

# NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION



## 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, received its third New Market Tax Credit (NMT) allocation from the U.S. Department of the Treasury in the amount of \$50 million in October 2020, bringing NYCNCC's total amount awarded through the NMT 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 provides 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

- NYCEDC continued to support the City's pandemic recovery efforts during the first four months of Fiscal 2022. In September, NYCEDC joined the Mayor and the Department of Health and Mental Hygiene in announcing the selection of Columbia University with key partner CUNY Graduate School of Public Health to launch and operate the Pandemic Response Institute (PRI). The PRI will be dedicated to preparing New York City for future health emergencies and epidemics in an effective and equitable manner, while positioning the City as a global leader in public health emergency response. NYCEDC also announced a \$50 million expansion to the BioBAT at the Brooklyn Army Terminal, a life sciences incubator led by the Research Foundation for SUNY, to expand their lab space and accelerate the development of the life sciences industry in New York City. The \$50 million investment comes as part of the City's \$1 billion commitment to the life sciences industry through NYCEDC's LifeSci NYC program, which will play an integral role in positioning New York City as a global leader in biomedical research and public health.
- During the first four months of Fiscal 2022, NYCEDC closed on one real estate transaction leveraging more than \$215 million in private investment. The transaction consisted of the disposition of development rights to advance 69 Adams, a mixed-use development in the DUMBO neighborhood of Brooklyn. Anticipated to open in the summer of 2023, the 27-story building will include approximately 225 market rate apartments, along with commercial office and retail space on the lower levels. Approximately \$17 million of the proceeds from the disposition of the development rights will fund community improvements, including investment in the nearby York Street Subway Station, PS 307 school enhancements and expanded programming at neighboring public housing developments. The project is expected to create an estimated 448 construction jobs, 362 permanent office jobs, and 22 additional jobs associated with retail and residential spaces.
- Capital expenditures for design and construction projects, with the exception of those related to Asset Management and Funding Agreements, exceeded \$60 million during the first four months of Fiscal 2022. The primary driver of this expenditure was NYCEDC's work for NYC Health + Hospitals on the construction of the Coney Island Hospital. The hospital, which is expected to open in Calendar 2022, will be a state-of-the-art health care facility for the South Brooklyn community and will serve as the closest hospital for approximately 875,000 New Yorkers. NYCEDC also advanced several other capital construction projects, including work related to the Green Infrastructure project, the Citywide Ferry Service, the Manhattan Greenway and the Downtown Brooklyn Cultural District. Design is also well underway for numerous other projects including Lower Manhattan Coastal Resiliency, Orchard Beach, the Harlem River portion of the Manhattan Greenway and the 79th Street Boat Basin.
- NYC Ferry ridership exceeded 2.2 million riders during the first four months of Fiscal 2022 for an average of more than 550,000 riders per month. This represents a nearly 30 percent increase in ridership from the same four-month period during Fiscal 2022 and, as of September, NYC Ferry ridership had surpassed 80 percent of pre-pandemic levels. Also during this period, NYC Ferry expanded its service to all five boroughs with the launch of the St. George route, which connects Staten Island to Battery Park and Midtown West. With its three additional landings, this is the first NYC Ferry route to serve both Staten Island and the Hudson River waterfront. Looking forward in Fiscal 2022, NYC Ferry expects continued ridership growth due to both pandemic recovery and the expansion of its service to Coney Island and Throgs Neck, adding two new landings and one new route to its service offerings.
- The occupancy rate at NYCEDC-managed properties increased slightly to 98.8 percent, up from 98.6 percent at the end of the same four-month period in Fiscal 2021. The increase in occupancy was driven by leasing activity at Brooklyn Army Terminal B, which is now 100 percent occupied. Work is also under way to clear Bush Terminal to make way for the Made in New York Campus, which is expected to begin leasing in Fiscal 2023 and will comprise a 36-acre campus of affordable, best-in-class industrial facilities for garment manufacturing, film and media production and related services and industries. It is expected to support more than 2,200 permanent jobs and 1,800 construction jobs.
- The New York City Industrial Development Agency (NYCIDA) closed two transactions during the first four months of Fiscal 2022. Together, NYCIDA expects these two projects to generate more than \$11 million in City tax revenue and leverage approximately \$17 million in private investment. The Hartland Supermarket transaction, which closed in August, will facilitate the construction of an approximately 10,000 square foot full-service grocery store in Bushwick, providing access to quality and fresh produce to an underserved community. More than 30 full-time equivalent employees will be hired to operate the supermarket and all full-time staff will receive on-the-job training paid for by the supermarket operator. Meanwhile, the Agilitas transaction, which closed in September, will consist of the construction of a 20,600 kilowatt hour

battery storage system in Long Island City. The project will result in more efficient electricity distribution in Queens, a lower cost of electricity, cleaner electricity generation from a reduced reliance on peak generation plants and higher quality of life for communities surrounding electricity generation facilities in New York City, as households closest to these facilities will realize the greatest benefit from fewer emissions and cleaner air.

- Build NYC Resource Corporation (Build NYC) closed five transactions during the first four months of Fiscal 2022. Together, these five projects are expected to generate more than \$55 million in City tax revenue, leverage approximately \$323 million in private investment, and create 145 full-time equivalent jobs within the first three years of their respective terms. Among the new projects is a bond issuance for The SCO Family of Services, a community organization serving children and adults with developmental disabilities. Proceeds of the bonds will be used to finance renovations to two of the organization’s facilities in Queens to be used as SCO’s primary training hubs, visiting spaces for parents and their children in foster care and counseling space. Tax-exempt bonds were also issued to the ICS Foundation, a public charter school operator, to finance the acquisition, renovation, furnishing and equipping of a 28,500 square foot building in Staten Island to serve as the home for Richmond Preparatory Charter School. Once complete, the school will serve students in grades 6 to 12 and will be the first of ICS’s schools to specifically focus on integrating students on the autism spectrum into all classes and activities.
- The value of City capital disbursed through Funding Agreements for the first four months of Fiscal 2022 exceeded \$40 million. In July 2021, funding was disbursed to The Flux Factory, Inc., a collaborative community space for artists, for the acquisition of a new facility in Long Island City, Queens. The site offers sixteen private studio spaces, six shared workspaces, and a 1,400 square foot gallery, which will host more than 75 multidisciplinary events annually. NYCEDC also disbursed funding to Shield of David, Inc., a not-for-profit organization that supports families and individuals with developmental challenges to lead meaningful lives. The funding contributed to the renovation the organization’s Bronx facility, which is expected to be substantially complete by the end of Fiscal 2022.

## 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	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
★ Private investment leveraged on the sale/long-term lease of City-owned property (\$000,000)	\$1,200.6	\$100.3	\$589.1	↑	↑	\$266.0	\$215.6
Capital expenditures (\$000,000) (excludes asset management and funding agreements)	\$216.0	\$342.5	\$428.6	*	*	\$44.0	\$60.3
Graffiti sites cleaned	14,236	10,557	299	*	*	NA	3,208
Square feet of graffiti removed (000)	7,087	5,360	208	*	*	NA	1,023
NYC Ferry - Average monthly ridership	472,571	413,921	312,082	*	*	426,075	552,382
★ 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.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
Capital expenditures on asset management (\$000,000)	\$67.3	\$36.1	\$37.4	*	*	\$1.4	\$6.7
★ Occupancy rate of NYCEDC-managed property (%)	95.1%	98.4%	98.7%	95.0%	95.0%	98.6%	98.8%
Portfolio revenue generated (\$000,000)	\$257.9	\$223.0	\$250.4	*	*	NA	NA
Square footage of assets actively managed by NYCEDC (000)	65,849.7	64,424.1	64,493.8	*	*	NA	NA
★ 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.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
★ Businesses served by industry-focused programmatic initiatives	1,775	1,585	6,200	↑	↑	NA	NA
Private sector jobs in innovation industries (%) (calendar year)	14.3%	14.3%	15.5%	*	*	NA	NA
● New York City unemployment rate (%)	4.2%	7.4%	13.1%	*	*	15.8%	10.0%
★ 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.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
New York City Industrial Development Agency projects - Contracts closed	7	9	6	*	*	2	2
★ – Projected three-year job growth associated with closed contracts	254	4,389	285	↑	↑	147	32
★ – Projected net City tax revenues generated in connection with closed contracts (\$000,000)	\$63.7	\$1,244.6	\$170.3	↑	↑	\$97.9	\$11.1
– Private investment leveraged on closed projects (\$000,000)	\$163.5	\$3,368.8	\$31.0	*	*	\$26.0	\$17.3
Build NYC Resource Corporation - Contracts closed	17	6	12	*	*	0	5
★ – Projected three-year job growth associated with closed contracts	278	67	299	↑	↑	0	145
★ – Projected net City tax revenues generated in connection with closed contracts (\$000,000)	\$297.2	\$121.4	\$185.6	↑	↑	\$0.0	\$55.8
– Private investment leveraged on closed projects (\$000,000)	\$1,000.4	\$252.2	\$464.0	*	*	\$0.0	\$323.6
Value of funding disbursed pursuant to City funding agreements (\$000,000)	\$128.3	\$96.7	\$83.3	*	*	\$5.3	\$41.0
★ 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.

Performance Indicators	Actual			Target		4-Month Actual	
	FY19	FY20	FY21	FY22	FY23	FY21	FY22
★ Project employees reported to be earning a living wage or more (%)	99%	100%	100%	95%	95%	NA	NA
★ Critical Indicator	● Equity Indicator	"NA" Not Available		↑↓ Directional Target	* None		

## AGENCY RESOURCES

Resource Indicators	Actual			Sept. 2021 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY19	FY20	FY21	FY22	FY22 <sup>1</sup>	FY23 <sup>1</sup>	FY21	FY22
Personnel	535	529	489	501	516	516	510	462
Capital commitments (\$000,000)	\$397.4	\$276.4	\$390.6	\$1,100.9	\$1,067.4	\$699.3	\$57.7	\$90.6
<sup>1</sup> February 2022 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 FY21 <sup>1</sup> (\$000,000)	February 2022 Financial Plan FY22 <sup>2</sup> (\$000,000)	Applicable MMR Goals <sup>3</sup>
006 - Economic Development Corporation (OTPS) <sup>1</sup>	\$69.4	\$199.6	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, 2021. 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

- To reflect audited financial statements, NYCEDC updated annual Fiscal 2021 data as follows:
  - 'Capital expenditures (excludes asset management and funding agreements)' from \$412.0 million to \$428.6 million
  - 'Capital expenditures on asset management' from \$37.1 million to \$37.4 million
  - 'Portfolio revenue generated' from \$252.8 million to \$250.4 million
  - 'Value of funding disbursed pursuant to City funding agreements' from \$82.1 million to \$83.3 million
- Fiscal 2021 data for the metric 'Project employees reported to be earning a living wage or more (%)', which was not available when the Fiscal 2021 Mayor's Management Report was published, has been added.

## ADDITIONAL RESOURCES

For additional information on items referenced in the narrative, 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).

For more information on the NYC Ferry, please visit: [www.ferry.nyc](http://www.ferry.nyc).