

**OPEN FOR BUSINESS:
A NEW STATE GOVERNMENT APPROACH TO ECONOMIC DEVELOPMENT
New York City Regional Economic Development Council: Sixth Meeting
Tuesday, November 8, 2011
Brooklyn College/CUNY
Public Forum**

Forum Summary

Attendees:

Regional Council Members & Representatives

Matthew Goldstein, Chancellor, The City University of New York (co-chair), w/ Jay Hershenson
Stephen Lemson, representing Kenneth I. Chenault, American Express (co-chair)
Stuart Appelbaum, President, Retail, Wholesale and Department Store Union, w/Ademola Oyefeso and
Zayne Abdessalam
Frank Randazzo, representing Marlene Cintron, President, Bronx Overall Economic Development
Corporation
Cesar J. Claro, President & CEO, Staten Island Economic Development Corporation, w/ Steve Grillo
Carol Conslato, President, Queens Chamber of Commerce
Francine Y. Delgado, Seedco, w/ Shaneequa Owuso
Amy Sugimori, representing Mike Fishman, 32BJ SEIU
Steve Hindy, President, Brooklyn Brewery
Carl Hum, President & CEO, Brooklyn Chamber of Commerce
Kenneth Knuckles, President & CEO, Upper Manhattan Empowerment Zone Development Corporation
Gary LaBarbera, NYC Buildings and Construction Trades, President, w/ Heather Beaudoin
Peter Spinella, representing Nick Lugo, President, Hispanic Chamber of Commerce
Dr. Marcia V. Keizs, President, York College, CUNY
Michael Slattery, representing Steve Spinola, President, Real Estate Board of New York
Douglas C. Steiner, Steiner Studios
Sheena Wright, President & CEO, Abyssinian Development Corporation
Kathryn Wylde, President & CEO, Partnership for New York City

Elected Officials and Representatives (City)

Jason Razefsky and Joseph Sciortino, representing Hon. James Molinaro, Staten Island Borough President
Hon. Ruben Diaz, Jr., Bronx Borough President, w/ Raymond Sanchez
Shira Gans and Alaina Gilligo, representing Hon. Scott Stringer, Manhattan Borough President
Hon. Marty Markowitz, Brooklyn Borough President, w/ Andrew Steinger and Kathryn Kirk
Peter Pottier, Malcolm Sanborn-Hum, and Joseph Bival, representing Hon. Diana Reyna, Member, City
Council
Hon. Melissa Mark-Viverito, Member, City Council
Thomas B. Donaldson, representing Hon. Christine Quinn, Speaker of the NYC Council

Elected Officials and Representatives (State)

Caesar Nguyen and Nelly Vazquez, representing Hon. Felix Ortiz, NYS Assembly Member

Elected Officials and Representatives (Federal)

Dale DeGale, representing Hon. Yvette Clark, US Congresswoman

New York City Mayor's Office

Tokumbo Shobowale, representing Hon. Robert Steel, New York City Deputy Mayor

Regional Council Staff and ESD

Kenneth Adams, ESD

Joe Chan, ESD

Peter Davidson, ESD

Joseph Tazewell, NYC Regional Director, ESD

Tara Brooks-Smith, Facilitator, NYS Dept. of Labor

Nydia Loyd, NYS Dept. of Labor

Marion Phillips, Facilitator, ESD

John Moye, DOL

Andrew Fletcher, ESD

Ingrid Nathan, ESD

Jim Brown, DOL

Curtis Cravens, DOS

Justin Ginsburgh, ESD

Maisha Lopa, Intern, ESD

David Weinberger, Intern, ESD

Austin Shafran, ESD

Executive Chamber Representatives

Robert Duffy, Lieutenant Governor

Rodney Capel, Governor's Office

Zach Greenky, Special Assistant, Governor's Office

State Resource Team

Wayne Benjamin, NYS DMV

Rachel Gordon, OPRHP

Sharon Griffith, NYSERDA

Ellen Poliski, DOH

Gregory Watson, NYSHCS

Jay-E Emmingham, NYSERDA

Phil Giltner, NYS Dept. of Agriculture and Markets

Heather Sporn, NYS DOT

Sara Jayanthi, NYSERDA

J. Margolies, HCR

Joe Palozzola, HCR/HFA

Brooklyn College

Karen Gould, President, Brooklyn College

Steve Little, Brooklyn College

CUNY

Dr. Suri Duitch, University Associate Dean for Continuing Education, CUNY

Howard Apsan, University Director, Environmental Health and Safety, CUNY
Hourig Messerlian, CUNY
Anthony Vargas, CUNY
Shanequa Terry, CUNY
Theresa Desmond, CUNY

Public

Zena Nelson, Women's Venture Fund
Bill Wilkins, LDCENY
Bryan Barrett, SBIDC
Elana Shneyer, PACC
Ashish Dua, Acumen
Michael Unthank, Harlem Arts Alliance
Sarah Figuereo, NYC Public Advocate
Emily Osgood, NYU Wagner
Michael Golan, United Community Centers, Inc.
J. Bocian, Manatt
Andrew Flamm, Renaissance Economic Development
Tom Conoscenti, Downtown Brooklyn Partnership
Janelle Greene, NHS of NYC
David Bronston, Cozen O'Connor
A. Linda Franks, ITAC
Susan Marenoff, Intrepid
Jeremie Sautter, Hunts Point Economic Development Corp.
Ted Houghton, Supportive Housing Network of NY
N. Johnson Yearwood, City Parks
Sayar Lonial, NYU
William Budd, Hudson Square Connection
Anthony Piscitelli, WEMED
Alex Moore, Roffe Group
Renee Schoonbeek, Hudson Square Connection
Ellen Baer, Hudson Square Connection
Michelle Amador, ISSUE Project Room
Joe Levy, Apollo Theater
Tom Vanden Bout, ISSUE Project Room
Jason Schwartz, City Parks
J. Williams, 99 Solutions
S. Howard, 99 Solutions
A. Kimball, BNYDC
Tim Laughlin, LES BID
Bob Zuckerman, LESBID
Laura Imperiale, Tully Construction
Eva Cramer, SUNY Downstate
David Norton, SUNY Downstate
Amanda Verrette, NY City Watch
Leah Archibald, EWVIDCO
Michael Burke, DBP

Jeff Rosenblum, Acumen
Gene Johnson, unaffiliated
Nette Compton, NYC Parks
Mo George, Community Voices Heard
Alexandra Dawson, Roffe Group
Victor Hall, Calvary Baptist Church
Deana Hare, NYC Parks
Rajive Maret, D&F Development Group, LLC
Jonelle Procope, Apollo Theater
Derek McPhatter, Apollo Theater
Humerto Restrepo, Joint Industry Board of the Electrical Industry
David Meade, Southwest Brooklyn Industrial Development Corp.
Anthony Drummond, unaffiliated
Dean Balsamini, SBDC at CSI
Victor Bach, Community Service Society

I. Welcome and Introductions

Lieutenant Governor Duffy had to leave in order to vote in his district upstate. Chancellor Goldstein introduced himself and welcomed members of the public. He invited Karen Gould, president of Brooklyn College, to say a few words.

President Gould welcomed everyone to the college's new competition gym. She noted that the college is a firm believer in the importance of business and community partnerships with education, since education is the foundation of economic success. As someone who grew up in Silicon Valley, she knows that well. Brooklyn College is engaging in many partnerships to strengthen the community, the city, and the futures of their students.

II. Recap of Council Activities

Chancellor Goldstein then offered a summary of the council's activities. At the first meeting, the council identified assets, opportunities, and barriers related to economic development. Between the first and second meeting, work groups drafted a public participation strategy and a vision statement.

At the second meeting, the council broke into groups to discuss strategies and project criteria, and subsequently formed work groups to discuss these areas in greater detail. A work group to identify regulatory barriers was also formed.

At the third meeting, the council formally approved the vision statement. In addition, Deputy Mayor Robert Steel presented parts of PlaNYC and offered the Hunts Point Terminal Market as a priority project for inclusion in the strategic plan. The council then broke into groups to identify priority projects. Following up on this theme, work groups met to identify projects involving small business development, infrastructure, and human capital.

At the fourth meeting, the council discussed the New York Open for Business statewide conference. Robert Yaro of the Regional Plan Association discussed economic development opportunities in regional centers outside of Manhattan. The council formally approved the CFA endorsement standards and heard reports on working groups related to small business development, infrastructure and human capital. It also broke into groups to discuss the implementation plan and performance measures. Council members were assigned to two committees: an application scoring committee, chaired by Ken Knuckles, and a writing plan committee, chaired by Kathy Wylde.

At the last meeting, Irene Baker of the governor's office made a presentation on the Consolidated Funding Application scoring process. The council also heard a report on the draft strategic plan by the writing committee chaired by Kathy Wylde. Following the council meeting, there was a public forum. In addition, a public forum was held in Harlem on November 4.

Kathy Wylde, chair of the writing committee, then summarized the plan that was adopted just minutes ago. The plan spells out the vision and objectives of the council and builds on New York City's strengths while addressing its needs. The city is the state's economic driver, accounting for 55% of the state's economy, but also has more than half the people living in poverty in the state, creating demands on education, housing, and other resources. The plan seeks to spell out how to develop a more inclusive economy, build on the city's innovation capacity, and identify areas where the city can grow.

Members of the public were then given three minutes each to speak and were invited to leave written commentary.

Sonelle Procope, Apollo Theater. The Apollo Theater's capital project dovetails with the council's vision. It is an economic anchor of the city and one of its premier cultural institutions; its artistic and educational programs help 125th Street thrive. The theater is moving forward with a plan of strategic growth and a restored physical plant to enhance production capacity. Its landmark building needs roof and energy upgrades, among other enhancements. She asks for the council's support.

Thomas Van den Bout, Issue Project Room. The center has applied for the council's support. He read from Assemblywoman Joan Millman's letter of support. The center's arts programming would have a significant impact on the revitalization of the Gowanus community, transforming the area into a cultural destination. The center's project to revitalize 110 Livingston would help to affirm Brooklyn's place as a cultural center. Year-round cultural events would provide employment opportunities and have a significant economic impact on surrounding businesses.

Steve Williams, Danforth Development Partners, LLC. The Victoria is a theater located next to the Apollo Theater on 125th Street. The current project would transform it into a center with a hotel, performing arts center, rental property, retail space, and parking. It is anticipated that design will be completed in spring 2012, followed by two years of construction. The Victoria project is ambitious but will be catalytic in strengthening and diversifying Harlem's base, offering new artistic and housing opportunities. There is interest by major hotel chains, including Marriott, Hilton, and Choice. It would build employment opportunities, increase affordable housing, and expand access to cultural opportunities.

[Council member Sheena Wright then filled in for Chancellor Goldstein, who had to leave.]

Eva Cramer, SUNY Downstate Medical Center.

Biotech research will be a major leader of economic growth going forward, and the city has not attracted biotech companies, mainly because of a lack of space. Downstate designed a strategic plan for biotech growth: the construction of a biotech incubator for early-stage companies, the development of a biolab at the Brooklyn Army Terminal, and a job training program to provide the workforce for this growing industry. Public funds are still needed to meet the needs of more mature biotech companies at BioBAT at the army terminal. This would enable companies that outgrow the incubator to remain in New York.

Rajive Maret, D and F Development Group. South Jamaica has been hard hit by the recession, with higher unemployment than the rest of city. A particular concern is grandmothers on fixed incomes who have custody of their grandchildren and need affordable housing. They can't use senior housing, so there is a need for a housing development for low-income grandparents and grandchildren. This is the group's third attempt to obtain tax credits and a housing trust fund award to build a green energy residence in Jamaica. It asks for the council's support.

Jason Schwartz, City Parks Foundation. The foundation applied to the Department of State for a catalytic parks program to support programming and community leadership in the South Bronx, Coney Island, and the Lower East Side. Community involvement is crucial to parks. The program is part of the PlaNYC initiative and needs capital investment. Successful parks make for safer neighborhoods and increase housing values. State funding would help the project recapture lost areas, contribute to a working waterfront, protect natural resources, and address local concerns.

Leah Archibald, EWVIDCO. EWVIDCO (East Williamsburg) works with industrial businesses, helping them to grow and support high-quality jobs. It submitted two proposals for funding, one a feasibility study for fresh food processing, and the other for the purchase of a structure to preserve it as industrial space. Organizations like EWVIDCO do not offer direct employment, but they do create indirect employment, and preserve industrial real estate in perpetuity. She asks the council to favorably consider its proposals.

Andrew Kimball, Brooklyn Navy Yard. He thanked the council for its deliberations, noting that it is a breath of fresh air to have local dialogue. The Navy Yard is currently a partner with Brooklyn College to create the first public graduate film school at Steiner Studios. He thanked the council for its consideration of the yard's shovel-ready project with anchor tenants to create good-paying local, industrial jobs. The yard has experienced explosive growth, and he hopes the council will use it as a site for future meetings, and as a model for transformative projects, one that could be replicated in other parts of the state.

Emily Lloyd, Prospect Park Alliance. The alliance supports the Lakeside Center project, which would provide year-round skating and other recreational and educational programs in Prospect Park. It will restore 28 acres to year-round access and be LEEDS certified. It will create construction jobs, as well as jobs at the facility and will benefit all of Brooklyn, which needs more green space. The project is 85% funded and needs state support.

Victor Bach, Community Service Society. CSS works to improve opportunities for low-income New Yorkers. It supports the housing authority's application for funding for housing preservation in public housing communities. Public housing serves between 500,000-600,000 residents, more than most cities. Residents have been hit hard by the recession; in just two years, unemployment grew from 9 to 25 percent. The housing authority's proposal will increase the capacity to create training and jobs in housing management and construction trades, and increase the capacity to make improvements in housing stock.

David Meade, Southwest Brooklyn IDC. The corporation's mission is to provide advocacy and services in the Sunset Park, Red Hook, and Gowanus neighborhoods, an area whose workforce comprises 250,000 residents. Manufacturing is a critical component of the city's economy, and the council should continue to address space and operating challenges; local businesses often must leave the state to stay competitive. At the same time, the area is adding jobs and redeveloping. Local employment opportunities are extremely important, offering opportunities to those with language difficulties.

Michael Burke, Downtown Brooklyn Partnership. The partnership facilitates economic development in downtown Brooklyn, improving streetscapes and open spaces, and helping to relocate jobs to Brooklyn. Downtown Brooklyn is the borough's primary center of economic and cultural commerce, and the council should address its infrastructure needs (transportation, Flatbush Avenue streetscape, Brooklyn Academy streetscape). The council should also encourage academic and employment linkages in downtown Brooklyn (e.g., Brooklyn Tech triangle).

Bob Zuckerman, Lower East Side Business Improvement District. The BID has applied for funding for the construction of a small business incubator on the Lower East Side. By offering businesses a number of services in one center, the project will further the growth of local businesses and encourage collaborations between small businesses and incubator tenants. The Lower East Side is a unique destination for entrepreneurs and small businesses, and the incubator will allow it to grow as a tourist destination. The Lower East Side has always thrived on entrepreneurship, and this project will build on that tradition.

Alinda Franks, ITAC. ITAC is an economic development corporation serving entrepreneurs and startups. For many years it has been assisting the technology and manufacturing economies, both key contributors to the city. Regarding the council's strategic plan, she is concerned that while the city has more small firms than most other regions in state, there is no mention of small-firm needs in the plan. The city must be diligent in helping smaller firms access the support often available to larger companies. While the council mentioned industrial companies and manufacturing, they are not included in the plan. She asks that the council recognize manufacturing, which creates high-value jobs.

Marta Nelson, Center for Employment Opportunities. The center provides immediate employment opportunities for those with recent criminal convictions, helping them transition to a stable life. It needs funding to create such opportunities in cleaning, moving, and large construction work. Its workers are placed in supervised transitional work, then moved into permanent work. The center moves some of the hardest-to-move people into employment; few of them have had stable employment or higher education. They need to create additional job opportunities, including some in landscaping and maintenance.

Peter Pottier, representing New York City Councilmember Diana Reyna. Councilmember Reyna is a member of the council's economic development committee and chair of the small business committee. She would like to stress the importance of industrial retention. Industrial manufacturing helps to create stable communities. There have been some recent increases in light manufacturing, but it has suffered over the last several years, losing 30% of its workforce. The council's plan should address the preservation of manufacturing, including workforce development initiatives.

Jeremie Sautter, Hunts Point Economic Development Corporation. The Hunts Point Distribution Center is the largest food distribution center in United States, with 20,000 workers generating \$5 billion annually. Its renovation and extension project captures all of the priorities of the council: it allows the city to remain competitive and increases the ability to offer fresh and affordable food to New Yorkers, through clean

storage and rail improvement. It comprises 700 businesses that contribute to the state's economy, and its diverse workforce enables workers to support families. Industrial zones help businesses access much-needed incentives, and he urges the council to support the industrial business zone program.

Melissa Mark-Viverito, New York City Council member. She supports the housing authority's CFA to support preservation, which would improve the city's aging housing stock and create jobs. The housing authority serves 600,000 New Yorkers, but residents, often with very low incomes, have an unemployment rate of 27%, which has tripled since 2008. In addition, repair requests are excessively long because there is not enough staff. The recently submitted CFA is a step in the right direction; it would help to create new jobs to upgrade infrastructure, fueling the local economy and building a more vibrant community.

Elana Shneyer, Pratt Area Community Council. This community development corporation focuses on commercial revitalization, affordable housing, and homeowner counseling. Its programs are funded through the state; they improve communities and create living-wage jobs. On behalf of a coalition of groups statewide that do foreclosure prevention, she is asking the council to recognize the importance of sustaining affordable housing as a part of the city's economic recovery. The foreclosure crisis is far from over, especially in low-income communities.

Ted Houghton, Supportive Housing Network of New York. The network is responsible for 43,000 units of permanent housing for formerly homeless people. Supportive housing is the solution for homelessness. He appreciates the council's interest in affordable housing and populations in distress. Supportive housing increases people's independence and helps them get jobs and assistance for mental illness and other illnesses. It also creates construction and permanent onsite jobs across the city.

Michael Unthank, Harlem Arts Alliance. The alliance is a service organization that serves artists and organizations in Harlem and is part of a consortium involved in the redevelopment of the Victoria theater site. The project would provide much-needed rehearsal and work space for artists in the heart of Harlem. It would provide a home to many organizations and would be made available to communities in Harlem and throughout the city. It is an important way to emphasize arts and cultural activities in Harlem and along the 125th Street corridor.

Nette Compton, New York City Parks Department. The department is focusing on the Bronx River restoration, including better water quality in the river. With support from the Department of Environmental Protection, this could be a national model for innovative restoration. The focus is on storm water capture and increases in safety. They are employing experimental techniques in building structures, building a green roof for storm water capture, and offering a training program for the maintenance of spaces. A second project will restore the shoreline of the Bronx River.

Ellen Baer, Hudson Square Connection. The Hudson Square neighborhood is a former printing district that is now a major creative hub. Anticipated rezoning will increase residential population. In order to create a more pedestrian-friendly neighborhood and more public space, planning is under way for the construction of a pedestrian crosswalk that will allow direct access to Hudson River Park. Currently, east-west access is available only every six blocks instead of the standard three blocks. The project is cost effective and would allow the area to reach its full economic potential.

Craig Livingston, Exact Capital. He urges the council's support of the Victoria Theater redevelopment. The theater was completed in 1917, and work began in 2007 to revitalize the site and create a hotel and cultural

arts performing center. The economic downturn has severely constrained new capital for the project. The project has now undergone significant redesign and has letters of interest from financial institutions. It would offer a hotel, cultural arts center, mixed-income rental units, and a parking facility, and would create both construction and full-time positions. The site is accessible and would help drive economic activity.

Susan Marenoff, Intrepid Museum. The museum will be the home of the space shuttle Enterprise, and it is developing a center to tell the story of space exploration and the shuttle history. The science center will offer an educational center, interactive displays, retail space, outdoor space, and a café. It is a substantial economic development initiative that aligns with the council's vision statement: it is catalytic, part of the cultural fabric, transformative, a tourist destination that will recapture lost assets, an educational partnership, and an innovative job creator.

Charlene Nimmons, Public Housing Communities, Inc. She asks the council not to forget about residents of public housing, who comprise a city within a city and are the key to the economic development the council has been talking about. Rather than create dependency, the city needs to create careers and business opportunities for residents, particularly through MWBE enterprises. They welcome alliances with other businesses. Resident associations are working to create self-sufficiency and eliminate high unemployment. She encourages the council's support in enabling this engine of development in the state.

Andrew Flamm, Renaissance Economic Development. This nonprofit offers affordable financing to small businesses. It submitted an application for funding to expand its loan pool to immigrants, especially in Sunset Park, Brooklyn, and Flushing, Queens, which need more affordable housing. Many immigrants can't get financing from traditional institutions. Most are MWBE enterprises. They need the council's support to expand the number of people they serve.

CUNY Senior Vice Chancellor Jay Hershenson thanked all the speakers and the Brooklyn College administration for hosting today's meeting. The forum ended at 12:10 p.m.