



NYC REGIONAL ECONOMIC DEVELOPMENT COUNCIL

MEETING AGENDA

February 25, 2013, 11:00 a.m.

Baruch College
Manhattan

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| 11:00–11:05 a.m. | Welcome and Introduction
CUNY Chancellor Matthew Goldstein
Leecia Eve, Deputy Secretary of Economic Development |
| 11:05– 11:15 a.m. | Hurricane Sandy Response
Leecia Eve, Deputy Secretary of Economic Development |
| 11:15–11:25 a.m. | 2013-2014 Executive Budget Proposals
Leecia Eve, Deputy Secretary of Economic Development |
| 11:25–11:30 a.m. | Recap of Council Activities
CUNY Chancellor Matthew Goldstein |
| 11:30–12:00 p.m. | REDC Priority Projects: Presentation on Current Status
Chris Tepper, Vice President, Brooklyn Navy Yard Development Corp.
Bill Fair, Vice President, New York Genome Center |
| 12:00–12:10 p.m. | Path Through History Overview
Mark Castiglione, Acting Executive Director, Hudson River Valley
Greenway and Hudson River Valley National Heritage Area |
| 12:10–12:15 p.m. | Wrap-up
CUNY Chancellor Matthew Goldstein
Leecia Eve, Deputy Secretary of Economic Development |



**OPEN FOR BUSINESS:
A NEW STATE GOVERNMENT APPROACH TO ECONOMIC DEVELOPMENT
Meeting of the New York City Regional Economic Development Council
Monday, February 25, 2013
Baruch College/CUNY, Manhattan**

Summary of Public Meeting

Attendees:

Regional Council Members and Representatives

Matthew Goldstein, Chancellor, The City University of New York (chair), w/ Jay Hershenson
Stuart Appelbaum, President, Retail, Wholesale and Department Store Union, w/ Zayne Abdessalam and Leah Gonzalez

Wellington Chen, Executive Director, Chinatown Partnership Local Development Corporation

Marlene Cintron, President, Bronx Overall Economic Development Corporation

Cesar J. Claro, President & CEO, Staten Island Economic Development Corporation

Carol Conslato, President, Queens Chamber of Commerce

Amy Sugimori, representing Mike Fishman, Executive Vice President, SEIU

Monique Greenwood, Owner, Akwaaba Mansion Bed & Breakfast

Gail Grimmatt, Senior Vice President for New York, Delta Airlines

Dean Alfred Ntoko, representing Marcia V. Keizs, President, York College, CUNY

Kenneth J. Knuckles, President and CEO, Upper Manhattan Empowerment Zone

Heather Beaudoin, representing Gary LaBarbara, President, Building and Construction Trades Council

Douglas C. Steiner, Chairman, Steiner Studios

Marcel Van Ooyen, Executive Director, Grow NYC

Kathryn Wyld, President & CEO, Partnership for New York City

Josh Gold, representing Peter Ward, President, New York Hotel and Motel Trades Council

Elected Officials & Representatives (City)

Thomas Donaldson and Mike Laskawy, representing Hon. Christine Quinn, NYC Council Speaker

Raymond Sanchez, representing Hon. Ruben Diaz, Jr., Bronx Borough President

Monika Foskett, representing Hon. Marty Markowitz, Brooklyn Borough President

Adam Eckstein, representing Hon. Scott Stringer, Manhattan Borough President

Elected Officials & Representatives (State)

Hon. Sheldon Silver, Speaker, New York State Assembly, w/ Judy Rapfogel

Gerard Kassar and Joan Byrnes, representing Hon. Martin Golden, New York State Senate

Nicole Lester Arrindell, representing Hon. Brian Kavanagh, New York State Assembly

Matthew Walsh, representing Hon. Don Quart, New York State Assembly

Regional Council Staff & ESDC

Joseph Tazewell, NYC Regional Director, ESDC

Marion Phillips, ESDC

James Brown, DOL

Andrew Fletcher, ESDC

Ingrid Nathan, ESDC

Lauren Bierman, ESDC



Adem Bunkeddeko, ESDC

Executive Chamber Representatives

Deputy Secretary for Economic Development Leecia Eve, Governor's Office

Andrew Kennedy, Governor's Office

Zach Greenky, Governor's Office

Erik Bottcher, Governor's Office

State Resource Team

Phil Giltner, AGMKT

Sobeida Cruz, NYS Power Authority

Merrill Hesch, NYS OPRHP

Karen Phillips, NYS OPRHP

Thomas Matthews, NYS EFC

Ellen Poliski, DOH

Joe Brown, NYS DOT

Sandra Dixon, PANYNJ

Venetia Lannon, NYS DEC

Sharon Griffith, NYSEDA

Curtis Craven, NYS DOS

Joseph Palozzola, NYS HCR

Judith Peter, NYS DOT

Bonnie Devine, NYS DOS

Ray Salberrios, ESDC

Sarah Crowell, NYS DOT

Andrew Steininger, Brooklyn COC

CUNY

Dr. Suri Duitch, University Associate Dean for Continuing Education

I. Welcome and Introductions

Chancellor Goldstein, council chair, welcomed council members and members of the public to the meeting. He thanked the administration of Baruch College for making the meeting facility availability and said that Lieutenant Governor Duffy regrets being unable to attend today; he is attending a funeral. Chancellor Goldstein welcomed Leecia Eve, deputy secretary for economic development for New York State, and acknowledged Assembly Speaker Sheldon Silver.

Chancellor Goldstein noted that since members last met as a council in September, much has happened in the New York City region. Most significantly, Hurricane Sandy altered the lives of millions of New Yorkers, some temporarily, and some profoundly. In terms of economic development, it altered the region's priorities, demonstrating the city's resiliency as well as its vulnerability.

The council will continue to focus both on recovery and on jump-starting the next generation of sustainable economic and environmental development. In this, the third year of identifying regional priorities, the council and its members remain a valuable resource for the state and the city, poised to work closely with the state and the governor's office to determine how to invest more sustainably for the long term—in infrastructure, small businesses, and job creation. The Regional Council can play a key role in supporting and coordinating efforts between the state and local entities.



II. Hurricane Sandy Response

Chancellor Goldstein asked Deputy Secretary Eve to talk about Hurricane Sandy and the state response.

Deputy Secretary Eve recognized Speaker Silver and, on behalf of the governor, thanked the council for its work in response to the hurricane. Federal resources have now been officially dedicated to New York, to be used to make the state's communities, institutions, and infrastructure stronger and more resilient. The governor will soon speak specifically about how the money will be allocated. Though the state incurred well over \$60 billion in damages, it will get about \$30 billion in federal resources. About 300,000 homes were destroyed or affected by the storm, and assistance to homeowners is a priority. The governor also established a buyout program and a homeowner repair fund, through which homeowners can receive up to \$10,000. For business owners who can no longer borrow, there will be a grant program; there is also a loan program for larger needs. The largest amount of funding will be for a broad range of transportation and infrastructure needs (\$14 billion). Health and social service delivery is also a priority, particularly for the most vulnerable, as well as resources for schools, including CUNY and SUNY, which, going forward, will be better integrated into the response plan. Some resources will go to state and local governments to repair damaged buildings. Consistent with the governor's priority, there will also be a focus on MWBEs, to ensure that they have an opportunity to be involved in relief work.

Most important, the implementation and details of the plan will be driven by local communities, and the state is trying to figure out the best way to do that without overburdening the council.

III. 2013-14 Executive Budget Proposals

Deputy Secretary Eve then spoke about the State of the State and budget initiatives, including the following:

1. **Innovation Hot Spots.** The Innovation Hot Spots program will create or designate 10 high-tech innovation incubators at locations affiliated with higher education institutions to encourage private-sector growth. Each Regional Economic Development Council will designate an existing or newly created incubator for the region, and five winners will be designated in each of the next two years to receive benefits and support. The hope is to connect the intellectual firepower in universities with venture funding and small business growth. A "hot spot" has to be connected to a university but not physically located on it.
2. **NYSUNY 2020 and NYCUNY 2020.** The Executive Budget includes \$55 million for a third round of NYSUNY 2020 grants (four campuses previously received funding from the state: Buffalo, Albany, Binghamton, Stony Brook) and \$55 million for a new NYCUNY 2020 program. This \$110 million in new funding will offer additional grants for two- and four-year colleges and universities within both the SUNY and CUNY systems. Projects will be selected in a competitive manner based on economic impact, advancement of academic goals, innovation, and collaboration.
3. **Reforming the IDA (Industrial Development Agencies) State Sales Tax Exemption.** The Executive Budget will make IDAs more accountable by limiting the industries to which IDAs can offer state sales and other use benefits to those key sectors (scientific research and development, software development, agriculture, back office operations, distribution centers, financial services data centers, and manufacturing) that are eligible to receive New York's Excelsior tax credits. Additionally, IDA projects involving state sales tax exemptions will require the approval of the regional economic development council and in cases where an IDA recaptures state sales tax from under-performing projects, IDAs will be required to return the



proceeds to the state.

4. **Invest in Infrastructure through New York Works.** The 2013-14 Executive Budget includes \$300 million of new state funding under the New York Works program that will provide capital investment to maintain, repair, and replace critical highway, bridge, and other transportation infrastructure, and to prolong the useful life of these assets. Funded components include \$200 million for core infrastructure improvements and \$100 million for all modes of transportation infrastructure to be awarded competitively through the Regional Economic Development Councils.

IV. Recap of Council Activities

Chancellor Goldstein then described Regional Council activities since the September 12, 2012, meeting.

Immediately following the September 12 meeting, the council's 2012 Progress Report was submitted to Ken Adams of Empire State Development. In early October, the governor and the NYS Strategic Implementation Assessment Team—comprising Secretary of State Cesar Perales, NYS Office of General Services Commissioner RoAnn Destito, NYS Tax and Finance Commissioner Thomas Mattox, NYS Department of Agriculture and Markets Commissioner Darrel Aubertine, NYS Environmental Facilities Corporation President and CEO Matt Driscoll, and Co-Director of the Brookings Institution Metropolitan Policy Program Amy Liu—began touring the regions to visit regional council projects across the state.

These tours were temporarily interrupted by Hurricane Sandy in late October. However, in early December, the tours resumed, and Lieutenant Governor Duffy and the Strategic Implementation Assessment Team visited the Brooklyn Navy Yard on December 7 to tour the council's priority projects and listen to the council's presentation.

The lieutenant governor and the assessment team were shown a short film by CUNY TV about 2011 regional council priority projects located across the city, and they had a chance to tour 2011 and 2012 priority projects located in the Brooklyn Navy Yard. Members of the Executive Committee—Chancellor Goldstein, Stuart Appelbaum, Ken Knuckles, and Steve Hindy—then made a formal presentation of the progress report to the Strategic Implementation Assessment Team at Steiner Studios.

On December 19, the CFA awards were announced at a ceremony in Albany hosted by Governor Cuomo, which Chancellor Goldstein attended. Also in attendance were Lieutenant Governor Duffy, Speaker Silver, and Senator John DeFrancisco.

The New York City region received a total of \$51.3 million in funding for 50 projects, including funding for many of its priority projects. The following priority projects were awarded funding:

- Steiner Studios Media Campus (\$5 million)
- The New York Genome Center (\$1.5 million)
- Macro Sea's New Lab (\$1.25 million)
- The New York City Wetlands Mitigation Bank (\$500,000)
- The REDC Brownfield Cleanup and Development Grant project (\$500,000)
- The Franklin D. Roosevelt Four Freedoms Park (\$200,000)
- And six Excelsior Tax Credit projects: Duggal Visual Solutions, Urban Electric Power, Wonton Food Manufacturing, Gotham Greens Farms, Just Bagels Baking, and M-Fried Store Fixtures.

The other projects that were funded are listed in members' materials. Chancellor Goldstein thanked the members of the council for their work, including Ken Knuckles (chair) and the Scoring Committee, Kathy



Wylde (chair) and the Writing Committee, and Stuart Appelbaum, as well as Jay Hershenson and Suri Duitch from CUNY.

V. REDC Priority Projects: Presentations on Current Status

The chancellor then introduced the project sponsors who provided updates on the priority projects.

The Brooklyn Navy Yard Green Manufacturing Center (2011), Macro Sea's New Lab (2012), and the Steiner Studios Media Campus (2012) were presented by Chris Tepper, vice president for planning and development for the Brooklyn Navy Yard Development Corporation.

For years, the Green Manufacturing Center, once housing machine shops for the Navy, sat in a dilapidated state in the middle of the yard. Its renovation is a \$60 million project that broke ground in September, with help from new market tax allocation and Empire State tax credit. The project reflects \$11.5 in construction contracts for MWBE firms. Space is in high demand, and there will be two anchor tenants. Crye Precision, a current Navy Yard tenant and a manufacturer of protective apparel for the U.S. Military, is doubling in size; and Macro Sea's New Lab, which brings together academic institutions, commercial design, and manufacturing to incubate and manufacture new ideas, will be expanded and renovated. In addition, a public-private partnership with Steiner Studios and the Navy Yard will create a 50-acre media campus. The project will leverage significant private investment and create 2,500 new jobs. Mayor Bloomberg has committed to partnering with the state to get the project done.

In response to questions from Marlene Cintron and Wellington Chen, Tepper said that EB-5 funding was used for these projects (a \$35 million EB-5 loan and a \$1 million tax credit for capital improvements and job expansion) and will be used for a building in the yard that has yet to be renovated. The EB-5 program has been very important to economic development in the yard. Deputy Secretary Eve noted that the proposed budget includes an extension of the film tax credit program in an effort to build in a level of certainty for businesses, especially film production companies.

The New York Genome Center (2012) was presented by Bill Fair, vice president of strategic operations at the New York Genome Center.

He thanked members and government officials for their support and for the funding. The project, a multi-facility collaboration, is trying to produce a world-class genome center in the state, attract new talent to New York, provide training in genome work, and be part of the economic and academic engine in the state.

The project started two and a half years ago with five people and now includes 11 academic institutions (six in New York City), which have pledged over \$100 million to the project, with private partners. The center is building world-class laboratory space, which will be ready in the second quarter of this year. It will also add three new members this year, and is increasing its sequencing abilities. The number of employees will grow to 300 by 2015, and to 500 in five years. While the mission of the Genome Center is to help find cures for disease, it has also spawned an interest in data analytics and other fields, expanding its impact.

VI. Path Through History Overview

Chancellor Goldstein reminded members that in August, Governor Cuomo unveiled the "Path Through History" initiative to showcase New York State's history and cultural significance and to promote tourism and economic development in communities across the state. The New York City Regional Council is represented on the Path Through History Work Group by Marcia Keizs and Doug Steiner.



He introduced Mark Castiglione, acting executive director of the Hudson River Valley Greenway and Hudson River Valley National Heritage Area, who is overseeing this initiative.

The project recognizes that the history of New York shaped not only the state but also the nation, and the state should do a better job of telling that story. The hope is to develop a compelling story and, in the process, reap the benefits of increased tourism, especially heritage tourism. Each of the Regional Councils has been asked to identify sites and themes that would encourage state tourism. The effort will also include "I Love NY" ads in the spring and summer, signage systems, and a mobile application. Each council is given \$100,000 to create a plan of action to support heritage tourism.

New York City has about 500 heritage sites, and there are about 700 sites outside of the city. Work groups are currently identifying priority sites. Dr. Richard Lieberman of CUNY's LaGuardia and Wagner Archives and members Marcia Keizs and Doug Steiner are contributing to the council's work group. The next meeting is March 22.

Ken Knuckles noted that the Upper Manhattan Empowerment Zone (UMEZ) supports the Morris-Jumel Mansion in Upper Manhattan, depicted in the Path Through History materials, and asked how the UMEZ can help with this initiative. The best way is through involvement with the work group.

VII. Wrap-Up/Adjourn Public Meeting

Chancellor Goldstein thanked members of the council, the staff from the governor's and lieutenant governor's offices, guests, and Deputy Secretary Eve and adjourned the meeting at 12:10 p.m.