

**BROOKLYN COMMUNITY BOARD 6
ECONOMIC/WATERFRONT/COMMUNITY DEVELOPMENT & HOUSING
COMMITTEE**

APRIL 20, 2015

ECONOMIC/WATERFRONT/COMM. DEV. & HOUSING ATTENDANCE

PRESENT:

N. BERK-RAUCH
V. HAGMAN
J. LI

A. DEVENING
V. HERAMIA
R. LUFTGLASS

E. FELDER
A. KRASNOW
D. RAMOS

EXCUSED:

R. BASHNER

ABSENT:

A. ANANTHARAMAN
F. JEAN
M. RACIOPPO
M. SILVERMAN

E. ANDERSON
A. KOZYR
A. SHEFRIN
D. WILLIAMS

K. DEGEER
D. MAZZUCA
S. SHIELLS

GUESTS:

G. FIALA
V. HAGMAN
L. DONALDSON

J. ROYOFF
R. CERVONE

D. MEADE
T. KELLY

*****MINUTES*****

Presentation and discussion with representatives for the South Brooklyn Industrial Development Corporation (SBIDC) on their Red Hook Brownfield Opportunity Area (BOA) grant program initiative.

SBIDC BOA STUDY

David Meade, Executive Director

Andrea Devening, Planning & Revitalization Manager. CB6, EWCDH Committee member.

South Brooklyn Industrial Development Corporation has assisted local businesses, provided job training and placement for almost 40 years. The BOA grant was awarded four years ago, but it was offered with limited funding, which made it difficult to get going. The NY State Department of State worked closely with the City Office of Environmental Remediation on technical assistance for SBIDC.

SBIDC is now in Step 2 of the BOA program. Preliminary investigations from Step 1 were augmented by a Department of City Planning Study (in conjunction with OER) that looked at

potential redevelopment sites and was the basis for the SBIDC study. The primary focus of the study is to look for job production opportunities and to pro-actively encourage those opportunities.

The study looked at economic analysis, area-wide business trends, site contamination, a very specific study of where economic potential is most suitable and possible target sites for development.

Development in Red Hook has a number of important advantages:

- Regional connectivity: Transportation – highways, water based
- Interesting historical studies
- Unique cultural identity
- Waterfront

These community assets point to certain uses (employees?) of light industrial sector:

- Film/production
- Woodworking
- Clean tech
- Food manufacturing (small scale)
- Packing/storage

Question: *How did these industries get selected? (GF)*

The study looked at location of existing businesses. The BOA grant has a steering committee made up of local businesses and stakeholders – who outreached to other businesses to find out what is needed, what should be pursued, where expansion might be accomplished and what kind of businesses are likely to move in. A distinction was made between larger-scale manufacturing spaces and the smaller flexible spaces that lighter smaller start-ups need. The high costs for ground up development are likely to be prohibitive for smaller-scale operations, so the study found that owner-renter relationship is very important.

Business Clusters: Food & Beverage, Wood & Furniture, other small scale “makers”

Comment: *Creative sector could be displacing industrial & distribution sector*

BOA Overview:

There is 5 million SF of industrial space in Brooklyn. Rents in Red Hook are at or above Gowanus & East Williamsburg because of demand. Navy Yards and GMDC have excess demand; emerging sectors are already being priced out of Sunset Park (Industry City); the downward trend in manufacturing has slowed; and interest in new industrial businesses that require a variety of space sizes, is higher.

Firms are looking towards Red Hook. More workers are coming into Red Hook for manufacturing jobs than going out.

Development example: 151 Dwight Street: ground up building. Metal fabrication

BOA Target Sites: 1 publicly owned, the rest are privately owned

The BOA is focusing on small-scale spaces that would be feasible for the smaller scale businesses; particularly start-ups that would bring in new jobs.

Question & Discussion: *What about space for expansion? Expansion space is lacking. Some businesses are integral to the NYC economy and to other, related local industries. These business types should be identified and efforts should be made to retain and grow them. At some point, some businesses that are not critical to be located in NYC might need to expand beyond NYC.*

BOA next steps:

SBIDC will finish Phase 2 in about 2 months. Will return to the committee to present further findings and assessments over the summer.

Update and discussion with representative for Barclays Center on the workforce snapshot, hiring report, recap of recent special events and other topics.

BARLCAYS:

Local Hiring: All union. 2100 employees (up from 2000). 300 full time.

Over the past year (2014):

5% drop in # Brooklyn residents (from 80% to 75%)

1% drop in CB 2,3,6,8 residents (from 31% to 30%)

6% drop in NYCHA residents. (from 28% to 22%) Barclays needs to do more

outreach again to NYCHA residents and plans to work w/tenant groups, NYCHA, churches. The Community Board can work with Barclays. CB6 should invite them to the Youth Fair*

Past and current Barclay's job outreach includes the Red Hook Justice Center; working with City Councilmembers; Opportunities for a Better Tomorrow; Wyckoff Housing.

Barclay's professional development is an excellent training for anyone coming in to the job market.

Economic multipliers: \$250M in direct outside income as a result of Barclays – from one year. (Will check numbers on the outside multipliers (locally) verses economic multiplier internal to Barclays.

Barclay's Net Operating Income was higher in the second year.

Question: *How many employees are first time employees? Is it possible to get that information?*

Other Barclay's related activities:

>Nets Training Facility: Moving to Industry City. 600 FT jobs, 200 union jobs total.

>Forest City Ratner & Partners: Restoring the LIU Paramount Theater.

Minutes submitted by Ariel Krasnow.