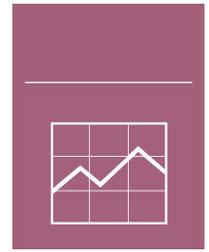


# NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

Kyle Kimball, President



## WHAT WE DO

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, encouraging economic growth throughout the five boroughs by strengthening the City's globally competitive position and facilitating investments that build capacity, create jobs, generate economic opportunity and improve quality of life for all New Yorkers. NYCEDC invests in major infrastructure upgrades, capital projects and real estate development; manages City-owned properties; and works to enhance the City's major business sectors. NYCEDC addresses challenges faced by legacy and emerging industries through analysis of current economic trends, development of strategies and solutions, and implementation of programs that help businesses thrive and grow. Through the New York City Industrial Development Agency (NYCIDA) and Build New York City Resource Corporation (Build NYC), NYCEDC helps eligible businesses meet 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, in order to create and retain jobs.

## FOCUS ON EQUITY

NYCEDC fosters equality of opportunity across New York City by creating quality jobs and access to opportunities in key growth sectors, providing resources for individuals to start and grow their businesses, and leveraging its assets to drive growth and serve as community resources. By connecting employers to communities through economic development projects, NYCEDC leverages the power of City capital and procurement to create high quality employment opportunities for residents. NYCEDC has built a network of incubators providing low-cost space for entrepreneurs in industries including manufacturing, food production, bioscience, clean tech, film and digital. Additionally, NYCEDC launched an incubator in partnership with Lehman College in the Bronx to provide one-on-one business counselling, workshops, seminars, mentorship and subsidized office space to individuals who are traditionally underserved. To foster entrepreneurship among high school students, NYC Generation Tech, a partnership between NYCEDC and the Network for Teaching Entrepreneurship, provides hands-on learning experiences and mentorship for public high school students interested in innovation and technology. And as part of its commitment to Minority, Women, and Disadvantaged-owned Business Enterprises (M/W/DBEs), NYCEDC's Blueprint to Success program offers workshops and individualized assistance to provide owners of M/W/DBE construction firms with skills and knowledge to grow and to qualify as contractors on NYCEDC projects.

## OUR SERVICES AND GOALS

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**SERVICE 1 Invest in the City's physical transformation, including basic infrastructure, area-wide redevelopment, amenities such as schools and parks and transportation resources.**

- Goal 1a Attract businesses and improve quality of life.
- Goal 1b Facilitate private sector investment and make City investments where necessary, generating a positive return for City taxpayers.

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**SERVICE 2 Manage, enhance and leverage City assets to drive growth.**

- Goal 2a Maintain physical assets to keep them in a state of good repair and attract businesses.

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**SERVICE 3 Give businesses and entrepreneurs the tools to be competitive and to help transform and grow the City's economy.**

- Goal 3a Help incumbent businesses transition to new business models, attract new industries and promote entrepreneurship.

## HOW WE PERFORMED

- New York City Economic Development Corporation (NYCEDC) closed on four real estate transactions during the reporting period, all in boroughs outside of Manhattan, generating \$7.1 million in new private investment from land sales and ground leases. In July 2014 NYCEDC sold a 4,200 square foot vacant office building located in the heart of downtown Flushing to a local Queens developer for \$1.5 million. Formerly under the jurisdiction of the Department of Sanitation, the property will be redeveloped into a mixed-use facility, including office space and 4,000 square feet of community space. And, in September 2014, NYCEDC executed a ground lease for the National Lighthouse Museum to occupy a vacant building within the historic Office of Building and U.S. Lighthouse Depot Complex. Located in the St. George neighborhood of Staten Island, the 2,300 square foot site is being reactivated as a museum exploring the maritime history of New York Harbor and of lighthouses across the United States. Projected new private investment from real estate transactions was much lower than in the comparable four-month Fiscal 2014 period when major transactions such as the sale of BAM South and development rights at 50 West Street drove projected new private investment to \$722.5 million.
- Capital expenditures for the period exceeded \$99 million. Substantial progress was made on the New York Harbor siphon and green infrastructure projects, both major initiatives being built on behalf of the New York City Department of Environmental Protection. The Rockaway Boardwalk reconstruction undertaken on behalf of the New York City Department of Parks and Recreation is also well underway. Design has begun on Phase 2 of the Hunter's Point South infrastructure and waterfront park project, which will set the stage for construction of new affordable housing. Also, in mid-September the third phase of the High Line opened to the public, adding a substantial length to the park that will provide pedestrian connections to West 34th Street and the future Hudson Yards development.
- During the first four months of Fiscal 2015, the New York City Industrial Development Agency (NYCIDA) closed 5 projects, which are expected to generate approximately \$40.6 million in City tax revenue and 47 jobs over the course of their respective terms. Projects NYCIDA closed in the reporting period include an Industrial Incentive Program transaction to assist the United New York Sandy Hook Pilots' Association and United New Jersey Sandy Hook Pilots' Association (the "Association") in connection with the construction and equipping of a 15,000 square foot facility located in Staten Island to improve the Association's pilotage services to vessels entering or departing the Port of New York and New Jersey. These metrics are lower than during the same period last year, which included a major closing, Extell GT LLC.
- Build NYC Resource Corporation (Build NYC) closed 8 transactions during the reporting period. Collectively, these projects are expected to generate over \$238 million in City tax revenue and 161 jobs over the course of their respective terms. Build NYC continued to assist various not-for-profit organizations with realizing significant savings through the refinancing of old debt originally used for the construction and renovation of their facilities. These included bond refunding transactions with New York Methodist Hospital in Brooklyn, Q Student Residence/CUNY - Queens College, and UJA-Federation of New York in Manhattan.
- The value of funding disbursed through capital funding agreements exceeded \$56.5 million. Notable highlights include the opening of the Boys & Girls Club of Metro Queens' new facility in Richmond Hill and Community Solutions' acquisition of a building to create a new community center in Brownsville.

## SERVICE 1 Invest in the City's physical transformation, including basic infrastructure, area-wide redevelopment, amenities such as schools and parks and transportation resources.

### Goal 1a Attract businesses and improve quality of life.

Performance Indicators	Actual			Target		4-Month Actual	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
★ Projected new private investment related to sale/long-term lease of City-owned property (\$000,000)	\$432.3	\$331.2	\$6,020.5	\$425.0	\$425.0	\$722.5	\$7.1
Capital expenditures (\$000,000) (excludes asset management and funding agreements)	NA	\$365.0	\$296.3	*	*	\$129.7	\$99.7
Graffiti sites cleaned	13,367	10,727	7,909	*	*	3,533	5,750
Square feet of graffiti removed (000)	4,242	4,078	4,325	*	*	1,715	3,075

★ Critical Indicator "NA" - means Not Available in this report ↓↑ shows desired direction

### Goal 1b Facilitate private sector investment and make City investments where necessary, generating a positive return for City taxpayers.

Performance Indicators	Actual			Target		4-Month Actual	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
New York City Industrial Development Agency projects - Contracts closed	12	20	21	*	*	8	5
★ - Projected three-year job growth associated with closed contracts	1,452	5,348	12,238	2,100	2,100	2,573	47
★ - Projected net City tax revenues generated in connection with closed contracts (\$000,000)	\$302.1	\$576.4	\$1,370.4	↑	↑	\$176.0	\$40.6
- Private investment leveraged on closed projects (\$000,000)	NA	\$1,710.5	\$5,189.0	*	*	\$778.5	\$38.5
Build NYC Resource Corporation - Contracts closed	4	24	21	*	*	10	8
★ - Projected three-year job growth associated with closed contracts	12	491	307	300	300	65	161
★ - Projected net City tax revenues generated in connection with closed contracts (\$000,000)	NA	\$173.6	\$250.9	↑	↑	\$92.8	\$238.2
- Private investment leveraged on closed projects (\$000,000)	NA	\$513.7	\$555.8	*	*	\$286.3	\$230.1
Value of funding disbursed pursuant to City funding agreements (\$000,000)	\$104.8	\$91.0	\$166.3	*	*	\$52.8	\$56.5

★ Critical Indicator "NA" - means Not Available in this report ↓↑ shows desired direction

## SERVICE 2 Manage, enhance and leverage City assets to drive growth.

### Goal 2a

Maintain physical assets to keep them in a state of good repair and attract businesses.

Performance Indicators	Actual			Target		4-Month Actual	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
Capital expenditures on asset management (\$000,000)	NA	\$11.5	\$46.4	*	*	\$18.6	\$13.6
★ Occupancy rate of NYCEDC-managed property (%)	95.0%	95.7%	97.3%	95.0%	95.0%	96.5%	93.8%
Portfolio revenue generated (\$000,000)	NA	\$180.3	\$199.4	*	*	NA	NA
Square footage of assets actively managed by NYCEDC (000)	65,570.3	65,537.1	66,394.3	*	*	NA	NA
Outstanding violations at beginning of the period	NA	55	35	*	*	58	39
Outstanding violations closed during the period	NA	19	23	*	*	30	23

★ Critical Indicator "NA" - means Not Available in this report ↕ shows desired direction

## SERVICE 3 Give businesses and entrepreneurs the tools to be competitive and to help transform and grow the City's economy.

### Goal 3a

Help incumbent businesses transition to new business models, attract new industries and promote entrepreneurship.

Performance Indicators	Actual			Target		4-Month Actual	
	FY12	FY13	FY14	FY15	FY16	FY14	FY15
★ Active Center for Economic Transformation projects managed	55	94	88	100	100	98	100
Innovation Index score (calendar year)	116.7	119.5	124.9	*	*	NA	NA
New York City unemployment rate (%)	9.4%	8.5%	8.2%	*	*	8.7%	7.1%

★ Critical Indicator "NA" - means Not Available in this report ↕ shows desired direction

## AGENCY RESOURCES

Resource Statistics	Actual			Sept. 2014 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY12	FY13	FY14	FY15	FY15 <sup>1</sup>	FY16 <sup>1</sup>	FY14	FY15
Personnel	400	405	411	416	443	443	409	437
Capital commitments (\$000,000)	\$244.4	\$281.6	\$278.2	\$234.0	\$870.6	\$370.9	\$146.3	\$21.1

<sup>1</sup>February 2015 Financial Plan      <sup>2</sup>Expenditures include all funds.      "NA" - Not Available in this report

## NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- Four-month Fiscal 2014 data for the four Industrial Development Agency indicators was corrected to reflect the addition of a significantly large contract that closed during the July to October 2013 reporting period. Projected job growth numbers were revised to 2,573 from 140, City tax revenue to \$176 million from \$41.4 million, and private investment to \$778.5 million from \$41.4 million.
- Four-month Fiscal 2014 data for three Build NYC indicators was revised to reflect updated information. Job growth was revised to 65 from 42, tax revenue to \$92.8 from \$96 million, and private investment to \$286.3 million from \$290.4 million.

## ADDITIONAL RESOURCES

For more information on the agency, please visit: [www.nyc.gov/edc](http://www.nyc.gov/edc).

