

New York City
Regional
Economic
Development
Council

2013 PROGRESS REPORT



Presentation to the New York State Strategic Implementation Assessment Team – November 14, 2013



A Five-Borough Strategy

Strengthen New York City as a center of global economic activity and innovation and make the local economy more inclusive, while alleviating conditions of poverty and better preparing the city's residents for good jobs in a technology-driven economy

Encourage partnerships among government, business, labor, academia, and civic organizations, as well as **inter-regional cooperation** aimed at maximizing benefits of economic growth and job creation for the entire state





Implementation

- > Total amount invested in New York City, both public and private, through rounds I and II of the Regional Council initiative:
\$1.36 billion
- > Jobs to be created or retained through these projects:
11,500



Public engagement: Council meetings, workgroup meetings, public forums

Workgroups: Path Through History; Opportunity Agenda; Cleaner, Greener Communities

Performance measures: Interim reports from projects sponsors; reports at public meetings



Opportunity Zones Updates

In its 2011 five-year plan, the REDC identified 15 economically distressed or underdeveloped areas of New York City poised for substantial job-generating development activity as a result of recent rezoning and infrastructure investments.

These areas were given funding preference by the council.





BRONX

Hunts Point

- ▶ GrowNYC expanding facility in Hunts Point
- ▶ Federal funds obligated for rail improvements
- ▶ RFP released for construction of facility at Halleck Industrial Development Site

South Bronx

- ▶ Randall's Island Connector construction to start spring 2014
- ▶ Several portions of South Bronx Greenway completed
- ▶ Construction of Food Center Drive to be completed fall 2015





BROOKLYN

Coney Island

- ▶ Steeplechase Plaza opened
- ▶ Construction ongoing at Coney Island Commons

Downtown Brooklyn

- ▶ Strategic plan for emerging tech sector released
- ▶ Center for Urban Science and Progress commenced classes at MetroTech

Brooklyn Navy Yard

- ▶ Construction of Green Manufacturing Center progressing
- ▶ Steiner Studios, Duggal Visual Solutions, Macro Sea received assistance
- ▶ Construction started on Building 77



Greenpoint-Williamsburg

- ▶ Transmitter Park along East River opened
- ▶ Recreational pier on Kent Street opened

Southwest Brooklyn

- ▶ Brooklyn Waterfront Greenway underway
- ▶ Construction underway at Bush Terminal Piers Park
- ▶ Rehabilitation of South Brooklyn Marine Terminal nearly complete



MANHATTAN



**URBAN
ELECTRIC
POWER**

RECHARGE. RENEW. RECYCLE.™

125th Street

- ▶ Urban Electric Power ribbon-cutting held August 2013
- ▶ CREATE@Harlem Green grant approval March 2013
- ▶ Developers designated for new headquarters of National Urban League

Lower Manhattan

- ▶ Chinatown Manpower Project training 64 unemployed workers
- ▶ Construction of East River Waterfront Esplanade progressing
- ▶ Responses received for Seward Park Mixed-Use Development Project RFP

Hudson Yards

- ▶ Related signed two tenants for Hudson Yards; L'Oreal and SAP America
- ▶ Construction of Hudson Boulevard Park underway
- ▶ Time Warner and Coach relocating headquarters to Western Railyards



QUEENS



Long Island City

- ▶ Tech Zone Strategic Plan for western Queens waterfront to be prepared
- ▶ Shapeways leasing space; construction of 3D printing facility underway
- ▶ First phase of Hunter's Point South to be completed 2014

Jamaica/Southern Queens

- ▶ 161st St. Jamaica Apartments to be completed 2014
- ▶ Reconstruction of Sutphin Underpass complete
- ▶ Destination marketing program (Queens Royalty Campaign) underway

Flushing/Willets Point

- ▶ Flushing Commons to transform parking lot into mixed-use development
- ▶ Queens Development Group to develop first phase of Special Willets Point District; off-site infrastructure improvements to be completed 2013



STATEN ISLAND



North Shore

- ▶ New York Wheel and Empire Outlets certified into ULURP in spring 2013
- ▶ First phase of New Stapleton Waterfront broke ground

West Shore

- ▶ NYCT and Port Authority to enter into extension of lease agreement on Howland Hook facility with \$1.5 million in ESD assistance
- ▶ RFEI issued for development at Teleport Industrial Park
- ▶ Redevelopment of 65-acre site in Charleston certified into ULURP



2011 and 2012 Priority Projects

	2011	2012
Total Number of CFA-funded Projects	50	50
Contracts for Funding Sent to Applicants	47	47
Contracts Executed	45	40
Projects Started	40	25
Projected Completion Through CY 2013	22	8
Projected Completion Through CY 2014	12	24
Projected Completion Through CY 2015	11	4
Projected Completion Through CY 2016 or Beyond	2	14
Total CFA Award Amount	\$66.2M	\$51.3M
Expected Total Project Value	\$741.9M	\$620.5M



Criteria

- ▶ Multi-region economic impact
- ▶ Relief of conditions of economic distress
- ▶ Transformative role
- ▶ Feasibility
- ▶ Measurable impact
- ▶ Leveraging
- ▶ Job creation
- ▶ Innovation
- ▶ Interregional cooperation
- ▶ Partnerships between business and institutions of higher education
- ▶ Strong private sector investment and engagement





Selected Project Updates: New Lab/Macro Sea, Inc. (2012)

Strategic Objective: Generate high-tech manufacturing jobs; contribute to development of innovation industry clusters

Project: Macro Sea, Inc.'s conversion of two wings of former shipbuilding factory at Brooklyn Navy Yard into New Lab, a high-tech design and prototyping center

Progress: New Lab's "Beta" space opened in Building 280 in Brooklyn Navy Yard as testing ground for programming and collaboration. Construction on building's core and shell commenced; New Lab expected to open in 2015





Selected Project Updates: NYC SeedStart (2011)

Strategic Objective: Advance high-tech innovation industry clusters statewide by catalyzing partnerships among entrepreneurs, investors, and universities

Project: Program for high-tech startup entrepreneurs offering seed funding, workspace, and extensive mentorship in order to translate investment in universities to investment in businesses and jobs

Progress: Seven companies selected to receive seed capital, mentoring, and co-working space. Five venture capital firms have provided matching capital; technology companies (Google, Amazon Web Service) are supporting program. First Accelerator Demo Day in October 2013, where companies pitched potential future investors. Next cohort planned for launch January 2014.





Selected Project Updates: New York Genome Center (2012)

Strategic Objective: Catalyst for expansion of a growth industry cluster; builds on key innovation assets (medical and research institutions)

Project: Transform biomedical research and clinical care in New York and beyond, by translating promising research into new ways to treat, prevent, or manage serious disease

Progress: Ribbon-cutting event held September 2013 for location at 101 6th Avenue, Manhattan, introducing state-of-the-art hub for genome sequencing, analytics, bioinformatics, high-performance computing, and research, designed with an emphasis on spatial flexibility and collaboration





Selected Project Updates: Steiner Studios Media Campus Phase III (2012)

Strategic Objective: Promotion of key growth industries—film and television—through partnerships between business and education (Brooklyn College Graduate School of Cinema)

Project: Construction of new soundstages and backlot and preconstruction for space for academic partners and media companies

Progress: Design and engineering of 100,000 square feet of new stages, perimeter acoustic and security enclosure, and new entrance on Kent Avenue nearing completion





New Strategies

New York City Private Sector Employment, 2000 - 2011



Private	2000	2011	Δ, '02-'11	%Δ, '02-'11
Bronx	189,083	212,613	22,280	11.7%
Brooklyn	408,103	472,361	66,493	16.4%
Manhattan	1,928,325	1,892,291	101,567	5.7%
Queens	449,757	467,501	27,646	6.3%
Staten Island	81,591	85,204	4,299	5.3%
NYC	3,056,859	3,129,970	222,284	7.6%

SOURCE: NYC Economic Development Corporation and the New York State Department of Labor and Bureau of Labor Statistics (QCEW)



Opportunity Agenda

New York City faces the largest-scale challenge among the state's regions in providing adequate opportunities for upward mobility and career advancement for low-income New Yorkers: 21% of the region's population is living below the federal poverty level.

The city has 56% of the state's impoverished residents and one of the largest populations of non-English speaking residents (41% foreign born)

The NYC REDC is focusing on specific geographic communities or populations with high unemployment rates and high rates of poverty.



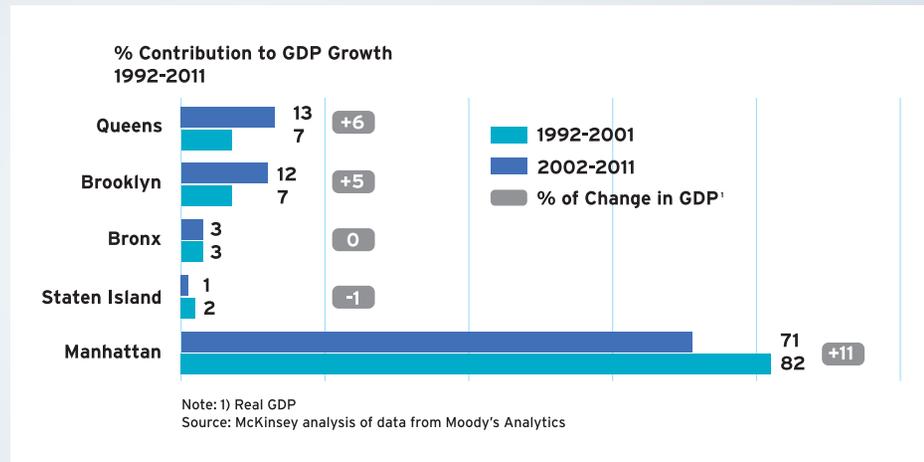


2013 Priority Projects

Of the Outer Boroughs, Staten Island Contributes the Least to the City's GDP

The council's top priority this year is a cluster of projects on the north shore of Staten Island, expected to create over 1,200 construction jobs and 1,250

permanent jobs, establish a visitor destination, and provide the infrastructure required to rebuild and protect coastal properties from future damage as a result of extreme weather and rising sea levels.





New York Wheel LLC

Strategic Objective: Transformational project to anchor five-borough hospitality and tourism opportunities and provide employment and private investment

Project: Construction of 625-foot-high observation wheel on the northern tip of Staten Island offering views of Statue of Liberty, Manhattan skyline, and other city features

Cost: \$330 million

Jobs: 700 full-time jobs; 400 construction jobs

Timeline: Construction to start May 2014; projected opening date July 2016





Lighthouse Point

Strategic Objective: Restore historic site and waterfront; create green space; spur jobs, tourism, and retail industry in area in need of economic development

Project: Mixed-use waterfront development at base of Staten Island Ferry will restore four deteriorated buildings and construct three new buildings

Cost: \$227 million

Jobs: 374 permanent jobs; 668 construction jobs

Timeline: Project to begin December 2013; projected completion 2017





The Empire Outlets Project

Strategic Objective: Economic rejuvenation of distressed area through retail opportunities and significant leveraging of private investment

Project: Transform underutilized public land next to Staten Island Ferry Terminal into space for 65-75 outlet stores, 8-12 restaurants, event space, and amenities

Cost: \$220 million (\$30 million for public infrastructure improvements)

Jobs: 1,306 new full-time permanent jobs; 1,940 construction jobs

Timeline: Construction begins 2014; opening November 2016; full occupancy 2018





Sandy Hook Pilots Association

Strategic Objective: Sustain chain of waterway commerce and retention of key jobs

Project: Construction of LEED Platinum facility located eight feet above flood plain to replace base of operations damaged beyond repair in Superstorm Sandy

Cost: \$4.5 million

Jobs: 20 new jobs; 130 jobs retained; 20 construction jobs

Timeline: Construction to begin April 2014





Brooklyn Navy Yard Development Corporation: Building 77

Strategic Objective: Encourage manufacturing, tech-sector business, and innovative economy through rehabilitation of historic asset

Project: Renovation of industrial building into a hub for manufacturing and technology company uses, with Shiel Medical Laboratories as anchor tenant

Cost: \$76 million

Jobs: 1,500 new jobs; 53 construction jobs

Timeline: Construction underway; projected completion December 2015





Madelaine Chocolate Novelties, Inc.



Strategic Objective: Job creation for local residents; spur growth of small businesses in underserved communities

Project: Purchase and installation of manufacturing equipment to replace that lost to Superstorm Sandy and expand product line, increase capacity, and improve operating efficiencies

Cost: \$2.9 million

Jobs: 162 new jobs

Timeline: Equipment to be purchased January 2014



“Made in New York” Media Center

Strategic Objective: Develop key regional industries—media and technology—and promote five-borough entrepreneurship

Project: Construction of center to provide workspace, educational programs, and events for entertainment and new technology sectors in Brooklyn Tech Triangle

Cost: \$585,000

Jobs: 14 new full-time jobs, with incubator space for 126 individuals

Timeline: Projected construction completion early 2014





2014 Excelsior Tax Credit Projects

Architectural Grille

Assist post-Sandy rebuilding efforts of high-end metalwork producer in economically distressed community (Gowanus Canal area, Brooklyn)

Brightfarms (BSP Greenhouse LLC)

Provide career opportunities to economically distressed neighborhood and promote large-scale urban agriculture through construction of rooftop greenhouse

Fastener Dimensions, Inc.

Assist manufacturer and distributor of hydraulic fittings, aircraft, and military components in upgrading its East New York manufacturing facility and train its skilled workers

Hansel 'n Gretel Brand, Inc.

Renovation and equipment and facilities upgrades to delicatessen meat manufacturer in southeastern Queens, a small MWBE business in a diverse neighborhood





2014 Excelsior Tax Credit Projects

(continued)

Ralph Rucci LLC

Expansion of designer fashion label through conversion of vacant and underutilized space into design and manufacturing headquarters for high-end women's clothing in Chelsea



Sailthru, Inc.

Provide new office space in Lower Manhattan for expanded operations of technology-services company that provides real-time automated data systems



ShopKeep POS Inc.

Support additions in office space, computer equipment, and furniture for an expanding technology company that sells cloud-based software to small- and medium-sized businesses



World Business Lenders, LLC

Support the city's small business growth through expansion of financial services operations center that offers business loans to small- and medium-size businesses





Opportunity Agenda Project

Closing the Gap: Classrooms to Careers

Strategic Objective: Partnership among regional assets—high schools, community colleges, businesses – to address key workforce development needs

Project: Enable employers in health care, energy, and technology to develop partnerships with 9-14 college and career preparation schools, including those selected as part of Pathways in Technology Early College High School Program

Cost: \$112,900

Jobs: New York City Department of Education, IBM, SAP, Montefiore Medical Center, National Grid, Con Edison

Timeline: Implementation and completion in 2014





Hot Spot Project

Queens Tech Incubator

Strategic Objective: Catalyst for expansion of tech industry across region, located in an Opportunity Zone

Project: Expand the Schutzman Center for Entrepreneurship at Queens College, which will establish a new Queens Tech Incubator in Long Island City, providing workspace, education, and events, and support for emerging companies

Cost: \$4.1 million

Partners: Queens College, Cornell Tech, York College, Coalition for Queens

Jobs: 30 new jobs

Timeline: Formal launch of incubator February 2014





Business Incubator
**NY Designs
Incubator Project**



Strategic Objective: Development of small businesses to spur job creation in innovation economy

Project: Implementation of plan to establish Long Island City, Queens, as competitive hub of innovation for young companies developing physical products

Cost: \$3.2 million

Partners: Queens College, Cornell Tech, York College, Coalition for Queens

Jobs: 151 new jobs

Timeline: Expansion implemented in January 2014



Cleaner Greener Projects
**Flushing-Jamaica
Select Bus Service
TLC Electric
Vehicle Program
Car Charging
Holdings, LLC**

Creating more sustainable
communities through
smart growth





Conclusion/REDC 2013 Checklist

- ▶ Keep the project pipeline flowing
- ▶ Select Innovation Hot Spots to facilitate tech transfer
- ▶ Develop Opportunity Agenda
- ▶ Train workforce for today and tomorrow
- ▶ Engage local government officials in reshaping the regional business climate
- ▶ Create interregional collaborations
- ▶ Advance regional Cleaner, Greener Communities sustainability plans
- ▶ Measure performance

