

# 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 New York 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.

NYCEDC helps Minority, Women-Owned, and Disadvantaged Business Enterprises (M/W/DBEs) overcome challenges to winning government contracts for public projects through its Opportunity M/W/DBE program. 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 five boroughs provide the resources companies need to grow in areas like advanced manufacturing, life sciences 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

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### **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.

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### **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.

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### **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.

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### **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 IN FISCAL 2021

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## 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.

NYCEDC executed two land sales in Fiscal 2021 and, operating through the New York City Land Development Corporation (NYCLDC), entered into one ground lease. Collectively, these three transactions leveraged more than \$589 million in private investment. In the South Bronx, NYCLDC facilitated the ground lease of a 103,000 square foot site for the first phase of the Bronx Point development. Once complete, this phase of Bronx Point will transform an underutilized waterfront site into a mixed-use development with 542 permanently affordable homes. The project will also deliver a 50,000 square foot permanent home for the Universal Hip-Hop Museum, an early childhood space run by BronxWorks, local retail space and a publicly accessible esplanade along the waterfront portion of the site. The developer is Bronx Point Owner, LLC, a joint venture partially controlled by a Woman-owned Business Enterprise and the recipient of a predevelopment loan through NYCEDC's Emerging Developer Loan Fund. As the City continues to recover from the COVID-19 pandemic, NYCEDC expects to close more real estate transactions in Fiscal 2022 and beyond that will drive increased private investment across the five boroughs.

Capital expenditures for Fiscal 2021 totaled approximately \$412 million. Over the past year, NYCEDC has continued its capital construction work to improve the quality of life for New Yorkers. Construction is well underway for several economic development projects, including the construction of new ferry landings through our Citywide NYC Ferry service project, new infrastructure in the Lower Concourse area of the Bronx and Hudson Square Streetscape in the West Village. Construction is also progressing for projects undertaken on behalf of other City agencies, including Coney Island Hospital and Public Health Labs for NYC Health + Hospitals, Pier 42 and Manhattan Greenway East Midtown for NYC Parks, the Downtown Brooklyn Cultural Center for the Department of Cultural Affairs and our green infrastructure work throughout Brooklyn, Queens and the Bronx for the NYC Department of Environmental Protection.

NYCEDC's graffiti removal program, Graffiti-Free NYC (GFNYC), was suspended for most of Fiscal 2021 due to COVID-19 related budgetary constraints. The program resumed operations in May, however, and cleaned more than 200,000 square feet of graffiti across nearly 300 sites by the end of June. The GFNYC program will continue rebuilding its cleaning capacities to pre-pandemic levels over the course of Fiscal 2022.

The NYC Ferry system served over 3.7 million riders across six routes in Fiscal 2021. As with other modes of transit, the pandemic and remote work trends continued to impact NYC Ferry service during the year, resulting in a 25 percent decrease in overall ridership from nearly 5 million riders in Fiscal 2020. Nonetheless, NYC Ferry ridership continued to climb over the course of the year and by June was carrying 60-70 percent of typical pre-pandemic ridership. Construction on the St. George ferry landing continued in Fiscal 2021 with the St. George route, Coney Island route and Ferry Point Park landing scheduled for launch in the first half of Fiscal 2022. Another milestone during Fiscal 2021 was the completion of construction of the 38th and final vessel in the NYC Ferry fleet, which is currently the largest passenger ferry fleet in the United States. The increased fleet size will set the stage for continued successful operation and growth of the NYC Ferry system in Fiscal 2022 and beyond.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
★ Private investment leveraged on the sale/long-term lease of City-owned property (\$000,000)	\$798.5	\$1,140.0	\$1,200.6	\$100.3	\$589.1	↑	↑	Down	Up
Capital expenditures (\$000,000) (excludes asset management and funding agreements)	\$217.6	\$233.2	\$216.0	\$342.5	\$412.0	*	*	Up	*
Graffiti sites cleaned	9,861	11,090	14,236	10,557	299	*	*	Down	*
Square feet of graffiti removed (000)	5,720	6,139	7,087	5,360	208	*	*	Down	*
NYC Ferry - Average monthly ridership	NA	341,672	472,571	413,921	312,082	*	*	NA	Up
★ Critical Indicator	● Equity 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.

During Fiscal 2021, the square footage of City assets actively managed by NYCEDC increased slightly to 64.5 million and portfolio revenue generated increased by approximately \$29 million to \$252 million. The occupancy rate at NYCEDC-managed properties also increased slightly to 98.7 percent. The increase in square footage is due in part to the execution of a ground lease for the 103,000 square foot Bronx Point site in the Lower Concourse Neighborhood of the South Bronx. The increase in occupancy rate was driven by leasing activity at Brooklyn Army Terminal (BAT). In Fiscal 2021, NYCEDC also selected a developer for the Made in New York film and TV production hub ground lease at Bush Terminal in Sunset Park, Brooklyn, which is expected to support more than 2,200 permanent jobs and 1,800 additional construction jobs.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
Capital expenditures on asset management (\$000,000)	\$106.9	\$95.0	\$67.3	\$36.1	\$37.1	*	*	Down	*
★ Occupancy rate of NYCEDC-managed property (%)	94.6%	95.0%	95.1%	98.4%	98.7%	95.0%	95.0%	Neutral	Up
Portfolio revenue generated (\$000,000)	\$196.2	\$237.2	\$257.9	\$223.0	\$252.8	*	*	Up	Up
Square footage of assets actively managed by NYCEDC (000)	63,545.9	64,923.7	65,849.7	64,424.1	64,493.8	*	*	Neutral	*
★ Critical Indicator	● Equity 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.

During Fiscal 2021, NYCEDC served 6,200 businesses, primarily through efforts to assist in the City's COVID-19 pandemic response and recovery work. Although the financial constraints brought on by the pandemic limited our ability to run traditional business-support programs, there were notable accomplishments during the reporting period, including local production of personal protective equipment (PPE) and other medical supplies in collaboration with more than 100 local manufacturers and the launch of the NYC Small Business Resource Network (SBRN), which served nearly 5,000 businesses through one-on-one consultations aimed at helping businesses navigate programs to aid in their COVID-19 recovery. Looking ahead to Fiscal 2022, disruption from COVID-19 is expected to have lingering impacts on the current portfolio of business support programs. Nonetheless, NYCEDC remains committed to creating new opportunities to serve as many businesses as possible with a specific emphasis on supporting equitable economic recovery.

New York City's businesses continued to be severely affected by COVID-19 and the NYS on PAUSE order during Fiscal 2021. As a result, the average unemployment rate for the year increased to 13.1 percent, up from 7.4 percent in Fiscal 2020.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
★ Businesses served by industry-focused programmatic initiatives	2,604	1,538	1,775	1,585	6,200	↑	↑	Up	Up
Private sector jobs in innovation industries (%) (calendar year)	14.3%	14.3%	14.3%	14.3%	15.5%	*	*	Neutral	Up
● New York City unemployment rate (%)	4.9%	4.5%	4.2%	7.4%	13.1%	*	*	Up	Down
★ Critical Indicator	● Equity 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.

The New York City Industrial Development Agency (NYCIDA) closed six transactions during Fiscal 2021. Together, these projects are expected to generate over \$170 million in City tax revenue, leverage more than \$30 million in new private investment and create 285 jobs within the first three years of their respective terms. A significant driver of this impact was the closing of two refunding bond transactions for Yankee Stadium and Citi Field. As a result of both transactions, workers at both stadiums will now be subject to and be protected by City prevailing wage laws and will see an immediate increase in their wages. The NYCIDA also closed a transaction under the Food Retail Expansion to Support Health (FRESH) program for a 6,000-square-foot supermarket located within a new mixed-use affordable housing development in Harlem. The store will be operated as a Bravo Supermarket and it will be approximately twice the size of the original supermarket, which the owner has operated in the same location since 1991. The project will expand food access in a neighborhood that is chronically underserved by supermarkets.

Build NYC Resource Corporation (Build NYC) closed 12 transactions during Fiscal 2021. Collectively, these projects are expected to generate more than \$185 million in City tax revenue and leverage more than \$460 million in private investment over the course of their respective terms. Among the new transactions, Build NYC provided financial assistance through tax-exempt bonds to the Committee to Protect Journalists (CPJ) to acquire and furnish a 12,277 square foot condominium unit in a new mixed-use building in Manhattan’s Hudson Yard District, which has served as the organization’s headquarters since 2019. The project will enable CPJ to commit to be headquartered in New York City for years to come while saving on rent costs. CPJ hopes to offer more interactive programming activities at this facility, including press conferences, screenings, panel discussions, receptions and other events. Build NYC also issued tax-exempt bonds to New World Preparatory Charter School for the construction of a 91,300 square foot three-story building to serve approximately 800 students in kindergarten through eighth grade in the Port Richmond neighborhood of Staten Island.

The value of funding disbursed from City funding agreements in Fiscal 2021 exceeded \$82 million. Notable highlights include funding for the construction of a 22,000 square foot cultural center by the Irish Arts Center. Once construction is completed later this year, the new cultural center will provide educational and community programming and is expected to serve 100,000 attendees annually. Separately, NYCEDC closed a funding agreement during Fiscal 2021 to support BioBAT, Inc., a not-for-profit organization created by the Research Foundation for SUNY that converts unfurnished space into wet lab and office space for leasing to life science companies at affordable rates. The funding of BioBAT contributes to the City’s broader objectives of expanding the life sciences industry while growing good paying jobs for local communities.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
New York City Industrial Development Agency projects - Contracts closed	7	14	7	9	6	*	*	Down	Up
★ – Projected three-year job growth associated with closed contracts	252	15,201	254	4,389	285	↑	↑	Down	Up
★ – Projected net City tax revenues generated in connection with closed contracts (\$000,000)	\$64.3	\$2,368.7	\$63.7	\$1,244.6	\$170.3	↑	↑	Down	Up
– Private investment leveraged on closed projects (\$000,000)	\$104.1	\$7,412.4	\$163.5	\$3,368.8	\$31.0	*	*	Down	Up
Build NYC Resource Corporation - Contracts closed	15	15	17	6	12	*	*	Down	Up
★ – Projected three-year job growth associated with closed contracts	419	251	278	67	299	↑	↑	Down	Up
★ – Projected net City tax revenues generated in connection with closed contracts (\$000,000)	\$169.8	\$87.0	\$297.2	\$121.4	\$185.6	↑	↑	Up	Up
– Private investment leveraged on closed projects (\$000,000)	\$564.1	\$616.3	\$1,000.4	\$252.2	\$464.0	*	*	Down	Up
Value of funding disbursed pursuant to City funding agreements (\$000,000)	\$70.9	\$63.3	\$128.3	\$96.7	\$82.1	*	*	Up	*
★ Critical Indicator      ● Equity 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.

As required by the Fair Wages for New Yorkers Act, developers and commercial tenants at projects that receive more than \$1 million in financial assistance from the City or NYCEDC are required to pay their employees a Living Wage, as adjusted by the Office of the Comptroller on an annual basis. These rates will continue to be adjusted annually based on changes in the Consumer Price Index. Among NYCEDC's project portfolio, 99.9 percent of workers on development projects were reported to receive a Living Wage or more in Fiscal 2020, the last year for which data is currently available.

Performance Indicators	Actual					Target		Trend	
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	5-Year	Desired Direction
★ Project employees reported to be earning a living wage or more (%)	95%	98%	99%	100%	NA	95%	95%	NA	Up
★ Critical Indicator	● Equity Indicator	"NA" Not Available		↕↔ Directional Target	* None				

## AGENCY RESOURCES

Resource Indicators	Actual <sup>1</sup>					Plan <sup>2</sup>		5yr Trend
	FY17	FY18	FY19	FY20	FY21	FY21	FY22	
Personnel	531	518	535	529	489	504	501	Neutral
Capital commitments (\$000,000)	\$338.8	\$320.0	\$397.4	\$276.4	\$383	\$781.3	\$1,101	Neutral

<sup>1</sup>Actual financial amounts for the current fiscal year are not yet final. Final fiscal year actuals, from the Comptroller's Comprehensive Annual Financial Report, will be reported in the next PMMR. Refer to the "Indicator Definitions" at [nyc.gov/mmr](http://nyc.gov/mmr) for details. <sup>2</sup>Authorized Budget Level "NA" - Not Available \* None

## SPENDING AND BUDGET INFORMATION

Unit of Appropriation	Expenditures FY20 <sup>1</sup> (\$000,000)	Modified Budget FY21 <sup>2</sup> (\$000,000)	Applicable MMR Goals <sup>4</sup>
006 - Economic Development Corporation (OTPS) <sup>1</sup>	\$115.1	\$129.6	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>City of New York Adopted Budget for Fiscal 2021, as of June 2021. Includes all funds. <sup>4</sup>Refer to agency goals listed at front of chapter. "NA" Not Available \* None

## NOTEWORTHY CHANGES, ADDITIONS OR DELETIONS

- The 'private sector jobs in innovation industries (%) (calendar year)' metric, which was previously derived from data maintained by Moody's is now calculated based on the Quarterly Census of Employment and Wages published by the U.S. Bureau of Labor Statistics. To allow for accurate year-over-year comparisons, prior year numbers were recalculated based on the new data source and have been updated as follows:
  - Fiscal Year 2017 adjusted from 14.7% to 14.3%
  - Fiscal Year 2018 adjusted from 14.7% to 14.3%
  - Fiscal Year 2019 adjusted from 14.6% to 14.3%
  - Fiscal Year 2020 adjusted from 14.6% to 14.3%
- During the first ten months of Fiscal 2021, James Patchett served as NYCEDC President; Rachel Loeb was appointed President on May 11, 2021.
- Equity NYC indicators are identified with a burst (●). These indicators are also reported in the Social Indicators and Equity Report (SIER) and explore the economic, social, environmental, and physical health of New York City across race/ethnicity, gender, location, and income.

## ADDITIONAL RESOURCES

For additional information go to:

- The Social Indicators and Equity Report, EquityNYC:  
<http://equity.nyc.gov/>

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

