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State of the Region:

New York City

2015 PROGRESS REPORT



New York City
Regional Economic
Development Council



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Martin Golden, NYS Senator

Monique Greenwood, CEO of Akwaabe Bed & Breakfast Inns

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Steve Hindy, Founder and Chairman of the Board, Brooklyn Brewery

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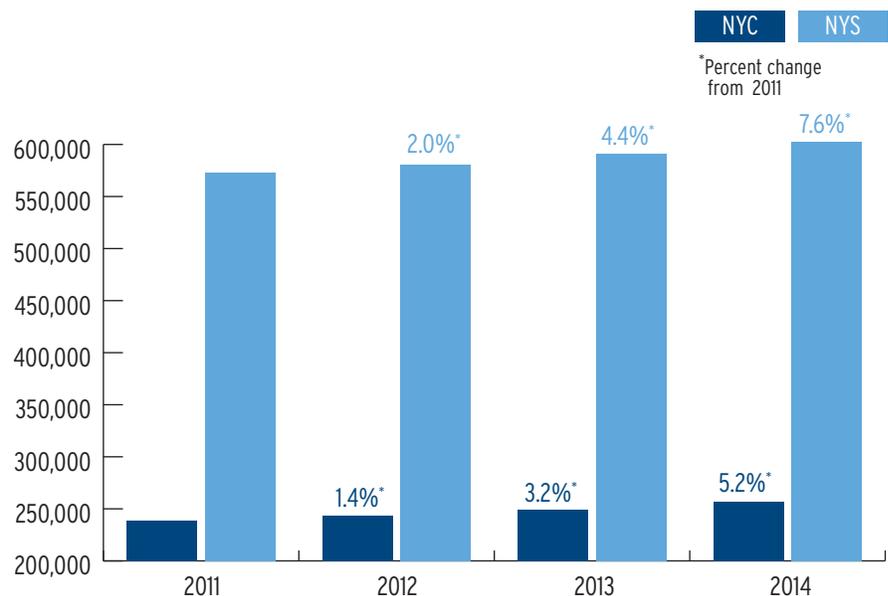
II. Progress

State of the Region General Economy

New York City is among the largest urban economies in the world and continues to grow at a rate of more than 2% a year. Financial services remain the anchor of the economy, generating about 40% of the city's economic output and nearly two-thirds of its total private sector payroll. Over the past decade, the city economy has diversified, with high tech and creative industries expanding most rapidly. Business formation, as well as job and wage growth, has been steady, but new jobs have been concentrated at the high and low ends of the wage spectrum, with a gradual loss of mid-level jobs. In addition, while there are many start-up enterprises, few have scaled up to significant size.

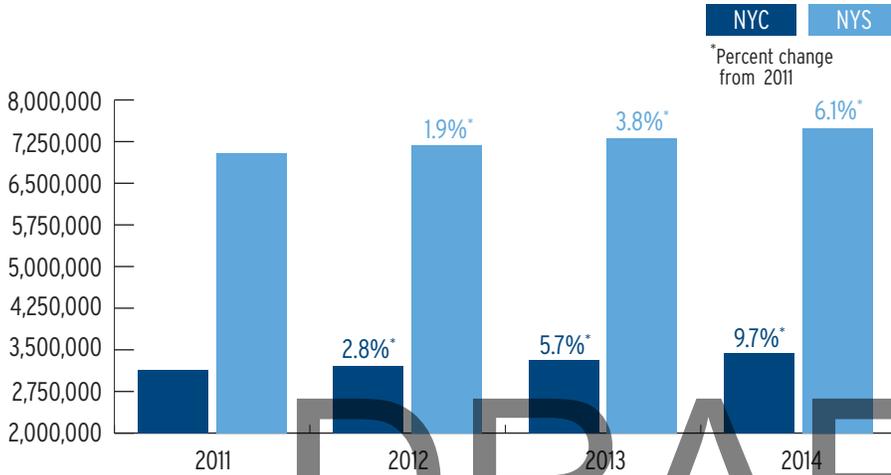
Today, the economic health of the city is good, but cannot be taken for granted. Growing global competition, aging infrastructure and increasing fiscal demands on local and state government all represent real threats to the region's future. Consistent with national and global trends, lower and middle income New Yorkers have experienced wage stagnation, making the city increasingly unaffordable to many. The number of people living in poverty in the city has also increased to about 21% of the population, most of whom lack the education and skills required to qualify for jobs in growth industries. These are the major challenges that the REDC seeks to address.

NUMBER OF ESTABLISHMENTS (PRIVATE)



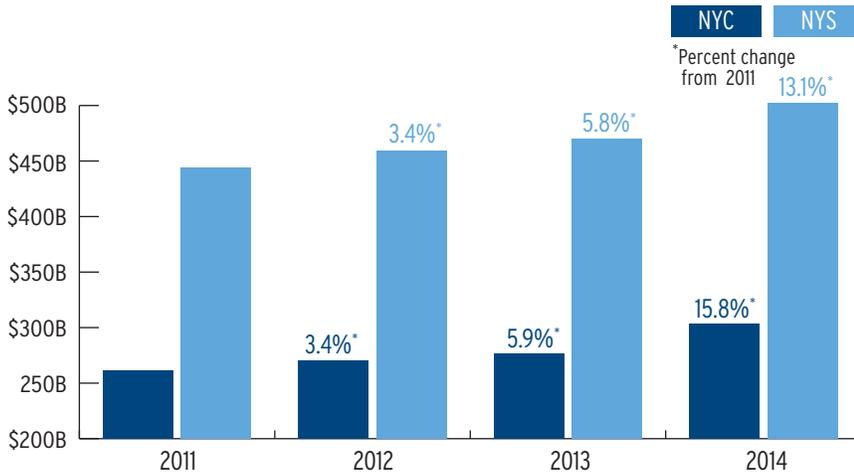
Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

AVERAGE ANNUAL PRIVATE SECTOR EMPLOYMENT



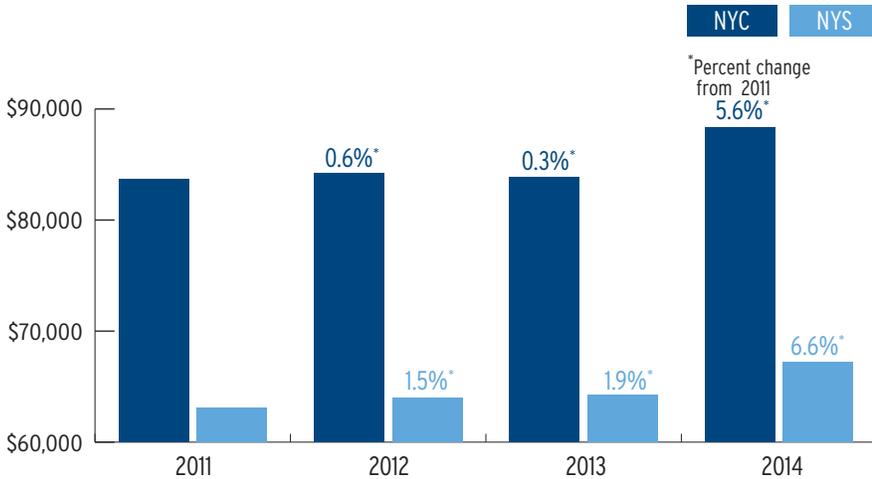
Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

TOTAL ANNUAL WAGES (PRIVATE)

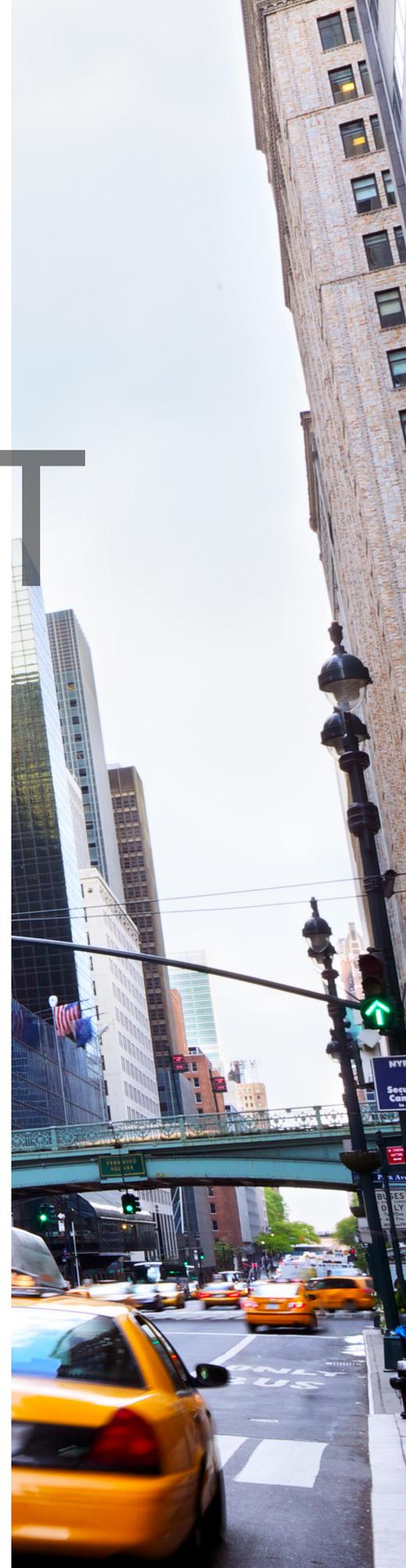


Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

AVERAGE ANNUAL WAGES (PRIVATE)



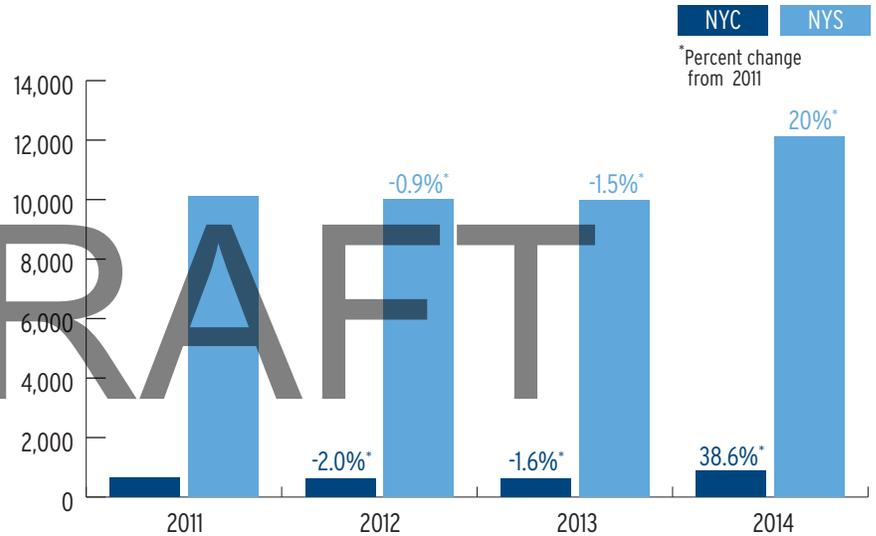
Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.





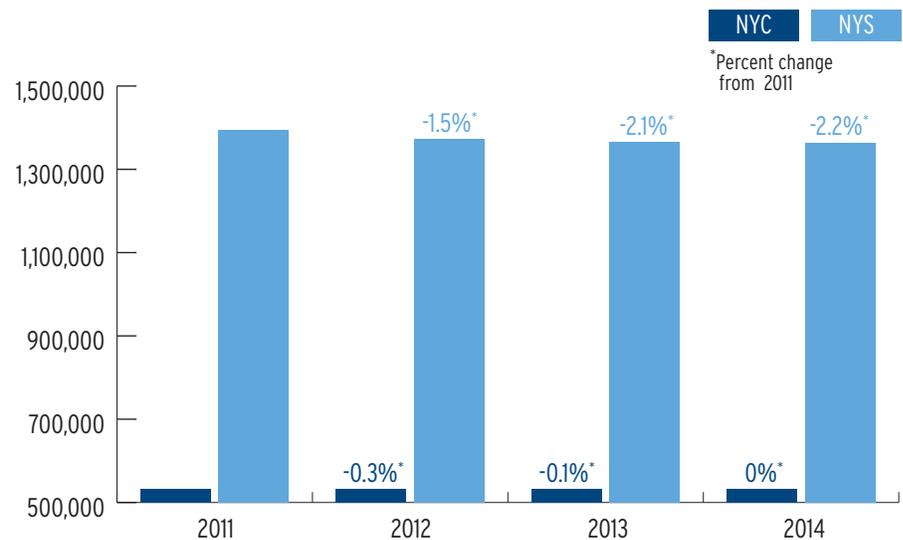
New York City's public sector has reduced employment levels since the recession, but not as dramatically as the state. With new labor contracts, public sector wages have grown steadily despite a drop in headcount.

NUMBER OF ESTABLISHMENTS (PUBLIC)



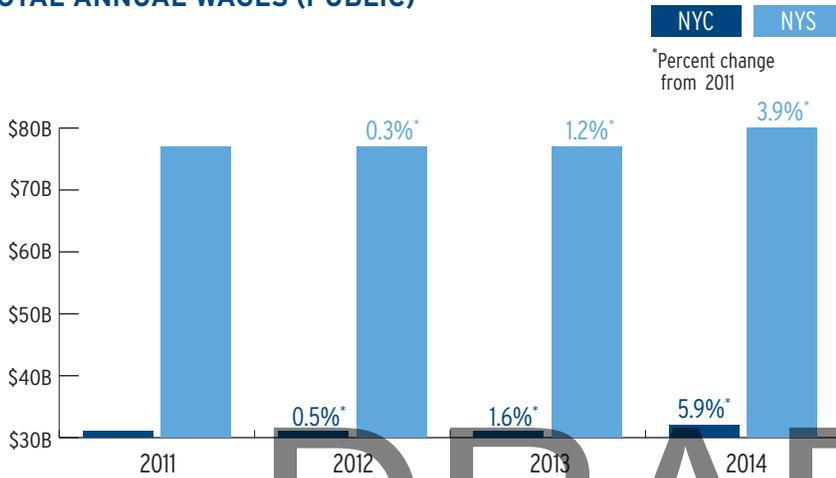
Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

AVERAGE ANNUAL PUBLIC SECTOR EMPLOYMENT



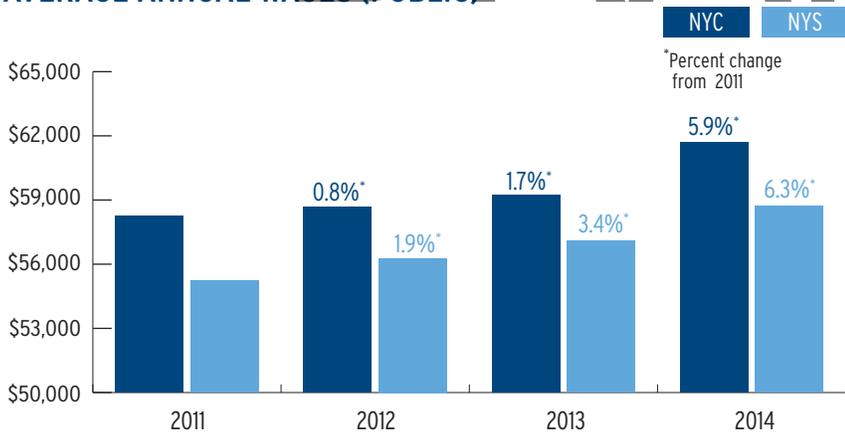
Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

TOTAL ANNUAL WAGES (PUBLIC)



Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

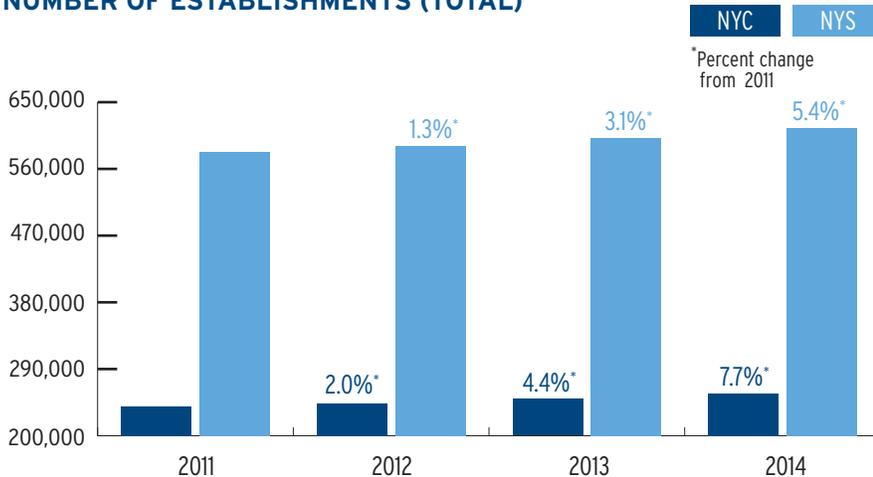
AVERAGE ANNUAL WAGES (PUBLIC)



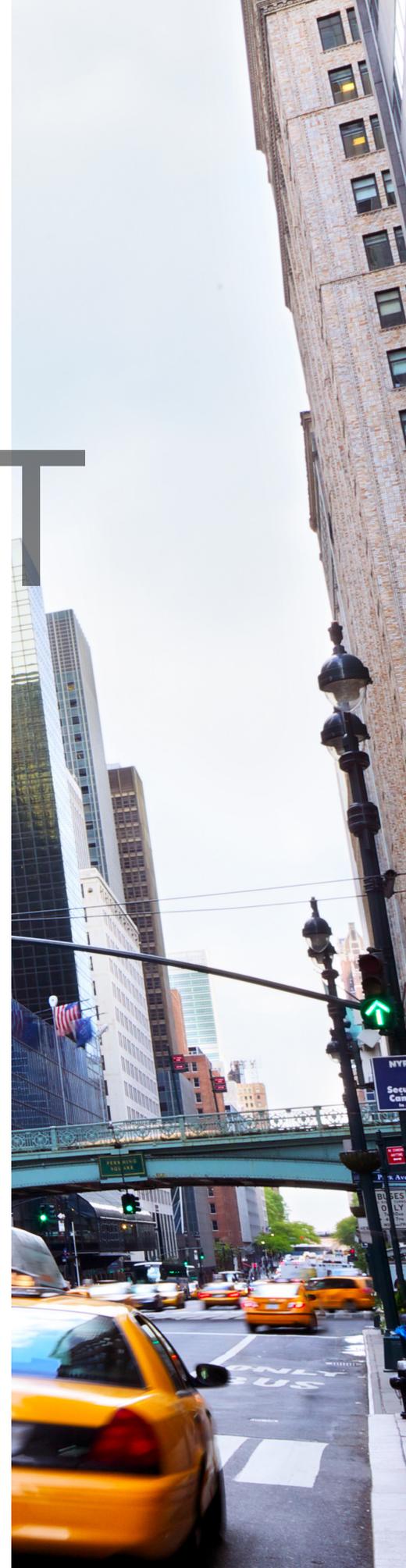
Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

Business and job growth are a reflection of increasing private investment in a full range of economic activity, from corporate expansion and real estate development to venture-backed startup activity.

NUMBER OF ESTABLISHMENTS (TOTAL)

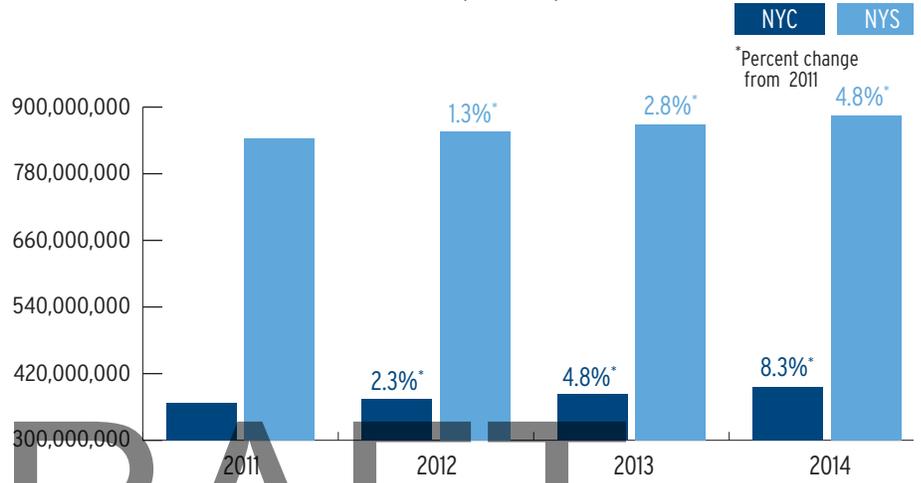


Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.



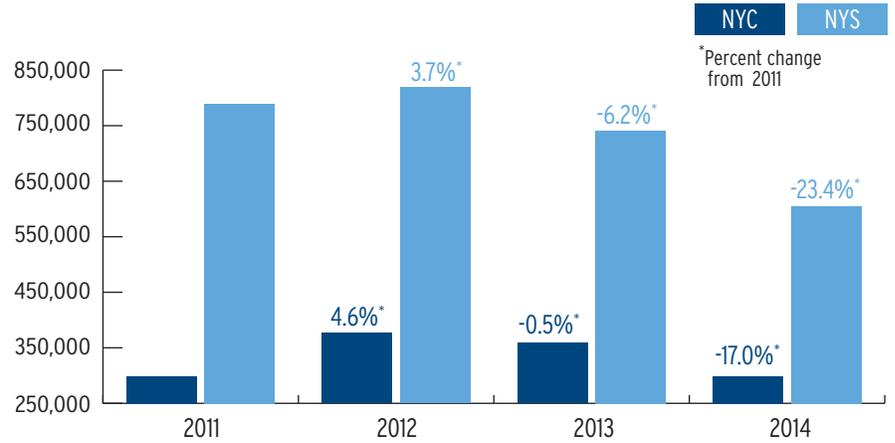


AVERAGE ANNUAL EMPLOYMENT (TOTAL)



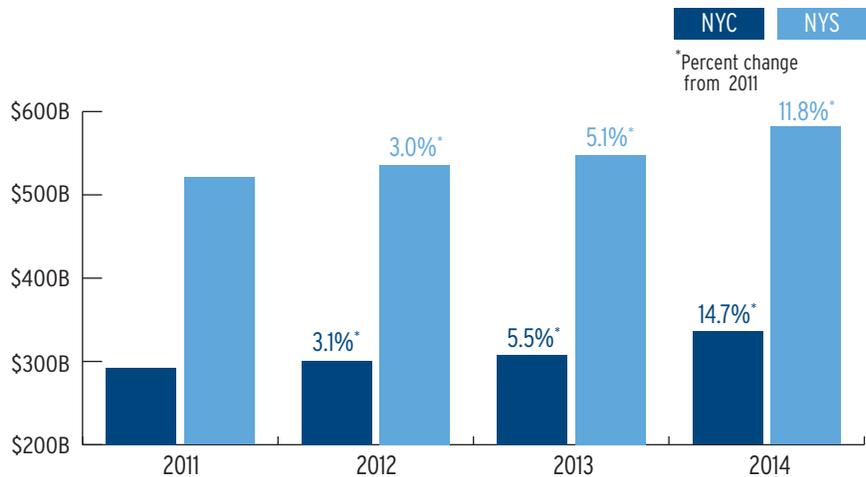
Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

NUMBER OF AVERAGE ANNUAL UNEMPLOYED



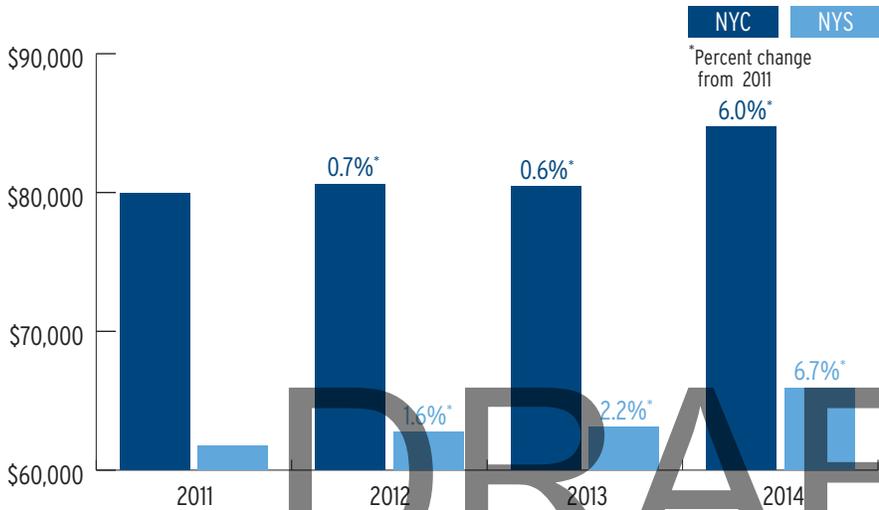
Source: New York State Department of Labor, Local Area Unemployment Statistics Program, 2011-2014.

TOTAL ANNUAL WAGES



Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

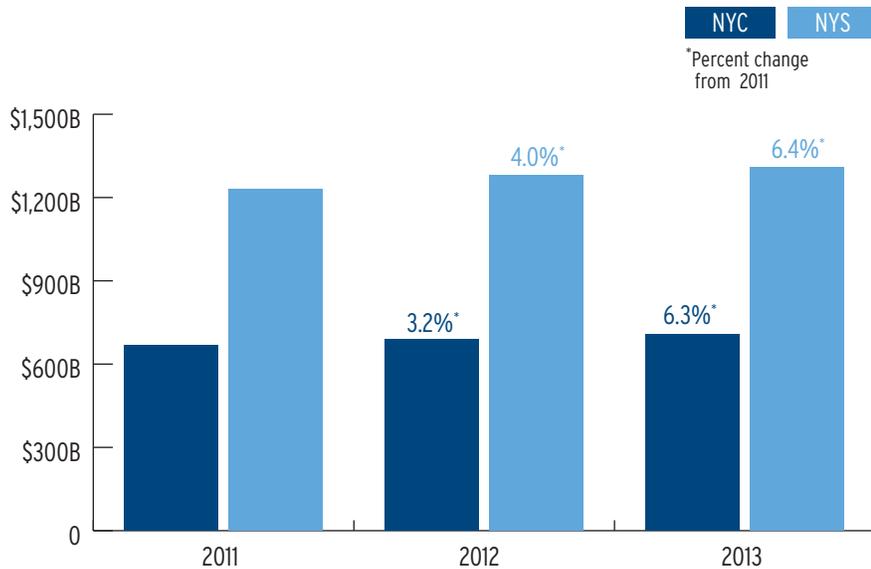
AVERAGE ANNUAL WAGES



Source: New York State Department of Labor, Quarterly Census of Employment and Wages, 2011-2014.

At \$709 billion, New York City boasts one of the two largest city economies in the world, rivaled only by Tokyo. The city's regional exports, which have a significant economic multiplier effect, continue to increase.

GROSS METROPOLITAN PRODUCT

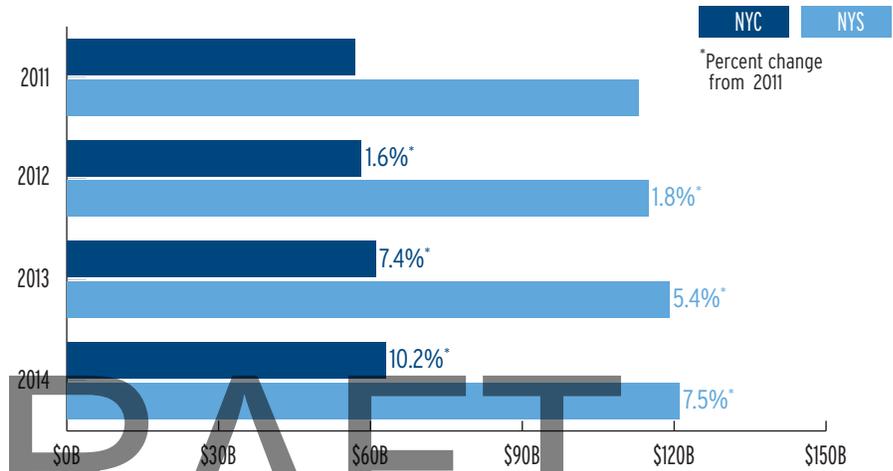


Source: Bureau of Economic Analysis; Economic Modeling Specialists Incorporated (EMSI).





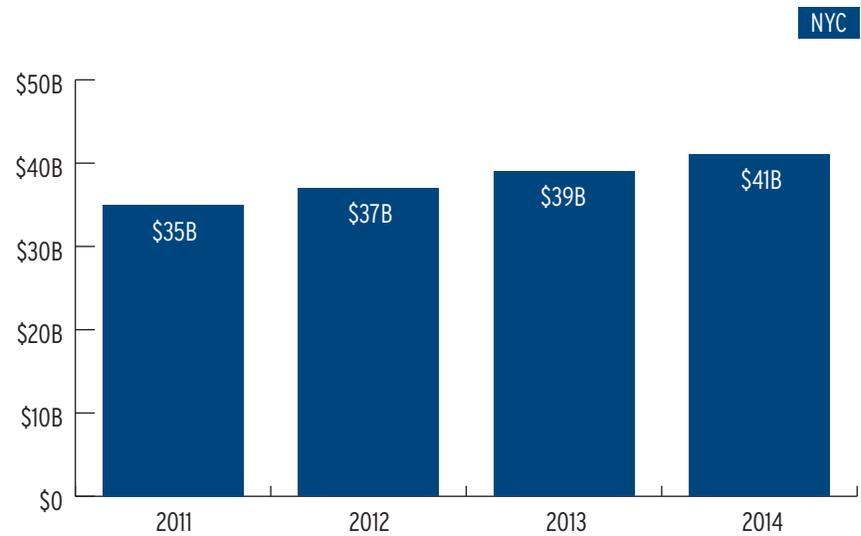
NYC'S REGIONAL EXPORTS



Source: Brookings Institute, Export Monitor 2015.

New York City remains America's top tourist destination, with visitor spending at an all-time high.

ESTIMATED VISITOR SPENDING



Source: NYC & Company, 2011-2014.

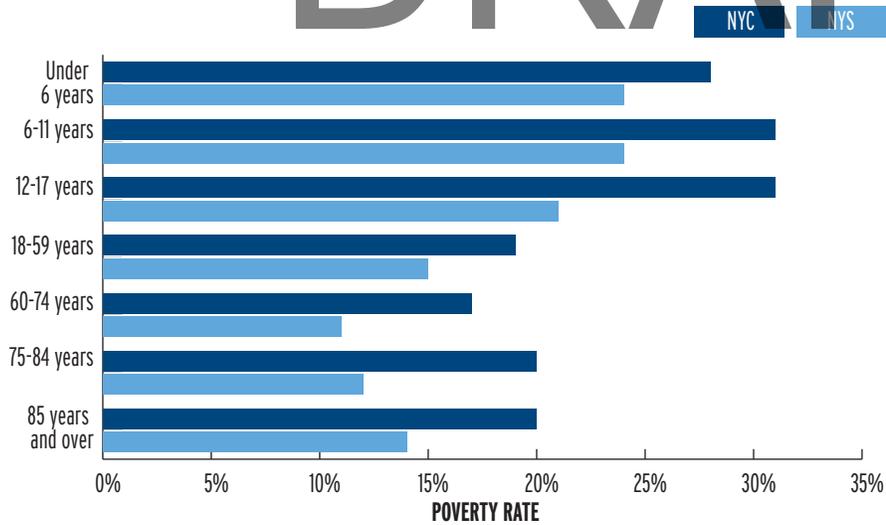
Quality of Life

New York City's economy is doing well, but significant challenges remain, especially for the city's most vulnerable residents. Provision of services to a growing population, as well as capital investment in aging infrastructure, put a strain on the city's budget.

Approximately 21% of the city's residents are living in poverty, compared to the statewide rate of 16%. The city also has a higher share of residents who lack health insurance compared to the state.

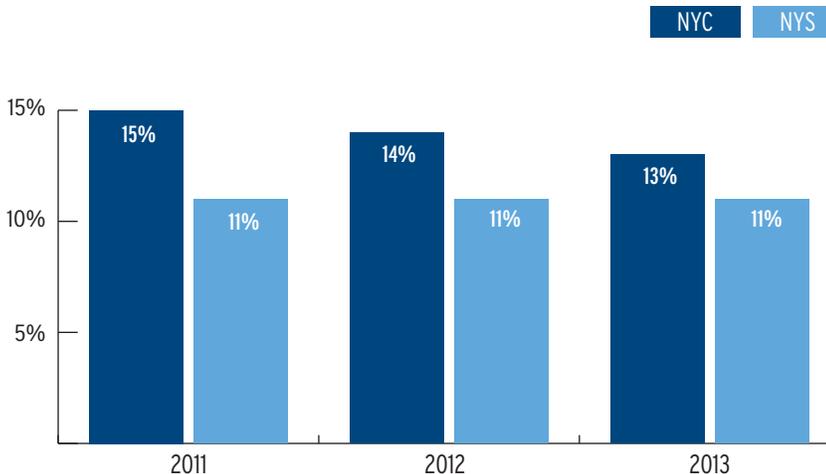
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POVERTY STATUS OF RESIDENTS



Source: US Census Bureau, American Community Survey, 2011-2013.

SHARE OF RESIDENTS LACKING HEALTH INSURANCE



Source: US Census Bureau, American Community Survey, 2011-2013.





Mass transit is critical to the health of the region's economy. Smart investment in infrastructure priorities is necessary for continued growth.

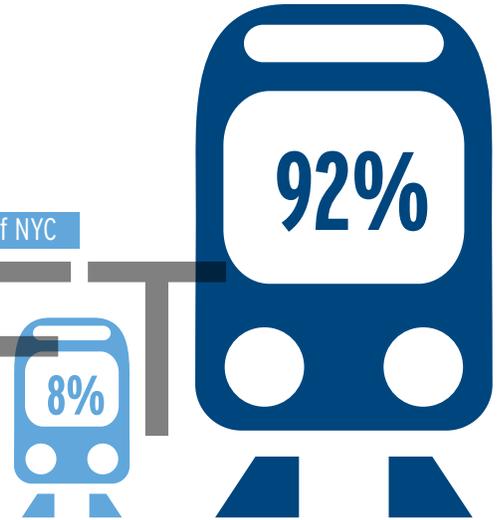
COMMUTING

2011-2013

NYC Residents Working in NYC

NYC Residents Working Outside of NYC

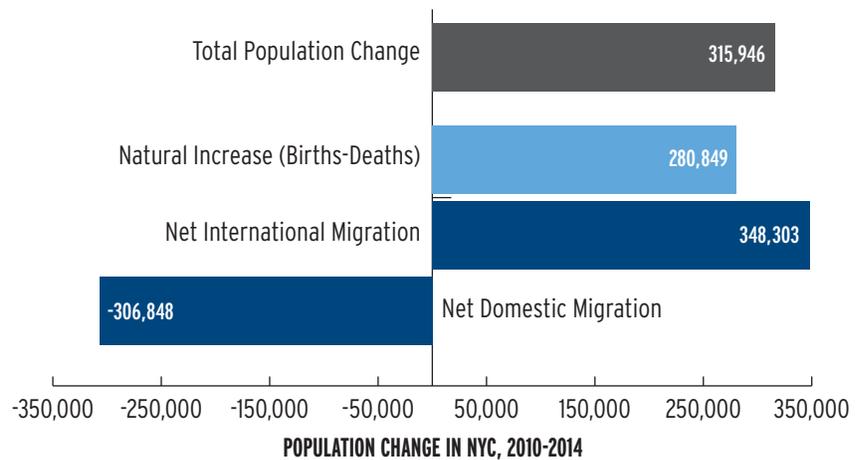
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Source: US Census Bureau, American Community Survey, Public Use Microdata Sample, 2011-2013.

NYC consistently is a point of entry for populations that move on to other parts of the country, replaced by consistent high rates of immigration from regions outside of the US and natural population increases (births - deaths).

MIGRATION



Source: New York City Department of City Planning



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“Public-private partnerships are emerging that will develop and test smart cities technologies, applications and policies in New York that can be scaled and exported.”

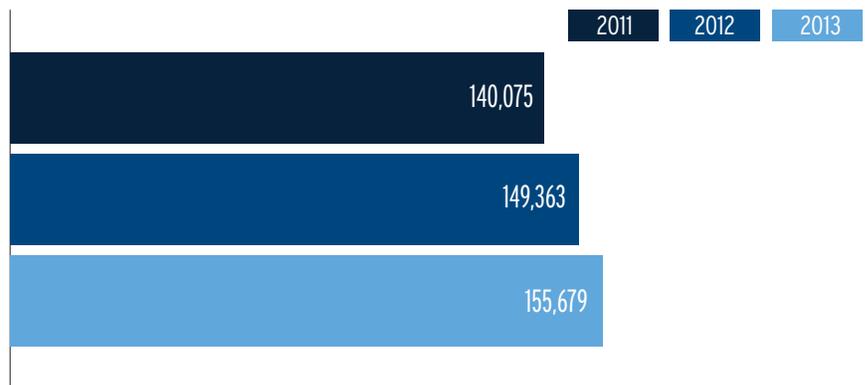
Key Regional Focus

Smart Cities Cluster

Thanks to the concentration of business and academic talent in the city, it has become a hub of the innovation economy. Smart Cities technology is a rapidly growing, \$400 billion global business in which New York will be a leader, thanks to its major corporations and prolific startup activity, as well as the City's robust municipal open data policy. Public-private partnerships are emerging that will develop and test smart cities technologies, applications and policies in New York that can be scaled and exported.

TECH EMPLOYMENT¹

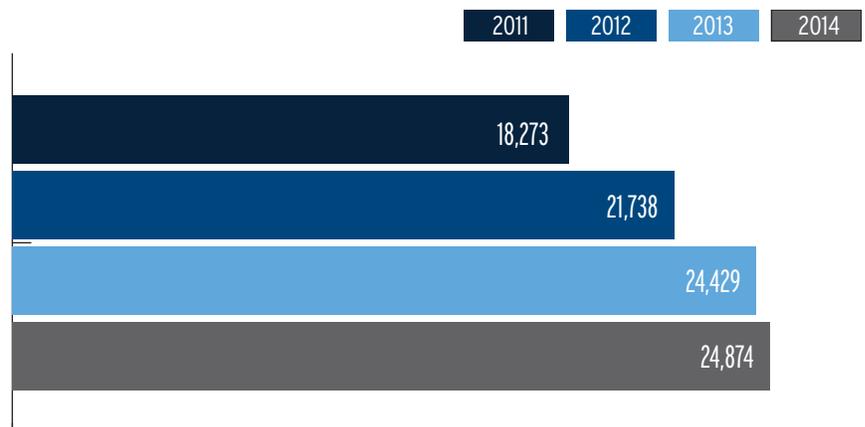
The city added over 15,000 tech jobs from 2011 to 2013, reaching an all-time high in tech employment. The city outpaced the nation in tech growth – 11% to 7% – over those two years.



Source: US Census Bureau, American Community Survey, Public Use Microdata Sample, 2011-2013.

TECH JOB ADS

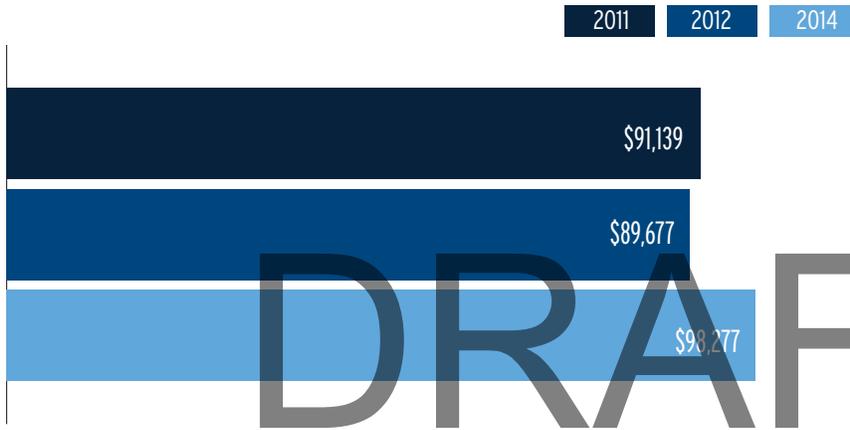
The number of job postings for tech positions from employers in the city has been steadily rising, as employers have become more aggressive in recruiting tech workers.



Source: Economic Modeling Specialists Incorporated (EMSI), Job Posting Analytics, 2011-2014.

AVERAGE TECH WAGES¹

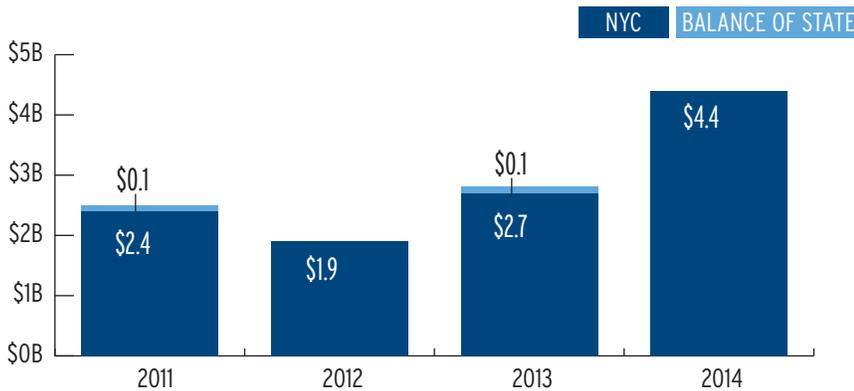
The average wage for tech workers in the city rose by over \$7,000 from 2011 to 2013, reaching an all-time high in tech wages and outpacing the nation 8% to 5%.



Source: US Census Bureau, American Community Survey, Public Use Microdata Sample, 2011-2013.

VC INVESTMENT DOLLARS

Venture capital investment is booming in New York City, having grown by 82% over the past year alone. Downstate New York accounts for most of the state's venture activity.



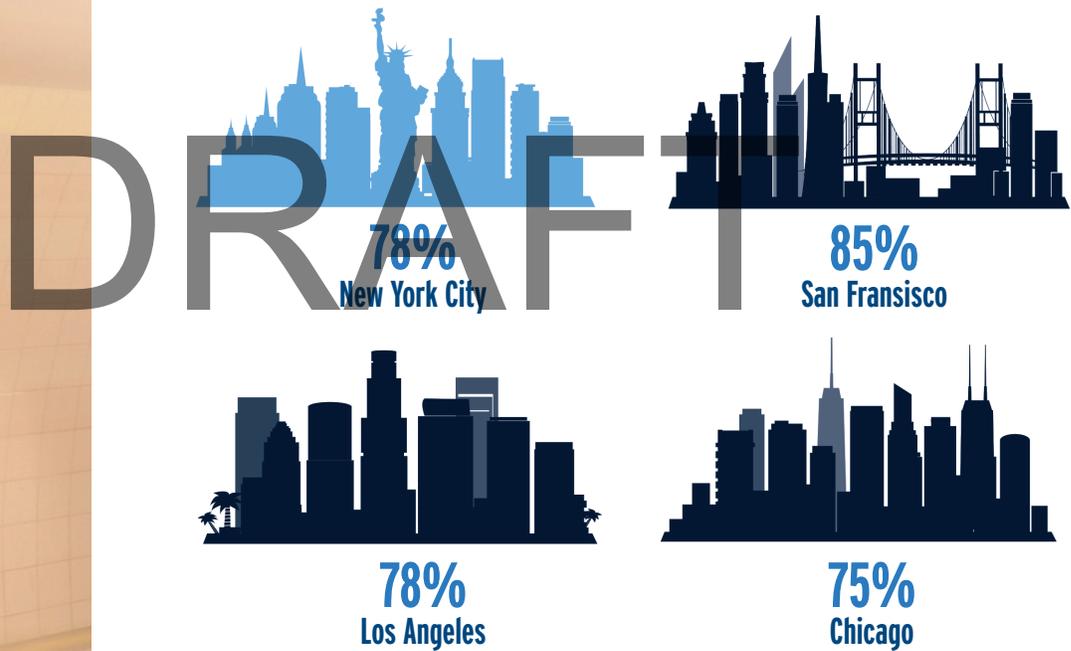
Source: US Census Bureau, American Community Survey, Public Use Microdata Sample, 2011-2013.

¹Based on PFNYC Definition, which counts all workers in occupations that require tech skills. Tech occupations include: Computer and Information Research Scientists; Computer Systems Analysts; Information Security Analysts; Computer Programmers; Software Developers, Applications; Software Developers, Systems Software; Web Developers; Database Administrators; Network and Computer Systems Administrators; Computer Network Architects; Computer User Support Specialists; Computer Network Support Specialists; Computer Occupations, All Other; Computer Operators; Telecommunications Equipment Installers and Repairers, Except Line Installers; Electrical and Electronic Equipment Assemblers; Computer Control Programmers and Operators



INTERNET ACCESS

Only 78% of New York City households have access to the Internet. This is more than in Chicago (75%), equal to Los Angeles (78%), but less than in San Francisco (85%). This share is also lower than New York State (79%) and the national average (80%).



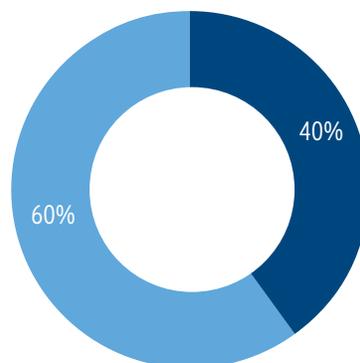
Source: US Census Bureau, American Community Survey, 2013.

Note: The internet connectivity data excludes “places where people live or stay, in a group living arrangement, which is owned or managed by an entity or organization providing housing and/ or services for the residents” known as “Group Quarters”. Therefore, the Census calculation does not include people living in nursing homes, correctional facilities, military barracks, college/university housing, etc.

POPULATION DIVERSITY

New York City’s foreign-born residents comprise almost 40% of the total population and more than 800 languages are spoken in the city.

NYC Foreign Born Residents



More than **800** languages are spoken

OPEN DATA LAW

NYC has the most robust open data law in the country, requiring all 80 City agencies to make their data available online for public use by 2018. Already, over 1,300 datasets are available from 60 agencies which are used by entrepreneurs and developers to create new tools for public use.



INNOVATION HUB

NYC ranked second in the world behind San Francisco-San Jose in the global Innovation Cities Index. It was also named the best role model for cities that wish to cultivate urban tech hubs by global research firm Endeavor Insights.

#1 SAN FRANCISCO/SAN JOSE

#2 NEW YORK CITY

DIVERSIFICATION OF VC INVESTMENTS:

Downstate New York received over \$3.3 billion in venture capital (VC) funding in the first half of 2015, which was more than a five-fold increase from the same period in 2010. VC funding also became more diversified. As recently as 2010, three sectors - IT Services, Media, and Software - accounted for 75% of Downstate's VC funding, and no other sector received more than 8%. However, in the first half of 2015, six sectors received more than 10% of funding: Business Products and Services, Consumer Products and Services, Financial Services, IT Services, Media, and Software.

Received more than 10% of funding:



Status of the Past Priority Projects (2011 - August, 2015)

The following is an update on priority projects included in the 2011 Strategic Plan, as amended by the subsequent Progress Reports. In total, they represent significant progress toward achieving the job creation, workforce development, and economic development goals of Governor Cuomo and the NYC Regional Economic Development Council.

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- Plans have been completed for redevelopment of the former Taystee Bakery Complex in West Harlem and construction will begin in Spring, 2016. Janus Partners LLC and Monadnock Construction, Inc. have acquired the vacant property, which will be renovated into a first-class mixed-use commercial building with 250,000 square feet of commercial, manufacturing, nonprofit community facility and retail space. The building will accommodate expansion space for locally-based enterprises as well as space for organizations that will bring new jobs to a redeveloping neighborhood that still has a high incidence of poverty and unemployment. The project is designed to provide a cultural and physical bridge between the iconic Apollo Theater and West 125th Street entertainment district that represent “historic Harlem” and the new developments that are taking place at the western end of 125th St under the auspices of City College and Columbia University. The **Taystee Building** will provide a central gathering place for the diverse residents and institutions of the area to build a more fully integrated community. The project was awarded \$10 million in ESD grant assistance in Round I of the NYS Consolidated Funding Application (CFA) that will result in a total investment of more than \$72 million and create 440 new jobs.
- The Brooklyn Navy Yard is creating a 215,000 square foot, multi-tenant industrial facility known as the **Green Manufacturing Center** in formerly derelict Buildings 28, 123, and 128 in this City-owned industrial park. The project will adaptively reuse the steel frames and concrete foundations of these buildings, which are three separately constructed - yet connected - turn-of-the-century, former U.S. Navy machine

shops. The total project cost is \$60,382,556. The Green Manufacturing Center is a REDC priority project from Round I of the CFA and will create at least 500 new jobs. Construction began in the summer of 2012, and the outer shell is largely complete. Tenants, expected to move in by 2016, include **Crye Precision**, a designer and manufacturer of combat apparel and a recipient of \$1 million in Excelsior tax credits in Round I of the CFA; and **New Lab**, a high-tech design and prototyping center. Brooklyn Navy Yard Development Corporation has received \$18 million in New York State support for the project, including a \$1 million ESD Downstate Revitalization Fund grant, a \$5 million ESD REDC grant and a \$12 million New Market Tax Credit allocation.

- Macro Sea, Inc., the developer of **New Lab**, is creating a facility where entrepreneurs, designers, fabricators and researchers collaborate to create new products and new businesses. This will be among the first and largest centers of innovative design and fabrication in the world and reaffirm the role of the Navy Yard as a hub of advanced manufacturing. As master tenant, Macro Sea will transform 84,000 square feet of space in the Green Manufacturing Building through a \$19.85 million capital project, creating 347 jobs. In response to early interest in New Lab, the development team opened “New Lab Beta” in March 2013

in Brooklyn Navy Yard Building 280. The company was awarded \$1.25 million in ESD grant assistance in Round II of the CFA, and later received an additional \$2 million in assistance. ESD directors approved the project on August 22, 2013. Construction is expected to be completed by late Spring 2016. New Lab has already established significant partnerships with Autodesk, EOS, 3DSystems and Ultimaker.

- **Steiner Studios Media Campus Phase III** project, which received a \$5 million grant in Round II of the CFA and subsequently another \$6.3 million grant, is currently undergoing SEQRA review, with ESD as the lead agency on the Environmental Impact Statement. Project funding for the first \$5 million was approved by the ESD directors in July 2015. It is anticipated that construction of new sound stages will begin in the fall of 2015 with completion anticipated by late 2017. Over the next 12 years, an additional \$374 million in private investment and the creation of over 2,500 permanent jobs and 2,600 construction jobs will occur at Steiner Studios, contributing to the vibrant growth of the media and entertainment industry in New York State.
- To accelerate redevelopment of the city’s brownfields, the New York City Office of Environmental Remediation has begun funding \$1.2 million for 21 **brownfield cleanup** projects in all five boroughs, which have been vacant and unproductive

for many years. The project received a \$500,000 grant in Round II of the CFA. Under this program, OER and the private developer provide seven dollars in City and private matching funding for every dollar of State REDC funds. To date, the cleanup initiative has paved the way for construction of 85 affordable housing units; 242,100 square feet of retail and commercial space; 94,824 square feet of office and hotel space; and 52,500 square feet of community facility space. These projects are expected to result in 2,200 construction jobs and 488 full-time permanent jobs.

- The New York City Economic Development Corporation, ESD, and the State Department of Environmental Conservation are collaborating to create a wetlands **mitigation banking program** in New York City (Saw Mill Creek in Staten Island). Program design is nearly complete. The final number of credits to be generated by the mitigation bank has been negotiated with federal and state regulators and the Mitigation Banking Instrument, permits and environmental review are nearing completion and preparation for construction procurement is underway. Construction is expected to begin in the fall of 2016 and completion is anticipated by 2017. The project has received a total of \$1.5 million in ESD and Department of State (DOS) grants in Rounds II and IV of the CFA. The project is expected to create 3,500 indirect jobs.

- A \$1.5 million grant for the **New York Genome Center** from Round II of the CFA helped launch this world-class research consortium backed by the State's top medical research institutions. In January, 2014, Governor Cuomo announced a \$105 million grant to establish the NYS Genomic Medicine and Big Data Center, a joint venture with the New York Genome Center and the Buffalo Institute for Genomics and Data Analytics. The New York Genome Center has matched its \$55.75 million dollar share of state funding with private grants. As of June 2015, New York Genome Center has completed the build out of its 170,000 square foot state-of-the-art genomics lab be its daily production of genomics data makes it a world leader in the field. The Center has 160 full time employees and expects to create up to 500 new jobs when fully staffed.
- As a result of a \$3.5 million award in Round III of the CFA, construction is underway on BFC Partners' **Empire Outlets**. This project will create 1,306 new jobs and 1,267 construction jobs and, along with other State-assisted developments noted below, will transform the St. George area of Staten Island into a new center of tourism and economic activity. Empire Outlets will include a 350,000 square foot retail complex, accommodating up to 75 designer outlet retailers and a variety of restaurants and cafes. The project includes a 190-room, 130,000 square

foot hotel, and a 40,000 square foot banquet facility and a 1,250-space structured parking garage. It will feature expansive open corridors to the water, a sustainable green roof, and a strong resiliency system to insulate the area against rising sea levels. A groundbreaking event took place on April 16, 2015 for the \$408.3 million, 1.1 million square foot mixed-use development. Completion is expected by in 2017.

- **Lighthouse Point**, a \$227.4 million mixed-use waterfront development at the base of the Staten Island Ferry, is set to begin construction in the Fall of 2015, following completion of a complex approval process. The overall project involves the restoration and activation of four historic shells, a set of historic underground vaults, and a historic brick perimeter wall on the site of the Historic Office Building and U.S. Lighthouse Depot Complex, as well as the construction of three new buildings that will include retail, restaurants, a hotel and residential units. The project received a \$1.5 million grant in Round III of the CFA. The project is expected to create 347 new jobs and 668 construction jobs. Ground breaking is expected in the fall of 2015.
- In August 2014, construction began on the renovation of **Building 77**, an 18-story industrial building in the Brooklyn Navy Yard that is being transformed into a manufacturing/tech hub.

Completion is expected in June 2016. The \$134.3 million project will create one million square feet of industrial space. Project scope includes window replacement and installation; renovation of entrances and corridors on the ground floor and mezzanine; modernization of the base building architectural, mechanical, electrical, plumbing, fire protection, and safety systems; reconstruction of interior stair well and shaft enclosures, roof replacement and façade repairs, and restoration of the steel radio tower on the roof of the building. The project is designed to attain a LEED Silver Certification by the U.S. Green Building Council for Core and Shell construction. The project received a \$1 million grant in Round IV of the CFA and will create 3,000 new jobs and 112 construction jobs.

- The **JFK Airport Exports Improvement Project**, part of the Governor's Global NY initiative, received a \$500,000 grant in Round IV of the CFA. Phase I of the estimated \$94 million project will result in the construction of a 328,000 square foot, two-story cargo handling facility in the north cargo area at JFK by a private developer. The developer will be responsible for demolition of the existing structures, preparation of the site for redevelopment and all new construction. Once operational, the private developer will sublease the facility to Cargo Airport Services USA and be reimbursed for

approximately \$74 million of the estimated costs by the Port Authority of New York and New Jersey. At the end of Phase I, the new facility is expected to handle over 300,000 tons of cargo and create 102 new jobs and 300 construction jobs by early 2019.

- Environmental approvals and final plans are being developed for the relocation and major expansion of **Brooklyn Brewery** on a 25 acre site on the West Shore of Staten Island. The new facility will be a \$120 million, state-of-the-art brewery that will allow for 500,000 barrels of production (expandable to 1,000,000) in a 440,000 square foot building with outdoor fermentation tanks. Proximity to the NY/NJ ports for container shipment and direct freight rail access to receive raw materials and to ship product out of New York will allow the Brooklyn Brewery to substantially expand its global export business. The project will result in 83 retained jobs and 115 new jobs. The project, which was awarded a \$2 million ESD grant and \$4 million in Excelsior tax credits in Round IV of the CFA, is seeking additional State assistance in order to begin construction in the first quarter of 2017, with expected completion of Phase I in 2018.
- In Round IV of the CFA, a \$100,000 grant was awarded to the Long Island City Partnership for preparation of a **Long Island City Comprehensive Plan** that will seek to integrate the rapidly growing tech community into a

renewed manufacturing cluster in this fast-changing Queens neighborhood. The planning effort is well underway with the local residents, property owners and businesses actively participating. It will include programs for workforce development and infrastructure to support this emerging tech hub where economic activity is accelerating in anticipation of the new Cornell-Technion campus on Roosevelt Island.

- Along the 125th Street corridor in Harlem, the historic and long abandoned **Victoria Theater** is finally poised for redevelopment into a \$143 million, 386,000 square foot mixed-use building that will include 192 residential units, 50% of which would be affordable to low- and moderate-income households; and a 208-room hotel. In April 2015, the project received ESD approval for a \$1.5 million grant (awarded in Round IV of the CFA), a \$2.5 million Downstate Revitalization Fund grant and a \$5 million Metropolitan Economic Revitalization Fund (MERF) loan. Led by an MWBE development team, the project will create 373 new jobs and 580 construction jobs.
- A public-private partnership between Bronx-based nonprofit **Per Scholas** and **Doran Jones**, an IT consulting firm, will train and employ economically disadvantaged individuals in the technology sector with a focus on software testing skills. Per Scholas received ESD, Department of Labor (DOL) and

A public-private partnership between Bronx-based nonprofit Per Scholas and Doran Jones, an IT consulting firm, will train and employ economically disadvantaged individuals in the technology sector with a focus on software testing skills.

DOS grants totaling \$800,000 in the past year to construct a \$2.8 million training facility, the Urban Development Center (UDC), which will celebrate an opening this fall. Doran Jones will hire the graduates of the UDC training program and received \$1 million in Excelsior tax credits in Round IV of the CFA. This project will create 450 new jobs over two phases.

Summary of All Past Priority Projects By State and Regional Priorities

The table below shows the progress that has been made on Rounds I through IV priority projects (projects receiving ESD Capital Grants), and links these projects with the core State and regional priorities.

- Project is complete
- Project is on schedule
- Project is progressing more slowly than anticipated
- Project concerns need to be resolved
- Project contract not yet executed
- Project cancelled or funding declined

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STATE PRIORITIES:

NY Rising Community Reconstruction
Global New York Opportunity Agenda

PRIORITY PROJECT FUNDED IN 2012 (ROUND II)

CFA	Project Name	Project Status
16198	Saw Mill Creek Pilot Wetland Mitigation Bank	■

PRIORITY PROJECTS FUNDED IN 2014 (ROUND IV)

CFA	Project Name	Project Status
40576	Brooklyn Navy Yard - Building 77	■
42757	Brooklyn Brewery	■
42816	JFK Air Cargo	■
40161	Urban Development Center	■

REGIONAL PRIORITIES: IMPROVE QUALITY OF LIFE

Public Safety
Education
Parks and Waterfront
Cultural Institutions
Sanitation
Clean Air and Water
Diverse and Thriving Neighborhoods

PRIORITY PROJECTS FUNDED IN 2013 (Round III)

CFA	Project Name	Project Status
27050	Empire Outlets	■
31800	Lighthouse Point	■

PRIORITY PROJECTS FUNDED IN 2014 (Round IV)

CFA	Project Name	Project Status
38960	NY Wheel	■

PRIORITY PROJECTS FUNDED IN 2011 (Round I)

CFA	Project Name	Project Status
7465	Taystee Building	■

PRIORITY PROJECTS FUNDED IN 2014 (Round IV)

CFA	Project Name	Project Status
43518	National Urban League	■
38940	Victoria Theater	■

PRIORITY PROJECTS FUNDED IN 2011 (Round I)

CFA	Project Name	Project Status
7219	Hunts Point Produce Market	■
4127	Green Manufacturing Center	■

PRIORITY PROJECTS FUNDED IN 2012 (Round II)

CFA	Project Name	Project Status
18801	City of New York - Brownfield Cleanup Capital	■
16064	Connect NYC (Broadband)	■

PRIORITY PROJECTS FUNDED IN 2011 (Round I)

CFA	Project Name	Project Status
8460	NYC SeedStart	■

PRIORITY PROJECTS FUNDED IN 2012 (Round II)

CFA	Project Name	Project Status
14888	New Lab	■
14728	New York Genome Center	■
16884	Brooklyn Navy Yard Steiner Studios Media Campus	■

REGIONAL PRIORITIES: CREATE A PRO-GROWTH, PRO-JOBS ENVIRONMENT

Treating businesses
like customers

Modernizing and
streamlining regulations

Neighborhood and commercial
revitalization

Supporting Small Businesses

Supporting Strategic Industries

REGIONAL PRIORITIES: INVEST IN THE FUTURE

Transportation

Housing

Commercial Real Estate

Distribution Networks

Other Infrastructure

Supporting Human Capital

REGIONAL PRIORITIES: FOSTER INNOVATION AND INTER-REGIONAL COOPERATION

Real Estate: Incubators

Bioscience Research Space

Access to Early Stage Capital

Talent: Advanced Manufacturing

Health IT

FinTech

Big Data

Mapped Status of Past Priority Projects

The map below shows the location of each past priority project with a colored project locator to show that project's status.

- Project is complete
- Project concerns need to be resolved
- Project is on schedule
- Project contract not yet executed
- Project is progressing more slowly than anticipated
- Project cancelled or funding declined

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Summary of All Past Priority Projects By Status

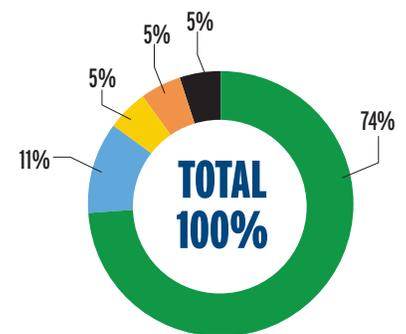
The tables below provide a summary of the status of all past priority projects over Rounds I through IV of the REDC Initiative. The pie chart lists the percentage of priority projects that fall within each status category.

- Project is complete
- Project is on schedule
- Project is progressing more slowly than anticipated
- Project concerns need to be resolved
- Project contract not yet executed
- Project cancelled or funding declined

Round	Project Name	Application #	Status
I	Green Manufacturing Center	4127	■
I	Hunts Point Produce Market	7219	■
I	NYC SeedStart	8460	■
I	Taystee Building	7465	■
II	City of New York - Brownfield Cleanup Capital	18801	■
II	ConnectNYC	16064	■
II	New Lab	14888	■
II	New York Genome Center	14728	■
II	Saw Mill Creek Pilot Wetland Mitigation Bank	16198	■
II	Steiner Studios Media Campus	16884	■
III	Empire Outlets	27050	■
III	Lighthouse Point	31800	■
IV	Brooklyn Brewery	42757	■
IV	Building 77	40576	■
IV	JFK Air Cargo	42816	■
IV	National Urban League	43518	■
IV	New York Wheel	38960	■
IV	Urban Development Center	40161	■
IV	Victoria Theater	38940	■

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	Round I	Round II	Round III	Round IV
■ Complete	1	1		
■ On Schedule	1	5	2	6
■ Slow Progressing				1
■ Not Yet Executed	1			
■ Cancelled	1			
	4	6	2	7



Leverage of State Investment in All Past Priority Projects

The table below lists the ratio of the total investment in past priority projects to the state investment over Rounds I through IV of the REDC Initiative.

	Total Number of CFA Priority Projects	Total Project Cost	Total Amount of ESD Capital Fund Awards	Ratio of Total Cost to Total ESD Capital Fund Awards
Round I	3	\$455,100,000	\$44,500,000	10.2
Round II	6	\$343,150,000	\$18,686,346	18.4
Round III	2	\$540,000,000	\$5,000,000	108
Round IV	7	\$1,035,800,000	\$9,550,000	108.5
TOTAL	18	\$2,374,050,000	\$77,736,346	30.5

Status of All Projects Awarded CFA Funding

The REDC has continued implementing projects identified in the 2011 Strategic Plan and the 2012, 2013 and 2014 Progress Reports, including the following:

- **Shapeways**, a leading 3-D printing company, which relocated to New York from the Netherlands, has built a major manufacturing facility at a cost of \$28 million in Long Island City and has created 50 new manufacturing jobs, bringing total NYC employment to 95. The move to a new 25,000 square foot factory - known as the "Factory of the Future" - was assisted by a \$200,000 Excelsior tax credit award in Round I of the CFA. 3-D printing technology is spurring innovation in more traditional production methods such as injection molding, and reducing the cost of short-run manufacturing. This new facility brings Shapeways to the forefront of the sector.
- The **Franklin D. Roosevelt Four Freedoms Park** on Roosevelt Island was completed in the fall of 2012. It is the first memorial to Franklin Delano Roosevelt within New York City, and a major new destination for residents and tourists. The Four Freedoms Park sits on 15 acres of open space which includes the ruins of a former Smallpox Hospital, a designated historic landmark. With support from a \$200,000 grant awarded in Round II of the CFA, architectural and engineering studies of the Smallpox Hospital, analysis of soil conditions, existing and required utilities (mechanical, electrical and plumbing) and planning for structural stabilization are being completed at a cost of \$275,000. The hope is to convert the abandoned facility into a visitors' center for the park.
- **Architectural Grille** produces high-end metalwork for use in air conditioning, heating, ventilation, decorative screening, and artwork and is located in the Gowanus Canal area of Brooklyn. The firm is expanding its facility and staff by incorporating new production capabilities and offering training opportunities to both newly hired and existing employees. By 2018, the company will purchase four state-of-the-art manufacturing systems, hire 11 new employees and retain 32 existing employees. The company is receiving \$121,000 in ESD Excelsior tax

credits, which were awarded in Round III of the CFA. To date, the company has hired 10 new employees. The project will have a total cost of \$2.5 million.

- **G.A.L. Manufacturing**, a South Bronx company that makes elevator equipment and builds and repairs elevators, is investing \$10 million to add 10,000 square feet of space, install IT systems and production equipment, and to train 300 employees in technical skills and customer service. G.A.L. anticipates adding 53 new jobs over the next five years. The company received \$276,000 in ESD Excelsior tax credits and a \$100,000 NYS Department of Labor training grant, which were awarded in Round IV of the CFA.

- Since 2001, **Lady M Confections** has been manufacturing cakes and other confectionary items in its Long Island City baking facility. Lady M is leasing additional space and purchasing new equipment in order to expand production. The expansion will create 35 new jobs once completed in 2019. The project was awarded \$275,000 in Excelsior tax credits in Round IV of the CFA.

- The **New York Wheel** is in final stages of permitting for construction beginning in early 2016 in St. George, Staten Island, where it will be the world's largest observation wheel and anchor a new tourism destination. The Wheel will feature a 38-minute ride in one of its 36 capsules,

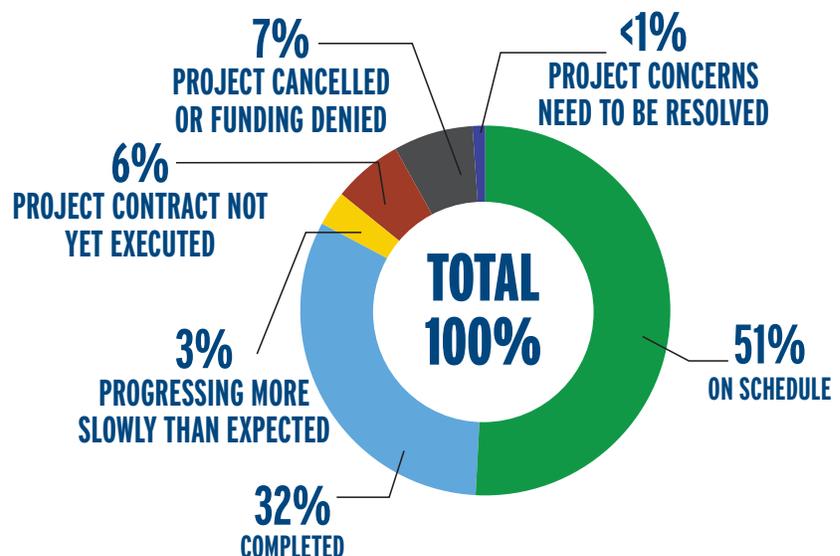
accommodating as many as 30,000 visitors per day, and an anticipated 4+ million visitors per year. The Wheel will be connected to a 70,000 square foot terminal building which will include ticketing, retail, food and beverage, a secondary attraction, and parking. The Wheel's six acre green roof will

be the largest in New York City, hosting concerts and special events for over 5,000 people. The NY Wheel project will create 600 permanent jobs and 350 construction jobs. The project, which received a \$1.55 million ESD Market NY grant in Round IV of the CFA, is expected to be completed in 2017.

Aggregated Status of All Projects Awarded CFA Funding

The table below summarizes the aggregate of all projects receiving CFA awards in 2011-2014. The pie chart lists the percentage of projects falling within each status category.

	2011	2012	2013	2014	Total
Completed	29	22	18	5	74
On schedule	15	22	24	58	119
Progressing more slowly than expected	1	2	4	1	8
Project concerns need to be resolved	0	0	1	0	1
Project contract not yet executed	1	0	7	5	13
Project cancelled or funding denied	4	4	7	2	17
Total	50	50	61	71	232



Delayed or Terminated Projects Awarded CFA Funding

Several projects deemed as priorities in previous Rounds of the CFA have not progressed on schedule or have been terminated, including the following:

- The **Hunts Point Terminal Produce Market** was awarded a total of \$29.5 million in Round I of the CFA in connection with a \$322.5 million planned modernization that has been indefinitely delayed. At the end of 2013, the City and the 46-firm Hunts Point Terminal Produce Cooperative announced a seven year lease to keep the wholesale market and approximately 3,000 employees at the 660,000 square foot Hunts Point facility until June 2021. The agreement is a step toward developing a long-term plan to overhaul the market, which occupies more than 100 acres. In addition, in March 2015, New York City Mayor Bill de Blasio announced a \$150 million investment over the next 12 years to revitalize the entire Hunts Point Food Distribution Center.
- NYC **SeedStart** completed one accelerator class for digital media infrastructure companies in 2013 but determined not to proceed with the program because private initiatives were adequately supporting the sector by 2014 and no further state funds were required to advance the goals of the program.
- Oak Point Property, LLC** was designated for a \$400,000 grant in Round II of the CFA to construct a \$94 million warehouse, distribution and food processing facility. The project was terminated when the developer was not able to secure project funding.
- Hansel 'n Gretel** was awarded \$362,737 in Round III of the CFA to undertake a \$2.7 million renovation of the company's headquarters in Queens to retain 45 jobs and create 10 new jobs. The project was later terminated when the company closed in June 2014.

Detailed List of Delayed or Terminated Projects Awarded CFA Funding

DELAYED CFA PROJECTS

Agency	CFA Year	CFA Number	Applicant	Project	Award	Reason for Delay
Environmental Facilities Corporation	Round 1	2716	Research Foundation of CUNY on behalf of Queensborough Community College	Stormwater Management Permeable Pavement	\$1,000,000	The College was issued an extension for the pervious parking lot project due to design changes and staff turnover. The plan to begin construction in June 2015 has been delayed again due to high bids on the project. The College is currently reviewing options on how to proceed.
Empire State Development	Round 1	7219	Hunts Point Terminal Produce Coop	Hunts Point Terminal Produce Market	\$29,500,000	The Hunts Point Terminal Produce Market was awarded a total of \$29.5 million in Round I of the REDC Initiative in connection with a \$322.5 million modernization project. That project is on hold, and new project is being conceived. Nevertheless, at the end of 2013, the City and the 46-firm Hunts Point Terminal Produce Cooperative announced a seven year lease to keep the wholesale market and approximately 3,000 employees at the 660,000 square foot Hunts Point facility until June 2021. The agreement is a step toward developing a long-term plan to overhaul the market, which occupies more than 100 acres.

Environmental Facilities Corporation	Round 2	19301	NYC Department of Environmental Protection	Gowanus Canal Sponge Park	\$535,000	Construction has been delayed due to a larger project adjacent to the site. DEP anticipates construction to begin in fall 2015.
Environmental Facilities Corporation	Round 2	17691	NYC Department of Transportation	Porous Pavement Prototype Testing and Evaluation	\$1,200,000	EFC staff has been working with NYC DOT provide technical assistance to develop plans and specifications. Construction is anticipated to start in late summer 2016 and be completed late fall 2017.
HCR	Round 3	24556	Church Avenue BID	Flatbush Neighborhood Revitalization	\$200,000	The awardee has been unable to advance the planned renovation projects. Property owners identified at the time of application have not committed to participating. Project will end formally in December 2015.
Environmental Facilities Corporation	Round 3	30036	Marine Park Seaside Links	Rainwater Harvesting and Reuse	\$502,900	Marine Park Seaside Links has communicated to EFC that they must complete their Capital Improvement Well-Water Project prior to beginning with their GIGP stormwater project. This will delay the GIGP project by one year with the commencement of construction in fall 2015.
Empire State Development	Round 3	32690	Queens Tech Incubator	Queens Tech Incubator	\$125,000	The execution of the project contract has been delayed, but the applicant and NYSTAR are working to complete.
Empire State Development	Round 3	28206	Downstate Technology Center Inc	Biotech Grows In Brooklyn	\$125,000	The execution of the project contract was delayed, but completed on April 1, 2014.
Empire State Development	Round 3	26897	NYU Poly	NYUPoly Incubator	\$125,000	The execution of the project contract was delayed, but completed on April 1, 2014.
Empire State Development	Round 4	43518	National Urban League/Harlem 125th Street	National Urban League/Harlem 125th Street	\$2,500,000	The project has been slightly delayed because the development team is doing due diligence.
TOTAL					\$35,812,900	

TOTAL NUMBER OF TERMINATED OR CANCELLED CFA PROJECTS

Round	Round I	Round II	Round III	Round IV	Total
Number of Projects	4	4	7	2	17
Terminated or Cancelled CFA Awards	\$1,516,000	\$591,224	\$1,301,875	\$425,000	\$3,834,099

Leverage of State Investment in all CFA Projects

The tables below list the following: 1) the total number of CFAs in each round; 2) the total amount of CFA awards for projects in each round; 3) the total project cost for all projects in each round; and 4) the ratio of total project cost to total CFA awards in each round.

	TOTAL NUMBER OF CFA PROJECTS				
	Round I	Round II	Round III	Round IV	Total
REDC Awards	50	50	61	71	232
Project cancelled or funding denied	(4)	(4)	(7)	(2)	(17)
Total	46	46	54	69	215

	TOTAL AMOUNT OF CFA AWARDS FOR PROJECTS				
	Round I	Round II	Round III	Round IV	Total
REDC Awards	\$66,200,000	\$51,300,000	\$57,400,000	\$61,200,000	\$236,100,000
Additional Excelsior Job Program Credits *	(\$1,666,666)	(\$2,000,000)	(\$85,288)		(\$3,751,954)
Low Cost Economic Development Financing*		(\$25,000,000)	(\$30,000,000)	(\$35,000,000)	(\$90,000,000)
NYSERDA Energy Efficiency			(\$8,761,732)		(\$8,761,732)
Terminated or Cancelled CFA Awards	(\$1,156,000)	(\$591,224)	(1,301,875)	(\$425,000)	(\$3,834,099)
Subtotal	\$63,017,334	\$23,708,776	\$17,251,105	\$25,775,000	\$129,752,215
Additional CFA Funding post REDC Awards Ceremony	\$5,000,000	\$8,300,000			\$13,300,000
Total Amount of CFA Awards for Projects	\$66,767,334	\$32,008,776	\$17,251,105	\$25,775,000	\$143,052,215

* This NYS assistance has not been applied to specific CFAs in the NYC region.

	TOTAL PROJECT COST FOR ALL PROJECTS				
	Round I	Round II	Round III	Round IV	Total
Total Project Cost	\$786,292,392	\$398,499,041	\$600,948,096	\$1,172,938,319	\$2,958,677,848

	THE RATIO OF PROJECT COST TO TOTAL CFA AWARDS				
	Round I	Round II	Round III	Round IV	Total
The Ratio of Project Cost to Total CFA Awards	11.77	12.45	34.81	45.50	20.68

Job Creation in all CFA Projects

The tables below list the following: the 1) total number of permanent jobs retained and created jobs, and 2) the total number of construction jobs, relating to all projects awarded funding through the CFA.

TOTAL NUMBER OF PERMANENT RETAINED AND CREATED JOBS					
	Round I	Round II	Round III	Round IV	Total
Retained Jobs	3,819	4,140	616	1,057	9,632
Created Jobs	1,120	2,696	2,975	5,235	12,026
Total Retained and Created Jobs	4,939	6,836	3,591	6,292	21,658

ESTIMATED TOTAL NUMBER OF CONSTRUCTION JOBS					
	Round I	Round II	Round III	Round IV	Total
Construction Jobs	4,600	2,247	3,233	5,955	16,035

III. Implementation Agenda

Regional Economic Cluster Plan: Global “Smart Cities” Industry Hub

“New York Has A Unique Opportunity To Build A Cluster Of Economic Activity Around Technology That Will Transform The World’s Rapidly Growing Urban Centers.”

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WHAT IS A SMART CITY?

The technological revolution is transforming every aspect of society and the global economy. One new frontier for application of technology is with the management and delivery of government services and public infrastructure, particularly at the municipal level. Cities are being challenged by unprecedented growth and need for expansion and modernization of services and infrastructure; at the same time, cities face fiscal challenges that require greater efficiency and productivity. The result is a new industry dedicated to helping cities get “smart” about the application of technology and data analytics to their management, infrastructure and delivery of services.

The global “Smart Cities” market is projected to reach \$1.13 trillion by 2019, from \$400 billion in 2014. New York is positioned to be a leader in this rapidly growing sector. It is already a global hub of innovation in technology and boasts the country’s most open policy for public release of municipal data. As a result, New York is a focus of private sector research and investment in “smart

cities” applications. The city’s universities are leaders in data analytics and urban informatics. The city’s size, scope, and diversity offer a laboratory in which public-private partnerships can develop and test “smart” technologies, applications and policies.

Based on these factors, the REDC is responding to Governor Cuomo’s Economic Development Cluster Initiative in Round V of the CFA with this proposal to formally establish a “Smart Cities Cluster” based in New York City but ultimately extending to all regions across the state.

A SURVEY OF NEW YORK’S SMART CITIES INDUSTRY

To inform the Smart Cities Industry Action Plan, the REDC took the following steps:

1. Researched NYC assets, activities and “smart cities” competitor cities;
2. Conducted a survey on NYC-based private sector firms;
3. Interviewed smart cities and data analytics experts from academia and the public and private sectors; and
4. Convened a Smart Cities work group.

There is already a significant concentration of smart cities activity taking place in New York, but it has not been organized into an efficient and cross-pollinating cluster. On behalf of the REDC, the Partnership for New York City distributed a survey to almost 50 private sector firms - from small startups to large corporations - to capture the state of current activity. While not comprehensive, the survey provides a clear indication of New York's smart cities assets and opportunities.

Survey responses described a number of smart cities initiatives already underway with City and State agencies and institutions, as well as ideas for what actions the public and private sectors might take to enhance the city's status as a global smart cities hub. Findings were wide-ranging, from entrepreneurs developing sensors that measure sidewalk activity to international consulting firms providing expertise on how cities could use big data to create innovative systems to handle emergency management and public safety.

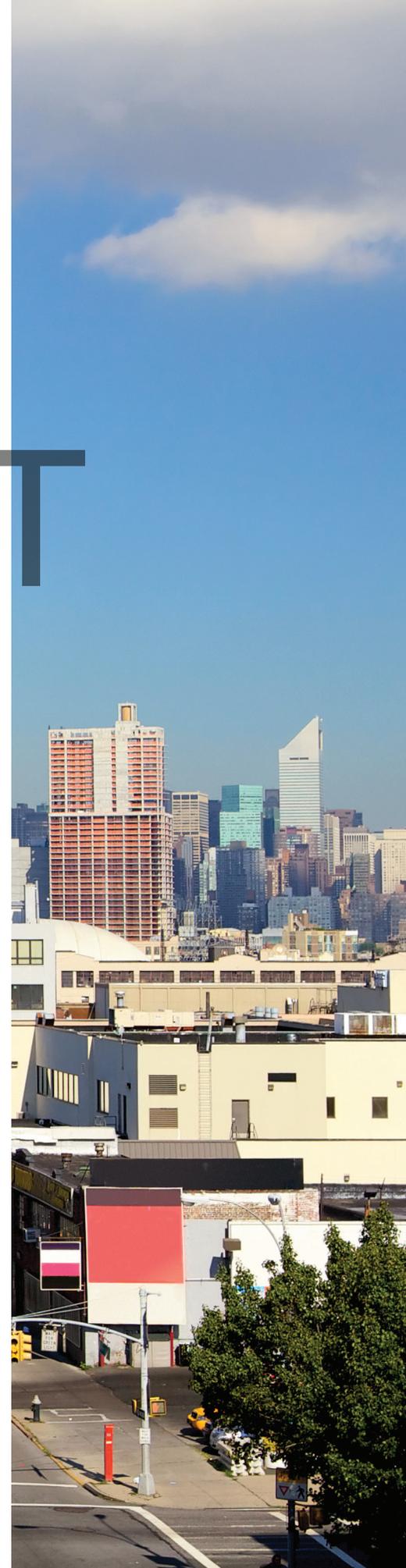
The private sector is currently working with government agencies and authorities to improve health care delivery and patient outcomes; expand wraparound services and financial education for small business loan recipients through mobile technologies; and install smart heating and cooling devices in multi-family and public housing. Other projects in the region include delivering electronic toll collection systems to improve traffic flow; City homeless services offering a technology platform

that streamlines social services information; a pilot that provides prisoners with indestructible tablets programmed to provide personalized education and job training; and testing small-scale utility applications to increase local use of clean energy in NYC's poorest neighborhoods.

Smart cities applications are particularly relevant to upgrading transportation and other infrastructure in the face of urban population growth, tight municipal budgets, and increasing resiliency requirements. As with most great world cities, much of New York's infrastructure is old, with a subway system that first opened more than 100 years ago, an electric grid dating back to 1882, and 1,445 bridges with an average age of 63 years. The possibilities for demonstration projects are vast: equipping public vehicles with devices that create a mesh wireless network that brings free Wi-Fi to areas of the state that are inadequately served; testing the use of drones to inspect hard to access public infrastructure like bridges and tunnels; projects that apply data-driven technology to better manage social service, health and prison systems.

An industry cluster that effectively networks the businesses, government agencies and research universities that are involved with smart cities applications has huge potential benefits for economic development as well as for improving public sector efficiency and service delivery. It is an opportunity that New York cannot afford to miss.

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NYC is the most densely populated city in the U.S.

2X AS DENSE AS
San Francisco & Los Angeles

4X AS DENSE AS
Chicago

The city is projected to add 500,000 more residents by 2040.

NYC has the nation's largest municipal markets in energy – with combined public and private spending at **\$15 BILLION** per year – as well as in waste, water, and transit.



THE VOLUME OF RIDERSHIP ON THE MTA, THE REGION'S MASS TRANSIT NETWORK, AVERAGES **8.7 MILLION** TRIPS PER DAY.



More than half of the city's residents commute to work using public transit – a higher share than

San Francisco 33%
Chicago 28%
Los Angeles 10%
and a much higher share than the national average **5%**



NYC has roughly **ONE MILLION** buildings representing almost every different type and combination of use, responsible for 70% of citywide greenhouse gas emissions.

AMBITIOUS SUSTAINABILITY COMMITMENTS

cutting carbon emissions
80%
by 2050

achieving
zero
landfill waste by 2030

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Global “Smart Cities” Industry Hub

New York has a unique opportunity to build a cluster of economic activity around technology that will transform the world’s rapidly growing urban centers.



With a GCP of
\$709 BILLION
the highest level in
history, NYC ranks as
one of the largest city
economies in the world
alongside Tokyo.

NYC consumes

**1.3 BILLION
GALLONS**

of water each day,

153 GALLONS/PERSON/DAY

All of the city’s water comes from 19
reservoirs and 3 lakes in NYS which hold
~580 billion gallons.



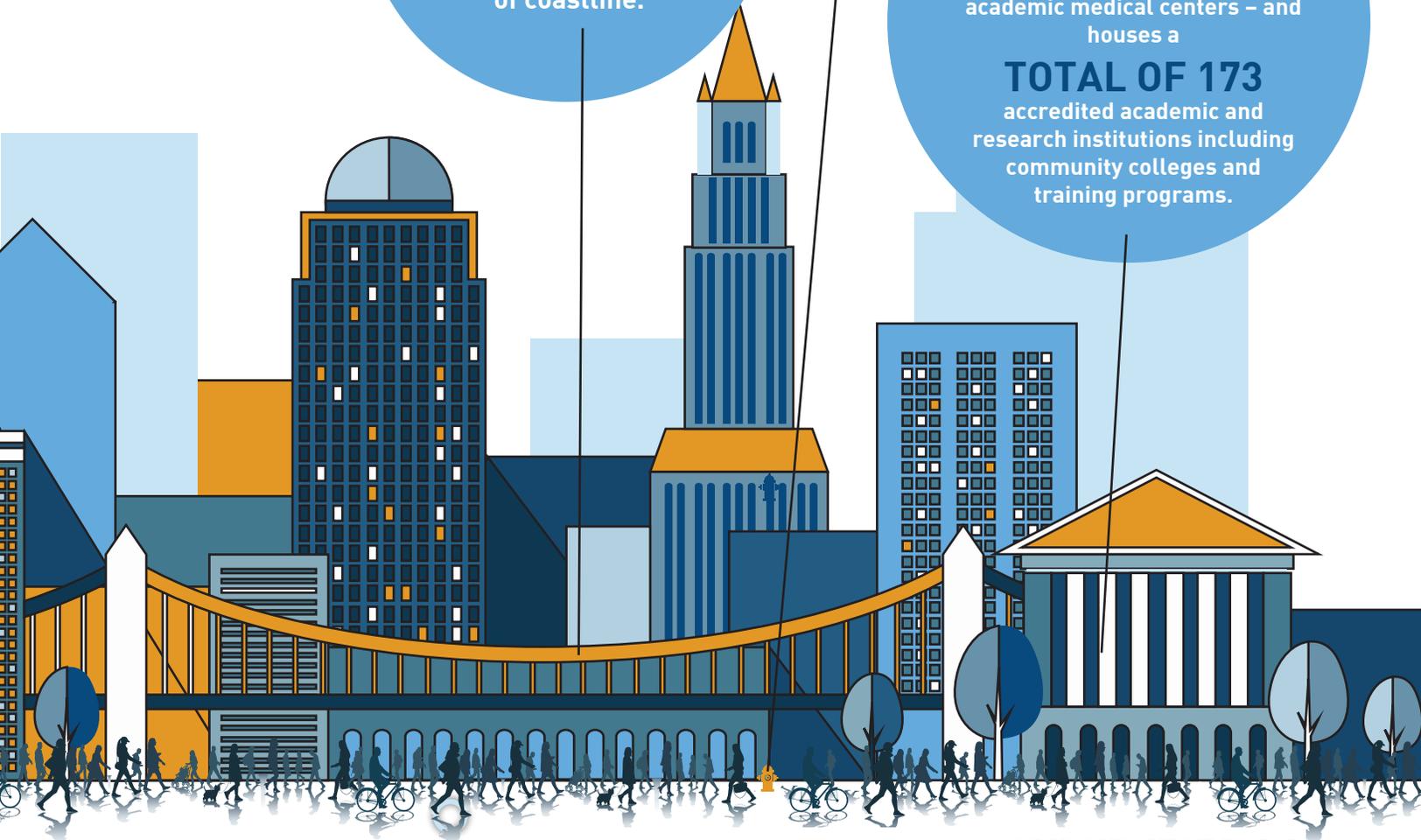
NYC is surrounded
by water, with
520 MILES
of coastline.



NYC has the world’s largest
concentration of academic
institutions – with nine major
academic medical centers – and
houses a

TOTAL OF 173

accredited academic and
research institutions including
community colleges and
training programs.





REDC Smart Cities Industry Cluster Action Plan

1. Convene Leaders to Launch a Formal Smart Cities Cluster

The REDC has already begun to organize a connected network of business corporations and startups, academic institutions, and State and City government agencies that collectively represent a major new Smart Cities innovation hub in New York State. New York City government has hired a Chief Technology Officer who is driving its commitment to smart cities applications. The REDC will pull together representatives of all sectors and establish a system for identifying and tracking new ideas, pilot projects, successful products and opportunities for replication and global export.

New York State has a critical role to play in the development of this cluster, particularly with providing incentives that the REDC can use to validate its leadership role and to engage public and private sector leaders to the cluster initiative. Specifically, the REDC requests that the Governor's office and ESD undertake the following key actions: 1) designate a "Smart Cities Czar" responsible for coordinating inter-agency and inter-regional engagement with members of the cluster network; 2) make matching funds available to support demonstration projects identified by the REDC as contributing to development of the cluster; and 3) promulgate

flexible procurement options that State and local agencies can use in order to test innovative smart cities technologies developed in New York.

2. Support the Development of a Smart Cities Innovation Center

The NYC Economic Development Corporation intends to provide program funding for a Smart Cities Innovation Center in Brooklyn that can provide facilities and services to support companies that are designing and building products relevant to smart cities. This will be New York's first smart cities incubator/accelerator and it will be part of an advanced manufacturing project that can expand export activity through the Governor's Global NY program. It would offer opportunities for collaboration, access to specialized equipment, mentoring and direct connections to government agencies that are potential clients and beneficiaries of new products. The Smart Cities Innovation Center will also include outreach to small, woman and minority owned businesses for inclusion in the cluster, providing access to funding and other resources. Entrepreneurs working in the Center will design, create, test and manufacture solutions in and around New York City.

NYC EDC has committed \$2.5 million in operational funding to support the project and is about

to announce the private developer partner, pursuant to an RFP, so this project can move forward immediately upon funding award.

3. Identify and Expedite Projects that can Utilize New York Private Sector and Academic Talent to Solve Problems Facing City and State Government

As a starting point, the Smart Cities survey conducted for this Action Plan identified a number of infrastructure initiatives that the REDC, with support of the Governor's office and State agencies, will help to promote and expedite:

- Xerox is the largest electronic toll service provider in the country, using sensors and data analytics to help transportation agencies adjust tolling policies to maximize revenues and enhance traffic flow. Social media data is used to measure customer preferences on roadways; infrared video technology is applied to spot express lane violators.
- NYC startup Placemeter developed sensors to collect information on the movement of pedestrians, bikes and cars on city sidewalks and roadways in real time. These are being piloted by the NYC DOT to guide deployment of their resources to operations, services, and investments. The DOT historically uses people with counters on the street to measure this activity.
- GE provides Intelligent Street Lighting that improves light quality and reduces energy and maintenance costs. In addition

to savings, the LED technologies provide lighting control and sensors to gather data.

- BlocPower helps financially underserved communities to adopt "smart" clean energy and energy efficiency technologies by using sensors, mesh networks, and analysis of energy production, consumption, and projected consumption data, financial data, and smart devices to drive clean energy projects.
- LinkNYC is a public-private partnership between the Mayor's Office of Technology and Innovation, the Department of Information Technology and Telecommunications (DoITT) and CityBridge, a NYC-based consortium now run in part by Google's venture Sidewalk Labs, to turn pay phones into 10,000 wireless hubs and significantly expand Wi-Fi access in NYC. Once complete, LinkNYC will be the fastest and largest municipal Wi-Fi service in the country providing free Wi-Fi to anyone in a 150-foot radius, as well as free phone charging, phone calling, Internet browsing, and access to local services and information. The program is expected to create over 100-150 new jobs in manufacturing, technology, and advertising in addition to 650 in support jobs.
- IBM assists cities across the world by offering solutions that expand cities' ability to collect information, create connected digital platforms across agencies, and deliver more intelligent and predictive systems such as through their "Intelligent

Operations Center". The new IBM Watson Center on Astor Place is a state of the art facility that will be the center of the company's global smart cities leadership.

- Infor, a major NYC enterprise software company, has just acquired the premier supply chain management firm that can help government agencies more efficiently manage procurement and targeted purchasing opportunities.

4. Provide a Forum for Policy Innovation

Many companies surveyed suggested that they need a forum to work with government on developing individual products and their potential applications to meet public sector needs. Some proposed actions that the REDC can coordinate with State and City agencies include the following:

- Create Smart Cities Standards - There are privacy issues that are raised by the collection and use of data that need to be addressed. Establishing principles and guidelines for the collection, sharing, management, and integrity of data, as well as how it is used, is a critical step in smart cities leadership. In order to develop standards, the City and State will need to explore best practices in other smart cities, pilot projects to test principles, and get input from the legal community.
- Streamline/Reform Government Procurement Process - Procurement policies at all levels of government are a significant



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deterrent for innovative firms of all sizes to work with the public sector. Some companies have figured out ways to work around government procurement policy, such as subcontracting with companies that have current agreements with the City, but a systemic change is needed to create a welcoming environment for the level of public/private collaboration that is needed for NYC to become a global smart cities hub.

- Connect Smart Cities Companies Across the Region through Local Manufacturing Extension Partnership (MEP) Centers - Small startups in the NYC region offer innovative technologies and hardware that are often used by larger companies, but each are often unaware of the opportunity to connect in the marketplace. The Industrial Technology Assistance Corporation (ITAC) is one of ten MEP centers in New York State that support the transfer of cutting-edge advances to local and regional manufacturers. ITAC holds Meetups to discuss how to plug these local companies into regional supply chains instead of outsourcing. The REDC, with assistance from ITAC and the City, will compile a list of producers and vendors by area of expertise to better link to regional supply chains.

- Establish a Proof-of-Concept Ecosystem - Both incubation hubs and accelerators help startups with the initial phases of design/operations, but a real-world ecosystem

is required to test products or services. Each smart cities innovation is unique, so a variety of demonstration sites or laboratories will be needed across the city and state.

- Develop a New York Smart Cities “Seal of Approval” - In order for startups and established companies to expand their reach to the domestic and global marketplace, they need local and State government endorsements that certify the smart cities technology works in practice. NYC and NYS could create guidelines for a “New York Government Seal of Approval” used by companies to pitch to other cities around the world. This seal would also enhance New York’s international “Smart Cities Hub” brand. The REDC Smart Cities work group will help identify a large-scale pilot project to be tested and certified as “successful” as its first project that goes through an official certification program, making the export potential much greater.

5. Share NYC Smart Cities Applications with other New York State Regions

This project also offers opportunities for inter-regional cooperation. Many smart cities companies and relevant university programs are located in other regions of the state and could be drawn into the cluster, or cluster projects could be replicated in other regions. To encourage these inter-regional efforts, the State might allocate additional funding explicitly

targeted to taking the smart cities cluster initiative statewide.

As the smart cities sector becomes more established in New York City, the REDC will connect smart cities companies with upstate regions through the larger REDC network to help create an import/export pipeline of smart cities innovations. The pipeline will either bring tested and proven applications upstate or identify NYC-created applications to be piloted in upstate regions. NYU's Center for Urban Science and Progress (CUSP) is a unique public-private research center with expertise in urban informatics to help cities around the world become more productive and resilient. Given CUSP's scope of smart cities knowledge, it is one potential university partner to develop and execute this pipeline, working in parallel with the REDC and regional universities (i.e. University of Buffalo) to deliver smart applications statewide.

6. Build a Global Smart Cities Brand

In addition to creating a "Smart Cities Seal of Approval", New York is a place people across the world want to come to. The 2015 Smart City Expo is taking place in Barcelona - and NYC's section received generous sponsorship from Sidewalk Labs to help supplement the cost for smaller NYC-based start-ups to attend - but could be held in NYC next year. The Cluster Action Plan funding may be used, in part, to help bring a global smart cities expo to the region in 2016.

7. Tie Smart Cities Application Manufacturing to Local and Regional Hubs

Some smart cities applications include a hardware manufacturing component - whether light manufacturing or 3D printing. Production needs could be met through new and existing incubators within the city or facilities in other New York State regions. The success of 3D printing is largely due to the fact that small scale prototyping removes barriers to entry for entrepreneurs (i.e. cost of supplies and production facility rent). Venture Capital investment in hardware startups reached \$1.48 billion in 2014 alone, more than three times the amount of two years earlier. Once hardware applications such as sensors or other instruments have been developed and tested in NYC, the REDC would work with other REDCs to identify other regions with larger manufacturing capacity to scale up production.

8. Link to Education and Skills Training Programs

Identifying skills required by the smart cities industry will be part of the work of the REDC as the Action Plan gets implemented. The REDC Workforce Development Work Group will work with the city's expansive and responsive community college network City University of New York (CUNY), the City's Department of Education's career and technical education programs, as well as the State University of New York (SUNY) system to develop a pipeline of

required skills. Opportunities for training include manufacturing, installation, maintenance of hardware and wireless systems. The REDC could work within the NYC region, as well as with other neighboring regions to design and implement a program to upskill manufacturing talent to specialize in the innovations out of the smart cities cluster.

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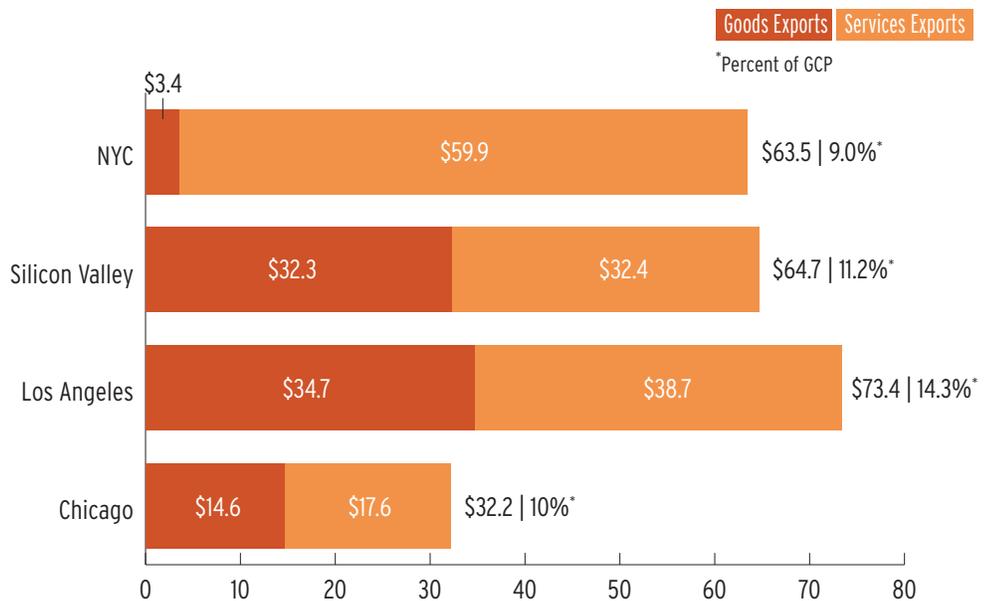


Implementing the Regional Global NY Plan

The REDC 2014 Progress Report presented a plan for a “Global NY Export and Marketing Strategy”. New York City is a global leader in export of services, accounting for \$59.9 billion, or 69%, of New York State’s total exported services. The city’s global export of goods, however, amounts to only \$3.5 billion annually, far less than the global goods exported from competitor cities like Los Angeles (\$35 billion), Silicon Valley (\$32 billion), and Chicago (\$15 billion). The city also lags behind its peers in terms of export intensity. International exports represent just 9.0% of the city’s GCP, which trails competing cities such as Los Angeles (14.3%), Silicon Valley (11.2%) and Chicago (10.0%).

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INTERNATIONAL EXPORT INTENSITY OF GOODS AND SERVICES \$ BILLIONS, 2015



Source: Brookings Institute, Export Monitor 2015.

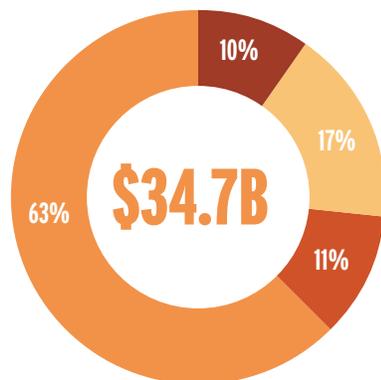
Historical Comparisons

INTERNATIONAL EXPORTS OF SERVICES IN NEW YORK STATE \$ BILLIONS, 2014



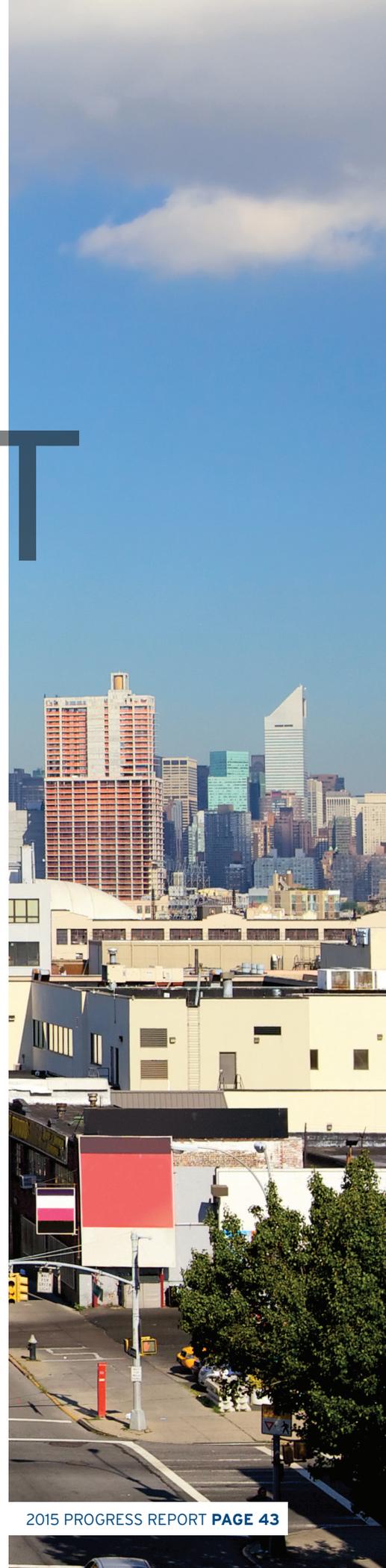
Source: Brookings Institute, Export Monitor 2015.

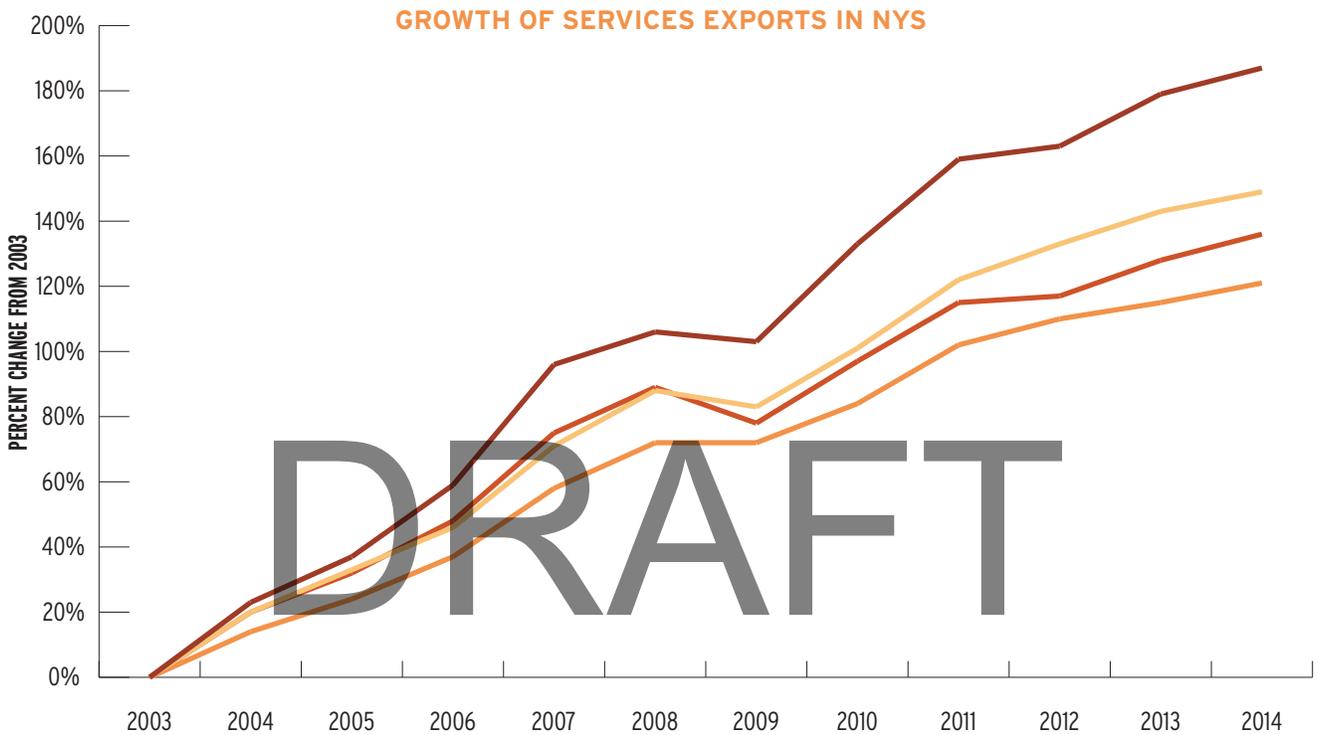
INTERNATIONAL EXPORTS OF GOODS IN NEW YORK STATE \$ BILLIONS, 2014



Source: Brookings Institute, Export Monitor 2015.

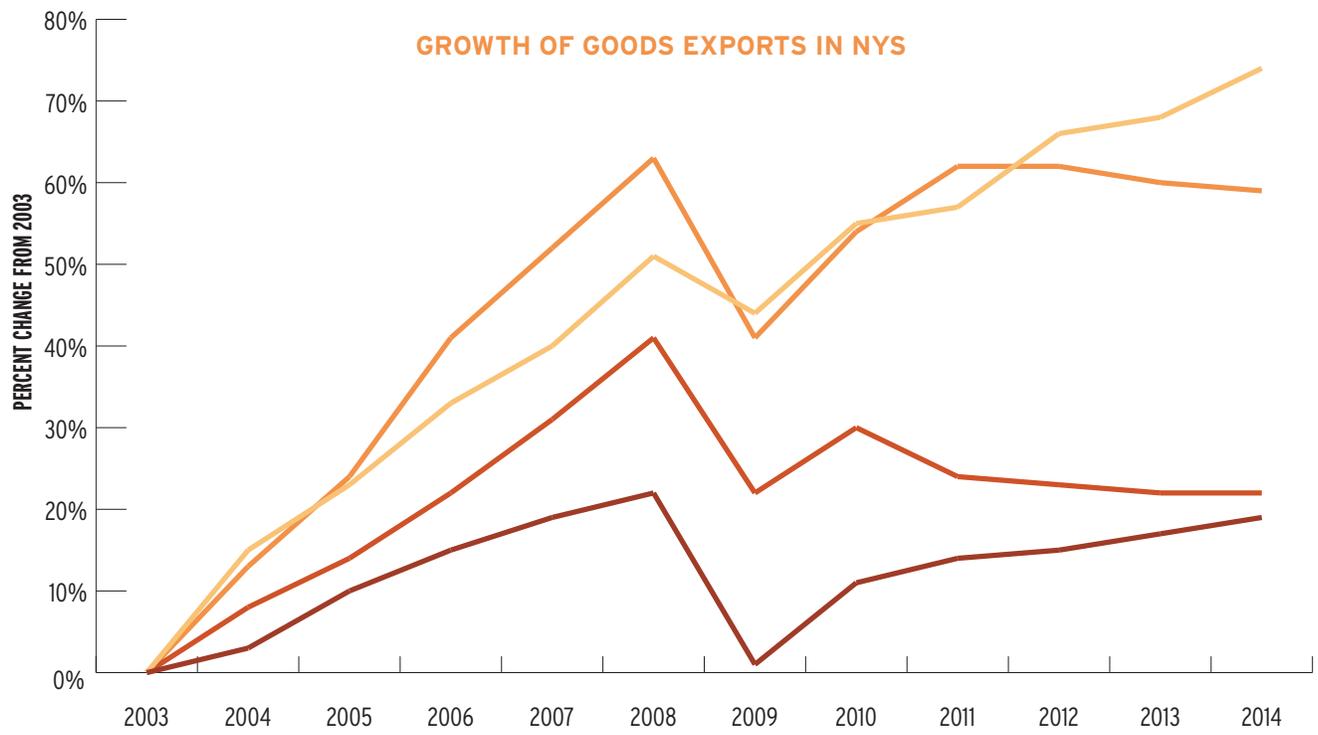
Note: Brookings changed their methodology from last year, so figures aren't directly comparable to those from the Global NY Marketing action plan (2014). Some figures are markedly different. However, their data goes back to 2003 using their new methodology, so historical comparisons are possible. Brookings data now includes the number of (direct and indirect) jobs supported by exports which may be broken out by industry sector and/or borough. Note that these figures were calculated by Brookings, so they do not match up with the 5,800 per \$1B cited last year. (Using Brookings' data for NYC, it works out to: \$1B = 4,700 Direct + 3,900 Indirect).





NYC
Long Island
Hudson Valley
Balance on NYS

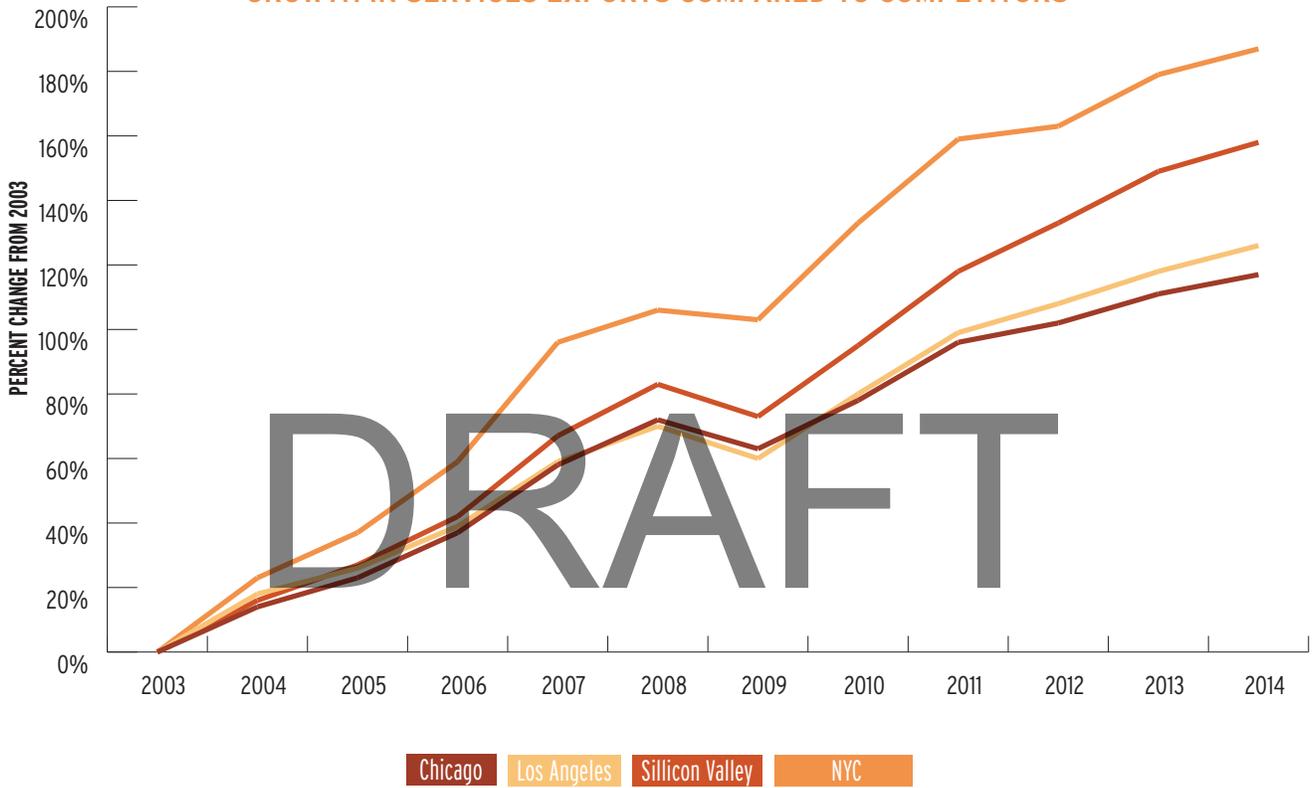
Source: Brookings Institute, Export Monitor 2015.



NYC
Long Island
Hudson Valley
Balance on NYS

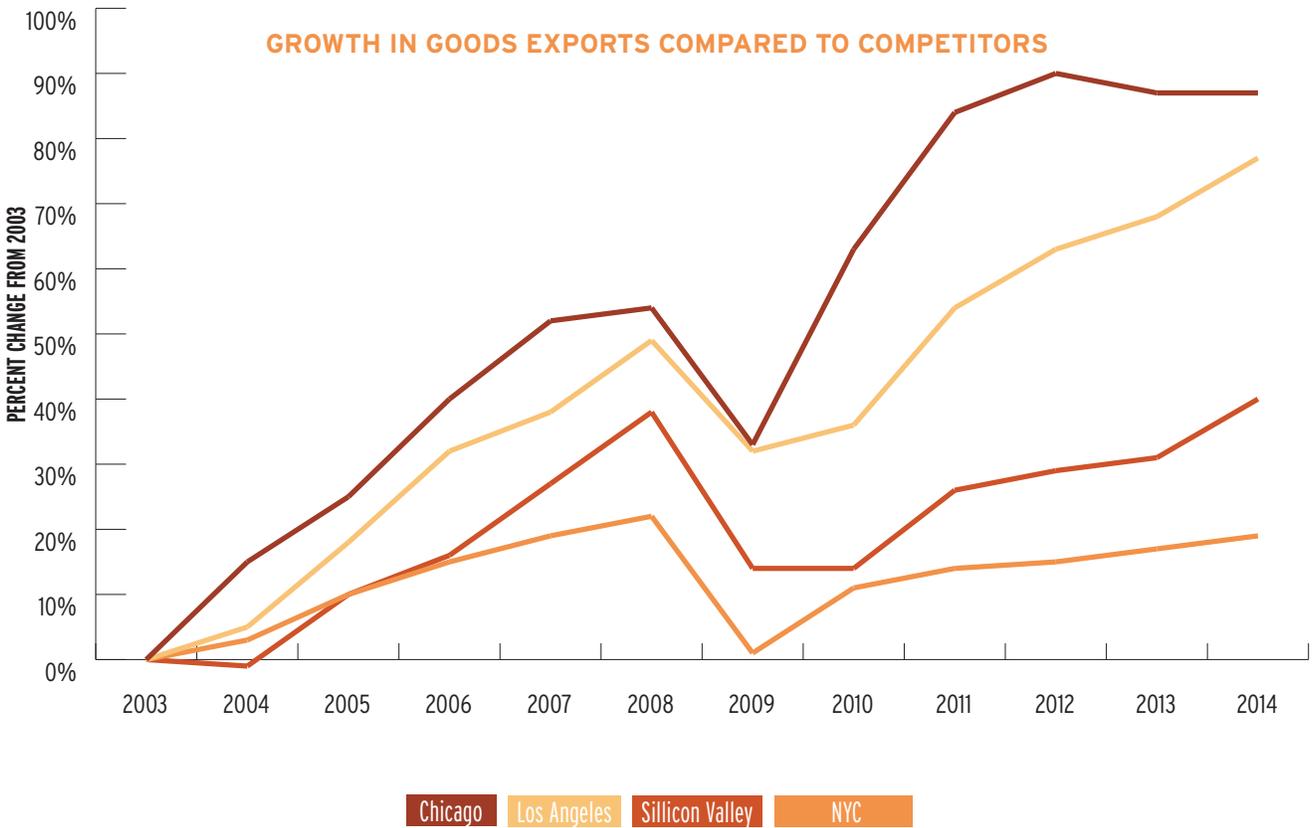
Source: Brookings Institute, Export Monitor 2015.

GROWTH IN SERVICES EXPORTS COMPARED TO COMPETITORS



Source: Brookings Institute, Export Monitor 2015.

GROWTH IN GOODS EXPORTS COMPARED TO COMPETITORS



Source: Brookings Institute, Export Monitor 2015.



Progress to Date

This year, the REDC has worked to promote projects that contribute to the Global NY Export and Marketing Strategy and to discuss an inter-regional approach with the Long Island and Mid-Hudson REDCs. Interregional collaboration offers more options in terms of affordable real estate, ease of movement of goods to export hubs and markets, a more flexible regulatory environment, access to suppliers and the right type of skilled labor. A Global NY Inter-Regional Work Group is developing an “Export Pipeline”--a virtual network for sharing information and resources between regions, aimed at maximizing investment and job creation in the tradable goods sector.

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The 2014 REDC Global NY Export and Marketing Strategy Update

- **Identify advantages and challenges for the production and export of goods**

The Global NY Work Group identified four “export advantages” that the NYC region offers - a diverse, globally connected economy, a hub of innovation, a dense consumer base, and a global brand. Four “export challenges” were also identified - lack of affordable production space, inefficient infrastructure and poor logistics, obsolete zoning and regulatory burdens, and isolation of the city’s “Maker Class”.

- **Conduct an inventory and survey of goods manufacturers**

With the support and assistance of the REDC, ESD’s international office is piloting a Customer Relationship Management system that will:

- Collect and track customer/client data including company name, address, phone, fax, business size, number of employees, whether foreign owned, web address, industry, business

structure as well as headquarters or subsidiary indicator;

- Associate projects to clients by project type (retention, expansion, relocation, foreign investment, trade or technical assistance), project status, project outcomes, employee size or potential employment, potential capital investment and industry type;
- Include the ability to monitor ESD business development activities by business developer, appointments, visits, phone calls, emails, and events.

- **Assess sectors poised for high-growth with export potential**

Manufacturing job growth in the city has continued to come primarily from technology-enabled manufacturing, food and beverage production, and the entrepreneurial maker movement. The REDC focused on these three sectors as the basis for the Global NY Export and Marketing Strategy. Given the future growth potential of these sectors, the REDC will continue to explore ways to connect businesses in these sectors to the export economy.

The REDC is also planning to expand the scope of the region's export plan to include technologies and industries that contribute to the development of a "smart city". For example, the company that won an RFP to transform the city's public telephone booths into WiFi hot spots will establish a facility for local production of equipment. Given the applicability and interest in urban smart-city technologies around the state and the world, there are clear opportunities to export both equipment and expertise as this project develops.

Similarly, as the Brooklyn Brewery and other artisan companies expand, Global NY will support their plans to increase global exports of New York's growing "maker economy."

- **One-stop-shop online platform for exporters**

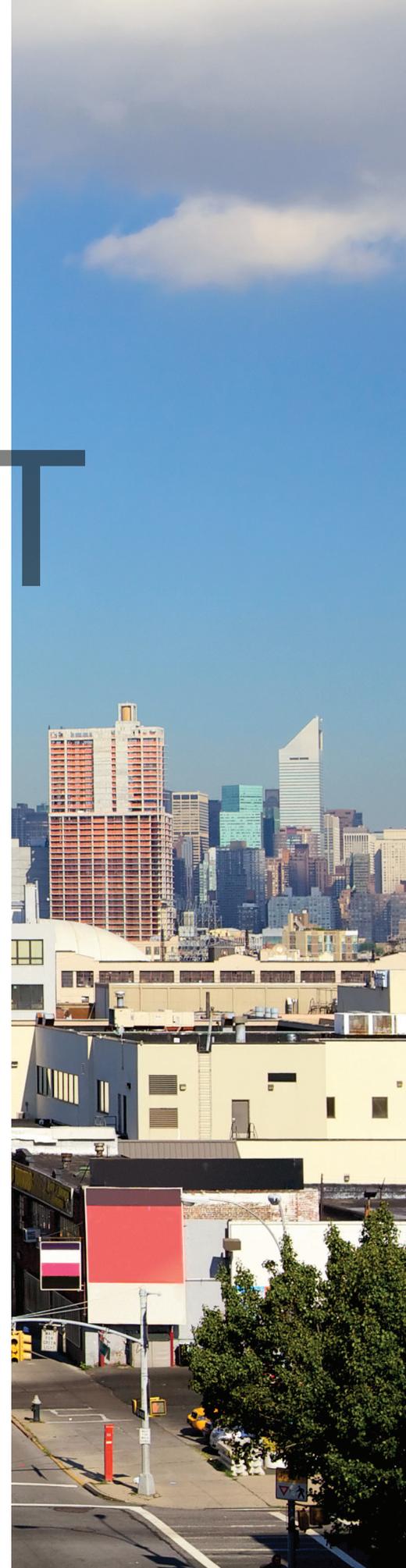
Governor Cuomo's Global NY Initiative includes a One-Stop-Shop Website (global.ny.gov) providing information to businesses interested in global export and trade, including connections to START-UP NY and other New York State incentive programs and New York State's trade offices all over the world. Government, nonprofits and educational institutions that provide services to exporters are fragmented and often difficult to access. The REDC proposes to aggregate information about these services into an online platform, aligned with the Global NY One-Stop-Shop, that is broadly marketed and that agencies can use to identify and

organize a response to unmet needs. Together with the Long Island and Mid-Hudson REDCs, the intention is that the platform will also serve as a "virtual" inter-region export pipeline for 1) sharing information and services across the downstate regions and 2) identifying manufacturers with export potential that are poised for growth.

- **Global marketing and branding initiatives**

Tourism has long been at the forefront of New York City and State global marketing and branding initiatives, but the REDC hopes to build on the traction in the tourism sector to further enhance demand for goods and services made in New York and to attract foreign international investment. Working with the City and State, the REDC believes that a coordinated effort across sectors can enhance local marketing and contribute to the positive brand development of regions beyond the city.

There are several initiatives upon which to build. New York City has successfully parlayed its "Made in NY" brand as a status symbol for film and television production, the digital and startup industry and theatrical production and is working to extend this branding initiative to the fashion industry as well as the "maker" economy. The Brooklyn Chamber of Commerce has launched a "Brooklyn-Made" certification program that results in marketing and networking opportunities for qualifying manufacturers.





The NYC Economic Development Corporation (NYCEDC) has two programs that support the development of a global marketing plan. The “World to NYC” - designed to help global entrepreneurs and businesses leverage the city’s resources and economic opportunities - and “NYC Next Idea” - an annual competition in its fifth year for teams around the world looking to launch and operate new business ideas in New York City.

There are also opportunities to enhance New York’s “global brand” in connection with the Smart Cities cluster. Already, the Center for Urban Science and Progress (CUSP) at New York University is fielding requests from international institutions for expertise and collaboration opportunities. Similarly, the Cornell-Technion campus is already enhancing New York’s brand as a global center of engineering talent and innovation.

Global NY Project Updates

In the 2014 Progress Report, the REDC identified several priority projects that were directly linked to the Global NY Export and Marketing Strategy. Updates on the progress made by those priority projects follows.

Brooklyn Brewery Project

The Environmental Impact Statement is currently being developed for the construction of a new brewery on the West Shore of Staten Island, with Phase I of construction expected to be

completed by 2018. Final plans are still being developed but a retail space, restaurant and visitor center are all under discussion. The Brewery was awarded \$2 million in capital grants and \$4 million in Excelsior tax credits in Round IV funding, but is seeking additional State funds to support development of the new facility. Overall, the project will result in 83 retained jobs and 115 new jobs.

New York Container Terminal

In the REDC 2011 Strategic Plan, New York Container Terminal’s “Berth 4” expansion was deemed a priority. The Berth 4 expansion would allow New York Container Terminal (NYCT) to become the first New York terminal to handle deep draft (50’) Post Panamax vessels. No funding was requested by the REDC in 2011 for the project, however the REDC sought to have the Berth 4 expansion on a prioritized list for review by the NYS Department of Environmental Conservation.

The Berth 4 expansion has not begun, but in May 2015, the ESD directors approved \$4,432,672 for dredging of NYCT’s Berth 3.

The project will allow NYCT to maintain its current customers and steamship lines by having the same depth as its competition in New Jersey.

Airport Exports Improvement Project

As noted in the REDC’s 2014 Progress Report, nearly 1.4 million tons of cargo, including perishable food, electronics, and

pharmaceuticals, move through JFK each year, supporting approximately 34,000 jobs. JFK ranks first among all airports by value of imported and exported goods. However, air cargo volumes at JFK have been flat since the early 2000s, while cargo shipping has grown at other airports such as Atlanta, Chicago and Dallas. The REDC deemed the redevelopment of a JFK International Airport Air Cargo Facility as a priority in 2014.

The project, also supported by Long Island and Mid-Hudson REDCs, was awarded a \$500,000 grant in Round IV of the REDC Initiative.

For Phase I of the project, a private developer is proposing to design and construct a state-of-the-art approximately 328,000 square foot, two story, first class cargo handling facility on the site of Buildings 260/261 in Area D at JFK Airport. The private developer will sublease the facility to Cargo Airport Services USA, the largest third party cargo handler at JFK Airport. The Port Authority will reimburse the private developer approximately \$74 million of Phase I costs including: 1) demolition of existing structures on the site; 2) relocation of the low and high-pressure water mains that cross the site; 3) protection of the sewer line that traverses the site, 4) and the reconstruction of two taxiways. The facility is expected to handle over 300,000 tons of cargo in its first phase and is projected to create 102 new jobs and 300 construction jobs. Construction of Phase I is expected to be completed by early 2019.

Still in the preliminary planning stage, Phase II may consist of an additional 179,660 square foot expansion of the Phase I structure, representing an approximately 150,000 tons of additional air cargo handling capability.

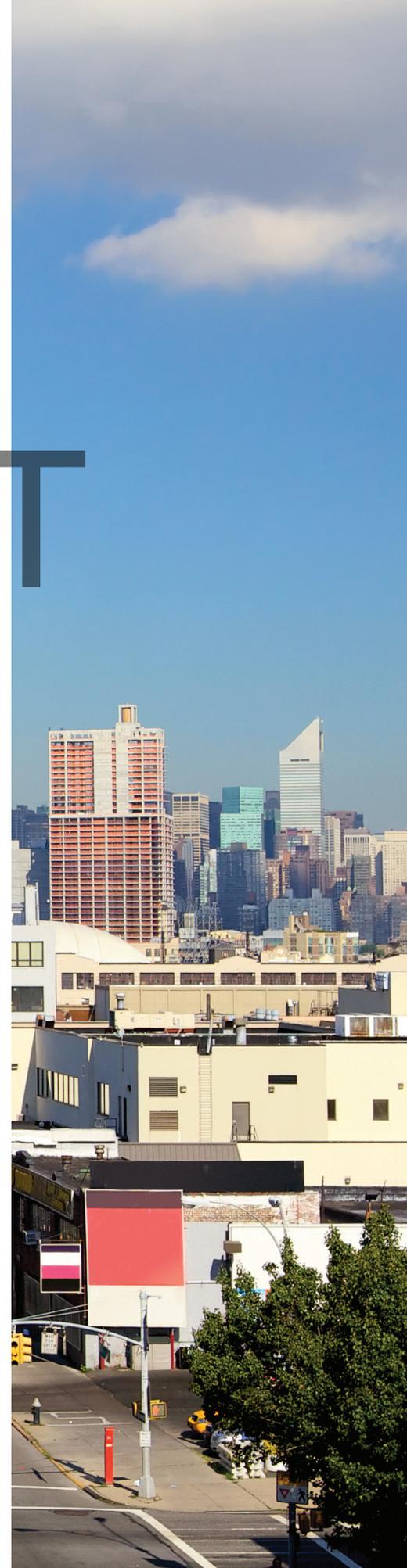
BAT Campus Improvements

The Brooklyn Army Terminal (BAT), a 55-acre industrial campus, is home to 100 companies and 3,600 jobs. New York City has invested a total of \$185 million and has recently committed another \$100 million for Phase V, a gut renovation of 500,000 square feet of space within Building A that will create 1,000 new jobs. Concurrently, NYCEDC is investing \$15 million to activate the Administration Building, a 55,000 square foot stand-alone building that will create 120 new jobs.

Uncommon Goods, an online retailer of gifts and accessories that employs more than 120 people full time and up to 600 people seasonally is based at BAT. Jacques Torres, a chocolate manufacturer, has established his global production headquarters in 40,000 square feet at BAT. Overall, more than three million square feet of leasable space is now 99% occupied by approximately 100 tenants employing more than 3,600 people.

Activation of more than half a million square feet of additional space requires critical infrastructure upgrades throughout the campus. Additional funding is needed for the rehabilitation and reactivation

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of the Boiler Building, a stand-alone 24,000 square foot building directly on the waterfront and the pier. Next steps include partnering with workforce development training providers to create a Sunset Park Industrial Workforce Center that will offer job placement and training, including veteran-focused programs, and promote global export strategies.

Once additional funding is secured, it is anticipated that the transformation and activation of the campus will be complete by 2018. The Administrative Building redevelopment (55,000 square feet) is currently under construction, and expected to come online by the Spring of 2016. Phase V, the 500,000 square feet of raw space, is in the beginning of construction, with completion in 2018. Finally, with additional funds, it is expected that design, permitting and rehab of the Boiler Building would be complete by 2018, with the campus-wide improvements and infrastructure upgrades completed in a similar time frame.

Building 77

The \$134,300,000 project involves the renovation of a building with one million square feet of industrial space in the Brooklyn Navy Yard. The project was awarded a \$1 million grant in Round IV of the CFA. Currently vacant, the building will be transformed into a vibrant manufacturing/tech hub supporting 3,000 jobs. Project scope includes window replacement and installation; renovation of entrances and

corridors on the ground floor and mezzanine; modernization of the base building architectural, mechanical, electrical, plumbing, fire protection, and life safety systems; reconstruction of interior stair well and shaft enclosures, roof replacement and façade repairs, and restoration of the steel radio tower on the roof of the building. The project is designed to attain a LEED Silver Certification by the U.S. Green Building Council for Core and Shell construction and will support 3,000 new jobs and 112 construction jobs. Construction will begin in August 2014 and will be completed in June 2016.

Shiel Medical Laboratory (Shiel) is anchoring the building with a lease for approximately 237,000 square feet on four floors and anticipates subleasing for uses in the medical diagnostic arena, including businesses in the growing sector of genomic research. ESD granted Shiel up to \$2.8 million in Excelsior tax credits for the project. It is anticipated that Shiel will create 750 jobs.

Implementation of Key Regional Priorities Opportunity Zone Updates

The REDC continues to focus its efforts on fifteen historically distressed areas of New York City where rezoning and catalytic public investments are generating significant momentum for economic growth and opportunity.

In its Strategic Plan, the REDC chose to concentrate investment in these areas in order to ensure an inclusive approach to community revitalization and job creation. As a result, approximately 75% of the REDC's priority projects are located in the Opportunity Zones. As the update below suggests, this strategy has proven extremely effective and the results have been transformative.

The REDC continues to focus its efforts in fifteen historically distressed areas of New York City where rezoning and catalytic public investments are generating significant momentum for economic growth and opportunity.

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125TH STREET (MANHATTAN)

NYCEDC, in collaboration with NYCDOT, MTA, Community Board 11, New Harlem East Merchants Association, and other stakeholders, has developed a plan for improving pedestrian safety and providing amenities including a new public plaza around the Harlem-125th Street Metro-North station, which is part of a major transit hub in East Harlem. NYCEDC and NYCDOT continue work on design of the public realm improvements and expect to start construction in 2016. Capital funding is being provided by a TIGER grant from USDOT, supplemented by funding from Council Speaker Melissa Mark-Viverito.

Construction is underway for the redevelopment of the Corn Exchange building that is located next to the Metro North station. The historic base of the building is being rehabilitated and an additional six floors will be added with about 31,000 square feet of new commercial space. Construction is expected to be complete by the end of 2015.

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Located on Park Avenue in the heart of East Harlem, La Marqueta continues its tradition of culinary creativity as the home to thriving food businesses such as PipSnacks, Luca & Bosco, Vanessa Patisserie and LushCandy, along with over 10,000 square feet of space for start-up food businesses, the Hot Bread Kitchen incubator, a public plaza, and public Wi-Fi access. Further upgrades to the physical infrastructure are being planned.

The East Harlem Media, Entertainment and Cultural Center is a mixed-use development project along the 125th Street corridor expected to create approximately 800 affordable housing units, up to 700,000 square feet of commercial space, 30,000 square feet of community space, open space, and thousands of new jobs at completion. Phase I, which includes 49 affordable housing units and 6,000 square feet of commercial space, is complete and construction on Phase II is expected to begin in 2015.

NYCEDC helped create two new business incubators in Harlem that will help to foster and diversify entrepreneurship throughout the neighborhood – Harlem Biospace and Harlem Garage. Harlem Biospace is a biotech incubator for early stage life sciences companies that provides biotech companies with affordable wet-lab, microbench space, specialized laboratory equipment, mentorship, business support, and programming. Harlem Garage provides access to affordable workspace for freelancers, startups, small businesses and nonprofit organizations.

Construction will soon begin on renovation of the former Taystee Bakery Complex.

[See pages 3, 20, 23 and 67 for additional project updates in the 125th Street corridor]



LOWER MANHATTAN

The REDC supported ESD’s package of support to secure the commitment of Bank of New York Mellon to keep its headquarters in New York City, leasing 350,000 square feet in Lower Manhattan under a 20-year lease.

Construction of the two-mile-long East River Waterfront Esplanade is progressing with sections of the work from Old Slip to Fulton Street and

from Pike Slip to Pier 35 completed. Work at Pier 35 and from Catherine Street to Pike Slip is expected to be complete in 2017.

Development of the Seward Park urban renewal site is moving forward as a \$1.1 billion mixed-used development project known as Essex Crossing. Located near the intersection of Essex and Delancey Streets, the nine sites in Essex Crossing will become a 1.65 million square foot development anchored by 1,000 units of housing, half of which will be permanently affordable for low, moderate, and middle-income households and senior citizens. The project includes a 15,000 square foot open space, a new and expanded Essex Street Market, a dual-generation school operated by the Educational Alliance, a community center run by Grand Street Settlement, a rooftop urban farm, a museum, 250,000 square feet of office space, and a diverse mix of retail space. Seward Park will also become a hub of small-business incubation, with micro-retail spaces and creative and tech co-working and incubator space. Groundbreaking is anticipated in 2015.

In fall 2013, the Howard Hughes Corporation began construction on the \$200 million redevelopment of Pier 17. In 2014, the community formed the South Street Seaport Working Group to articulate their priorities for future development in the Seaport area and developed guidelines that will influence its continued redevelopment.

In February 2015, NYCEDC released a Request for Proposals (RFP) for a potential development at 137 Centre Street. The site, currently occupied by 45,000 square feet of office space for NYPD and DSNY, has a total development potential of 125,000 square feet, including 74,000 square feet of air rights associated with the adjacent lot owned by the nonprofit Downtown Community Television Center. NYCEDC is currently reviewing responses to the RFP received in April 2015.

Plans are under way for the design and construction of the West Thames Street Pedestrian Bridge, a 230 foot bridge across West Street that will replace the current Rector Street Bridge to provide a pedestrian linking the Financial District to Battery Park City. Funding for this \$27.5 million project will come from the Lower Manhattan Development Corporation and the Battery Park City Authority. The construction of the West Thames Street Pedestrian Bridge is expected to begin in early 2016. Demolition of the Rector Street Pedestrian Bridge will begin upon completion of the new bridge in 2018.

Complementing all of this ongoing redevelopment work, Lower Manhattan will receive new ferry service at Grand Street expected to begin in 2018 as part of the newly proposed citywide ferry service expansion.

Harlem Biospace is a biotech incubator for early stage life sciences companies that provides biotech companies with affordable wet-lab, microbench space, specialized laboratory equipment, mentorship, business support, and programming.



HUDSON YARDS (MANHATTAN)

Construction is ongoing on blocks one through three of Hudson Boulevard Park, with completion expected in 2015. The Related Companies has committed to an expansion of affordable housing with the addition of another 77 units. Affordable apartments will also be added to the first phase of the project on the eastern platform, delivering benefits to low- and middle-income families sooner than planned. The Related Companies announced its plans to move forward with construction of the platform over the rail yards that is required to support the Culture Shed and new commercial construction anchored by Time Warner. Empire State Development offered L’Oreal Excelsior tax credits of \$5.5 million to encourage the company to move into the new south tower at Hudson Yards. In 2013 L’Oreal announced their intention to move to the South Tower, leasing 402,000 square feet. These projects were formally endorsed by the REDC’s Executive Committee.

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CONEY ISLAND (BROOKLYN)

During Superstorm Sandy, the most severe damage to the Gravesend and Coney Island neighborhoods came from the Coney Island Creek. In 2014, NYCEDC released an RFP for the Coney Island Creek Tidal Barrier and Wetlands Feasibility Study, a key recommendation of the City’s post-Sandy climate resiliency plan, A Stronger More Resilient New York. In 2014, the City provided new funding to advance major infrastructure improvements in Coney Island, and storm and sanitary sewer upgrades are currently being planned. When completed, this \$181 million investment will unlock up to 4,500 units of affordable, mixed-income housing and much-needed retail, services, and jobs following the 2009 rezoning of Coney Island. Initial phases of construction are underway.

The West 8th Street Station Access Project aims to encourage pedestrian safety and strengthen connections between the Boardwalk, the Aquarium,

and the West 8th Street Station. Substantial progress was made on Phase I of the West 8th Street pedestrian improvements, which include sidewalk bump outs and new traffic signals and lane striping. Phase 2, which includes the construction of a new pedestrian access point at West 10th Street and the Boardwalk, commenced in fall 2014 and will be complete later this year.

Preparations are underway for the development of the Coney Island Amphitheatre and Seaside Park and Community Arts Center. This project will create approximately 2.55 acres of publicly accessible open space on the Coney Island Boardwalk that will include a 5,100-seat amphitheater.

The Alliance for Coney Island received a \$225,000 grant in Round III of the CFA for its “One and Only Coney” Campaign. The campaign aims to draw tourists by marketing and expanding seasonal events and programs such as Coney Island Flicks on the Beach and Friday Night Fireworks. The campaign was launched in 2014, and included promotional support such as new bus shelter ads.

In June 2014, Central Amusement International opened the Thunderbolt, Coney Island’s first custom roller coaster since the Cyclone was built in 1927. This is part of a Revitalization Plan to generate billions of dollars in economic activity and create tens of thousands of primarily local jobs by preserving and expanding the historic amusement area, investing in district-wide infrastructure, and building new housing, commercial and community space. Over \$140 million has already been invested in this Plan, and it is expected that close to 400 employees will be hired in the area in 2015.

Preparations for the Coney Island Amphitheatre and Seaside Park and Community Arts Center project are underway and will create approximately 2.55 acres of publicly accessible open space on the Coney Island Boardwalk that will include a 5,100-seat amphitheater.

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DOWNTOWN BROOKLYN

Barclays Center, completed in 2012, has become the anchor for a major residential, “smart growth” development on the old Atlantic Yards, now known as Pacific Park. Construction of 6,300 housing units (2,250 affordable) is underway, providing a critical link between Downtown and neighborhoods of Central and Eastern Brooklyn. Substantial State and City assistance, as well as acquisition of MTA property, were the catalyst for this important project.

As part of the Greenpoint-Williamsburg Waterfront Open Space Master Plan, several parcels along the East River and Newtown Creek are being developed as city parkland to provide expanded recreation for the transitioning neighborhood.

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City Point is a second large mixed-use development that is currently under construction in Downtown Brooklyn that will include 1.6 million square feet of mixed-income housing, retail, and office space. Phase I of this \$700 million development project, which includes 50,000 square feet of retail at Fulton Street Mall, was completed in spring 2012. Phase II, which will include 650,000 square feet of retail and 630,000 square feet of market rate and affordable housing units, and is anticipated to be completed in 2016.

The conversion of a large former MTA building into the NYU's Center for Urban Science and Progress will serve over 500 graduate students and help to anchor New York's status as a smart cities industry cluster.

The NYU Polytechnic School of Engineering Incubator was designated a NYS Certified Incubator in Round III of the CFA and will receive \$125,000 during its three-year designation. The incubator is providing start-up businesses with a range of support. NYCEDC also partnered with NYU for the creation of the NYU Urban Future Lab at 15 Metrotech Center, focusing on cleantech companies. Opened in March 2014, the incubator currently houses 16 startup companies focused on energy efficiency, climate adaptation, resiliency, and other smart technologies. NYU Polytechnic School of Engineering also has integrated K-12 STEM programming into the incubator's curriculum.

The Downtown Brooklyn Cultural District is also being developed with a new state-of-the-art, 32-story mixed-use facility, including 50,000 square feet of creative and cultural space that will be shared by BAM, 651 ARTS, and the Brooklyn Public Library. In addition, the building will include 23,000 square feet of ground level retail, as well as 300 to 400 apartments, 20% of which will be affordable. Plans also include a 10,000 square foot public plaza for outdoor programming, including dance and theater performances, film presentations, open-air markets, craft fairs, and other uses. BRIC Arts I Media House, located in the Downtown Brooklyn Cultural District, was awarded a \$100,000 New York State Council on the Arts grant in Round II of the CFA.

The Willoughby Square development will be a street-level public space that sits atop an underground parking garage. It will ensure greater access to recreational and open space for the surrounding community, while providing underground parking to support this growing area of Downtown Brooklyn. Site remediation is complete and a groundbreaking is anticipated in 2015.

As part of its Wireless Corridor Challenge, NYCEDC has developed four public Wi-Fi corridors including one in Downtown Brooklyn. This site and those in Lower Manhattan, Fort Greene, and the Flatiron District are seeing an average of over 42,000 users per week and over 1.2 million visitors since the program launched in early 2014.



BROOKLYN NAVY YARD

The Brooklyn Navy Yard is a premiere industrial park owned by the City and managed by the Brooklyn Navy Yard Development Corporation (BNYDC), a private nonprofit whose mission is industrial job creation and economic development. The REDC has consistently identified Navy Yard projects as funding priorities and New York State has provided significant funding to support the growth of over 300 businesses that employ approximately 7,000 people, projected to grow to nearly 16,000 in the next five years.

Carnegie Mellon University is working with Steiner Studios to bring a graduate program in digital media to the Navy Yard, opening in the fall.

Through its on-site Employment Center, BNYDC annually places over 220 local residents in jobs— on average 21% these residents live in public housing, 10% are Veterans and 10% are formerly incarcerated individuals. BNYDC also connects over 200 high school and college students to paid internship positions at businesses within the Yard every year.

[See pages 3, 20-22 and 50 for additional project updates in the Brooklyn Navy Yard.]



GREENPOINT-WILLIAMSBURG (BROOKLYN)

As part of the Greenpoint-Williamsburg Waterfront Open Space Master Plan, several parcels along the East River and Newtown Creek are being developed as city parkland, including Box Street Park and the Newtown Barge Park, to provide expanded recreation for the transitioning neighborhood. Newtown Barge Park construction is expected to begin in 2016.

Over the past five years, NYCEDC has spent \$115 million to improve the South Brooklyn Marine Terminal, the only maritime industrial site in Brooklyn, Queens, and Long Island with direct rail access, and to prepare it for occupancy by job intensive maritime and intermodal businesses.

In 2013, East River Ferry Service was extended until at least 2019 – a five-year extension in response to enormous demand. The pilot service, which will continue to operate seven days a week, provides year-round ferry service between East 34th Street and Pier 11 in Manhattan, Long Island City in Queens, Greenpoint, North Williamsburg, South Williamsburg, and Brooklyn Bridge Park/DUMBO in Brooklyn, and seasonal weekend service to Governors Island.



SOUTHWEST BROOKLYN

SUNY Downstate's Technology Center at the Brooklyn Army Terminal (BAT) was designated a New York Certified Incubator in Round III of the CFA and will receive \$125,000 annually over three years. The incubator will link numerous regional bio-based assets and business development programs into one unified program. The BAT site was also designated as a START-UP NY tax free zone in March 2014. Modern Meadow and Americord Registry, LLC were among the first of 11 businesses selected for this START-UP site. Modern Meadow is a development stage biotechnology company that uses the latest advances in tissue engineering to develop novel biomaterials such as cultured leather and meat products that require no animal slaughter and much lower inputs of land, water, energy and chemicals. The company, with locations in California and Missouri, will be new to New York State. The company will invest approximately \$6.5 million. Americord Registry, LLC, is an existing bio-tech business in Brooklyn that collects, processes and stores stem cells for future medical or therapeutic use. Americord Registry is developing a proprietary process to harvest stem cells and will be opening a laboratory with an investment of more than \$402,000.

NYCEDC is working to clear and prepare sites at Bush Terminal for development and make necessary infrastructure upgrades. Tully Environmental, Inc. has been selected to develop a green manufacturing facility that will improve grease handling and alleviate combined sewer overflows. Demolition and infrastructure upgrades are expected to begin in 2015, and Tully is expected to begin construction later this year.

In 2014, the City opened Bush Terminal Park, which transformed a 22-acre, long-dormant waterfront brownfield site into a new public recreation resource. The park includes a multi-use field and a baseball/softball field, viewing areas for the ball fields, a Comfort Station, and pedestrian and

bicycle paths. The park also features several environmentally focused design elements such as a wetland area near two remediated tidal pools, bio-swailes for storm water management, and a naturalized preserve area.

The South Brooklyn Marine Terminal (SBMT) is the only maritime industrial site in Brooklyn, Queens, and Long Island with direct rail access. In the last five years, NYCEDC has spent over \$115 million to improve SBMT and prepare it for occupancy by job intensive maritime and intermodal businesses. NYCEDC, in collaboration with the City Council, anticipates executing a Master Lease agreement in 2015 to support long-term investment and activation of the site with one or more maritime industrial tenants in the near future.

Rail infrastructure in Sunset Park is being developed to promote greater rail efficiency and activity. Rail connection to the SIMS Municipal Recycling Facility is now active, receiving regular railcar deliveries, and further reducing truck traffic and promoting green transportation.

New ferry service at the Red Hook, Brooklyn Army Terminal and Bay Ridge landings is expected to come online in 2017.

[See page 49 for additional project updates in Southwest Brooklyn]



HUNTS POINT (BRONX)

In 2015, the City announced a \$150 million investment over 12 years to revitalize the Hunts Point Food Distribution Center (HPFDC), to help support the modernization of the markets that are a vital part of the regional infrastructure. Currently, many Hunts Point facilities are constrained or obsolete and need to be modified and modernized.

The Hunts Point Terminal Produce Market rail infrastructure rehabilitation construction began in late 2014. The \$22 million rail improvements (to be funded by a \$10 million TIGER grant, the Harlem Rail Yard Public Purpose Fund, and City capital) will help to address infrastructure needs to ensure the market continues to be one of the largest rail users east of the Hudson River.

In 2014, the City signed a seven-year lease extension through June 2021 with the Hunts Point Terminal Produce Market. Opened in 1967, the Terminal Produce Market occupies 105 acres and operates approximately 660,000 square feet of refrigerated warehouse space, making it the largest produce market in the country. The Produce Market and the

Opened in 1967, the Hunts Point Terminal Produce Market occupies 105 acres and operates approximately 660,000 square feet of refrigerated warehouse space, making it the largest produce market in the country and is home to 46 merchants, organized as a cooperative.

City will also partner on repair work to the existing buildings and site to implement important facility modernizations. The market is home to 46 merchants, organized as a cooperative. The upgrading of the Market was an original priority of the REDC.

The City and NYCEDC are working with key stakeholders to determine priorities for the use of \$45 million in CDBG-DR funding at Hunts Point. This includes \$20 million awarded by HUD through the Rebuild by Design competition combined with an additional \$25 million in CDBG-DR funding allocated to Hunts Point by the City in 2014.

In 2014, Governor Cuomo announced the NYS-NYC Regional Food Hubs Task Force that will help plan for investments to better link regional growers and producers with New York City consumers. This joint City-State effort will develop recommendations to increase downstate access to upstate farmers and producers through capital investments and/or programmatic solutions. Investments in the local/regional food distribution system will benefit Hunts Point and increase the market's ability to access these products more efficiently and cost effectively.

Atlantis Management Group has been selected to remediate, construct, and operate a retail alternative fuel facility in Hunts Point. It is anticipated that construction will begin in 2015 and is expected to be completed in late 2016. This is an important project that will encourage the use of alternative fuels in a heavily congested trucking area aiding the overall reduction of harmful emissions in the neighborhood and city.

NYCEDC is in the process of soliciting proposals for the Halleck Industrial Development site for the construction and operation of a modern industrial facility, with a preference for food-related industrial uses. Partner selection is expected in summer 2015.

Located in the historic BankNote Building at 890 Garrison Avenue in Hunts Point, the nearly 11,000 square foot BXL Business Incubator provides approximately 120 workstations—split between offices, desks, and co-working space for freelancers—targeted to startup businesses and entrepreneurs across industries including new media, technology, biomedicine, healthcare and professional services. Tenants are able to lease space on a month-to-month basis. The incubator is operated by Business Outreach Center Network (BOC) and currently serves 59 companies with approximately 112 employees.



SOUTH BRONX

Hunts Point Landing is a new public open space that includes a new fishing pier, ecological restoration through tidal pools, a kayak launch, and passive recreational areas.

The Randall's Island Connector - a project that will increase access for Bronx residents to Randall's Island - is anticipated to be completed by summer 2015. As a central piece of the South Bronx Greenway, the Connector will provide an important link in the growing regional bicycle network and provide local access to the nearby Port Morris residents. The project will be a quarter mile pathway from 132nd Street to Randall's Island, which will run underneath the historic arches of the elevated Amtrak trestle and will include new lighting, landscaping, an at-grade rail crossing and a pedestrian bridge over the Bronx Kill.

Krinos Foods, a manufacturer of Greek and Mediterranean specialty food, has begun construction of an 110,000 square foot site in the Bathgate Industrial Business Zone. Through tens of millions of dollars in private investment, this long vacant site will be home to dozens of important jobs, stimulating economic activity.

New ferry service at Soundview is expected to come online in 2018.



LONG ISLAND CITY (QUEENS)

Hunter's Point South will be a mixed-use, affordable housing development situated on approximately 30 acres of prime waterfront property that is being developed for 5,000 housing units, 60% of which will be affordable to middle income families. The Phase I infrastructure and waterfront park were completed in 2013, and more than 900 housing units and roughly 20,000 square feet of new retail space are currently under construction. In 2014, \$99 million in new funding has been invested in the project to build

infrastructure and a waterfront park. The project is expected to catalyze more than \$2 billion in private investment and create more than 4,600 jobs when construction is fully completed in 2015.

With a \$150,000 Department of State grant, awarded in Round II through the Environmental Protection Fund Local Waterfront Revitalization Program, the Office of the Queens Borough President, in collaboration with the Coalition for Queens, will prepare a Tech Zone Strategic Plan for the Western Queens East River waterfront. The Strategic Plan will consider critical issues of the local economy, land use and the environment, transportation, infrastructure, urban design, and workforce development, in order to support tech innovation industry growth, entrepreneurship, and revitalization of an underutilized waterfront.

Additional ferry service is planned for Western Queens at Long Island City North and Hunter's Point South. It is expected to come online in 2018.

[See pages 23, 28, 29 and 67 for additional project updates in Long Island City]

Flushing Commons will transform a municipal parking lot in Downtown Flushing into a vibrant, mixed-use development that will provide new community space, increased open space, residential housing, and retail opportunities to the neighborhood as well as create 2,600 construction jobs and 1,900 permanent jobs.



JAMAICA/SOUTHERN QUEENS

The Jamaica Now Action Plan seeks to address the challenges that have the Downtown Jamaica area has faced in recent years—including a decline in both job growth and real estate activity. This initiative has brought together local stakeholders with city government leaders to develop a plan to strengthen the area. The City is actively working with the Queens Borough President on its implementation.

As part of the Jamaica NOW Action Plan, NYCEDC issued an RFP on behalf of the City to redevelop the NYPD garage at 168th Street in southern Queens. The goal of the redevelopment is to create new affordable housing and commercial space. NYCEDC is currently reviewing responses received in April 2015.

Transit-centered infrastructure projects include the extension of Atlantic Avenue to connect it with 95th Avenue, creating a new gateway to Downtown and three new public pocket parks. It is expected to break ground in 2015 and completion is anticipated in 2017. The City is also proceeding to

design and assemble Station Plaza, creating new bus loading and off-loading lanes that will ease congestion at peak hours. Subway exits currently located on Sutphin Boulevard will be moved off the sidewalks and into newly created public plazas, and bus shelters and retail kiosks in the new plaza spaces will be provided to enhance the pedestrian environment for commuters.

In 2013, NYCEDC issued an RFP for the creation of a business incubation program in downtown Jamaica. The RFP was issued for co-working and/or incubator space for freelancers, entrepreneurs, small businesses, and startups in the fashion, technology, new media, arts/cultural, culinary and/or other business sectors, and the program will prepare early-stage entrepreneurs to launch their businesses. The RFP review process is ongoing.

Gotham Greens is the developer and operator of the city's first commercial scale urban rooftop greenhouse, with their flagship facility located in Greenpoint, Brooklyn. The company was awarded \$152,000 in ESD Excelsior tax credits through Round II of the CFA. The \$6.6 million project will create 30 new jobs. Gotham Greens expanded operations to Jamaica, Queens with the construction of a 60,000 square foot rooftop greenhouse that will begin crop production in later this year.

Reconstruction of the new Rockaway Boardwalk is underway following damage caused by Hurricane Sandy. The new boardwalk will include elevated, steel-reinforced concrete and multiple layers of protection, comprising approximately 6 miles of retaining walls and planted dunes that will be more resilient and reinforce flood protection provided by the ACOE dune. Phases I and II of the project, which include boardwalk and access piles, sand retaining walls, electric, and plumbing are currently under way. The boardwalk will be open in its entirety in 2016.

In 2014, NYCEDC and the Joseph P. Addabbo Family Health Center (Addabbo) announced an 18,000 square foot expansion to the health center facility on Beach Channel Drive in Arverne, Queens. Fueled by a \$16 million investment from Addabbo, the expansion will activate a parcel of long-vacant City-owned land, increasing the clinic's exam room capacity by more than 50% and adding new medical specialty practices—relieving high demand in an area that has been federally designated as Medically Underserved. Approximately 59 new full-time jobs and 97 construction jobs will be created by the expansion, with at least half of the permanent jobs targeted for hire via HireNYC, a City program that connects low-income residents to job opportunities provided by the City's economic development projects. Construction is anticipated to begin in 2016, with completion targeted for 2018.

Permanent ferry service will return to the Rockaway Peninsula in 2017.

[See pages 4, 5 and 68 for additional project updates in Jamaica/Southern Queens]

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FLUSHING/WILLETS POINT (QUEENS)

Flushing Commons will transform a municipal parking lot in Downtown Flushing into a vibrant, mixed-use development that will provide new community space, increased open space, residential housing, and retail opportunities to the neighborhood. It will create 2,600 construction jobs and 1,900 permanent jobs, as well as a new YMCA. Construction is underway and Phase 1, which includes 220,000 square feet of mixed commercial space as well as residential space and parking, is expected to complete by spring 2017.

Restoration of Saw Mill Creek pilot project, the city's first mitigation bank, will generate "credits" of mitigation that can be used to offset permitted and unavoidable future impacts of future waterfront projects.

The first phase of development in the Special Willets Point District will include remediation of more than 20 acres of toxic land, activation of 126th Street with hotel and retail uses, and the construction of 2,500 housing units, 35% of which will be affordable housing. Additionally, the project will feature the development of a retail and entertainment destination on the existing parking lot to the immediate west of CitiField. Overall, this expanded vision will infuse the community with \$3 billion in private investment, and will create 7,100 permanent jobs and 12,000 direct construction jobs with Minority and Women-owned Enterprises (MWBE) and local hiring goals of 25%. Public approvals were completed in 2013 and off-site infrastructure work is now substantially complete. Relocation of businesses on site has entered the final stages and will be followed by the commencement of environmental remediation.



NORTH SHORE (STATEN ISLAND)

Construction is ongoing for the first phase of the New Stapleton Waterfront, a \$150 million, 900-unit mixed-use private development with 30,000 square feet of ground floor retail and accessory parking. Roadway infrastructure work is underway by the City, with the first section of Front Street reconstruction substantially complete in 2014. In addition, the

City, along with an Environmental Protection Fund (EPF) grant from the Department of State (DOS), is investing approximately \$130 million for public infrastructure improvements that include roadway upgrades, bicycle lanes, a continuous waterfront esplanade, and the creation of a tidal wetlands cove for the benefit of the local community.

The Staten Island Makerspace is a nonprofit community workspace for makers, builders, tinkerers, hardware development, hobbyists, artists, entrepreneurs, and anyone with a curious mind who wants to make something. There are tools, equipment, resources, and workshops so members can develop and start small businesses in the community. Construction on the interior build-outs was completed Spring/Summer 2014. Today, the space serves about 40 businesses with approximately 50 employees. Since opening, SI MakerSpace has hosted pop up events for Digital.NYC, Next Top Makers, Build Nights by Instructables. The site also has partnered with local organizations on events, such as the sculpture in Historic Tappen Park and Lumen 2014 at the Staten Island Arts Annual Art and Performance Festival.

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[See pages 22 and 29 for additional project updates in the North Shore]



WEST SHORE (STATEN ISLAND)

NYCEDC is working to establish the city's first mitigation banking pilot project, which seeks to restore and protect 68 acres of severely degraded wetlands at the Saw Mill Creek site on Staten Island's West Shore. Historically the site experienced illegal dumping, the filling of former wetlands, blocked tidal flows and substantial areas overrun by invasive weeds. In the pilot program, the restoration of Saw Mill Creek will generate "credits" of mitigation that can be used to offset permitted and unavoidable future impacts of future waterfront projects. The REDC has recommended State funding of a City-State wetlands mitigation bank that can expand on this model. The State awarded \$500,000 during Round II of the CFA and \$1,000,000 in Round III of the CFA. On the ground project implementation will start in late 2015 thru 2016.

In July 2013, NYCEDC and the Port Authority of NY & NJ issued a joint RFEI for development at the Teleport Industrial Park, an office park located on a 100-acre campus that currently includes five commercial buildings

with 700,000 square feet of office space, as well as another 40 acres of vacant land on five development parcels. Based on the responses to the RFEI and subsequent due diligence, the NYCEDC and the Port Authority of NY & NJ issued a joint RFP in April 2015 requesting proposals to develop a manufacturing use on all or part of the site. Although all types of manufacturing will be considered, modular construction assembly, flood defense system fabrication, and the manufacture of green energy systems are highlighted as the types of industries best suited for the site and Staten Island overall. Responses to the RFP are due at the end of September 2015.

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Redevelopment of a 65-acre site in Charleston with retail uses, a park, a new public library, a public school, and senior housing received ULURP approval in 2013. A developer was selected for Retail Site "A," an approximately 11-acre parcel on the site. The library and park are both in the design phase, and construction on Retail Site "A" is currently under way.

Large portions of Staten Island's West Shore have been identified within the proposed boundaries of the new Staten Island Industrial Business Zone (IBZ), a designation which will expand services available to industrial and manufacturing businesses, ensuring the future strength of New York City's industrial sector by creating competitive advantages over locating in other areas. The Boundary Commission voted to approve this designation and create the West Shore IBZ in November 2013.

[See pages 3, 21, 23 and 48 for additional project updates in the West Shore]



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Ongoing Initiatives

INNOVATION HOT SPOTS & NYS CERTIFIED BUSINESS INCUBATORS

New York City currently has three NYS Certified Business Incubators that were designated in Round III of the REDC initiative, and one Innovation Hot Spot that was designated in Round IV, including:

CUNY Hub for Innovation and Entrepreneurship (Manhattan)

The CUNY Hub, located on 125th Street in Harlem, opened in May of 2015. The Hub will accommodate up to 30 high-tech startup companies with three to seven employees. Operation of the Hub will include local staff and interns which, together with the member companies, will represent hundreds of new, well-paying jobs.

Queens Tech NYS Certified Business Incubator (Queens)

The Queens Tech NYS Certified Business Incubator, located at the Falchi Building in Long Island City, Queens, will assist start-up businesses with space, mentorship programs, access to business related services and linkage to other economic development programs.

Brooklyn Biotech NYS Certified Business Incubator (Brooklyn)

The Brooklyn NYS Biotech Certified Incubator at SUNY Downstate Medical Center, also a START-UP NY tax-free site, will focus on housing and support services for life sciences companies. The contract with ESD was executed on April 1, 2014.

START-UP NY Companies accepted into the incubator include: CMP Scientific, IRX Therapeutics, Inc., ItechUSA Inc., Americord Registry, LLC, INNOVIMMUNE, Modern Meadow, Inc., Urgent Consult, Inc., NoMoCan Pharmaceuticals, AzurRx BioPharma, Inc., Celmatix, Inc., and HER Console, Inc.

NYU-Poly NYS Certified Incubator (Manhattan and Brooklyn)

The NYU-Poly NYS Certified Incubator, also a START-UP NY tax-free site, will assist start-up businesses in the hardware and digital media business, along with companies launching as part of the broader “tech” sector. The contract with ESD was executed on April 1, 2014.

START-UP NY Companies accepted into the incubator include: Geometric Intelligence, Avanan Inc., and Board Vitals, Inc.

PATH THROUGH HISTORY

The Path Through History work group in New York City has implemented a marketing program for less well-known heritage sites in the five boroughs. The work group, comprised of historians, educators, tourism experts, and members of the REDC. The group also helped inform the earned media and social media campaign developed by Bow-Bridge Communications (engaged from March - December 2014). The consultant identified 25 lesser-known sites (five in each borough) and collected photography, descriptions, “today

in history” facts, and social media posts on each site. BBC also worked closely with the MTA, ESD/I♥NY, NYC&Co, Big Apple Greeters and the Historic House Trust, among others. The result was #NYCPTH, a Facebook presence, as well as ongoing outreach to traditional news sources.

In September 2014, a campaign was mounted to promote the 350th anniversary of the renaming of New Amsterdam to New York. For NYS History Month (November), a social media contest was launched inviting the public to vote on their favorite item or location selected from submissions by representatives from many of the city’s historic sites. Voters were entered to win a walking tour guidebook and a seven-day unlimited MTA pass.

Over the past eight months there have been numerous Path Through History events in New York City, including special tours of the city’s museums, activities dedicated to exploring cultural holidays, and a series entitled “Hands on History” for children.

CLEANER, GREENER SUSTAINABILITY PLANS

Flushing - Jamaica Select Bus Service

The City Department of Transportation, in partnership with New York City Transit, has implemented five Bus Rapid Transit (BRT) projects. The projects (branded as Select Bus Service) combine relatively low-cost improvements to bus operations and street design that have been

shown to increase bus speeds by approximately 20%, and bus ridership on improved corridors by approximately 10%. Six bus routes connect Flushing and Jamaica on three primary corridors: Main Street, Kissena Boulevard/ Parsons Boulevard, and 164th Street. The north-south transit connection between Flushing and Jamaica is characterized by bus trips that are longer and slower than the citywide average. The goal of the Flushing-Jamaica SBS project is to make bus travel more efficient and attractive and to develop advanced traffic management solutions to minimize congestion. Connecting these areas with faster and more reliable bus service will help to encourage regional economic goals.

NYSERDA signed a grant contract with NYC DOT in April 2015. The NYSEDA Cleaner Greener Communities Round III award of \$2,137,500 primarily covers planning and analysis efforts related to these BRT features: data collection and analysis; development of BRT improvements; and community outreach. The City has utilized grant funds to develop a Select Bus Service plan for the Q44 bus route connecting Queens and the Bronx. The Department of Transportation and New York City Transit (NYCT) have engaged in outreach discussions with community stakeholders along the entirety of the route. Following the full development of the Bus Rapid Transit (BRT) plan, NYC DOT will work with NYCT to implement the full project at a cost of \$8.75 million. A substantial portion of

the implementation work will be funded by existing Federal Transit Administration grants and by the NYCT capital program (\$5.9 million).

NYC Energy Efficiency Market Integration and Assistance Program

The NYC Mayor’s Office, with GreenLightNY and the NYC Energy Efficiency Corp., will create an energy efficiency market integration and assistance program to convert energy data into multifamily retrofits. The program will reduce utility costs by approximately \$56 million across 90,000 households in three years. The project began in January 2015 and will be completed in December 2017.

Following the launch of the energy efficiency market integration and assistance program, named the “Retrofit Accelerator” by fall of 2015, the City and partners will implement the scope defined within the negotiated contract statement of work. The NYSEDA Cleaner Greener Communities Round IV award of \$3,531,250 will cover account management, education, training, and financial services to advance the mission of the Retrofit Accelerator.

NY RISING COMMUNITY RECONSTRUCTION PROGRAM

Supporting NY Rising Community Reconstruction Plan Projects

The NY Rising Community Reconstruction (NYRCR) Program was established by Governor Cuomo to provide additional rebuilding and resiliency assistance to communities severely damaged

by Superstorm Sandy, Hurricane Irene, and Tropical Storm Lee. The program empowers communities to develop innovative long-term recovery and resiliency plans that consider damage, future threats, and economic opportunities. In Round One of the NYRCR Program, which was launched in the summer of 2013, approximately \$166 million in Community Development Block Grant-Disaster Recovery (CDBG-DR) funding was allotted to fund eligible projects developed by the New York City Region's 10 NYRCR Communities, all of which sustained substantial damage from Superstorm Sandy. The first round NYC NYRCR Communities include: Brighton Beach, Coney Island, Manhattan Beach, and Sea Gate; Breezy Point; Broad Channel; Gerritsen Beach and Sheepshead Bay; Howard Beach; Lower Manhattan; Rockaway East; Rockaway West; Red Hook; and Staten Island. A second round of funding was announced by Governor Cuomo in January 2014, adding an additional \$28 million in CDBG-DR funding for eligible recovery projects. The Round Two NYC NYRCR Communities include: Canarsie; Bergen Beach, Georgetown, Marine Park, Mill Basin, and Mill Island; Gravesend and Bensonhurst; the East Bronx Waterfront; Springfield Gardens and Rosedale. In addition to these initial allotments, three New York City communities/collaborations (Staten Island; Brighton Beach, Coney Island, Manhattan Beach, and Sea Gate; and Gravesend and Bensonhurst Committees) were winners of the

Rising to the Top competition, bringing a potential \$7 million in additional funds to the region.

Throughout the NYRCR planning process, dozens of projects have been conceived that would help their communities recover from Superstorm Sandy and make communities safer in the event of a future storm event. Of these projects, 34 have been initiated. These active projects, all in various stages of implementation, have a total estimated budget of approximately \$95 million. The remaining approximately \$100 million allotted by the Governor's Office of Storm Recovery to implement NYRCR projects in New York City communities will be committed to projects conceived through the planning process in coming months.

NY Rising & REDC

The REDC has received briefings from the Governor's Office of Storm Recovery on projects within the NYRCR plans that parallel the economic development strategies and components outlined within the REDC strategic plan and projects proposed by communities within the REDC's "Opportunity Zones" to identify linkages between the two programs. The REDC will continue to work closely with staff at the Governor's Office of Storm Recovery to ensure collaboration between these two programs and to help identify potential sources of funding to fill gaps in NY Rising planning projects.

LOCAL GOVERNMENT ENGAGEMENT

The REDC is continuing to collaborate closely with the City of New York in transforming the regional business climate. Representatives from City Hall attended Global NY, Smart Cities, and Workforce Development as well as many of the public forums. Additionally, City Hall is continuously briefed on the REDC's efforts with an eye towards areas for direct collaboration. The NYC Economic Development Corporation (NYCEDC) was also directly involved in the identification of possible priority projects that fit with the ongoing and new initiatives under the REDC's purview. As a result, the City of New York submitted 16 projects for consideration as priority projects in Round V of the CFA.

SUPPORTING THE DEVELOPMENT OF AFFORDABLE HOUSING

The housing market in New York City continues to be among the most expensive in the nation with an especially heavy burden on the lower income and middle-wage households. The rental market - on which 64% of New Yorkers rely - continues to see increasing rents and low vacancy rates. More than half of New York City renters are "rent-burdened" - paying more than one-third of their income on rent and utilities. Costs of living are mentioned often by private sector businesses as obstacles to expansion and retention of jobs in the city.

In mid-2014, the de Blasio Administration announced a 10-year plan to build or preserve 200,000 units of affordable housing. In January 2015, Mayor de Blasio announced that 17,300 units of affordable housing were financed in 2014, enough units to house nearly 42,000 New York City residents. Even more recently, the Administration unveiled a new aspect of its housing affordability plan - mandatory inclusionary zoning - that would require developers to set aside 25% of their units for affordable housing, renting those units to residents earning 60% of the area median income, or set aside 30% of all units renting to residents earning 80% of the area median income.

All efforts to increase the availability of affordable housing in the city are consistent with the REDC's goals as economic diversity of the city's residents only strengthens the city's economy in the long run. The Administration also continues to focus on creating quality construction jobs and workforce development opportunities that also align with the REDC's Opportunity Agenda. The REDC continues to prioritize projects that include an affordable housing component in the CFA process, specifically in the Opportunity Zones.

PROMOTING VETERANS' PARTICIPATION IN THE WORKFORCE

The REDC has worked to boost membership in the Veterans Work Group, with 25 groups represented at the June 17th, 2015 Veterans

Work Group meeting. Through discussions at this meeting and one-on-one conversations with nonprofit providers who focus their work on the needs of the region's Veterans, the REDC will work to strengthen the connections between organizations serving Veterans and training/educational providers and private sector employers. Many of the region's largest employers have employment programs targeted at Veterans but there remains a challenge with connecting the right individuals with those employment opportunities, particularly in new, emerging fields. The REDC has already been active in connecting one Veterans service provider to a training provider focused on sustainable energy production and there is an ongoing effort to make sure that Veterans service providers are taking advantage of programs available through New York State.

In Round V of the CFA, the REDC has identified four projects that either: 1) promote Veterans' participation in the workforce; or, 2) have project applicants with a history of hiring or assisting Veterans. There are an additional 81 CFA applications that specifically reference a desire to hire and/or train Veterans, or service the Veterans community.

KEEPING THE PROJECT PIPELINE FLOWING

The REDC continues to build awareness of REDC and the overall Consolidated Funding Application (CFA) process. In 2015, the REDC hosted two CFA workshops - the first, at Hostos Community College on May 13th, 2015, and the second,

at New York Genome Center on June 24th, 2015. A total of 181 people attended these two workshops. In addition, REDC Executive Committee members also participated in a CFA informational session at the Queens Borough Hall at the invitation of Queens Borough President Melinda Katz on June 11th, 2015.

The REDC also held five REDC workgroup meetings to identify potential projects that align with strategic goals: a Regional Cluster Plan work group on May 20th hosted by the Partnership for New York City; an inter-regional Global NY work group on June 16th that was held at ESD, which included also representatives from the Long Island and Mid-Hudson region; a Veterans work group on June 17th, 2015 held at ESD; a Workforce Development work group on June 23rd, 2015 at ESD; and, a work group focused on building out the "Smart Cities" cluster proposal on August 10th at the Partnership for New York City.

Given the REDC's continued focus on strengthening workforce development efforts in the region, in 2015 the REDC has increased awareness of REDC funding opportunities among workforce development groups that work with distressed populations through targeted presentations and one-on-one meetings.

As part of the process of identifying potential "priority projects", the REDC invited individuals representing companies and organizations with projects proposed for selection as a priority project to testify at a public forum on July

21st, 2015, hosted by the Borough of Manhattan Community College.

The REDC held the Strategic Implementation Assessment Team Presentation and Tour at the New York Genome Center and the Urban Development Center (Per Scholas and Doran Jones) on August 4, 2015. The presentation portion of the event was open to the public, and a video recording of the presentation is available online.

IMPLEMENTING THE OPPORTUNITY AGENDA THROUGH WORKFORCE DEVELOPMENT

Unemployment rates in New York City have improved from 9.5% to 6.1% over the past few years yet much of the unemployed population lack the skills and the experience needed to qualify for open jobs in technology-driven, growth sectors of the city economy. The skills challenge is most prevalent among young New Yorkers ages 16-24 who lack personal networks, work-based learning opportunities and mentors. Less than a third of the city's public high school graduates are prepared for a career or to enter college without remedial course work.

The REDC established a Workforce Development Work Group in 2012 to identify organizations and programs that are working to address these challenges, and those which could do more with additional resources. The group has encouraged initiatives that prepare both students and unemployed residents for jobs in growth sectors of the economy, specifically focusing on implementing the region's Opportunity Agenda. It is the

position of the REDC that, in order to achieve meaningful scale and good outcomes, these initiatives must be "demand-driven," with sustained industry leadership from employers- including trade associations, chambers of commerce and unions - and generate adequate opportunities for work-based learning through apprenticeships, internships and mentoring.

The REDC Workforce Development Work Group is comprised of representatives from workforce development training providers, educational institutions and business organizations. The Task Force is focused on the implementation of the REDC Opportunity Agenda, specifically:

- Building more robust partnerships between employers, the public school system, and the public university system to ensure that public education is relevant to the demands of the contemporary workplace and that students and graduates gain the work experience required to qualify for good jobs;
- Support for establishing a fully integrated, demand-driven workforce development system that enables people to move up the career ladder; and,
- Targeting State funding to projects and programs that lead to gainful employment and upward mobility and ensuring that employers who receive public economic development assistance are providing opportunities and training for the target population.

Jobs for New Yorkers Task Force

In 2014, Mayor de Blasio announced the creation of a "Jobs for New Yorkers Task Force" that issued a report, *Career Pathways - One City Working Together*, that reflected strong alignment with the REDC strategic plan and objectives. The City has followed up on the report by developing programs and infrastructure that focus on building skills that employers seek, improving job quality, and increasing system and policy coordination. Access to data from the New York State Wage Reporting System (highlighted in the 2014 Progress Report) has enhanced these initiatives.

One example is the Tech Talent Pipeline, which is coordinating efforts by CUNY, the NYC Department of Education and the Department of Small Business Services with private sector firms to identify employer talent needs and prepare New Yorkers to meet them.

At the same time, the City's Office of Workforce Development is revamping its Workforce Investment Board (WIB) to help create stronger connections between workforce training initiatives and job opportunities at economic development projects in all five boroughs, as well as with businesses. There is overlap between the membership of the WIB and of the REDC's Workforce Development Work Group which will reinforce a consistent approach among all the agencies and organizations involved with the REDC Opportunity Agenda.

Increasing Industry Involvement with NYC Schools

The New York City Department of Education (DOE), the newly created Center for Youth Employment (CYE) and CUNY are working to bring more industry involvement to the City's schools in a comprehensive and strategic way. The New York City Department of Small Business Services is also ramping up efforts to engage more directly with employers through formal industry partnership programs, particularly focused on the healthcare (through the New York Alliance for Careers in Healthcare) and tech (through the Tech Talent Pipeline) sectors at first, expanding to others in the future.

Demand for early career exposure including internships far outstrips supply in the region; combined with persistently low academic outcomes this challenge has pushed the unemployment rate among 16-24 year olds to 16%, and even higher in the Bronx at 29%. Significantly expanding the number of employers who sign on to host interns, provide mentorship and develop career-readiness programs has been a priority of the REDC Workforce Development Work Group.

Center for Youth Employment

The Mayor's Fund to Advance New York City created and funded the Center for Youth Employment (CYE), a new public-private initiative designed to dramatically expand workforce access and opportunities. The initiative is a joint collaboration of City Hall, employers, philanthropy, and several City agencies and offices.

CYE will serve as a one-stop shop for employers seeking to work with young New Yorkers and will coordinate efforts of multiple City agencies and offices. Two months after launch, the CYE met its first goal by more than doubling the number of internships available to students through the Department of Youth and Community Development's Ladders for Leaders program - from 475 internships last year to 1,018 positions this summer. The placements were funded by a \$2.2 million investment from private employers working through CYE.

NYS P-TECH Update

The Cuomo Administration has made replication of the P-TECH grade 9-14 Early College high school model, pioneered by IBM, the DOE and CUNY, a priority and provided State funding for expansion.

New York City's P-TECH schools include the Business Technology Early College High (B-TECH) school and City Polytechnic High School (City Poly) that have both been awarded State funding and are a focus of the REDC. All seven of these schools provide a platform to more strategically organize business leaders, community college faculty, public school staff and organized labor in order to increase work-based learning, internship and apprenticeship opportunities for public high school students. The six-year school model is intended to provide students with a clear path to a middle-skill career and to develop a native talent pipeline for specific industries.

The Partnership for New York City released *At Risk: New York's Future* as a World Financial Capital, which cites a lack of available qualified talent as a reason for relocating NYC jobs. The third round of the NYS P-TECH grant presented an opportunity to secure State funding and establish a new education program supported by the finance industry. The Partnership supported the DOE's recently submitted grant application based on interest from at least a dozen member companies who intend to develop a finance-focused P-TECH program, the first of its kind in the region.

Closing the Gap

Through the Closing the Gap project, which received \$100,000 in Round III of the CFA, CUNY created systems and tools to support school-employer partnerships and structure quality work-based learning experiences for students in grades 9-14 schools. The project served six new schools with an approximate combined student body of 1,200 in School Year 2014-15. These schools partner with one or more lead employer partners in one of four high-potential industries: IT, health care, engineering, and advertising.

Jobs Linkage Initiative

Governor Cuomo's Job Linkage Initiative is in its third year, instituting requirements for employer connections at SUNY and CUNY community colleges and creating a performance incentive fund. The Initiative has provided a key source of leverage to improve workforce development programs at the CUNY community colleges by requiring that terminal degree

programs (i.e. those that prepare graduates to enter the workforce, rather than transfer to a bachelor's degree program) demonstrate labor market demand and connections to employers. The \$2 million performance incentive fund to CUNY community colleges was the first State funding tied to workplace outcomes for graduates; funds are being used by the CUNY community colleges to support a range of activities related to improving those outcomes, including developing industry advisory forums, updating curricula, and restructuring career advisement for students. The REDC is prepared to work with CUNY to identify industry relationships that will support the program.

CUNY 2020 Challenge Grant

CUNY is a leading catalyst for economic revitalization in New York City and New York State. In 2013, the Governor built on a model in place with the State University of New York to enact the CUNY2020 Challenge Grant Program, thereby expanding a statewide strategy of utilizing higher education institutions in economic development initiatives. The goal of the CUNY2020 Challenge Grant Program is to incentivize long-term economic development implementation plans, driven by CUNY's campuses in areas of their academic strengths. The Governor's office announced the awards for the first round of CUNY 2020 Challenge Grants on July 25, 2014.

The second round of the CUNY2020 Challenge Grant Program will provide a total of \$55 million in capital funding. As in the previous round, the competitive process is

open to all CUNY senior colleges, graduate and professional schools, and the community colleges.

In the CUNY 2020 Round II application, CUNY applicants are asked to describe how their projects and their methods align with the strategies of the NYC REDC strategic plan. The applicants are asked to describe the methods by which the project will implement the Strategic Plan with particular focus on economic impacts and MWBE goals. Consultation with the NYC REDC is also encouraged prior to applying.

Partnerships with institutions of higher education, including START-UP NY, CUNY 2020 and SUNY 2020 could incorporate a role for higher education in basic and applied research in an area with potential economic significance, providing training and education programs for local residents, or business incubation, for example.

In terms of the scoring criteria for CUNY2020 applications, the Regional Economic Development Strategy including economic impact and MWBE goals counts for 20% of the overall score. Other criteria include: CUNY 2012-2016 Master Plan (20%); Academic Excellence and Student Success (20%); Collaboration & Partnerships (15%); Leverage Resources (15%); and Implementation Timeline (10%).

The REDC's Executive Committee is expected to receive and evaluate summaries of the CUNY2020 project applications later in the fall of 2015.

Summary of Implementation Activities

Implementation of 2015 State Priorities

STATE PRIORITY	PROGRESS TO DATE	FUTURE ACTIONS & TIMELINE FOR COMPLETIONS
Regional Economic Cluster Program	<ol style="list-style-type: none"> 1. Held work group meetings on May 2, 2015 and issued a call for projects in emerging tech and advanced manufacturing. 2. Following a review of these projects, selected the "Smart Cities" Industry Cluster for the Regional Cluster Program. 3. Held a follow up work group meeting on August 10, 2015. 	<ol style="list-style-type: none"> 1. Collect information on corporations and startups involved in smart cities throughout fall 2015. 2. Convene work group (leaders in business, government, labor and academic) to establish a system to identify and track smart cities ideas and applications through spring 2016. 3. Identify potential cluster demonstration project(s) by spring 2016.
Keep the Project Pipeline Flowing	<p>In Global NY, Veterans and Workforce Development work groups, emphasized need for more, stronger projects.</p> <p>Hosted two CFA workshops in the Bronx and Manhattan, and two CFA information sessions at the Queens Borough President's Office.</p> <p>Held priority project public forum on July 21, 2015 at Borough of Manhattan Community College where 26 number of project sponsors provided testimony.</p>	<ol style="list-style-type: none"> 1. Will plan additional outreach throughout 2015-2016, particularly through relevant intermediary organizations. 2. Will work to link nonprofit organizations and private sector companies to strengthen training programs' applicability to real-time needs.
Measure Performance	<p>Reported key economic indicators and job retention and creation resulting from REDC funded projects in the council's in the four progress reports.</p>	<ol style="list-style-type: none"> 1. Will continue to monitor key economic indicators to track the region's overall economic health. 2. Will continue to track job creation and retention at funded projects.
Regional Global NY Plans	<p>Joint work group meeting held on June 16, 2015 with NYC, Long and Mid-Hudson REDC Global NY.</p>	<ol style="list-style-type: none"> 1. Will provide ongoing support efforts in local, state and federal government to address challenges related to infrastructure and regulatory burdens. 2. Will provide support for an exporter one-stop-shop online platform and build-out an "export pipeline" – a virtual network for sharing information and resources between regions, aimed at maximizing investment and job creation in the tradable goods sector. 3. Track private and public investment in inter-regional assets - improvements at the New York ports and airports.
Workforce Development and Opportunity Agenda	<p>The REDC received an update on the Closing the Gap: Classrooms to Careers project on February 23, 2015. This project was the centerpiece of the Opportunity Agenda in 2013.</p> <p>The REDC's Workforce Development work group met on June 23, 2015.</p> <p>The number of Workforce Development CFAs has increased from 24 in 2014 to 37 in 2015.</p>	<p>The final recommendations will be posted on the CUNY Workforce and Early College Initiative Website.</p> <ol style="list-style-type: none"> 1. The REDC will build more robust partnerships between employers, the public schools and the public university system. 2. Support for a fully integrated, demand-drive workforce development system that enables people to move up the career ladder. 3. Will continue to target State funding to projects and initiatives that lead to gainful employment and upward mobility.

Veterans Participation in the Workforce

The REDC held a Veterans' work group on June 17, 2015.

1. Will provide ongoing support for Veterans' participation by selecting priority projects with a Veterans' workforce component.
2. Will continue to promote the Service-Disabled Veteran-Owned Business program in the region.

In 2015, there were 4 CFAs directly focused Veterans participation in the state's economy versus 1 in 2014.

In 2015, 81 CFAs state that hiring or training Veterans or serving the Veterans community is a priority. That compares with 2014 in which only 10 CFAs specifically referenced the hiring or training of Veterans as a priority.

NY Rising Community Reconstruction

Engaged with Governor's Office of Storm Recovery SART staff to identify possible priority projects.

Will provide continued support for projects that contribute to storm resiliency.

Invited project sponsors to priority project forum on July 21, 2015.

CUNY 2020

REDC staff met with the CUNY Vice Chancellor for Facilities, Planning, Construction and Management to develop a process to engage the REDC in application development.

The REDC's executive committee will have an opportunity to review summaries of CUNY2020 project candidates and provide input - Fall 2015.

NYS Incubator

In 2015, REDC encouraged past awardees of Innovation Hot Spots and NYS Certified Incubators to engage with potential applicants. A total of nine CFA applicants applied in 2015, up from five in 2014.

1. Will continue to track contract and funding status at the NYS Certified Incubators and Innovation Hot Spots.
2. Will continue to direct START-UP NY qualified firms to the Incubators, particularly SUNY Downstate and NYU Poly.

Cleaner Greener Communities Program

As in prior rounds, in 2015 the REDC encouraged the Mayor's Office of Long Term Planning and Sustainability and other City of New York agencies to apply for the Cleaner Greener Program to meet the goals outlined in the Phase I Sustainability Plan ("NYC's Pathways to Deep Carbon Reductions").

Will continue to engage NYC agencies and other organizations with a focus on environmental sustainability to encourage them to apply for future rounds of Cleaner Greener in an effort to meet the goals outlined in the Phase I Sustainability Plan.

A total of 11 CFAs were submitted for the Cleaner Greener Communities Program in 2015.

Local Government Engagement

NYC City Hall and Borough President Office staff were invited to participate on the following REDC work groups:

1. Regional Cluster Program
2. Global NY
3. Workforce Development
4. Veterans

1. Will increase communication between the REDC and City agencies, particularly on ongoing projects throughout the year.
2. Will begin the planning process for the 2016 Regional Priorities earlier in 2016 in order to take advantage of and build upon the work the City is currently undertaking.

REDC staff participated in two information sessions at the Queens Borough President Office to provide information on the CFA.

As a result of local engagement, the City of New York and the borough presidents submitted a total of 19 CFAs in 2015.

Implementation of Key Regional Priorities

REGIONAL PRIORITIES	PROGRESS TO DATE	FUTURE ACTIONS & TIMELINE FOR COMPLETIONS
Round I- IV Priority Projects	<p>In 2015, REDC heard presentations of the following priority projects:</p> <ol style="list-style-type: none"> 1. Closing the Gap: Classrooms to Careers 2. Urban Development Center (Per Scholas and Doran Jones) 3. New Lab 4. Shapeways 5. New York Wheel 6. Brooklyn Brewery 7. New York Genome Center 	<p>The REDC will continue to track projects and work to eliminate any obstacles to their swift completion.</p>

STATE AGENCY RESOURCE TEAM

The REDC will continue to employ the resources of the State Agency Resource Team (SART), which focuses its efforts to assist the REDC with aligning State programs with the REDC priorities, facilitating progress on projects, sharing expertise and best practices and disseminating information among regions. SART is led by the NYS Department of State, and charged with coordinating State agencies to collaborate with each other, REDC, and with local governments to better implement smart growth strategies locally.

In 2015, SART was involved with the following in the NYC region:

REDC Meetings

SART members are routinely invited to attend REDC meetings and are generally provided with a draft meeting agenda a few days prior to the meeting.

NYS Consolidated Funding Application Workshops

SART members representing 11 State agencies participated in the NYS Consolidated Funding Application (CFA) attended two CFA workshop held in NYC. The first was held at Hostos Community College on May

13, and the second was held at New York Genome Center on June 24.

Beyond the CFA Workshops, the SART members provided valuable outreach to solicit stronger projects particularly in the areas of NY Rising Community Reconstruction, Veterans, the Opportunity Agenda and Workforce Development.

Regional Cluster, Global NY, Veterans and Workforce Development Work Groups

SART members from Empire State Development, NYS Division of Veterans' Affairs and NYS Department of Labor participated in the above-referenced REDC work group meetings and provided valuable information regarding agency programs and services.

NY Rising Community Reconstruction Program

The NY Rising Community Reconstruction Program was formed to provide rebuilding and revitalization assistance to communities severely damaged by Hurricanes Sandy and Irene and Tropical Storm Lee. The New York City Region has 15 NY Rising Communities, distributed over five boroughs that sustained damage due to Hurricane Sandy.

The Department of State requested that SART members provide comments on a list of 401 preliminary projects proposed to the Governor's Office of Storm Recovery (GOSR) by the New York Rising Community Reconstruction Planning Committees from the following NYC communities: Breezy Point, Roxbury, Broad Channel, Brighton Beach, Coney Island, Manhattan Beach, Seagate (Southern Brooklyn Peninsula) Gerritsen Beach, Sheepshead Bay, New Howard Beach, Old Howard Beach, Lower Manhattan, Red Hook, Rockaway East, Rockaway West and Staten Island (East Shore, South Shore). SART member comments were provided on January 29, 2014, and later on November 17, 2014. Comments submitted by the State agencies were addressed by the committees and used to help refine the projects that were being considered by GOSR. Project ideas evolved considerably after initial comments were submitted and SART provided a second set of comments on a list of 66 project proposals on December 9, 2014.

Response to the Strategic Investment Assessment Team's Assessment

The REDC actively responded, where possible, to the Strategic Investment Assessment Team's (SIAT) assessment of the 2014 Progress Report with an eye toward improving upon areas of weakness.

In short, the REDC:

- Held several CFA workshops and targeted information sessions throughout the region

- Increased membership in the Veterans' and Workforce Development Work Groups in order to better represent efforts underway in the region and to build the pipeline of priority projects for 2015 and future years

- Focused efforts on developing industry partnerships with Early College High Schools in order to move the Opportunity Agenda forward

- Required CUNY 2020 applicants to specifically describe how their projects align with the REDC Strategic Plan and encouraged consultation with the REDC.

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Proposed 2015 Priority Projects

As part of its five-year economic development plan for New York City in 2011, and its progress reports in 2012, 2013 and 2014, the REDC has identified several criteria for identifying priority projects. These include the following:

- **Relief of conditions of economic distress:** New York City has the majority of New York State residents living below the poverty line. Unfortunately, few short-term employment solutions exist for people living in poverty who lack the education and skills required to qualify for most of the good jobs available in the 21st century economy. Priority for support will therefore go to projects that provide opportunities for training and skills development and create improved opportunities for communities

and individuals in conditions of economic distress.

- **Transformative role:** Projects that receive priority in this plan are those that are: 1) most likely to transform some sector of the city economy by serving as the catalyst for the launch, significant expansion or modernization of a growth industry cluster; and/or 2) contribute to the resurgence of an economically distressed community, and/or improve the quality of life or expand opportunities for the city's lower-income populations.
- **Feasibility:** Priority projects for competitive funding must have committed financing, a clear time frame for implementation, and a business plan that indicates long-term economic sustainability.

- **Interregional cooperation:** The REDC is interested in proposals that offer a substantive role to companies and/or other organizations in other regions of New York State. The REDC is also seeking to identify strategic plan projects that may have multi-regional dimensions and will serve to boost the economic revitalization of more economically depressed regions of the state.
- **Measurable impact:** Project plans must include projections of what they will contribute to economic growth in terms of job creation, investment, business revenue generation, community benefits, cluster development or other indices that can be monitored and measured.
- **Leveraging:** Projects that seek public funds must demonstrate the extent to which a state

investment will leverage private and other public contributions, both directly to the project and indirectly through the project's multiplier effects in the city and state.

- **Job creation:** Only projects that directly or indirectly create and/or retain jobs receive priority, with special consideration for the quality of jobs as measured by wage levels and benefits, permanence, and/or access to longer-term career advancement opportunities.
- **Innovation:** New York City has a number of assets that position it for competitive advantage in the innovation economy. Projects that strengthen and build upon these innovation assets (research universities, industry pioneers, early stage investors, entrepreneurial networks) will receive priority.
- **Partnerships with institutions of higher education, such as START-UP NY:** Such partnerships could incorporate a role for higher education in basic and applied research in an

area with potential economic significance, providing training and education programs for local residents, or business incubation, for example.

- **Strong business partnerships:** Projects designated as "priority" by the REDC must have substantive partnerships with businesses and/or employers.
- **Growing the Smart Cities Cluster:** Support for strategies that foster the growth of an emerging high-tech cluster in fields including, but not limited to, biotech, health IT, clean energy, big data, etc. Project proposals in emerging Smart Cities Cluster areas that have a direct or indirect connection to advanced manufacturing will be given priority.
- **Increase Global Exports & Marketing:** Advance plans that strengthen the region's Global Marketing and Export Strategies and attract foreign investment as part of the Global NY Agenda.
- **Workforce Development:** Strengthen workforce development strategies.

- **Support the NYCREDC's Opportunity Agenda:** Focus on creating opportunities for upward mobility.
- **Business Incubators:** Identify existing business incubators for the NYS Incubator Program.
- **Regional Sustainability:** Implement the Cleaner, Greener Communities regional sustainability plans.
- **Veterans' Participation:** Promote veterans' participation in the workforce.
- **NY Rising:** Support NY Rising Community Reconstruction projects.

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IV. Work Groups

The following Work Groups have been actively engaged in many of the Governor's and REDC's initiatives and priorities during the past year.

REGIONAL CLUSTER PLAN WORK GROUP

The REDC pulled together a diverse group of stakeholders representing each borough in order to gather as much input as possible into the development of the New York City Regional Cluster.

The discussion focused on:

- Defining the focus of the cluster;
- Determining the ideal geographical positioning;
- Descriptions of projects underway that would enhance the selected cluster; and,
- Solicitation of new priority project proposals.

WORKFORCE DEVELOPMENT WORK GROUP

The following organizations were added to the REDC's workforce development work group in an effort to strengthen the REDC's workforce development strategy and spread the word about the REDC initiative and the CFA: Brooklyn Workforce Innovations, Building Skills, Opportunities for a Better Tomorrow, NYC Employment and Training Coalition, Coalition for Queens, Bronx Community College, NY Community Trust, Per Scholas, Citizen's Crime Commission and General Contractors Association.

This work group undertook several tasks in 2015, including the following:

- Conducted an information session on workforce development programs in the CFA.
- Developed best practices in developing projects for the REDC's consideration, including tying job training directly to employers.
- Explored ways that workforce development programs can be incorporated on the "back end" of REDC capital projects.
- Proposed greater collaboration with the REDC in connection with the Opportunity Agenda – fostering upward mobility, and the Veterans initiative.

VETERANS WORK GROUP

The following organizations were added to the REDC's Veterans work group in an effort to strengthen the REDC's strategy to bring Veterans

in the economy and spread the word about the REDC initiative and the CFA: NY Grant Company, Per Scholas, NYC Helmets to Hardhats, Veterans Count - NYC and Long Island Chapter, Drexel Hamilton and America Works. This work group explored several new strategies for bringing Veterans into the economy including:

- Fostering entrepreneurialism in the Veterans community by forming an incubator focused on entrepreneurship training.
- Proposing greater collaboration between successful Opportunity Agenda award recipients Per Scholas, Doran Jones and the Research Foundation of CUNY.
- Reaching out to Veterans groups year round to develop a pipeline of Veterans focused programs.

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INTER-REGIONAL GLOBAL NY WORK GROUP

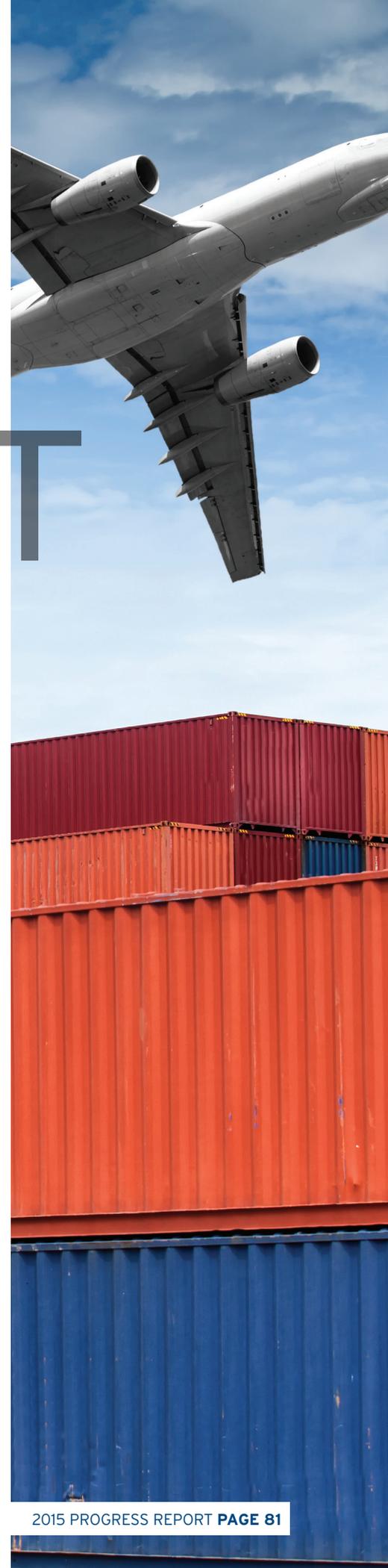
As a follow-up to the proposed 2014 Global NY export action plan, the New York City, Mid-Hudson and Long Island REDCs convened a joint work group to discuss an implementation timeline. The following was discussed:

- Status of virtual network for sharing information and resources.
- Report on export infrastructure and connectivity improvements including 1) a dredging project at the New York Container Terminal and 2) the redevelopment of the JFK air cargo facility.
- Overview of new ESD Export Assistance Programs.
- Presentation of Global NY Inter-Regional Strategies.

SMART CITIES CLUSTER WORK GROUP

The focus of the discussion was on figuring out the distinct role that the REDC can play in the “smart cities” space. The following items were discussed in detail:

- Representatives from City Hall, the NYCEDC and the Center for Urban Science and Progress (CUSP) outlined the specific initiatives and projects that are underway already.
- The challenges and opportunities for the public sector and new companies looking to enter the marketplace.
- Specific partnerships that could lead to “smart cities” inter-regional collaboration across New York State.
- Opportunities for New York City to lead many of the global efforts by convening mayors from across the world to discuss technological applications and policy considerations.





Work Group Members

REGIONAL CLUSTER PLAN WORK GROUP

Meeting date: May 20, 2015

Participants

Alfredo Angueira, BOEDC
Ana Ariño, NYCEDC
Marlene Cintron, BOEDC
Anthony Drummond, Brooklyn
Borough President's Office
Loftin Flowers, Columbia University
Flores Forbes, Columbia University
Maria Gotsch, Partnership Fund for
New York City
Brook Jackson, PFNYC
Eric Johnson, NYCEDC
Angie Kamath, Per Scholas
Liza Kent, NYCEDC
Liz Lusskin, Long Island City
Partnership
Melva Miller, Queens Borough
President's Office
Michael Moynihan, NYCEDC
Dmytro Pokhylyk, NYCEDC
Merrill Pond, PFNYC
Frank Santarpia, Staten Island
Borough President's Office
Varun Sanyal, SIEDC
Sonam Velani, Office of the Deputy
Mayor for Housing & Economic
Development
Kathy Wyld, PFNYC
David Yang, Coalition for Queens

ESD Staff

Lauren Racusin
Joseph Tazewell

GLOBAL MARKETING & EXPORT STRATEGY WORK GROUP

Meeting Date: June 16, 2015

Participants

New York City Region

Leah Archibald, East Williamsburg
Valley Industrial

Development Corporation
Rebecca Birmingham, New Lab
Marlene Cintron, Bronx Overall
Economic Development Corporation
Alinda Franks, ITAC
Donna Haggarty, Baruch College
Steve Hindy, Brooklyn Brewery
Brook Jackson, PFNYC
Shani Leibowitz, Brooklyn Navy
Yard Development Corporation
Carmela Mammias, U.S.
Commercial Service
David Meade, Southwest Brooklyn
Industrial Development Corporation
Michael Moynihan, NYCEDC
Mike Needleman, Shapeways
Merrill Pond, PFNYC
Cristal Rivera, Jamestown
Properties LLC
Lene Skou, Baruch College
Andrew Steininger, Brooklyn
Chamber of Commerce
Ryan White, NYCEDC

Long Island Region

Matthew Berger, Moore Solutions
John Costanzo, Purolator
International
Brad Hemingway, Islip Foreign
Trade Zone Authority
Ryan McEnany, Suffolk County
Department of Economic
Development and Planning
John McNally, Suffolk IDA
Jamie Moore, Moore Solutions
Susan Sadocha, Long Island U.S.
Export Assistance Center
Nicholas Terzulli, Nassau County IDA
Bob Zounek, LIFT

Mid-Hudson Region

Aleida Frederico, TD Bank
Marsha Gordon, The Business
Council of Westchester

Fritz McLymount, National Minority Business Council

Vincent Odock, Kodock Consulting & SUNY Orange

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Andrew Flamm

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Cara Longworth

Claire McLeveighn

Lauren Racusin

Charles Radier

Linda Sun

Meghan Taylor

Joseph Tazewell

Brian Teubner

VETERANS WORK GROUP

Meeting Date: June 17, 2015

Participants

Jacque Adorno, Empowering Today's Professional

Craig Caruana, America Works

Alinda Franks, ITAC

Joseph Hunt, Veterans Count NYC/LI Chapter

Josephine Infante, Hunts Point EDC

Jessica Johnson, Johnson Security Bureau

Angie Kamath, Per Scholas

Ann Kayman, NY Grants

Sayar Lonial, NYU

Maxine Mathis, NYS DOL

Maureen McNeil, Josephine Herrick Project"

Dan McSweeney, Veterans Business Hub

Daniel Morales, Drexel Hamilton

Jennifer Pautz, NYU

Merrill Pond, PFNYC

Melissa Quesada, NYS DOL

Carl Reid, Empowering Today's Professional

Noberto Reyes, MOVE Systems

Kelly Saeli, NYC Helmets to Hardhats

Jorlui Sillau, CFCS VA NY Harbor Healthcare System

Andrew Steininger, Brooklyn Chamber of Commerce

Anne Trenkle, NYC Helmets to Hardhats

Andrew Walcott, Walcott Law Firm

Kenneth Williams, NYS OGS

ESD Staff

Andrew Fletcher

Lauren Racusin

Joseph Tazewell

WORKFORCE DEVELOPMENT WORK GROUP

Meeting Date: June 23, 2015

Participants

Zayne Abdessalam, RWDSU/UFCW

Plinio Ayalo, Per Scholas

Linda Baran, Staten Island Chamber of Commerce

Dr. Eddy Bayardelle, Bronx Community College

Steven Brown, Building Skills NY

Mary Ellen Clark, NYC Employment and Training Coalition

Evelyn Fernandez-Ketcham, Hostos Community College

Jukay Hsu, Coalition for Queens

Roderick Jenkins, NY Community Trust

Angie Kamath, Per Scholas

Cynthia Keyser, NYCEDC

Charlie Montalbano, General Contractors Association

Julia Oliva, Bronx Community College

Randolph Peers, Opportunities for a Better Tomorrow

Merrill Pond, PFNYC

Melissa Quesada, NYS DOL

Aaron Schiffman, Brooklyn Workforce Innovations

Sara Schlossberg, NYC Dept. of Small Business Services

Malina Tran, Coalition for Queens

Stephanie Ueberall, Citizen's Crime Commission

Alissa Weiss, NYC Mayor's Office of Workforce Development

Jacqueline Zelaya, NYS DOL

ESD Staff

Lauren Racusin

Joseph Tazewell

SMART CITIES CLUSTER WORK GROUP

Meeting Date: August 10, 2015

Participants

Zayne Abdessalam, RWDSU

Carol Conslato, Past President / Counsel, Queens Chamber of Commerce

Alinda Franks, ITAC

David Gilford, NYCEDC

Brook Jackson, PFNYC

Constantine Kontokosta, NYU CUSP

Lindsey-Paige McCloy, NYC Mayor's Office

Jeff Merritt, NYC Mayor's Office

Merrill Pond, PFNYC

Simon Sylvester-Chaudhuri, Global Futures Group

Anthony Wong, Chinatown Partnership

Lashay Young, Staten Island Borough President's Office

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