

June 21, 2021 - Minutes: CB7 Economic Development/Waterfront Committee

https://www.youtube.com/watch?v=tbAxG_OKoUc

Meeting on the north end of the Made in NY Campus

Dan Murphy - Bush Terminal is the waterfront property between 1st Ave and from about 41st to 52nd

Julie Stein [starts the presentation](#)

- Review of what EDC is and what its job is
- Review of EDC's Sunset Park Portfolio (8:30)
- Around 2015, CM Menchaca and EDC changed the relationship between Sunset Park and EDC
- Review of EDC properties in Sunset Park (9:10)
- EDC manages the properties "strategically" primarily as "industrial anchors," review of "Core Four" strategy
- Creating additional public access to the waterfront is also key (11:00)

Review of South and the North Campus - the South Campus will be under ground lease with Steiner Studios; North Campus is multi-tenanted campus

Review of the MiNY Campus announcement (12:25)

- Announced in 2017
- Review of MiNY campus components
- [North Campus components](#)
- Unit A - garment manufacturing hub
- Light manufacturing as well
- Streetscape improvement and plazas created
- New projects - Eastern Effects and Pier 6 rehabilitation

[Review of renderings](#) of the MiNY North Campus, as well as images of the current rehabilitation work ongoing on the North Campus

- We had been hoping to be further along but paused due to Covid
- Garment Manufacturing HUB - RFEI released in November, 2019 - space related to R&D and workforce training; expect a selection later this calendar year; the hub will house between 20 and 25 businesses, small and contract and proptype designers and manufacturers, as well
- Tenants - the first deals are all tenants that are coming from other places in South Brooklyn
- Building C - could be garment, could be other types of light manufacturing; it is being upgraded as well to change truck traffic and improve pedestrian safety
- Streetscape and public realm improvements are underway as well, more public space; a core plaza area will be created, "MiNY Lane" will be built, and street trees will be added - construction has not yet started but it will be beautiful and will be great public access

- [Review of project schedule](#); Garment Hub underway, substantial completion in June, 2022; Unit C will start next month, finish in March 22, public realm will start in July 2021, and will be completed in August 2022
- We set MWBE goals for all projects - the current rate of awards is 79 percent

[New project - Eastern Effects lease](#) in building D on the campus

- Has been in the works for a little bit of time
- Eastern Effects is Brooklyn-based company; it lost its site due to the Gowanus remediation work; City Hall directed EDC to provide a home to Eastern Effects; this will be approved by the EDC Board tomorrow
- They are located in the SWBIDC
- Unit D - 20 year lease, 70,000sf new building, two sound stages, and support space, possible some roof space
- Mean preservation of up to 300 Brooklyn full-time jobs
- This was where "The Americans" was shot
- Will use HireNYC program, living wage requirement
- EDC will be designing and constructing the facility, it will be a city asset

[Pier 6 project](#)

- Westward extension of 42nd street; rehab the pier like Pier 4; public access, public walkway access, fishing, maritime like tie ups for boats, parking, and eco-pier, if feasible, "a living edge" on some of it
- Public engagement will start later in the year

[Other North Campus sites](#)

- Will continue to be used as they are
- Administration building - occupied by two sets of artists; maybe another arts-related lease on floor 2
- Unit B - tenanted with light manufacturing, that will continue for that use
- Pier 7 - habitat restoration
- Cafe building - tried to get a food use but requires more investment to make it happen
- Round House is deteriorated; PowerHouse in deteriorated condition; Pier 5 was seen as an eco-pier, that could happen in the future

[Review of the Sunset Park Task Force evolution](#)

- First public meeting is tomorrow; we are implementing changes; we have opened up membership to the public; quarterly applications for the first year; another round of applications in the fall; SBIDC and CB7 are helping with reaching out concerning applications; a new webpage will be put up, we are incrementally making changes;

[Questions and Answers](#)

- Joan B - I am so delighted to see something positive coming to Sunset Park
- Nick A - Estimated usable life of buildings (JS: it will prolong their life); questions about heating systems and the city's sustainability goals such as Local Law 97; question about

- protection from storm surge (JS: the buildings are being fortified for wet and dry flood protection, electric services will be moved up); question about stormwater (JS: We are doing what is required for retention on site, we will comply with Appendix G); anything that can reduce stormwater will be appreciated; question about tenancy - is there interest from garment businesses in this location? (JS: We are seeing quite a high demand for the space from folks in the NH and South Brooklyn; and 25 and 50 percent pre-leased; small spaces are in quite high demand, we have a variety of floor plates that are available; between 13.50 and 27 dollars depending on the space; we don't provide TI - tenant improvements - we provide rent credits; for smaller tenants, we encourage the Workforce1 Center; we try to encourage local hiring; garment hub will be 211,000sf)
- John D - Encouraged that you're using BAT as a model for pedestrianization; We go down there with the family; ask you to consider a wider pedestrian walkway on Pier 6; limit the ability to drag race and do donuts down there, that is an issue on Pier 4; question about sidewalk and draining improvements (JS: SP capital infrastructure project is still underway); comment about stairs vs. ramps to help with strollers
 - Cynthia G - How many parking spaces? Metered? (JS: starting the Pier 6 design process now; Steiner has its own parking; we are in the process of figuring that out)
 - Pat R - President of the Boricua Committee - any plans for outdoor entertainment space so we can have more community events? (JS: We are thinking more broadly about more multi-use spaces; we are really excited about how to use public space for pop-up events); It would be great to consider it;
 - John S - Jobs in Unit A? (JS: I can try to look it up; about 1,000 on the North Campus between Units A, B and C, not including D, Eastern Effects); Garment jobs in A? (JS: I don't have the math in front of me); New vs relocated Unit A jobs? (JS: I don't know how many are net new); How many jobs would be relocated from Manhattan (JS: I don't know how many from each location, but we are doing leases with Brooklyn-Based businesses; meant to be primarily manufacturing); cost of Eastern Effects (JS: 60 million); North Campus cost: 218 + 60 million; Pier 6 cost? (JS: 30 million); so we are at \$308 million in city funds; Eastern Effects jobs relocated vs. new (JS: the facility here is larger than Gowanus, but we expect most of that to be relocated); did EDC meet with any local elected officials about Eastern Effects before the lease? (JS: A lot of folks that are supportive of the project; there have been meetings over time; this had broad support especially from the Gowanus community; Radhy - the elected officials that represent this area have been kept in the loop)
 - Danny M - the garment space is being built by you for manufacturing (JS: contract manufacturing; some will go to prototype designers, but it's for manufacturing, not office); Will it go to the Public Design Commission? (JS: Yes); is it standard to bring in elected officials into the process? (JS: We are generally in touch with elected officials about all the work we are doing, this project among them; but EDC and Eastern Effects did they negotiation; but we are in touch with all elected officials about our projects);
 - Cindy V - what kinds of maritime uses do you anticipate at Pier 6? (JS: Pier 4 is an example of what to expect, excursion vessels and Dock NYC is an example; we are looking to a food use on campus, but it is hard to support a robust food business because many people bring their lunch); how does this fit into the broader garment

industry in NY? (JS: contract manufacturing is a big business in Sunset Park; we expect this to serve the legacy industry in NY, and following sustainability trends and last-mile customization)

- Jeremy - Pier 5 was in the original park plan
- Nick A - question about dollars per square foot; estimated ROI? (JS: ROI isn't the right way to think about it); will you recoup the initial monetary infusion by the time you are recouping costs? (JS: We do subdivisions, more than the market, we make decisions that are more mission-driven); I want to make sure it doesn't become a money sink in 20 years (JS: There has been disinvestment for a long time, significant deferred maintenance)
- John S - Eastern Effects rent? (JS: 1.12 million in the first year, stepping up from there, gets to 95 percent of fair market); that seems less than Steiner Studios (JS: They are very different lease structures, so you can't compare the two);

Comments from Scott Levy and Laura Gahrah from Eastern Effects

- Were at 270 Nevins St.
- It will become a city parking lot, part of the overflow sewage tank project;
- We have a long history; founded in 1999; Chris Hayes and Laura operate the business; now we operate all over Brooklyn; we were 40 full-time employees before the pandemic; we signed a 20 year lease with EDC; we have various relationships we have supported and we are honored to be staying in Brooklyn and to be relocated... (comments continue)
- Laura: working with BWI since 2006; discussion of other hiring programs used; have worked with SBIDC and Fifth Avenue Committee;
- Steve: Our company and customers employees is 250-300 jobs (studio staff), plus our 40; high-paying, union labor, work done on sight
- [Comments from Micaela Skoknic from SBIDC](#) - we are thrilled that Eastern Effects is coming; we have helped EE hire people; we are here to support keeping industrial manufacturing within the district

New Business proposal

- John Santore introduces two resolutions concerning Made in NY Campus;
- Discussion concerning the resolution

Resolution language approved by the Committee passed:

Resolution 1

RESOLVED: EDC should work with CB7 and the Sunset Park community to discuss and develop future plans for other portions of the North Campus, including Pier 6, the Power House and the Round House, in a public and transparent manner.

Resolution 2

RESOLVED: Every local elected official at the city, state and federal level should comment on the leasing program for the Made in NY North Campus as soon as possible.

Cindy V - will help get a meeting set up this fall about workforce development and the inclusion of people with disabilities

John S - conversation about creating an email list for the Committee; he agrees to send a proposal to Jeremy