



# NEW YORK CITY ECONOMIC DEVELOPMENT CORPORATION

## What We Do

New York City Economic Development Corporation (NYCEDC), a nonprofit organization operating under contract with the City of New York, serves as the City's primary engine for economic development and job creation by investing in major infrastructure upgrades, capital projects, and area-wide development. NYCEDC manages City-owned properties and, through the New York City Industrial Development Agency (NYCIDA) and Build New York City Resource Corporation (Build NYC), helps eligible businesses meet financing needs for property acquisition, new equipment, renovation, and working capital through low-cost tax-exempt bonds and exemptions and abatements of selected City and State taxes, in order to strategically encourage private investment and employment opportunities across the five boroughs. The Center for Economic Transformation at NYCEDC works to enhance the City's major business sectors by addressing challenges faced by industries through analysis of current economic trends; developing strategies and solutions; and implementing programs that help businesses thrive and grow.

## Our Services and Goals

**Service 1: Invest in the City's physical transformation, including basic infrastructure, area-wide redevelopment, amenities such as schools and parks, and transportation resources.**

Goal 1a: Attract businesses and improve quality of life.

Goal 1b: Facilitate private sector investment and make City investments where necessary, generating a positive return for City taxpayers.

**Service 2: Manage, enhance and leverage City assets to drive growth.**

Goal 2a: Maintain physical assets to keep them in a state of good repair and attract businesses.

**Service 3: Give businesses and entrepreneurs the tools to be competitive and to help transform and grow the City's economy.**

Goal 3a: Help incumbent businesses transition to new business models, attract new industries, and promote entrepreneurship.

## How We Performed

- During the reporting period new private investment from real estate sales and lease transactions totaled \$722.5 million. In July 2013 NYCEDC sold an approximately 47,000 square foot parcel across the street from the Brooklyn Academy of Music to 20 Lafayette LLC, an affiliate of Two Trees Management Company. The site is currently a parking lot and will be developed into an approximately 350,000 square foot mixed-use development with a public plaza that will be an exciting and beautifully designed addition to the Downtown Brooklyn Cultural District. The 32-story building will include over 300 residential units, 50,000 square feet of community facility space for cultural use, 22,500 square feet of retail space and underground parking, creating approximately 420 construction jobs and 90 permanent jobs.
- Capital expenditures during the reporting period exceeded \$125 million. Significant milestones reached during this quarter include the completion of the Henry J. Carter Specialty Hospital and Nursing Facility on Madison Avenue and East 122nd Street, the first major healthcare facility to open in East Harlem to serve disabled and medically fragile New Yorkers. The hospital is now home to many of the patients that previously resided in the former Goldwater Specialty Hospital and Nursing Facility, which was slated for decommissioning in 2010, allowing for the site to be included in the Applied Sciences NYC competition. In the Downtown Brooklyn Cultural District, NYCEDC completed construction of the new facility for Theater for a New Audience, and the renovation of the Strand Theater in Brooklyn for BRIC and Urban Glass. Design work is well underway for major projects including the replacement of the Rockaway Boardwalk damaged by Hurricane Sandy, and the City's Department of Environmental Protection's green infrastructure initiative throughout Brooklyn and the Bronx. Additionally, construction work continued on the third section of the High Line, expected to open in 2014, and Hudson Park and Boulevard.

- The New York Industrial Development Agency closed seven projects during the July to October 2013 four-month period. The projects are expected to leverage approximately \$33 million in private investment, generate more than \$41 million in City tax revenue, and create 140 jobs within three years of project completion. Included among these recently closed projects is Bogopa LIC, Inc., a supermarket operator that will receive financial assistance through the FRESH Program in order to renovate and operate a 74,000 square foot full-service supermarket in Long Island City.
- During the first four months of Fiscal 2014, Build NYC Resource Corporation closed 10 projects. These projects are expected to leverage approximately \$290 million in private investment and generate \$96 million in City tax revenue. Nine of the 10 recently closed projects represent financings of secondary education and higher education institutions in New York City, such as Manhattan College, Lebanese American University, and the United Nations International School.
- The value of funding disbursed from City funding agreements reached over \$52.8 million. Notable highlights include the opening of BRIC and Urban Glass at the Strand Theater in Brooklyn and the Urban Health Plan Simpson Street Expansion in the Bronx. Additionally, NYCEDC committed to funding approximately \$124 million through funding agreements, including a \$100 million funding agreement for the NYCEDC initiative for Cornell Applied Sciences/ Technion University on Roosevelt Island.

**Service 1: Invest in the City's physical transformation, including basic infrastructure, area-wide redevelopment, amenities such as schools and parks, and transportation resources.**

**Goal 1a: Attract businesses and improve quality of life.**

Performance Indicators	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
★ Projected new private investment related to sale/long-term lease of City-owned property (\$000,000)	\$63.0	\$432.3	\$331.2	\$1,000.0	\$425.0	\$109.4	\$722.5
Capital expenditures (\$000,000) (excludes asset management and funding agreements)	NA	NA	\$365.0	*	*	\$80.7	\$129.7
Graffiti sites cleaned	17,210	13,367	10,727	*	*	4,874	3,533
Square feet of graffiti removed (000)	5,912	4,242	4,078	*	*	1,548	1,715

★ Critical Indicator "NA" - means Not Available in this report ↕ ↗ shows desired direction

**Goal 1b: Facilitate private sector investment and make City investments where necessary, generating a positive return for City taxpayers.**

Performance Indicators	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
New York City Industrial Development Agency projects - Contracts closed	7	12	20	*	*	8	7
★ - Projected three-year job growth associated with closed contracts	270	1,452	5,348	2,000	2,100	217	140
★ - Projected net City tax revenues generated in connection with closed contracts (\$000,000)	\$229.2	\$302.1	\$576.4	↕	↕	\$59.0	\$41.4
- Private investment leveraged on closed projects (\$000,000)	NA	NA	\$1,710.5	*	*	\$230.3	\$32.7
Build NYC Resource Corporation - Contracts closed	NA	4	24	*	*	8	10
★ - Projected three-year job growth associated with closed contracts	NA	12	491	500	525	3	42
★ - Projected net City tax revenues generated in connection with closed contracts (\$000,000)	NA	NA	\$173.6	↕	↕	\$45.6	\$96.0
- Private investment leveraged on closed projects (\$000,000)	NA	NA	\$513.7	*	*	\$82.3	\$290.4
Value of funding disbursed pursuant to City funding agreements (\$000,000)	\$71.1	\$104.8	\$91.0	*	*	\$22.6	\$52.8

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**Service 2: Manage, enhance and leverage City assets to drive growth.**

**Goal 2a: Maintain physical assets to keep them in a state of good repair and attract businesses.**

Performance Indicators	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
Capital expenditures on asset management (\$000,000)	NA	NA	\$11.5	*	*	\$7.9	\$18.6
★ Occupancy rate of NYCEDC-managed property (%)	91.7%	95.0%	95.7%	95.0%	95.0%	95.3%	96.5%
Portfolio revenue generated (\$000,000)	NA	NA	\$180.3	*	*	NA	NA
Square footage of assets actively managed by NYCEDC (000)	57,274.0	65,570.3	65,537.1	*	*	NA	NA
Outstanding violations at beginning of the period	NA	NA	55	*	*	142	58
Outstanding violations closed during the period	NA	NA	19	*	*	59	30

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**Service 3: Give businesses and entrepreneurs the tools to be competitive and to help transform and grow the City's economy.**

**Goal 3a: Help incumbent businesses transition to new business models, attract new industries, and promote entrepreneurship.**

Performance Indicators	Actual			Target		4-Month Actual	
	FY11	FY12	FY13	FY14	FY15	FY13	FY14
★ Active Center for Economic Transformation projects managed	36	55	94	*	120	76	98
Innovation Index score (calendar year)	NA	116.7	119.5	*	*	NA	NA
New York City unemployment rate (%)	8.9%	9.4%	8.5%	*	*	9.2%	8.6%

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## Agency Resources

Resource Statistics	Actual			Sept. 2013 MMR Plan	Updated Plan	Plan	4-Month Actual	
	FY11	FY12	FY13	FY14	FY14 <sup>1</sup>	FY15 <sup>1</sup>	FY13	FY14
Personnel	403	400	405	408	418	418	390	409
Capital commitments (\$000,000)	\$190.4	\$244.4	\$281.6	\$81.4	\$1,064.6	\$50.1	\$119.2	\$146.3

<sup>1</sup>February 2014 Financial Plan      <sup>2</sup>Expenditures include all funds.      "NA" - Not Available in this report

## Noteworthy Changes, Additions or Deletions

- NYCEDC updated its Fiscal 2014 target for the amount of new private investment expected from real estate activity to \$1 billion from \$425 million.
- Four-month Fiscal 2013 data for three Industrial Development Agency indicators was corrected. Job growth numbers were revised to 217 from 117, tax revenue to \$59 million from \$123.6 million, and private investment to \$230.3 from \$221.5 million.
- Four-month Fiscal 2013 data for three Build NYC indicators was also corrected. Job growth was revised to 3 from 19, tax revenue to \$45.6 million from \$47.8 million, and private investment to \$82.3 million from \$95.3 million.
- The average unemployment rate as of October 2012 was updated to 9.2% from 9.7%.

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

