

# NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

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## WHAT WE DO

New York City Economic Development Corporation (NYCEDC) is a mission-driven nonprofit organization that strives to create shared prosperity across New York City. NYCEDC is responsible for driving the growth of equitable, sustainable neighborhoods and investing in key industries like technology, life sciences and advanced manufacturing to diversify the City's economy and bring good paying jobs to New Yorkers. NYCEDC invests in communities through major infrastructure upgrades, capital projects and real estate development; manages City-owned properties; and works to enhance the City's major and emerging business sectors. NYCEDC addresses challenges faced by traditional and emerging industries through analysis of current and evolving economic trends, development of strategies and solutions, and implementation of programs that help businesses start, grow and thrive. Through the New York City Industrial Development Agency (NYCIDA), Build New York City Resource Corporation (Build NYC) and the New York City Neighborhood Capital Corporation (NYCNCC), NYCEDC helps eligible businesses and registered nonprofits meet financing needs for property acquisition, expansion, new equipment, renovation and working capital through low-cost, tax-exempt bonds, exemptions and abatements of selected City and State taxes and New Markets Tax Credits.

## FOCUS ON EQUITY

NYCEDC fosters inclusive economic development across all five boroughs by helping to lay the foundations of growth, advancing quality jobs across sectors and promoting access to opportunity. Through investments in community facilities, affordable housing, parks, open space, streetscapes, infrastructure and resiliency projects, NYCEDC works with local communities to create dynamic and accessible neighborhoods across the City.

NYCNCC, a community-development entity administered by NYCEDC, applied for an additional New Market Tax Credit (NMTC) allocation in November 2019 and received notice in July 2020 that a third allocation of \$50 million was granted by the U.S. Department of the Treasury, bringing NYCNCC's total amount awarded through the NMTC Program to \$160 million to support health centers, community facilities, grocery stores and industrial projects in low-income communities.

Through Opportunity M/W/DBE, NYCEDC helps Minority, Women-Owned, and Disadvantaged Business Enterprises (M/W/DBEs) overcome challenges to winning government contracts for public projects. The ConstructNYC program helps small to mid-sized M/W/DBEs in the construction sector pre-qualify for the opportunity to work on NYCEDC projects. NYCEDC's Emerging Developer Loan Fund provides low-interest loans to emerging M/W/DBE developers taking on real estate projects.

A strong network of innovation spaces and programs across the City provide the resources companies need to grow in areas like advanced manufacturing, cybersecurity and digital technology. In addition, NYCEDC's HireNYC program helps connect low income residents to job opportunities created by the organization's development projects.

## OUR SERVICES AND GOALS

### **SERVICE 1 Develop and build physical assets and infrastructure in all five boroughs.**

- Goal 1a Support industry growth by improving the connectivity and livability of neighborhoods and investing in infrastructure and area-wide redevelopment.

### **SERVICE 2 Manage, maintain and enhance City assets to attract businesses.**

- Goal 2a Leverage City assets to support business growth and strengthen communities' economic vitality.

### **SERVICE 3 Provide resources to targeted industries and businesses.**

- Goal 3a Grow and diversify the City's economy by enhancing the competitiveness of industries and businesses.
- Goal 3b Facilitate private sector investments and make City investments where necessary to support business growth and secure a positive return to the City.

### **SERVICE 4 Leverage City investments to support inclusive economic development.**

- Goal 4a Create economic opportunity for New Yorkers through real estate development.

## HOW WE PERFORMED

- Much of NYCEDC's work during the first four months of Fiscal 2021 focused on strengthening the City's COVID-19 response and long-term recovery efforts. One notable highlight was the launch of the Pandemic Response Lab (PRL) in September to increase COVID-19 testing capacity in the City. The PRL is able to process up to 30,000 tests per day, returning more than 90 percent of results within 24 hours, and will support approximately 150 good-paying jobs. NYCEDC is laying the groundwork for the launch of a new Pandemic Response Institute (PRI) dedicated to preparing for future health emergencies and positioning the City as a global leader in research, innovation, and pandemic response. During this period, NYCEDC also continued supplying critical medical supplies to the City through the procurement of approximately 900,000 test kits, 550,000 medical gowns, 3.7 million face shields and 1,670 ventilators. These supplies will help ensure the City and its front-line healthcare workers are well equipped as the effort to combat COVID-19 continues.
- During the first four months of Fiscal 2021, NYCEDC closed two land sales leveraging more than \$266,000,000 in private investment. In Queens, NYCEDC closed on the sale of the JFK North Site to Bartlett Dairy, a minority-owned, family-run local business, for the development of a 54,000 square foot dairy distribution center on a significant portion of the JFK North Site, one of the largest city-owned manufacturing zoned properties. Bartlett Dairy's development of the JFK North Site will provide a permanent home for milk distribution within the five boroughs. Currently, milk distribution occurs in New Jersey and the products are then delivered to New York City by truck. Separately, in Harlem, NYCEDC transferred its interest in a property located at 121 West 125th Street to the City to facilitate a project led by the Empire State Development Corporation to bring the National Urban League back to Harlem, where it was founded 109 years ago.
- Capital expenditures for design and construction projects, with the exception of those related to Asset Management and Funding Agreements, exceeded \$44 million for this reporting period. NYCEDC's work for NYC Health + Hospitals drove expenditures this period, with the construction of Coney Island Hospital accounting for nearly half of total expenditures. Design is also well underway for a new Public Health Lab on the Harlem Hospital Center campus, where demolition of the existing structures is currently underway to make way for this new facility. Numerous other projects have resumed construction, including NYCEDC's Green Infrastructure project; a new facility in the Downtown Brooklyn Cultural District that will house BAM Cinema, MoCADA, 651 Arts and the Brooklyn Public Library; and a new addition to the Manhattan Greenway.
- NYC Ferry ridership exceeded 1.7 million riders during the first four months of Fiscal 2021. Due to COVID-19, ridership on the NYC Ferry system is down 45 percent from the same period last year. NYC Ferry is currently operating with reduced capacity to allow passengers to social distance and safely travel on NYC Ferry vessels. These adjustments to the NYC Ferry service have resulted in significant savings. Despite the extremely challenging operating environment, NYC Ferry continued with route expansions and improvements during the first four months of Fiscal 2021. In August, the East 90th Street stop was added to the Astoria route, providing a new connection between Queens and Manhattan. Additionally, two 149-passenger vessels were added to the NYC Ferry fleet.
- As a result of continued budgetary constraints due to COVID-19, the Graffiti Free NYC program has been suspended. No graffiti sites were cleaned through the Graffiti Free NYC program during the first four months of Fiscal 2021.
- The occupancy rate of NYCEDC-managed property increased slightly to 98.6 percent from 98.4 percent at the end of Fiscal 2020. The stability in the occupancy rate is in part due to NYCEDC's administration of a rent-relief program for tenants particularly affected by COVID-19. In addition, several new small business tenants began leasing space at Brooklyn Army Terminal during the first four months of Fiscal 2021, further contributing to the sustained high occupancy rate. Among the new tenants is Button Down Factory, a garment manufacturer which will use the space at Brooklyn Army Terminal to produce gowns and other personal protective equipment in high demand due to COVID-19.
- The New York City Industrial Development Agency (NYCIDA) closed two transactions during the first four months of Fiscal 2021, including the closing of bond refunding transaction with Yankee Stadium LLC. Together, NYCIDA expects these projects to generate nearly \$100 million in City tax revenue, leverage approximately \$18 million in private investment, and create and retain 147 full-time equivalent jobs within the first three years of their respective terms. The Yankee Stadium transaction will refund NYCIDA-issued 2006 and 2009 PILOT Revenue Bonds that were used to finance the construction of the Yankee Stadium. As a result of this refinancing, stadium workers will now be subject to City Prevailing Wage laws and will see an immediate increase in their wages. NYCIDA benefits were also granted to facilitate Bartlett Dairy's development of the 54,000 square foot dairy distribution center on a significant portion of the JFK Airport's North Site in Queens.

- The value of City capital disbursed through funding agreements for the first four months of Fiscal 2021 exceeded \$5 million. One notable funding agreement executed during this period will finance the development of a more than 30,000 square foot emergency room and cogeneration plant in Staten Island for the Richmond University Medical Center. Once complete, the space will be about double the size of the existing emergency facility and will house more than 40 private treatment rooms, four trauma bays, flood and storm-resistant architecture and will have the capacity to accommodate over 70,000 patients annually. Additionally, the Children's Aid Society began the renovation of a swimming pool, locker rooms and bathrooms at the Dunlevy Milbank Community Center in Harlem, which will result in improved community space for local residents.

## SERVICE 1 Develop and build physical assets and infrastructure in all five boroughs.

### Goal 1a

Support industry growth by improving the connectivity and livability of neighborhoods and investing in infrastructure and area-wide redevelopment.

| Performance Indicators  | Actual             |                       |         | Target |      | 4-Month Actual |         |
|---|--------------------|-----------------------|---------|--------|------|----------------|---------|
|   | FY18               | FY19                  | FY20    | FY21   | FY22 | FY20           | FY21    |
| ★ Private investment leveraged on the sale/long-term lease of City-owned property (\$000,000) | \$1,140.0          | \$1,200.6             | \$100.3 | ↑      | ↑    | \$0.0          | \$266.0 |
| Capital expenditures (\$000,000) (excludes asset management and funding agreements)           | \$233.2            | \$216.0               | \$342.5 | *      | *    | \$36.9         | \$44.0  |
| Graffiti sites cleaned  | 11,090             | 14,236                | 10,557  | *      | *    | 5,706          | NA      |
| Square feet of graffiti removed (000)   | 6,139              | 7,087                 | 5,360   | *      | *    | 2,785          | NA      |
| NYC Ferry - Average monthly ridership   | 341,672            | 472,571               | 413,921 | *      | *    | 772,102        | 425,735 |
| ★ Critical Indicator  | "NA" Not Available | ↑↓ Directional Target |         | * None |      |                |         |

## SERVICE 2 Manage, maintain and enhance City assets to attract businesses.

### Goal 2a

Leverage City assets to support business growth and strengthen communities' economic vitality.

| Performance Indicators                                    | Actual             |                       |          | Target |       | 4-Month Actual |       |
|---|--------------------|-----------------------|----------|--------|-------|----------------|-------|
|   | FY18               | FY19                  | FY20     | FY21   | FY22  | FY20           | FY21  |
| Capital expenditures on asset management (\$000,000)      | \$95.0             | \$67.3                | \$36.1   | *      | *     | \$5.2          | \$1.4 |
| ★ Occupancy rate of NYCEDC-managed property (%)           | 95.0%              | 95.1%                 | 98.4%    | 95.0%  | 95.0% | 99.2%          | 98.6% |
| Portfolio revenue generated (\$000,000)                   | \$237.2            | \$257.9               | \$223.0  | *      | *     | NA             | NA    |
| Square footage of assets actively managed by NYCEDC (000) | 64,923.7           | 65,849.7              | 64,424.1 | *      | *     | NA             | NA    |
| ★ Critical Indicator                                      | "NA" Not Available | ↑↓ Directional Target |          | * None |       |                |       |

## SERVICE 3 Provide resources to targeted industries and businesses.

### Goal 3a

Grow and diversify the City's economy by enhancing the competitiveness of industries and businesses.

| Performance Indicators   | Actual             |                       |       | Target |      | 4-Month Actual |       |
|--|--------------------|-----------------------|-------|--------|------|----------------|-------|
|  | FY18               | FY19                  | FY20  | FY21   | FY22 | FY20           | FY21  |
| ★ Businesses served by industry-focused programmatic initiatives | 1,538              | 1,775                 | 1,585 | ↑      | ↑    | NA             | NA    |
| Private sector jobs in innovation industries (%) (calendar year) | 14.7%              | 14.6%                 | 14.6% | *      | *    | NA             | NA    |
| New York City unemployment rate (%)                              | 4.5%               | 4.2%                  | 7.4%  | *      | *    | 4.2%           | 15.8% |
| ★ Critical Indicator   | "NA" Not Available | ↑↓ Directional Target |       | * None |      |                |       |

**Goal 3b** Facilitate private sector investments and make City investments where necessary to support business growth and secure a positive return to the City.

| Performance Indicators  | Actual             |                       |           | Target |      | 4-Month Actual |        |
|---|--------------------|-----------------------|-----------|--------|------|----------------|--------|
|   | FY18               | FY19                  | FY20      | FY21   | FY22 | FY20           | FY21   |
| New York City Industrial Development Agency projects - Contracts closed                       | 14                 | 7                     | 9         | *      | *    | 4              | 2      |
| ★ – Projected three-year job growth associated with closed contracts                          | 15,201             | 254                   | 4,389     | ↑      | ↑    | 1,301          | 147    |
| ★ – Projected net City tax revenues generated in connection with closed contracts (\$000,000) | \$2,368.7          | \$63.7                | \$1,244.6 | ↑      | ↑    | \$186.4        | \$97.4 |
| – Private investment leveraged on closed projects (\$000,000)                                 | \$7,412.4          | \$163.5               | \$3,368.8 | *      | *    | \$619.8        | \$18.4 |
| Build NYC Resource Corporation - Contracts closed   | 15                 | 17                    | 6         | *      | *    | 3              | 0      |
| ★ – Projected three-year job growth associated with closed contracts                          | 251                | 278                   | 67        | ↑      | ↑    | 11             | 0      |
| ★ – Projected net City tax revenues generated in connection with closed contracts (\$000,000) | \$87.0             | \$297.2               | \$121.4   | ↑      | ↑    | \$54.2         | \$0.0  |
| – Private investment leveraged on closed projects (\$000,000)                                 | \$616.3            | \$1,000.4             | \$252.2   | *      | *    | \$117.3        | \$0.0  |
| Value of funding disbursed pursuant to City funding agreements (\$000,000)                    | \$63.3             | \$128.3               | \$96.7    | *      | *    | \$43.2         | \$5.3  |
| ★ Critical Indicator  | "NA" Not Available | ↑↓ Directional Target | * None    |        |      |                |        |

**SERVICE 4 Leverage City investments to support inclusive economic development.**

**Goal 4a** Create economic opportunity for New Yorkers through real estate development.

| Performance Indicators   | Actual             |                       |        | Target |      | 4-Month Actual |      |
|--|--------------------|-----------------------|--------|--------|------|----------------|------|
|  | FY18               | FY19                  | FY20   | FY21   | FY22 | FY20           | FY21 |
| ★ Project employees reported to be earning a living wage or more (%) | 98%                | 99%                   | 100%   | 95%    | 95%  | NA             | NA   |
| ★ Critical Indicator   | "NA" Not Available | ↑↓ Directional Target | * None |        |      |                |      |

**AGENCY RESOURCES**

| Resource Indicators   | Actual  |         |         | Sept. 2020 MMR Plan | Updated Plan      | Plan              | 4-Month Actual |        |
|---|---------|---------|---------|---------------------|-------------------|-------------------|----------------|--------|
|   | FY18    | FY19    | FY20    | FY21                | FY21 <sup>1</sup> | FY22 <sup>1</sup> | FY20           | FY21   |
| Personnel   | 518     | 535     | 529     | 541                 | 504               | 504               | 538            | 510    |
| Capital commitments (\$000,000)   | \$320.0 | \$397.4 | \$276.4 | \$947.0             | \$781.3           | \$649.0           | \$61.8         | \$57.7 |
| <sup>1</sup> January 2021 Financial Plan. <sup>2</sup> Expenditures include all funds      "NA" - Not Available |         |         |         |                     |                   |                   |                |        |

**SPENDING AND BUDGET INFORMATION**

Where possible, the relationship between an agency's goals and its expenditures and planned resources, by budgetary unit of appropriation (UA), is shown in the 'Applicable MMR Goals' column. Each relationship is not necessarily exhaustive or exclusive. Any one goal may be connected to multiple UAs, and any UA may be connected to multiple goals.

| Unit of Appropriation   | Expenditures FY20 <sup>1</sup> (\$000,000) | January 2021 Financial Plan FY21 <sup>2</sup> (\$000,000) | Applicable MMR Goals <sup>4</sup> |
|---|--|---|-----------------------------------|
| 006 - Economic Development Corporation (OTPS) <sup>1</sup>  | \$115.1                                    | \$114.4   | All                               |
| <sup>1</sup> EDC is contained within the Department of Small Business Services and appropriations are made through that agency. These figures are limited to the City's contribution and planned contribution respectively, to EDC. <sup>2</sup> Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ended June 30, 2020. Includes all funds <sup>3</sup> Includes all funds. <sup>4</sup> Refer to agency goals listed at front of chapter.      "NA" Not Available      * None |  |   |                                   |

## NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- 'Graffiti sites cleaned' and 'Square feet of graffiti removed (000)' are not available, as the program has been paused due to COVID-19 related budget cuts.

## ADDITIONAL RESOURCES

For additional information, go to:

- NYC Ferry:  
<https://www.nycedc.com/project/nycferry>  
<https://www.ferry.nyc/>

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

