bit about the job opportunities for
20 battery storage?

21 TIM DUMBLETON: Sure, we're a power producer.
22 We're one of the many companies doing what we're
23 doing. Our company itself started about four years
24 ago and is growing pretty rapidly now. We have about
25 17 people working for us. I think that the
opportunity here for in our industry is we're

1 prepared to go and build. We built to this year. We
2 want to build for next year, four to six next year.
3 Eight the year after that and basically build eight
4 to ten every year between now and 2050. These are,
5 to build these things, its all, they are very
6 sophisticated. We use union labor and it's hundreds
7 of permanent jobs because we're essentially going to
8 be continually building between now and 2050. So, I
9 think that there is obviously jobs within the control
10 systems and the coordination systems. But also what
11 we're really talking about is building hundreds of
12 millions of dollars' worth of infrastructure every
13 year for the next 30 years.

14
15 COUNCIL MEMBER GUTIÉRREZ: So, the bulk of the
16 jobs is - I get what you're saying. I guess I'm just
17 trying to - is there a way to quantify roughly like
18 in one site for example.

19 TIM DUMBLETON: Sure, so for in one site as an
20 example, let's rough numbers, every site takes about
21 a year to build and we're trying - our company is
22 trying to rebuild 70 of them. Each site is an
23 investment of \$12 million to \$14 million. These are
24 for a typical smaller size. They would employ for 20
25 people for a full year and then rebuild 8 of them a

1 year. And that's just our company. So, we're
2 talking about having two to 200 jobs, 200 permanent
3 high quality union jobs just for our company.

4 COUNCIL MEMBER GUTIÉRREZ: That's right,
5 wonderful thank you so much. That was it. Thanks
6 Chair.

7 CHAIRPERSON FARIAS: Sure, Council Member Avilés.

8 COUNCIL MEMBER AVILÈS: Thank you. Can each of
9 you describe concrete local examples of how the lack
10 of planning and outdated zoning in our industrial
11 areas has negatively effected industrial businesses
12 or city policy goals? In any order as you wish.

13 Thank you for the question.

14 QUINCY ELY-CATE: Thank you for the question. In
15 the IBZs, I mean there's, the IBZs are very distinct
16 and each one of geographically in their build
17 structures but I would say is a significant limiting
18 factor is some point that was touched on earlier
19 about FAR. We've had businesses that have outgrown
20 their space and are looking to grow in place but
21 they're limited by a 1.0 FAR. They could easily add
22 above their workshops, add you know office space
23 above that would be complimentary to their business.
24 Right now, they're bursting at the seams and they
25

3 have to go look for an additional location or move
4 somewhere out of the city because they don't have the
5 available FAR to build in their current location.
6 So, that would be one example that we've seen where
7 they're very limited by the current zoning.

8 BRADY MEIXELL: And to build off what Quincy was
9 saying there, in the Southwest Brooklyn, IBZ for
10 instance, the industrial vacancy rate is at an all-
11 time low right now, it's under four percent. So, you
12 know, we believe that adding density to some of these
13 spaces could you know really serve a lot of these
14 businesses that you know aren't able to locate in our
15 district just because there is not the available
16 space. And I think a particular need we've seen time
17 and again from businesses looking to locate in our
18 area has been for high ceiling space. And you know
19 without the proper FAR at a facility, you know the
20 financial don't really work out to build you know
21 brand new industrial high ceiling space.

22 So, you're adding that available to have you know
23 additional square footage above the high ceiling
24 facility could hopefully unlock that.

25 CHRIS WALTERS: I could just add one example. I
think just if you look in general, like if you look

1
2 to something like the Green Point Williamsburg IBZ,
3 you can see how it's not enough to just have an IBZ.
4 It's not enough to have financial incentives without
5 zoning that is trying to preserve and help
6 manufacturing grow what you've seen there is
7 basically the wholesale gutting of industrial
8 businesses and in those places, you know gyms,
9 basketball gyms, bars, restaurants, large scale
10 entertainment and again, so emphasizing that the two
11 hands are not working together, right? You know DCP
12 and EDC, when you don't have the land use policy
13 working with the financial incentives that can tend
14 to be what happens.

15 TIM DUMBLETON: I think that my comments around
16 this would be more about having planning and
17 coordination between the agencies. So, we've
18 struggled from you know the city and state have
19 established these goals. But then we've basically
20 been left on our own to go educate all of the
21 planners at DOB about this new technology.

22 So, we've wasted enormous or spent an enormous
23 amount of time trying to create all of the standards
24 in each different agency and get them to talk to each
25 other. And there isn't somebody that's saying okay,

1
2 we have to go build a bunch of this stuff, let's make
3 sure that we're able to get it through DOB without
4 having endless delays and in training everybody what
5 things are. We spent as an example, there is a
6 building use group that surrounds battery storage but
7 is around the storage of little batteries and we have
8 just hours of conversation about how that's not what
9 we're doing, right? So, it's things like that where
10 if there was a centralized - it was our feeling that
11 there were people looking out for this industry and
12 trying to make sure that all of the agencies that
13 have jurisdiction over this industry were all moving
14 in a coordinated effort to allow this to be built.
15 It would be a great advantage to us in permitting.

16 COUNCIL MEMBER AVILÈS: Wow thank you. Certainly
17 it resembles a lot of our interactions with agencies
18 and frustrations around the lack of coordination
19 across and the amount of time it takes to of course
20 correct. This is a similar follow up question. It
21 may be the same, it may not be the same but in terms
22 of in your view, what are some of the most urgent
23 reforms that we need to make to the city's current
24 business assistance, workforce development or

3 economic incentive programs? What feels the most
4 urgent at this moment and time for you all?

5 TIM DUMBLETON: For me it's just coordination,
6 right? It's just having a feeling that uhm, that if
7 the city has this goal, let's make sure the agencies
8 are ready to deal with it.

9 CHRIS WALTERS: I mean, I think I'm a bit
10 speaking for IBSPs but I know one is just ensuring
11 their funding and their funding for multi-years. I
12 know there's a lot of issues with getting the funding
13 they need to do their work. I would not quite
14 include in your question but I would definitely just
15 put again the land use policy within that. I think
16 just the need for increased FAR for industrial uses
17 and then limiting competing uses in core industrial
18 areas. It has been for awhile sort of one of the
19 existential issues. But to you guys if there's more.

20 QUINCY ELY-CATE: Thank you Christopher. I
21 would agree, the IBSPZs, as an IBSP, we are I know
22 that it is very tenuous. Our funding is not insured
23 going forward and it makes it really hard for us to
24 plan. I know that if we're paid, we're paid very
25 late. It's really hard to run an organization that
way. Our funding has been cut since the beginning of

3 the program. So, that is really critical to the work
4 that we do and the advocacy that we provide to
5 businesses in the community.

6 But really, I think industrial manufacturing
7 businesses need zoning protections that really limit
8 alternative uses, uses that are nonindustrial within
9 our IBZs and they just cannot compete on a market
10 level with somebody who can come in, a developer
11 looking to you know put self-storage or some other
12 competing use that's not nonindustrial. And so, that
13 would be my priority.

14 BRADY MEIXELL: And I of course as an IBSP as
15 well, we echo the same concerns about IBSP funding.
16 On the land use issue, you know there's competing
17 uses. You know and you know competing for the same
18 space with rents. I think within IBZs, it would be
19 great to see some sort of you know requirement that
20 buildings going up have you know some kind of
21 industrial usage component. So, where there is
22 office space, that's being used to cross subsidize
23 lower industrial rents.

24 CHAIRPERSON FARIAS: Okay, thank you. I think
25 we're going to move to our next panel. Thank you all
so much for answering our questions.

3 Can we have Krista Starrett, Raul Rivera, Ashley
4 Saunders and Peter Goldberg to join us in the hot
5 seat. And if there is anyone else here in Chambers
6 that hasn't been called to testify and would like to
7 testify, please find a Sergeant at Arms in the front
8 to fill out a sheet. And Krista, you can begin when
9 you are ready.

10 KRISTA STARRETT: Good afternoon. My name is
11 Krista Starrett and I work for the New Town Creek
12 Alliance. A nonprofit dedicated to restoring,
13 revealing and revitalizing New Town Creek. An
14 industrial waterway that borders the North Brooklyn,
15 Long Island City and Maspeth IBZs. We work to clean
16 the creek of historic toxins and ongoing pollution,
17 reconnect communities to the waterway and seek to
18 preserve the surrounding areas as industrial and
19 manufacturing zones.

20 We support the Council's efforts to examine ways
21 to improve IBZ function and productivity but are here
22 to to speak to opportunities for upgrading IBZs to
23 better address environmental justice issues, mitigate
24 climate change related impacts, and better
25 incorporate use, restoration and access to adjacent
waterways.

3 We urge the Council to fully consider how IBZs
4 can be more than just economic engines, but hubs for
5 greener and more sustainable uses and opportunities.

6 The following are specific issues and
7 recommendations: IBZs typically suffer from extreme
8 heat and UHI effects; increased rainfall and
9 flooding, lack of wildlife habitat; and poor air
10 quality. Proposed changes to the current zoning
11 should specifically address the need for more green
12 infrastructure. There's a significant opportunity to
13 better manage and absorb stormwater on site, helping
14 protect surrounding neighborhoods from costly and
15 deadly flooding and our waterways from untreated
16 sewage drain rain events.

17 Green infrastructure can also be an effective
18 tool to address poor air quality, although the most
19 effective way to improve air quality and reduce
20 pollutants coming from IBZs is for the city to
21 implement tighter restrictions and measures to
22 prevent plant source emissions.

23 Currently, developments within industrial zones
24 do not trigger waterfront public access requirements.
25 We believe the city is past due in updating these and
should implement baseline requirements to create

3 public waterfront access and a resilient and
4 ecologically productive shorelines for any industrial
5 site that is being redeveloped and not utilizing
6 their waterfront for maritime purposes. This is a
7 critical opportunity. We ask the changes to our
8 IBZs, not solely focus on increasing development
9 rights and FARs, but consider the social, public
10 health and environmental benefits that can also be
11 gained through smart and comprehensive planning.
12 Thank you for your time and consideration.

13 CHAIRPERSON FARIAS: We'd love some ahead of time
14 testimony. Thank you. Next up is Raul. Oh, you
15 want to go in order? Okay.

16 ASHLEY SAUNDERS: Good afternoon, my name is
17 Ashley Saunders. I've from 315 Amber Street, known
18 as the hole in Brooklyn. An entire community
19 developed on a creek, known as Spring Creek. I came
20 here on April 25th to testify before the Housing
21 Committee about the rapid deterioration of building
22 due to the current environment. This includes
23 excessive flooding, extreme moisture, open cesspools
24 spewing into the streets and backing up into homes,
25 aggressive mold and mushrooms.

3 Since my last testimony on April 25th, everyone in
4 my building got a notice to vacate from our landlord
5 as an act of retaliation. Three people in my
6 community develop asthma due to the cesspool and
7 human waste that is being pumped into the streets
8 because the city hasn't given us a connection to the
9 city soil lines.

10 My building is collapsing. The floors in my
11 apartment has caved in. I came back again on May to
12 the City Council's main office at 250 Broadway to
13 protest and I was removed by police. I am here again
14 today. I have lost a lot trying to get this issue to
15 your attention. I'm aware that the Mayor has a \$75
16 million plan for the area but the Committee has to be
17 aware of the immediate space by the tenants and the
18 community because there has been no plans implemented
19 for tenants.

20 Currently, I have been told by the Department of
21 Buildings to call 911 but doing so will trigger an
22 immediate vacate order creating an uncertainty of
23 housing for all the tenants in my building. To date,
24 too soon four homes have been given vacate orders,
25 leaving tenants homeless. These vacate orders are
being issued due to the structural development on

3 compromised land. I am asking the Committee instead
4 of trying to implement proposals to use the land, to
5 try and effect a plan to restore the land to its
6 original state. Thank you.

7 CHAIRPERSON FARIAS: Thank you so much for your
8 testimony.

9 PETER GOLDBERG: Hi, my name is Peter Goldberg.
10 I'm an Organizer with Tenant Union Flatbush and I'm
11 here today with Ashley representing her fellow
12 tenants at 315 Amber Street. I just want to speak
13 about what I've witnessed in their building having
14 come there in the last couple months and why I felt
15 it was necessary to come before these committees
16 today.

17 Working with the tenants at 315 Amber for the
18 last few months, one thing that's really stood out is
19 the massive discrepancy between the severity of the
20 issues they face and the city's anemic response.

21 Deteriorating floors, vermin, landlord
22 harassment, rampant mold, flooding and septic leaking
23 into the walls, this is only the beginning of the
24 list. These conditions are not just physically
25 dangerous but we believe they've been the direct
cause of various health issues that tenants are

1
2 experiencing. Due to the sheer number of different
3 problems, it's been a dizzying time simply trying to
4 figure out which agency can respond to which issues.
5 HPD refers us to DOB, who refers us to DEP, who
6 refers us to DOH.

7 Even with a growing mound of violations issued,
8 essential repairs continue – are necessary to ensure
9 the wellbeing of tenants have not been started
10 because of bureaucratic distinctions between the
11 various issues these tenants are facing. To give one
12 example, it seems that no agency is capable of
13 cleaning and repairing an open cesspool in the
14 tenants yard, which has led to human waste pulling
15 outside just feet from the home preventing them from
16 opening their windows. These agencies have been
17 alerted several times about these issues. We've held
18 rallies and drawn attention to them. We've spoken to
19 agency leaders personally but none of this alleviates
20 the basic problem that these agencies are hamstringing
21 when it comes to coordinating a response to the
22 problems at 315 Amber.

23 Because of that we've come here to address
24 ourselves directly to City Council, as several of the
25 Council Members in the Land Use and Economic

3 Development Committees also share seats in the
4 Housing Committee.

5 There was at last no meeting for tenants to voice
6 these issues. We want to ask members of the City
7 Council to use their power to help ensure these fixes
8 are done, so that the tenants at 315 Amber can live
9 safely and healthy. Thank you.

10 CHAIRPERSON FARIAS: Thank you for your
11 testimony. Just again, this is 315 Amber Street in
12 Brooklyn?

13 PETER GOLDBERG: Yes.

14 RAUL RIVERA: Good afternoon, my name is Raul
15 Rivera. I'm a TLC Driver and a TLC Driver Advocate.
16 I'm a Native from the Bronx. I don't know what you
17 can say in three minutes. I don't have anything
18 written down but uhm, we are concerned that our
19 Council - well, I'm concerned that our Council
20 Members are not being vocal enough when it comes to
21 congestion pricing. This is the Committee on Land
22 Use and our Council Members are being silent. We
23 don't hear them say anything about congestion
24 pricing. If you want to defend your district and the
25 people in that district, you must be against
congestion pricing. You should be more vocal. We

1
2 don't hear anybody say anything about it. Are you
3 for congestion pricing? We wanted to testify in
4 front of Salamanca but he took off. I spoke to his
5 staffer, couldn't give me a straight answer. It's
6 not hard. Either you're for it or you're against it.
7 We know that Joe Borrelli, Council Member Joe
8 Borrelli has a Resolution that should be supported by
9 all Council Members. Why? Because that Resolution
10 gives a voice to the people. The people could vote
11 on it but our elected officials, like the Governor
12 and the Mayor, and many Council Members, are looking
13 the other way. They don't want to give the people a
14 voice. Push that Resolution. Give a voice to the
15 people. Let them decide. Let them decide on
16 congestion pricing. It's going to effect the little
17 guy. The people of color that we always talk about.

18 Also, I want to talk about cobalt. Cobalt is a
19 mineral. This is the third time I talk about it.
20 Cobalt is a mineral that's needed to make batteries
21 for electric vehicles. And in the DRC, in the Congo
22 in Africa, we have little boys and little Black
23 girls, people of color digging for that cobalt so New
24 York could be green. New York is not going to save

1
2 the planet. Council Member Avilés, can you at least
3 pay attention? It's important.

4 The cobalt is being mined by little Black boys
5 and girls so New York City could be green. New York
6 City is not going to save the planet. Congestion
7 pricing is basically being robbed without a gun.
8 That's what that it. New Yorkers do not want
9 congestion pricing. We encourage our Council Members
10 to speak up if you're against it. If you're for it,
11 we want to know.

12 Also, I want to say thank you to you for meeting
13 with us last month. We hope we can get that audit.
14 We want to audit the MTA. We know that they hire a
15 lot of money. They've been caught in the past with
16 surpluses. 500 million, 300 million, why did we have
17 to give them our money. Please protect the New
18 Yorker and your constituents in your district. Thank
19 you so much.

20 CHAIRPERSON FARIAS: Thank you for your testimony
21 folks and I will follow up with you and I know you
22 will follow up. Thank you folks.

23 RAUL RIVERA: Thank you.

24 COMMITTEE COUNSEL: Thank you. We'll now move to
25 the virtual portion of the testimony. As a reminder,

3 we will be limiting the virtual testimony to three
4 minutes each and please begin once the Sergeants have
5 started their timers. And again, for Council Members
6 who are here virtually, please use the Zoom raise
7 hand function and the Chair will call on you after
8 the panelist has completed their testimony.

9 First, we will hear from Scott Van Campen
10 followed by Charles Yu and then Leah Archibald. Scott
11 Van Campen, you may begin when the Sergeants announce
12 the timer.

13 SERGEANT AT ARMS: Your time will begin.

14 SCOTT VAN CAMPEN: Thank you and thank you Chair
15 and Committee Members. I really appreciate allowing
16 to be able to take a couple minutes out of your time
17 today. I just want to really sort of introduce
18 myself to you and my organization. So, my name is
19 Scott Van Campen, I'm the Executive Director and Co-
20 Founder of Makerspace NYC and we are a community
21 based nonprofit workshop where we actually got our
22 start as an EDC sponsored business incubator about
23 ten years ago in Staten Island on the Northshore. We
24 answered an RFP basically saying, if we can teach
25 people how to make things, we can encourage them to
start businesses within our space and we started

3 doing that. We started teaching people how to make
4 things. We've had thousands of people come through
5 as students, adults, learning things like welding and
6 woodworking, ceramics, 3D printing, advanced
7 manufacturing techniques. Some of our members have
8 moved on and moved out of the space. One of the
9 stars out of that is a company called Hillsboro
10 Brewing. They are on the Northshore of Staten
11 Island. They are moving into a \$4 million beer
12 brewing facility that they actually got their start
13 in our space as home brewers.

14 So, when you talk about manufacturing as you guys
15 know, it's a very broad spectrum there but about four
16 years ago, we took over a space at the Brooklyn Army
17 Terminal and we started operating out of here. It's
18 a 20,000 square foot space and we started doing
19 programming working with SBS, running their
20 Apprentice NYC program.

21 So the Apprentice NYC program is a 400-hour
22 program teaching advanced manufacturing techniques to
23 people who are really looking for a career. Most of
24 those participants are people of color from all over
25 New York City and we get them started with the math
and the safety around the tools and they are employed

3 the entire time that they are taking classes that
4 they are here. It's really an amazing program.
5 We've actually run 600 cohorts of that and have
6 graduated out I think over about 120, 125 students
7 from that program. We also work with SBIDC with
8 disadvantaged youths teaching them some techniques
9 around manufacturing. You know the world still needs
10 people to get dirty and you know when you talk about
11 manufacturing it's a very broad spectrum. The
12 companies that we work with in the apprentice
13 program, there's advanced stuff like aerospace.
14 There's Lee Spring, we work with companies in the
15 building here at the Brooklyn Army Terminal.

16 We also just recently expanded about a year and a
17 half ago to building A. So, our square foot
18 occupancy at the Brooklyn Army Terminal is actually
19 42,000 square feet.

20 SERGEANT AT ARMS: Time expired.

21 SCOTT VAN CAMPEN: There's a factoring space.
22 Uhm, and I just you know I encourage you to think out
23 of the box and think about innovation around
24 manufacturing because it can be done in New York City
25 and it could be done effectively, efficiently and
creatively. Thank you for your time.

3 COMMITTEE COUNSEL: Thank you. Next, we'll hear
4 from Charles Yu followed by Leah Archibald and Rami
5 Dinnawi. Charles Yu, you can begin when the
6 Sergeants announce the time.

7 SERGEANT AT ARMS: Your time will begin.

8 CHARLES YU: Yes, thank you. Good afternoon
9 Council Members. My name is Charles Yu, the Vice
10 President of Economic Development at the Long Island
11 City Partnership and I am here to speak in support of
12 the Industrial Development Action Plans. The plans
13 represent crucial steps in protecting and reimagining
14 the city's industrial business zones, ensuring that
15 industrial businesses can thrive while advancing
16 economic equity.

17 And as the Chair stated in the opening, the
18 industrial sector plays a very important role in New
19 York City. As the second largest private sector
20 employer in New York City, industrial businesses
21 provide middle class jobs that offer opportunity
22 pathways for our diverse workforce. These jobs pay
23 nearly \$20,000 more annually than retail positions
24 and nearly twice as much as those in the food and
25 beverage industry.

3 Moreover, they contribute to economic mobility
4 for our workforce, with 80 percent of workers being
5 people of color and 50 percent being immigrants. And
6 that's why we are very happy to see that the Council
7 is taking a major step now to promote the interests
8 and viability of industrial businesses.

9 To ensure the success of the action plans, we
10 urge the Council to consider the following
11 recommendations: There are six of them. One,
12 identify Industrial Business Service Providers such
13 as the law and the city partnership as lead partners
14 in the planning process to leverage their on-the-
15 ground expertise. Number two, remove growth
16 districts and transition areas from the planning
17 framework and treat all IBZs as core industrial
18 districts. Number three, protect ground-floor
19 industrial spaces in the IBZs to preserve
20 affordability. Number four, include a goal of
21 optimizing and growing industrial incentives to
22 retain and attract industrial businesses and ensure
23 equitable access to industrial space. Number five,
24 designate EDC as the lead entity for the IDAP
25 planning process to help coordinate inputs from all
partners. Six, strengthen integration with other

1
2 planning efforts and agencies to meet the challenges
3 in the IBZs today.

4 By placing a priority on the retention and growth
5 of industrial businesses, we have the opportunity to
6 create valuable job opportunities and pathways for
7 our diverse workforce, supporting development of a
8 thriving middle class. And we deeply appreciate the
9 Council's proactive role in championing this cause.
10 With a shared commitment, let us work together to
11 bring a bright and sunny future for the industrial
12 sector in our city. Thank you.

13 COMMITTEE COUNSEL: Thank you. Next, we'll hear
14 from Leah Archibald and then Rami Dinnawi followed
15 Kevin Garcia. Leah Archibald, you can begin when the
16 Sergeants announce the time.

17 SERGEANT AT ARMS: Your time will begin.

18 LEAH ARCHIBALD: Hi, my name is Leah Archibald
19 and I am the Executive Director of Evergreen. We're
20 the local development corporation that works with
21 businesses here in industrial North Brooklyn to help
22 them grow, so we can keep high-quality working-class
23 jobs in our community. We are the industrial
24 business solutions provider for North Brooklyn.

3 I, you know we are in agreement with our
4 colleagues. We are really excited to work with the
5 Speaker and City Council on this bill. You know, we
6 think that this legislation will really help
7 industrial businesses thrive and grow and enhance the
8 capacity of our industrial business service providers
9 to advance economic equity and opportunity for every
10 New Yorker. Like my colleagues, we think that there
11 are few things that we could do to improve the
12 legislation, which I don't need to go into because
13 they've spoken about it at length.

14 I'd like to speak for a couple of minutes about
15 why I think this is important and what I think the
16 opportunities are for this legislation. You know I
17 think that it's really interesting by creating these
18 industrial action plans for each IBZ every five years
19 can really help inform and New York City and each of
20 us IBSPs about local transit of each of our unique
21 areas and it can ensure that services and program
22 offerings are tailored directly to current business
23 needs.

24 I also believe that local industrial businesses
25 will benefit from the wide-ranging interagency
coordination required by the industrial action plans.

3 In fact, I think this could be the most important
4 innovation for our businesses. At present, the
5 businesses deal with contradicting regulations from
6 different agencies resulting in a ton of confusion
7 and fines. A more coordinated approach will improve
8 regulatory function and create a more fertile
9 environment for businesses to grow.

10 Finally, we think that the ongoing attention to
11 the state of industrial businesses will help elevate
12 the importance of these businesses and the high-
13 quality working-class jobs that they provide. New
14 York City simply cannot function without the goods
15 and services that our industrial businesses provide,
16 whether it's concrete, cabinetry or metal work for
17 new buildings, fresh bread delivered daily to hotels
18 and restaurants, or the processing of recycling
19 waste, created by New York City's residents. These
20 functions are essential to the existence of our city.
21 Ongoing study into the unique intricacies of each IBZ
22 will be informative and remind New Yorkers how
23 important these functions are to our collective
24 existence.
25

3 Ultimately, it will galvanize support to preserve
4 them and develop policies to nurture their growth
5 over the long term. Thank you very much.

6 COMMITTEE COUNSEL: Thank you. Next, we will hear
7 from Rami Dinnawi followed by Kevin Garcia. And as a
8 reminder, if there's anybody else who is interested
9 in testifying who has not heard their name called,
10 please raise your hand using the Zoom raise hand
11 function. Rami Dinnawi, you may begin when the
12 Sergeants call time.

13 SERGEANT AT ARMS: Your time will begin.

14 RAMI DINNAWI: Hi, my name is Rami Dinnawi and
15 I'm the Environmental Justice Campaign and Policy
16 Manager at El Puente. El Puente is a community-based
17 organization located in North Brooklyn. It was
18 founded over 40 years ago in South Side of
19 Williamsburg. El Puente is also a part of the Last
20 Mile Coalition, a citywide coalition of environmental
21 justice and public health advocates working to
22 regulate Last Mile trucking facilities in New York
23 City.

24 Thank you for giving me the opportunity to
25 provide my testimony on Intro. 1012. While we
support the importance of the industrial sector and

1
2 achieving clean energy goals and providing green
3 economic opportunities, we believe there are several
4 areas in which it needs improvement. Firstly, the
5 legislation lacks emphasis on environmental justice.
6 It fails to prioritize the concerns of marginalized
7 communities who bear the disproportionate impacts
8 from industrial activities, such as pollution
9 exposure and health risk.

10 Secondly, the legislation falls short in terms of
11 community engagement. While it mentions a public
12 hearing on the draft plan, it does not provide a
13 robust framework for meaningful community
14 involvement. It is also important to specify the
15 inclusion of existing community plans and any
16 industrial plan formulated and to conduct multiple
17 public hearings, including those conducted within and
18 in collaboration with neighborhood adjacent to IBZs.
19 Furthermore, the legislation needs specific
20 guidelines or requirements for sustainable practices
21 within the industrial sector.

22 Additionally, the legislation primarily focuses
23 on IBZ without considering the cumulative impacts of
24 industrial activities across the entire city. It is
25 essential to assess the overall environmental and

1 health impacts of the industrial sector at a citywide
2 level and develop strategies to mitigate cumulative
3 burdens on communities. Moreover, the legislation
4 lacks clear mechanisms to hold city agencies
5 accountable for implementing the industrial
6 development plan and achieving its goal.
7

8 With our robust monitoring, reporting and
9 enforcement mechanisms, there is the risk that the
10 plans, objectives, will not be effectively
11 implemented leading to missed opportunities for
12 environmental justice and sustainable industrial
13 development. The legislation should align with the
14 target set forth by the CLCPA and refer to the goals
15 of up to 40 percent investment in disadvantaged
16 communities.

17 Lastly, the definitions within the legislation
18 need to be revised. The industrial sector should
19 explicitly acknowledge green and clean energy
20 manufacturing as an industrial use. As previously
21 mentioned by the Council Members, it is concerning
22 that the lack of Last Mile facilities definition at
23 DCP may leave room for Last Mile warehouses to be
24 defined as industrial use.
25

3 In conclusion, to ensuring equitable and
4 sustainable approach to industrial development, it is
5 crucial to address these concerns. We must
6 prioritize environmental justice, enhance community
7 engagement, provide specific guidelines for
8 sustainable practice, considering community impacts,
9 establish accountability measures and revise the
10 definitions within the legislation. Thank you. We
11 look forward to working with you to ensure each of
12 these concerns are a cornerstone in this legislation
13 and we will be submitting written testimony as well.
14 Thank you.

15 COMMITTEE COUNSEL: Okay, next up, we have Kevin
16 Garcia and I believe he is the last person to testify
17 today, so Kevin Garcia, you may begin when the
18 Sergeants call time.

19 SERGEANT AT ARMS: Your time will begin.

20 KEVIN GARCIA: Uhm, thank you all. Thank you to
21 the Chairs and the Committee Members here today for
22 the opportunity to share comments. My name is Kevin
23 Garcia, I am the Transportation Planner with the New
24 York City Environmental Justice Alliance. Founded in
25 1981, NYCEJA is a nonprofit citywide membership
network linking grassroots organizations from low-

3 income communities of color and their struggle for
4 environmental justice. We are also a part of the
5 Last Mile Coalition along with El Puente, Uprose Red
6 Hook Initiative, The Point CDC, Justice and New York
7 Lawyers for Public Interest and we're all working to
8 regulate Last Mile trucking facilities in New York
9 City.

10 NYCEJA has long supported building a climate
11 resilient industrial waterfront while promoting local
12 industrial jobs. Many of our members are based in or
13 near industrial business zones and we understand the
14 importance of these areas for the economic vitality
15 of working-class communities across the city.

16 While recognizing the significance of the
17 industrial sector and achieving clean, energy goals
18 and fostering economic opportunities, Intro. 1012
19 does need to address some critical concerns to ensure
20 a comprehensive and equitable approach to industrial
21 development. One concern is the need for more
22 emphasis on environmental justice within the bill.
23 The legislation does not provide – sorry, does not
24 prioritize environmental justice concern explicitly,
25 nor does it address the disproportionate impacts of
industrial activities on marginalized communities,

3 such as exposure to air, water, and land pollution
4 and other health risks.

5 It is vital to incorporate explicit measures that
6 effectively address these disparities and ensure
7 equitable distribution of the benefits arising from
8 industrial development among all communities.
9 Furthermore, our industrial sector has provided
10 stable and well-paying jobs for many environmental
11 justice community members and this legislation should
12 prioritize these same communities in educational
13 training and workforce opportunities as the
14 transition to green industrial jobs continues in
15 order to prevent job loss and displacement, by
16 integrating specific provisions that center on
17 environmental justice, we construct to mitigate the
18 adverse impacts on marginalized communities and
19 foster a more inclusive approach to industrial
20 development.

21 I also want to raise the concern about the
22 finding the industrial sector within the legislation.
23 The bill should explicitly acknowledge green and
24 clean energy manufacturing as industrial uses. But
25 the other concern is regarding the possibility of
Last Mile warehouses being defined as industrial

1
2 uses. Last Mile warehouses are not defined in the
3 city's zoning resolution. Therefore, they are
4 treated as traditional warehouses but they demand
5 hundreds of daily van and truck trips congesting our
6 roads and leading to more air pollution in our
7 communities.

8 Since these are not traditional warehouses, these
9 facilities must be defined based on use and size and
10 a special permit process must be created as our
11 zoning text amendment application would do, as
12 mentioned earlier. And this would help protect our
13 communities and help the city plan accordingly for
14 these facilities.

15 SERGEANT AT ARMS: Time expired.

16 KEVIN GARCIA: Thank you all for your time.

17 COMMITTEE COUNSEL: Thank you Mr. Garcia. We
18 have one person who has signed up to testify. The
19 person who is currently registered is Charles Yu. We
20 are going to unmute you but please state your name
21 for the record and we'll update it here on the Zoom
22 and then you can begin your testimony.

23 BRIAN COLEMAN: Thank you very much. My name is
24 Brian T. Coleman and I'm the CEO of the Green Point
25 Manufacturing Design Center. So, thank you Chair,

3 Committee Members, Council Members. We represent the
4 city's premier nonprofit industrial real estate
5 developer of affordable manufacturing space. We
6 purchase industrial buildings and develop them for
7 occupancy by small manufacturing businesses. The
8 organization has developed over 700,000 square feet
9 of industrial space in Brooklyn and Queens. We
10 currently own and manage six buildings that are home
11 to 126 companies and over 730 manufacturing jobs.
12 Our tenants include wood workers, cabinet makers,
13 display makers, metal workers and a variety of
14 artisanal trades and artists.

15 As a member of the Industrial Jobs Coalition, JBC
16 is part of a network of industrial sector advocates,
17 services providers and developers collaborating to
18 protect and preserve the manufacturing sector in New
19 York City. The Industrial Development Action Plan
20 put forth by the Council seeks to advance economic
21 equity and opportunity for every New Yorker and we
22 strongly support it. Industrial businesses comprise
23 the second largest private sector employer in New
24 York City.

25 In GMDCs six buildings alone, our small business
tenants general annual revenues in excess of \$100

1 million. Additionally, the average annual salary in
2 GMDCs building is \$54,500. Much more than
3 traditional retail and food service jobs. Industrial
4 jobs or for higher wages, low barriers to entry, and
5 opportunity pass for workers of nontraditional
6 backgrounds including a workforce that is 80 percent
7 people of color and 50 percent foreign born. In
8 every borough and in every IBZ, we find examples of
9 innovative businesses that contribute to tens of
10 thousands of industrial and manufacturing jobs. The
11 Industrial Development Action Plan seeks to solidify
12 these core industrial district with use group
13 restrictions and increase FAR that would ensure the
14 existing industrial buildings otherwise at risk of
15 displacement, we continue to have a long-term future
16 in New York City.

17 We think the growth districts in transition areas
18 should be removed from the planning framework to
19 signal that the industrial areas in the city are for
20 industrial businesses only. We also recommend that
21 current economic development incentives must include
22 a goal of optimizing and growing industrial
23 incentives to transform outdated criteria,
24 application processes and metrics, so that they
25

1
2 remain accessible and applicable today's industrial
3 businesses.

4 As a matter of compliance and to ensure that
5 these goals are met, we encourage the city to
6 stipulate that any applicants proposing a ULURP and
7 existing IBZs must identify how their zoning plan
8 aligns with the land use goals of the IDAP. This is
9 a critical moment to jump start comprehensive reform
10 to the city's existing industrial -

11 SERGEANT AT ARMS: Your time has expired.

12 BRIAN COLEMAN: Okay, and to ensure the long
13 [03:08:32] of manufacturers. We appreciate the
14 Council has given attention to this area of the IBZs
15 and the manufacturers in general and we hope that you
16 continue to pursue other initiatives in the same
17 area. Thank you very much.

18 CHAIRPERSON FARIAS: Thank you so much for
19 everyone who testified with us. Uhm, seeing that
20 there are no more hands up virtually or here in
21 person, I would like to say, we're trying as a
22 Council to pay more attention to this really critical
23 area in the city and Council Member Gutiérrez and I
24 continuously make the joke that we're trying to make
25 manufacturing and the industrial sector sexy again.

1 COMMITTEE ON ECONOMIC DEVELOPMENT JOINTLY
2 WITH THE COMMITTEE ON LAND USE 162

3 And we're hoping to do so with this bill, especially
4 hearing with all of the overwhelming support but
5 we're looking forward to working together with the
6 Admin to finding a way to make this a realty for our
7 sectors here throughout the city.

8 And with that, we are closing at 5:02. [GAVEL]
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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date July 15, 2023