

New York City Economic Development Corporation
Testimony of Interim President & CEO Jeanny Pak

New York City Council, Committee on Economic Development
Executive Budget Hearing – Economic Development
May 29, 2026

Introduction

Good afternoon, Speaker Menin, Chair Maloney, and members of the Economic Development and Finance Committee.

Well, we are back here again...and I'm still here! My name is Jeanny Pak, and I *continue* to serve as the Interim President and CEO of New York City Economic Development Corporation, as well its Chief Financial Officer. I am here today with my chief of staff, Jennifer Montalvo.

In the two months since I last testified before you at the Preliminary Budget Hearing, EDC has continued advancing our work to make our city more affordable and livable. Together with the Mayor and Deputy Mayor Su, EDC is reimagining economic development with a focus on economic growth that both expands the economic pie for all New Yorkers and ensures the pie includes and elevates working people who have previously and historically been left behind.

Before I jump into our projects, I want to zoom out quickly and give a sense of where our economy is. Despite continued national and international headwinds, New York City's economy remains resilient. Labor force participation is at an all-time high, real estate and citywide vacancies continue to improve, venture capital investment in our city reached its strongest quarter in five years and the city continues to attract more college graduates, with one in four New Yorkers, or 2.1 million residents, who live in NYC between the age of 18 and 34.

Yet, we know we are continuing to face real challenges as well as the increasing pressure of affordability. We know that far too many New Yorkers feel the city they love is becoming more and more unaffordable. For this reason, EDC takes a forward-looking approach to economic growth and development. We will continue to use every tool in our toolbox to build a more economically just New York City.

Today, I'll use my time to share a handful of updates on work that has seen significant progress since March. These initiatives are advancing Mayoral priorities on affordability and represent major wins for the city and working people.

Public Groceries

Mayor Mamdani has been clear: the working people of this city should be able to afford the basic needs and services this city has to offer. And that includes healthy food and groceries. Today, as a result of rising costs of rent, gas, bills and food, more and more New Yorkers can't afford everyday healthy groceries. Making sure working people can buy fresh, affordable groceries is a key part of the mayor's affordability agenda. In March, I shared that EDC was working closely with the administration on the public groceries initiative to increase food access to fresh, healthy food at a price New Yorkers can afford. That work has continued and intensified and has led to two major announcements (to date) with concrete milestones toward realizing this vision.

In April, I stood with the Mayor in East Harlem as he announced La Marqueta as the first site for N.Y.C. Groceries. As one of the city's six Public Markets operated by EDC, La Marqueta supports more than 20 small businesses and 120 workers, including restaurants, art vendors, and community organizations. Now as a future Manhattan site for N.Y.C. Groceries, La Marqueta will further benefit the East Harlem community by offering affordable food to working-class New Yorkers. The 9,000-square-foot store will be constructed from the ground up, with significant community outreach and input to ensure it reflects the diverse cultures of El Barrio and is expected to open in 2029.

And just last Monday, I joined the Mayor again—this time in Hunts Point in the Bronx—to announce the second N.Y.C. Groceries store. This one will be at The Peninsula, the redeveloped site of the former Spofford Juvenile Detention Center. EDC is leading the transformation of the site into a campus of dignified living— a place where working Bronxites can afford to live, work and play. The Peninsula development includes 740 units of 100% affordable housing, a childcare center, 30k sq ft for commercial, light industrial businesses providing good paying jobs, and over 50k sq ft for community, cultural and recreational open space. With this new N.Y.C. Grocery store, they will now have access to healthy affordable food right in their backyard. This 20,000-square-foot store will be the first N.Y.C. Groceries site to open, expected by the end of 2027.

Along with The Peninsula, the Mayor also announced an online portal for private property owners to recommend sites for future N.Y.C. Groceries stores in Brooklyn, Queens, and Staten Island. The portal—created by EDC—will support early identification and screening of potential sites and inform next steps and timeline for the three other N.Y.C. Groceries locations.

I'm incredibly proud of EDC's work on the N.Y.C. Groceries initiative. This is what public investment should look like-- making sure that benefits and the prosperity of our city reach working people who need it most. Beyond our long-term stewardship and advancement of the sites where these two stores will be located, our team has been working tirelessly to develop this initiative and ensure that the basic needs of working people and families are met.

Public Restrooms

In March, I shared that EDC had released an RFP for modular restrooms across the city to expand access to public bathrooms—one of the Mayor's first-100 days commitments. This \$4 million pilot program will make sure that more New Yorkers will have more access to public bathrooms. Bathrooms are basic public infrastructure, and access to them should be easier. We anticipate an update on the RFP soon.

Housing

EDC views housing production as essential economic infrastructure. Affordable housing enables workers and New Yorkers to live near jobs, to raise their families, build roots in the community; it supports economic mobility, and underpins neighborhood vitality across the five boroughs.

But today New York City is facing an existential affordability and housing crisis. As the Mayor has said, New York cannot remain a city of opportunity if the people who make this city run are priced out of it.

At EDC we are advancing affordable housing development across the city, and that includes going after the structural costs that are driving up the price of housing. Insurance is one of those, with the price of insurance tripling since 2017. This April, we announced the first city-backed insurance program to help New Yorkers stay in their homes, give building owners the support they need to make repairs, and building affordable housing more affordable.

The insurance program will reduce the cost of property and liability insurance for affordable and rent-stabilized housing. EDC is partnering with HDC and HPD to develop and execute the insurance program, which aims to issue new insurance policies for 20,000 units of housing next year and 100,000 homes by 2030. Additionally, the City expects a 5-7x return measured in City capital subsidy savings. Lower insurance costs help to increase property-level income, which supports larger property-level loans and reduces the subsidy capital required in new construction and preservation deals.

This program uses the City's purchasing power to lower insurance premiums for affordable housing and rent stabilized apartments, helping our investments reach more New Yorkers and is a key part of the city's housing plan.

World Cup

Finally, in just 13 days, our city will welcome the world for the 2026 FIFA World Cup. As I am sure you have all seen, the Mayor has been making a number of announcements to activate our city during the 39-day tournament, ensuring working people, New Yorkers and tourists alike enjoy all that the five boroughs have to offer. And EDC continues to play a big role. From free fan fests, watch parties and fan zones at our public markets and our biggest

campuses, including the already announced Staten Island University Hospital Community Park, and more locations to be announced very soon – to the “Dress the City” campaign that will show off Host Cities soccer jerseys, inspiring New Yorkers to get into the game, EDC is working tirelessly to ensure the world cup kicks goals for working people this summer. I know some of you are ferry riders, and I hope you all get the chance to see our five wrapped NYC Ferries, which we unveiled last week, each with a borough-specific wrapping, showcasing the energy, diversity and pride of our city. They will be on our harbor this summer as part of the World Cup festivities.

The World Cup is a tremendous opportunity for us to promote New York City as a place to live, visit, and conduct business. As I said in March, this is a rare moment to show a global audience of tourists, companies, investors, and delegations that there is no better place to do business than New York City.

Conclusion

As I mentioned, these are just a couple of EDC’s most notable highlights.

Across all of our work, we are proud of our partnership with the City Council to improve the lives of our neighbors, increase affordability, expand opportunity, and ensure New York City remains a global hub of business, culture, and innovation.

I want to thank you for the opportunity to speak with you today and we welcome any questions you have.

New York City **Economic Snapshot**

May 2026 – Part 2



New York City Economic
Development Corporation

Dear NYC Partner,

As the entity charged with driving the city's economic growth, we are pleased to release our latest monthly Economic Snapshot. This report assembles and highlights data from key sources that we track most closely in measuring the strength of NYC's economy.

This month, we are adding two new metrics to provide a better picture of the city's labor force: *long-term unemployment rate* and *working part-time for economic reasons*. Going forward, we will update those metrics on a quarterly basis. A few key points from this month's report include:

New York City lost 5,400 private sector jobs in April and has now seen a net gain of 4,700 private sector jobs through the first four months of 2026. New York City has added 27,700 private sector jobs over the past 12 months, a 0.7% increase—faster than the national growth rate of 0.4% over the same period. The New York City metro area again added more jobs (39,300) than any other metro area in the past 12 months, a year in which job growth has slowed nationwide.

New York City's unemployment rate fell to 5.6% in April, the second consecutive monthly decline in the unemployment rate. The city's labor force participation rate fell to 62.7%, slightly below the record high of 62.8%.

New York City's long-term unemployment rate—the share of the labor force who has been unemployed for 27 or more weeks—held steady at 2.0% in Q1 2026. This metric has increased slightly (0.2 percentage points) over the past year, mirroring an increase at the national level over the same period.

The share of New York City's labor force that is **working part-time for economic reasons (and would prefer to work full-time)** held steady at 3.1% in Q1 2026. This rate has largely held steady in NYC since 2023, and while NYC's rate is higher than the national average, the gap between NYC's rate and the national rate has fallen in recent years.

In real estate, renters continue to face rising costs, with the rental index now up 6.9 percentage points year-over-year and the inventory index down 5.6 percentage points. There is no updated office leasing data this month; the two most recent quarters represent the two strongest quarters of leasing since 2019.

Broadway attendance and hotel occupancy both improved in the most recent month but are down 4.5 percentage points and 1.2 percentage points year-over-year, respectively. Subway ridership and bus ridership both declined slightly in April; subway ridership is at 77.8% of pre-pandemic levels, up 1.9 percentage points year-over-year.

Having a clear picture of the city's economic data informs our work here at NYCEDC, as we build a more vibrant and inclusive economy. We hope you find it useful in your work as well.

Melissa Pumphrey

Chief Economist,
New York City Economic Development Corporation

Labor Market

New York City lost 5,400 private sector jobs in April, following a loss of 2,100 private sector jobs in March. The city's unemployment rate fell to 5.6% in April, while the labor force participation rate fell to 62.7%—down slightly from the all-time high of 62.8%.

New York City's long-term unemployment rate—the share of the labor force unemployed for 27 weeks or more—held steady at 2.0% in Q1 2026. This metric's increase of 0.2 percentage points over the past year mirrors the upward trend in the national long-term unemployment rate. The share of the city's labor force working part-time for economic reasons held steady at 3.1% in Q1 2026 and is up 0.1 percentage points year-over-year. This share of "involuntary part-time" workers is higher than the national rate but has held steady since 2023 while the national rate has increased.

Legend

- ☐ Indicator improved from prior reading
- ☐ Indicator worsened from prior reading
- ☐ No change

Indicator	Latest	Previous Period	Year-Over-Year Change	Pre-COVID
City Private Sector Employment Change & Annual Growth Rate (April 2026)	-5,400 +0.7% y/y	-2,100 -1.3% y/y	+27,700	+7,900 per month +94,800 total (2019)
Metro Area Employment (April 2026)	+3,500 +0.4% y/y	-100 -0.6% y/y	+39,300	+7,800 per month +93,600 total (2019)
Job Postings (April 2026)	76,300	80,400	841,400	77,700 per month 932,800 total (2019)
Labor Force Participation (April 2026)	62.7%	62.8%	+1.0 pct pts	60.2% (Feb 2020)
Unemployment Rate (April 2026)	5.6%	5.7%	+0.7 pct pts	4.3% (Feb 2020)
Long-Term Unemployment Rate (2026:Q1)	2.0%	2.0%	+0.2 pct pts	1.1% (2020:Q1)
Part-Time for Economic Reasons (2026:Q1)	3.1%	3.1%	+0.1 pct pts	3.2% (2020:Q1)

Sources for the New York City Economic Snapshot include the NYS Department of Labor, the US Bureau of Labor Statistics, Lightcast, Pitchbook, Kastle Systems, Costar, Cushman & Wakefield, Newmark, Savills, Colliers, JLL, StreetEasy, Broadway League, STR, and MTA Open Data.

*Quarter-to-quarter changes within half of a percentage point are likely statistically insignificant due to the small sample size.

**This is a simple average of vacancy rates from Cushman & Wakefield and JLL, and availability rates from Newmark, Savills, Costar, and Colliers. The Citywide rates are using Costar data.

Labor Market

The unemployment rate for white New Yorkers fell in Q1 2026, while there was no significant change in unemployment rate for any other racial or ethnic group. White New Yorkers have seen their unemployment rate fall 0.6 percentage points year-over-year, while every other group has seen an increase in the unemployment rate; the unemployment rate for Black New Yorkers has risen 2.6 percentage points year-over-year. The labor force participation rate for Asian New Yorkers has risen 5.1 percentage points year-over-year; Black and Hispanic New Yorkers have also seen increases in their labor force participation rates, while white New Yorkers have seen a drop of 1.4 percentage points year-over-year.

Legend

- Indicator improved from prior reading
- Indicator worsened from prior reading
- No change

Indicator	Latest	Previous Quarter	Year-Over-Year Change	Pre-COVID
BIPOC Unemployment Rate (2026:Q1)	7.3%*	7.1%	+1.4 pct pts	5.5% (2020:Q1)
Asian Unemployment Rate (2026:Q1)	4.3%*	3.9%	+1.5 pct pts	2.2% (2020:Q1)
Black Unemployment Rate (2026:Q1)	9.8%*	9.8%	+2.6 pct pts	8.5% (2020:Q1)
Hispanic Unemployment Rate (2026:Q1)	7.5%*	7.1%	+1.2 pct pts	5.5% (2020:Q1)
White Unemployment Rate (2026:Q1)	2.6%*	3.1%	-0.6 pct pts	2.8% (2020:Q1)
BIPOC Labor Force Participation Rate (2026:Q1)	60.9%*	60.4%	+2.1 pct pts	58.2% (2020:Q1)
Asian Labor Force Participation Rate (2026:Q1)	62.4%*	61.0%	+5.1 pct pts	59.3% (2020:Q1)
Black Labor Force Participation Rate (2026:Q1)	58.6%*	58.3%	+1.3 pct pts	56.2% (2020:Q1)
Hispanic Labor Force Participation Rate (2026:Q1)	60.9%*	61.0%	+0.4 pct pts	58.9% (2020:Q1)
White Labor Force Participation Rate (2026:Q1)	66.8%*	67.5%	-1.4 pct pts	63.8% (2020:Q1)

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Business Activity

About 4,660 new businesses started in New York City in Q3 2025; a stronger quarter than Q2, but not enough to yield positive net business formation for the quarter. We estimate about 5,700 businesses closed in Q3, implying a net formation of -1,050 businesses. New York City-based companies raised \$11.1B in venture capital funding in Q1 2026, the largest quarter of funding since 2021.

Legend

- ☒ Indicator improved from prior reading
- ☐ Indicator worsened from prior reading
- ☐ No change

Indicator	Latest	Previous Quarter	Year-Over-Year Change	Pre-COVID
New Business Formation (2025:Q3)	4,660	3,550	20,550	7,100 (2019 quarterly avg) 27,400 (2019 annual chg)
Net Business Formation (2025:Q3)	-1,050	-4,900	-4,410	+500 (2019 quarterly avg) +2,000 (2019 annual chg)
VC Funding (2026:Q1)	\$11.117B	\$10.763B (2025:Q4)	+\$7.360B	\$6.007B (2019 avg)
VC Funding (2026 through Q1)	\$11.117B	\$3.756B (2025 through Q1)	+\$7.360B	\$9.433B (2019 through Q1)

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Real Estate

Renters faced a tougher residential real estate market in April, with the rent index rising and the inventory index falling compared to the previous month.

Commercial real estate indicators are mixed; metro area office occupancy is up over the past four weeks and up 8.1 percentage points year-over-year, while citywide office visitation is down over the past year—both overall and for Class A+ office buildings.

Legend

- Indicator improved from prior reading
- Indicator worsened from prior reading
- No change

Indicator	Latest	Previous Period	Year-Over-Year Change	Pre-COVID
Kastle Metro Area Office Occupancy (4-wk avg, 5/20/2026)	58.3%	55.9%	+8.1 pct pts	100%
Placer/EDC Office Visitation (April 2026)	72.9%	75.3%	-1.5 pct pts	100% (Apr 2019)
Placer/EDC Class A+ Office Visitation (April 2026)	80.1%	82.8%	-0.6 pct pts	100% (Apr 2019)
Manhattan Office Availability Average** (2026:Q1)	15.0%	15.6%	-2.5 pct pts	10.3% (2019 avg)
Citywide Office Vacancy Rate (2026:Q1)	13.4%	13.7%	-1.0 pct pts	7.6% (2019 avg)
Citywide Office Leasing Activity (2026:Q1)	91.9%	98.2%	+5.8 pct pts	100% (2019 avg)
Citywide Retail Vacancy Rate (2026:Q1)	4.4%	4.3%	+0.4 pct pts	3.4% (2019 avg)
StreetEasy Rent Index (April 2026)	131.1	130.0	+6.9 pts	100.0 (Feb 2020)
StreetEasy Inventory Index (April 2026)	74.4	75.8	-5.6 pts	100.0 (Apr 2019)

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Tourism & Transit

Broadway attendance and hotel occupancy both showed improvement over the last month, but both are down year-over-year. Subway and bus ridership both fell in April; while subway ridership is up 1.9 percentage points year-over-year, bus ridership is now down 6.0 percentage points over the same period.

Legend

- ☐ Indicator improved from prior reading
- ☐ Indicator worsened from prior reading
- ☐ No change

Indicator	Latest	Previous Month	Year-Over-Year Change	Pre-COVID
Broadway Attendance (4-wk avg, 5/17/2026)	104.2%	103.2%	-4.5 pct pts	100%
Hotel Occupancy (April 2026)	95.2%	94.8%	-1.2 pct pts	100% (Apr 2019)
Subway Ridership (April 2026)	77.8%	80.0%	+1.9 pct pts	100% (Apr 2019)
Bus Ridership (April 2026)	61.5%	61.6%	-6.0 pct pts	100% (Apr 2019)

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NYC Employment by Industry

The most recent monthly and annual changes, along with the change from pre-pandemic to the present month.

Indicator	Employment					
	Apr 2026	Mar 2026	Previous Month Change	Year-Over-Year Change	Job Change, Pre-Pandemic to Apr 2026	Average Annual Wages (2024)
FIRE	520,500	519,900	600	1.7%	33,400	\$309,600
Finance & Insurance	387,700	387,000	700	1.7%	39,000	\$387,200
Securities	212,500	212,000	500	2.9%	29,800	\$505,000
Banking	111,300	111,000	300	0.4%	5,900	\$264,500
Other	63,900	64,000	(100)	0.0%	3,300	\$206,100
Real Estate	132,800	133,000	(100)	1.5%	(5,500)	\$100,500
Services	2,928,600	2,932,500	(3,800)	0.8%	175,400	\$99,900
Information	219,700	222,000	(2,200)	0.9%	(9,300)	\$215,400
Professional & Business	802,000	800,600	1,500	1.3%	21,300	\$150,700
Profession, Scientific & Technical	459,200	456,900	2,300	1.3%	13,300	\$182,800
Management of Companies & Enterprises	80,700	81,100	(500)	0.5%	8,100	\$210,500
Administrative & Support	262,200	262,500	(300)	1.5%	(100)	\$73,900
Educational	268,000	268,800	(800)	-0.2%	11,000	\$98,200
Healthcare & Social Assistance	1,017,600	1,021,100	(3,500)	2.2%	196,900	\$60,400
Arts & Entertainment	88,700	88,700	0	-2.4%	(7,100)	\$102,300
Accommodation & Food	358,800	358,400	400	-1.1%	(15,600)	\$46,900
Other	173,800	172,900	900	-1.5%	(21,700)	\$67,100
Trade	431,200	429,500	1,700	-0.1%	(53,400)	\$77,300
Retail	299,200	298,200	1,000	0.1%	(45,700)	\$57,900
Wholesale	132,000	131,300	600	-0.5%	(7,700)	\$123,900
Manufacturing	50,500	50,100	400	-4.4%	(15,400)	\$79,400
Transportation and Utilities	147,200	150,100	(2,900)	-0.7%	(2,800)	\$86,400
Natural Resources, Mining and Construction	136,700	138,100	(1,400)	-0.7%	(25,500)	\$95,900
Total Private	4,214,800	4,220,200	(5,400)	0.7%	111,900	\$121,700
Government	621,300	622,400	(1,100)	1.9%	12,300	\$98,900
Total (Private + Government) NYC	4,836,100	4,842,600	(6,500)	0.8%	124,200	\$118,900

Note: Numbers may not add to totals due to rounding. Employment trough is April 2020 except for the following sectors, for which the trough is July 2020: FIRE (inclusive of all sub-sectors), Information, and Government

NYC Metro Area Employment

Compared to Other Major Metro Areas

To give local employment data a national perspective, we compare employment in the NYC Metro Area to other major metro areas around the US. We use metro areas rather than cities to provide a more consistent basis for regional economic comparison.

MSA (Metropolitan Statistical Area)	Apr 2026 Employment (in thousands)	Year Over Year (in thousands): Apr 2025–2026 (NSA)	Year Over Year %: Apr 2025–2026 (NSA)	Pre-Pandemic to Current Month: Apr 2020–Apr 2026 (SA)
New York	10,053.3	39.3	0.4%	2.5%
Los Angeles	6,292.0	-19.3	-0.3%	-0.4%
Chicago	4,763.1	3.8	0.1%	1.2%
Dallas	4,339.4	21.9	0.5%	13.1%
Houston	3,490.9	7.7	0.2%	9.1%
Washington DC	3,303.9	-97.1	-2.9%	-1.5%
Philadelphia	3,138.7	3.8	0.1%	4.4%
Atlanta	3,124.2	6.4	0.2%	7.7%
Miami	2,989.7	-7.4	-0.2%	8.4%
Boston	2,739.2	-13.0	-0.5%	-2.0%
Phoenix	2,483.2	15.4	0.6%	11.9%
San Francisco	2,428.2	8.1	0.3%	-3.8%
Seattle	2,124.8	1.8	0.1%	0.0%
Detroit	2,032.2	-18.9	-0.9%	-1.0%

NSA – non seasonally adjusted

SA – seasonally adjusted

Source: US Bureau of Labor Statistics

About NYCEDC

New York City Economic Development Corporation is a mission-driven, nonprofit organization that works for a vibrant, inclusive, and globally competitive economy for all New Yorkers. We take a comprehensive approach, through four main strategies: strengthen confidence in NYC as a great place to do business; grow innovative sectors with a focus on equity, build neighborhoods as places to live, learn, work, and play; and deliver sustainable infrastructure for communities and the city's future economy.

For more economic data, insights, and analysis from NYCEDC's Economic Research & Policy group, and to receive economic reports via email, visit edc.nyc/research-insights.