



NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

Seth W. Pinsky, President

Key Public Service Area

- ✓ Promote economic programs and incentives to improve the City's economy.

Scope of Agency Operations

New York City Economic Development Corporation (NYCEDC), a nonprofit organization operating under contract with the City of New York, is the City's primary engine for economic development. NYCEDC catalyzes physical transformation across the five boroughs, investing in major infrastructure upgrades, capital projects, and area-wide development projects. NYCEDC manages City-owned properties, while also improving the distribution of goods within and outside the five boroughs by reactivating the City's rail freight lines, food markets, and maritime and aviation facilities. Through New York City Industrial Development Agency (NYCIDA) and New York City Capital Resource Corporation (NYCCRC), NYCEDC helps eligible businesses meet their financing needs for property acquisition, new equipment, renovation, and working capital through low-cost tax-exempt bonds and exemptions and abatements of selected City and State taxes, creating and retaining jobs. The Center for Economic Transformation at NYCEDC works to enhance the City's major business sectors by addressing current challenges faced by industries through analysis of current economic trends; developing strategies and solutions; and implementing programs that help businesses thrive and grow. NYCEDC has launched over 80 initiatives that support entrepreneurship across all industries, help legacy industries like media and manufacturing transition to 21st century business models, and capture a leadership role for the City in emerging sectors like bioscience, green services, and technology.

Critical Objectives

- Attract and retain businesses to produce jobs in the City.
- Encourage investments by City-based businesses and corporations.

Preliminary Performance Highlights

- During the first four months of Fiscal 2012, the New York City Industrial Development Agency (NYCIDA) closed seven projects that are expected to generate \$284.6 million in City tax revenue and create 2,370 jobs over the course of their respective terms. One significant project finalized during this period was for the expansion and creation of Bogopa supermarkets at five locations in Queens, Brooklyn and the Bronx. These were the latest in a series of new or expanded supermarkets that have been created as a result of the City's Food Retail Expansion to Support Health program (FRESH). FRESH was created to increase access to fresh and nutritious food in underserved communities throughout the five boroughs by creating incentives for the establishment and retention of neighborhood supermarkets.
- The New York City Capital Resource Corporation registered no closings during the reporting period.
- Capital expenditures during the four-month period ending October 31, 2011 exceeded \$140 million. In addition to renovations to the South Brooklyn Marine Terminal, improvements were made to the waterfront in Greenpoint, Bush Terminal Park and Hunters Point South. Significant progress was made towards constructing Heritage Field in the Bronx, creating an ice skating rink complex in Prospect Park, building a new recycling facility in South Brooklyn, and replacing a major water siphon between Brooklyn and Staten Island. In the BAM Cultural District, NYCEDC broke ground on the renovation of the Strand Theater Building and began construction of a new Shakespearian theater. Other projects included streetscape work at Queens Plaza in Queens, Hunts Point in the Bronx, and Flatbush Avenue and Bedford Stuyvesant in Brooklyn.
- During the period from July to October 2011, NYCEDC committed more than \$50 million in capital funding for projects it manages on behalf of other City agencies. These commitments leveraged approximately \$29.8 million in additional non-City investment. A substantial agreement from this period included the \$45.5 million funding agreement with an affiliate of Metropolitan Council on Jewish Poverty to construct an assisted living facility in Staten Island that will provide a diverse array of critical medical, social and recreational services for its residents. The project leverages nearly \$19 million in non-City funding.
- NYCEDC's real estate sales and leasing projects totaled \$7.4 million and are expected to create an estimated 1,390 new permanent jobs and 85 retained permanent jobs for a total of 1,475 jobs.
- In August 2011 NYCEDC sold a 1.1 million square foot industrial building located in Sunset Park, Brooklyn to Salmar Properties, LLC for \$10 million. The project will reactivate an 8-story industrial building that has been vacant over a decade for future industrial use, generating up to 400 construction and 1,300 permanent jobs.
- In September 2011 NYCEDC sold the Corn Exchange Building in Harlem



to 125th Street Equities LLC for \$500,000. The purchaser will rehabilitate the currently vacant, historically landmarked building and reconstruct an additional six floors for a total of approximately 31,000 square feet of commercial space. The \$16 million development will generate approximately 90 permanent jobs and 60 construction jobs.

- The City's unemployment rate for the four months ending October 2011 was 8.7 percent, down from 9.2 percent in the four months ending October 2010.

Performance Report

- ✓ Promote economic programs and incentives to improve the City's economy.

Performance Statistics	A c t u a l			T a r g e t		4-Month Actual FY11	4-Month Actual FY12
	FY09	FY10	FY11	Updated FY12	FY13		
<i>New York City Industrial Development Agency projects</i>							
- Contracts closed	10	7	7	*	*	1	7
★ - Projected jobs committed in connection with closed contracts	410	231	1,443	*	*	68	2,370
★ - Total City tax revenues generated in connection with closed contracts (\$ millions)	\$64.7	\$30.5	\$230.5	*	*	\$7.4	\$284.6
<i>New York City Capital Resource Corporation projects</i>							
- Contracts closed	NA	NA	4	*	*	2	0
- Projected jobs committed in connection with closed contracts	NA	NA	639	*	*	600	0
- Total City tax revenues generated in connection with closed contracts (\$ millions)	NA	NA	\$40.0	*	*	\$23.9	\$0.0
Total value of City funding agreements between NYCEDC and third-party entities (\$ millions)	\$225.6	\$246.4	\$71.1	*	*	\$52.5	\$50.3
Third-party investment leveraged as a result of funding agreements (\$ millions)	\$374.9	\$5,133.4	\$376.8	*	*	\$362.3	\$29.8
Occupancy rate of NYCEDC-managed property	91.8%	91.7%	91.7%	*	*	91.7%	94.9%
Total capital expenditures (\$ millions)	\$499	\$575	\$454	*	*	\$129	\$140
★ New private investment related to sale/long-term lease of City-owned property (\$ millions)	\$324.2	\$98.0	\$63.0	*	*	\$4.0	\$7.4
★ Projected jobs created or retained in connection with the sale/long-term lease of City-owned property							
- Permanent jobs	77	1,471	797	*	*	12	1,475
★ - Construction jobs	1,436	531	535	*	*	NA	NA
★ New York City unemployment rate (%)	7.2%	10.1%	8.9%	*	*	9.2%	8.7%
Visitors to New York City (millions) (calendar year)	47.1	45.6	48.7	*	*	NA	NA

★ Critical Indicator "NA" - means Not Available in this report

Agency Resources

Agency Resources	A c t u a l			September 2011 MMR	Updated	4-Month Actual FY11	4-Month Actual FY12
	FY09	FY10	FY11	FY12	FY12 ¹		
Personnel	445	404	403	430	430	381	389
Capital commitments (\$ millions)	\$372.9	\$461.3	\$190.4	\$268.5	\$995.7	\$338.2	\$96.0

¹ January 2012 Financial Plan

"NA" - Not Available in this report

² Expenditures include all funds. January Plan figures reflect modifications in Federal, State, and other non-City funding since the adoption of the 2012 budget.



Noteworthy Changes, Additions or Deletions

- NYCEDC revised four-month Fiscal 2011 data for the number of projected jobs committed in connection with closed NYCIDA contracts, from 64 to 68, and for the amount of City tax revenue generated in connection with NYCCRC contracts, from \$13.5 million to \$23.9 million.
- Four-month Fiscal 2011 data for 'New York City unemployment rate (%)' was also revised, from 9.3% to 9.2%, to reflect updated figures provided by the New York State Department of Labor.

For more information please visit the website at: www.nyc.gov/edc

