

REBUILD, RENEW, REINVENT: NEW YORK CITY'S ECONOMIC RECOVERY

INTRODUCTION

On March 10, 2022, the Economic Recovery Blueprint was released, laying out a five-pronged strategy for accelerating the City's economic recovery from the COVID-19 pandemic and building a stronger, more resilient, and more equitable city.

Through this ongoing work, there are many reasons to be optimistic about the future. More than 850,000 of the private sector jobs lost at the height of the pandemic have recovered, and private sector employment is at over 97 percent of pre-pandemic levels. Tourism and travel numbers have also rebounded more quickly than expected. This summer Times Square pedestrian counts surpassed pre-pandemic levels, and in recent months, New York City has had the highest occupancy and average daily room rates among the top 25 markets. Small businesses have also demonstrated remarkable strength, and the City's growth sectors (from life sciences to the green economy) continue to show momentum.

However, more remains to be done. Some in-person work sectors, such as hospitality and retail, remain below their pre-pandemic size as hybrid work trends are contributing to depressed economic activity in the City's business districts. Inequities existing before the pandemic continue to persist, particularly in the higher unemployment rates experienced by Black and Brown New Yorkers and young men of color, many of whom work in these industries. And while progress has been made on setting the foundation for a more streamlined workforce development infrastructure, the focus in the remainder of Fiscal 2023 will be implementing the vision to connect more New Yorkers, whether they have been more recently disconnected or have faced longer-standing barriers to entry, to quality jobs, in-demand skills, and economic opportunity.

Performance Indicators	Agency	Actual			Target		4-Month Actual ¹	
		FY20	FY21	FY22	FY23	FY24	FY22	FY23
Total private sector employment	EDC	3,865,625	3,532,475	3,808,392	*	*	3,723,341	3,974,471
Unemployment rate (%)	EDC	7.2	12.9	7.2	*	*	8.8	6.0
Labor force participation rate (%)	EDC	59.6%	58.0%	59.3%	*	*	59.3%	60.6%
Net small business starts	EDC	-6,080	-2,420	12,200	*	*	NA	NA

¹Labor market statistics are averages of seasonally adjusted monthly data for the first four months of each fiscal year. Values are preliminary.

RESTART THE CITY'S ECONOMIC ENGINES AND REACTIVATE THE PUBLIC REALM

Included in this effort are initiatives focused on improving the City's public safety and quality of life while investing in the industries to rebuild the cultural public realm economy, like hospitality and tourism. The City works to fortify public safety via a two-pronged approach: reducing crime and cleaning up streets, parks, and other public spaces.

The City continues to attract both domestic and international tourists back to New York City through its tourism organization, NYC & Company, and by promoting New York City as the destination for world-class events and unparalleled recreational capacity.

- In July 2022, The Saturday Night Lights program, an interagency partnership through the New York City Police Department (NYPD), the New York City Department of Youth and Community Development (DYCD), the New York City Department of Education (DOE), and the New York City Department of Parks and Recreation (DPR), was expanded to include 25 additional sites with an additional \$1.25 million investment, providing safe and engaging activities for young people in underserved neighborhoods to have a fun and additionally provide a productive place to gather during traditionally high-crime times on Saturday evenings.
- NYPD partnered with Metropolitan Transportation Authority (MTA) police to increase officer presence on platforms and trains by approximately 1,200 overtime shifts each day, beginning in October 2022. Officers are present at over 300 stations during peak hours. NYPD reports 778 major felony crimes in the transit system in the first four months of Fiscal 2023, a 27 percent increase from Fiscal 2022.
- In September 2022, DPR and the New York City Housing Authority (NYCHA) launched a \$23 million pilot program to improve access to public open spaces and playgrounds, including parks in six NYCHA housing developments: three developments in Queens, two in the Bronx and one in Brooklyn.
- On September 16, 2022 the City announced a \$35 million investment in the design and construction of the Metropolitan Hub (Met Hub) in Queens for Phase one of QueensWay which will convert abandoned railroad tracks into a linear park to make the surrounding community safer, healthier, and greener. The New York City Economic Development Corporation (NYCEDC) will manage the construction in partnership with DPR.
- In October 2022, DPR expanded hours at nine recreation centers across the five boroughs and received \$7.1 million to give New Yorkers greater access to sports and fitness programming, indoor courts, and exercise equipment.
- DOT implemented a nearly two-mile expansion of the “Summer Streets” program in July 2022, extending it for the first time from the Brooklyn Bridge up to East Harlem.
- City agencies and partners hosted over 120 events on the City’s Open Streets and plazas in August along with daily Open Streets operations in all five boroughs.
- The City organized the ‘Rise Up NYC’ concert series providing ten free community concerts across all five boroughs in summer 2022.
- The City continued the bid to host the 2024 Democratic National Convention (DNC) by showcasing New York City’s premiere restaurants, arts scene and nightlife, as well as its convention space, hotels and mass transit.

Performance Indicators	Agency	Actual			Target		4-Month Actual	
		FY20	FY21	FY22	FY23	FY24	FY22	FY23
Streets rated acceptably clean (%)	DSNY	96.4%	89.6%	90.8%	*	*	93.8%	93.5%
Streets rated filthy (%)	DSNY	0.1%	1.5%	0.7%	*	*	1.0%	0.7%
Sidewalks rated acceptably clean (%)	DSNY	96.8%	95.2%	95.4%	*	*	97.3%	95.9%
Sidewalks rated filthy (%)	DSNY	0.1%	0.8%	0.6%	*	*	0.6%	0.6%
Average acceptably clean BID sidewalk ratings (%)	SBS	NA	NA	96.3%	*	*	NA	NA

SUPPORT SMALL BUSINESSES, ENTREPRENEURSHIP, AND A MORE EQUITABLE ECONOMY

Supporting small businesses, boosting entrepreneurship, and creating a more inclusive economy are guiding stars for the City’s future. Ninety percent of the City businesses that closed permanently between April 2020 and March 2021 were small businesses with less than 10 employees. The City has taken several steps to mitigate the impact of the COVID-19 pandemic on small businesses.

- The planned NYC Business Portal was signed into law on October 18, 2022, paving the way for a platform that will offer all required applications, permits, licenses, and other documentation needed to open and operate a business in the City on a single, user-friendly digital interface.
- The Department of Small Business Services (SBS) launched the NYC Business Express Service Team (BEST) on September 7, 2022, comprised of SBS small business advocates, compliance advisors, and experts from City agencies—the team streamlines the many interactions required with City agencies through a single point of contact and provides advice on how to expedite permit and licensing processes and resolve or avoid fines and violations.
- In October 2022, the City announced a partnership with Korean Air and the American Chamber of Commerce in Korea to increase Korean Air’s work with NYC-certified M/WBEs and the creation of internship programs at Korean Air’s offices in Seoul and New York.
- In July 2022, SBS launched two new grant funds (Single District, Citywide) to support small Business Improvement Districts (BIDs) and commercial corridors throughout the five boroughs and provide increased sanitation, maintenance, public safety, marketing, beautification, and events funding for neighborhoods in need.
- SBS awarded a total of \$3.8 million in Avenue NYC and Neighborhood 360° grants for Fiscal 2023 to 24 community-based development organizations (CBDOs) working in low-to-moderate income neighborhoods.
- On September 22, 2022 SBS announced the City surpassed the ten-year OneNYC goal to award \$25 billion in contracts to minority- and women-owned business enterprises (M/WBE) by Fiscal 2025, three years ahead of schedule.

Performance Indicators	Agency	Actual			Target		4-Month Actual	
		FY20	FY21	FY22	FY23	FY24	FY22	FY23
Average processing time (days)	DCWP	3	8	6	*	*	12	3
Number of businesses served by QuickStart	SBS	NA	NA	1,979	*	*	NA	1,226
Number of neighborhoods visited by the SBS Mobile Unit	SBS	NA	NA	17	*	*	NA	16
Number of businesses referred or served by Small Business Resource Network (SBRN)	EDC	NA	4,986	5,514	*	*	NA	1,644
M/WBEs awarded City contracts	SBS	1,539	1,416	1,605	*	*	NA	NA
Share of M/WBE certified firms receiving a contract (%)	MOCS	16.42%	14.38%	14.92%	17.00%	18.00%	NA	NA
Share of LL1-eligible contracts dollars awarded to M/WBEs (%)	MOCS	28.00%	25.30%	22.94%	30.00%	30.00%	NA	NA
Total contract dollars awarded to M/WBEs using the discretionary [Noncompetitive Small Purchase] method (\$000,000)	MOCS	\$83.42	\$75.44	\$109.25	\$150.00	\$200.00	NA	NA
Total contract dollars awarded to disparity-within-the-disparity M/ WBEs (Black, Hispanic, and Asian women) using the discretionary [Noncompetitive Small Purchase] method (\$000,000)	MOCS	\$34.37	\$32.46	\$63.66	*	*	NA	NA

DRIVE INCLUSIVE SECTOR GROWTH AND BUILD A FUTURE-FOCUSED ECONOMY

The City continues to invest in growing burgeoning industries like tech, the life sciences and cannabis for the benefit of New York City’s economy and its residents. These efforts include setting NYC to be a hub for dynamic tech growth, becoming a magnet for innovators in green tech, and ensuring that those most marginalized by previously harmful drug legislation and practices are empowered to be stakeholders in our City’s inclusive growth.

- SBS launched Cannabis NYC on August 22, 2022. Cannabis NYC is an initiative to develop a cannabis industry that creates good jobs, successful small businesses, and opportunities in communities adversely impacted by the war on drugs.
- In September 2022, the City University of New York (CUNY) and NYCEDC announced six CUNY colleges are the initial recipients of \$3.98 million in City funding to train the next generation of professionals for careers in offshore wind and other green economy sectors, and continue building a pipeline from local public colleges to these growing fields.
- Plans for Science Park and Research Campus (SPARC) Kips Bay, a job and education innovation hub driven by a historic partnership from the City and State, were announced in October 2022. SPARC will be a full City block campus that will host space for education and training, research, and operations for three CUNY schools, the Department of Education (DOE), NYC Health + Hospitals (NYCHH), Office of Chief Medical Examiner (OCME), and private sector life sciences companies. It is projected to create 10,000 jobs and \$25 billion in economic impact over 30 years for the City. Most importantly, it represents an innovative new approach to braiding economic and workforce development in the areas of biotech, life sciences, health care, and public health.
- In August 2022, NYCEDC awarded \$26.6 million (\$15 million to City College of New York (CCNY) and \$11.6 million to the Mount Sinai Health System) to support the construction of new facilities that will allow the creation of new life sciences jobs and startups in the city and connect research to industry, and advancing health care and technology through NYCEDC’s \$1 billion LifeSci NYC initiative.
- In July 2022, the City announced the launch of the Film and Television Production Industry Council, a first-ever convening of film and television industry veterans which will advise the City’s production policies and programs to reinforce the City’s place as the top production destination in the world. Additionally, Executive Order 21 was issued which requires a film industry liaison in every City agency as a way to better coordinate with this \$82 billion film and television industry.
- In August 2022, the Department of Cultural Affairs (DCLA) granted \$127 Million in capital funding to more than 70 cultural institutions across the five boroughs. A total of \$5.5 million was awarded to the 52,000-square-foot Universal Hip Hop Museum, and funds were awarded to several Bronx-based cultural organizations, including the New York Botanical Garden, Wave Hill and more.

Performance Indicators	Agency	Actual			Target		4-Month Actual	
		FY20	FY21	FY22	FY23	FY24	FY22	FY23
Program organizations awarded CDF payments	DCLA	987	1,037	1,022	*	*	1,022	1,096
Total financial support provided to qualifying organizations (\$000,000)	DCLA	\$200.2	\$174.2	\$206.0	*	*	NA	NA
Business development qualified leads	EDC	NA	42	55	*	*	NA	28
Business development qualified wins	EDC	NA	6	15	*	*	NA	6
Business development jobs attracted/retained	EDC	NA	NA	8,883	*	*	NA	745
LifeSci NYC Internship program participants	EDC	71	140	137	*	*	NA	18
Square footage of new life sciences space brought online citywide (000)	EDC	NA	NA	481	*	*	NA	0
Film permits issued	MOME	9,180	5,698	8,616	*	*	3,040	3,127

CONNECT NEW YORKERS TO QUALITY JOBS AND IN-DEMAND SKILLS

With so many businesses leveraging their technology assets to develop new ways of doing business during the COVID-19 pandemic, workers in many sectors face challenges, such as how to re-enter the workforce or advance in an economy that requires an ever-changing set of skills. The City’s historically marginalized communities including BIPOC, LGBTQ+ New Yorkers, and people with disabilities were particularly hurt by this challenge. Thus, there is an opportunity to reinvent workforce infrastructure to connect more of the under and unemployed to career pathways that provide family sustaining wages, intra and intergenerational upward mobility.

- On September 12, 2022, DOE announced the Career Readiness and Modern Youth Apprenticeship (CRMYA) program that will connect 3,000 students across more than 50 public schools with paid multi-year apprenticeships. Approximately 500 students will be placed in apprenticeships at companies focused on New York City finance, technology, and business by 2023 to build a path of career-connected learning for public school students.
- The Mayor’s Office of Talent and Workforce Development expanded to work across City government, employers, training providers and talent developers, and philanthropy to deliver a more holistic and industry-informed set of supports for young people, as well as our incumbent workforce looking to train, upskill, or re-skill for jobs in in-demand industries and occupations. In August 2022, the Office created a Future of Workers Task Force to consider and inform every aspect of the City’s strategy for empowering New Yorkers to secure and succeed in family-sustaining careers.
- In October 2022, in partnership with BlocPower, the City expanded the Precision Employment Initiative with a \$54 million investment to connect New Yorkers at risk of gun violence with career readiness and job placement programs.
- Led by the Human Resources Administration (HRA), the City launched the New York City Pathways to Industrial and Construction Careers (PINCC) in August 2022. This \$18.6 million innovative new talent development initiative that will help place nearly 2,300 low-income New Yorkers on the trajectory to careers in two high-growth sectors of the City’s economy over the next three years.
- CUNY launched the Inclusive Economy Initiative on September 22, 2022. This initiative is a \$16 million public-private partnership in campus-industry engagement, advising, and internships for CUNY students to improve career success, with a goal to connect 80 percent of graduates to careers by 2030.
- Beginning in October 2022, the New York Public Library, Queens Public Library, and Brooklyn Public Library partnered with Google, the Best Buy Foundation, and the Joly Family Foundation to allocate approximately \$20 million towards opening dedicated teen spaces in the three systems to provide vital resources and service and play a considerable role in providing resources focused on digital literacy and technology skills.

PLAN AND BUILD FOR INCLUSIVE GROWTH NOW AND IN THE FUTURE

A post-pandemic New York City must adapt in response to dynamic changes in how people choose to live, work, and enjoy the City. A truly inclusive recovery takes a holistic focus; how to build better and faster, how to reach New Yorkers where they are, and how to ensure climate resiliency. This section includes achievements and milestones in guiding the City to a more equitable and vibrant future. Efforts in re-envisioning job hubs, reducing inefficiencies in affordable housing creation, and investing in neighborhoods across the five boroughs are all initiatives this administration will continue to pursue to its greatest ability.

- City Council approved the Resilient Edgemere Rezoning Plan in July 2022. Proposed by the Department of Housing Preservation and Development (HPD), the plan will create 530 new affordable homes in Queens, 35 percent of which will be set aside for affordable homeownership opportunities. The plan includes a new Community Land Trust (CLT) that identifies partners to own up to eight acres of City-owned land, offering new resiliency and coastal protection measures for vulnerable areas.
- In July 2022, NYCEDC unveiled “NYC Ferry Forward,” the vision for a more equitable, accessible, and fiscally sustainable citywide ferry system, which will expand the ferry system to waterfront communities long underserved by mass transit, but be a boon for small businesses in the neighborhoods.
- In September 2022, the City secured \$110 million of United States Department of Transportation (USDOT) funds through the Infrastructure for Rebuilding America program. The funds were granted to Hunts Point Market to strengthen critical freight movement and improve the environment, public health, and quality of life for the Hunts Point community.

- In October 2022, the City, in partnership with the Trust for Governor’s Island, unveiled three finalist proposals under consideration as part of a global competition to create a new, state-of-the-art educational and research institution on Governors Island dedicated to researching, developing, and demonstrating equitable urban climate solutions.
- From July through October 2022, the City worked with private applicants and the City Council to secure the approval of 4403 housing units, at least 2669 of which will be affordable. For example, in October 2022, the City Council approved Halletts North, a project that will create 1,340 homes, including 335 affordable homes, in Astoria, Queens.

NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- Previously published Fiscal 2020, 2021, and 2022 data for ‘Net small business starts’ was updated based on revised calculation criteria.
- ‘Number of businesses served by Small Business Resource Network (SBRN)’ was renamed ‘Number of businesses referred or served by Small Business Resource Network (SBNR)’ to more accurately describe the scope of services provided by the program.
- Previously published Fiscal 2022 value for ‘Number of businesses served by QuickStart’ was revised to reflect the number of unique businesses served.
- Previously published Fiscal 2020, 2021, and 2022 data for ‘Share of M/WBE certified firms receiving a contract (%)’, ‘Share of LL1-eligible contract dollars awarded to M/WBEs (%)’, ‘Total contract dollars awarded to disparity-within-the-disparity M/WBEs (Black, Hispanic, and Asian women) using the discretionary [Noncompetitive Small Purchase] method (\$000,000)’ were revised to reflect updated definitions and calculation criteria.

ADDITIONAL RESOURCES

For additional information on items referenced in the narrative, go to:

- Rebuild, Renew, Reinvent: A Blueprint for New York City’s Economic Recovery:
<https://www1.nyc.gov/assets/home/downloads/pdf/office-of-the-mayor/2022/Mayor-Adams-Economic-Recovery-Blueprint.pdf>