



NEW YORK CITY REGIONAL COUNCIL INAUGURAL MEETING AGENDA

August 10, 2011

9:30 am

Baruch College

The William and Anita Newman Vertical Campus

Member Orientation Session

9:30 – 9:55 a.m.	Welcome and Introductions Lieutenant Governor Robert Duffy Council Co-Chairs
9:55 – 10:10 a.m.	Open for Business: A New State Government Approach to Economic Development Presentation: Lieutenant Governor Robert Duffy
10:10 – 10:20 a.m.	Initial Tasks & Timeframes Presentation
10:20 – 11:20 a.m.	Issues/Opportunities/Region's Economic Vision Facilitated Discussion
11:20 – 11:50 a.m.	Workgroups, Inputs and Other Resources Facilitated Discussion
11:50 – Noon	Wrap Up/Next Steps Co-Chairs

PRESS Q&A SESSION

12:00 – 12:30 p.m.	Lieutenant Governor and Co-Chairs
12:30 p.m.	Adjourn

**OPEN FOR BUSINESS:
A NEW STATE GOVERNMENT APPROACH TO ECONOMIC DEVELOPMENT
New York City Regional Economic Development Council
Inaugural Meeting
Wednesday, August 10, 2011
Baruch College, The City University of New York**

Meeting Summary

Attendees:

Hon. Robert Duffy, Lieutenant Governor

Regional Council Members

Matthew Goldstein, Chancellor, The City University of New York (co-chair)
Stephen Lemson, Vice President for State Government Affairs, American Express Company (representing
Kenneth Chenault, Chairman & CEO, co-chair)
Stuart Appelbaum, President, RWDSU (w/Ademola Oyefeso)
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
Francine Y. Delgado, Senior Vice President, Seedco
Josh Gold (representing Peter Ward, President, Hotel & Motel Trades Council)
Gail Grimmitt, Senior Vice President for New York, Delta Airlines
Steve Hindy, President, Brooklyn Brewery
Carl Hum, President & CEO, Brooklyn Chamber of Commerce
Michael Hurwitz (representing Marcel Van OoYen, Executive Director, Grow NYC)
Marcia V. Keizs, President, York College, CUNY
Gary LaBarbera, President, NYC Building & Constructions Trade (w/Heather Beaudoin)
Nick Lugo, President, NYC Hispanic Chamber of Commerce (w/Peter Spinella)
Ashok Nigalaye, President & CEO, Epic Pharma LLC
Kevin Ryan, Founder & CEO, Gilt Groupe
Steve Spinola, President, Real Estate Board of New York
Douglas C. Steiner, Chairman, Steiner Studios
Amy Sugimori (representing Mike Fishman, President, 32BJ SEIU)
Sheena Wright, President & CEO, Abyssinian Development Corporation
Kathryn Wylde, President & CEO, Partnership for New York City

Elected Officials

Hon. Ruben Diaz, Jr., Bronx Borough President (w/ Raymond Sanchez)
Melva Miller (representing Hon. Helen Marshall, Queens Borough President)
Hon. James Molinaro, Staten Island Borough President
Hon. Robert Steel, Deputy Mayor for Economic Development, City of New York (w/Ashley Cotton and
Tokumbo Shobowale)
Andrew Steiner (representing Hon. Marty Markowitz, Brooklyn Borough President)
Hon. Scott Stringer, Manhattan Borough President (w/David Saltonstall & Shira Gans)
Thomas B. Donaldson, Legislative Counsel, Infrastructure Division, New York City Council (representing
Hon. Christine Quinn, Speaker)

Regional Council Staff

Kenneth Adams, President & CEO, ESD
 Joseph Tazewell, NYC Regional Director, ESD
 Tara Brooks-Smith, Facilitator, NYS Dept. of Labor
 James Brown, Labor Market Analyst, NYS Dept. of Labor
 Thom Kleiner, Commissioner, Mid-Hudson Region, NYS Dept. of Labor
 Nydia Loyd, Facilitator, NYS Dept. of Labor
 Marina Vranich, Council Liaison, NYS Dept. of Labor
 Markly Wilson, Facilitator, ESD

Executive Chamber Representatives

Irene Baker, Executive Vice President, Director of Regional Councils
 Rodney Capel, Governor's Office
 Zach Greenky, Special Assistant, Governor's Office
 Nicholas Weatherbee, Director of Intergovernmental Affairs, Lt. Governor's Office

State Resource Team

George Stafford, NYS DOS
 Kiumars Amiri, NYSERDA
 Robert Callender, NYSERDA
 Jane Cox, PANY&NJ
 Sobeida Cruz, NYPA
 Phil Giltner, NYS Ag & Mrkts
 Rachel Gordon, NYS OPRHP
 Sharon Griffith, NYSERDA
 Celeste Johnson, NYS DH
 Earnest Langhorne, NYS HCR
 Venetia Lannon, DEC
 Adam Levin, DOT
 Ivan Lisnitzer, SUNY Downstate Medical Center
 Andrew Lynn, PANY&NJ
 Dominic A. Martello, NYS AHC
 Tom Matthews, NYS EFC
 Charles O'Shea, DOT
 Joseph Palozzola, NYS HCR
 Judith Peter, DOT
 Hilary David Ring, MTA
 Kelly Tyler, NYSERDA
 Gregory Watson, NYS HCR

Jay Hershenson, Senior Vice Chancellor for University Relations & Board Secretary, CUNY
 Rick Schaffer, General Counsel & Senior Vice Chancellor for Legal Affairs, CUNY
 Andrew Fletcher, ESD
 Ingrid Nathan, ESD
 Orha Ocampo, ESD
 Susan Ardigo, ESD

Lieutenant Governor Robert Duffy called the meeting to order at 9:30 a.m.

I. Welcome and Introduction of Members

- On behalf of Governor Andrew M. Cuomo, Lieutenant Governor Duffy thanked everyone for taking the time to attend the meeting and for being part of the New York City Regional Economic Development Council. He said that “Open for Business: A New State Government Approach to Economic Growth,” the key economic development initiative for New York State, is based on Governor Cuomo’s focus on empowerment zones during his tenure as secretary of the U.S. Department of Housing and Urban Development. This year, the initiative will disburse up to \$1 billion for economic development. Regional decision-making rests at the heart of the initiative; for New York City, the state will defer to the regional council to define what the city’s priorities will be.
- The lieutenant governor acknowledged Mayor Michael R. Bloomberg’s representative and other elected officials/representatives present. He introduced Kenneth Adams, president and CEO of Empire State Development (ESD), and Joseph Tazewell, ESD regional director for New York City. He thanked Baruch College President Mitchel B. Wallerstein, for hosting the meeting at the college. Lieutenant Governor Duffy then introduced the New York City Regional Council’s co-chairs: Kenneth Chenault, chairman and CEO, American Express, who was unable to attend (Stephen Lemson attended in his place); and Matthew Goldstein, chancellor of The City University of New York (CUNY).
- Chancellor Goldstein thanked the council members for agreeing to serve. He said that a big task is ahead with a very short timeline in which to accomplish it. The council must report its recommendations on how economic development should be addressed in New York City by November 14. Chancellor Goldstein thanked the lieutenant governor and his team for their organizational work and commended them on their travels and meetings throughout the state.
- Chancellor Goldstein said that council meetings will start and finish on time. The work to be done will unfold in an open way, inviting consultation with and contributions from diverse communities throughout the city. Opportunities are planned to hear from communities in every borough. Deputy Mayor Robert Steel will address a future council meeting about the work of the PlaNYC 2030 initiative (<http://www.nyc.gov/html/planyc2030/>). This presentation will allow the council to consider ways in which its work may interface with that of PlaNYC. As a possible example, Chancellor Goldstein cited PlaNYC’s work on brownfields.
- Chancellor Goldstein also said that independently and prior to the council’s formation, CUNY has established a prominent task force to study jobs. That task force is investigating two basic questions. First, which skilled jobs in New York City are not being filled and why are the jobs vacant? Second, which skilled jobs will be looking for human capital in the future? What are the anticipated needs and plans of the people who are running major hospitals, financial services companies, the media, etc.? How might these employers’ needs be communicated to all of the institutions of higher education in the city, and how can tomorrow’s workforce be most effectively prepared? There is significant alignment between the work of the CUNY task force and this council.

- The council members, elected officials/representatives, executive chamber individuals, regional council staff, and state resource team members introduced themselves. Mr. Steve Hindy said that he expects to represent interests of small businesses. Mr. Stuart Appelbaum emphasized the need to focus on good jobs that enable workers to thrive and support their families.

II. Open for Business: A New State Government Approach to Economic Development

- Lieutenant Governor Duffy presented a PowerPoint detailing a new operating model to stimulate real regional economic development. This new model will replace agency silos with a single point of contact. It will be community-driven rather than utilizing a top-down approach. It is not intended to replace the good work that has been done and is under way elsewhere (in the boroughs, PlaNYC, etc.). But it is intended to align state resources with local needs by partnering with the private sector and higher education, employing regional growth strategies, and providing incentivizing competitive grants.
- The New York City regional council is one of 10 regional economic development councils that will harness local expertise with the chief aim of creating good jobs. Each council is charged with developing a 5-year strategic plan for long-term, sustainable regional economic growth. Each council is expected to help align state resources with priority projects, identify resources from the public and private sectors, identify and reduce obstacles to growth (particularly bureaucratic obstacles), and continually update and improve strategies.
- Elaborating, the lieutenant governor explained that each council's 5-year strategic plan will serve as the basis for competition for funding. Up to \$1 billion is available. Plans will be judged according to scoring criteria that the lieutenant governor outlined. The most weight (35 percent of the score) will be given for the extent to which proposed actions address critical issues (strategies). The lieutenant governor emphasized that council members should be candid. How can New York State become more business-friendly? Which areas might benefit from changes in state regulations?
- The lieutenant governor introduced the New York State Consolidated Funding Application (CFA). For the first time, a single application will be utilized for multiple funding sources. The CFA streamlines and expedites review of projects supported by the regional councils.
- The lieutenant governor provided a breakdown of funding resources, noting that the governor has managed to assemble them even in a difficult funding environment.
- In providing more detail about the strategic plans, the lieutenant governor emphasized the need to involve diverse stakeholders. This first meeting was closed, but subsequent meetings will be open, with public components as well as executive sessions. He said that the time frame for developing the plans is indeed compressed, and added that the governor appreciates this fact.
- Measurement will be an essential component of this initiative. Each regional council will establish metrics and provide an annual progress report. Each year, ESD will issue a report measuring impact on economic development statewide.

- A Statewide Chairman's Committee, including the two co-chairs from each regional council and other leaders, will also be part of the process. The statewide committee will identify issues and projects (and barriers) that impact multiple regions. It will resolve any statewide or inter-regional conflicts. It will strengthen communications between the state and the regional councils (and among the councils themselves), establishing and solidifying relationships throughout the state. The governor does not want to cultivate divisions, such as an upstate/downstate division. Ideally, the relationships forged in the statewide chairman's committee will stimulate additional economic growth and job creation within the state. To the extent that the initiative is focused on retention, recruitment, and start-ups ("two Rs and an S"), these relationships, which have not occurred as naturally in the past as they should have, will be important.
- The success of the regional councils will be visible in jobs created, more businesses, and a better quality of life (that, again, enables the state to retain and recruit talent and to provide a welcoming and creative environment for start-ups).
- The 10 councils will produce 10 visions for economic success for one New York.

III. Initial Tasks and Timeframes

- Chancellor Goldstein reviewed the calendar for future meetings. The next meeting will take place on Tuesday, August 23, although its time may change from what has been previously indicated.
- Chancellor Goldstein also called the group's attention to questions that had been pre-circulated in a questionnaire. Responses to these questions—identifying critical issues or obstacles to economic development in New York City that might be addressed in a 5-year plan; identifying major opportunities in New York City that might be maximized in a 5-year plan; identifying the greatest economic-development assets within the region; identifying issues of inter-regional or statewide significance—will help frame the council's work through iteratively-developed working groups. Working groups may also include people who are not council members, but who will help educate and inform the working groups. The co-chairs will solicit ideas for these working groups.

IV. Issues/Opportunities and Economic Vision for the Region

- Extending from Chancellor Goldstein's remarks, the council was then divided, randomly, into three groups (red, blue and green) to begin discussing some of the above questions, guided by facilitators. Deliberations lasted for nearly an hour. The council reconvened at 11:25 a.m., at which time each group's deliberations were summarized.
- Ms. Marlene Cintron reported for the red group.
 - The group identified the following as the city's assets:
 - an entrepreneurial and educated workforce;
 - its geographic location and infrastructure;
 - a diverse population;
 - its role as a financial center, although there was some discussion about whether New York banks and Wall Street were as helpful as they could be; and

- tourism, with the the caveat that tourists don't currently spend enough time in the outer boroughs.
 - The group cited as challenges:
 - the high cost of doing business in New York City;
 - overregulation;
 - an aging infrastructure;
 - zoning issues; and
 - a school system that requires improvement.
 - The group identified the following as opportunities:
 - Buy New York;
 - industrial-zone development efforts (technology, green technology, etc.);
 - tort reform, so that doctors aren't discouraged from doing business in New York;
 - creative business zones such as food business; and
 - tourism, especially encouraging tourists to visit the outer boroughs and stay in the city for longer periods.
 - One working group was recommended with the objective of supporting development of creative industries and identifying suitable locations.
- Mr. Tokumbo Shobowale, representing Deputy Mayor Steel, reported for the green group.
 - The group identified the following as the city's assets:
 - its workforce, including recent immigrants;
 - educational institutions/intellectual property;
 - the business community;
 - infrastructure (transit);
 - financial markets; and
 - tourism.
 - Opportunities include:
 - link workforce development with business needs to develop a motivated and diverse workforce for the 21st century;
 - capture and foster innovation
 - encourage entrepreneurship, with the aim of reclaiming New York City's historic role as a center for entrepreneurship;
 - develop real estate to maximize utilization of land & real estate assets and re-use vacated properties
 - develop infrastructure, including expanding/improving the transportation system (airport, waterways, bridges, tunnels, rail, etc.); and
 - foster small and large businesses.
 - Challenges cited by the green group include:
 - government red tape and regulatory burdens (need to streamline/clarify process to reduce barriers to growth and development);
 - the high cost of doing business (taxes, fees and long-term liabilities that drive the taxes, as well as fixed costs, such as energy, labor and real estate);
 - scarcity of funds for infrastructure improvements, upkeep and development; and
 - access to good K-12 education

- Ms. Kathryn Wylde reported for the blue group. She said that the group was so involved in discussing assets and opportunities that it never reached the point of deliberating over the challenges.
 - The group identified the following as assets:
 - human capital (population density, diversity, language skills, workforce skills and expertise);
 - lifestyle attributes (Broadway, museums, restaurants, parks, recreational facilities, waterfront, sports teams & cultural diversity);
 - financial center;
 - educational and health care institutions, offering research and expertise; and
 - transportation infrastructure (subway, buses, area airports, ferries).
 - In discussing opportunities, the group focused on capitalizing on the assets. Among possibilities cited were:
 - labor standards incorporated into the economic development process;
 - commercializing research and discovery in high-tech sectors coming out of NYC universities and research institutions;
 - rebuilding and modernizing infrastructure in addition to building new infrastructure (re-zoning of industrial land);
 - cultivating global tourism (New York City has a brand);
 - seeking foreign direct investment; and
 - capitalizing on the large public and private market for the purchase of goods and services locally.

- Chancellor Goldstein commended all groups on their reports and said that it wasn't surprising that there appeared to be a rich commonality in what the groups came up with. He asked if anything was missing from the discussion, at which point Borough President James P. Molinaro mentioned tolls as a specific example of the high cost of doing business in New York City. Ms. Gail Grimmett asked that streamlining of some agency procedures be considered. Mr. Lemson suggested that each agency/department must understand its role in facilitating the growth of business. As an example, he referred to the Second Avenue Subway project, and the ways that agencies/departments needed to be mindful of the ways in which they should support businesses through the implementation of initiatives.

IV. Next steps

- Chancellor Goldstein indicated that the council's staff will take all of these ideas and compile a master list of assets, opportunities, and challenges. This list will help create a set of working groups, around which a structure will be built to produce the ideas that will lead ultimately to strategic-plan recommendations. Council members are encouraged to suggest working groups and additional participants who could be invited to serve as resource persons.

- Chancellor Goldstein said that during the process of formulating the strategic plan, it will be essential to engage communities around the city. He anticipates that once the council members begin bringing their work to the communities, people will become very interested in it. There is a lot of work to do, and not too much time. At the end of the day, everyone wants this to be a winning team.

V. Wrap up and adjournment

- Lieutenant Governor Duffy thanked the co-chairs and everyone else once again. He expressed his appreciation for the reports from the three breakout groups. He emphasized the integrity of the initiative and its process and reiterated the governor's commitment to this work and his appreciation for everyone's participation.
- The meeting was adjourned at 11:55 a.m.