



Robert Rodriguez
Chair

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Economic Development Committee

September 9, 2008

Community Board 11 Office

1664 Park Avenue

New York, NY 10035

Present: Chester Asher, Frank Brija, John Brown, Donna Breuger, Diane Collier, Judith Febbraro, George Figueroa, Garry Anthony Johnson, Amie Kiros-Petrucci, Marina Ortiz, Daniel Perez, Derrick Taitt, Matthew Washington, Jose Galarza

Absent: Nadir Aslam, Rafael Merino, Kyndell Reid, Hilda (Candy) Vives-Vazquez, Bernard Dixon

Excused: Jim Greene

Guest(s): Brian Armstead, Jessica Armstead

Discussions:

ZAB Board & Zone Certifications

Committee Chair Johnson spoke with Debbie Quinones (ZAB – CB11 Representative) and Sandra De Leon (East Harlem Zone Coordinator) regarding duties and processes of the Empire Zone. As a result a summary was submitted to the committee which details what the Empire Zone is, does and how it benefits East Harlem.

No official committee report was presented so questions were raised regarding the frequency of reports. The committee chair stated that he would honor the resolution that was passed at an earlier meeting and that a schedule which patterned the quarterly meetings of both the ZAB and UMEZ meetings would be set up for updates. In addition, Sandra De Leon would be invited to an upcoming meeting so that ZAB issues could be discussed in further detail.

UMEZ Report

Staff stated that a request for financial information had been sent to UMEZ's Accounting department. The request was for a spreadsheet which listed where money was disbursed with a breakdown by district. The request was sent the week of September 2 and UMEZ confirmed receipt of the request. More information is expected in the next few weeks.

Committee members suggested that the report also look at the financial information over a number of years (5) in order to properly assess trends and patterns. Other issues that they felt should be investigated included a breakdown of how much of their operating budget is spent on administrative costs.

The committee wondered if some self-evaluation on UMEZ had been done and what the results were. Staff will contact UMEZ to see if any such evaluation had been done and if the committee could get a copy. With UMEZ's sunset approaching in 2009 the committee wanted to clarification on whether it would indeed sunset in 2009. Staff will follow up on the issue with UMEZ.

In keeping with the resolution passed at an earlier meeting, the committee wanted to ensure that official updates were given by the CB11 representative (Robert Rodriguez) on UMEZ. Committee Chair Johnson stated that he would be asking the representative to be prepared to give an update at October's meeting.

East River Plaza

Committee Chair Johnson requested an update on major projects in East Harlem that had a substantial Economic Development impact. One of these projects is the East River Plaza development. Staff circulated a letter that was sent by Chair Rodriguez to the developers of East River Plaza. The letter essentially stated that the original hiring commitments stated in the Memorandum of Understanding (MOU) are not being met and encouraged them to get more aggressive in reaching the targets. Some new hiring commitments were also requested within the letter.

While the committee generally agreed with the sentiment of the letter they were concerned that the letter was sent without any committee approval. The committee also stated that since we still hadn't received a response to a letter that was sent in March it appeared that their lack of response indicated an unwillingness to comply with the requests. The committee felt that the Chair of the board should follow up with a call in order to get a response.

Harlem Park Office Tower

The development of an office tower at the corner of 125th Street and Park Avenues is another project that has major economic development ramifications. This project has gone through some major changes. The committee was informed that the building size had been decreased to 14 storeys. In addition, the financing and leasing for the building are in flux as it appears that their major tenant, Major League Baseball Networks, has apparently pulled out, placing the viability of the project in jeopardy, and therefore no immediate construction is expected.

The committee was concerned on how these problems would affect the IDA benefits that this project had received. This then lead to a discussion on the IDA and the incentives that they provide as well as concerns with the process. Staff committed to looking into this issue in more detail.

East 125th Street Development

The committee was informed that the East 125th Street Development Community Taskforce had selected developer “E” as their recommendation. The selection was agreed upon by a unanimous vote and a letter detailing the rationale for the selection was sent to NYC EDC. The taskforce expects to hear back from NYC EDC on Thursday, September 11, 2008. Designation of the developer still has not been made but is expected to be completed in Mid-September. City Council is expected to vote on the development sometime in October.

Committee members asked to be given more information and expressed disappointment that the development teams still had not been identified. Committee members also wanted to see what impact the housing commitments made as part of the 125th Street rezoning would have on the East 125th Street development. The committee was also unclear on the role and LDC would play in this development and suggested that more discussions with the LDC planning team may be required, especially if they would be playing a part in the crafting of a Community Benefits Agreement.

New Business

Main Street Program

Marina Ortiz stated that her employer – HOPE Community Inc – is working with DHCR to administer the Main Street Program. The program offers grants for façade improvements - \$200,000 in grants are available. She thought that this was a small but important economic development tool for East Harlem small businesses. She offered to coordinate a presentation for the committee at an upcoming meeting.

Announcements

Gran Piatto D’Oro

Amie Kiros-Petrucci announced that the Gran Piatto D’Oro would be having a grand opening on September 24th and extended an invitation to all board members.

Supermarkets Town Hall

The Supermarkets Town Hall will be taking place on September 24th. More details are available on the Community Board 11 website – www.cb11m.org.

Adjournment

A motion to adjourn was made by Diane Collier and seconded by George Figueroa. The motion passed with a unanimous vote.