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COMMITTEE ON ECONOMIC DEVELOPMENT

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ECONOMIC DEVELOPMENT

October 23, 2019
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Recess: 11:40 a.m.

HELD AT: 250 Broadway-Committee Rm, 16th Fl.

B E F O R E: Paul A. Vallone
Chairperson

COUNCIL MEMBERS:

- INEZ D. BARRON
- ROBERT E. CORNEGY, JR.
- MARK GJONAJ
- PETER A. KOO
- BRAD S. LANDER
- FARAH N. LOUIS
- CARLOS MENCHACA
- KEITH POWERS

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COMMITTEE ON ECONOMIC DEVELOPMENT

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

Fred Dixon
President and CEO of New York and Company

Sabrina Lippman
Vice President, Asset Management at the New York
City Economic Development Corporation, EDC

Tom Ferrugia
Director of Governmental Affairs for the Broadway
League

Samara Karasyk
Chief Policy Officer at the Brooklyn Chamber of
Commerce

Charles Shaviro
Data Researcher at the Center for an Urban Future

Tim Tompkins
President of Times Square Alliance

Alexandra Silversmith
Executive Director at the Alliance for Coney
Island

Charles Nolen
General Manager of Big Bus Tours of New York

[gavel]

CHAIRPERSON VALLONE: Alright, good

morning everyone, looks like we're in class again. I appreciate everyone switching over to the 16th floor. My name is Paul Vallone, proud to be Chair of this committee so welcome this morning. We're going to start... we're going to start our hearing and today we're going to focus on... today is really an extension of what we spoke about, about a year ago and, and I wanted to thank everyone for being such great partners on having our first hearing on tourism where we went off site to the TWA's new lounge in One World Trade, that was exciting and I, I always like to see the different aspects of the industry and by moving the committee to do that we were able to have a different experience and were able to bring the Council Members into the heart of some of these issues we're going to talk about today and as promised we're going to hold annual hearings specifically on the tourism industry and give a chance for our partners at New York and Company with Fred Dixon to give us the... like an annual report of where we are today in comparison to years past and what our vision is for the future and how we can

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2 assist and make that process for all related partners
3 of the tourism, tourism industry better and that's
4 what today's hearing is about. And what the bill is
5 about, is about creating an office which can help
6 coordinate that interagency coordination between any
7 city agency that impacts the tourism industry. It's
8 really one of the number one concerns that's been
9 brought to us so whether you're dealing with a new
10 bike lane or a pedestrian plaza or a DOT project or a
11 building permit that hasn't been issued or runaway
12 construction project that's taking out two lanes on
13 42nd Street or Astoria Boulevard that now traffic
14 can't get past or any project even from Verizon or
15 Con Edison that somehow impacts the industry relating
16 to tourism, there is not that mechanism in place that
17 can coordinate all that now. So, my vision in
18 creating this office of this interagency coordination
19 would be to assist the tourist, the tourism industry
20 and all its affiliates when a problem or before, even
21 better, the problem arises so that we can have a
22 clear informational path on who to contact, what to
23 do, what the resolution will be and what the plan
24 going forward is and I think that's my, not reading a
25 script telling you off the heart what today is all

1 about and that all happened from the... from really the
2 first hearings that we've had and, and I'm proud to
3 do that. So, thank you to our staff and the Council
4 Members. And I'll give you a quick little... some of
5 the facts that we have. So, in 1998 around 33 million
6 people came to visit New York City and by 2018 that
7 number has nearly doubled to 65.1 million people so
8 just in 20 years the city has witnessed an astounding
9 near 100 percent increase in the number of visitors.
10 The massive influx of tourists is a testament to the
11 lore of the city's abundance of attractions, iconic
12 skyscrapers, Broadway shows, museums, galleries,
13 restaurants and other cultural institutions. Much of
14 the city's data in these areas is collected by New
15 York City and Company whose mission is to promote New
16 York's travel and tourism opportunities not only here
17 but around the entire world. The tremendous work
18 being done by New York City and Company tourist
19 promoting the city's tourist economy is clearly
20 evident by the success in the industry we enjoy
21 today. We believe more can be done by the
22 administration to streamline and standardize the
23 tourist experience here in the city once our tourist
24 arrives and this is what I had summarized. So, more
25

1
2 importantly coordinate that interagency communication
3 and involvement on any project that can impact the
4 tourism agency and our tourists whether it's the
5 creation of a bike lane, pedestrian plaza, Department
6 of Buildings, Verizon, Con Ed projects, Parks
7 Department, quality of life issues, public safety or
8 any related project, there is simply more we can do.
9 The businesses and tourists alike have asked for the
10 office to be created to oversee and coordinate these
11 concerns instead of simply calling 3-1-1. While the
12 committee recognizes the importance of tourism
13 dollars to the city economy it seems the
14 administration takes a different approach and Mayor
15 De Blasio's New York work plan is to create 100,000
16 jobs across five sectors in ten years, tourism is not
17 even listed as a sector of the city's economy and
18 jobs in tourism are not counted as distinct from
19 other industries. The administration argues that the
20 food services and hospitality sectors account for
21 many tourist facing jobs, but jobs could just as
22 easily cater the city residents. For these reasons
23 and the ones, we've discussed before I've introduced
24 legislation before the committee, Intro 1774 which
25 would establish the office of interagency tourism

1
2 affairs which will receive public comments related to
3 tourism and facilitate communication between city
4 agencies on tourism related industries. Since most of
5 the agencies are usually busy conducting their
6 primary responsibilities, tourism related business
7 and concerns are often lost in the shuffle. We
8 believe the creation of this office will simplify and
9 standardize everyday long-time concerns that face us
10 here in the city. We hope today's discussion will
11 provide us with an opportunity to hear the
12 administration's plans to address these ongoing
13 structural and standardization concerns regarding the
14 tourism industry and what if anything can be done to
15 assist the city in making it more accessible and
16 enjoyable for everyone including our tourists. Before
17 we begin I'd like to thank the many tourism industry
18 advocates who have offered their support all year
19 long in using tourism as a driver of economic
20 development, we would not be having this hearing if
21 not for your commitment to sustainable job creation
22 in tourism and clearly your passion for what you do
23 in this city. I'd like to take a moment to
24 acknowledge we, we have Peter Koo, who actually beat
25 me here today, Peter you're making me look bad coming

1
2 from Queens, Keith Powers, who else has snuck in at
3 the end? Who else? And Council Member Louis. I'd like
4 to thank the economic development staff Alex
5 Paulenoff, Policy Analyst Emily Forgione and Finance
6 Analyst Aliya Ali for their hard work putting this
7 hearing together. I'd now like to take the time to
8 turn the floor over to Fred Dixon, the President and
9 CEO of New York City and Company, give him a minute
10 to get situated at the... over there. And you know it's
11 probably a good idea to have Sabrina from New York
12 City EDC to show up and kind of support since it is
13 EDC that's the overseer of all this, we'll both have
14 you on the panel and I'd ask you both to raise your
15 right hand so you can affirm for us today that you
16 swear to tell the truth, the whole truth and nothing
17 but the truth and answer Council Member's questions
18 honestly and to the best of your ability?

19 FRED DIXON: I do.

20 CHAIRPERSON VALLONE: Alright, so if you
21 could state your name and Fred if you'd like to start
22 us off.

23 FRED DIXON: Thank you Council, Council
24 Member. Good morning, good morning everyone. Chairman
25 Vallone and the members of the Committee on Economic

1
2 Development my name is Fred Dixon, I'm the President
3 and CEO of NYC and Company. Thank you for this
4 opportunity to share the current state of the travel
5 and tourism industry for New York City and provide
6 some additional insight into our organizational
7 operations. As you know NYC and Company is the
8 official destination marketing and management
9 organization for the five boroughs of New York City.
10 We are also known often times as the convention of
11 visitor's bureau and our mission is to maximize
12 travel and tourism opportunities throughout the city,
13 build economic prosperity and spread the dynamic
14 image of New York City around the world. We are a
15 501C-6 private, not for profit member organization
16 and represent the interest of nearly 2,000 member
17 organizations from across the five boroughs. We are
18 governed by an 85-member board of directors and from...
19 which represent a diverse range of businesses from
20 across the city. Our members range from hotels and
21 attractions to BIDS and Chambers of Commerce,
22 together they fund about half of our operations. We
23 also hold a procurement contract with the Department
24 of Small Business Services to provide the city of New
25 York with certain tourism marketing services. As the

1 destination marketing and management organization we
2 use our in-house resources, our global network of
3 representatives and work in tandem with elected
4 officials to drive both leisure and business
5 travelers to the five boroughs. Tourism by its very
6 definition is an export industry as we work to bring
7 new dollars into the market from outside which are
8 exchanged locally for goods and services. We compete
9 regionally, domestically and internationally for
10 visitors and their spending. Marketing New York City
11 is our primary function and we believe we excel at
12 it. To generate inspiration to visit New York City we
13 create, curate and promote content on dozens of
14 neighborhoods across the five boroughs in conjunction
15 with robust tourism campaigns to draw visitation
16 year-round. We also recruit meetings, conferences,
17 conventions, trade shows and big events as part of
18 our global outreach. We work with journalists and
19 media to tell the authentic stories of New York City
20 as an unparalleled, multicultural and vibrant world
21 class destination. Our neighborhood small businesses
22 and cultural organizations are essential to the New
23 York City experience. To make sure these neighborhood
24 gems are, are prepared to host, engage and benefit
25

1 from the growing number of visitors who are exploring
2 widely we committed ourselves to provide training and
3 assistance to businesses of all sizes through our
4 tourism ready program, which is free and now in it's
5 fourth year. More than 500 companies have
6 participated in this program and it is just one
7 example of how we keep tourism a robust, five borough
8 engine for our economy. And in fact, travel and
9 tourism in New York City is performing at record
10 levels. New York City is the most popular big city
11 destination in the United States and at the top... and
12 is the top international destination by a large
13 margin as well. With 65 million visitors last year,
14 volume grew 3.6 percent and on average New York City
15 welcomed an estimated 180,000 new visitors every day.
16 Direct visitor spending is the key to this growth and
17 last year saw 46.4 billion dollars spent across the
18 five boroughs, an increase of 2.2 billion dollars
19 over the prior year. The full annual impact of this
20 industry is a 69.8-billion-dollar economic engine
21 when you consider both direct and indirect spending
22 supporting the jobs of 396,000 people who
23 collectively earn almost 27.7 billion dollars a year,
24 that's an average wage of 70,000 dollars across all
25

1 sectors. Over the past ten years this industry has
2 been one of the fastest growing across the city's
3 labor force adding 5,000 new positions in 2018 alone
4 and making it the seventh largest employment sector
5 in the city, we are on track to exceed these numbers
6 in 2019. What these statistics show is that the New
7 York City tourism industry continues to boom even
8 during these uncertain times. As the leading expert
9 of travel and tourism we work closely with city
10 government to provide research and insights on the
11 trends and policies affecting these sectors. Visitors
12 near and far rely on our official guidebooks, our
13 official tourism website and member partners to
14 inform their visit to the city, we are proud to be
15 that resource to visitors and government partners.
16 Even though we are not a city agency, our work
17 requires close, public, private cooperation to
18 achieve success. We achieve that through a number of
19 ways. First, we have a close working relationship
20 with the deputy mayor of housing and economic
21 development and her senior advisor works regularly
22 with our administrative team so we can flag any
23 issues and immediate concerns. We have a standing
24 monthly check in meeting with the deputy mayor and
25

1 regularly attend her monthly commissioner luncheons.
2
3 As a board member, the Deputy Mayor receives all
4 board correspondence of course and has access to our
5 reports. As a member organization our nearly 2,000
6 members inform us regularly of any issues, they face
7 across the five boroughs that may be impacting their
8 businesses. During my monthly check ins with the
9 Deputy Mayor I update her on any of those issues and
10 provide fact checks as possible policy changes which
11 may affect the industry. In this way and others, we
12 work in coordination with the administration on a
13 variety of issues. For example, the Deputy Mayor and
14 EDC reached out to us for our expertise recently on a
15 redesign of the visitor booth at the Staten Island
16 ferry terminal and we offered advice on signage and
17 design and provided a list of vendors who could do
18 that work well. Another example is how we regularly
19 work with the Mayors Office of People with
20 Disabilities to ensure that our visitors with
21 disabilities have the information they need to have a
22 positive experience when visiting the city. We
23 developed a mechanism for our member organizations to
24 highlight their accessible features for visitors on
25 our tourism website, we engage expert writers from

1 the local disability community to contribute written
2 content from their own perspective, we also feature
3 video content created with a local disability
4 advocate and her family showcasing how accessible the
5 city can be. Based on a recent request from the
6 Speaker's Office, we also are working on new content
7 to better serve autistic travelers. This summer we
8 held a gathering of our members for what we call NYC
9 Talks, that's our regular education series and this
10 time it was on accessibility which featured
11 Commissioner Victor Calise, these talks provide our
12 member businesses and organizations an educational
13 opportunity to hear from experts. Additionally, our
14 overall commitment to quality visitor experience
15 requires coordination with multiple agencies. For
16 example, we work closely with relative agencies when
17 bidding for large scale events that impact the five
18 boroughs like the Super Bowl, MLB's all-star game,
19 Formula E and WWE WrestleMania. In June we helped
20 host World Pride in conjunction with the 50th
21 anniversary of the Stonewall uprising and we led the
22 effort with our agency partners to make the city as
23 welcoming as possible for the five million people who
24 participated. Our project rainbow initiative helps
25

1 spread welcome messaging and pride creative
2 throughout the city to show visitors that all are
3 welcome here. This year's event by the way was the
4 largest pride event in history and that's something
5 that we can all be very proud of. On behalf of the
6 city we also manage the city owned media such as
7 street furniture in bus shelters, Link NYC screens
8 and select street pole banners which requires close
9 coordination with DOT. Also, on behalf of the city,
10 we manage the official New York City brands and
11 licensing programs for city agencies like the FDNY
12 and the NYPD. We also engage directly with the public
13 and receive approximately 300 calls a week from
14 residents and visitors that are tourism related,
15 various bids and chambers throughout the city also
16 send public inquiries and issues to us as well. This
17 goes for calls routed to 3-1-1 also. Our front desk
18 number is listed in all of our guides and on our
19 website, NYC go dot com. Primarily we receive calls
20 asking for visitor information particularly about
21 tours and shows. If there is a call concerning a
22 regulatory issue, we forward those calls to the
23 appropriate agency point person. We utilize our
24 relationships across agencies to communicate on a
25

1 regular basis pertinent to comments and concerns from
2 the public, ultimately, we provide research, insights
3 and sweat equity to create and strengthen policy when
4 it effects the 65 million visitors to New York City.

5 A great visitor experience also requires the support
6 of the city's residents, and we truly appreciate our
7 resident's welcoming visitors into our city. With

8 that said we do not take the support along with the
9 growth and economic prosperity that it brings for
10 granted. While New York City remains a popular global

11 visitor destination many cities around the country
12 and around the world are fighting for the same
13 visitors and the same tourism dollars we enjoy here

14 and so its crucial we maintain our momentum and the
15 New York City's tourism industry remains a bright

16 spot, the bright spot it continues to be for our
17 economy. And with the Chairman's encouragement we are

18 currently developing a formal long-range plan for
19 responsible tourism growth which we look forward to

20 sharing with you in the near future. We are proud of
21 the... of the work... we, we are proud to work closely

22 with industry leaders on our board, the City Council
23 and the Mayor's Office to strengthen and responsibly

24 grow the travel and tourism industry for our city. We
25

1 value this committee's encouragement and support for
2 the tourism industry, we are grateful to the council
3 for their recent restoration of a PEG to our contract
4 and I have included an updated tourism impact rec
5 card and our annual report to the... to this testimony.
6 This information supports the dynamism of the travel
7 and tourism industry across the five boroughs of New
8 York. My colleague Shadawn Smith, our Vice President
9 of External Affairs and Community Engagement who many
10 of you already know will be briefing you all shortly
11 on our latest neighborhood campaign as well so that...
12 you can look forward to that coming up. Chairman
13 Vallone I look forward to our continued partnership
14 and am grateful for your leadership on this
15 Committee, tourism is often the forgotten engine and
16 your commitment to shine a light on New York City...
17 NYC and Company's hard work and contributions to our
18 city is greatly appreciated. Thank you for allowing
19 me at this time to testify and I'm happy to answer
20 any questions that you may have.

22 CHAIRPERSON VALLONE: Well not only did
23 you do the testimony in record time I think we've
24 just set a record for the quickest reading of five
25 pages of testimony... [cross-talk]

1
2 FRED DIXON: I'm a fast talker... [cross-
3 talk]

4 CHAIRPERSON VALLONE: ...something the
5 other committees should take note of, look at that,
6 by 10:35 the first panel has finished. We've also
7 been joined by Council Member Lander and we have
8 questions from Council... Powers, Koo and Lander and
9 I'd just like to start us off with thanking you for
10 the testimony and I really believe the, the annual
11 report and the data and the information that New York
12 and Company provides is something that we can all
13 benefit for and I think should also be shared on, on
14 a council level. So, one of the things we'll, we'll
15 ask for going forward is the, the sharing of that
16 data on an annual basis because it does really
17 highlight the work that was done and a lot of times
18 it offers questions that may not get a chance to be
19 answered because it's not part... [cross-talk]

20 FRED DIXON: Yes... [cross-talk]

21 CHAIRPERSON VALLONE: ...of a hearing so
22 part of these hearings will be our commitment to have
23 an annual hearing to give that opportunity to bring
24 the data to the Council Members and to the advocates
25 that are here with us. There are so many different

1 challenges that I guess face the tourism industry, I
2 just wanted to get your perspective, I know there's
3 between domestic and international and economic
4 generators that impacts what's going on, what do you
5 see for this year and maybe for next year as one of
6 the biggest challenges that we face within the
7 tourism industry?
8

9 FRED DIXON: Thank you for that question
10 Council Member, there.. it is volatile time for sure
11 in travel and tourism around the world that the
12 strength of the US dollar is perhaps one of the
13 biggest challenges that we have in, in attracting
14 international visitors to our city, we focus a lot on
15 international travelers because they tend.. they stay
16 longer, on average they stay almost six nights
17 whereas a domestic traveler will only stay 2.3 nights
18 or so. So, they stay longer, and they spend more.
19 They also have the opportunity to explore more and
20 they.. and they tend to be more intrepid and it's no
21 surprise probably to most people in this room
22 domestic travelers are usually the last ones to get
23 on the subway, they're usually the last ones to
24 explore more widely, it's the international travelers
25 that are setting the trends in exploring new spots

1
2 throughout the five boroughs so they are important
3 for all of those reasons and the strong dollar is a
4 real challenge to us in the current climate. I'm
5 happy to report that New York City is, is performing
6 well even in light of the strong dollar because we
7 think New York City not only is our messaging
8 resonating with travelers from around the world they
9 also see this as a... as a great place to spend time,
10 they get a multicultural experience in New York, they
11 know they're going to be welcomed in New York and
12 they feel very comfortable here, they know it's a
13 safe destination. So, all of those factors I think
14 have contributed to New York performing well but it
15 is a challenge for us going forward. We also see a
16 lot of other destinations beginning to ramp up their
17 tourism promotion so there, there is more competition
18 out there. People say all the time does New York City
19 need to promote and the question is yes because if we
20 don't others will, will lure those, those visitors
21 away, we see destinations like Chicago and Washington
22 D.C. even LA and San Francisco and Boston who now is
23 ramping up their efforts really gunning for our
24 travelers. So, it is important to keep New York City
25 in front of mind, make sure that they know that the

1
2 city welcomes them and that we are here to support
3 them in any way we can.

4 CHAIRPERSON VALLONE: So, where would New
5 York City fall in the spectrum since we mentioned, I
6 believe Las Vegas is always top on spending and where
7 would New York City fall in comparison to other
8 cities and the budgets that they use to.. for their
9 tourism industry?

10 FRED DIXON: We... in New York City.. I mean
11 Los Vegas is always at the top, as you said they're a
12 bit of an outlier, they spend more than 300 million
13 dollars a year on tourism and convention promotion so
14 our total operation... operating budget is about 40
15 million dollars and we would fall to the lower end of
16 the largest city destinations in the country,
17 destinations like Orlando and Los Angeles are
18 spending a significant amount more than we are on
19 public promotion and so that is an area I think
20 where, where we are looking to engage with, with
21 others going forward.

22 CHAIRPERSON VALLONE: And, and of that
23 budget about half of that is from the Mayor's budget
24 and half of that is privately raised?

1
2 FRED DIXON: Correct, the... half of our
3 budget is... comes through the contract with SBS and
4 that is about 21 million dollars per year and then
5 we... [cross-talk]

6 CHAIRPERSON VALLONE: Have we seen any
7 change in that contract?

8 FRED DIXON: Thanks to the Council PEG
9 was restored this year so we want to thank you all
10 for your leadership there, but that contract amount
11 is the same as it was originally in 2006.

12 CHAIRPERSON VALLONE: Sixteen, right?

13 FRED DIXON: 2006.

14 CHAIRPERSON VALLONE: 2006...

15 FRED DIXON: Yeah, yeah...

16 CHAIRPERSON VALLONE: So, one of the
17 things we'd like to do is advocate for you and with
18 you what, whatever agency we're sitting on for our
19 committees, I would like to see that be raised and I
20 know everyone of us would like to see that in order
21 to remain competitive I think we need to have a
22 proper investment to give you the tools and resources
23 for New York and Company to compete globally and
24 internationally and not having a change for almost...
25 coming up to 2020 on the vision I... it makes so much

1
2 more demands for you to do that on your own, I think
3 what we need to do is to, to recognize that and also
4 support it and put some things in place that maybe
5 can generate income on short term and long term
6 goals. Is there anything that another city or country
7 is doing to maybe support or give more robust income
8 to the tourism industry that maybe we can look at
9 going forward?

10 FRED DIXON: Thank you for that question
11 Council Member, there, there is a new funding model
12 that destinations in the United States are turning to
13 for funding and it is often called a tourism
14 improvement district or tourism marketing district
15 and with now more than 175 cities across the US
16 including Newark, New Jersey and Philadelphia have,
17 have turned to this model as an additional
18 supplemental revenue stream for tourism promotion and
19 it's an assessment on hotel guest folios. So, it's
20 paid by the visitors and only by the visitors to the
21 city and it is a small additional assessment that is
22 made and it's similar to the way a BID assessment
23 would be made just on hotel folios for guests, that
24 is earmarked for tourism promotion. So, again using
25 them to help fund additional promotion to bring more

1
2 visitors to town be that convention delegates, trade
3 shows, big events or leisure travelers.

4 CHAIRPERSON VALLONE: And have we had any
5 conversations with the hotel industry as to maybe
6 where they may support or not support that plan?

7 FRED DIXON: We've had some early
8 conversations with the hotel community and so far,
9 they seem to be very interested in this model. Many
10 of them operate in other cities where this model is
11 already in place so they're... they have seen the
12 successes that have come in places like Los Angeles
13 and San Francisco, places like Portland and Seattle,
14 the west coast has really led the charge on this
15 effort, it's now coming... it was a popular model more
16 to the east coast but many of them operate in these
17 markets where this model exists and they have seen
18 the success that it can bring and they're very
19 interested in seeing how we could advance the
20 conversation.

21 CHAIRPERSON VALLONE: Well anything where
22 I, I believe we can generate income that's not coming
23 off tax payers here in New York City that is also for
24 those who would I think would expect to pay for that
25 experience a small amount, we all do that when we

1
2 travel, I mean there's not a time I go where I'm not...
3 it's not included on my bill in some way, shape or
4 form my contribution to that city's economy so I, I
5 would wholeheartedly think that might be something we
6 can address going forward. You mentioned with the
7 hotels... so what are some of the other... because some,
8 some of the folks may not have been with our last
9 year's hearing so in general when we talk about the
10 tourism industry what other affiliates and partners
11 comprise that industry?

12 FRED DIXON: So, the hotels of course
13 make up the, the most obvious part of the tourism
14 industry and, and we have many of them that are part
15 of our organization and we work closely, hand in hand
16 with them across the five boroughs, we also have arts
17 and cultural organizations, which are critically
18 important because it's often times arts and culture
19 that are bringing people to our city whether it's the
20 large museums, it's festivals, it's smaller museums
21 and cultural across the five boroughs, it is a huge
22 asset for New York and we work closely with them and
23 we also have the retailers and we work closely with a
24 lot of small businesses and we feel very strongly and
25 we're committed to the small business of New York

1
2 City because without the small businesses New York
3 City is not New York City and that includes the pizza
4 parlors, that includes our, our neighborhood
5 restaurants that are having a tougher time today than
6 they had in the past with escalating rents and other
7 costs. So, we work closely on promoting them, the
8 flavor of New York, what you come to New York for.
9 Also, that goes for retailers, we work with both...
10 large retailers like Macys and, and Bloomingdales and
11 Century 21 and small shops as well across the five
12 boroughs. Tour operators and tour guides are also a
13 very important component and we work closely with
14 them and all of the major attractions that are for
15 profit whether it be Statue Cruises or Circle Line we
16 work closely with them in, in bringing tourism to New
17 York City.

18 CHAIRPERSON VALLONE: So, could we get an
19 estimate on the jobs that's provided within that...
20 those fields combined on how that impacts New York
21 City?

22 FRED DIXON: Absolutely, our latest
23 estimate and, and you see it in the Rec card in the
24 annual report is 396,000 jobs across the five
25 boroughs, that's both direct employment and you

1
2 referenced earlier, indirect employment as well,
3 that's folks that work in the industry to support
4 hospitality and tourism, it could be accountants, it
5 could be lawyers that are working with some of these
6 businesses, work that is induced from the, the
7 visitor economy and we do take a percentage of
8 restaurant jobs, I think you referenced earlier that
9 obviously not all restaurants in New York are serving
10 only visitors so we take a percentage of restaurant
11 jobs as one example of a slice of the hospitality
12 community, the same goes for retail to a degree but
13 it is a record number of, of employment that is
14 attributed to the visitor economy at 396,000 and we
15 think that will continue to grow.

16 CHAIRPERSON VALLONE: So, I know some of
17 the students from CUNY are here today, they came up
18 this morning to say hi and they were interested, the
19 smiles in the back so thanks for coming. I think one
20 of the things we're always trying to provide that
21 bridge for job and career paths for folks straight
22 from high school and or college or, or... on whatever
23 level we can get them to these industries and borough
24 wide. I think as a Queens Council Member I'm always
25 trying to bring the vision to the outer boroughs

1 because we don't... it's not always just about
2 Manhattan and all of the efforts that we're doing now
3 we're doing so maybe take a moment to... how would a...
4 how would a student or someone who's looking to get a
5 career, what are some of the things that New York
6 City and Company or EDC is doing to help them on that
7 path?
8

9 FRED DIXON: Thank you Council Member for
10 that question and it's a great one and welcome to
11 the... all the students that are here today, it's great
12 to see folks interested in hospitality and travel and
13 tourism, it is a great path to a great career, it's
14 super rewarding especially if, if you can help give
15 back to your community. We feel strongly that, that
16 the tourism industry in New York should support local
17 kids and we're doing everything we can to make sure
18 that the jobs go to local kids in the community, it's
19 not in every neighborhood perhaps has a big cultural
20 attraction in it but they... but there are students and
21 kids that live throughout every borough of New York
22 City in every neighborhood and we think every
23 neighborhood should be able to positively impacted
24 from... for tourism in that way as well. So, we're
25 working closely with some of our colleagues, we've

1 had great conversations with the educational
2 institutions in New York City, we have had early
3 talks with Hunter and CUNY of course in particular
4 but also we've talked to NYU and even Columbia about
5 what, what would a new program look like to help
6 bring even more awareness in education to the
7 community for... especially for students that perhaps
8 aren't college bound. If, if a four year degree is
9 not in their plans what could they do to learn a
10 little bit more about travel and hospitality, a
11 certification program we think might be warranted and
12 we've had some early talks about what that could look
13 like, we've shared that with some of our colleagues
14 at SBS and, and EDC and we think that there is a real
15 opportunity there to bring more awareness and some,
16 some educational opportunities to the students of New
17 York to help them build a career in hospitality and
18 tourism. The, the private sector wants to employ the
19 local community and if we can help prepare the young
20 people of New York City for careers in hospitality
21 and tourism I think that is a win, win for everyone.

22 CHAIRPERSON VALLONE: I, I agree and I
23 think there's an opportunity there for growth that's
24 right at our doorsteps for our students especially
25

1
2 having two daughters in college now and a little guy
3 who's looking at high schools that we want to provide
4 as parents every opportunity right here in New York
5 City whether it's... whatever borough you're in, I
6 think that's very important. So, Fred you had
7 mentioned the different partners that you're
8 responsible to, to assist and facilitate and, and it
9 does involve the little guy right up to the big guy
10 so whether it's restaurants, whether it's Broadway,
11 whether it's in Queens, Bronx or Brooklyn our, our
12 cultural centers it's there. I think the, the impetus
13 for the bill was to try to assist everyone when there
14 is a project that may impact from the Pizzeria
15 straight to Disney's Aladdin on 42nd Street. So, I,
16 I'm looking at maybe... and, and looking for some of
17 your thoughts on what we do today and maybe if we
18 create this bill what we could do tomorrow to foster
19 that interagency coordination and it's not just here,
20 it's in every committee that the council members
21 hold, it's one of the first questions that Brad and
22 all the rest of us ask on how do we facilitate
23 interagency coordination to make sure that the
24 partners and the business engine of New York City is
25 flowing and not hampered by an ill advised project

1
2 that might be coming and I think that's what the, the
3 focus is behind on 1774. So, just your thoughts on,
4 on that issue and or problem that we face in New York
5 City every day, just... I did driving in today with a
6 construction site that decided to take over three
7 lanes when they're only supposed to be in one and sat
8 15 minutes extra trying to get and I said who the
9 heck would I call to make that complaint and not deal
10 with 3-1-1 and I'm sure the five businesses that were
11 effected by that on the street it's, it's the same
12 issue they're asking for..

13 FRED DIXON: Yeah, thank you Council
14 Member for that question, the, the intent of the bill
15 we absolutely support, we understand the, the idea
16 that you're putting forward and we support the intent
17 of, of more communication, absolutely and quicker
18 answers is always a great idea. We defer to the
19 administration and to the council on the legislative
20 approach to that of course but you know we work
21 closely on a day to day basis as I reference earlier
22 with, with multiple agencies and for our members and
23 constituents were able to effectively channel their
24 questions to the appropriate authorities and help
25 them with answers, I know Shadawn for example, my

1
2 colleague and I both deal with these on a regular
3 basis and... but, but any additional support and
4 attention that you bring is certainly appreciated.

5 CHAIRPERSON VALLONE: I appreciate that,
6 the idea is to, to create an office that can assist
7 and coordinate that and I think... and, and the role
8 that you're focused on when you're competing with the
9 entire world finding out who in the Parks Department
10 is probably the last thing you want to do at that
11 point on, on, on whose got responsibility for
12 shoveling the sidewalk on that. So, maybe just a
13 couple of EDC Sabrina so just what are some of your
14 thoughts with EDC's... specially with maybe some recent
15 projects that may be looking towards the tourism
16 industry in general, I know I'm kind of catching you
17 a little bit off guard because this was really with
18 New York and Company but I wanted to give you an
19 opportunity since tourism falls within the parameters
20 of EDC on what you see within the tourism industry,
21 how do you reflect in the budget and maybe some
22 projects that EDC will be working on with that?

23 SABRINA LIPPMAN: Yeah, absolutely and I
24 think... there we go, alright. So, thank you Committee
25 and, and thank you Chairman and the City Council for

1
2 having me here today. So, just for everyone in the
3 room so EDC's mission is to create shared prosperity
4 across all five boroughs by growing good jobs and
5 strengthening neighborhoods and so a lot of our focus
6 is obviously on New Yorkers, right, growing those
7 good jobs for New Yorkers. However, because of the
8 tremendous work that we do across several sectors the
9 residual benefits affect tourism and we're really
10 proud of the work that we've been able to do
11 throughout different departments within EDC. So, to
12 give you some small examples our funding agreements
13 team is really committed to helping cultural
14 institutions with their infrastructure, with building
15 capital improvements. So, when you look at the
16 natural museum of American history and being able to
17 do their expansion of the Gilder Science Center that
18 is an EDC project, that in turn creates more buzz,
19 more opportunity for tourist to come and really enjoy
20 that cultural institution. So, it's a bit of a
21 peripheral role that we play not necessarily always
22 directly, sometimes directly tourism but a lot of the
23 times it's in that peripheral zone that we are in.
24 So, for example, like Essex Market, it's a fantastic
25 public market in the Lower East Side that has

1 generated significant buzz for residents and, and
2 local... the local community but then in turn tourists
3 are very attracted to it and are able to also be able
4 to visit and enjoy that as well and so that's kind of
5 where we see EDC playing that role.

6
7 CHAIRPERSON VALLONE: Well the testimony...
8 and one of the things we talked about was that the
9 sector itself is the fourth largest creation of jobs
10 in the city and to me that in itself demands
11 attention because if we're dealing about an... New York
12 City's thriving economy any sector of the industry
13 that's creating that amount of jobs we need to really
14 focus on and make sure we're supporting it so in
15 EDC's role as the parent company so to speak of all
16 of that... [cross-talk]

17 SABRINA LIPPMAN: Uh-huh, uh-huh... [cross-
18 talk]

19 CHAIRPERSON VALLONE: ...is there any
20 strategy to increase the employment in the tourism
21 industry and or support those jobs that are created
22 within the sector just like Fred was talking about?

23 SABRINA LIPPMAN: Absolutely, thank you
24 Council Member for that question. So, the role that
25 EDC plays, we have a very robust... we're following a

1
2 very robust jobs plan that you, you may be familiar
3 with, 100,000 jobs over the next ten years, the...

4 [cross-talk]

5 CHAIRPERSON VALLONE: Right but we didn't
6 include tourism and, and... [cross-talk]

7 SABRINA LIPPMAN: That's correct... [cross-
8 talk]

9 CHAIRPERSON VALLONE: ...that's part... and
10 that's part of my rallying cries to make sure we do
11 that.

12 SABRINA LIPPMAN: That's correct and the
13 reason for that and, and again this might be a
14 little... a bit out of my purview but for EDC the
15 industries that were... that were selected to focus on
16 whether that's life sciences or tech or arts and
17 culture creative are industries that are in need of
18 significant job growth not that tourism isn't but we
19 do believe that the job growth plan that we have for
20 those specific industries do have residual benefits
21 to make us a more inclusive city, to make us a fairer
22 and stronger city... [cross-talk]

23 CHAIRPERSON VALLONE: Do we have any RFPs
24 that are coming or currently issued that could
25 reflect that focus?

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2 SABRINA LIPPMAN: I can... I can go back to
3 the team and come back to you with that, I don't want
4 to speak out of turn but I... [cross-talk]

5 CHAIRPERSON VALLONE: I, I think that
6 would be important, so I think... [cross-talk]

7 SABRINA LIPPMAN: Absolutely... [cross-
8 talk]

9 CHAIRPERSON VALLONE: ...this, this, this
10 hearing is going to be an annual hearing, we may even
11 do biannual just updates because there's so many
12 whether we're talking about the hotel industry,
13 restaurants, ferries, tourists, outer borough
14 participation... [cross-talk]

15 SABRINA LIPPMAN: Uh-huh... [cross-talk]

16 CHAIRPERSON VALLONE: ...this, this can go
17 on and that's why we... each of the Council Members are
18 going to have questions. So, my... I guess the last
19 question would be so who would... does EDC handle that
20 now if we have that agency issue on something that
21 may be effecting the tourism industry now, would,
22 would the phone call go to you or is that going
23 someplace else or is that part of the reason why
24 hopefully you're going to support 1774 to create this
25 office?

1
2 SABRINA LIPPMAN: Yeah... no and we, we, we
3 do support the intent of the bill, we understand and,
4 and to Fred's point earlier... [cross-talk]

5 CHAIRPERSON VALLONE: So, we're two for
6 two, that's it, meeting is over everybody go home
7 we're good to go.

8 SABRINA LIPPMAN: We think there's,
9 there's a lot of good things in there and, and Fred
10 and his team at NYC and Co does a tremendous job at
11 really being kind of that central office that... are...
12 is able to kind of field a lot of those tourism
13 issues and a lot of... to your point Council Member, a
14 lot of the tourism issues are resident issues, right
15 and so we just as NYC and Co has stated also work
16 very close with all of our sister agency partners so
17 when there is an issue with a construction site
18 that's blocking two or three lanes, you know we do
19 field our own 3-1-1 calls as it relates to properties
20 that we oversee and manage and projects that we're
21 developing but if... we have those lines of
22 communication with DOT or with DCLA as it results,
23 you know with any of our cultural institutions to be
24 able to connect with them and field those to the
25 appropriate agency.

1
2 CHAIRPERSON VALLONE: And I think that's
3 really what we're trying to do is to make that
4 central office the, the, the group or the person that
5 can do that. Now my last thought would be would you
6 have a suggestion along with Fred as to having future
7 conversations as to where that office should be,
8 whether it should be through your... through EDC,
9 whether it's in the Mayor's Office, somewhere else,
10 whether it's in New York and Company but the creation
11 of the office I believe will be coming it's just a
12 matter of making sure we get this right, put it in
13 the right so we can have our advocates access it, use
14 it and, and grow it to the point where it can be that
15 right arm to the industries that need it in
16 navigating all of our city agencies so my thought
17 would be do you have a thought where that should be
18 and what your recommendations are?

19 SABRINA LIPPMAN: Yeah, I, I would defer
20 to NYC and Co., we see them as the preeminent leader
21 of all thing's tourism and, and so I would defer to
22 Fred.

23 FRED DIXON: And... [cross-talk]

24 CHAIRPERSON VALLONE: Actually, I do have
25 some homework for us... [cross-talk]

FRED DIXON: Thank you... [cross-talk]

CHAIRPERSON VALLONE: So, while we have the panel, I'd like to give Council Member Powers whose signed up for questions and Powers then Koo and then Lander.

COUNCIL MEMBER POWERS: Great, thank you, thanks for the testimony and I'm disappointed at the venue this time because last time was much nicer... [cross-talk]

FRED DIXON: I believe we can help.

COUNCIL MEMBER POWERS: Thanks for the... thanks for the testimony, it might... I, I, I saw in your, your... one of your handouts but an estimate for this year in terms of visitors is over 66 million?

FRED DIXON: 67 million almost 67...

[cross-talk]

COUNCIL MEMBER POWERS: 67, 67 million. What do you account for the... that's two million more, what... is there any operating theory behind that or just kind of continued growth of the city?

FRED DIXON: Thank you Council Member for the question. I'd like to say a lot of the good work that my colleagues have done have contributed in part to that number but the city itself is responsible for

1 an enormous amount of, of the, the robust growth that
2 we have seen. The growth in the hotel sector in
3 particular has enabled us to host more visitors' year
4 over year, I mean we now have 122,000 hotel rooms
5 across the five boroughs. The, the fastest growth
6 actually has been in the boroughs outside of
7 Manhattan in terms of new hotels open which is
8 terrific and that brings more opportunities and so
9 travelers I think not only have more access to New
10 York because of... because of the, the additional hotel
11 rooms but we've had a remarkable year this year, I
12 mean world pride alone is estimated to bring in, you
13 know that... we heard the Mayor say five million
14 visitors that of course has contributed significantly
15 to arts and cultural organizations as, as well, have
16 had a blockbuster here in terms of major art
17 expeditions across the five boroughs, I mean you can
18 just look at the Frida Kahlo exhibition at the
19 Brooklyn Museum as one example of that, that people
20 have come from around the world to take part in, in
21 those developments and the amount of new development
22 that is just happening in the private sector, I mean
23 whether it's Empire Outlets in, in Staten Island even
24 Hudson Yards what's happened at... in South Street
25

1 Seaport there's, there's an enormous amount of
2 investment that has happened in the private sector
3 that is keeping New York not only top of mind but in
4 the press around the world as a hot destination to
5 visit. We were really thrilled this year with world
6 pride in particular, the New York Times, our own home
7 town newspaper which is sometimes the hardest outlet
8 to get news in actually featured for the first time
9 ever an LGBT 36 hours feature around pride and
10 Stonewalls 50th so it just brought an enormous amount
11 of attention to New York this year, we were able to
12 capitalize on that, work with our partners, work with
13 people like virgin Atlantic who launched the first
14 ever pride flight to New York City, the first time
15 ever in history an entire crew was captained and
16 staffed by the LGBT community and they brought
17 journalists and press from, from the UK to New York
18 to be here for world pride, it was a tremendous
19 window into New York that, that couldn't have
20 happened without the support of Virgin Atlantic,
21 that's just one small example of how we work with
22 industry partners to bring a spotlight to New York.
23 So, we think it's, it's, it's a combination of
24
25

1 factors and that's that... the intersection that we
2 work in all the time.

3
4 COUNCIL MEMBER POWERS: Great, thank you.
5 I... you know over the last few months I think we've
6 heard, or I know I have heard a number of concerns
7 around the experience when somebody arrives here but
8 not separate... not an isolated 2A visitor certainly
9 experienced by New Yorkers as well. We've heard
10 stories about... horror stories about Battery Park City
11 around ticket sellers, Times Square costume
12 characters and other issues around there, I see the
13 folks from the alliance here as well, Central Park
14 I've heard issues around quality of life, Rockefeller
15 Center around the holidays, I've been trying to work
16 around improving the experience there. Can you share
17 with us any feedback you're receiving or you're
18 surveying or you're... when you're hearing or... and
19 maybe some recommendations about how to address the,
20 the, the concerns once people get here, it's... I, I, I
21 don't necessarily think there are going to become
22 major reductions in tourism but certainly I think
23 they would, you know... they can, can lead to people
24 deciding not to visit certain areas or just to sort
25 of get outside of the area they're staying in or

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2 second just leave them with a lesser desirable
3 experience and to... and, and potentially not wanting
4 to return back. Do you hear these same stories, can
5 you share with us any of the feedback you hear from
6 folks or do you do surveys on it and then yeah, any
7 recommendations?

8 FRED DIXON: Thank you Council Member for
9 the question. It, it is an area of intense focus, you
10 know I mean to put it into context, I mean there was
11 a time when New York City did not have a great
12 representation... reputation in terms of safety and
13 friendliness and acceptance, that has changed vastly
14 due to the work of a lot of people, obviously not
15 only the Mayor's Office and, and the City Council but
16 NYPD and others that have made this now the safest
17 big city in America and we still need to tell that
18 story quite often and we think it's also the
19 friendliest city in America, we New Yorkers are just
20 busy, we sometimes don't slow down enough to say
21 hello but if you need help we are there for you and
22 so I think, you know there... we have come a very long
23 way and people feel safe in New York, I think that
24 also is, is playing into the, the decision for
25 travelers to come here versus other destinations.

1
2 They, they see New York in the media every day and
3 these issues do have an impact be it small, they can
4 add up over time, they can eat away at the fringe of,
5 of visitor experience and, and it, it impacts
6 residents as well as it does visitors and it is an
7 area I think that we have to continue to focus on.
8 There... we believe there is a regulatory framework
9 there that would ensue that not... that while there are
10 employment opportunities and we want to make sure
11 that we are growing jobs but that it is done in a way
12 that, that only contributes to the... to the experience
13 and that the regulatory framework is supported. So,
14 we would like to have more dialogue around this issue
15 and it is an area that, that we find ourselves in
16 quite often and in referring interagency coordination
17 on these issues whether it be the Battery Park issue
18 or the Central Park issue or Times Square,
19 Rockefeller Center, we hear these quite often from
20 travelers and from our business partners in... and the
21 BIDS in particular so it, it is something that I
22 think more conversation should be had around.

23 COUNCIL MEMBER POWERS: Yeah, one
24 recommendation... as, as I notice that I've been
25 working with the folks around the Times Square issue,

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2 I hear things in Central Park, I've also heard from
3 the folks at Battery Park and there's other areas
4 that I'm obviously not thinking about that... that is
5 one place I think needs some coordination like a...
6 like a... like I think you guys are doing a fantastic
7 job in terms of getting these numbers to continue to
8 climb and I think whether it's with New York City and
9 Company's leadership or EDC's involvement or others
10 having the four maybe agencies DOT, NYPD, DCA, maybe
11 it's Parks, you know to have a clearer way to move
12 forward on some of these issues because it's... it is
13 everyday New Yorkers when they go to Staten Island
14 ferry or they walk... they work around Times Square
15 that experience this but also the folks that are, are
16 coming here for the first, second, third and fourth
17 time who don't want to feel like they're getting...
18 well actually we don't want them to be... [cross-talk]

19 FRED DIXON: Right... [cross-talk]

20 COUNCIL MEMBER POWERS: ...exploited so
21 that's, that's the one place where I think rather
22 than having to do all of these, you know one
23 regulatory framework at a time it, it, it feels like
24 there are some... there's some way to do a coordinate...
25 a coordinated effort to address some of these issues

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COMMITTEE ON ECONOMIC DEVELOPMENT

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as... where there's a common area or to have a more
dedicated place to do that. The, the... I've just... I'll
close... I'll just close it out with this but the
tourism improvement district. So, where, where do
they have those right now?

FRED DIXON: So, we already... the list...

[cross-talk]

COUNCIL MEMBER POWERS: You mentioned the
west coast I think but... [cross-talk]

FRED DIXON: Yeah, it, it began in

California... [cross-talk]

COUNCIL MEMBER POWERS: Okay... [cross-

talk]

FRED DIXON: ...even the state of

California today uses this model to fund their state
tourism efforts but it began there and you... there are
I think more than 50 destinations in California alone
that use this model large and small cities but it is
now moving across the country and we can provide you
with that list as I said but it is... it is now a
popular idea on the east coast, Philadelphia has a
tourism marketing development fund, Baltimore is the
newest, they just implemented one in the last few
weeks, it has... it has gone into effect and Newark,

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New Jersey actually built their new convention of visitor's bureau with that funding model in place and we know Boston is now looking at it too. So, what it's doing is it's supplementing the public funds that are coming and the private funds with, with some additional revenue and resources that they're helping these destinations be competitive.

COUNCIL MEMBER POWERS: And, and what's the normal assessment for like a... because I assume it's on a nightly stay in a hotel room?

FRED DIXON: Yes, it, it varies widely, it can be a percentage of, of room night rate or it can be a flat dollar amount. I know in some destinations like in San Francisco I believe it's around two percent, we can provide you with some of the statistics as well, because of the size of the market in New York we don't believe it needs to be anywhere near that high, it could be a much smaller amount because we sell so many more room nights than other destinations.

COUNCIL MEMBER POWERS: Got it, okay, thank you.

FRED DIXON: Uh-huh.

1
2 CHAIRPERSON VALLONE: Thank you Council
3 Member Powers but we also have a bill we put in last
4 year together, 1276 with some of the advocates, I see
5 Tim here with the dashboard that we talked about so I
6 think we're going to push that again I think. Fred we
7 talked about the, the tourism economy dashboard and
8 some of the current concerns whether it's proprietary
9 or just getting it forward, do we... do we have an
10 update on that, I'd like to really see some way to
11 additionally promote tourism and I think a dashboard
12 application, an app, a website, coordination of
13 what's going on besides the data from whose, whose
14 purchasing things I think might... something we can
15 revisit and, and make sure we get that done.

16 FRED DIXON: Thank you Council, Council
17 Member for that question, we are working on some new
18 data sources, in fact we have some new vendors that
19 we're working with as well and trying to figure out
20 how much of that information can we share publicly
21 because much of it is licensed and it isn't meant to
22 be shared widely and because that is... it's a
23 subscription model but we are working on that and we
24 would love to, to engage with you more.

25

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2 CHAIRPERSON VALLONE: Perfect, okay,
3 Council Member Koo.

4 COUNCIL MEMBER KOO: Thank you. Thank
5 you, Mr. Dixon, for your testimony, yeah and thank
6 you Chair. My question is among all the visitors to
7 New York City how much are from overseas, you said
8 13.5 million dollars.. 34 and five million people?

9 FRED DIXON: Thank you Council Member for
10 the question, yes, there.. 13.5 million international
11 travelers currently to New York City, it represents
12 on average about 20 percent of the total.

13 COUNCIL MEMBER KOO: Oh, so among the
14 group who, who.. which, which one is the largest group
15 from, from, from which country?

16 FRED DIXON: Thank you for the question,
17 the largest is the United Kingdom followed by, by
18 China.

19 COUNCIL MEMBER KOO: Yeah.. [cross-talk]

20 FRED DIXON: ...is number two.

21 COUNCIL MEMBER KOO: So, during the, the,
22 the... for the last few months the, the, the persons
23 from... and China they have a trade war, does that
24 effect the tourist industry?
25

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2 FRED DIXON: Thank you for the question
3 Council Member, this is a... an area that focus on
4 intensely monitoring the, the impacts but also
5 determining what, what can be done about this
6 question. There is indication that there has been a
7 downturn in visitation to the United States from the
8 Chinese market, it is believed that some of it is
9 related to the... to the trade war tensions, there has
10 been a tightening of visa issuance but largely for
11 first time visitors to, to the United States that are
12 coming for corporate incentive trips so if, if you
13 are a member... if you work for a company in China and
14 every year they do a large incentive trip for their
15 top sales people for example they have... you know we
16 of course promote the United States and New York as a
17 great choice for that trip and if, if the individual
18 traveler has not traveled outside of China or the
19 region before the United States government is now
20 issuing... not issuing visas as widely, they have begun
21 to restrict those to some degree. We do know the
22 Chinese government because of the control of, of a
23 lot of tour operators and businesses in China they do
24 have the ability to turn down the travel volume,
25 we're fortunate in New York to see that traffic has

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2 been up and it continues to grow so New York is a bit
3 of an exception to some of that but it is an area
4 that we are monitoring very closely and, and we are
5 concerned that, that if the trade war continues and
6 the, the dollar also was playing a strong role in the
7 situation that we could have some challenges there.
8 Some areas if I may that we are working on to address
9 that I'm, I'm happy to share that we are actually
10 launching a new we chat mini program for New York
11 City that... and will be... the first program for any
12 destination in the United States that also includes
13 the ability to buy tickets so we're working with our
14 industry partners and we chat pay you will be...
15 actually be able to as a Chinese travelers to explore
16 New York City more widely in your language and
17 actually even transact in your own financial
18 currencies using we chat pay. So, that is a big
19 advantage, we're working to make New York more
20 Chinese friendly and we think these, and other
21 promotions will help us stay ahead of some of these
22 political challenges.

23 COUNCIL MEMBER KOO: Okay, my second
24 question is like most of the tourist dollars stay in
25 Manhattan, right, so how do you in the future as head

1
2 of the NYC Company to make some tourists and
3 encourage more tourists to go to other boroughs like
4 Queens, which we offer a lot of attractions but
5 somehow we don't have that much... that many tourists
6 coming you know?

7 FRED DIXON: Yeah, thank you for the
8 question Council Member, it, it is an area of intense
9 focus for us and it has been for quite a long time
10 and one of the things that has contributed enormously
11 to that is the new hotels that have opened in the
12 boroughs, of course if visitors are staying in the
13 boroughs they're more likely to explore there so that
14 is a built in advantage but we also have been
15 promoting the neighborhoods for more than a decade
16 now whether it was our neighborhood by neighborhood
17 campaign which we worked with the Council on in the
18 past, we're about to launch a new version of that
19 campaign just this fall. And one of the.. one of the
20 great things about New York is the rich multicultural
21 offerings and the diversity of, of our communities
22 that is what travelers want today. The trend in
23 travel today is experiential, people want to come,
24 they will see the icons if you're a first time
25 visitor, there's no question you're going to go to

1 the top of an observation deck, you're going to go to
2 the statue of liberty, you're going to want to see
3 Central Park but you also want to visit the
4 communities and, and we want to make sure that
5 they're doing that in a responsible way that they
6 aren't just going into a community and snapping a
7 photo and putting it on Instagram and leaving that
8 they actually are supporting the community, they're
9 eating locally, they're buying locally, respecting
10 the culture, these things are very important as our
11 numbers grow and, and we feel a, a great sense of
12 responsibility to make sure that that happens but the
13 content on our website has never been more robust for
14 the neighborhoods and the promotion that we're doing
15 to not only encourage visitors to explore the
16 neighborhoods but also other New Yorkers. It.. you
17 know it may not be a surprise to anyone in the room
18 that sometimes it's harder to get people to travel
19 from one borough to another than it is to get
20 visitors to come from outside of New York to New York
21 so we work on the local level to incur... to encourage
22 interborough tourism and to encourage New Yorkers
23 also to post and brag about their favorite spots, it
24 is those small cultural gems and jewels, the favorite
25

1 neighborhood, neighborhood spots that need our
2 support and that visitors want to explore so it is an
3 area of intense focus for us, not only is it good
4 business for the neighborhoods and boroughs its good
5 for New York City overall.

6
7 COUNCIL MEMBER KOO: Okay, my, my last
8 question is about... it's about bathrooms yeah. Okay,
9 as a tourist when I go overseas that's what's
10 important to, to, to me, right, I think it's
11 important to everyone but somehow in New York City we
12 don't provide public bathrooms, you... there's no
13 bathroom in the subways or, or there's very few
14 bathrooms in the park, you know and sometimes even
15 though they have a, a bathroom in the park but
16 they're closed, you know they're locked, right and so
17 how do we help tourists, how do you help tourists to
18 address this problem?

19 FRED DIXON: Thank you Council Member for
20 that question and, and I have noticed that same thing
21 as well when traveling abroad or, or in other
22 destinations and, and I think it is an area we should
23 continue to focus on, we work with our partners of
24 course, you know we, we make sure that everyone is
25 aware that, you know public restrooms often times

1
2 will increase the traffic to your location but the
3 private sector can only do so much so I would... it is
4 a bit out of my purview but, but I would encourage
5 more exploration around this topic because I feel
6 that as visitor volumes grow especially in public
7 spaces it is part of the public good to make sure
8 that those services would be available.

9 COUNCIL MEMBER KOO: Yeah because when
10 you're in New York... now if you... if you pay 50 cents
11 you can get... use the bathroom but around here
12 there's, there's private bathrooms are only for
13 customers only, right? So, if you find some way to
14 encourage them hey, you... a tourist, you know let them
15 use the bathroom, I don't think... they might have to
16 pay 50 cents to use the bathroom or 25 cents so this
17 is something we have to look into because I hear a
18 lot of complaints that this... we are one of the most
19 advanced countries but we don't... we don't provide
20 bathrooms.

21 CHAIRPERSON VALLONE: Fred, you got to
22 work on that.

23 FRED DIXON: Yes, agreed.

24 CHAIRPERSON VALLONE: Thank you, Council
25 Member Koo, and also thank you to the first panel.

1
2 Before we let you go I think... we, we did discuss
3 interborough tourism, I think that's a, a real topic
4 for something we can talk about future and I, I... and
5 in speaking with the advocates so many different
6 degrees of quality of life continue to come, to
7 impact in small ways that we, we need to be aware of
8 so this office would be something to facilitate that
9 also between whether it's the NYPD or Sanitation,
10 DOT, Small Business, EDC, I think those are things
11 that we can do a better job at. So, I'd like to thank
12 both of you for your testimony and we're going to
13 have our first panel come forward. If you guys could
14 maybe stick around and hear some of the, the
15 advocates and maybe the students. From the Broadway
16 League is Madison Summers, so I know Madison and
17 Christine we were trying to get a spot on... in
18 Broadway, actually we have a switch, Madison is not
19 Madison, Samara Karasyk from the Brooklyn Chamber of
20 Commerce, Charles Shaviro from the Center of Urban
21 Future and Tim Tompkins from the Times Square
22 Alliance if you guys can come on up. We were trying
23 to get around somewhere on Broadway, we will work
24 better to get that done for next year. We've also
25 been joined by Council Member Gjonaj from the Bronx

1
2 so if you'd like to ask some questions after the
3 panel or if... come on in, if you guys want to... whoever
4 wants to start... [cross-talk]

5 TOM FERRUGIA: I'll start first... [cross-
6 talk]

7 CHAIRPERSON VALLONE: ...first... [cross-
8 talk]

9 TOM FERRUGIA: Hi, I'm Tom Ferrugia, I'm
10 the Director of Governmental Affairs for the Broadway
11 League, Madison stepped out so I'm kind of jumping in
12 for her, I did fill out a, a card though...

13 CHAIRPERSON VALLONE: I can vouch for you
14 Tom.

15 TOM FERRUGIA: Thank you, great to see
16 you Councilman. So, just for... background on the
17 league is the principle trade association for the
18 commercial theater industry, we represent over 700
19 theater owners, operators, producers, presenters and
20 general managers and suppliers of goods and services
21 across North America and around the world to the
22 theatrical industry. We are grateful for Chairman
23 Vallone and other distinguished members of the
24 Economic Development Committee for giving us the
25 opportunity to address the Council on the theater

1 industry's impact on New York tourism economy.
2 Councilman Powers was just here so we wanted to
3 acknowledge him, he is a great representative and
4 does a lot to support the businesses in, in Times
5 Square, the district that he represents. In addition
6 to its unique cultural significance Broadway is a
7 massive economic and tourism driver that brings an
8 average of four... 40,500 theater patrons into Midtown
9 Manhattan every day. Each year we host millions of
10 travelers from all over the globe who come to attend
11 a live show and spend money in our city. We sold 14.8
12 million Broadway tickets in the theater season ending
13 May of 2019. In the previous season ending in May
14 2018, the most recent year for which we have
15 demographic information, 8.6 million tickets were
16 purchased by theater goers residing outside New York
17 City and that includes two million international
18 visitors. I'd like to note that 61.3 percent of
19 foreign visitors who attend a show report that
20 Broadway is one of their most important reasons for
21 visiting New York City. Broadway's cumulative fiscal
22 impact on New York was 12.6 billion dollars last
23 year. Collectively Broadway directly employs 12,600
24 individuals most of who are unionized; actors,
25

1
2 directors, ushers, electrician and advertising
3 agencies. Spend, spending by Broadway patrons
4 supported an additional 74,500 jobs in restaurants,
5 shops, hotels, livery services. In addition, Broadway
6 tours often employ performers, technicians and others
7 who reside in New York and many role production costs
8 are incurred in the state. We include the full
9 economic impact of those productions; touring,
10 broadways economic impact on New York City is an... is
11 an additional 400 million dollars. Broadway has a
12 long history of partnering with the city, the Council
13 is a generous sponsor of our family first night
14 program which provides a series of unique theatrical
15 events to underprivileged families and of our new
16 Broadway bridges program which endeavors to ensure
17 that every single New York City public high school
18 student will attend a Broadway show before graduation
19 which is approximately 70,000 students from DOE. The
20 league sponsors Broadway week administered by NYC and
21 Co. which is a semi-annual event that encourages
22 theater attendance by offering two for one ticket. We
23 also work closely with the Mayor's Office of Media
24 and Entertainment and collaborate to promote Broadway
25 related PSAs on taxi tv. Despite several hope...

1
2 several high-profile successes a surprising four out
3 of five Broadway shows fail to recoup their
4 capitalization and close within 12 months. Broad,
5 Broadway productions are incredibly risky and
6 expensive projects that are primarily supported by
7 groups of individual backers. Due to rising
8 productions costs, attracting investment is an
9 extraordinary challenge. Going forward we encourage
10 the Council to continue supporting legislation that
11 removes economic barriers to meeting operating
12 expenses, recovering capital and advertising
13 productions this would include Intros 1371 and 1372
14 sponsored by Councilman Powers that would reduce the
15 commercial rent tax burden for over 1,000 businesses
16 in Midtown Manhattan as well as eliminate tax all
17 together on theatrical advertising in Times Square.
18 We would also encourage continued... sorry, we also
19 encourage continuing, continuing policies that
20 promote easy access to Times Square and alleviate
21 obstacles and disincentives to visiting Midtown this
22 includes improved oversight of the many street
23 activities and fairs that lead to massive vehicle and
24 pedestrian congestion. Again we thank you for this
25 opportunity to address the Committee and we

1 appreciate the Council's ongoing support,
2 collaboration and recognition of the reciprocal
3 benefit of supporting an industry that is critical to
4 New York City's tourism economy and to maintaining
5 it's status of one of the worlds cultural epicenters.
6 I'm available to answer any questions, thank you.

8 CHAIRPERSON VALLONE: Tom really quick,
9 on the bill today, 1774 will you support for an
10 interagency coordination?

11 TOM FERRUGIA: We are deferring to NYC
12 and Company on that, we don't feel qualified to
13 discuss how the... it... the interagency... how the city
14 should operate in, in the city so we are... we are
15 going to defer to Fred in however his, his team feels
16 that the city should progress on that.

17 CHAIRPERSON VALLONE: Well Council Member
18 Powers and I are still working on 1371 and 72 on the
19 commercial rent tax in trying to make sure that gets
20 reduced and thank you for the data on the tickets
21 because that's what we're looking for... [cross-talk]

22 TOM FERRUGIA: Uh-huh... [cross-talk]

23 CHAIRPERSON VALLONE: ...on the... those who
24 are purchasing tickets from... residing out of New York

1 City and those within New York City that's also...

2 [cross-talk]

3 TOM FERRUGIA: Uh-huh... [cross-talk]

4 CHAIRPERSON VALLONE: ...important
5 information, thank you.

6 TOM FERRUGIA: Thank you.

7 SAMARA KARASYK: Good morning Chair
8 Vallone and members of the Committee on Economic
9 Development. I am Samara Karasyk, Chief Policy
10 Officer at the Brooklyn Chamber of Commerce. The
11 Brooklyn Chamber of Commerce is among the largest and
12 most influential business advocacy organizations in
13 New York having spent the last 100 years developing
14 and promoting policies that drive economic
15 development and advance its member interests. Over
16 the last number of years, we have played a central
17 role in Brooklyn's tourism economy convening local
18 institutions and businesses to bring Brooklyn to the
19 forefront of tourism marketing in New York. We have
20 brought groups of hotels and businesses to the
21 international powwow tourism conference annually, we
22 have developed visitor trail guides to chocolate,
23 beer, wine and distilleries in our borough and
24 launched our first ever Brooklyn passport in 2018, a
25

1 digital photo guide of 100 things to do and see in
2 the borough. However, it is incredibly difficult to
3 fund our numerous tourism efforts and market them
4 properly, a reason we were unable to participate in
5 IPW last year. Our tourism partners are eager to work
6 with us but are generally small businesses and
7 nonprofit organizations that cannot fund large
8 marketing efforts. Nationally chambers have shown to
9 be ideal partners for tourism marketing because they
10 know the local community and tourism stakeholders
11 better than anyone else. The New York City Council
12 should encourage a more focused effort and
13 partnership among New York City and Company and the
14 Chambers of Commerce, there must be tourism marketing
15 resources dedicated specifically to the outer
16 boroughs. The economic importance of tourism in New
17 York City is well documented. In 2018 a record 65
18 million people visited New York City making it one of
19 the most popular cities to visit in the United
20 States. Many of these visitors flocked to Brooklyn to
21 experience our wonderful cultural institutions such
22 as the Brooklyn Museum, Brooklyn Academy of Music and
23 Brooklyn Botanical Gardens. People come here to
24 experience our beautiful parks from Brooklyn Bridge
25

1 Park to Prospect Park and Coney Island. Brooklyn is
2 also home to major concert and sporting events,
3 spaces with Barclays Center, Kings Theater and MCU
4 Stadium. Tourists also know Brooklyn as a culinary
5 destination, these visitors patronize our fantastic
6 restaurants, shop at our local stores and rest their
7 heads at one of our 2,100 hotels. Aside from the
8 revenue that tourism creates, this key industry
9 creates local jobs with 17 percent of all Brooklyn
10 employment represented by hospitality and retail
11 jobs. Since 2010 this sector has grown approximately
12 73 percent adding roughly 20,000 jobs and two billion
13 a year in spending. In fact, in Brooklyn and
14 Manhattan alone there has been an 81 percent increase
15 in employment at museums and cultural institutions
16 over the past 15 years, the data speaks for itself.
17 Tourism puts New Yorkers to work in stable and good
18 paying jobs and is an important revenue driver for
19 our local businesses. It is crucial that the city
20 continue to build on the strong work of New York City
21 and Company and its local partners to bolster the
22 tourism economy specifically in the outer boroughs.
23 We look forward to continuing to work with the city
24 council on this issue. Thank you for the opportunity
25

1
2 to testify today and I would be happy to answer any
3 questions you might have.

4 CHAIRPERSON VALLONE: Thank you Samara.

5 CHARLES SHAVIRO: Good morning...

6 CHAIRPERSON VALLONE: Good morning.

7 CHARLES SHAVIRO: Thank you. Good
8 morning, my name is Charles Shaviro, I am the Data
9 Researcher at the Center for an Urban Future, an
10 independent think tank focused on expanding economic
11 opportunity and growing the economy in New York City.
12 I'll be reading testimony prepared for today by our
13 Executive Director, Jonathan Bowles, thank you for
14 the opportunity. For more than 20 years now the
15 Center for an Urban Future has been closely
16 monitoring the city's economy and developing
17 strategies to create more good jobs across the five
18 boroughs. During that time a few things have been
19 more important to the city's economic renaissance or
20 more overlooked than New York's booming tourism
21 economy. Last year the Center for an Urban Future
22 published a report in partnership with Times Square
23 Alliance and the Association for a Better New York
24 which provided a new level of detail about the
25 growing impact of tourism on the city's economy.

1
2 Twenty years ago, roughly 33 million tourists visited
3 New York City, last year it was over 65 million. We
4 found that this boom in tourism has spurred hundreds
5 of thousands of jobs. Our research show that there
6 are now at least 291,000 direct jobs in tourism in
7 New York City which is more than in finance and
8 nearly twice as many jobs as in the city's tech
9 sector. A report also found that tourism has become
10 an increasingly important source of middle-income
11 jobs in New York. For instance, the city is now home
12 to nearly as many hotel jobs which pay 62,000 dollars
13 per year on average as jobs in manufacturing which
14 pay an average of 58,000 dollars. But as important as
15 tourism has become to the city's economy New York's
16 tourism sector faces several challenges that if not
17 addressed could cause tourism to slip and jobs to
18 decline. One, New York has never adequately planned
19 for a city with 65 million tourists a year or made
20 sufficient investments in its tourism infrastructure
21 to sustain this many annual visitors. And two,
22 tourism has never been a meaningful part of the
23 city's economic development strategy. New York City
24 is fortunate to have what is arguably the worlds most
25 sophisticated tourism promotion agency, NYC and

1
2 Company but funding for the agency has not kept pace
3 with competitors across the globe and the agency will
4 need sustained revenue to grow its impact in the
5 years ahead. In addition, many of the challenges
6 facing the tourism sector go well beyond tourism
7 promotion, they require help and support from a range
8 of other city agencies in particular the EDC. That's
9 why we recommend establishing a dashboard for the
10 city's tourism economy. Given the increasing
11 importance of tourism to the city's economy EDC
12 should develop a top-level tourism dashboard similar
13 to how it produces economic research about other
14 leading industries like health care, life sciences
15 and finance. We also believe that establishing an
16 office of interagency tourism affairs could be
17 valuable if it elevates the importance of the tourism
18 industry as a priority across city agencies and it is
19 done in a way that empowers NYC and Company. Most
20 important the city should create a long term tourism
21 plan, adding 32 million tourists since 2000 leads to
22 a host of challenges; where to park the tour buses
23 that flood the neighborhoods near Times Square, how
24 to better handle street and sidewalk congestion and
25 how to ensure that the boroughs outside Manhattan are

1 prepared to share in the benefits of increased
2 visitation. New York City should develop a strategic
3 tourism plan that is attuned to the unique challenges
4 of sustaining more than 65 million tourists per year
5 while maintaining New York's edge in an increasingly
6 competitive global environment. Thank you for
7 bringing this important issue to light and for the
8 chance to testify today.

10 CHAIRPERSON VALLONE: Charles thank you
11 and tell Jonathan thank you also with the work that
12 you and Tim did and all the advocates really is a
13 reason why we've kind of taken off here with this
14 committee with all of your recommendations so we
15 thank you for that.

16 CHARLES SHAVIRO: Thank you.

17 TIM TOMPKINS: Hello, I'm Tim Tompkins
18 from Times Square Alliance and thank you to all the
19 Committee members and Council Member Vallone, thank
20 you Council Member Vallone for all that you've done
21 for economic development in the city and, and for all
22 that your family has done over generations. So, we've
23 heard all about how, how important tourism is in
24 terms of a generator of jobs and good jobs and as, as
25 compelling as this information is we continue to

1 believe that there's major gaps in how the city's
2 economic development agencies measure tourism's total
3 contribution to the city's economy and especially the
4 number of New Yorkers living in every neighborhood
5 who's jobs depend on tourism as well as the secondary
6 effect of spending. Just to give one example, data we
7 purchased from Visa shows that 27.9 million dollars
8 was spend by Visa card holders on just retail and
9 restaurants in Jamaica in Southeast Queens. Having
10 EDC purchase and analyze that data would help the
11 city understand in a more nuanced way how tourism
12 flows through different neighborhoods and creates
13 jobs in different neighborhoods in different ways.
14 In, in EDC's economic snapshot employment reports
15 that they publish there's no aggregate number that
16 represents jobs driven by tourism, you'll get... you
17 have hospitality and you have arts in a separate
18 category but there's no aggregate number. Now part of
19 that has been pointed out is because of the historic
20 ways in which job categories are tracked but I think
21 that it... more attention could be paid to that. And
22 also on EDC's website for example I'll read you the
23 list of industries under their explore industries tab
24 on their website; cyber security, emerging tech,
25

1 fashion, finance, health care, industrial and
2 manufacturing, life sciences, maritime, median
3 culture, real estate, retail and smart cities. Or on
4 another page, the lead page, the city of opportunity
5 it says our, our economic strengths span all
6 industries including professional business services,
7 health care, government, retail, finance, education,
8 construction, transportation, real estate,
9 publishing, music, fashion, advertising and film. Now
10 those are just pages on a website but I think that
11 sort of speaks to how this... the role of tourism
12 economy is not central, just think about the Mayor's
13 signature jobs plan New York Works and it says these
14 are the fast growing, high paying industries that
15 represent the future of our city but as you pointed
16 out there's literally only a few sentences about the
17 industry that actually created more jobs in finance,
18 manufacturing and technology and is one of the
19 fastest growing. And so, the, the notion that, that
20 EDC's role is kind of peripheral I think that... I
21 worked at EDC in the 90s, I think that it's evolved
22 in response to changing economic priorities and needs
23 in the city and EDC does amazing work, the work
24 they've done on 42nd Street created one of the great,

1
2 you know tourism destinations of our time but I think
3 that it's, it's, it's important that it be more front
4 and center so that's why we support the idea of a... of
5 a dashboard that, that is part of the city's economic
6 development and job creation agencies and we also
7 think if that's front and center then it won't just
8 take Alex Baldwin complaining to get a problem that
9 is far less complicated than fixing New York's
10 airports, you know which is a consumer affair thing.
11 The next day the Mayor got a bunch of agencies in a...
12 in a room and said solve this problem about people
13 getting ripped off by the statue of liberty ferries,
14 that's not a complicated thing, it's a matter of, of
15 will that grows out of an understanding that this is
16 a main tourism and job... tourism is a main jobs
17 driver. One or two other things, we thank the city
18 and the Council for, for filling gap... we, we don't
19 think that NYC and Company should ever be subjected
20 to that, that PEG cut, this is an agency that
21 produces, through its efforts produces amazing
22 results for the city and it needs more investment not
23 less. You've heard the comparisons with other cities,
24 the key there is that the... that not... is that the
25 taxes that are collected by hotels is guaranteed in

1
2 some form some portion of that to go back to the
3 city, in, in Los Vegas it's 78 percent of their hotel
4 taxes and in San Francisco 57 percent of those hotel
5 taxes, taxes automatically go back to fund tourism
6 promotion and to be more specific, between 2008 and
7 2018 hotel tax revenues in New York City grew by 87
8 percent from 1.3 billion to 2.4 billion so over a
9 billion dollar growth in taxes for New York City,
10 during... an, an 87 percent growth. During that time
11 the city's contribution to NYC and Company grew by
12 only seven percent from 20 million to 21.5 million.
13 Again, value... there have been some valuable increases
14 in recent years both because of City Hall and the
15 Council so that's great but if we look at it over
16 time, we're way behind and need to catch up. Thank
17 you.

18 CHAIRPERSON VALLONE: No, we agree Tim
19 and I think looking at all aspects of revenue
20 generators for the tourism industry whether it's
21 future EDC projects... [cross-talk]

22 TIM TOMPKINS: Uh-huh... [cross-talk]

23 CHAIRPERSON VALLONE: ...having it built in
24 to a calculator whether it's a tourism BIDs
25 calculation through the hotel industry and

1 specifically the budget, that hasn't moved in over a
2 decade, there would be real simple ways to enhance
3 New York and Company's role but also provide that
4 degree of security we need here in the city to
5 continue to compete because if we ever lose that
6 competitive edge it'd be real hard to get it back.
7 So, we're going to continue to fight for the.. for the
8 dashboard specifically with this legislation. So, it
9 seems like we're across the board in support just
10 kind of a little hazy on where it's going to be and
11 how its going to be rolled out but I think all of
12 this will be part, the, the data, the job data I
13 think is important... [cross-talk]

14
15 TIM TOMPKINS: Uh-huh... [cross-talk]

16 CHAIRPERSON VALLONE: ...the outer borough
17 inclusion is important and interagency coordination
18 to assist I think with New York and Company and EDC's
19 vision is, is where we're going.

20 TIM TOMPKINS: Yeah and you know that
21 idea of just the other agencies supporting NYC and
22 company's vision, I mean NYC and Company does an
23 amazing job, they, they shouldn't have to worry about
24 toilets or how to have better signage and, and bus
25 routes that are going to Peter Koo's district which

1 should... you know should be a major tourism attraction
2 and the tourism ready program is making that happen
3 so as long as there's something that, that helps to
4 energize the other agencies to respond to the needs
5 of the tourism economy and that empowers NYC to sort
6 of say hey we know what needs to be done here's a
7 direction for, for how to get the other folks to the
8 table.
9

10 CHAIRPERSON VALLONE: One of those ideas
11 would be to have the annual meeting that the city
12 agencies respond to this office and New York and
13 Company to hear their direct concerns with every city
14 agency present at that annual meeting... [cross-talk]

15 TIM TOMPKINS: Yeah... [cross-talk]

16 CHAIRPERSON VALLONE: ...and that would be
17 one of the reasons so thank you to this panel. I
18 think we have one more panel.

19 COMMITTEE CLERK: Yeah, one more... [cross-
20 talk]

21 CHAIRPERSON VALLONE: One more panel. Oh,
22 Council Member Barron, thank you for coming.

23 COUNCIL MEMBER BARRON: Thank you.

24 CHAIRPERSON VALLONE: If you have any
25 questions you want to jump... okay.

1
2 COUNCIL MEMBER BARRON: Thank you,
3 appreciate it.

4 CHAIRPERSON VALLONE: So we have
5 Alexandra Silversmith from the Alliance for Coney
6 Island and Charles Nolen from the Big Bus Tours of
7 New York as our last two speakers and I don't know if
8 any of the students wanted to sign up or give a
9 couple of words before we close out if not always
10 happy to have you hear in New York City. It's still
11 good morning.

12 ALEXANDRA SILVERSMITH: So, good morning
13 and thank you again for having me, I was at the, the
14 committee hearing last year which was in a much nicer
15 space... [cross-talk]

16 CHAIRPERSON VALLONE: It was... [cross-
17 talk]

18 ALEXANDRA SILVERSMITH: ...but... [cross-
19 talk]

20 CHAIRPERSON VALLONE: It was... [cross-
21 talk]

22 ALEXANDRA SILVERSMITH: ...you know it was
23 very nice to experience it... [cross-talk]

24 CHAIRPERSON VALLONE: My wife reminded me
25 also, she said what happened... [cross-talk]

1
2 ALEXANDRA SILVERSMITH: So, I'm the
3 Executive Director of the Alliance for Coney Island
4 and we continue... we seek to continue the
5 revitalization of Coney Island and increase visitor
6 ship. So, thank you for the opportunity to speak
7 about that. One of the things that I wanted to point
8 out and I'm going to sort of skip through a lot of my
9 testimony but... is that, you know Coney Island, one of
10 the things that I, I hear time and again and I
11 mentioned this last year at the committee hearing is
12 it's a cornerstone of Coney Island... of Brooklyn and
13 of New York City's economy and we're at a crucial
14 moment where there's been a lot of investment done in
15 the city by the city in Coney Island, almost a
16 billion dollars in creating the aquarium and the
17 amphitheater but there's really not marketing support
18 for this destination. So, one of the things that we...
19 we're in support of the creation of this agency or,
20 or committee or whatever sort of form it takes but we
21 think that it really needs to focus on outer borough
22 strategies on how agencies can collaborate. One of
23 the other big sort of issues that we see is in Coney
24 Island unlike probably most destinations in New York
25 there are so many different agencies that have

1 jurisdiction so we have Parks, we have DOT, we have
2 EDC managing some of the leases, there's just a lot
3 of agency coordination that is needed that we try to
4 put together but I think somebody who is really
5 pushing forward the vision of, of tourism and really
6 driving that force for the area and connecting all
7 these agencies would be extremely helpful. And then
8 the last piece is, a lot of our work focuses on free
9 events and so one of the things that I would propose
10 is that if this office were created is that it focus
11 on the bureaucracy of free events and the permitting
12 and the fees that are involved so there's a high,
13 high cost to doing free events which I think is a
14 shame, that is one of the drivers in Coney Island to
15 get people down there and even for the mermaid parade
16 they're paying a lot of money just to produce that
17 event, I'm sure for pride it's the same thing. So, I
18 appreciate this again and I, I hope that the.. if an
19 office is created it supports us driving, driving
20 tourism and really figuring out how to navigate
21 bureaucracy to make things easier for nonprofits and
22 for the areas to thrive. So, thank you again.

24

25

1
2 CHAIRPERSON VALLONE: Oh, Alexandra I
3 agree, I think those are great points on outer
4 borough coordination, the event... [cross-talk]

5 ALEXANDRA SILVERSMITH: Yeah... [cross-
6 talk]

7 CHAIRPERSON VALLONE: ...planning is, is a
8 full-time job in and of itself... [cross-talk]

9 ALEXANDRA SILVERSMITH: It is... [cross-
10 talk]

11 CHAIRPERSON VALLONE: ...and when I do my
12 fireworks show in, in... and fourth of July out in Fort
13 Totten that's six months of planning of an entire
14 office and a lot of folks can't really dedicate...
15 [cross-talk]

16 ALEXANDRA SILVERSMITH: Yeah... [cross-
17 talk]

18 CHAIRPERSON VALLONE: ...that time so I
19 think those are great ideas... [cross-talk]

20 ALEXANDRA SILVERSMITH: Thank you.

21 CHAIRPERSON VALLONE: Thank you.

22 CHARLES NOLEN: Council Member, good
23 morning, thank you very much for the opportunity to
24 testify this morning. My name is Charles Nolen and
25 I'm the Manager for Big Bus Tours New York, I have

1
2 been working in tourism for over ten years now
3 specifically in New York since the creation of our
4 company in 2014. Big Bus Tours is the largest,
5 largest sightseeing operation... bus operator in the
6 world serving over six million visitors each year
7 across 23 cities and four continents. Locally we
8 employ nearly 500 people most of them a member of TWU
9 local 100. In New York City the company's targets
10 remain the same being the number one thing to do in
11 every world-famous city while maintaining food
12 compliance and excellence statutes with agencies
13 growing our industry. No matter what the city
14 regulation or priorities are, I define our company as
15 a citizen in our... of our beautiful city and our team
16 members are its primary ambassadors. Because of the
17 size of the group arriving in 23 cities Big Bus Tours
18 has a relationship with 23 different city halls,
19 tourism and transportation agencies of each city in
20 which we operate. We are accustomed to the scrutiny
21 of our operation and the economic impact of our
22 business model... that our business model brings to the
23 great city we work in. Each year our company
24 introduce with expertise and passion the intricate
25 splendor of the top... that is New York City's over

1
2 800,000 visitors, each one of them arranges free hop
3 off and back on the bus during the very detail of his
4 or her tickets representing nearly 2.5 million
5 individual rider with room from our very limited... by
6 using and operating efficiently the most efficient
7 and tourist friendly mass transit of the particular
8 buses. Visitors hopping off my buses are directly
9 spending into our city, attractions, museums,
10 restaurants, Broadway shows, etcetera. Big Bus Tours
11 fully supports the introduction of the... and the
12 creation of the office of interagency tourism affair
13 and thanks the Council Member for this effort. We're
14 concerned by the lack of a consistent deliverable of
15 what we believe to be a huge importance in the entire
16 issue in New York's sightseeing market which is the
17 vending and the, the vending and the ticket settings
18 for this years licenses on the year to regulated
19 plazas, sidewalk, buses and stops. It is our opinion
20 that the two agencies need a common voice through
21 this office creation in order to serve one of the
22 most negative issues impacting tourism in cities and
23 the like and the reputation of our city. We urge... we
24 urge the office to assess the negative impact of
25 human street vendor's barricades reported harassments

1 and the overcrowding of sidewalks that are made for
2 entrances. We understand that Council Member Espinal
3 as Chair of the Committee of Consumer Affairs and
4 business licensing and that Council Members Powers
5 are working on legislation that will establish a code
6 of conduct similar to one that exists in London and
7 several other places in the world. We support such
8 code that will clearly define the standard of
9 operation, behavior and presentation for the
10 allocation of on street staff. We hope that you will
11 tell them you want to be part of that effort. Big Bus
12 Tours is also looking forward to being included in
13 the discussion and researches around the five-year
14 tourism sustainability plan and help in any way
15 possible. We thank you very much.

17 CHAIRPERSON VALLONE: Thank you Charles
18 for your input, we like to have all the partners
19 here, I'm glad to see your supporting the code of
20 conduct, will pass that on to the other Council
21 Members and Alexandra thank you for coming in, both,
22 both... [cross-talk]

23 ALEXANDRA SILVERSMITH: Thank you...
24 [cross-talk]

1
2 CHAIRPERSON VALLONE: ...panels from two
3 years in a row. With that brings really to a close
4 today's focus on creating this office of interagency
5 coordination focusing on tourism and tourism concerns
6 and how we can assist New York and Company and EDC to
7 create that and better coordinate the issues facing
8 the tourism industry. I'd like to thank my amazing
9 staff with Alex, Emily and Aliya so they should have
10 their own tv show with that name and my Chief of
11 Staff Jonathan Szott and my, my now Assistant Chief
12 and also Legislative... reassuming Legislative Affairs
13 Amanda Zarr to making today happen and every day so
14 thank you. With that we close our committee hearing.

15 [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

October 29, 2019