

New York City Regional Economic Development Council
Meeting
Tuesday, July 21,
2015
Borough of Manhattan Community College/CUNY,
Manhattan

Public Forum
Summary

Attendees

Regional Council Members and Representatives:

Stuart Appelbaum, President, Retail, Wholesale and Department Store Union with Ademola Oyefoso
Marlene Cintron, President, Bronx Overall Economic Development Corporation with Alfredo Angueira
Cesar J. Claro, President & CEO, Staten Island Economic Development Corporation
Carol Conslato, President, Queens Chamber of Commerce
Kenneth J. Knuckles, President & CEO, Upper Manhattan Empowerment Zone (UMEZ)
Marcel Van Ooyen, Executive Director, GrowNYC
Steve Spinola, President, REBNY, rep. by Mike Slattery
Kathryn Wylde, President and CEO, Partnership for NYC

Elected Officials and Representatives
(City)

Lashay Young, representing Hon. James Oddo, Staten Island Borough President
Raymond Sanchez, representing Hon. Ruben Diaz Jr., Bronx Borough President
Diana Reyna, representing Hon. Eric Adams, Brooklyn Borough President

Elected Officials and Representatives (State)

Jerry Kassar, representing Hon. Martin Golden, New York State Assembly

ESDC

Jonah Bruno, ESDC
John Gilstrap, ESDC
Victoria Hsiao, ESDC
Barry Lites, ESDC
Angela Pitto, ESDC
Lauren Racusin, ESDC
Jennifer Rivera, ESDC
Stephanie Royal, ESDC
Joseph Tazewell, ESDC
Andrew Fletcher, ESDC

Executive Chamber Representatives

Chris Gorman, Governor's Office

State Resource

Sharon Griffith, NYSERDA

Fred Landa, NYS DOH

CUNY

Jay Hershenson, Senior Vice Chancellor

Hourig Messerlian

Rene Ontal

Anthony Vargas

Priority Project Presenters

Willa Appel, NY Structural Biology

John Battista, York Studios

Marcus Berkowitz, Greener America

Heather Corcoran, Rhizome

Sander Dolder, NYCEDC

Raphael Farzan-Kashani, NYCEDC

Anthony Figliola, Hunts Point Meat Market

Craig Hale, Boyce Technology

Krystin Hence, NYCEDC

Julieanne Herskowitz, NYCEDC

Julia Kagansky, New Inc. New Museum

Angie Kamath, Per Scholas

Gary Kesner, Silvercup Studios

Sayar Lonial, NYU

Peter Malinowski, New York Harbor Foundation

Steve McBride, George Washington Bridge Redevelopment

Chris Neidl, Solar One

Eric Ottoway, Brooklyn Brewery

Eduardo Penaloza, Mixteca

Alex Powell, NYCEDC

Bruce Reingold, Hunts Point Meat Market

Jennifer Silverman, Henry Street Settlement

Esther Siskind, Solar One
Alan Suna, Silvercup Studios
Chris Vanterpool, New York Restoration Project
Alex Villari, Centre for Social Innovation

Public

Tony Aguilan, Goodwill Inc.
Beatriz Baldwin, Goodwill Inc.
Lara Croushore, NYCEDC
Joe Ferris, GSG
David Gilford, NYCEDC
Liza Kent, NYCEDC
Cynthia Keyser, NYCEDC
Steven Kuyan, NYU
Brandi Mathis, Carnegie Hall
Chris McNamara, GOSR
Nisha Menon, Boyce Technology
Brandon Painter, NYCEDC
Levi Patish, NYCEDC
Marvel Thombor, G.W. Bridge
Kristen Wawruck, New
Museum/Rhizome

I. Welcome and Introductions

Knuckles welcomed members of the public and thanked President Antonio Perez of BMCC for hosting today's meeting and public forum. He introduced Winston Fisher, newly appointed by Governor Cuomo to be co-chair of the NYC Regional Economic Development Council. Fisher said he was privileged to have been appointed by the Governor and conveyed his excitement and commitment towards working for New York City's economic development.

Knuckles explained that the Council is seeking a small number of priority projects. The application process began in May and will close on July 31. The Council has identified several criteria for selecting priority projects:

1. Relief of conditions of economic distress
2. Transformative role
3. Innovation
4. Partnerships with higher education institutions
5. Strong business partnerships

The Council will also prioritize proposals that align with the following 2015 priorities outlined in the 2015 Regional Economic Development Guidebook:

1. Support strategies that foster the development of emerging high tech cluster in fields such as biotech, health IT and clean energy, among others.
2. Advance plans that strengthen the region's Global Marketing and Export Strategies and attract foreign investment
3. Feasibility, in terms of committed funding, implementation time frame and an economically sustainable business plan.
4. Interregional cooperation and potential for multi-regional cooperation and impact.
5. Measurable impact in job creation, community benefits, etc.
6. Leveraged private and other public contributions along with the state's investment.
7. Job creation.
8. Promote veterans participation in the workforce.
9. Support the Council's Opportunity Agenda.
10. Support NY Rising Community Reconstruction projects.
11. Implement the Cleaner, Greener Communities regional sustainability plan.

Knuckles then went over the rules for speaking at the public forum before opening the floor for public comment.

II. Public Comment

Angie Kamath, Per Scholas. With its employer partner Doran Jones, offers IT job training and careers in software testing. They are seeking Council support for another location so they may expand to nearly double their training capacity in NYC, from 500 trainees last year to 900 by 2018.

Gary Kesner and Alan Suna, Silvercup Studios. Silvercup North will be the expansion of Silvercup Studios to the Bronx. They are seeking \$4 million in state assistance as part of a total budget of \$39 million of which they already secured \$24.5 million in bank financing, and are committing \$10.5 million in equity, resulting in a leverage of private dollars to public dollars of almost 10:1. The project consists of a conversion of a vacant warehouse at 295 Locust Avenue into a full-service film, television, and commercial production facility. It will have four studios in the 115,000 square foot facility and at 50 feet tall providing the highest studios in New York City. Silvercup North will result in 80 to 100 construction jobs, 16 permanent on-site staff, and 400 direct production industry jobs, for a total of over 500 jobs.

Anthony Figliola and Bruce Reingold, Hunts Point Meat Market. The Hunts Point Meat Market employs about 2,500 employees, mostly NYC residents and union members earning \$25 - \$30 an hour plus benefits, with about \$3 billion in sales. They are seeking the Council's support to upgrade for efficiency the market's 50 year old electrical and refrigeration system. Currently the tenants have paid for upgrades out of their own pockets but in a competitive industry they won't be able to maintain this expenditure. A general upgrade would allow the Market to remain in the South Bronx.

John Battista, York Studios. York Studios currently operates one of the state's newest motion picture and television facilities in Queens. York Studios' parent company would like to build, in two phases, a \$90 million, 280,000 square foot production facility in the Bronx. They are seeking the Council's help for the first phase: a \$40 million development of four television studios encompassing 132,000 square feet including related support space such as scenery, shops, wardrobes, production offices. The Council's support would help offset some of the additional infrastructure costs associated with the development site.

Deputy Brooklyn Borough President Reyna stated that structures should be put in place to ensure that the jobs projected for this production center are indeed filled from surrounding communities and not shipped in per past practice in some industry cases. Mr. Battista gave his assurance that they have been in open and constant communication with local stakeholders to make sure there is an emphasis on local hiring and local contracting.

Craig Hale, Boyce Technologies. Boyce Technologies, employing about 65 people, builds life-saving communication equipment. They are seeking support to consolidate three locations into main site so they may integrate more people from the community into the company, collaborate with the local community colleges, cultivate the jobs infrastructure and grow people and equipment.

Steve McBride, George Washington Bridge Bus Station Redevelopment. The GW Bus Station redevelopment will transform the existing facility into a modern transportation and retail hub that will greatly improve the quality of life in this underserved community. Tenants will include Fine Fair Fresh Supermarket, Blink Health Club, Marshalls Department store, Gap Outlets store, and Time Warner retail store, and a number of successful, well-established local merchants. Three hundred nineteen new permanent jobs will be created, along with hundreds of existing transportation jobs that will be retained. An additional estimated 530 union construction jobs are in place and 129 indirect and induced jobs will be created. The redevelopment will have a major impact by improving access to one of the region's most important intermodal transportation hubs. The project will have more than \$132 million in economic impact; they have exceeded the original MWB goals of 17% for this project and forecast exceeding the current MWB goal of 30% when incorporating the operation of the retail center. Their request for additional funding is in the amount of \$11.625 million to provide assistance with completing the infrastructure component of this project that transforms and incorporates the local community.

Sayar Lonial, New York University Polytechnic School of Engineering. He is representing the \$10 million urban technology growth hub, a partnership with Industry City, Mass Challenge, and the Brooklyn Chamber of Commerce. The Sunset Park hub will encompass an accelerator, an incubator, step-out space for more developed start-ups, prototyping facilities, as well as event and demonstration space available for programming. They are applying for \$2 million to construct a 10,000 sq. ft. space focused on infusing veterans with entrepreneurial skills, supporting veteran owned businesses, and incubating veteran start-ups.

Eric Ottoway, Brooklyn Brewery. He hopes the Council will expand on its support from the 2014 CFA of \$2 million as they plan on creating a \$120 million manufacturing facility on Staten Island. This will double their barrel capacity from one million to two million.

Marcus Berkowitz, Greener America. Greener America provides small loans and other financial services for low income women in economically distressed neighborhoods. Since 2008, they've loaned entirely to low income women. That's nearly 100,000 loans, and they currently have about 23 million dollars outstanding to about 22,000 borrowers. They are asking for \$300,000 to build out a new loan database which will allow them to serve a projected additional 3,000 more members. They are also seeking to develop a phone banking app which will greatly ease operations and allow for business growth for their 20,000 women entrepreneur clients.

Willa Appel, the New York Structural Biology Center. The Center is a consortium of nine major academic institutions in New York and all the boroughs. With support from the state and city council, and recently a generous grant from the Simons Foundation, the Center is now the most comprehensive and advanced Center for Structural Biology in the United States. They are requesting \$3 million from the Council as part of a \$20 million expansion as they have opened their doors beyond the member institutions to include the

private sector, small companies, biotech, bio pharma companies, as well as academic innovators who are spinning off their own companies and to better meet the needs of the biomedical companies coming to New York.

Peter Malinowski, New York Harbor Foundation. The Billion Oyster Project will systematically address the loss of almost 300 square miles of oyster reef in the rich estuary that surrounds New York City, a loss that has reduced protective habitat, destabilized the harbor floor, and left our shoreline vulnerable to destructive wave action. The Project will also engage public school children with the skills and ethics of authentic scientific inquiry and environmental stewardship and the confidence that comes with being prepared for careers in growth industries that are in demand locally. The Billion Oyster Project is part of the Living Breakwaters Project, a New York Rising supported project. The proposal includes the expansion of their shell program from 20 to 40 restaurants.

Alex Powell, NYC EDC. The EDC will invest in a new co-packing facility to provide affordable contract manufacturing services for local food and beverage manufacturing entrepreneurs to grow their production operations in New York City. This will fill the void of local contract production services that prevent emerging firms from meeting unexpected and fast growing demand from large retail partners. The facility will also support the regional food system by generating new upstate, down state connections for making, marketing, and selling regional foods. The facility would serve dozens of businesses per year and produce 200,000 to 400,000 units annually and would result in dozens of new permanent jobs onsite and the indirect and induced creation of hundreds of permanent quality jobs.

Raphael Farzan-Kashani, NYC EDC. Presenting their proposal for a \$150 million, 14,000 sq ft Harlem Life Sciences incubator, for which they are asking \$1.5 million in Council support. With \$1.5 million in Council support, it will deliver measurable impact in the Harlem area, interact with the applied research efforts in the Harlem community, including City College and Columbia University, with the launch of a nearby Advance Sciences Research Center. and accelerate the growth of New York City's biotechnology industry by addressing unmet demand for early stage wet laboratory facilities. It is projected that over the next three years, there will be an unmet need for at least 10,000 square feet of lab space for seed stage life science companies and 45,000 square feet for early stage companies in life sciences.

Sander Dolder, New York City Economic Development Corporation. Smart City Technology Innovation Center is an initiative that dedicates 50,000 square feet or more of space to high growth companies, predicted to create over 8,000 jobs over a ten-year period and will focus on some of the most vexing urban challenges in New York City today, connecting small businesses with the physical tools and knowledge to create new solutions. They are \$3 million in capital investment for the design, construction, and fit out of the space for the Innovation Center, including prototyping equipment, the setup of a showcase space, and event space. NYC has committed 7.2 million dollars for operations, including staffing, rent, and equipment. The Center will help make New York City a global leader in smart city innovation.

Julianne Herskowitz, New York City Economic Development Corporation. The redevelopment of the former East New York Long Island Borough and Substation into a manufacturing cluster in the East New York Industrial Business Zone will transform a dilapidated building and capitalize major investment in the

economically distressed neighborhood of East New York. The 30,000 sq ft. building after remediation and rehabilitation will be activated with a mixed use program, including ground floor retail, an office incubator and/or light industrial production space, and a workforce training and job center for the industrial business zone, creating over 60 indirect and direct jobs in the construction industry, in addition to the hundreds of jobs that would be placed annually through the proposed workforce training center. They are asking for \$5 million from the Council to help fill the anticipated funding gap that cannot be paid for by the project alone.

Julieanne Herskowitz, NYC EDC. The proposal is to create affordable class B office space in downtown Brooklyn to meet the growing demand of the borough's emerging tech cluster; the Brooklyn Tech Triangle, which encompasses the neighborhoods of Dumbo, downtown Brooklyn, and the Brooklyn Navy Yard is home to over 500 innovation firms, which includes over 9,000 tech jobs and supporting an additional 23,000 jobs. The sector is expected to double over the next two years, resulting in 18,000 direct jobs and 43,000 indirect jobs. The major obstacle to growth is real estate, current office vacancy rate in Brooklyn is just three percent. Their project aims to solve this problem by creating a one million dollar matching grant fund that would incentivize the retrofitting of existing vacant commercial space into flexible, affordable office space.

Funding from the Council is critical to leveraging private investment dollars and creating new affordable office space in downtown Brooklyn.

Alex Villari, Center for Social Innovation. CSI is a global interchange for people who care about social enterprise across the world, dedicated to providing social enterprises, nonprofits, social ventures, community leaders, and creatives with the spaces, relationships, and knowledge they need to grow their ideas and achieve lasting impact. CSI houses 200 social change organizations and over 500 full time jobs at their 24,000 square foot facility in the Starrett-Lehigh Building in Western Chelsea, focusing on issues such as alternatives to incarceration programs, energy efficient design in green building, K-12 education, and STEM, and healthy food. They are seeking a three year, \$375,000 grant from the NY Certified Incubator Program for operations and programs support.

Julia Kagansky, New Inc., the New Museum. The first museum led incubator and the first incubator in New York City for art design and technology, they received EDC support two years ago to help start this program. This year they applying for the Innovation Hot Spot Program. New Inc. provides a 12-month professional development and leadership training program to an outstanding interdisciplinary and international community of 100 full and part time members. New York City graduates more art design students than any other US city. But according to a study by the Center for An Urban Future, 88% of graduates feel that they are not afforded opportunities to develop business and entrepreneurial skills. New Inc. addresses the lack of diversity in the tech sector by focusing on art and design founders and practitioners and also encourages participation for more women, people of color, and people who offer different perspectives. She urged the Council to consider New Inc. as a priority program and an arts and design incubator that the city sorely needs.

Heather Corcoran, Rhizome. Rhizome is applying to the workforce investment program for funding to add one new position to their staff of six. They are an Internet-based digital arts organization, match, fund just one new position at \$49,000 over two years. We're a digital arts organization based primarily on

the Internet. Their goal is to support an innovative new art form that helps reflect our society as it goes more and more digital. With a focus on digital art and online exhibition publishing, their online visitor count has grown to approximately 1.5 million visitors per year, from over 30 countries around the world. They are recognized internationally as the foremost resource on art engaged with technologies.

Esther Siskind, Solar One. Solar One is putting forth three proposals for funding; she will speak on two of them and her colleagues will present on the third. Solar One's NY State Community Partnership Program for New York City and Long Island listed as an eligible project under Cleaner, Greener will take Solar One's current outreach and education work with NYSERDA to the next level by building on the achievements of a decade of outreach in this space. Solar One launched the first solar aggregation projects in New York City; are the main consultants when New York City's real estate associations, community based organizations, businesses, and residents require assistance on their clean energy projects. Solar One's New York State Community Partnership for New York City and Long Island will transform the energy landscape with large, measurable energy savings and greenhouse gas reductions, while creating business development opportunities and jobs. The second proposal is clean tech for CTE and other high schools, which will engage 1,800 high school students and their teachers in stem, emerging green technology, green industry certifications, and green careers. The clean tech program will be delivered in partnership with three divisions of the New York City Department of Education.

Chris Neidl, Here Comes Solar Initiative. The third proposal's goal is to make residential rooftop solar more of a reality in the five boroughs and extend its benefits to a wider and more diverse spectrum of New Yorkers. They seek Council support in two key areas of expansion, in the affordable housing space and serving low income renters. They already have partnerships with local community non profits to bring solar energy to low income housing areas.

Krystin Hence, NYC Economic Development Corporation. She is seeking \$100,000 for the North Shore Esplanade project, originally proposed through New York Rising. The funding would augment part of an estimated \$1.2 million design budget, of which they currently have \$464,000, with the goal of inaugurating the Esplanade by 2017. The Esplanade, on Staten Island's North Shore, will serve as a vital link between two developments, the New Stapleton waterfront and the Lighthouse Point development, providing access to transportation networks for residents of these new developments and those living in existing housing. Sixty percent of the North Shore's family residences live in poverty, so access to community amenities, parks, open space and jobs is vital.

Eduardo Penaloza, Mixteca. A non profit in Sunset Park serving recently arrived immigrants from Latin America, mainly Mexico, they are seeking \$25,000 to retain an architect to start a facility assessment, design, and planning of a commercial kitchen space to cultivate low income food entrepreneurs, in particular women and immigrants, and develop culinary workforce skills in South Brooklyn. The project will encompass 7,500 square feet in Industry City.

Jennifer Silverman, Henry Street Settlement Abrons Arts Center. The AAC is a one hundred year-old cultural institution in the Lower East Side, delivering award-winning performances, exhibitions, and a robust arts education program that together serve over 32,000 people annually. Their 500k renovation project will transform the interior of the AAC, allowing for improved traffic flow and more effective use of

space. The project will create 15 temporary jobs and one permanent job and help with the community's economic growth through artist exhibition and performances that drive significant foot traffic to the AAC.

Chris Vanterpool, New York Restoration Project. NYRP acquires blighted properties in economically distressed neighborhoods then work with the local communities who transform the parcels into community gardens, improving the quality of life for surrounding and improving the quality of life for all New Yorkers by providing a public space. They are seeking \$500,000 to renovate three gardens: the Paradise on Earth Community Garden in Morrisania, the Glover Street Community Garden in Castle Hill, and the Essex Street Community Garden in Cypress Hill. The overall budget for these three properties is approximately \$ 1.2 million, of which NYRP has secured pledges for half.