

# THE COUNCIL OF THE CITY OF NEW YORK

Hon. Corey Johnson  
Speaker of the Council

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



Report of the Finance Division on the  
Fiscal 2019 Preliminary Budget and the  
Fiscal 2018 Preliminary Mayor's Management Report for the  
**Economic Development Corporation**

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## Economic Development Corporation Overview

New York City Economic Development Corporation (NYCEDC) is charged with leveraging the City’s assets to drive growth, create jobs, and improve quality of life.

### Agency Divisions



### New York City Economic Development Corporation

- Implements policy and programmatic initiatives that address current issues faced by each industry, create good jobs, and promote entrepreneurship and economic diversification across the five boroughs;
- Provides urban planning, site cleanup expertise, interagency effort coordination on area-wide initiatives and maritime support;
- Manages approximately 200 City-owned real estate properties which totals about 60 million square feet of real estate as well as non-traditional assets across all five boroughs of New York City;
- Provides project management and analysis for real estate sales, funding agreements, deed modifications, developer submissions, planning projects and more;
- Provides the physical infrastructure, facilities, and amenities that strengthen the City’s competitive position and facilitates investments that build capacity within the City; and
- Works with private organizations that are awarded City funds by elected officials. NYCEDC administers the payment of these funds, which must be used to help underwrite the costs of capital projects that provide the City with a public benefit.

## NYCEDC Structure

NYCEDC's capital structure is unique and quite different from the other city agencies. This report provides a review of NYCEDC's Preliminary Budget for Fiscal 2019, which includes significant highlights of the \$4.1 billion Capital Plan for Fiscal 2018-2022. The report also presents a handful of key budget actions from the November and Preliminary Plans, as well as highlights from the Fiscal 2018 Preliminary Mayor's Management Report (PMMR). Appendices are included to show all of the budget actions in the November and Preliminary Plans, the Fiscal 2018 PMMR, Capital projects broken down by borough, Non-NYCEDC project overviews and the Fiscal 2016 and 2017 performance highlights.

Much of NYCEDC's budget is funded with capital dollars. A portion of the Department of Small Business Service's ("SBS") Expense Budget goes to NYCEDC, funding non-capital related expenses, which are typically programs that NYCEDC executes on behalf of other agencies. It should be noted, however, that these funds do not cover NYCEDC's operating expenses. NYCEDC is a self-sustaining non-profit organization that was created to drive and shape New York's economic growth. It uses city resources to create a bridge between city agencies, private businesses and local communities.

NYCEDC currently owns and operates 66 million square feet of real estate. In addition to the \$4.1 billion in its Preliminary Capital Commitment Plan, NYCEDC is also managing 581 projects and nearly \$2.5 billion (including City and Non-City funds) in capital projects for other agencies. The \$4.1 billion in the Preliminary Capital Plan includes 123 Council projects with a total value of \$100.2 million. Because of its unique structure, NYCEDC uses its revenue to make both fiscal contributions to the city and long-term strategic investments.

### **New York City Industrial Development Agency**

NYCEDC also administers the New York City Industrial Development Agency ("NYCIDA"), a public benefit corporation that assists companies coming to or relocating within New York City to expand their operations here. NYCIDA contracts with NYCEDC for staffing and administrative services.

NYCEDC markets NYCIDA programs through a variety of initiatives, including providing a detailed description of NYCIDA services on its website, direct mailings, and informational seminars, often in partnership with local development corporations located citywide. NYCIDA does not provide loans or grants, but instead acts as a conduit organization for financing in the bond market and it conveys certain tax reductions.

- NYCIDA closed 20 projects in Fiscal 2013, 21 projects in Fiscal 2014, and 14 projects in Fiscal 2015.
- Benefits vary widely among the different programs, but are usually several million dollars over the project term, which is generally 25 years.
- A project size of \$1 million or greater is generally where the break-even point occurs, from the company's perspective.

### **Build NYC Resource Corporation**

NYCEDC also administers Build NYC Resource Corporation ("Build NYC"), a local development corporation incorporated under the New York Not-for-Profit Corporation Law that assists qualified projects in obtaining tax-exempt and taxable bond financing. As a conduit bond issuer, Build NYC's primary goal is to facilitate access to private activity tax-exempt bond financing for a variety of eligible borrowers to acquire, construct, renovate and/or equip their facilities.

## Capital Funds

NYCEDC has several funds in its Capital Plan that total \$1.3 billion for the Fiscal 2018-2022. These funds will be used in the future for various projects based on City priorities. As the recipients of these funds are decided later, the Council was not aware of all the projects when the budget was adopted, including the \$83 million dollar Harlem River Greenway Link - New Park Development project that came out of the Neighborhood Development fund.

- The Neighborhood Development Fund, which totals \$506.3 million for Fiscal 2018-2022, provides infrastructure work for neighborhoods set for rezoning under the Mayor's Housing New York plan.
- The Housing Fund invests in infrastructure needed for new development of potential housing sites and proposes spending \$460.8 million for Fiscal 2018-2022.
- The Industrial Developer Fund, with a total funding of \$41 million for Fiscal 2018-2022, helps stimulate and subsidize the creation of new, high-impact industrial real estate and provides qualified real estate developers with gap-financing assistance.
- The Waterfront Improvement Fund, with a proposed \$157.6 million for Fiscal 2018-2022, is used to perform capitably eligible waterfront improvements necessary to keep city-owned property in a state of good repair such as substructure and structural repairs to properties citywide.
- The Asset Management Fund, which totals \$122.1 million for Fiscal 2018-2022, is used to perform capitably eligible waterfront improvements necessary to keep city-owned property in a state of good repair such as substructure and structural repairs to properties citywide. Priority is given to improvements required to life safety systems, lease obligations, preventative measures, and quality of life.

## Recent Legislation

To improve transparency of NYCEDC, in December 2017 the City Council passed legislation that expands the Council's oversight. Local Law 220 of 2017 mandates that the NYCEDC provide fiscal impact statements and job creation estimates for all of their projects that receive financial assistance. Local Law 221 of 2017 requires the NYCEDC to provide details of efforts to recover funds from NYCEDC-contracted entities that are failing to meet project goals. Finally, Local Law 222 of 2017 requires that NYCEDC submit a project description and budget for covered economic projects to the City Council Speaker for review and comment at least 30 days before holding a public hearing on the project or, for projects which do not require a public hearing, before the project agreement is executed.

## Miscellaneous Revenue

NYCEDC collects revenue from the issuance of permits, the charge for service of energy cost-savings fees, the sale of assets, and rental income from a number of sources. Beginning with Fiscal 2017, NYCEDC retained \$16.7 million annually of this revenue (Maritime Contract Payment) as part of its terms for operating the Citywide Ferry Service (CFS). NYCEDC will be responsible for all operating costs related to CFS. To assist with this cost, the City has decreased the number of annual payments NYCEDC has traditionally made to the City.

## Fiscal 2019 Preliminary Plan Expense Budget Highlights

A portion of the Department of Small Business Services' Fiscal 2019 Preliminary Budget represents funds for NYCEDC, whose non-capital related expenses flow through the budget of SBS. Highlights of these key actions for NYCEDC are described below. Appendix A lists all the budget actions in the Fiscal 2019 Preliminary and Fiscal 2018 November Plan including those highlighted here.

- **Staten Island and Brooklyn Projects.** The Fiscal 2019 Preliminary Plan includes \$2.7 million in Fiscal 2018 for projects at Homeport in Staten Island and Red Hook in Brooklyn.
- **Early Learn Service integration project.** The Fiscal 2019 Preliminary Plan includes \$2 million in Fiscal 2018 for funding for the Early Learn Service integration project with DOE.
- **Graffiti Free and CleanNYC Operating Funds.** The Fiscal 2019 Preliminary Plan includes \$1.9 million in Fiscal 2018 and \$3.1 million in Fiscal 2019 for the expansion of the GraffitiFree (GFNY) and CleanNYC programs, which provides graffiti removal services and pressure washing of highly trafficked sidewalks in the City's commercial corridors.
- **Brooklyn Bridge Esplanade.** The Fiscal 2019 Preliminary Plan includes \$1 million in federal funds Fiscal 2018 for design of the Brooklyn Bridge Esplanade.
- **NYCEDC Raise Shorelines Realign.** The Fiscal 2019 Preliminary Plan includes \$910,000 in Fiscal 2018, \$4.5 million in Fiscal 2019 and \$6.5 million in Fiscal 2020 to Fiscal 2021 for a project to reinforce shoreline to prevent erosion.

## Fiscal 2018 November Plan Expense Budget Highlights

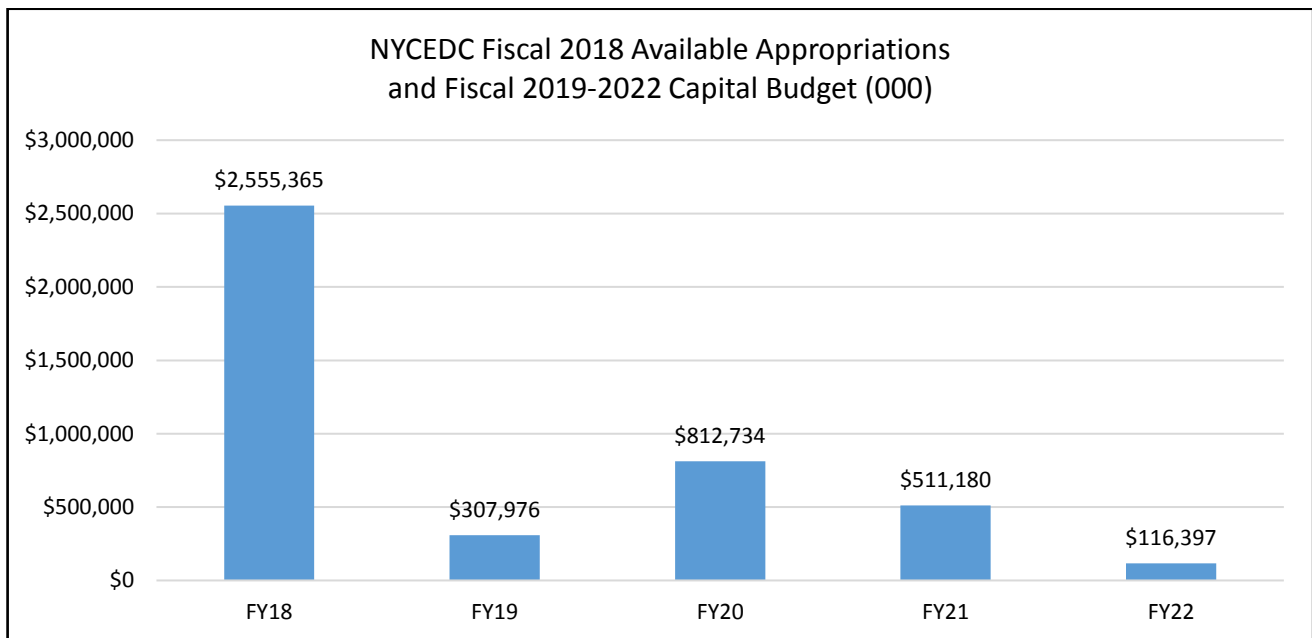
- **Upland Park Construction.** The Fiscal 2018 November Plan includes \$6.3 million in Fiscal 2018 for abatement, demolition, and design for the construction of new Upland Park at Pier 42 in Manhattan.
- **Restore Shoreline.** The Fiscal 2018 November Plan includes \$3.8 million in Fiscal 2018 in FEMA funding to restore and extend the Tompkinsville Shoreline on North Shore of Staten Island in an effort to improve infrastructure, public access and coastal resiliency.
- **Brooklyn Navy Yard Project.** The Fiscal 2018 November Plan includes \$3 million in Fiscal 2018 for a Virtual Reality and Augmented Reality Lab at the Brooklyn Navy Yard.
- **Raise Shoreline Study.** The Fiscal 2018 November Plan includes \$2.6 million in Fiscal 2018 for Raise Shoreline design and Edgemere drainage study.
- **Homeport Campus Demolition.** This Fiscal 2018 November Plan includes \$2.5 million in FEMA funding in Fiscal 2018 for the demolition of structures damaged by Superstorm Sandy in the Homeport Campus to make space for future, storm resilient facilities.
- **Red Hook Improvement.** The Fiscal 2018 November Plan includes \$1.1 million in Fiscal 2018 for physical improvements to mitigate the threat of inundation in Red Hook, Brooklyn.
- **Hurricane Sandy Sand Removal.** The Fiscal 2018 November Plan includes \$978,280 in Fiscal 2018 for the removal of sand that intruded upon the Rockaway Beach Boardwalk and Shore Front Parkway during Hurricane Sandy.
- **Climate Resilient Technologies.** This Fiscal 2018 November Plan includes \$776,781 in Fiscal 2018 for innovative and cost-effective technologies that help prepare small businesses for future climate events.

- City Environmental Quality Review.** The Fiscal 2018 November Plan includes \$527,800 in Fiscal 2018 for technical transportation, air quality and noise analyses pursuant to City Environmental Quality Review (CEQR) for land use zoning actions.

## Capital Program

### Fiscal 2019 Preliminary Capital Budget

The Capital Budget provides the required appropriations for Fiscal 2019 and planned appropriations for the subsequent three-year capital program. Appropriations represent the legal authority to spend capital dollars and are what the Council votes on at budget adoption. The Commitment Plan, which is a five-year spending plan, is the plan to spend those appropriations. The Capital Budget is significantly less than the Capital Commitment Plan because it does not include the current appropriations for Fiscal 2018 or the amount of funding that may be re-appropriated or rolled into Fiscal 2019 in the Executive and Adopted Budget. This report will provide an overview of the Capital Budget and Commitment Plan for NYCEDC.

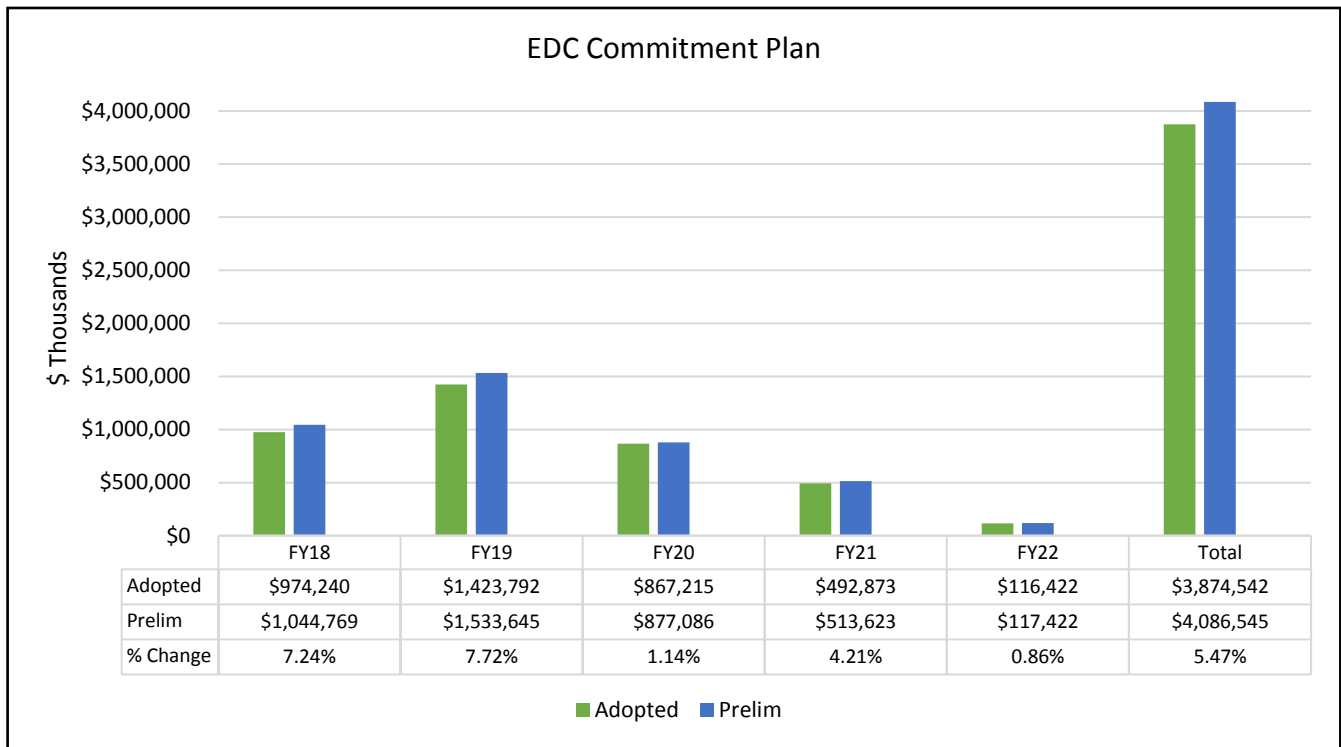


As shown in the chart above, the NYCEDC’s Fiscal 2019 Preliminary Capital Budget includes \$1.7 billion in Fiscal 2019-2022. This represents approximately four percent of the City’s total \$45.9 billion Capital Budget for Fiscal 2019-2022. Available appropriations for Fiscal 2018 total \$2.6 billion. This includes \$1.5 billion in reauthorized prior appropriations and \$1.1 million in authorized Fiscal 2018 appropriations, less actual commitments in the current fiscal year.

### Preliminary Capital Commitment Plan

The Fiscal 2019 Preliminary Capital Commitment Plan, which covers Fiscal 2018-2022, includes more than \$4 billion for NYCEDC (including City and Non-City funds). This represents approximately 5.13 percent of the City’s total \$80 billion Preliminary Plan for Fiscal 2018-2022. NYCEDC’s Preliminary Commitment Plan for Fiscal 2018-2022 is 5.47 percent more than the \$3.9 billion scheduled in the Adopted Commitment Plan, an increase of \$212 million. This Commitment Plan includes 83 budget lines and 547 project IDs.

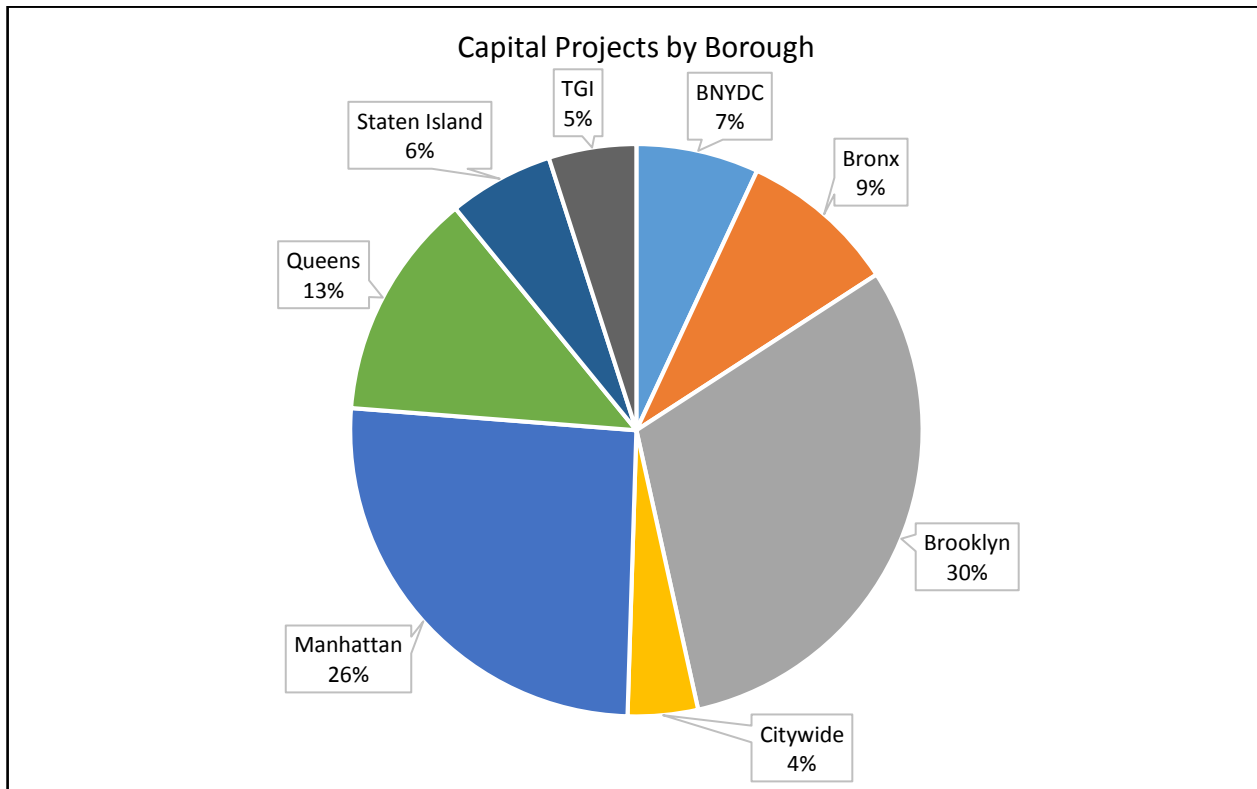
The majority of the capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. However, this also makes it difficult to track when projects were originally scheduled and completed. In Fiscal 2017, the Corporation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



The total available appropriations for Fiscal 2018 are \$2.6 billion against planned commitments totaling \$1 billion. This excess balance of \$1.6 billion in appropriations gives the Administration considerable flexibility within the capital plan. However, as the commitment of appropriations are legally bound to their budget line descriptions, this flexibility is more limited than it appears from this variance alone.

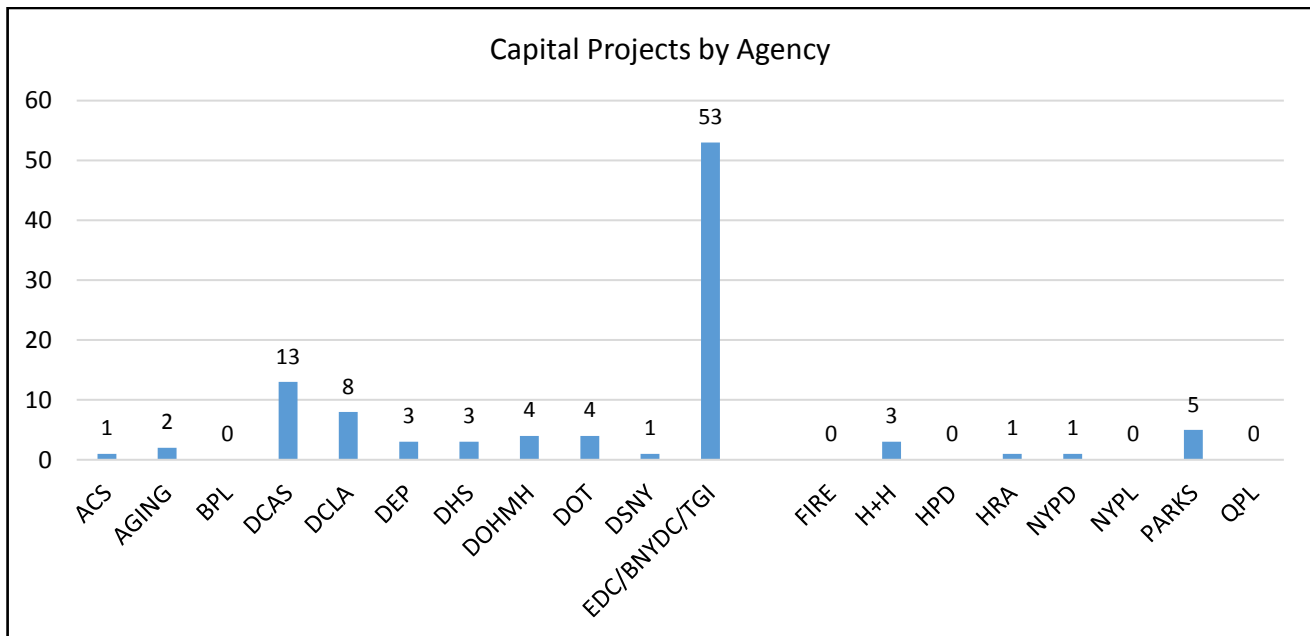
The graph below illustrates NYCEDC projects broken down by borough in the Fiscal 2019 Preliminary Capital Commitment Plan. Out of the 468 projects, Brooklyn has the largest share of 143 projects, followed by Manhattan with 120 projects. Queens has 61 projects, Bronx has 43 and Staten Island has 27. A total of 18 projects are citywide projects, 32 projects are managed by Brooklyn Navy Yard Development (BNYDC) and 24 projects are managed by Trust for Governors Island (TGI). Even though Brooklyn has the largest number of projects, the 18 citywide projects are the largest portion of NYCEDC’s budget with a total funding amount of \$1.4 billion. The second largest portion of NYCEDC’s total capital budget are the 143 projects in Brooklyn that total \$781.2 million. Table D in the Appendix section provides a breakdown of the number of projects and the dollar value of the projects by borough.





**Non- NYCEDC Projects Overview**

In addition to the \$4.1 billion Preliminary Capital Commitment Plan discussed above, NYCEDC is also managing nearly \$2.5 billion (including City and Non-City funds) in capital projects for other agencies. Below is a snapshot of the agencies NYCEDC manages projects for, which includes over \$1 billion for Health & Hospitals, \$259 million for the Department of Cultural Affairs (DCLA) and \$186.1 million for the Department of Parks and Recreation. Table E in the Appendix provides a breakdown of the number of projects and the dollar value of the projects by agency.



## City Council-Funded Discretionary Projects

The Fiscal 2019 Preliminary Capital Plan includes projects that receive funding from the City Council. This subset includes 123 projects with a total value of \$100.2 million, or nearly 2.45 percent, of NYCEDC's Fiscal 2018-2022 Preliminary Capital Plan. The chart below highlights the total spending for 14 major projects receiving more than \$60.9 million in funding.

NYCEDC Discretionary-Funded Projects, Fiscal 2018-2022		
<i>Dollars in Thousands</i>		
#	Project Title	Total Amount
1	Hunts Point Produce Market Rail Imp.	\$6,817
2	La Marqueta Plaza Rehabilitation	\$6,500
3	BNYDC Channel 75 Building Renovation	\$6,342
4	Make the Road New York	\$5,146
5	GROWNOC--Construction of Regional Food Hub in Brooklyn	\$5,000
6	Ferry Pier at Dyckman Marina	\$5,000
7	Hunts Point Market	\$4,683
8	La Marqueta Plaza Rehabilitation	\$4,000
9	Hunts Point Cooperative Market	\$3,450
10	1680 Lexington Avenue - Julia De Burgo Latino Cultural Ct.	\$3,300
11	Caribbean American Chamber of Commerce and Industry - CATCC	\$3,000
12	PPA - GALLOPNYC – Riding in Pros Pk	\$2,600
13	CEC Stuyvesant Cove Inc.-Construction of Solar 2	\$2,575
14	AIDS Memorial	\$2,500

## 2019 Preliminary Capital Budget Highlights

NYCEDC has several funds in its Capital Plan that total \$1.3 billion for the Fiscal 2018-2022.

**Acquisition Fund.** This fund will be used for future land acquisitions to assist in the implementation of City policy priorities. The focus will be on areas that are traditionally underserved or under-invested in order to help stabilize communities through affordable housing development and catalyze future economic growth.

**Neighborhood Fund.** This fund was created to support capital investments where the City is pursuing a rezoning. Work includes pedestrian plazas, streets, playgrounds, parks and pre-development costs. Commitments and expenditures will happen alongside the rezoning efforts. Projects from this fund include Redfern Playground and New Park at Nameoke Street that are part of the Downtown Far Rockaway rezoning infrastructure development.

**Industrial Fund.** This fund was created in order to help stimulate and subsidize the creation of new, high-impact industrial real estate. The Industrial Developer Fund provides qualified real estate developers with gap-financing assistance. These public funds are intended to leverage owner equity so that the project merits traditional bank/senior lender financing provided under the fund structure. Qualified projects seeking fund support will be considered when high impact projects are unable to move forward due to funding gaps. Projects must create long-term industrial real estate property and demonstrate creation of quality, permanent industrial jobs. Greenpoint Manufacturing and Design Center (GMDC) is the first recipient of this fund.

**Housing Fund.** This fund will be dedicated to the infrastructure investments required for potential housing sites to be viable for new development. Housing New York set the goal of 80,000 new-construction affordable housing units over ten years, and new production will come from various sources, including current and projected City pipelines, as-of-right development, and existing and new

Inclusionary Housing areas. Many publicly-owned sites will require new infrastructure investment before development can occur, from physical infrastructure like streets and sewers, to site preparation like remediation or site elevation.

**Asset Management.** This fund is used to perform capitably eligible waterfront improvements necessary to keep city-owned property in a state of good repair such as substructure and structural repairs to properties citywide. The NYCEDC identifies the needs by performing inspections and submits them in the form of a ten-year plan to OMB. Priority is given to improvements required to life safety systems, lease obligations, preventative measures, and quality of life.

**Waterfront Improvements.** This fund is used to perform capitably eligible waterfront improvements necessary to keep city-owned property in a state of good repair such as substructure and structural repairs to properties citywide. The NYCEDC identifies the needs by performing inspections and submits them in the form of a ten-year plan to OMB. Priority is given to improvements required to life safety systems, lease obligations, preventative measures, and quality of life.

**Brooklyn Army Terminal (BAT) New Needs.** These funds are related to BAT Phase V, the renovation of 500,000 SF in Building A to create modern, energy-efficient space for medium-sized light industrial and commercial businesses (minimum 2,000 SF per business).

**Bush Terminal - Made in New York Campus.** The campus will house space for garment manufacturing and film and television production, utilizing underused buildings along Sunset Park's waterfront. The campus is scheduled to open in 2020 and is expected to create more than 1,500 permanent jobs and more than 800 construction jobs.

**Citywide Ferry Service.** Citywide Ferry Service was announced as part of the Mayor's State of the City Address on February 3, 2015. The service will connect waterfront communities to improve waterfront access, transit equity and resiliency, support residential growth, and promote economic development. There will be a total of five new routes plus the existing East River Ferry route which will connect 21 landings (ten of them new). Citywide Ferry Service is projected to support approximately 4.6 million rider trips per year. Fares on the new service will cost \$2.75, the same as a bus or subway ride.

- Homeport at Brooklyn Navy Yard – funds to create a homeport at the Navy Yard for ferry vessels.
- Vessel Rehabilitation – funds for the purchase of twenty ferries for the Citywide Ferry Service. This is one more ferry than initially planned, due to the addition of a stop at the Brooklyn Navy Yard.
- Barges – funds for the construction of barges, gangways, and capital infrastructure needs required for the ferry landings.

**Coney Island West.** In Coney Island, the City is making strategic investments in infrastructure to support the existing neighborhood and help spur the development of up to 4,000 units of new affordable and mixed-income housing, as well as neighborhood retail services, and jobs. This redevelopment program will take place on vacant land and parking lots located in areas that were part of the Coney Island Comprehensive Rezoning in 2009, but have since remained undeveloped. Working with agency partners and in close consultation with the local elected officials, NYCEDC has developed a roadmap for an upgraded sewer system, new streets with higher grades, and the relocation and enhancement of several City facilities.

**Willets Point Urban Renewal Area- Subgrade Improvements.** Capital funds associated with the subgrade improvements represent costs related to the preparation of environmental review documents, associated legal fees, urban design work.

**South Brooklyn Marine Terminal.** These funds will be used for the rehabilitation of the 33rd Street Pier at the South Brooklyn Marine Terminal.

**Hunts Point Area Wide Improvements.** These funds will be used for soil stabilization (sink hole remediation), rail infrastructure, vehicular circulation, loading dock improvements, and food cold chain improvements on the peninsula.

**Hunts Point Meat Market.** These funds will be used to make improvements for meat market businesses. These improvements include building upgrades and approximately 100,000 square feet of flexible food distribution processing and manufacturing space. Work will commence once site preparation is complete.

**Life Sciences Hub.** Funds for the creation of a Life Sciences Hub as part of the recently announced LifeSci Initiative. The initiative, announced by the Mayor in December 2016, plans to invest \$500 million in the life sciences in New York City over ten years. In addition to the life sciences campus, the initiative will create tax incentives to attract investment in commercial lab space, invest in internships and life sciences curricula in the City, commit matching funds to support early-stage businesses, and provide funding to expand training programs for entrepreneurs.

**Manhattan Greenway.** This is a project to construct an esplanade to close a gap in waterfront parkland on the East Side of Manhattan between 53rd and 61st Streets.

**Harlem River Greenway Link - New Park Development.** The section of the East River Esplanade between East 96th Street to East 132nd Street is an area of opportunity to achieve several goals in the EHNP related to resiliency and open space. The deterioration of the existing section of the esplanade (East 96th Street to East 125th Street) is extensive and getting worse and more expensive with each passing year. As part of the East Harlem rezoning, \$83 million of the Neighborhood Development Fund (NDF) will be used for upgrades of the East River Esplanade and public park space between East 125th Street and East 132nd Street. The Neighborhood Development Fund was created to support capital investments where the City is pursuing a rezoning. Work to be funded includes pedestrian plazas, streets, playgrounds, parks and pre-development costs. Commitments and expenditures will happen alongside the rezoning efforts.

**Red Hook Hazard Mitigation Grant Program.** The Red Hook neighborhood saw unprecedented flooding during Hurricane Sandy which left many residents and businesses without basic services for weeks. The Hazard Mitigation Grant Program (HMPG) funding is a critical step toward ensuring a more resilient Red Hook community in the face of future extreme weather and a changing climate. Project includes environmental review, permitting, design, engineering, and construction.

**Rockaways Infrastructure Improvements.** Project includes economic development, resiliency and infrastructure, housing and land use, transportation, culture, tourism and open space to transform Downtown Far Rockaway.

**Southwest Bronx Infrastructure Improvements.** Project includes infrastructure investments in the waterfront, publically accessible open space, public utilities and resiliency to catalyze public and private affordable housing development in a transit-rich area.

**Stapleton Waterfront Phase II & III.** The Homeport, a 35-acre decommissioned U.S. Naval Base in Staten Island, is being transformed into a vibrant, sustainable, and livable addition to the Stapleton

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

**Projects related to New York Works (the Jobs Plan).** In the 2017 State of the City, Mayor De Blasio set a goal of using direct City actions to spur 100,000 new, good-paying jobs over the next ten years. NYCEDC's Fiscal 2019 Preliminary Capital Plan includes new projects targeted to creating good-paying industrial and manufacturing jobs in New York City. These projects include Brooklyn Army Terminal Logistics Center, BAT Anchor Tenant Strategy, BAT Plug-In Industrial Strategy, Tenant Improvement Fund, Freight NYC - Hunts Point Marine Highway and Freight NYC - Sunset Park Rail.

## Fiscal 2018 Preliminary Mayor's Management Report Highlights

The Fiscal 2018 Preliminary Mayor's Management Report (PMMR) outlines the responsibilities and goals of NYCEDC. In the Fiscal 2018 PMMR, NYCEDC has four service goals detailed below.

- 1) The first service goal is to develop and build physical assets and infrastructure in all five boroughs.
- 2) The second service goal is to manage, maintain and enhance City assets to attract businesses.
- 3) The third service goal is to provide resources to targeted industries and businesses.
- 4) The fourth service goal is to leverage City investments to support inclusive economic development.

The chart in Appendix C provides all performance statistics for Fiscal 2015 to 2017, target data for Fiscal 2018 and Fiscal 2019, and four-month actual data for Fiscal 2017 and Fiscal 2018. Appendix B Several indicators worthy of highlighting include:

- NYCEDC closed two real estate transactions in the first four months of Fiscal 2018, helping to unlock nearly \$445 million in new private investment. This includes the sale of an approximately 8.5-acre parcel in Staten Island's Teleport Campus to the Nicotra Group. The Nicotra Group will construct an approximately 330,000 square foot commercial office building on the site, with 20 percent of the building dedicated to medical office space. The project will create approximately 2,500 permanent jobs.
- Capital expenditures for design and construction projects managed by NYCEDC, with the exception of those related to asset management and funding agreements, exceeded \$17 million for the period of July to October 2017.
- Monthly ridership on the NYC Ferry, which launched May 1, 2017, averaged 452,291 during the first four months of Fiscal 2018. The opening of the Astoria Route in August contributed to the NYC Ferry's highest single day of ridership on Labor Day with over 30,000 riders. By the end of October, the NYC Ferry had reached over 2.4 million total riders across its four routes

since its May launch, exceeding projections. Two additional routes, Soundview in the Bronx and the Lower East Side in Manhattan, will be added in Summer 2018.

- The New York City Industrial Development Agency (NYCIDA) closed three transactions during the first four months of Fiscal 2018. Collectively, these projects are expected to generate over \$1.1 billion in City tax revenue, leverage close to \$4 billion in private investment and support 7,504 jobs within the first three years of their respective terms. The majority of this substantial growth stems from the closing of the 50 Hudson Yards project, a 2.8 million square foot commercial tower which will include both office and retail space.
- Build NYC Resource Corporation (Build NYC) closed four transactions during the first four months of Fiscal 2018. Collectively, these projects are expected to generate nearly \$22 million in City tax revenue, leverage more than \$61 million in private investment and create 40 jobs within the first three years of their respective terms.
- The value of City capital grants disbursed through capital funding agreements exceeded \$8.6 million. Notable highlights include the purchase of a permanent facility for the Chocolate Factory Theater in Long Island City and the completion of improvements to the Riverdale Neighborhood House community center in the Bronx.

## Appendices

### A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	Fiscal 2018			Fiscal 2019		
	City	Non-City	Total	City	Non-City	Total
<b>SBS Budget as of the Adopted 2018 Budget</b>	<b>\$143,291</b>	<b>\$73,242</b>	<b>\$216,533</b>	<b>\$94,477</b>	<b>\$47,936</b>	<b>\$142,413</b>
<b>New Needs</b>						
100K Jobs Plan CUNY 2X Tech	\$806	\$0	\$806	\$1,969	\$0	\$1,969
Construction Safety Training	3,538	0	3,538	0	0	0
MWBE Bond and Loan Roll Over	1,000	0	1,000	0	0	0
Bus Program	41,800	0	41,800	140	0	140
Construction Safety Training	0	0	0	18,704	0	18,704
Graffiti Free and CleaNYC Operating Funds	1,940	0	1,940	3,100	0	3,100
SBS AppenticeNYC	457		457	1,098	0	1,098
<b>Subtotal, New Needs</b>	<b>\$49,541</b>	<b>\$0</b>	<b>\$49,541</b>	<b>\$25,011</b>	<b>\$0</b>	<b>\$25,011</b>
<b>Other Adjustments</b>						
Agency OTPS Savings	(\$198)	\$0	(\$198)	(\$386)	\$0	(\$386)
Agency PS Savings	(307)	0	(307)	0	0	0
Allocation of BNY Expense PWs	0	832	832	0	0	0
BNYDC Technical Adjustment	0	(1,118)	(1,118)	0	0	0
City Environmental Quality Review	0	528	528	0	0	0
E34 St Heliport Fence FY18	0	194	194	0	0	0
Hurricane Sandy Sand Removal	0	978	978	0	0	0
NYCEDC Staff Time Budget	0	1,458	1,458	0		0
NYCEDC Technical Adjustment	0	(8,419)	(8,419)	0	0	0
Environ. Services FY18 Roll	0	100	100	0	0	0
Restore Shoreline	0	3,883	3,883	0	0	0
FY 18 RENT FOR 130 CEDAR ST	0	205	205	0	0	0
FY17 HRO Roll to FY18	0	18,700	18,700	0	0	0
FY18 Budget for Connect NYC	0	159	159	0	0	0
FY18 Budget for Z043	0	355	355	0	0	0
FY18 DORIS Grant	0	75	75	0	0	0
FY18 Flood MOU	0	1,011	1,011	0	0	0
FY18 Fund Transfer 0708	0	8,600	8,600	0	0	0
FY18 Fund Transfer for FEMA RH	0	711	711	0	0	0
Homeport Campus Demolition	0	2,521	2,521	0	0	0
FY18 Increase for FY17 Accrual	0	2	2	0	0	0
FY18 MOER Z047 Budget	0	129	129	0	0	0
FY18 MOER Z048 Budget	0	31	31	0	0	0
FY18 MOER Z053 Budget	0	165	165	0	0	0
FY18 MOER Z054 Budget	0	165	165	0	0	0
Climate Resilient Technologies	0	777	777	0	0	0
FY18 Rollover Incr for AveNYC	0	564	564	0	0	0
FY18 Staff time Budget	0	1,138	1,138	0	0	0
FY18 transfer for Pier 42	0	176	176	0	0	0
FY18-19 Bus PREP City	0	208	208	0	778	778
FY18-19 Bus PREP State	0	1,004	1,004	0	753	753
FY18-19 HSBLGP Budget	0	903	903	0	22	22
FY18-OY Pop Grant Rev Align	0	1	1	0	1	1
FY19 NOV DOE-SBS Transfer	91	0	91	91	0	91
Hammond Cove Dredging	0	150	150	0	0	0

<i>Dollars in Thousands</i>	Fiscal 2018			Fiscal 2019		
	City	Non-City	Total	City	Non-City	Total
Hunt's Point FY18 Initial Budg	0	618	618	0	0	0
I/C NYCEDC FY18	0	129	129	0	0	0
IC W/NYCEDC - PHL	0	400	400	0	0	0
LMCR FY18 Initial budget	0	929	929	0	0	0
Member Item Reallocation	236	0	236	0	0	0
MiNY Media Center-MOME	0	500	500	0	0	0
Brooklyn Navy Yard Project	0	3,000	3,000	0	0	0
MOS EO26 transfer with DDC	0	(1,500)	(1,500)	0	0	0
NPS-Fort Tilden East & Riis La	0	170	170	0	0	0
NYC at Work	0	162	162	0	195	195
NYC At Work ICD Grant	0	47	47	0	23	23
NYCEDC -The Inspection of Wat	0	578	578	0	0	0
NYC Media Lab combine MOME	0	500	500	0	0	0
nyserda intracity	0	612	612	0	0	0
OER Jumpstart Savings	(57)	0	(57)	(40)	0	(40)
One-Stop Waterfront Permitting	0	28	28	0	0	0
ORR Study FY18 Balance	0	783	783	0	0	0
Upland Park Construction	0	6,300	6,300	0	0	0
PTAC OTPS	0	150	150	0	0	0
Raise Shoreline Study	0	2,581	2,581	0	0	0
Raise Shorelines: Title Search	0	90	90	0	0	0
Red Hook Improvements	0	1,066	1,066	0	0	0
Rockaway Ferries FY18	0	434	434	0	0	0
Saw Mill Creek NYCDOS Wetlands	0	60	60	0	0	0
TAA FY17 to FY18 Rollover	0	417	417	0	0	0
TGI Savings - Electricity	(176)	0	(176)	(171)	0	(171)
NYCEDC will receive funds for the Coney	150	0	150	0	0	0
NYCEDC will receive funds for the NYC x Design	100	0	100	100		100
Funds from the GreeNYC Behavior Change Media Campaign	(100)	0	(100)	(100)	0	(100)
Allocation of TGI Expense PWs	0	591	591	0	0	0
BNYDC Technical Readjustment	0	1,118	1,118	0	0	0
Brooklyn Bridge Esplanade	0	1,000	1,000	0	0	0
Drainage Study at Edgemere	0	0	0	0	68	68
NYCEDC Raise Shorelines Realign	0	910	910	0	4,553	4,553
Staten Island and Brooklyn Projects	0	2,677	2,677	0	0	0
Funding Reallocation	(50)	0	(50)	50	0	50
FY18 TAA Increase	0	645	645	0	0	0
Early Learn Service integration project	0	2,000	2,000	0	0	0
NYC At Work Neilsen Foundation	0	48	48	0	82	82
OER Jumpstart Savings	(355)	0	(355)	0	0	0
SBS OTPS Savings	(449)	0	(449)	(524)	0	(524)
SBS PS Savings	(571)	0	(571)	(100)	0	(100)
TGI Savings	(347)	0	(347)	(338)	0	(338)
Waterfront Permits Unit	(200)	0	(200)	200	0	200
<b>Subtotal, Other Adjustments</b>	<b>(\$2,233)</b>	<b>\$63,265</b>	<b>\$61,031</b>	<b>(\$1,218)</b>	<b>\$6,475</b>	<b>\$5,257</b>
<b>TOTAL, All Changes</b>	<b>\$47,308</b>	<b>\$63,265</b>	<b>\$110,572</b>	<b>\$23,793</b>	<b>\$6,475</b>	<b>\$30,268</b>
<b>SBS Budget as of the Preliminary 2019 Budget</b>	<b>\$190,598</b>	<b>\$136,506</b>	<b>\$327,104</b>	<b>\$118,270</b>	<b>\$54,411</b>	<b>\$172,681</b>



## B: NYCEDC Performance Report for Fiscal 2016 &amp; Fiscal 2017

Performance Measures	FY17 Actuals (7/1/16-6/30/17)	FY16 Actuals (7/1/15-6/30/16)
<b>Management of Core Assets</b>		
Occupancy rate of NYCEDC managed property	94.6%	93.6%
Square footage of assets actively managed by NYCEDC	63,545,911	66,321,448
Revenue generated by NYCEDC asset portfolio*	\$191,112,313	\$199,820,563
<b>Strengthening the City's competitive position; inclusive innovation and economic growth</b>		
Number of businesses served by industry-focused programmatic initiatives	2,604	2,722
% of private sector jobs in innovation industries (calendar year)	14.7%	14.8%
MWBE commitment rate (Local Law 1)	31.9%	28.2%
MWBE award rate (Local Law 1)	25%	26%
MWBE participation rate (Local Law 1)**	15%	14.6%
<b>Facilitate investments that grow quality jobs</b>		
Projected new private investment leveraged on the sale/long-term lease of city-owned property	\$798,544,261	\$1,213,559,828
% of project employees that were reported to be earning a living wage or more in the previous fiscal year***	95% (in FY16)	95% (in FY15)
Capital expenditures related to asset management	\$86,292,353	\$37,300,000
Total jobs at project locations (Local Law 62)***	213,798 (FY16)	213,962 (FY15)
<b>Cultivate dynamic, resilient, livable communities throughout the five boroughs</b>		
Average monthly East River Ferry ridership	136,463	131,896
Total capital expenditures (excluding asset management and funding agreements)*	\$217,464,950	\$303,437,602
Square feet of graffiti removed	5,720,250	5,650,000
% of active projects in boroughs outside of Manhattan***	76% (in FY16)	77% in (FY15)

## C: Fiscal 2018 PMMR Performance Measures

NYCEDC Performance Indicators	Actual			Target		4-Month Actual	
	FY15	FY16	FY17	FY18	FY19	FY17	FY18
Private investment leveraged on the sale/long-term lease of City-owned property (\$000,000)	2,003.3	1,213.6	798.5	?	?	316.3	444.7
Capital expenditures (\$000,000) (excludes asset management and funding agreements)	253.2	303.4	217.6	*	*	14.3	17.4
Graffiti sites cleaned	10,295	9,189	9,861	*	*	3,948	5,137
Square feet of graffiti removed (000)	5,913	5,650	5,720	*	*	2,410	2,997
NYC ferry - Average monthly ridership	NA	NA	NA	*	*	NA	452,291
Capital expenditures on asset management (\$000,000)	38.8	45.8	106.9	*	*	8.8	19.3
Occupancy rate of NYCEDC-managed property (%)	93.3%	93.7%	94.6%	95.0%	95.0%	93.2%	95.8%
Portfolio revenue generated (\$000,000)	192.4	199.8	191.4	*	*	NA	NA
Square footage of assets actively managed by NYCEDC (000)	67,266.8	66,321.4	63,545.9	*	*	NA	NA
Outstanding violations at beginning of the period	25	64	51	*	*	80	17
Outstanding violations closed during the period	22	31	30	*	*	52	5
Businesses served by industry-focused programmatic initiatives	1,366	2,722	2,604	?	?	NA	NA
Private sector jobs in innovation industries (%)	14.7%	14.8%	14.7%	*	*	NA	NA
New York City unemployment rate (%)	6.6%	4.9%	4.9%	*	*	5.6%	4.9%
New York City Industrial Development Agency projects - Contracts closed	14	14	7	*	*	1	3
Projected three-year job growth associated with closed contracts	10,822	3,639	252	?	?	30	7,504
Projected net City tax revenues generated in connection with closed contracts (\$000,000)	1,435.6	312.6	58.3	?	?	22.7	1,125
Private investment leveraged on closed projects (\$000,000)	3,596.2	942.2	104.1	*	*	25	3,953.7
Build NYC Resource Corporation - Contracts closed	23	28	15	*	*	6	4
Projected three-year job growth associated with closed contracts	211	321	419	?	?	32	40
Projected net City tax revenues generated in connection with closed contracts (\$000,000)	515.6	411.2	168.8	?	?	65.1	21.5
Private investment leveraged on closed projects (\$000,000)	777.8	1,404.3	564.1	*	*	238.8	61.3
Value of funding disbursed pursuant to City funding agreements (\$000,000)	168.7	128.7	70.9	*	*	8.8	8.7
Project employees reported to be earning a living wage or more (%)	95%	95%	95%	95%	95%	NA	NA

## D: Project Breakdown by Borough

Capital Projects by Borough	Total Number of Projects	% of Total Number of Projects	Dollar Value of Projects	% of Total Dollar Value of Projects
<b>BNYDC</b>	32	7%	\$241,224	6%
<b>BRONX</b>	43	9%	475,987	12%
<b>BROOKLYN</b>	143	31%	781,201	19%
<b>CITYWIDE</b>	18	4%	1,355,446	33%
<b>MANHATTAN</b>	120	26%	561,000	14%
<b>QUEENS</b>	61	13%	401,583	10%
<b>STATEN ISLAND</b>	27	6%	160,672	4%
<b>TGI</b>	24	5%	109,432	3%
<b>TOTAL</b>	<b>468</b>	<b>100%</b>	<b>\$4,086,545</b>	<b>100%</b>

## E: Non-NYCEDC Projects Overview

Agency	Total Number of Projects	% of Total Number of Projects	Value of Projects	% of Value of Projects
Administration for Children's Services	8	1%	5,900	0%
Department for the Aging	15	2%	14,036	0%
Brooklyn Public Library	1	0%	2,901	0%
Department of Citywide Administrative Services	114	13%	281,023	4%
Department of Cultural Affairs	72	8%	259,179	4%
Department of Environmental Protection	28	3%	411,027	6%
Department of Homeless Services	2	0%	1,488	0%
Department of Health and Mental Hygiene	32	4%	67,089	1%
Department of Transportation	38	4%	240,185	4%
Department of Sanitation	7	1%	2,760	0%
Small Business Services/Economic Development Corporation/Brooklyn Navy Yard Development Corporation/Trust For Governors Island	449	53%	4,086,545	62%
FIRE	1	0%	115	0%
Health & Hospitals Corporation	26	3%	1,033,569	16%
Housing Preservation and Development	3	0%	10,801	0%
Human Resources Administration	7	1%	3,969	0%
New York Police Department	4	0%	9,530	0%
New York Public Library	1	0%	11,103	0%
PARKS	44	5%	186,451	3%
Queens Borough Public Library	1	0%	4,000	0%
<b>TOTAL</b>	<b>853</b>	<b>100%</b>	<b>\$6,631,671</b>	<b>100%</b>