

**OPEN FOR BUSINESS:  
A NEW STATE GOVERNMENT APPROACH TO ECONOMIC DEVELOPMENT  
Public Forum of the New York City Regional Economic Development Council  
Friday, September 7, 2012  
The City College of New York/CUNY, Manhattan**

**Summary**

**Attendees:**

Regional Council Members and Representatives

Matthew Goldstein, Chancellor, The City University of New York (co-chair)  
Ademola Oyefeso, representing Stuart Appelbaum, President, Retail, Wholesale and Department Store Union  
Carol Conslato, President, Queens Chamber of Commerce  
Kenneth J. Knuckles, President and CEO, Upper Manhattan Empowerment Zone  
Marcel Van Ooyen, Executive Director, Grow NYC  
Kathryn Wylde, President & CEO, Partnership for New York City

Elected Officials & Representatives (City)

Raymond Sanchez, representing Hon. Ruben Diaz, Jr., Bronx Borough President  
Melva Miller, representing Hon. Helen Marshall, Queens Borough President  
Andrew H. Steininger, representing Hon. Marty Markowitz, Brooklyn Borough President

Regional Council Staff & ESD

Joseph Tazewell, NYC Regional Director, ESD  
John Moye, DOL  
Andrew Fletcher, ESD  
Ingrid Nathan, ESD  
Adam Bunkeddeko, ESD  
Andrew Flamm, ESD

CUNY

Jay Hershenson, Senior Vice Chancellor for University Relations & Board Secretary  
Dr. Lisa Staiano-Coico, President, The City College of New York  
Dr. Suri Duitch, University Associate Dean for Continuing Education

**I. Welcome and Introduction**

Chancellor Matthew Goldstein, co-chair, welcomed everyone to the forum and to The City College of New York (CCNY). He thanked CCNY President Lisa Staiano-Coico for hosting today's meeting. The president then welcomed everyone to CCNY and thanked them for participating in the council's activities. CCNY's engineering department, in particular, encourages economic development throughout the city and state through its entrepreneurial activities. She invited everyone to tour the Great Hall and the campus.

Chancellor Goldstein then provided context for today's forum. To encourage the implementation of the Regional Economic Development Councils' strategic plans and to continue to motivate investment

opportunities and job creation, the 10 Regional Councils will compete in 2012 for up to \$150 million in capital funds and \$70 million in Excelsior Tax Credits for projects identified by the Regional Councils as priorities in their regions.

By incentivizing implementation of the strategic plans, Regional Councils and stakeholder groups like businesses, educational institutions, local governments, and not-for-profit groups are further motivated to work together to accomplish the regional vision.

While project funding will be awarded in all 10 Regional Councils through the second round of the CFA, the competition places emphasis on Regional Councils' performance and action to implement strategies. Encouraging genuine cooperation among the Regional Councils and representatives of the community is key to achieving economic development success.

In this year's competition, New York City will compete for up to \$25 million in capital funds but will receive at least \$5 million. We will also present projects that are eligible for up to \$10 million in Excelsior Tax Credits to help attract and grow business in the region.

This year, the Regional Councils are being asked to undertake four primary activities:

1. Establish the framework needed to advance their strategic plans
2. Implement the strategies, and refine and add detail as needed, to the existing implementation agenda for strategies to be addressed from 2012 through 2013
3. Create a project pipeline
4. Provide a progress report documenting success the council is achieving in implementing its strategic plan, which includes:
  - A description of any revisions to its strategies
  - An implementation agenda that identifies strategies the Regional Council is focusing on in 2012-13 and an assessment of progress to date
  - A description of priority projects the Regional Council proposes for funding from 2012 capital funds.

Chancellor Goldstein explained that at this forum, the council will hear public comment on the New York City Regional Economic Development Council's draft 2012 progress report that was posted on the Regional Council web page earlier this week. He then asked Suri Duitch, university associate dean at CUNY, to offer an overview of the Progress Report.

## **II. Update on Progress Report**

Suri Duitch explained that the progress report is an update of the council's implementation of last year's projects and a proposal for competitive funding for 2012. The report includes sections on the council's strategies, particularly in response to reviewers' comments; progress in the Opportunity Zones, 15 areas around the city that the council has chosen as poised for significant economic development and growth; implementation of the council's priority projects; and the council's recommendations for projects it considers a priority for economic development.

### III. Public Forum

Chancellor Goldstein said that the remainder of the meeting would be devoted to listening to proposed priority projects and public comments. Each speaker was given three minutes to speak and invited to leave written copy.

Andrew Kimball, Brooklyn Navy Yard. The regional council process is a key economic development tool for the state, and he thanked council members for their work. He appreciates the council's embrace of the Navy Yard as a model for modern manufacturing, as it links to growth sectors in the city and creates good jobs for New Yorkers. The green manufacturing center is in construction, and a lease has been signed with Crye Precision. He is thrilled that the council has recognized the opportunity for the media campus expansion; with infrastructure funding, it will provide much more space for film and tv shoots. He is also pleased that the council has responded positively to applications by Duggal and New Lab.

Abinand Rangesh, Duggal Visual Solutions. He is the chief technology officer of Duggal. Mr. Duggal has several startups, all focused on green technology. They teamed up with ITAC to foster the growth of companies including Duggal, Wonton Food, and M-Fried Store Fixtures and Sturdy Store Displays, Inc.. They are grateful for the council's recognition. With additional funding, Duggal can create 160 new jobs at the Brooklyn Navy Yard; Wonton can create 90 new jobs; and Fried can create 26. It is a significant investment in the local community.

Raymond Sanchez, representing Bronx Borough President Ruben Diaz Jr. The borough president's statement urged the council's support for improved infrastructure surrounding the Bay Plaza Shopping Center. The Mall at Bay Plaza is a new enclosed mall anchored by Macy's. The project, developed by Prestige Properties, has broken ground. The project will help keep Bronxites from leaving the borough for their shopping, thus increasing consumer spending in the borough, and will create both construction and long-term jobs. It should be a priority project: it focuses on jobs, is transformative and shovel ready, and is a public-private partnership, with a 10-to-1 multiplier for public funds.

Valerio DeAngelis, CUNY Energy Institute. He thanked the council for embracing the institute as a priority project. It has received funding from CUNY, the DOE, NYSERDA, Con Ed, and others to bring its energy-storage technology from prototype to a pre-commercial project. Energy storage is an essential tool to meet the demands of electric grid infrastructure. It will reduce costs and enable wide-scale use of renewable sources of energy. The technology has been called "game changing" and will help sustain load growth in New York City. Urban Electric Power will commercialize the technology, creating over 100 jobs in manufacturing, R & D, and operations.

Lev Sviridov, CUNY Energy Institute. CCNY's graduates, like him, take an oath at graduation to serve the city. This is what the Energy Institute is doing. It is trying to reform the city's energy infrastructure, essentially by creating really big batteries. Their work can be seen in the basement of Steinman Hall on the CCNY campus. The institute is heeding the nationwide call for innovation. He thanked the council for its confidence in the institute's application; it looks forward to being an active partner.

Wayne Benjamin, Harlem Community Development Corporation. He is a graduate of CCNY and is now director of residential and commercial development for the HCDC. He urges support of the CFA request for funding for the Victoria Theatre Project. It is a state-owned asset that is vacant and not currently contributing to Harlem's vitality. That will change. The public approval process is under way. The project

was cited as transformative in its strategic plan. It will be a mixed-use facility that will develop great benefits for the 125<sup>th</sup> street community, including significant housing, hotel space, and cultural facilities.

Jukay Hsu, Coalition for Queens. The coalition is fostering the growth of the tech community in Queens and urges the designation of the Anable Basin Tech Incubator as a priority project. Queens is emerging as a tech hub in the city, especially as jobs emerge from the Cornell campus on Roosevelt Island. The boom is happening already; venture capitalist Fred Wilson called Long Island City the city's next tech hub. The coalition is raising venture capital funds and growing its membership, but the biggest challenge is incubator space. The Anable Basin project is shovel ready and has private investment; it will create jobs, house companies, support entrepreneurs, and offer classes for the community.

Andrew Kirby, Plaxall. Plaxall has teamed up with the Coalition for Queens to support the Anable Basin Tech Incubator. The project fits all of the council's criteria and will be transformative for Long Island City, leveraging investments the city and state are already making there. The incubator would support the Cornell project (the basin is a stone's throw from Roosevelt Island) and could create long-term projects that create lasting jobs. It will leverage what is already happening and kick start what the mayor calls the "Silicon River" along the East River. Financing is in hand.

Ben Guttman, Digital Natives. Digital Natives makes community engagement platforms for colleges. He started the company about a year ago and has now moved it to Queens. There are many other tech businesses there, and it is increasingly a place where people want to move. The tech incubator would be a huge success. To have a valley, like Silicon Valley, you first need a river, and we have Silicon River already. Let's invest in Long Island City and create the valley.

Elias Roman, Songza. A statement was read on behalf of Elias Roman, founder and CEO of Songza, a music technology company in Long Island City. Songza is growing rapidly; it already serves three million users and is the No. 1 iPhone app in Canada. It is quickly adding employees. It has seen the neighborhood's transformation and believes it is the next tech hotspot in the city. Space and marketing are the two biggest challenges, and the Anable Basin Tech Incubator would address both. A central meeting and co-working space will help push Long Island City to be the next hub.

Peter Lada, Dine B. He has a startup in Long Island City, created from his bedroom. He moved to New York from Los Angeles and had heard of Union Square and Dumbo as tech centers, but Long Island City has been tremendously helpful in fueling his startup. He urges the council's designation of the Anable Basin Tech Incubator as a priority project. It would help startups like his stay in Queens and serve the borough, and will foster similar startups.

Audrey Tan, Waggit. Waggit is an early-stage tech startup, and she is a resident of Long Island City. She has seen the neighborhood change from a scary parking lot to a destination. Working in the area has helped her tremendously, through the availability of other tech entrepreneurs, legal advice, business opportunities, and other resources to build up business. There is a great level of enthusiasm in the Queens community, and she supports the creation of a physical space to foster growth. If you build it, people will come to Long Island City. Especially if there's pizza and beer.

David Belt, Macro Sea. The company is planning to build in the green manufacturing center in the Brooklyn Navy Yard, with the hope of creating something akin to a nondenominational MIT lab, open to many institutions and individuals. Its partners include Rensselaer, Columbia, City Tech, companies from Europe

opening their first spaces in New York, and software developers, all of which need lab space. Within the first five years, it is projecting the creation of 400 new jobs in technology, manufacturing, and teaching. The Brooklyn Navy Yard facilities are perfect, offering high ceilings that enable large-scale work. The company appreciates the support of the council.

Ben Randazzo, Office of NYS Assemblymember Michael Benedetto. On behalf of Assemblymember Michael Benedetto, he read a letter of support for the application by the Bronx Overall Economic Development Corporation for the Mall at Bay Plaza, the first enclosed shopping mall in the city in more than 40 years, and the first in the Bronx. The project has \$300 million in private development funding and would create a shopping destination in the Bronx. The developer is currently constructing parking structures and improvements to Baychester Avenue. These improvements will facilitate the mall's expansion without burdening the borough's residents. The project serves the best interests of the community.

Michael Stone, Prestige Properties. Prestige is the owner and developer of the Bay Plaza Shopping Center; it designed and built the center, which opened in 1988. It has expanded the center over the last 25 years and intend to continue its operations well into the future. It is the largest shopping center in New York City. Expansion will allow significant expansion of the mall and the parking structures. It is set to open in June 2014. It has always had the support of the borough and its residents. Funding for the I-95 ramp improvement project is needed. It would increase safety, capacity, and convenience, alleviating congestion on I-95. The mall will generate many jobs and help the revitalization of the Bronx, the most economically distressed borough of New York City.

Abraham Klein, M-Fried Store Fixtures. He can attest to the success of the Brooklyn Navy Yard, as Fried had to move out of it so the building they were in could be renovated. By working with ITEC, the company saw that staying in Brooklyn could be affordable. It purchased a place in Brooklyn, and 95 percent of the employees are in the borough. He thanked the council for listening to the company and helping it stay in Brooklyn.

Mark McIntyre, Mayor's Office of Environmental Remediation REDC. He thanked the council for including brownfield remediation as a priority project. The program involves the environmental cleanup of 60-70 projects across the city, enabling new spaces and jobs across the city. The program is the first city-run cleanup program in the nation. It operates in conjunction with the state Department of Environmental Preservation. It has already completed several projects in low-income neighborhoods—45 properties that will now support 2,100 jobs. Public funding will go to cleaning and inspections and will lead to new investment, as dollars are leveraged with other public money.

Steve Williams, Victoria Theatre. Work is moving forward quickly on this long-delayed project, which will break ground in 2013. An economic impact analysis shows that it will create 500 construction jobs and almost 400 new jobs, mainly for Harlem residents, offering increased income potential. The project requests capital financing to address the hotel facility loan; developers would like to replace the loan with CFA funding.

Charles Contreras, Just Bagels. In 1997 he created a company to create bagels and took on space on Westchester Avenue in the Bronx. The company later purchased a building in Hunts Point and created a production facility there. Today they employ more than 115 people. Now it has the opportunity to increase its production capacity with space across the street, creating another 50 jobs. He asks the council to consider its funding application.

Andy Stone, Trust for Public Land. He is the New York City director for the Trust for Public Land and urges the council to endorse the QueensWay as a priority project and support its CFA funding application. The QueensWay is a 3.5-mile linear park and cultural greenway. It would reclaim a city rail line running through Queens. Support for the project is growing, and it continues to attract funding. It will not only connect parts of Queens but will incorporate food and cultural programming throughout the greenway. It corresponds to the council's strategic plan: it's a transformative project that will improve quality of life, modernize aging infrastructure, and capture lost assets.

Viraj Puri, Gotham Greens. Gotham Greens is the developer of the city's and country's first high-tech enclosed greenhouse on a rooftop, located in Brooklyn, and grows high-quality vegetables and herbs for restaurants and retailers. It plans an expansion by building a rooftop facility in Jamaica, Queens. It will enable the company to offer fresh produce for borough residents; it should be completed by 2013. It will create jobs and has the support of the mayor and the borough president. It is delighted to have the council's support, as well.

*Submitted testimony:*

Congressman Joseph Crowley. Congressman Crowley (7<sup>th</sup> congressional district) urged the council to include infrastructure improvements to support the Bay Plaza Shopping Center expansion as a priority project. The project would improve the Baychester Avenue ramp from I-95. The expansion of the Mall at Bay Plaza represents a \$300 million investment by the private sector and would result in more than 2,000 construction and 1,700 permanent jobs in the Bronx, a borough much in need of an economic boost. The project has received federal funding and has the strong support of the Bronx Overall Economic Development Corporation.

Councilmember James Vacca. New York City Councilmember Vacca (representing northeast Bronx) urged the council to include the project to improve the I-95 access ramp near the Bay Plaza mall as a priority project. The Mall at Bay Plaza will open in spring 2014 as the first enclosed shopping mall in the Bronx. It will create over 3,700 new construction and permanent jobs and create a transformational shopping destination in the Bronx. Already two parking structures are under construction, and improvements to Baychester Avenue and the I-95 off-ramp are under way. The project will enable the integration of the Mall at Bay Plaza expansion without burdening community residents.

Congressman Eliot Engel. Congressman Engel (17<sup>th</sup> congressional district) reiterated his support for the Bronx Overall Economic Development Corporation's application for funding for infrastructure improvements for the Mall at Bay Plaza project. The development will create 3,700 jobs in an economically distressed borough struggling with a 14 percent unemployment rate. The ramp improvement will also offer significant tax revenue increases for the city and state. The private developer and the BOEDC are undertaking efforts to support the increased transportation and infrastructure demands required by the project. He asks that the council include the project in its report as a priority.

#### **IV. Wrap-up/Adjourn**

Chancellor Goldstein thanked all of the public presenters and the council members. With no further comments or questions from the public, he adjourned the forum at 3:45 p.m.