

**New York City Economic Development Corporation**  
**SUBCOMMITTEE ON LANDMARKS, PUBLIC SITING AND MARITIME USES:**  
**MOORE MCCORMACK**  
**SUSAN GOLDFINGER, SENIOR VICE PRESIDENT, NYCEDC**  
**NOVEMBER 1, 2016**

Good morning Chair Koo and members of the Subcommittee on Landmarks, Public Siting and Maritime Uses. My name is Susan Goldfinger, Senior Vice President at the New York City Economic Development Corporation. I'm joined by Lydia Downing, Vice President at the New York City Economic Development Corporation.

At EDC, it is our mission to create shared prosperity across New York City's five boroughs by strengthening neighborhoods and growing good jobs. As part of that mission, we are requesting the City Council review and approve the maritime lease of approximately 58,000 square feet of City-owned property along the Sunset Park waterfront to Ferrara Bros., LLC pursuant to Section 1301(2)f of the New York City Charter. In connection with the Lease, Ferrara Bros. will sublease approximately 45,000 square feet of City owned property adjacent to the Site from Lafarge Building Materials, Inc. ("Lafarge"). Upon the expiration in 2035 or earlier termination of the Lafarge lease, the subleased portion will automatically be incorporated into the Ferrara Bros. lease.

The lease will restore an underutilized City-owned site to an active industrial use as a state of the art concrete manufacturing plant and compressed natural gas (CNG) fueling station. The project supports the retention of 50 union jobs and represents a significant investment in Sunset Park's growing industrial sector.

In June 2012, NYCEDC, on behalf of the City, issued a Request for Proposals (RFP) for the Moore McCormack Site (the "Site"), seeking proposals for a lease with the City for an industrial maritime use. The RFP sought tenants who would create and retain quality jobs and

support and enhance the growth of the City's industrial base and other positive community impacts. The Site is presently vacant and has lacked job-intensive uses since 1986.

NYCEDC received three responses to the RFP, and selected the Ferrara Bros., LLC to enter into the City lease. Ferrara Bros. has been a family-owned concrete company operating several plants in Brooklyn and Queens continuously since 1969. In April 2015, U.S. Concrete, Inc., a national ready-mixed concrete and aggregate company, purchased all of the outstanding stock in Ferrara Bros. Ferrara Bros. has provided the concrete for the Second Avenue Subway, the 9/11 Memorial, and the new World Trade Center, among other important public projects.

NYCEDC selected the Ferrara Bros. for several reasons, including the company's long history of providing quality industrial jobs to its unionized workforce. As a result of the lease, the City will retain 50 living wage jobs in Brooklyn. The Ferrara Bros. will participate in NYCEDC's HireNYC program, which connects job seekers to construction and permanent employment opportunities created by City real estate projects. The project also reflects the City's commitment toward creating opportunities for MWBE businesses through its real estate transactions. Ferrara Bros. will strive to award 25% of the value of pre-development and construction contracts to certified MWBE contractors.

In addition to retaining industrial jobs and ensuring opportunities for MWBE businesses, the lease contains significant provisions to ensure the new concrete manufacturing plant operates in an environmentally responsible manner. Ferrara Bros. has already invested over \$2 million to remediate and demolish the contaminated, dilapidated buildings that previously occupied the Site. If the City Council approves the lease, Ferrara Bros. will operate a CNG fueling station to power 15 new trucks it purchased. The lease also requires Ferrara Bros. to bring at least 50% of the plant's raw materials by water, limiting the number of truck trips to the new plant. The City

Environmental Quality Review (CEQR) examined the plant's ongoing operations and the lead agency concluded that the project would not result in any significant adverse environmental impacts.

The new plant in Sunset Park will enable Ferrara Bros. to relocate from its current plant at 435 Hoyt Street on the Gowanus Canal. By vacating its existing plant, the site can be remediated, an important precondition to develop affordable housing on the site. The entire property is being designed with resiliency measures, including protective storm barriers for the sand and stone aggregates that will be stored on site. These protective barriers will be approximately 8 feet in height, which puts the barriers 4.5 feet above the floodplain at the lowest point on the site

The lease will be for an initial term of 25 years with five (5) year renewal terms. Ferrara Bros. will pay base rent and then the higher of two different payments:

1. A \$2.50 charge on each cubic yard of concrete produced by the plant or
2. A dockage and wharfage payment based on the Port Authority tariff

The dockage and wharfage charge is based on the number of barges and amount of freight brought to the Site by water. All payments will be abated for the first seven years to credit Ferrara for the investment made to demolish and remediate the structures on the Site.

The project represents an important contribution toward the City's goal of activating City-owned real estate to promote job-intensive uses, supporting the industrial workforce, restoring the Site to active maritime uses, and promoting the use of environmentally-friendly practices. We ask the Council to approve the Lease to the Ferrara Bros., LLC. I am now happy to answer any questions you may have.

# Moore McCormack Re-Development

Subcommittee on Landmarks, Public Siting and Maritime Uses

November 1, 2016



*Our VISION:* New York City is the global model for inclusive innovation and economic growth, fueled by the diversity of our people and our businesses

*Our MISSION:* Create shared prosperity across all five boroughs of New York City by strengthening neighborhoods and growing good jobs

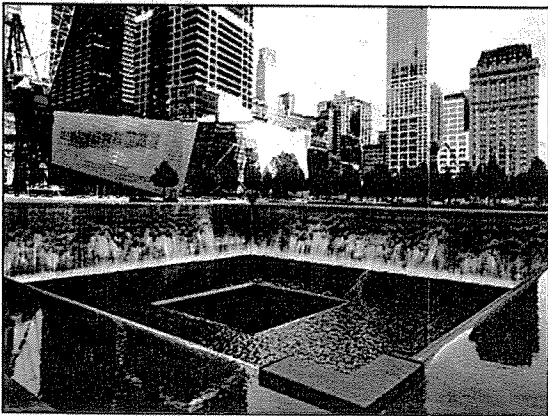
## Project Site



The goal of the RFP was to “Develop underutilized city-owned waterfront property for job-intensive, high performance maritime, industrial and transportation uses.”

## Ferrara Bros.

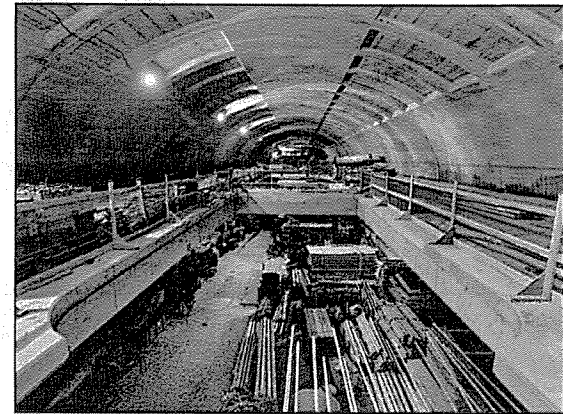
- NYC-based ready-mixed concrete company with 9 locations
- Ferrara Bros., recently acquired by U.S. Concrete, was founded as a family-owned concrete manufacturing company in 1969



*World Trade Center and 9/11  
Memorial*



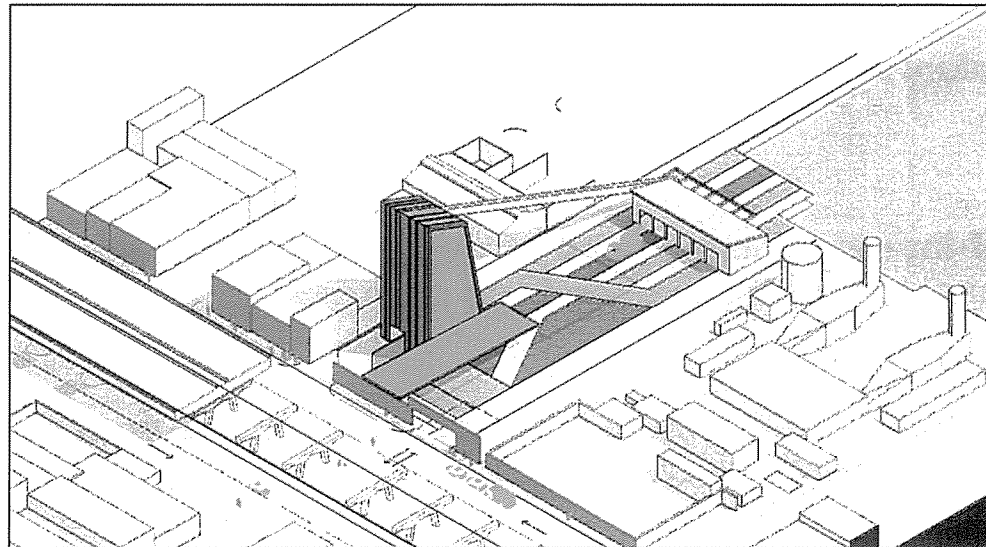
*New York Wheel*



*Second Avenue Subway*

## Project Components

- The Project includes:
  - the demolition and remediation of dilapidated and contaminated structures on the Site
  - a state-of-the-art concrete plant with emissions control devices
  - a new compressed natural gas (CNG) fueling station to power Ferrara's fleet of clean trucks





## Project Benefits

- Attracts **\$12 million investment** into Sunset Park's industrial sector
- **Preserves 50 union jobs** in the industrial sector and commits to connecting jobseekers to construction and permanent employment opportunities through **HireNYC program**
- Strives to award 25% of pre-development and construction contracts to certified **MWBE contractors**
- Requires **50% of plant's raw materials to be brought by barge** and replaces 15 diesel trucks with **CNG trucks**
- Develops **state-of-the-art concrete plant with emissions control devices** and sensitive industrial equipment located above the flood plain
- Relocates Ferrara Bros. from its current site **enabling the clean-up of the Gowanus Canal** and the development of affordable housing

**Southwest Brooklyn Industrial Development Corporation**



241 41<sup>st</sup> Street, Brooklyn, NY 11232 \* Tel: 718-965-3100 \* Fax: 718-965-4906 \* Web: [www.sbidc.org](http://www.sbidc.org)

**Testimony of Southwest Brooklyn Industrial Development Corporation  
NYC Council Sub Committee on Landmarks, Public Siting and Maritime Uses  
November 1, 2016**

My name is Jesse Solomon and I am the Economic Development Program Manager at the Southwest Brooklyn Industrial Development Corporation (SBIDC). As an economic development organization serving the neighborhoods of Red Hook, Gowanus, and Sunset Park, SBIDC believes that strengthening New York City's base of industrial and manufacturing businesses is absolutely crucial to the goals of creating good jobs, developing career pathways, and a healthy economy overall. The relocation of the Ferrara Bros. Concrete Facility to the Moore McCormack Site in Sunset Park's industrial waterfront district will help accomplish some of these goals, and I urge the City Council to support this project.

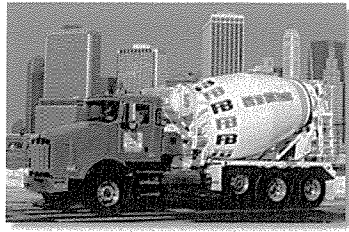
Ferrara Bros.' relocation project will significantly contribute to the healthy and vibrant economy in Sunset Park and Southwest Brooklyn at large. In addition to retaining 50 well-paying union jobs, the new location will allow Ferrara Bros. to heavily reduce their truck traffic and run a greener business. The new concrete manufacturing plant is directly adjacent to two of their major suppliers, the Lafarge Cement Terminal and a key aggregate supplier, leading to a major reduction in truck traffic on local streets. Furthermore, the on-site CNG fueling station and fleet of 15 new CNG trucks will drastically reduce the impact of exhaust currently generated by the fleet.

Additionally, SBIDC has long advocated for the revitalization of industrial sites in Southwest Brooklyn. Ferrara Bros.' new location will take the place of a long dormant industrial site. As office, commercial and residential development rapidly grows in New York, it is increasingly rare that large expenditures are made for industrial use, despite the good jobs and economic benefits that such uses provide the city. Ferrara Bros. is an important business to what we like to call the "back office" of New York City – their concrete plant is where many of the materials for the 2<sup>nd</sup> Ave Subway and the 9/11 Memorial and World Trade Center were produced. Keeping their operations in an industrial business zone is important for the City at large.

In closing, local employment opportunities, particularly those in the industrial and manufacturing sectors, are extremely important for the economic and social health of the waterfront-working class neighborhoods of Southwest Brooklyn. Ferrara Bros. provides such opportunities. We encourage the City Council to support their move to Sunset Park.

Thank you for allowing me to provide comments today.

Jesse Solomon  
Economic Development Program Manager  
Southwest Brooklyn Industrial Development Corporation



# **FERRARA BROS. BUILDING MATERIALS**

## **TESTIMONY OF JOSEPH FERRARA**

**Tuesday, November 1, 2016**

Good morning and thank you Mr. Chairman and Committee Members. My name is Joseph Ferrara of Ferrara Bros. Building Materials, a family owned and operated ready mixed concrete company which has operated concrete plants in Brooklyn and Queens continuously for more than 40 years and through three generations. We have proudly provided concrete for numerous high profile New York City projects, such as the Second Avenue Subway, NYC Water Tunnel No. 3 and many World Trade Center projects including all of the concrete for the 9/11 Memorial, and with your support we hope to continue building projects for many decades to come from our new Sunset Park concrete plant.

We are currently operating a plant on Hoyt Street along the Gowanus Canal, which we opened in 1973. The property was taken by the City in an eminent domain proceeding in 1975 and we have been operating our business on that site with a month-to-month lease for more than 40 years. This City-owned parcel is now slated for environmental remediation and redevelopment and we are pleased to have been selected by EDC for the Moore McCormack site so that we can now make a seamless transition from our current site with no interruption.

Moving the concrete plant from the Gowanus location to this Sunset Park waterfront industrial site – which represents an investment of \$12 million dollars – will maintain high-quality union jobs in Brooklyn and ensure that our company can continue to serve New York City's critically important construction industry.

This Sunset Park site is absolutely ideal for a state-of-the-art concrete plant for a number of reasons:

- It will be located immediately adjacent to the existing Lafarge cement terminal, which means that we will no longer need to truck cement – which is a key component of concrete – to our plant. Furthermore, this waterfront site allows us to receive the vast majority of our other materials, such as aggregate, by barge – thereby reducing truck traffic.
- This manufacturing use aligns with both the Sunset Park Vision Plan and the Community Board’s 197a plan for retaining high-quality manufacturing jobs and uses on the waterfront.
- We will be able to construct a Compressed Natural Gas (CNG) fueling station on the site, thereby allowing us to utilize an industry-leading fleet of CNG concrete trucks. We are proud to have created the first ever fleet of environmentally friendly, natural gas fueled concrete trucks in the City of New York.
- Finally, the Sunset Park site is located directly on a New York City truck route -- unlike our current Hoyt Street plant that requires the use of residential streets – that will provide a direct route from 3<sup>rd</sup> Avenue to Hamilton Avenue to the Brooklyn Battery Tunnel.

As noted above, this project will preserve approximately 50 high-quality union jobs in Brooklyn – represented by the Teamsters, Laborers and Machinists – and if we are able to grow in the future, as we hope to, this plant will create even more jobs and yield major positive impacts in sales and payroll taxes and other economic benefits for years to come.

We were extremely proud to have been selected by EDC to develop the Moore McCormack site and again we believe this project represents a win-win-win scenario for everyone involved. Thank you for the opportunity to share our story with you and I am happy to answer any questions.

Joseph Ferrara  
Ferrara Bros. Building Materials  
718-939-3030

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 11.1.16

(PLEASE PRINT)

Name: Lydia Downing

Address: 110 William St

I represent: NYCEDC

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 11.1.16

(PLEASE PRINT)

Name: Susan Goldfinger

Address: 110 William St.

I represent: NYCEDC

Address: \_\_\_\_\_

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 11/1/16

(PLEASE PRINT)

Name: Jesse Solomon

Address: 241 41<sup>st</sup> St BKLYN NY 11232

I represent: Southwest Brooklyn Industrial Dev Corp

Address: 241 41<sup>st</sup> St Brooklyn

Please complete this card and return to the Sergeant-at-Arms

**THE COUNCIL  
THE CITY OF NEW YORK**

Appearance Card

I intend to appear and speak on Int. No. \_\_\_\_\_ Res. No. \_\_\_\_\_

in favor  in opposition

Date: 11.1.16

(PLEASE PRINT)

Name: JOSEPH J. FERRARA

Address: 120-05 31<sup>st</sup> Ave

I represent: Flushing NY 11354

Address: FERRARA BROS

Please complete this card and return to the Sergeant-at-Arms