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Report to the Committees on Finance and Economic Development Corporation
on the Fiscal Year 2016 Executive Budget for the

Economic Development Corporation

May 20, 2015

Executive Budget Summary

- **Ten-Year Capital Strategy:** The Executive Ten-Year Capital Strategy for the Economic Development Corporation (EDC or the Corporation) totals approximately $3.4 billion, which is $2.2 billion greater than the Preliminary Ten-Year Capital Strategy of $1.2 billion. Nearly 80 percent of this increase went to Neighborhood Revitalization which saw its allocation rise from the Preliminary Ten-Year Capital Strategy's $410.9 million to $2.1 billion. Other highlights include the addition of $1.2 billion over ten years for infrastructure work related to planned housing development projects throughout the five boroughs, $55 million to construct nine ferry landings for the first phase of the new Citywide Ferry system, $137 million to support public open space and future redevelopment at Governors Island, $150 million for major upgrades at the Hunts Point Food Distribution Terminal in the South Bronx, and $303 million for various development and infrastructure improvements at the Brooklyn Navy Yard.
- **Capital Commitment Plan**: The Executive 2016 Capital Commitment Plan includes $2.6 billion in Fiscal 2015-2019 for the EDC; the agency's Executive Commitment Plan for Fiscal 2015-2019 is 52.9 percent greater than the $1.7 billion scheduled in the Preliminary Commitment Plan, an increase of $904.7 million.
- **Citywide Savings Program**: Along with the Fiscal 2016 Executive Budget, the Office of Management and Budget (OMB) released a Citywide Savings Program that outlines plans to reduce City spending by $589 million in Fiscal 2015 and $465.5 million in Fiscal 2016. To develop the program, OMB asked all agencies to identify efficiencies, alternative funding sources, and programmatic changes that would yield budgetary savings without reducing service levels. The Corporation identified efficiencies totaling $3.4 million in Fiscal 2015. The Trust for Governors Island will achieve efficiency savings of $257,000 by upgrading the water supply infrastructure. The remainder of the savings will come from EDC covering the cost of projects such as East 125th Street property management, Willets Point Relocation

Assistance, Willoughby Square property management, Neighborhood Based Integrated Planning, and Graffiti NYC with agency operating funds instead of City tax-levy funds.

EDC Overview

New York City's economic development programs are largely initiated and managed by two agencies: the Department of Small Business Services (SBS) and the Economic Development Corporation. SBS provides direct technical assistance and services to businesses within the City, encourages participation in the procurement process, administers neighborhood commercial and industrial development, and manages business improvement district programs.

The EDC is funded through a contract with SBS. The EDC works with the private and public sectors on economic development initiatives that revitalize businesses, create jobs, and generate revenues for the City. In addition to corporate attraction and retention efforts, the EDC markets, sells, and leases City-owned commercial and industrial properties; plans and prepares sites for development through infrastructure improvement; carries out capital improvements in neighborhood shopping districts and public spaces; and provides technical assistance to guide projects through the necessary public approval process. The EDC is also involved in property management and development of the City's marine terminals, airports, heliports, rail yards, and industrial parks. Much of the EDC's budget is funded with capital dollars and therefore the majority of this report will focus on the capital budget.

New in the Executive Budget

- **EDC Waterfront Inspections.** The EDC performs water inspection on SBS and EDC properties based on the EDC Inspection Guidelines Manual. These inspections occur every three to five years and result in condition assessments with recommendations and associated cost estimates. The results are used by EDC for the five-year waterfront capital budget. The Executive Plan includes $3 million in Fiscal 2016-2019 for these waterfront inspections.
- **The Mayor's Office of Environmental Remediation (MOER) JumpStart Program.** MOER's JumpStart program will provide funding to City-sponsored sites to pay for environmental investigations and cleanup services. The funding will be used for affordable housing and industrial development. As part of the JumpStart program, MOER will also sponsor enrollment of these funded projects in the State's Brownfield Cleanup Program which will enable access to State brownfield cleanup tax credits. The Executive Plan includes increases of $2.6 million and $2.5 million in Fiscal 2016 and 2017 respectively, as well as decreases of $290,000 and $660,000 in Fiscal 2018 and 2019 for the JumpStart Program.
- **Architectural Scoping Services Consultants.** The NYC Housing Recovery Office (HRO) launched a housing repair program to assist homeowners impacted by Hurricane Sandy. The EDC retained two consultants for architectural scoping services to conduct detailed design assessments of damaged homes and create comprehensive work orders for distribution to participating general contractors. HRO and the consultants have identified complex and varying site conditions that necessitate additional architectural and engineering services. This includes additional program coordination efforts, IT development, feasibility studies, utilities relocations, soil and geotechnical investigations,

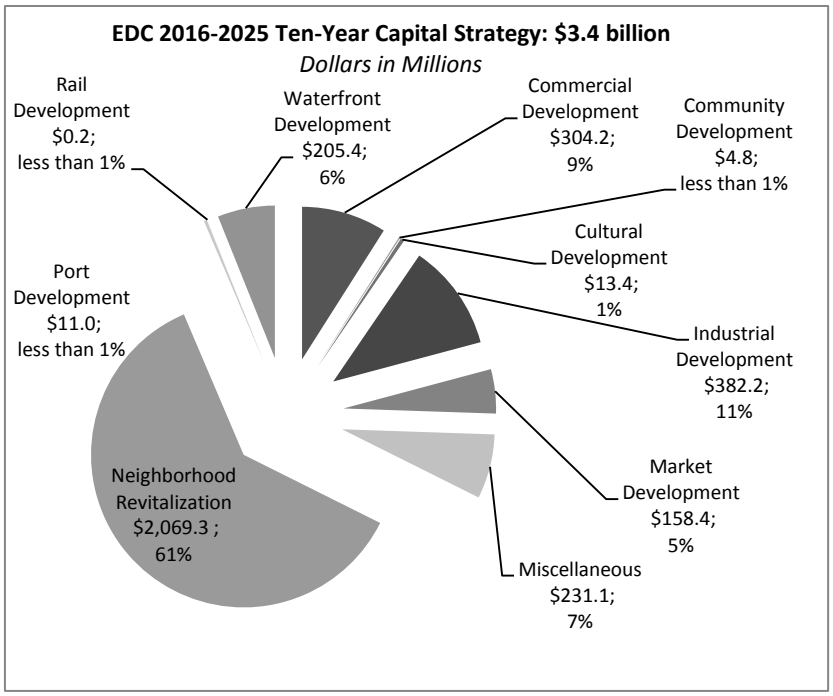
plumbing and mechanical engineering services, and other special analyses as requested. The Executive Plan includes $38.4 million in Fiscal 2015 for the housing repair program.

- **Construction Inspections Services.** As part of HRO's housing repair program to assist homeowners impacted by Hurricane Sandy, the EDC hired a consultant for construction inspection services to conduct interim and final acceptance inspections of rehabilitation work performed at participating homes to ensure conformance with the contract specifications as detailed in the job order. The Executive Plan includes $11.3 million in Fiscal 2015 for the construction inspection program.
- **Hunts Point Lifelines Proposal.** The EDC is working to enhance the Hunts Point Food Distribution Terminal in the South Bronx through continued study, analysis, planning, preliminary design, and stakeholder engagement. The Stakeholder engagement includes, designing and initiating a community working group process that will refine stakeholder resiliency priorities and develop recommendations for the pilot resiliency project as well as additional feasibility studies that align stakeholder priorities and compliance requirements. The proposal components are being further evaluated for financial and technical feasibility, and for design, engineering, and construction of a first phase pilot project that will improve the resiliency of the Hunts Point peninsula. The Executive Plan includes $2.5 million in Fiscal 2016 for the Hunts Point project.
- **EDC Studies.** The EDC is conducting a study in coordination with the Office of Recovery and Resiliency (ORR) that address long-term community planning and rebuilding efforts such as citywide zoning changes and integration of coastal protections in waterfront and local land use planning. The Executive Plan includes $9.5 million in Fiscal 2016 and $596,750 in Fiscal 2017 for this study.
- **NYC Office of the Chief Medical Examiner (OCME) Architect Study.** The EDC, on behalf of OCME, will conduct an architectural study to determine the feasibility of constructing a new OCME facility in Manhattan which will house a morgue, offices, and a wet lab. The Executive Plan includes $20,000 in Fiscal 2015 for this study.
- **Fulton Corridor Revitalization.** Fulton Nassau Crossroads is a streetscape program that was created in the wake of 9/11 to help revitalize the neighborhood surrounding the WTC by improving storefront and façades along Fulton and Nassau Streets. In conjunction with City Planning, the project team developed overall design guidelines for the district in order to achieve an aesthetic of a cohesive "district". The program provides design and construction services to small businesses and building owners. The Executive Plan includes $1.3 million in Fiscal 2015 for this streetscape program.
- **Raise Shorelines Study.** Raise Shorelines is a study that comes from The Special Initiative for Rebuilding and Resiliency (SIRR) Report, which examined the types of shoreline reconstruction that is necessary to provide citywide protection from future flooding caused by elevated sea levels. The Executive Plan includes $4,688 in Fiscal 2015, $14.1 million in Fiscal 2016, $150,000 in Fiscal 2017 and 2018 and $479,688 in Fiscal 2019 for this study. The focus of the work will be on collecting data and conducting analysis to identify ways of hardening exposed shorelines through elements such as armor stone, bulkheads and living shorelines.

EDC Capital Program

Ten-Year Capital Strategy

The Ten-Year Capital Strategy (the Strategy) is created every other year, as prescribed by the City's Charter, and represents the Administration's priorities for maintaining the City's core infrastructure, moving the City's infrastructure towards a state of good repair, and meeting legal mandates. The Strategy is broken out into unique Ten-Year Plan Categories for each City agency which describe the different types of work being done. The Strategy also plays a key role in establishing the planned capital commitments for the City's four-year Executive Capital Commitment Plan, which is a subset of this long-term strategic document.



The Ten-Year Capital Strategy released by the Mayor on May 7, 2015 totals $83.8 billion which is an increase of 23.8 percent from the Preliminary Ten-Year Capital Strategy total of $67.7 billion. Even though the EDC represents only 4.1 percent of the total Ten-Year Capital Strategy it accounts for 13.7 percent of the increase in the city wide Ten-Year Capital Strategy in the Executive Budget. The EDC's Ten-Year Capital Strategy for Fiscal 2016-2025 totals approximately $3.4 billion, with Neighborhood Revitalization receiving the majority of the funding, totaling $2.1 billion. The Corporation's Executive Ten-Year Capital Strategy increased by $2.2 billion as compared to the Preliminary Ten-Year Capital Strategy which totaled $1.2 billion. Of the $2.2 billion increase, a majority of the new funding can be seen in the Neighborhood Revitalization category, which increased by $1.7 billion.

The EDC's capital projects are divided into ten categories as illustrated by the chart above. Each of these categories and their budgets are discussed below.

EDC Fiscal 2016-2025 Ten-Year Capital Strategy											
Dollars in Thousands	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
Commercial Development	$84,826	$16,413	$22,167	$36,528	$37,395	$26,854	$26,198	$22,152	$14,348	$17,325	$304,206
Community Development	1,800	0	0	0	3,000	0	0	0	0	0	4,800
Cultural Development	11,475	0	1,929	0	0	0	0	0	0	0	13,404
Industrial Development	118,910	102,495	29,009	27,140	25,500	15,500	16,809	16,845	15,000	15,000	382,208
Market Development	42,246	55,000	31,155	-	-	-	30,000	-	-	-	158,401
Miscellaneous	169,138	22,534	8,428	7,000	4,000	4,000	4,000	4,000	4,000	4,000	231,100
Neighborhood Revitalization	160,717	507,739	327,239	189,483	327,315	261,706	60,588	113,820	60,324	60,324	2,069,255
Port Development	8,857	2,000	170	-	-	-	-	-	-	-	11,027
Rail Development	-	-	193	-	-	-	-	-	-	-	193
Waterfront Development	69,339	20,498	7,100	14,353	20,874	14,623	13,223	17,658	27,307	433	205,408
Total	**$667,308**	**$726,679**	**$427,390**	**$274,504**	**$418,084**	**$322,683**	**$150,818**	**$174,475**	**$120,979**	**$97,082**	**$3,380,002**
Source: Office of Management and Budget (OMB) Executive Ten-Year Capital Strategy Fiscal Years 2016-2025											

Commercial Development. The Executive Ten-Year Capital Strategy includes $304.2 million to expand the City's commercial base and diversify the City's economy by fostering the growth of new industries and new retail opportunities. The EDC's Executive Ten-Year Capital Strategy for Commercial Development increased by $65.9 million as compared to the Preliminary Ten-Year Capital Strategy which totaled $238.3 million. Notable developments include a new mixed-use neighborhood at Willets Point, which includes transportation infrastructure that will link to the eventual development of the neighborhood.

Cultural Development. In order to preserve and enhance the City's cultural strength as an engine for economic growth, the Executive Ten-Year Capital Strategy allocates $13.4 million for cultural projects. The EDC's Executive Ten-Year Capital Strategy for Cultural Development increased by $11.5 million as compared to the Preliminary Ten-Year Capital Strategy of $1.9 million.

Industrial Development. The EDC markets City-owned real estate to industrial users and works closely with firms to find sites for their expansion and relocation. The Executive Ten-Year Capital Strategy contains $382.2 million for industrial development. The EDC's Executive Ten-Year Capital Strategy for Industrial Development increased by $93.4 million as compared to the Preliminary Ten-Year Capital Strategy of $288.9 million. The Executive Ten-Year Capital Strategy includes infrastructure improvements such as asset repairs at Brooklyn Navy Yard, which houses 330 businesses generating 7,000 jobs, and at Brooklyn Army Terminal. These investments will leverage existing underutilized assets and meet current market demand for small and medium-sized industrial space, while also providing public space enhancements. Other projects include upgrades to the physical plant of the City's industrial parks and city-owned properties such as Bush Terminal.

Market Development. The EDC through various infrastructure improvements preserves and improves the City's markets. The Executive Ten-Year Capital Strategy includes $158.4 million as an ongoing commitment to preserve the markets through various infrastructure improvements. The EDC's Executive Ten-Year Capital Strategy for Market Development increased by $152.3 million as compared to the Preliminary Ten-Year Capital Strategy which totaled $6.2 million. Funding has been set aside for improvements at the Hunts Point Food Distribution Markets in the Bronx, Essex Street Market and La Marqueta in Manhattan.

Miscellaneous. The Executive Ten-Year Capital Strategy contains $231.1 million for resources that do not fall within the previously mentioned categories. These projects include: certain city Council-funded projects, as well as portions of infrastructure support for the Trust for

Governors Island (TGI). The EDC's Executive Ten-Year Capital Strategy for Miscellaneous projects increased by $174.7 million compared to the Preliminary Ten-Year Capital Strategy of $56.4 million.

Neighborhood Revitalization. Of the $2.2 billion increase in the EDC'S Executive Ten-Year Capital Strategy, the majority of the new funding can be seen in the Neighborhood Revitalization category, which increased by $1.7 billion from the Preliminary Ten-Year Capital Strategy of $410.9 million. The Executive Ten-Year Capital Strategy has $2.1 billion planned for neighborhood revitalization. The Executive Ten-Year Capital Strategy invests in infrastructure improvements in Hunters Point South, Coney Island and Stapleton neighborhoods to support economic development and the development of affordable housing. When complete, these neighborhoods will include mixed income housing, retail, and public open space along the waterfront. The Ten-Year Capital Strategy also includes improvements to public areas, including street and sidewalk reconstruction, new public lighting and landscaping, pedestrian and intermodal improvements in mixed-use neighborhoods, as well as various improvement projects throughout the City's Business Improvement Districts. The Ten-Year Capital Strategy also established a Neighborhood Development Fund to help provide for critical infrastructure work for rezoning proposed in neighborhood plans to be developed by the Department of City Planning.

Port Development. The EDC invests in Port Development to increase the City's ability to serve a growing number of passengers and retain and expand tourism-related businesses. The Executive Ten-Year Capital Strategy includes $11 million for improvements at the Manhattan Cruise Terminal. The EDC's Executive Ten-Year Capital Strategy for Port Development increased by $10.2 million compared to the Preliminary Ten-Year Capital Strategy of $800,000.

Waterfront Development. The EDC supports the City's waterfront assets in all five boroughs by providing public and commercial transportation while preserving and expanding recreational spaces for the public along the City's waterfront. The Executive Ten-Year Capital Strategy assigns $205.4 million for waterfront development. The EDC's Executive Ten-Year Capital Strategy for Waterfront Development increased by $7.1 million as compared to the Preliminary Ten-Year Capital Strategy which totaled $198.3 million. The Ten-Year Capital Strategy includes funding for the construction of nine ferry landings for the first phase of the new Citywide Ferry System, as well as investments to fortify the City's waterfront assets against natural disasters.

Capital Commitment Plan

The Fiscal 2016 Executive Capital Commitment Plan includes $2.6 billion in Fiscal 2015-2019 for the EDC (including City and Non-City funds). This represents approximately 2.3 percent of the City's total $57.4 billion Executive Plan for Fiscal 2015-2019. The Corporation's Executive Commitment Plan for Fiscal 2015-2019 is 52.9 percent greater than the $1.7 billion scheduled in the Preliminary Commitment Plan, an increase of $904.7 million.

The majority of the capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. Between Fiscal 2012 and 2014, EDC committed 25.2, 22.8, and 31.2 percent of its annual capital plan respectively. As of February 2015, EDC has only committed $74 million or 14.3 percent of its planned $518.8 million for Fiscal 2015.

EDC 2015-2019 Capital Commitment Plan						
Dollars in Thousands	**2015**	**2016**	**2017**	**2018**	**2019**	**Total**
Preliminary Plan	$870,576	$370,933	$291,620	$89,687	$87,149	**$1,709,965**
Executive Plan	518,775	667,308	726,679	427,390	274,504	**2,614,656**
Change	(351,801)	296,375	435,059	337,703	187,355	**904,691**
Percentage Change	(40%)	80%	149%	377%	215%	**53%**

Source: OMB Fiscal 2016 Executive Capital Commitment Plan

While agencies tend to commit a number of projects towards the end of the fiscal year, historical trends indicate that the EDC will not commit the full amount currently allocated. Therefore, it is assumed that a significant portion of the agency's Fiscal 2015 Capital Plan will be rolled into Fiscal 2016, thus increasing the size of the Fiscal 2016-2019 Capital Plan.

Executive Capital Budget Highlights

The following are some highlighted projects in EDC's Executive 2016 Capital Budget:

- ☑ **Governors Island.** The Fiscal 2016 Executive Capital Plan includes approximately $145 million in City funds in Fiscal 2015-2025 for the management and redevelopment of Governors Island. In Fiscal 2015, the Trust for Governors Island (TGI) committed $40.2 million for design, construction, resident engineering and costs for the park and public open space; rehabilitation of a lift bridge and the Soissons Dock; building stabilization and electrical infrastructure repairs; and construction of a portable water pipe and distribution system. The remaining funds will be used for successive phases of this work and outstanding maritime infrastructure items. EDC does not manage these funds. The funds are reflected in EDC's budget but the TGI manages its own capital budget.
- ☑ **Willets Point Redevelopment.** The Fiscal 2016 Executive Capital Plan includes $145.4 million in Fiscal 2015-2019, with $17.4 million in Fiscal 2015, for the Willets Point Redevelopment. A total of $7.5 million is for infrastructure improvements, $7.8 million is for acquisition and relocation, and $2.1 million is for remediation and technical services. Phase I of the infrastructure work is substantially completed and includes upgrades of existing water mains, reconstruction of a storm sewer, and construction of a new sanitary sewer. Capital funds associated with technical services represent costs related to the preparation of environmental review documents, associated legal fees, urban design work, as well as the preparation of design documents for the Van Wyck Ramp Improvements.
- ☑ **Brooklyn Navy Yard Development Corporation.** The Fiscal 2016 Executive Capital Plan includes approximately $331 million in Fiscal 2016-2025 for the Brooklyn Navy Yard Development Corporation (BNYDC) under a management contract with the City of New York. Of the $331 million, $29.9 million is for Hurricane Sandy related work. City capital funds are used to rebuild the infrastructure and for the development of specific projects in the Brooklyn Navy Yard (the Yard). This work includes building renovation and rebuilding of the waterfront, one of the areas of focus at the Yard. In Fiscal 2016, Phase II will move forward on the one million square-foot, 18-story Building 77 and BNYDC will make an investment in the infrastructure of the Yard's Northern Triangle. Significant waterfront reconstruction and stabilization will also be completed. There are approximately 330

businesses employing roughly 7,000 workers at the Yard. The EDC does not manage these funds. Rather, the funds are reflected in the EDC's budget, however BNYDC manages its own budget.

- ☑ **Hunts Point Food Distribution Center.** The Fiscal 2016 Executive Capital Plan includes approximately $201.7 million for the Hunts Point Food Distribution Center which includes the new $150 million investment announced by the Mayor. The $150 million investment is allocated as follows: $65 million for the Meat Market; $30 million for the Produce Market; $10 million for the Fish Market; $40 million for infrastructure improvements; and $5 million for investments to better link regional growers and producers with New York City consumers. Additionally, work on the Produce Market side tracks began in 2014, and design of the saw tooth platform and lead tracks is expected to be completed in 2015. All work is expected to be completed in 2017. The Hunts Point Food Distribution Center occupies 329 acres and supports 115 private wholesalers that employ over 8,000 people.

  The City was also awarded $20 million in the Rebuild by Design Competition for a separate resiliency pilot project in the Hunts Point neighborhood, and the City allocated an additional $25 million in CDBG-DR funds for resiliency measures. The pilot project will be defined through a stakeholder engagement process commencing in spring 2015.

- ☑ **Brooklyn Army Terminal (BAT).** The Fiscal 2016 Executive Capital Plan includes $106.6 million in Fiscal 2015 to 2017 for new needs related to the redevelopment of this former army supply base into an innovation oriented industrial park. The EDC is charged with the modernization of approximately 500,000 square feet of unoccupied space in Building A, as well as other significant facility-wide improvements at BAT. Early construction work is scheduled to begin in late 2015, and the project is expected to be completed in 2017. The "BAT Phase V Activation Project" is intended to create quality jobs by providing a modern facility for light industrial and manufacturing tenants that will in turn provide long-term employment opportunities to local New York City residents. Funds will also be used for the renovation and upgrade of the BAT Administration Building, a standalone four-story structure within the BAT campus. This 55,000 square foot building was constructed approximately 95 years ago and has sat inactive for decades. As part of ongoing maintenance and upkeep of the property, the EDC plans to renovate and upgrade the building in two phases. Phase I will include a complete abatement of the interior of the building, and Phase II will involve building out basic tenants' needs (HVAC, electrical, etc.) in order to make the space leasable to industrial/manufacturing businesses. Renovations and upgrades are expected to be completed in late 2015.

- ☑ **Stapleton Waterfront Phase II & III.** The Fiscal 2016 Executive Capital Plan includes $97.2 million for Staten Island's new Stapleton Waterfront project. The Homeport, a 35-acre decommissioned U.S. Naval Base in Staten Island, is being transformed into a vibrant, sustainable, and livable addition to the Stapleton community and the Staten Island waterfront in accordance with the community-driven New Stapleton Waterfront Development Plan. After breaking ground in 2013, the Ironstate Development Company is investing $150 million to transform seven acres into a sustainable development of rental housing units and retail stores. The mixed-use project will bring roughly 900 units of housing, 30,000 square feet of ground floor retail, and five acres of new waterfront esplanade to the Stapleton community. The City is investing $32 million for road improvements and a new waterfront esplanade. The remaining $2.2 million is for Phase I capital improvements that include road reconstruction/improvements and the new

waterfront esplanade for the historic Stapleton community. Phase II includes $25 million to initiate construction of new open space, restored tidal wetlands, reconstruction along major connector streets, new storm water systems, and streetscapes. These funds will also allow design for the next phases of public improvements to begin. The remaining $70 million will be for portions of Phases II & III to help with the creation of new open space; realignment and reconstruction of Front Street; new storm water systems; and streetscapes. This investment in infrastructure and open space will lay the foundation for future phases of the project, including new affordable housing units.

- ☑ **Coney Island West.** In Coney Island, the City is making strategic investments in infrastructure to support the existing neighborhood and help spur the development of up to 4,000 units of new affordable and mixed-income housing, as well as neighborhood retail services, and jobs. This redevelopment program will take place on vacant land and parking lots located in areas that were part of the Coney Island Comprehensive Rezoning in 2009, but have since remained undeveloped. Working with agency partners and in close consultation with the local elected officials, EDC has developed a roadmap for the $181 million investment in an upgraded sewer system, new streets with higher grades, and the relocation and enhancement of several City facilities. This allocation of funds builds upon existing capital funds that were budgeted at the time of the rezoning, and was highlighted in the Mayor's housing plan (*Housing New York)*. EDC is now proceeding with the design portions of the upgraded sewer system and new street system, in coordination with various City agencies.
- ☑ **Hunters Point South Phase II.** The Fiscal 2016 Executive Capital Plan includes $114 million for Phases I and II of the infrastructure and waterfront park project. The EDC is managing the design and construction of the Hunters Point South infrastructure and waterfront park. Phase I was substantially completed in 2013. Some key amenities in Phase I of the waterfront park included a maintenance and café building, dog run, basketball court and grass and turf field. Infrastructure in Phase I was built to activate three housing parcels. NYC Housing Preservation and Development (HPD) selected Phipps Houses, Related Companies, and Monadnock to develop the first two mixed-use parcels, and these buildings will be 100 percent affordable with over 900 housing units. The first two buildings broke ground in 2013 and are expected to open in 2015. HPD also selected TF Cornerstone for the third development parcel, which is still in the design phase. The Executive Capital Plan includes approximately $15 million for the remaining portions of Phase I. Phase II of the infrastructure improvements and waterfront park will include new streets, sewer, water main and utility work. The waterfront park will have pedestrian and bicycle pathways, sidewalks, landscape treatment, lighting, seating and site furniture, playgrounds, and other open spaces. Phase II is currently in design, which is expected to be completed in 2015, followed by the start of construction in 2016. The Phase II waterfront park will include key elements such as adult fitness equipment, a kayak launch, and in-water mitigation work. Phase II is expected to support four new mixed-use housing parcels that will be developed by HPD.
- ☑ **Ferry Landings.** The Citywide Ferry System (the System) was announced as part of the Mayor's State of the City Address on February 3, 2015. The System will connect waterfront communities to improve waterfront access, transit equity and resiliency, support residential growth, and promote economic development. Consisting of six routes that will connect 20 landings (nine of them new), the System is projected to support approximately 4.6 million

rider trips per year. Fares on the new service will cost $2.75, the same as a bus or subway ride. The City has dedicated $55 million in City capital funding for floats, gangways, and capital infrastructure needs required to construct the ferry landings. The first three routes (Rockaway, Astoria, and South Brooklyn) will launch in 2017, and the remaining two (Lower East Side and Soundview) by 2018. Existing service on the East River Ferry is expected to continue.

- ☑ **Asset Management & Waterfront Improvements.** The Fiscal 2016 Executive Capital Plan includes over $318.5 million in Fiscal 2015-2025 for waterfront improvements necessary to keep city-owned property in a state of good repair. The funds are used to perform capitally eligible improvements such as substructure and structural repairs to properties citywide. The EDC identifies the needs by performing inspections and submits them in the form of a ten-year plan to OMB. Priority is given to improvements required to life safety systems, lease obligations, preventative measures, and quality of life.
- ☑ **Rockaway Infrastructure Improvements.** The Fiscal 2016 Executive Capital Plan includes $91 million in new needs in Fiscal 2015-2018 to advance implementation of short-term and long-term community development projects in the Rockaways. This will help strengthen healthy, livable, high-quality neighborhoods in the Rockaways by focusing resources in areas such as economic development, resiliency and infrastructure, housing and land use, transportation, culture, tourism and open space.
- ☑ **Sunset Park Infrastructure.** The Fiscal 2016 Executive Capital Plan includes $37.5 million in new needs in Fiscal 2016-2017 for additional infrastructure investment in Sunset Park to help support existing and new modern manufacturing jobs on both city-owned and private sites. This may include new sewer, water and electric subsurface infrastructure improvements, as well as new road base and pavement, curbing, lighting and streetscapes.
- ☑ **Southwest Bronx Infrastructure Improvements.** The Fiscal 2016 Executive Capital Plan includes over $194 million in Fiscal 2016-2021 for infrastructure investments to help spur future investment in the waterfront, open space, public utilities and resiliency to catalyze public and private housing development in a transit-rich area. Public and private investment will result in a restored waterfront, publicly accessible open space, necessary flood resilience measures, and public and private utility service which will allow for the development of public and private sites for mixed-use, affordable housing projects.

EDC Funds

- ☑ **Acquisition Fund.** The Fiscal 2016 Executive Capital Plan includes $75 million in Fiscal 2016-2018 to create a fund that will be used for future land acquisitions to assist in the implementation of City policy priorities. The focus will be on areas that are traditionally underserved or under-invested in order to help stabilize communities through affordable housing development and catalyze future economic growth.
- ☑ **Industrial Fund.** The Fiscal 2016 Executive Capital Plan includes $41 million in Fiscal 2016-2017 to create a fund to help stimulate and subsidize the creation of new industrial space. The fund will include acquisition financing, new market tax credits, mortgage programs, and technical assistance.

- ☑ **Housing Fund.** The Fiscal 2016 Executive Capital Plan includes over $512.1 million in Fiscal 2016-2023 to create a fund dedicated to the infrastructure investments required for potential housing sites to be viable for new development. *Housing New York* set the goal of 80,000 new-construction affordable housing units over ten years, and new production will come from various sources including current and projected City pipelines, as-of-right development, and existing and new Inclusionary Housing areas. Many publicly-owned sites will require new infrastructure investment before development can occur, from physical infrastructure like streets and sewers, to site preparation like remediation or site elevation.
- ☑ **Neighborhood Development Fund.** The Fiscal 2016 Executive Capital Plan includes over $702.7 million in Fiscal 2016-2025 to create a fund dedicated to projects identified through the Department of City Planning's neighborhood plans, incorporating perspectives from across City agencies, local elected officials, community members, and businesses. The fund will supplement the budgets of other agencies to help the City address new needs that will arise from zoning actions. The fund is designed as a broad allocation and future projects will be identified in subsequent capital budgets following the approval of neighborhood plans.

Appendix 1: EDC Fiscal 2016 Executive Budget Actions

	Fiscal 2015			Fiscal 2016		
Dollars in Thousands	City	Non-City	Total	City	Non-City	Total
EDC Budget as of the Fiscal 2016 Preliminary Plan	**$91,918**	**$221,823**	**$313,741**	**$65,944**	**$83,754**	**$149,698**
New Needs						
EDC Waterfront Inspections	$0	$0	$0	$3,000	$0	$3,000
Hurricane Sandy Business Loan and Grant Program	0	5,439	5,439	0	125	125
NYC & Co. Operating Funds	0	0	0	5,000	0	5,000
Mayor's Office of Environmental Remediation (OER) JumpStart Investigations and Cleanups	(290)	0	(290)	2,560	0	2,560
SBS Career Pathways	0	0	0	1,205	4,800	6,005
SBS Existing Business Support	0	0	0	439	0	439
SBS Industrial Business Support	0	0	0	1,500	0	1,500
SBS Neighborhood Business Support	0	0	0	3,854	0	3,854
SBS Online Leasing Tool & Guide	0	0	0	250	0	250
SBS Policy and Communications	0	0	0	77	0	77
SBS Support for Women Entrepreneurs	0	0	0	745	0	745
Subtotal New Needs	**($290)**	**$5,439**	**$5,149**	**$18,630**	**$4,925**	**$23,555**
Other Adjustments						
2014 Hazardous Substance and Petroleum Grant	$0	$53	$53	$0	$0	$0
Arch Scope Funding	0	38,420	38,420	0	0	0
Career Pathways: Revenue Maximization	0	0	0	(320)	320	0
CDM Smith CIS	0	11,294	11,294	0	0	0
CEO Funding	0	0	0	3,549	0	3,549
CIS IBTS FY15	0	2,223	2,223	0	0	0
Collective Bargaining	146	0	146	150	0	150
EDC Community Development Block Grant (CDBG) Funding	0	532	532	0	13,494	13,494
EDC/OCME Architect Study	0	20	20	0	0	0
FTA Revenue Takedown	0	(590)	(590)	0	0	0
Fulton Corridor Revitalization	0	1,300	1,300	0	0	0
FY15 TAA Budget Increase	0	628	628	0	0	0
Efficiency Savings	(3,152)	0	(3,152)	(938)	0	(938)
FY16 City Council January Plan Changes	6	0	6	0	0	0
Gov Island FTA Sandy Sois FY15	0	542	542	0	0	0
Green Building Surplus Rollover	(781)	0	(781)	156	0	156
Heat, Light and Power	143	(213)	(70)	732	(114)	618
Mayor's Office of Housing Recovery Operations (HRO) Funding	0	(19,703)	(19,703)	0	37,000	37,000
Intra City Funding	0	564	564	0	0	0
NYC & Co Funding Reallocation	(488)	0	(488)	488	0	488
NYC EDC - The Inspection of Wat	0	760	760	0	0	0
Mayor's Office of Environmental Remediation (OER) Funding	0	923	923	0	0	0
One Stop Waterfront Permitting	0	132	132	0	125	125
Pavement Management System	0	195	195	0	0	0

Dollars in Thousands	Fiscal 2015			Fiscal 2016		
	City	**Non-City**	**Total**	**City**	**Non-City**	**Total**
Raise Shorelines EDC CD	$0	$5	$5	$0	$14,117	$14,117
SBS Benchmarking Help Center	(207)	0	(207)	0	0	0
SBS Cool Roofs Program Funding	(782)	0	(782)	173	0	173
SBS Small Business First Reallocation	(229)		(229)	229	0	229
TGI Water Payment and Infrastructure Upgrade	(337)	0	(337)	(545)	0	(545)
EDC Staff Time	0	353	353	0	187	187
Subtotal Other Adjustments	**($5,680)**	**$37,438**	**$31,758**	**$3,674**	**$65,129**	**$68,803**
TOTAL All Changes	**($5,970)**	**$42,877**	**$36,907**	**$22,303**	**$70,054**	**$92,357**
EDC Budget as of the Fiscal 2016 Executive Plan	**$85,948**	**$264,700**	**$350,648**	**$88,247**	**$153,808**	**$242,055**

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Appendix 2: EDC Budget Actions since Fiscal 2015 Adoption

	Fiscal 2015			Fiscal 2016		
Dollars in Thousands	**City**	**Non-City**	**Total**	**City**	**Non-City**	**Total**
EDC Budget as of the Fiscal 2015 Adopted Plan	**$85,438**	**$61,224**	**$146,662**	**$48,171**	**$42,050**	**$90,221**
New Needs						
Advanced Solar Power programs with CUNY	$57	$0	$57	$57	$0	$57
Building Performance Study	619	0	619	0	0	0
EDC Clean Technology Incubators	2,503	0	2,503	575	0	575
NYC @ Co Reserve Funding	2,000	0	2,000	0	0	0
Mayor's Office of Environmental Remediation (OER)-Affordable Housing Bonus Cleanup Grants	330	0	330	440	0	440
Mayor's Office of Long-Term Planning and Sustainability (OLTPS) Funding	2,795	0	2,795	2,795	0	2,795
SBS Funding Adjustment	150	0	150	150	0	150
Minority and Women-owned Business Enterprise (MWBE) Funding	1,595	0	1595	1,470	0	1470
Mayor's Office of Environmental Remediation Brownfield Incentive Program (OER BIG) Funding	0	0	0	1,925	0	1925
Mayor's Office of Environmental Remediation (OER) JumpStart Cleanups and Investigations	(290)	0	(290)	2,560	0	2560
Small Business First	1,663	0	1,663	3,080	0	3,080
TGI Electricity	650	0	650	676	0	676
EDC Waterfront Inspections	0		0	3,000	0	3,000
Hurricane Sandy Business Loan and Grant Program	0	5,439	5,439	0	125	125
NYC & Co. Operating Funds	0		0	5,000	0	5,000
SBS Career Pathways	0		0	1,205	4,800	6,005
SBS Existing Business Support	0		0	439	0	439
SBS Industrial Business Support	0		0	1,500	0	1,500
SBS Neighborhood Business Support	0		0	3,854	0	3,854
SBS Online Leasing Tool & Guide	0	0	0	250	0	250
SBS Policy and Communications	0	0	0	77	0	77
SBS Support for Women Entrepreneurs	0	0	0	745	0	745
Subtotal New Needs	**$12,073**	**$5,439**	**$17,512**	**$29,798**	**$4,925**	**$34,723**
Other Adjustments						
1-4 Family Insurance Study	$0	$950	$950	$0	$0	$0
AKRF EAS	0	300	300	0	0	0
BLGP Loan & Grant	0	18,000	18,000	0	0	0
Bus Workforce Program	0	7,824	7,824	0	0	0
CSX Locomotive National Clean	0	1,000	1000	0	0	0
EAS - Berger and Parsons	0	100	100	0	0	0
FY15 NEG Parks (ISRP) & Admin	0	6,396	6,396	0	0	0
PS Adjustments	139	0	139	177	0	177
Small Firm Assistance Rollover	0	1,817	1,817	0	0	0
Take the HELM	0	273	273	0	0	0
Total FY 13, 14 EDC FEMA Need	0	2604	2604	0	0	0
Business Prog Planning Admin	0	288	$288	0	0	0

	Fiscal 2015			Fiscal 2016		
Dollars in Thousands	**City**	**Non-City**	**Total**	**City**	**Non-City**	**Total**
CD Transfer for Non-Union Employees	$0	$4	$4	$0	$5	$5
Connect NYC	0	1636	1636	0	0	0
FY15 TAA Budget	0	787	787	0	0	0
Hudson Yards Park Block 4	0	2,394	$2,394	0	0	0
KPMG Accrual	0	65	65	0	0	0
Minority and Women-owned Business Enterprise (MWBE) Disparity Study	(1,500)	0	(1500)	1,500	0	1500
2014 Hazardous Substance and Petroleum Grant	0	53	53	0	0	0
KAM & OMEGA Asbestos Amendment		5,652	5,652	0	0	0
Career Pathways: Revenue Maximization	0	0	0	(320)	320	0
CDM Smith CIS	0	11,294	11,294	0	0	0
CIS IBTS FY15	0	2,223	2,223	0	0	0
EDC/OCME Architect Study	0	20	20	0	0	0
FTA Revenue Takedown	0	(590)	(590)	0	0	0
Fulton Corridor Revitalization	0	1,300	1,300	0	0	0
FY15 TAA Budget Increase	0	628	628	0	0	0
Green Building Surplus Rollover	(781)	0	(781)	156	0	156
Heat, Light and Power	143	(213)	(70)	732	(114)	618
NYC & Co Funding Reallocation	(488)	0	(488)	488	0	488
NYC EDC - The Inspection of Wat	0	760	760	0	0	0
One Stop Waterfront Permitting	0	132	132	0	125	125
Pavement Management System	0	195	195	0	0	0
Raise Shorelines EDC CD	0	5	5	0	14,117	14,117
SBS Benchmarking Help Center	(207)	0	(207)	0	0	0
SBS Small Business First Reallocation	(229)	0	(229)	229	0	229
TGI Water Payment and Infrastructure Upgrade	(338)	0	(338)	(545)	0	(545)
Collective Bargaining	266	28	294	268	24	292
EDC Staff Time	0	353	353	0	234	234
Mayor's Office of Environmental Remediation (MOER) Funding	(4,810)	1,605	(3,205)	4,810	0	4,810
NYC Housing Recovery Office (HRO) Funding	0	25,434	25,434	0	37,000	37,000
Arch Scope Funding	0	38,945	38,945	0	0	0
EDC Efficiency Savings	(3,152)	0	(3,152)	(938)	0	(938)
RISE Program	0	4,916	4,916	0	11,200	11,200
SBS Cool Roofs Funding	(682)	0	(682)	173	0	173
City Council Member Items	(418)	0	(418)	0	0	0
Intra City Funding	0	17,902	17,902	0	0	0
CEO Funding	490	0	490	3,549	0	3,549
Funding for Resiliency Programs	0	433	433	0	382	382
Hurricane Sandy Related Funding	0	7,224	7,224	0	0	0
Insurance	0	830	830	0	0	0
Coastal Protection Planning	0	10,160	10,160	0	29,430	29,430
Community Development Block Grant (CDBG) Funding	0	24311	24,311	0	14,110	14,110

Dollars in Thousands	Fiscal 2015			Fiscal 2016		
	City	**Non-City**	**Total**	**City**	**Non-City**	**Total**
Subtotal Other Adjustments	**($11,566)**	**$198,037**	**$186,472**	**$10,279**	**$106,833**	**$117,112**
TOTAL All Changes	**$507**	**$203,477**	**$203,984**	**$40,076**	**$111,758**	**$151,834**
EDC Budget as of the Fiscal 2016 Executive Plan	**$85,947**	**$264,700**	**$350,647**	**$88,247**	**$153,808**	**$242,055**

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