



September 19, 2019

Dear Council Member Menchaca:

We are in receipt of your letter which provides specific suggestions and a constructive path forward for Industry City and, more importantly, for the residents and businesses that comprise the Sunset Park Community. We look forward to creating a legally binding framework to secure their implementation.

From the beginning of the effort to reactivate Industry City, you have sought to forge a process with outcomes that benefit all of Sunset Park. You have also sought to resolve critical issues now rather than waiting until the end of the process while pointing out the flaws in ULURP. And, like those of us at Industry City, you have worked to create economic opportunities that benefit Sunset Park and honor its legacy as a great working-class neighborhood, while also acknowledging that there are market forces and many as-of-right development options that could take the project in a very different direction. Your letter is an important culmination to that effort.

On that note, it is clear to me that you and I desire the same outcome for what the reactivation of Industry City could and should mean for Sunset Park. In fact, that's what motivated me to join the Industry City team six years ago, after a decade leading the largest resurgence of manufacturing in New York City since the 1950's. I firmly believed that with the right conditions, the great success achieved at the publicly owned Brooklyn Navy Yard could be replicated by the private sector.

Now, five years after we initially discussed our redevelopment plan with you, I believe that we have made significant strides towards achieving goals important to the future of Sunset Park. Since that time, with \$400 million invested (including \$100 million spent for goods and services at local businesses):

- Employment has grown dramatically from fewer than 1900 people working here in 2013 to nearly 8,000 people working here today;
- The number of entrepreneurs realizing their dreams and the number of businesses creating opportunities here has spiked from 150 to more than 550; and
- Today there is more manufacturing taking place at Industry City than at any time in several decades.

And to ensure that the benefits stay close to home, with your support and in partnership with a number of community-based organizations and academic institutions, we created Innovation Lab – the first privately initiated job training and business support center in New York City. As you noted in your presentation to the community Monday, the Innovation Lab has had some positive results and working together we can do even more.

Today, more than half of the IC workforce lives in Brooklyn and one in every five people who work at Industry City live in Sunset Park.

While I am proud of these achievements and appreciative of the role you and a number of other area stakeholders have played in creating these results, I am confident that the regulatory changes sought through a rezoning create an opportunity to achieve significantly greater results working together that are sustainable in the long-term.

That is why Industry City has agreed to adjust our vision to more fully align with the one you articulated in your letter. At your request, we now commit that we will support:

- Removal of hotels from the Special Permit that we are seeking;
- Establishment of a mechanism to ensure the provision of an irreducible amount of space restricted for industrial uses within the proposed Special District;
- Establishment of a manufacturing hub managed by a mission-driven non-profit; and
- Further restriction of the total amount and location of retail uses within the proposed Special District.

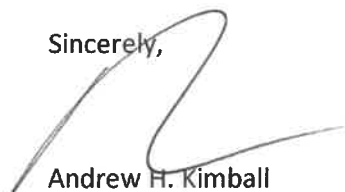
We also agree to your request that we are fully prepared to negotiate and execute a legally binding Community Benefits Agreement with a community-based organization with support of the appropriate City agencies on the following:

- Establishing a public technical high school and adult education center at Industry City;
- Expanding and enhancing the Innovation Lab to connect more Sunset Park residents to jobs, support worker cooperatives, and provide training and research around green manufacturing;
- Establishing a manufacturing hub that is managed by a mission-driven non-profit to ensure industrial businesses—including those focused on climate resilience and adaptation—have long term access to space and support in Sunset Park;
- Promoting existing Sunset Park businesses through the tenancing process, and establishing programs to incentivize Industry City tenants to source locally;
- Providing Industry City roof space to expand the Sunset Park Solar Cooperative; and
- Providing support for tenant organizing, education and advocacy efforts in Sunset Park.

Finally, we agree that the challenges currently confronting Sunset Park reach far beyond Industry City and our ability to fully resolve these issues. And, we are confident that the policies in place by our current administration and our City Council will lead to important investments in education, housing, community services and infrastructure that will benefit the Sunset Park Community. The leadership of Industry City has and will continue to advocate for such public investments.

We very much appreciate your thoughtful leadership and look forward to continuing to work with you throughout the review process which we believe will start on Monday, September 23, 2019 with certification of our application by the City Planning Commission.

Sincerely,



Andrew H. Kimball
CEO