

Committee on Economic Development

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CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

Committee on Economic Development

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Wednesday, April 27, 2022

Start: 1:07 P. M.

Recess: 2:58 P. M.

HELD AT: REMOTE HEARING (VIRTUAL ROOM 3)

B E F O R E: Hon. Amanda Farías, Chair

COUNCIL MEMBERS:

Alexa Avilés
Jennifer Gutiérrez
Ari Kagan
Kevin C. Riley
Rafael Salamanca, Jr.
Nantasha M. Williams

Committee on Economic Development

A P P E A R A N C E S (CONTINUED)

Sabrina Lippman,
Senior Vice President at the New York City Economic
Development Cooperation

Nicholas Stabile,
EDC's Assistant Vice President for Legislative
Affairs

Spiros A. Moustakas,
Executive Agency Counsel and Market Manager at NYC
Business Integrity Commission

Phillip Grant,
Chief Executive Officer at the Hunts Point Produce
Market

Arthur Goldstein,
Government Relations at the Hunts Point Produce
Market and Fish Market

Andrew Sussman,
President of The Hunts Point Market; President of
Plymouth Beef Company

Daniel Kane,
President at Teamsters Local 202

Committee on Economic Development

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SERGEANT POLITE: Recording to the pc all set.

CHAIRPERSON FARIÁS: I can... I can gavel in?

(CROSS-TALK)

SERGEANT SADOWSKY: Recording to the... Recording to the cloud all set.

SERGEANT POLITE: Good afternoon, and welcome to the remote hearing on Economic Development.

Will council members and staff please turn on their videos at this time?

To minimize disruptions, please place all cell phones and electronic devices to vibrate or silent mode.

To send testimony, please send to testimony@council.nyc.gov , one again that is testimony@council.nyc.gov .

Chair we are ready to begin.

CHAIRPERSON FARIÁS: Good afternoon and welcome to this oversight hearing of the Economic Development Committee of the New York City Council.

Today is Wednesday April 27, 2022. My name is Amanda Fariás, and I am the chair of this committee.

The purpose of today's hearing is to discuss the impact that the Hunts Point Food Distribution Center has on the City in terms of the services it provides,

1 the resiliency of its property, and the people it
2 employs on the Hunts Point Peninsula in the Bronx.

3
4 The Hunts Point Food Distribution Center, or FDC
5 for short, is one of the largest food distribution
6 centers in the world. It is comprised of three large
7 cooperative markets selling meat, fish, and produce
8 as well as other large food distributors. The land
9 used for the markets is mostly City owned, and
10 parcels are separately leased to each of the
11 cooperatives and food distributors via the City's
12 Economic Development Corporation [NYCEDC].

13 The EDC and The Meat Cooperative recently
14 negotiated a 40-year lease term in 2018. The Produce
15 Market's lease was just extended by 10 years to 2031
16 and the Fish Market's lease does not expire until
17 2054.

18 In spite of the lease renewals, several lingering
19 issues remain at Hunts Point. These include the need
20 for continued facility improvements and space,
21 overlapping or duplicate regulatory burdens for food
22 businesses, and ongoing climate resiliently concerns
23 due to much of the FDC's location being within the
24 City's 100-year flood plan.

1
2 stable, quality jobs that allow them to support their
3 families.

4 The goal of today's hearing is to determine how
5 the largely new City Council can partner with the new
6 administration to build upon the work done under the
7 last mayor towards protecting Hunts Point.

8 Mayor Adams' new blueprint has dedicated \$100
9 million towards improving the market and an
10 additional \$40 million to the neighborhoods around
11 the market.

12 We hope to partner with The Mayor and EDC to
13 ensure the appropriate utilization of this funding as
14 well as additional funds from State and Federal
15 sources.

16 We also plan on discussing what ongoing steps the
17 new administration is taking in the areas of flood
18 proofing and energy resiliency; how union labor is
19 being employed at the markets; and the challenges the
20 markets are facing with respect to expansion and
21 further infrastructure development.

22 In addition to The Economic Development
23 Cooperation, we look forward to hearing testimony
24 today from The Business Integrity Commission, which
25

1 plays a vital role at the market in its enforcement
2 capacity.
3

4 With that said, I would like to take a moment to
5 acknowledge the other council members present today:
6 Council Member Salamanca, as I mentioned, and Council
7 Member Ari Kagan.

8 I will now turn the floor over to my colleague
9 Council Member Rafael Salamanca to say a few words.

10 COMMITTEE COUNSEL: Chair, before we send it to
11 Council Member Salamanca, I am just going to turn it
12 to one of the sergeants real quickly, because we are
13 having a minor tech problem in the background.

14 CHAIRPERSON FARIÁS: Sounds good.

15 DIRECTOR OF SECURITY: It will just take a minute.

16 COUNCIL MEMBER SALAMANCA: Thank you. Thank you,
17 Chair Fariás. Sergeant At Arms, let me know when I
18 can give my brief statement.

19 DIRECTOR OF SECURITY: As soon as we get the
20 situation corrected, we will let you know.

21 COUNCIL MEMBER SALAMANCA: Thank you.

22 DIRECTOR OF SECURITY: Council Member Salamanca,
23 you can continue.

24 COUNCIL MEMBER SALAMANCA: Thank you, uh, thank
25 you Sergeant At Arms.

1
2 First I want to thank Chair Farias for putting
3 together this important hearing on The Hunts Point
4 Food Distribution Centers as a whole.

5 You know, the markets at Hunts Point as a whole
6 and the markets have played an important role in my
7 life just like it has played an important role in
8 thousands and thousands of New Yorkers' lives.

9 My dad was, uh, worked at the Hunts Point Produce
10 Market for over 18 years. And he was a proud member
11 of Teamsters Local 202. And, it was through that
12 good paying job as a union member, that he was able
13 to provide the food on our table. It was through
14 that job, that union job that my dad had where he had
15 benefits, health benefits especially, that helped out
16 my sister, my mom, and myself.

17 And, so, I know what it is to have a good paying
18 job, having a dad or a parent as a union member with
19 a good paying job and being able to provide for their
20 families. And, so that is why I take the employment
21 and the market so seriously, because it provides for
22 thousands and thousands of families.

23 In Hunts Point, we have the Meat Market, Fish
24 Market, Produce Market, and over 700 businesses, and
25 they keep our city fed. And, so we as a council have

1
2 a responsibility to ensure that they have all the
3 resources necessary, and especially an updated
4 facility so that they can continue to provide this
5 core service to New Yorkers.

6 So, today, I look forward to hearing from EDC on
7 a variety of things. First, I wanted... I would
8 like us to get an update as to where we are with the
9 new facility for The Produce Market especially in
10 terms of funding. I know that past administrations
11 have allocated capital dollars. And hopefully EDC
12 can give us a total amount of what is actually in the
13 bank.

14 I would like to get an update from EDC as well as
15 to where they are with the capital needs that The
16 Meat Market needs? You know, they need a new façade;
17 they need a new system in terms of cold air.

18 But most importantly, years ago, in the past
19 administration, in conjunction with my office, we
20 allocated funding in The Meat Market for a power
21 grid. I would like to get an update EDC as to -- is
22 the power grid working? If not, why is it not
23 working?

1 And, I also would like to get an update from EDC
2
3 in this hearing, in terms of where are we with the
4 capital needs for The Fish Market?

5 And, finally, I am excited to see that there is
6 someone here the Business Integrity Commission (BIC).
7 BIC plays an important role, because they have
8 oversight ensuring that, you know, there is no
9 organized crime, and that things are being done the
10 way they should be done --legally.

11 But, I am interested in knowing BIC's oversight
12 now in terms of the fees that they charge every
13 business, the fees that they are charging every
14 individual employee that works at these businesses.

15 And, finally, I want to talk about the
16 overzealous enforcement from officers from BIC in
17 terms of their behavior in the markets.

18 And, with that, I am going to hand it over you,
19 Chair Fariás, thank you for the opportunity to speak.

20 CHAIRPERSON FARIÁS: Thank you so much, uh,
21 Council Member Salamanca -- and for being here. I
22 know this is an important space for you and in your
23 community.

24 Before we turn the floor over to the
25 administration, I would like to thank The Economic

2 Development Committee staff, Alex Paulenoff,
3 Legislative Counsel; Senior Policy Analyst, William
4 Hongach; and Finance Unit Head, Aliya Ali for all of
5 their hard work in putting this hearing together and
6 for their continuous work with me.

7 I will now turn it over to our moderator, Alex
8 Paulenoff, to go over some procedural items.

9 And, right before that, I'm sorry, Alex, I would
10 like to acknowledge, Council Member Kevin Riley, who
11 has joined us.

12 COMMITTEE COUNSEL: Thank you Chair Fariás. As
13 The Chair said, my name is Alex Paulenoff, and I am
14 counsel to the New York City Council's Committee on
15 Economic Development.

16 Before we begin, I would like to remind everyone
17 that you will be on mute until you are recognized to
18 speak, at which time you will be unmuted by the Zoom
19 host.

20 If you mute yourself after you have been unmuted,
21 you will need to be unmuted again by the host.
22 Please be aware that there could be a delay in muting
23 and unmuting, so please be patient with us.

24 The first panelist to give testimony today will
25 be Sabrina Lippman, The Senior Vice President at the

1
2 New York City Economic Development Cooperation,
3 Nicholas Stabile, EDC's Assistant Vice President for
4 Legislative Affairs; and Spiros Moustakas, Executive
5 Agency Counsel and Market Manager at NYC Business
6 Integrity Commission who will be available for
7 questioning. I will call on each of you shortly
8 when it is time to begin your testimony.

9 During the hearing if council members would like
10 to ask questions of the administration or of a
11 specific panelist, please use the Zoom Raise Hand
12 Function and I will call on you in order.

13 We will be limiting the first round of council
14 member questions to three minutes, which includes the
15 time it takes to answer those questions.

16 Before we begin testimony, I will administer the
17 oath. To members of the administration who will be
18 offering testimony or will be available for
19 questions, please raise your right hands. I will call
20 on you each individually for a response.

21 Do you affirm to tell the truth, the whole truth,
22 and nothing but the truth, before this committee, and
23 to respond honestly to council member questions?

24 Senior Vice President Lippman?

25 SENIOR VICE PRESIDENT LIPPMAN: I do.

1 Committee on Economic Development 14

2 COMMITTEE COUNSEL: Assistant Vice President

3 Stabile?

4 ASSISTANT VICE PRESIDENT STABILE: I do.

5 COMMITTEE COUNSEL: Execituve Agency Counsel

6 Moustakas?

7 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: I do.

8 COMMITTEE COUNSEL: Thank you.

9 Senior Vice President Lippman, you may begin when
10 ready.

11 SENIOR VICE PRESIDENT LIPPMAN: Thank you so much
12 Alex, and it's just such a pleasure to see so many
13 familiar faces.

14 Good afternoon, Chair Fariás, and members of the
15 Economic Development Committee. My name is Sabrina
16 Lippman, and I am the Senior Vice President at the
17 New York City Economic Development Corporation, who
18 oversees the Hunts Point Food Distribution Center.

19 I am pleased to testify at today's hearing on the
20 economic impact of the Hunts Point Food Distrubtion
21 Center.

22 I am joined by my colleagues Nicholas Stabile,
23 EDC Assistant Vice President for Legislative Affairs,
24 and Spiros Moustakas, Exective Agency Counsel and
25 Market Manger at the Business Integrity Commission.

1 The the Hunts Point Food Distribution Center,
2 which you will see on the slide in front of you, also
3 known as the FDC, is the single largest geographic
4 cluster of food sources for the City. It sits on
5 about 329 acres. Simply put, Hunts Point feeds the
6 tristate area.
7

8 We estimate that 4.5 billion pounds of food is
9 distributed through the FDC every, single year. And
10 about 50% of the food that passes through Hunts Point
11 Food Distribution Center ends up New York City, while
12 the other half ends up in cities across the eastcoast
13 and beyond.

14 The FDC is comprised of over 100 public and
15 private wholesalers, distributors, and manufactures,
16 including the Hunts Point Terminal Produce Market,
17 The Hunts Point Cooperative Meat Market, and the New
18 Fulton Fish Market. Close to 50% of the customers at
19 the FDC are independent restaurants and cafes, 20%
20 are bodegas, 18% are supermarkets, and 14% are food
21 markets.

22 The FDC provides food to more than 23,000
23 restaurants and engages with over 2,500 green grocers
24 annually. Together the FDC is home to approximately
25

1 8,300 direct jobs -- most of which are good paying,
2 family sustaining jobs proudly filled by Bronxites.

3
4 Previously, home to steel mills and power plants,
5 the Hunts Point neighborhood experienced a radical
6 shift in the 1960's as economic trends impacted
7 legacy industry on the peninsula. At that time, the
8 City released a bold plan to create a food
9 distribution center on Hunts Point. The location was
10 well-positioned for the movement of goods at
11 different and many avenues, including rail, highway,
12 and water. And, by locating New York City's primary
13 facilitates for meat and produce wholesalers at one
14 full-service hub, it became exponentially easier for
15 the venders to purchase all of the food they needed
16 in one single location.

17 Less than a decade later, the Hunts Point
18 Cooperative Market and Hunts Point Terminal Market
19 were born, which are known today as The Meat Market
20 and The Produce Market respectively.

21 Over the last 50 years, the way in which goods
22 and merchandise have been moved and stored at these
23 facilities has changed significantly, and we continue
24 to work with the tenants at the FDC to meet these
25 changing needs.

2 The City has made significant investments in
3 securing and ensuring that the food supply chain
4 remains strong -- including \$150 million commitment
5 from the de Blasio administration -- to bring
6 different parts of the FDC into a state of good
7 repair. This investment supports FDC-wide
8 infrastructure improvements, remediation, the
9 construction of the new GrowNYC facility, fish and
10 meat market improvements, and includes an allocation
11 for The Produce Market's redevelopment.

12 We are now seeking to redevelop The Produce
13 Market, which opened in 1967, in to a modern,
14 resilient and Food Safety Modernization Act Compliant
15 Facility with expanded warehouse capacity, which will
16 be critical in reducing emissions and improving
17 traffic circulation within the FDC.

18 Last month, Mayor Adams committed \$100 million to
19 The Produce Market redevelopment. In the
20 administration's blueprint for economic recovery,
21 redevelopment of The Produce Market will protect and
22 strengthen the food supply chain on the city,
23 regional, and national levels; it will retain the
24 2,000 quality jobs at The Produce Market; it will
25 reduce emissions and improve traffic circulation on

1 city-owned land in the environmental justice
2 neighborhood of Hunts Point; it will support produce
3 market business growth and achieve more efficient
4 land use; and will create a global archetype for 21st
5 century urban food distribution.
6

7 We are especially pleased to be working closely
8 with Council Member Rafael Salamanca on The Produce
9 Market redevelopment.

10 We are also actively working to make sure that
11 the FDC is not only prepared for climate change but
12 also sustainable. Since our last hearing in 2019, in
13 partnership with our tenants, we have made
14 significant strides towards these goals -- including
15 providing backup power to The Meat Market to maintain
16 energy continuity, HESCO barriers at The meat markets
17 protect against storm surge, installing solar on the
18 roof of Krasdale to power the building and provide
19 clean energy to the community, and working with each
20 of our tenants on emergency operational plans so that
21 they can respond to a disaster.

22 Fortunately, many of the buildings that the FDC
23 are naturally elevated limiting their exposure to
24 Sandy-like storm surge. We are also advancing the
25 backup power to The Produce Market at 600 Food Center

1 Drive in case of a power outage. And we are in the
2 beginning stages of a comprehensive energy study at
3 The Food Distribution Center -- a plan that will
4 provide diversified recommendations about to make the
5 campus as environmentally sustainable as possible.
6

7 Together our work at the FDC will grow this
8 cluster of commerce and jobs and ensure that local
9 residents continue to benefit from the presence of
10 this concentration of market and food manufactures as
11 well as prepare the FDC for climate change and energy
12 sustainability.

13 Thank you so much for the opportunity to talk
14 about The Food Distribution Center and Hunts Point
15 today. We are here to answer any questions you may
16 have.

17 COMMITTEE COUNSEL: Thank you, Miss Lippman.

18 I will now turn it over to questions from The
19 Chair.

20 And panelist from the administration, please stay
21 unmuted if possible during this question and answer
22 period, uh, and a reminder to Chair Farías, you will
23 be in control of muting and unmuting yourself during
24 this period.

25 Uh, Chair Farías, you may begin when ready.

CHAIRPERSON FARIÁS: Great, thank you. You're putting me to work today, I have to unmute myself, too! No, I'm just kidding.

Hello, good afternoon, thank you so much for testifying again. The Hunts Point Food Distribution Center is one of the largest food distribution centers in the world, uh, we are very proud of that in The Bronx. It is comprised of three large cooperatives, The Produce, Meat, and Fish Markets and other large distributors like Baldor.

Could you give us an overview of the land at the FDC, how much is City land versus State, Federal or private land?

And, how does the FDC work with the State to coordinate any use of the land at Hunts Point if at all?

SENIOR VICE PRESIDENT LIPPMAN: [THIS TESTIMONY HAS STATIC AND INAUDIBLE AUDIO THROUGHOUT] absolutely, and thank you so much for that question, Chair Fariás. I'm sorry, I am having audio issues on my side.

CHAIRPERSON FARIÁS: That's okay.

2 SENIOR VICE PRESIDENT LIPPMAN: Alright
3 [INAUDIBLE 00:20:19] can you hear me [INAUDIBLE
4 00:20:21]

5 CHAIRPERSON FARIÁS: Yes.

6 SENIOR VICE PRESIDENT LIPPMAN: Okay.

7 Uh, thank you for that question. So, The Food
8 Distrubion Center with 329 acres that I referenced,
9 uhm, are all SBS property. So, it is all city-owned
10 land. Uh, there [INAUDIBLE 00:20:37] State ownership
11 of that land, uhm, and so [INAUDIBLE 00:20:41] part
12 of the master lease [INAUDIBLE 00:20:43] in the City
13 EDC serves as lease [INAUDIBLE 00:20:46] for that
14 plan.

15 CHAIRPERSON FARIÁS: [INAUDIBLE 00:20:55] okay, I
16 don't know how I ended up back on mute, but we're...
17 we're figuring it out.

18 Do we know the percentage of the land that is
19 currently unused?

20 SENIOR VICE PRESIDENT LIPPMAN: That's a very
21 good question, uh, in terms of of, uh, the way we
22 look at it is as parcels. So, I don't necessarily
23 have an exact percentage, uh, for you. But, we are
24 really proud that we have been able to activate the
25 vast majority of the Hunts Point Food Distribution

1 Center, and very few development parcels remain for
2 the future. So, we are definitely laser-like focused
3 on finding ways to ensure that every piece of land is
4 activated.

5
6 CHAIRPERSON FARIÁS: Great, yeah, if we... I
7 mean, if we can get a followup with just ,like, how
8 much is unused and....

9 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. We
10 will definitely circle back with your team on the
11 exact acreage that's unused.

12 CHAIRPERSON FARIÁS: Thank you. I'd like to
13 acknowledge Council Members Nantasha Williams and
14 Jennifer Gutiérrez that have joined us here.

15 So, can you give us an overview of the food
16 distribution businesses with separate leases that
17 are not a part of the three cooperatives? How many
18 separately leased businesses are there?

19 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. So,
20 we have 10 tenants in total at the Food Distribution
21 Center, uh, three of which you just named are the,
22 uh, three cooperatives that we have there. The other
23 seven tenants, are Baldore, which I think was
24 mentioned earlier. We also have, uh, Dairyland,
25 The Chefs' Warehouse, that is their own business; we

1
2 have Krasdale, Anheuser-Busch, which is also on its
3 own parcel, Sultana, and Citarella are two businesses
4 that are within what we call the 600 Food Center
5 Drive, which is an EDC operated building, uhm, then
6 last, but not least, of course GrowNYC, which we are
7 so excited to see open.

8 CHAIRPERSON FARIÁS: Can you explain roughly how
9 restaurants and markets in the City benefit from
10 having the markets in such a close proximity?

11 SENIOR VICE PRESIDENT LIPPMAN: I am so sorry, I
12 just... I couldn't hear that. So, can you repeat
13 the question, Chair Fariás?

14 CHAIRPERSON FARIÁS: Explain roughly how
15 restaurants and markets in the City benefit from
16 having the markets in such a close proximity?

17 SENIOR VICE PRESIDENT LIPPMAN: Absolutely, it is
18 incredibly beneficial to have geographic clusters of
19 food distributin. And, the reason for that is it...
20 They all benefit from the proximity of one another,
21 because as you can imagine, whether it's a grocer or
22 a restaurateur, it allows for a single point and a
23 singular hub where different restaurants and
24 businesses can be clients and be able to deliver and
25 receive produce -- meat, fish, and other

1 nonperishable items -- in one single location. So,
2 it reduces truck traffic, it kind of is a one stop
3 shop, if you will.

4
5 CHAIRPERSON FARIAS: Alright, and what is the
6 nature of the relationship between The Market and
7 EDC? I have a couple of questions that I can run
8 through. Well, let's start there with the
9 relationship between the two. And, then I will run
10 through the four.

11 SENIOR VICE PRESIDENT LIPPMAN: So, the
12 relationship is a landlord/tenant relationship. So,
13 we are the landlord for the 10 tenants that we just
14 described -- all of which are on differing varietal
15 of terms of leases. And, so we are what we call the
16 master, uh, landlord, and then tenants have
17 significant rights and responsibilities for their
18 land, since most of them are on long-term ground
19 leases.

20 CHAIRPERSON FARIAS: And, if the cooperative at
21 The Markets wish to do any capital improvements,
22 what's the approval process for EDC as the landlord
23 for any improvements or infrastructure investments?
24 Like, can they make them as of right?

1 SENIOR VICE PRESIDENT LIPPMAN: They can. They
2 absolutely can make their own improvements as of
3 right. Every lease is different, so there is
4 different -- so there are different levels to that,
5 so I do want to preface that. But, I am unbelievably
6 proud of the relationships we have built, especially
7 in the recent years, with not only the three
8 cooperatives, but all of the companies and businesses
9 that are operating out of the FDC. And, so, as
10 partners, we work with them very closely to determine
11 what their needs are and to ensure that we are able to
12 advocate for the infrastructure need that they might
13 need.

14 CHAIRPERSON FARIAS: Great, thank you. Can you
15 talk a little bit about the day to day repairs and
16 upkeep that EDC makes to The Markets if any at all?

17 SENIOR VICE PRESIDENT LIPPMAN: So, uh, if we
18 specifically look at the three markets, uh, each one
19 has different engagement with EDC. So, I will start
20 with The Fish Market. We are most involved in The
21 Fish Market, because we, in their recent lease,
22 understood that they needed some support in
23 operational maintenance. And, so we actually operate
24 and maintain that facilities common area.
25

1
2 For The Meat Market and The Produce Markets, both
3 of those markets, under their leases, are responsible
4 for operations and maintenance of the asset.

5 CHAIRPERSON FARIÁS: Okay, and if there is any
6 emergency expenses, like damaged roofs, flood
7 recovery, is that landlord responsibility or tenant
8 responsibility for payment?

9 SENIOR VICE PRESIDENT LIPPMAN: I'm so sorry,
10 Chair Farías, if there is any damage on?

11 CHAIRPERSON FARIÁS: If there are any damages for
12 like emergency preparedness [INAUDIBLE 00:26:33]...
13 (CROSS-TALK)

14 SENIOR VICE PRESIDENT LIPPMAN: Yes.

15 CHAIRPERSON FARIÁS: [INAUDIBLE 00:26:34] like
16 roofs or anything like that?

17 SENIOR VICE PRESIDENT LIPPMAN: So, again, each
18 lease is, uh, is unique in how it, uhm, delineates
19 responsibility, but when it comes to emergency
20 preparedness, as I mentioned in the testimony, we are
21 absolutely laser like focused in being partners in
22 this arena. So, we have worked with each tenant to
23 help prepare their emergency plans. We ensure that
24 we have met the needs of each tenant in terms of
25

1
2 working closely with them to identify what those
3 elements are that they need and advocate for those.

4 CHAIRPERSON FARIÁS: Great. And, does the EDC
5 meet with Market board members, if so, how often?

6 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. It
7 also... That also varies per lease. But, we sit on
8 The Meat Market board meetings. So, Bruce and Andy,
9 who I know are on the call, see me pretty often along
10 with my team, on a monthly basis. I know Phil is on
11 the call. Phil and, us, over at The Produce Market,
12 we are in constant communication and just meet with
13 their board on a regular basis -- especially with the
14 conversation that we are having with the
15 redevelopment. And, because we operate The Fish
16 Market, we are constantly onsite there.

17 CHAIRPERSON FARIÁS: Awesome.

18 Alright, can we... Can you give me an idea on,
19 like, recent upgrades EDC has made to the markets or
20 is maybe planning to make? Any upgrades to a
21 refrigeration systems or any energy generating
22 systems, building structure upgrades?

23 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. So,
24 maybe a good place to start is at The Meat Market,
25 since a part of their, uh, part of the \$150 million

1 revitalization, we made some significant investments.
2 We are incredibly proud of the strong partnership we
3 have built there. And, we have several ongoing and
4 upcoming City capital infrastructure improvements
5 happening at The Meat Market. We have done hot water
6 system upgrades. We are in the process of starting
7 up paving and site improvements. Uh, as Council
8 Member Salamanca mentioned, we have some significant
9 façade improvements that need to be there. We are
10 undergoing one building upcoming and are looking to
11 hopefully secure additional funding for the remaining
12 three. We have been able to install a backup
13 generator, which is absolutely, as you have heard
14 over and over again, critical to ensuring that the
15 food supply chain, particularly at The Meat Market is
16 saved and preserved. So, that scope is completed,
17 and we are, in the coming weeks, turning that
18 generator over to The Meat Market. But, it is
19 connected to The Meat Market should anything happen.
20 A replacement of an elevation of the electrical
21 equipment is a part of this scope; central plant
22 upgrades, uh, as mentioned, we are also very
23 interesting in ensuring that we can secure subsidy
24

1 and funding to improve Brine tunnels, which is the
2 refrigeration piece.
3

4 CHAIRPERSON FARÍAS: Great.

5 I would like to talk a little bit about the
6 individual markets themselves. I can start off with
7 produce. The City and The Produce Market negotiated
8 a 10-year lease extension in 2021 that expires in
9 2031. Could you provide us with details of the new
10 lease extension? What is the long-term plan for this
11 lease on The Produce Market -- and if there are
12 currently ongoing lease negotiations beyond the 10-
13 year?

14 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. So,
15 as I mentioned earlier, we are just so incredibly
16 thrilled with the announcement that our mayor made of
17 \$100 million down payment towards the redevelopment
18 of The Produce Market.

19 The Produce Market lease is part of a 45-year
20 lease that they have had since, I think, early
21 1980's. And, so, they exercised their last 10-year
22 option, that's the 2021 amendment -- is the ability
23 to exercise that last 10-year option. So, which
24 brings us into 2031. And, as a part of that
25 extension, part of that the language in that

1 Committee on Economic Development 30
2 amendment, is to work together to ensure that we can
3 find a way to redevelop this produce market and
4 ensure its ability [LOST AUDIO] [INAUDIBLE 00:31:08]
5 and remain place for the long term. And, so, as we
6 are seeking to redevelop The Produce Market in to
7 this modern, resilient, FISMA compliant facility,
8 with expanded warehouse capacity, we are in constant
9 conversation with them about... And, our...
10 candidly, in the early stages of ensuring that we
11 build the right market for the cooperative.

12 CHAIRPERSON FARIÁS: Great, thank you.

13 Most of the loading docks and The Produce Market
14 are used as extensions of the vendor space and
15 refrigerated trailers running on diesel fuel, this
16 has an adverse impact on the respiratory health, not
17 only of the market workers, but on neighboring
18 communities as well. I grew up in Soundview and have
19 grown up with asthma since the age of nine, it's
20 really, really close -- across the water from the
21 market -- so, what plans, if any are in the works to
22 reduce the number of diesel truck trailers used as
23 storage space, uhm, and will the redesign of The
24 Produce Market enlarge and enclose these spaces and
25 eliminate the need the for the trucks?

1 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. And,
2 Chair Fariás, we share your concern about the asthma
3 rates in the local neighborhood. And, we are working
4 to advance several environmental justice elements and
5 initiatives in the Hunts Point neighborhood.
6

7 At the FDC, we are 100% committed to working
8 closely with The Produce Market. And, I am, uh,
9 very, very adamant about, as EDC is, about the fact
10 that this redevelopment of The Produce Market will
11 eliminate every, single diesel emitting stationary
12 TRU (sp?) that is currently onsite. The expanded
13 warehouse capacity will allow for all of those TRUs
14 to come offline. And, the cold chain compliance will
15 also support reducing the emissions. Not only that,
16 the redevelopment also significantly improves both
17 traffic circulation to reduce the amount truck idling
18 that happens in just ,you know, the traffic
19 congestion that we have there, and it improves the
20 efficiency of rail use, which we want to encourage.

21 And, so we are very, very excited that this
22 redevelopment will achieve those goals.

23 CHAIRPERSON FARIÁS: Great, that is really great
24 to hear. I kind of was not expecting to hear the
25 elimination of all of this, so that is every exciting

1
2 for me. But it does bring up, do we have a rough
3 timeline and a cost estimate of what that really
4 [LOST AUDIO] [INAUDIBLE 00:33:42] is for the market?

5 SENIOR VICE PRESIDENT LIPPMAN: Yes, this is the
6 right question to ask. We are still in the early
7 stages here, and we are working continuously with The
8 Produce Market to identify that scope and design,
9 which will ultimately give us that answer. Right?
10 It will give us the construction schedule; it will
11 give us the exact need for in terms of size of
12 subsidy needed. The, again, the \$100 million down
13 payment is critical to moving this project forward,
14 but we are definitely looking to our friends at the
15 State and the Federal level to help make this project
16 a reality.

17 CHAIRPERSON FARIÁS: Yeah, that's great. Please
18 keep us in the loop of all that, as I know you will.

19 SENIOR VICE PRESIDENT LIPPMAN: Absolutely.

20 CHAIRPERSON FARIÁS: So, as we mentioned, EDC
21 announced plans to redevelop The Produce Market in
22 2019, The Mayor's blueprint announced the \$100
23 million for the markets redevelopment, and \$40
24 million for the nearby Bronx neighborhoods, what
25 details can you share about The Produce Market's

1 redevelopment plans? Particularly, also, how will
2 the \$40 million for the neighborhood be spent -- the
3 locality, the local surrounding communities are
4 really important to me in terms of how that money is
5 disseminated, and for what are its uses? Was the
6 \$140 million allocation separate from the amount
7 reserved for the markets lease extension?
8

9 SENIOR VICE PRESIDENT LIPPMAN: Yes, the money is
10 separate from... Well, we have a \$100 million that
11 came from Mayor Adams just last month. That is in
12 addition to the \$30 million that was allocated in the
13 Mayor de Blasio administration. So, from the City
14 perspective, it's a \$130 million total that we have
15 allocated directly for the redevelopment of The
16 Produce Market. The \$40 million allocation is
17 stemming from our Hunts Point Forward plan that we
18 are unbelievably excited about. And my colleagues
19 who are driving that have just really launched a
20 remarkable initiative there. And, so that plan is
21 due to be released very soon, and I know that our
22 team will circle back with you, Chair Farías, and The
23 Committee, as we get closer to that announcement.
24 And, that is the place where they will be able to
25 disseminate how the \$40 million is, in conjunction

with the community's needs, going to be distributed.

But, the \$130 million that we currently have

allocated for The Hunts Point Produce Market

redevelopment is what we currently have allocated for

that project, and are always looking for additional

sources of funding.

CHAIRPERSON FARIÁS: Great, thank you for that

response.

In 2012, the City, State, and Federal governments

committed a combined \$172.5 million investment in

improvements at the produce market. Are there any

remaining funds that have not been used or put to use

from this pot of money?

SENIOR VICE PRESIDENT LIPPMAN: Can you reference

the pot of money again? What...

CHAIRPERSON FARIÁS: Oh, one second...

SENIOR VICE PRESIDENT LIPPMAN: Is that the \$100

and... The \$150 million from de Blasio

administration that was allocated?

CHAIRPERSON FARIÁS: Alex, would you happen to

have that in front of you in terms of the \$172 total?

I think it was during the lease negotiations in

2012. They secured \$172 million in funding for

redevelopment at Hunts Point. It included \$50

2 million from the State, \$87.5 million in capital in
3 tax incentives from the City \$10 million from the
4 Department the US Department of Transportation, uh,
5 for a grant for freight rail improvements on the
6 market, and then \$25 million from the Federal
7 Congestion Mitigation and Air Quality Improvement
8 Program.

9 SENIOR VICE PRESIDENT LIPPMAN: We... (CROSS-
10 TALK)

11 CHAIRPERSON FARIÁS: For the \$172.5

12 SENIOR VICE PRESIDENT LIPPMAN: That's where...
13 Okay, we do have the \$25 million Congestion Air
14 Quality is funding that we consider State funding,
15 because it's like our State CMAQ grant, so that will
16 be fully allocated. We are working with our friends
17 at State DOT to ensure that we can allocated those
18 funds to The Produce Market Redevelopment. So, yes,
19 that is there. The State funding piece I'm not
20 directly familiar with -- the \$50 million.

21 CHAIRPERSON FARIÁS: Okay.

22 SENIOR VICE PRESIDENT LIPPMAN: As well as...
23 So, that I do need to just go back and come back to
24 you, Chair Fariás... (CROSS-TALK)

25 CHAIRPERSON FARIÁS: Great.

1 SENIOR VICE PRESIDENT LIPPMAN: Just to confirm
2 those numbers.
3

4 CHAIRPERSON FARIÁS: Yes, what we can do is ...
5 I'll send you the breakdown that I have here. Sorry,
6 it took me a second. I have lots of highlighted
7 notes.

8 SENIOR VICE PRESIDENT LIPPMAN: Great... (CROSS-
9 TALK)

10 CHAIRPERSON FARIÁS: Always for these hearings.
11 So, we can send that to you and see and get some
12 followup on it.

13 SENIOR VICE PRESIDENT LIPPMAN: Absolutely, that
14 would be great, absolutely. And, we will make sure
15 to circle back with you on that.

16 CHAIRPERSON FARIÁS: Okay, great, thank you.

17 Uh, The Meat Market's lease was renewed for 40
18 years in 2018. There is also vacant City owned
19 property adjacent to The Meat Market. Are there any
20 plans to develop that space? Is there a possibility
21 of incorporating the space into any of the existing
22 market leases?

23 SENIOR VICE PRESIDENT LIPPMAN: We are always
24 interested in facilitating the expansion Food
25 Distribution Center, and we are in current

1
2 conversations with The Meat Market in regards to that
3 site.

4 CHAIRPERSON FARIÁS: Awesome. In 2012, US DOT, as
5 I just mentioned, awarded a \$10 million grant for
6 freight rail improvements at The Produce Market, were
7 these improvements, uh, are there other freight rail
8 improvements that the City is seeking to make through
9 FreightNYC?

10 SENIOR VICE PRESIDENT LIPPMAN: Yes, those
11 improvements were made to the Sawtooth Rail back
12 then, and those improvements were completed. And, it
13 allowed for us to be able to increase rail capacity
14 there for more efficient, transfer of, like, potatoes
15 and onions from those rail cars that come in from the
16 west coast. And we are always... The movement of
17 goods by rail and freight is critical for us and
18 helps us reduce emissions. And, so we are excited
19 with the redevelopment to make sure that we have that
20 type of progress built in.

21 CHAIRPERSON FARIÁS: Awesome. The next question I
22 have is around Marine stock. I am particularly
23 interested in how we get back on waterways.

24 So, in March of 2019, EDC issued an RFP for an
25 operator to develop a marine terminal on the Hunts

1 Point Peninsula to encourage barge shipping to and
2 from Hunts Point. Did EDC end up selecting an
3 awardee for the marine terminal development? And, if
4 so, how is it progressing?
5

6 SENIOR VICE PRESIDENT LIPPMAN: Absolutely.
7 Thank you for that question.

8 I am sorry to report, in that specific instance,
9 that RFP process failed. And that was primarily due
10 to the COVID-19, uh, it really was the factor that
11 did not allow that RFP to be successful.

12 However, the movement of goods by water will
13 provide a vital backdoor to the Food Distribution
14 Center and helps reduce local truck trips. So, we
15 are... We are seeking to find ways to ensure that we
16 can leverage its proximity to the water. And, I know
17 that the team is working on a pilot project currently
18 with a local distributor to start doing case studies
19 -- Right?-- to only strengthen that... strengthen
20 the case for that, and we are excited to circle back
21 and give you the results of that project... that
22 pilot.

23 CHAIRPERSON FARIÁS: Okay, great. Is there any
24 interest or plans to reissue the RFP?
25

1
2 SENIOR VICE PRESIDENT LIPPMAN: That is
3 actually... One of my colleagues is running that.
4 So, I will... I can circle back with you in terms of
5 what the next steps are for the RFP process.

6 CHAIRPERSON FARIÁS: Okay, great, yeah, I... I'd
7 like to know just because I... I would also make the
8 assumption that the EDC allocated a pot of funds to
9 that development of a barge, and if that pilot failed
10 and we don't have an RFP, then how is that money
11 getting reutilized or reallocated in to an area for
12 either movement of stuff by freight, or if that
13 effort is going towards going back on to the water
14 even if it is without a barge. So, uh, awesome,
15 yeah, any information on that would be great.

16 SENIOR VICE PRESIDENT LIPPMAN: Absolutely.

17 CHAIRPERSON FARIÁS: I would like to ask a little
18 bit about workforce. How many of the employees at
19 each market are union members?

20 SENIOR VICE PRESIDENT LIPPMAN: We don't have an
21 exact number for you, but I can tell you over...
22 And, I'm sure ,you know, Phil, and now I'm looking at
23 Danny, uh, will have tons of answers for you there,
24 because they have a significant Teamsters Local 202,

1 uh, stronghold on The Produce Market. And, the vast
2 majority of the employees are part of that union.
3

4 The Meat Market has a meat packing union onsite
5 as well, where a significant number of employees are
6 doing that. The Fish Market has the United Seafood
7 Workers Union, Local 359. And, so we are incredibly
8 proud of these good paying family sustaining jobs
9 that FDC is able to provide. And, we are excited to
10 continue to find ways to expand that.

11 CHAIRPERSON FARIÁS: Okay, great, thank you.

12 Before I continue on, because I am going to
13 reorganize some of my question, I see that Council
14 Member Salamanca has his raised, so we will let him
15 ask some questions.

16 COUNCIL MEMBER SALAMANCA: Alright, uh, hello
17 everyone. Thank you, Chair Fariás, uh, for allowing
18 me to speak.

19 Uh, Sabrina, I really want to thank you and your
20 team. You know, I do have some tough questions for
21 you, uh, but I want to say how delightful it is to
22 work with yourself, Nate, and Fernando Ortiz on first
23 Hunts Point Forward Plan, which I am extremely
24 excited about. And, I am extremely thankful, and I
25 have let The Mayor know, on his investment in Hunts

Point of the \$140 million announcement that he made last month.

Now, I want to get straight the funding for The Produce Market. How much... What is the dollar amount that we have today in the bank for a new facility for The Produce Market?

SENIOR VICE PRESIDENT LIPPMAN: We have \$130 million from the City, uhm, in City subsidy. And, we have \$25 million in a State [BACKGROUND NOISE] [INAUDIBLE 00:44:37] CMAQ Grant that we expect will be allocated.

COUNCIL MEMBER SALAMANCA: And, that's what you have in the bank right now as we speak?

SENIOR VICE PRESIDENT LIPPMAN: Correct.

COUNCIL MEMBER SALAMANCA: Alright. How... The... Now this \$130 million, is that including the \$100 million from the Eric Adams, Mayor Adams?

SENIOR VICE PRESIDENT LIPPMAN: Yes, sir.

COUNCIL MEMBER SALAMANCA: Alright, so, prior to The Mayor's announcement, you only had \$30 million from City dollars for the market?

SENIOR VICE PRESIDENT LIPPMAN: Specifically allocated to the redevelopment, that is correct.

1
2 COUNCIL MEMBER SALAMANCA: How much funding did
3 then Mayor de Blasio, allocated to the market in his
4 eight years? But, just specifically just for that
5 project? The Produce, uh, The Produce Market...

6 (CROSS-TALK)

7 SENIOR VICE PRESIDENT LIPPMAN: Specifically...
8 Specifically for The Produce Market redevelopment, it
9 was \$30 million in the funds. Which is the \$30
10 million that I am referencing.

11 COUNCIL MEMBER SALAMANCA: Just the \$30 million.
12 And, so, okay, so, de Blasio puts in \$30 million,
13 Eric Adams puts in \$100 million, how did, Mayor
14 Bloomberg, uh, put in at the time?

15 SENIOR VICE PRESIDENT LIPPMAN: That is a great
16 question, Council Member, I would have to look back
17 and circle back with you on that number.

18 COUNCIL MEMBER SALAMANCA: Now, the funding that
19 is there, because I know that there have been capital
20 improvements done in the markets. Uh, the rail was
21 done, I don't know what other work, but I know rail
22 work was done. Where did that money come from?

23 SENIOR VICE PRESIDENT LIPPMAN: So, there is a
24 combination of funding for the rail. I was
25 generally... [LOST AUDIO]

2 CHAIRPERSON FARIÁS: Sorry, Sabrina, you are kind
3 of breaking up right now on your video.

4 COMMITTEE COUNSEL: Chair, it looks like Sabrina
5 may have frozen. Uh, is Nick... Nick is your camera
6 working, because we can turn to Nick [INAUDIBLE
7 00:46:27]... (CROSS-TALK)

8 ASSISTANT VICE PRESIDENT STABILE: Yeah, I'm
9 here. Give us one second, we'll try to solve this
10 tech issue. Sometimes we have some, uh, chunky wifi
11 to say the least.

12 COUNCIL MEMBER SALAMANCA: Madam Chair, while we
13 wait to fix the issues with the, uh, with EDC, is it
14 possible that I can ask the Business Integrity
15 Commission, if they're here, some questions on
16 their... (CROSS-TALK)

17 CHAIRPERSON FARIÁS: Sure...

18 COUNCIL MEMBER SALAMANCA: role?

19 CHAIRPERSON FARIÁS: Sure, go ahead.

20 COUNCIL MEMBER SALAMANCA: Alright, is there a
21 representative from BIC?

22 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: I'm here,
23 Council Member, good afternoon.

24 COUNCIL MEMBER SALAMANCA: How are you? Oh,
25 okay, I can see you now. Alright, thank you.

1 Hey, first, I would want to congratulate the new
2 BIC Commissioner, and look forward to working with
3 them, and having a one on one and maybe doing a tour
4 of The Market.
5

6 I am not going to be able to express all of our
7 concerns here today, uh, but I do have some concerns
8 on some of the operations regarding the oversight
9 that BIC has in the markets. And, I just want to
10 have this open dialogue like I had with the prior
11 administration there.

12 So, BIC, you've played an important role. I
13 remember my dad working in the markets, and my dad
14 coming home and saying, "Hey, they came in, and they
15 just arrested a bunch of people for organized crime."
16 And, the BIC served its purpose. You came in, you
17 cleaned house and ensured that ,you know, that
18 businesses were abiding by the law.

19 Now, I know that you have been there ever since.
20 My question is, you charge every business fees to
21 operate. Right? And, you charge every individual a
22 fee to have a BIC license -- you may have the right
23 word for that. What is the dollar amount that you
24 charge every business?
25

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Sure, uh, any company that wants to operate at The Hunts Point Produce Market, The Meat Market, or The Fish Market, they have to apply and get a market registration. That registration is \$4,000. That resignation is then... allows us to conduct an indepth investigation, very detailed, to look at who owns this company to make sure that this isn't t another attempt by an undisclosed principle who is part of organized crime to try to get back in the market.

And, keeping in mind, our mandate is to keep the marketplace safe and to prevent organized crime and criminalality in the market. And, we do that vis-à-vis our review of the application and the investigation that goes with it.

COUNCIL MEMBER SALAMANCA: Okay. How often, uh, to businesses have to re-regisiter or reapply for...

(CROSS-TALK)

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: [INAUDIBLE 00:049:11] sure... (CROSS-TALK)

COUNCIL MEMBER SALAMANCA: Or renew their registration fee?

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: It's every three years.

2 COUNCIL MEMBER SALAMANCA: Every three years?

3 So, every three years businesses have to pay \$4,000?

4 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Yes, sir.

5 COUNCIL MEMBER SALAMANCA: Now, is this a flat

6 fee? So, you may have a business that has 15

7 employees compared to a business that has 300

8 employees?

9 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Correct. The

10 application is for the entity -- for the business

11 that is applying. So, it is a flat fee for the

12 application, but there is, I believe you were trying

13 to discuss photo identification? [INAUDIBLE

14 00:49:43]... (CROSS-TALK)

15 COUNCIL MEMBER SALAMANCA: Yes, that was my next

16 question, because I know... The businesses...

17 (CROSS-TALK)

18 SERGEANT AT ARMS: Time expired... (CROSS-TALK)

19 COUNCIL MEMBER SALAMANCA: as a whole have to

20 apply. And, then you have the individual employees

21 that have to apply. And what are your... (CROSS-

22 TALK)

23 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Yes, that is

24 correct.... (CROSS-TALK)

25 COUNCIL MEMBER SALAMANCA: What are their fees?

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Thank you for that question, Council Member. That fee is \$150.00, but it is a one-time fee. It is a fee that we then review that individual, and just to give you an example, a couple of years ago, we had an individual that applied for a photo identification, when we did the background on it, we found that individual was associated with organized crime. And, therefore, we denied that person's photo identification. So, that fee goes towards that background. But, there are two separate things. The application fee is for the company, and the photo identification is for the employee.

COUNCIL MEMBER SALAMANCA: Yes, yes.

Now, how often do they need to the... How often does an employee have to renew is identification?

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: They never have to renew it. Once they receive... One we review it and we determine that they do not lack good character, honesty, and integrity, they are permitted to operate in the markets.

COUNCIL MEMBER SALAMANCA: Okay. So, it's... Okay, alright, that's good.

1 What is your policy in coming in to a business
2 and asking to see the employee's I.D.? And, the
3 reason I ask is, born and raised here, have many
4 friends that are in the markets, I have heard many
5 complaints about... And, I mentioned this in my
6 opening statements, overzealous enforcement officers
7 just walking in, stopping shop, putting everyone
8 against the wall, and basically just asking them for
9 their I.D. And, so, I just wanted to know, what is
10 your... How often do your enforcement officers enter
11 these businesses, and what... Break it down. What
12 is their role?
13

14 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Sure, so the
15 market agents' role is to go through the markets, and
16 they patrol their area either on foot or in a
17 vehicle. Right now, we are talking about photo
18 identifications in the market, so when they are
19 patrolling by, you know, walking around the markets,
20 they do inspections of a location, because we have
21 had situations where companies do not tell us that
22 employees are working there. And, then, it is
23 because those individuals most likely would not get a
24 photo identification, because they have problems with
25 their possible criminality or things that would

1 prevent them from getting a photo identification.

2 So, we have to do inspections to make sure that the
3 people who are working at the market, are individuals
4 that won't cause safety concerns to the rest of the
5 customers and the market as well as the other
6 employees. So, we make sure that everyone who is
7 there` has a photo identification and has been
8 reviewed and has a background, again, does not lack
9 good character, honesty, and integrity.

10
11 COUNCIL MEMBER SALAMANCA: Okay, alright...

12 (CROSS-TALK)

13 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: It is not
14 often, Council Member. I can tell you that, like,
15 the inspections for photo identifications, they are
16 on a case by case basis. It will be because we have
17 information that this certain business has 10
18 employees that have been disclosed to the commission,
19 yet we see 20 employees walking around. Based on
20 that discrepancy, 10 employees are not being
21 disclosed, so we have to take a look at that.

22 COUNCIL MEMBER SALAMANCA: Okay, alright.

23 Well, I want to thank you for answering my
24 questions. And, again, uhm, if you can, uh, someone
25 from your office can reach out, I want to connect

2 with your office, so that we can have a one on one,
3 uh, you know, meeting with your commissioner.

4 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Council
5 Member, Elizabeth Crotty just came to this
6 commission, as you know, as appointed by Mayor Adams.
7 She is here. She is excited to have a relationship,
8 not just with the markets, not just with the
9 companies, but she wants that relationship with the
10 City Council, and have your input with respect to the
11 important matters that effect your constituency. So,
12 she and I would look forward to the opportunity to
13 discuss any issues with the market that you have.
14 And, we would love to meet with you at the earliest
15 convenience.

16 COUNCIL MEMBER SALAMANCA: Thank you.

17 Uh, Madam Chair, is it possible that I can ask,
18 uh, EDC a few questions. I don't want to overstep

19 CHAIRPERSON FARIÁS: No, you sure can. That's
20 okay.

21 COUNCIL MEMBER SALAMANCA: Thank you... (CROSS-
22 TALK)

23 CHAIRPERSON FARIÁS: We're co... We're co-
24 chairing now... (CROSS-TALK)

1
2 COUNCIL MEMBER SALAMANCA: Sabrina... Uh,
3 Sabrina, so I want to go back to the question that we
4 had for Sabrina. She just needs to be unmuted.
5 There you go...

6 SENIOR VICE PRESIDENT LIPPMAN: Thank you, there
7 we go. Can you hear me, Council Member?

8 COUNCIL MEMBER SALAMANCA: Yes.

9 SENIOR VICE PRESIDENT LIPPMAN: Thank you, sorry
10 about that. I promise that wasn't on purpose. You
11 know, I... I expect nothing less than to answer your
12 questions, because they are all coming from a very
13 good place. I know that.

14 COUNCIL MEMBER SALAMANCA: Alright, so we were
15 discussing the dollar amounts for The Produce Market,
16 the facility itself. And, I was trying to get an
17 understanding of... Well, you mentioned that there
18 is a \$130 million that we currently have from the
19 City -- \$25 million that is available that the State
20 has that's available for us.

21 Uh, and I am just trying to... What I am trying
22 to get at is, what's the cost of the facility? Do we
23 have an accurate cost of it? What would it cost to
24 give The Produce Market a state of the art facility?

1 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. So,
2 like I mentioned earlier to Chair Farías, and as you
3 know, Council Member, this is going to be a
4 significant project. And infrastructure project that
5 is without a doubt is going to need the multiples of
6 the already committed funding. However, until we
7 have a better sense of the scope of the project, and
8 that is what we are working so closely with the co-op
9 produce market to identify, until we have a true
10 scope and design, it is very difficult to be able to
11 give a number.
12

13 I think we are... I am not saying that we are
14 not close, I think we are close, but until we have
15 that scope and design, I would hate to throw out
16 numbers without knowing more about the building that
17 is getting built.

18 COUNCIL MEMBER SALAMANCA: Okay.

19 Where are with the scope and the design? I
20 remember pre-pandemic, there was a sit-down with then
21 President James Patrick that we had with the
22 leadership in the market. And, we sat down, and
23 there was an RFEI, I believe that was being put out
24 there. Where are we?
25

1 SENIOR VICE PRESIDENT LIPPMAN: That's exactly
2 right. So, we released and RFEI for this project in
3 August of 2019. We had respondents to this. We have
4 been working with a respondent alongside The Produce
5 Market cooperative the entire time. Where we are
6 currently, is nailing down -- What is that scope? --
7 What is that final design? -- So that we can attach a
8 number to it, and we can attach a construction
9 timeline to it. That isn't stopping us from going
10 out and talking to our friends at the State and
11 Federal level to find additional subsidy. But, we
12 really need to kind of fine tune that scope in order
13 to be able to get that number.

14 I would say we are likely... You know, to us, we
15 are going to be circling back with you, with the
16 Committee, you are one of the first folks... we are
17 going to circle back, once we have a better sense of
18 the amount that we are talking about.

19 COUNCIL MEMBER SALAMANCA: Alright, do we have a
20 timeline as to when we will have the scope and design
21 ready?
22

23 SENIOR VICE PRESIDENT LIPPMAN: I mean, a lot of
24 that is dependent on how the conversations with the
25 cooperative go in terms of the needs that they have

1 for this new market. And, that is inclusive of
2 building, of circulation, inclusive of rail. We are
3 in constant conversation with them. If I had to come
4 back to you, I would say that we will absolutely come
5 back to you with an update within the next month.
6 And we expect that within that month, we would be
7 able to make significant progress to come back to you
8 and give you those details.

10 COUNCIL MEMBER SALAMANCA: Alright, thank you.

11 I am going to hand it off to you, Madam Chair,
12 and then I will stick around for a second round
13 questions.

14 CHAIRPERSON FARIÁS: Great, thank you so much.

15 Awesome. Thanks. I'm sorry, about your tech
16 difficulties earlier, and I do just want to say thank
17 you for jumping in and tag teaming, Mr. Moustakas and
18 for helping in the time being and for sticking
19 around.

20 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: My pleasure.

21 CHAIRPERSON FARIÁS: So, I am going to ask some
22 resiliency questions, because I am super interested
23 in what we are looking at. And, then I will go back
24 to some of the workforce stuff that I started with.

25 Uh, in 2015, EDC and [BACKGROUND NOISE]

1 [INAUDIBLE 00:58:31] convened an advisory working
2 group of Hunts Point stakeholders to develop
3 priorities and make recommendations for Hunts Point
4 resiliency improvements. The working group
5 recommended that the City focus on power, energy, and
6 coastal protection as it moves forward with the
7 improvements. EDC decided to launch a pilot project
8 for power and energy resiliency.
9

10 Can we get an update on The Hunts Point Energy
11 Resiliency Pilot Project?

12 SENIOR VICE PRESIDENT LIPPMAN: Absolutely, and
13 thank you for asking that.

14 So, as we have stated, we are absolutely
15 committed to energy resiliency. In regards to The
16 Energy Resiliency Pilot Project, we are looking to
17 build our solar and storage components of this
18 project, which has been made challenging due to
19 evolving legislation and supply chain issues. So,
20 similar to what I am sure you have seen firsthand,
21 COVID-19 had a significant impact on that supply
22 chain. But, we are back at it and looking for ways
23 to advance the energy resiliency as much as possible.

24 We have been working closely to do all of the due
25 diligence necessary to ensure that we are doing what

1 is best for the project and what will be the most
2 effective use of the funding.
3

4 In the time that has gone by, we are excited to
5 finally be at a place where we are formally moving
6 forward to get this project done.

7 CHAIRPERSON FARIAS: Awesome. To we have progress
8 of the tri-generation micro grid?

9 SENIOR VICE PRESIDENT LIPPMAN: Yeah, so in the
10 time that we initially had the tri-generation micro
11 grid come up, there have been significant changed
12 circumstances specifically for the tri-generation
13 portion of this. And, primarily, the main factor has
14 been legislation at the City and State level that are
15 moving towards decarbonization, which of course we
16 are supportive of. And, so because of the
17 legislation change and the moving away of
18 decarbonization, uh what tri-generation does is use
19 natural gas. But, that is the burning of fossil
20 fuels, which if we install the tri-generation in its
21 original concept, we would be burning those fossil
22 fuels in the long-term. And, so that is... We are
23 pivoting from that strategy, and we are looking at
24 how we can build a grid that is based on clean energy
25 generation as much as possible. So, that harkens

2 back to the solar piece of this, the battery storage
3 piece of this, which is critical. [INAUDIBLE
4 01:01:18]... (CROSS-TALK)

5 CHAIRPERSON FARÍAS: Great. And is this...
6 Sorry, go ahead?

7 SENIOR VICE PRESIDENT LIPPMAN: Oh, and focusing
8 on the backup energy piece.

9 CHAIRPERSON FARÍAS: Perfect.
10 What is the progress of implementing the solar
11 and storage at, particularly at M.S. 424 and P.S. 48?

12 SENIOR VICE PRESIDENT LIPPMAN: Uh, we are moving
13 full steam ahead and looking to find ways to
14 accelerate the timeline to be able to implement that
15 piece of the project, and we are excited to come back
16 to you with what that timeline looks like.

17 CHAIRPERSON FARÍAS: Great, and has the EDC
18 supplied mobile emergency diesel generators to FDC
19 markets?

20 SENIOR VICE PRESIDENT LIPPMAN: We have, as I
21 mentioned earlier, we have implemented permanent
22 backup power at The Meat Market. And, we are looking
23 to include backup power for 600 Food Center Drive as
24 well as The Produce Market at this time.

1 CHAIRPERSON FARIAS: Great. In 2019, EDC decided
2 to move forward with building flood proofing or
3 hardening over other coastal resiliency measures.
4 Could you provide details on the decision to choose
5 hardening over any of the other recommendations? I
6 know there were quite a few. And, can you provide an
7 update on the progress of building flood proofing at
8 The Meat Market, Krasdale, and 600 Food Center Drive?
9

10 SENIOR VICE PRESIDENT LIPPMAN: Absolutely.

11 So, uh, we want to ensure that the FDC, Hunts
12 Point, and the City are protected from Sandy-like
13 storm surges.

14 We have been able to analyze the risks posed to
15 the FDC from multiple types of disasters. Based on
16 the current risks, a tailored approach to at risk
17 buildings is most the appropriate response, not
18 necessarily coastal protection. We were able to
19 engage in conversations with all tenants, so that
20 they understand the risk and create those emergency
21 actions -- action plans -- as well as mitigation
22 efforts.

23 So, in the imminent term, in the immediate term,
24 the FDC and Markets' floor level is naturally already
25 elevated due to loading docks. Which is a very good

1 thing, because it protects the food supply. As, I
2 mentioned we are advancing those backup power
3 projects at The Produce Market, uh, and we were able
4 to achieve backup power for The Meat Market in
5 addition to HESCO barriers and Tiger Dams that they
6 have onsite.
7

8 We are also, to your point of building specific,
9 actively looking for Federal grant funds to harden
10 both 600 Food Center Drive and The Meat Market power
11 building, which are the two buildings most at risk
12 for storm surge.

13 In terms of The Fish Market, there is a bulkhead
14 already there, and thankful their infrastructure --
15 electric infrastructure -- is on their mezzanine
16 level and out of the flood plain.

17 So, in the long term, we are going to continue to
18 seek funding to further protect the food supply.
19 Obviously climate change is such a huge risk for the
20 entire city, so we need to continue to work
21 cooperatively with City government, State, and Feds
22 to ensure that we can protect the FDC.

23 CHAIRPERSON FARIAS: Yeah, please keep us in the
24 loop of any addition resiliency efforts that are
25 made. You know, FEMA will be issuing their new flood

1
2 plain lines really soon. I know my district is going
3 to be impacted as well in that we are within the
4 flood plains, so this infrastructure is too important
5 to the eastern seaboard, too important to the
6 tristate area for us to not make sure that it is
7 protected.

8 SENIOR VICE PRESIDENT LIPPMAN: Absolutely.

9 CHAIRPERSON FARIÁS: And, sorry, I just wanted
10 to... Just in terms of the hardening and these
11 projects, I just wanted to make sure if the estimated
12 costs are available, and if so, is there current
13 funding committed to building the hardening right
14 now?

15 SENIOR VICE PRESIDENT LIPPMAN: We are actively
16 submitting applications for Federal funding in order
17 to be able to do that. And, I am looking into the
18 costs, so I can get that to you potentially in the
19 next few minutes.

20 CHAIRPERSON FARIÁS: Great.

21 And, do you foresee any huge challenges going
22 forward in terms of coastal resiliency for the
23 markets? I know, like, there is a lot of times when
24 we look at peninsulas with building seawalls or
25 bulkheads or things like this, where we do have to

1 evaluate, like, ricocheting of water in another
2 direction or different things like that.

3
4 So, do you see or foresee any challenges going
5 forward?

6 SENIOR VICE PRESIDENT LIPPMAN: Currently I think
7 we have the right plan in place. And, you know, I
8 think there is always... It is something that we are
9 constantly looking at. And, to your point, Chair
10 Fariás, as the Feds release, as FEMA releases those
11 flood plans, that is somewhat that we are laser like
12 focused in ensuring that we feel that the FDC is
13 protected.

14 In addition to that, one of the things we are,
15 you know, also as you think about climate change, for
16 us here at the FDC, power outage -- right? -- is
17 where we are more concerned. And, so we are really
18 proud that we are kicking off an energy master
19 planning project that is going to evaluate the
20 current opportunities for energy efficiency and
21 decarbonization in the FDC, and find strategic
22 pathways for implementation of the City and State's
23 long term goals here. So, I think that's... That's
24 an area of focus.

1
2 And, I did get the number for the building
3 hardening. It is about \$20 million that we would
4 need to harden those buildings.

5 CHAIRPERSON FARÍAS: I'm sorry, I just wanted
6 to... Just want to look at something really quickly.

7 Uh, in terms of the \$20 million that is needed,
8 do we have any update on... I thought in the
9 resiliency plan for this, there was an awarded \$20
10 million for The Community Development Block Grant,
11 was that awarded for this project, or was that
12 awarded for something else. Because, I know there
13 was an additional allocation from the City in \$25
14 million.

15 SENIOR VICE PRESIDENT LIPPMAN: I, uh, I don't
16 want to speak... Oh, okay, the \$25 million was for
17 the energy resiliency program. So, that is that
18 battery, solar, storage, and the new concept for the
19 tri-generation micro grid.

20 CHAIRPERSON FARÍAS: Okay.

21 Okay, great, we will follow up on questions
22 around that.

23 So, just to go back to workforce, and then we
24 will see if my colleagues have any questions.

1
2 In 2015, the previous mayor announced \$150
3 million investment in The Produce Market that would
4 create 500 permanent jobs, 900 unionized construction
5 jobs, expand rail capacity, remediate underutilized
6 properties for new buildings, expand and modernize
7 existing buildings, and strengthen those building
8 against flooding.

9 What types of jobs did this investment create?
10 Have those jobs been created and sustained? And are
11 the jobs expected to be created by The Produce Market
12 redesign?

13 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. It's
14 a fantastic question. And, for us jobs are so vital
15 and critical to The Food Distribution Center, good
16 paying jobs. That funding helped retain -- again, we
17 have 8,300 jobs out of this distribution center. So,
18 that helped retain the 2,000 in The Produce Market,
19 the 2,500 that are located in The Meat Market, and
20 the close to 1,000 jobs in The Fish Market.

21 Outside of that, that funding also helped bring
22 in GrowNYC, so, the New York Regional Food Hub, which
23 we are really excited is topping off as we speak, and
24 we will be adding to the job numbers.

1 The redevelopment of The Produce Market, we
2 anticipate will have job growth, and we are excited
3 to share those numbers with you soon for sure.

4 CHAIRPERSON FARIÁS: Great, thank you.

5 So, I asked earlier about what the percentage of
6 the unionized workers were. My followup is, what is
7 the relationship between the unions representing
8 market workers and the EDC?

9 SENIOR VICE PRESIDENT LIPPMAN: Well, Danny Kane
10 and I get along really well. But, uh, in all
11 seriousness, we look to establish strong partnerships
12 across the board. Whether that's with our tenants
13 and each cooperative, uh, whether that is with the
14 businesses that lie within those cooperatives, uh, we
15 also have very strong partnerships. Uh, and I think
16 we are doing a much better job now of building and
17 forging stronger partnerships with Local 202, uh, and
18 are looking forward to continue to build those
19 partnerships with other, uh, unions located within
20 the Food Distribution Center.

21 CHAIRPERSON FARIÁS: That's great. Is there a
22 commission or any other entity for all three markets
23 to work together in negotiations with the City?
24

1 SENIOR VICE PRESIDENT LIPPMAN: That's a great
2 question. I'd love the chance to just think about
3 that a little bit more and circle back with you on
4 that.

5 CHAIRPERSON FARÍAS: Sure.

6 And, are the wages of the markets competitive?

7 SENIOR VICE PRESIDENT LIPPMAN: Yes, the wages of
8 the markets are competitive, thankfully, because the
9 vast majority are union. And, I would say that
10 COVID-19 has definitely highlighted not only the
11 importance of these markets, but the importance of
12 the workers that are there, uh, keeping it going.
13 They didn't close for a single day. And, so, yes,
14 they are very competitive... (CROSS-TALK)

15 CHAIRPERSON FARÍAS: Yeah.

16 Great, uh, in 2021, there was a union labor
17 strike at the market. I know Council Member Rafael
18 Salamanca and I were there, if not every... every
19 day then almost every day, along with other elected
20 officials supporting our neighbors.

21 I just want to ask some questions for the record
22 in terms of what that strike meant for our city.

23 How did that impact the regional food supply?
24
25

1 SENIOR VICE PRESIDENT LIPPMAN: Uh, that was a...
2 I was here. That was a scary time. And, I would say
3 that, uh, for EDC, uh, those jobs are so vital and so
4 critical, uh, and I think it only... It shed light
5 on the critical importance of having workers there
6 moving. It doesn't move without them. Right? And,
7 so, it is really vital, and we are so happy that
8 those issues were resolved, uh, because we are a
9 stronger more vibrant market because of that.

10 CHAIRPERSON FARIÁS: I am almost positive it was
11 about 11 days. It felt like almost two weeks when it
12 happened. What are the terms of the new negotiated
13 labor contracts, and how long will it be before it
14 expires?

15 SENIOR VICE PRESIDENT LIPPMAN: Uh, we are not
16 privy to that arrangement and to that agreement...

17 (CROSS-TALK)

18 CHAIRPERSON FARIÁS: Mm-hmm

19 SENIOR VICE PRESIDENT LIPPMAN: But, I am sure
20 Danny and Phil can answer those questions.

21 CHAIRPERSON FARIÁS: Yes. Uhm, and I guess for...
22 For me, you know, and I feel like you touched on this
23 quite a bit, you know, knowing how critical these
24 jobs are for these essential workers, I guess going
25

1 forward, it's... And, maybe that is involving and
2 thinking a little bit more about, is there something
3 that unifies the negotiations. But, you know, how
4 can we ensure negotiations and fair contracts going
5 forward for these essential workers are prioritized,
6 as we do not want to be in a situation like this
7 again.

9 SENIOR VICE PRESIDENT LIPPMAN: Absolutely, and I
10 couldn't agree more. And, we are excited, I mean, we
11 met with Danny a few weeks ago to talk about The
12 Produce Market redevelopment and expect him to be at
13 the table along with the cooperative, Phil was there
14 as well, uh, to ensure that we are aligned when we
15 look at this redevelopment.

16 CHAIRPERSON FARIÁS: Awesome. And, by any chance,
17 do we have the percentage of the workforce at the
18 market that our New Yorkers that live nearby or
19 Bronxites particularly?

20 SENIOR VICE PRESIDENT LIPPMAN: Uh, we know that
21 that percentage of Bronxites is well above 50%. When
22 you look at the entire Food Distribution Center, not
23 just The Produce Market, as each... (CROSS-TALK)

24 CHAIRPERSON FARIÁS: Mm-hmm
25

1 SENIOR VICE PRESIDENT LIPPMAN: business is
2 unique. Uh, but we are laser-like focused in finding
3 ways to bring Bronxites in to these good paying jobs.
4

5 CHAIRPERSON FARIÁS: Awesome, thank you so much.

6 I have a couple questions for BIC if possible,
7 bring you back on to the spotlight.

8 And, you did kind of give a lot of the overview
9 of your jurisdiction, and I just kind of want to fill
10 in some of the gaps that I have had.

11 Uh, so, if you would like to give any more
12 overview of BIC's jurisdiction over the FDC and how
13 it regulates businesses there, feel free to add
14 anything on.

15 But, I particularly would like to know what type
16 of offenses are most common that you are responding
17 to in terms of enforcement.

18 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Sure.

19 Last year, uh, the last fiscal year we had
20 approximately 15 violations issued. So, the majority
21 of those... No, those were, uh, we actually had
22 more. We had 19 total violations issued during the
23 last fiscal year.

24 The response is mostly idling of vehicles as well
25 as unregistered activity. So, unregistered activity

1 is when a company does not go through the process,
2 does not apply with the commission, starts to operate
3 in the markets, and then, therefore, The Commission
4 has to take action. We issue them an unregistered
5 activity violation, and that is then, uh, sent to The
6 Office of Administrative Trials and Hearings to be
7 litigated. And, hopefully by issuing that violation,
8 they get the point, and we then also issue them the
9 application and have them apply with The Commission.
10

11 CHAIRPERSON FARIÁS: Okay, just for... I guess
12 for myself and probably a lot of other people, how
13 available is this information in terms of
14 registration? Or, like, I guess the initial question
15 that came mind was, how could someone operate within
16 the market without knowing that they have to be
17 registered?

18 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Well, if you
19 are can operate in the three, let's say The Produce
20 Market or The Fish Market or The Meat Market, there
21 is cooperative.

22 CHAIRPERSON FARIÁS: Right.

23 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: And, it's
24 pretty common knowledge that you must have a
25 registration to operate in those markets. All of

1 that information is available on website as well as
2 BIC has a presence there vis-à-vis a trailer outside
3 of the New Fulton Fish Market, and any documentation
4 that anyone requires, they can get it there. Or we
5 actually send market agents to the location with the
6 applications to give it to them in case there is a
7 language barrier or anything of that nature.

9 CHAIRPERSON FARIÁS: Got it. And do most of your
10 documentation -- is there multiple languages? I am
11 assuming Spanish speaking is probably one of the most
12 common, but in The Bronx we have many.

13 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Our
14 applications are not in multiple languages. But, we
15 do have individuals here at The Commission that speak
16 Spanish. So, if there's any questions we have a
17 Spanish speaking individual who will, you know,
18 answer any questions anyone has... (CROSS-TALK)

19 CHAIRPERSON FARIÁS: Okay... (CROSS-TALK)

20 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: And, that is
21 for other languages, too.

22 CHAIRPERSON FARIÁS: Okay, great, I mean, yeah, I
23 don't know what level of interest BIC has in terms of
24 taking their documentation and making them beyond
25 monolingual. You know, nuance is really important in

1 languages, and sometimes just not be able to read
2 documentation or better understand. I am someone who
3 spoke Spanish first, and I am scared to do Spanish
4 media, so let alone what someone is with an entire
5 registration or application process. Uh, so I would
6 appreciate it the consideration of looking at how you
7 folks can have that and at least the most common
8 languages spoken.

9
10 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Absolutely.

11 CHAIRPERSON FARIAS: Thank you.

12 And, then my last followups are, what the
13 relationship like is between markets and BIC? How
14 does BIC interact with other agencies that regulate
15 part of EDC like USDA doing food safety inspections?

16 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Okay, uh, so
17 the relationship with The Commission and the markets,
18 we have a couple of different ways. The BIC agents
19 who are there, typically when they start their tour,
20 they check in with the security staff of each, you
21 know, the three respective markets so the agents on
22 the ground know what's going on. In addition to that
23 we also have where our investigation supervisors,
24 they speak to the counterparts in the respective
25 markets. So, the supervisors are always constantly

1 in contact. And I think the best way to explain that
2 is, like, during the pandemic, everyone realizes that
3 it was a very difficult time for the markets. And as
4 a result, we constantly, because we have agents
5 there, were able to get information about what was
6 happening from our colleagues at the markets and pass
7 that information to EDC. Because, while we are both
8 agencies and have different responsibilities, as EDC
9 is the landlord, and we do the regulatory
10 enforcement, it is important that we all work
11 together -- especially at that time. At that time,
12 information was important to know what business was
13 in trouble, "What was happening?" real time
14 information on the ground that we were able to get,
15 because of our presence there.

17 CHAIRPERSON FARIÁS: Got it, thank you so much for
18 sticking around and answering all of my followups. I
19 look forward to our continued open dialogue and
20 communication moving forward with the markets.

21 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Absolutely.

22 CHAIRPERSON FARIÁS: Uh, with that, I will yield
23 my time and questions, and pass that back over to my
24 moderator, Alex.

25 COMMITTEE COUNSEL: Thank you, Chair Farías.

We will now turn to Council Member Salamanca for a second round of questions.

Sergeants, we will be limiting the second round of questions to five minutes.

COUNCIL MEMBER SALAMANCA: Okay, awesome, thank you. And, thank you, uh, Chair.

I have a question, a few questions for BIC. What is your jurisdiction exactly? (CROSS-TALK)

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Sure... (CROSS-TALK)

COUNCIL MEMBER SALAMANCA: in terms of the businesses?

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Yep, so it's the three markets that we have discussed. The New Fulton Fish Market, The Produce Market, The Meat Market, as well as that area that is, let's say, north The Fish Market and west of the two other markets, which is called Hunts Point Adjacent Area.

COUNCIL MEMBER SALAMANCA: But, they are... Those areas are not owned by the City.

EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Correct. That is [INAUDIBLE 01:20:15]... (CROSS-TALK)

COUNCIL MEMBER SALAMANCA: So, how... How... How... Why does BIC have jurisdiction over an area

1 that is not owned by... That is not run by the City?
2 Who set those lines?
3

4 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: That is in
5 our law. The administrative code designates the area
6 where The Commission has jurisdiction. We also have
7 jurisdiction over the Brooklyn Meat Market for
8 example. We have jurisdiction over six wholesale
9 market areas and four of these essentially lie in The
10 Bronx.

11 COUNCIL MEMBER SALAMANCA: Okay, I would... I
12 would like... I know you probably don't have this
13 now, but if you can provide my office with a map
14 of... (CROSS-TALK)

15 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Absolutely.

16 COUNCIL MEMBER SALAMANCA: of the catchment area?

17 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Absolutely.

18 COUNCIL MEMBER SALAMANCA: I am interested in
19 knowing what areas, you know, you actually have
20 jurisdiction over.

21 Uh, now my other question is, undocumented
22 individuals, when you come in and you do these spot
23 checks, well are undocumented individuals, are
24 they... Do... If they apply for employment in one
25

1 of the markets, uh, does BIC provide them with
2 identification?
3

4 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Citizenship
5 status plays no role in our determination of whether
6 an applicant can, uh, receive a photo identification.
7 It is strictly based on whether they have or lack
8 good character, honesty, and integrity. So, if a
9 person is undocumented, that doesn't matter. We
10 provide the application to everyone.

11 COUNCIL MEMBER SALAMANCA: Okay, alright.
12 Alright, thank you. Thank you, thank you very much.

13 EXECUTIVE AGENCY COUNSEL MOUSTAKAS: Absolutely.

14 COUNCIL MEMBER SALAMANCA: Those are two
15 questions for the, uh, for BIC.

16 I just have a few more questions for EDC, uh, and
17 then I am done.

18 I just want to know, what's the status of the
19 generator for The Meat Market?

20 SENIOR VICE PRESIDENT LIPPMAN: Yeah, the...
21 Thank you, Council Member. So, as you know, because
22 we have been in constant communication on the backup
23 generation for The Meat Market, we are very happy to
24 report that those generators are in place, that they
25 are connected to The Meat Market. And, in the event

1 of a disaster where the power is out, those
2 generators can be turned on and will provide the
3 backup power. We are still a few weeks away from the
4 delivery of that to The Meat Market. So, we are
5 closing out what we would call a punch list, and
6 then, when that punch list is closed, The Meat Market
7 can fully adopt the generators.
8

9 COUNCIL MEMBER SALAMANCA: When did this project
10 commence?

11 SENIOR VICE PRESIDENT LIPPMAN: This project
12 commenced, uh, I have to look up the year, but it was
13 several years ago at this point unfortunately.

14 COUNCIL MEMBER SALAMANCA: Yeah, that's
15 frustrating to know that, you know, years have gone
16 by, and we are still talking about when this project
17 will be complete.

18 SENIOR VICE PRESIDENT LIPPMAN: I completely
19 share that frustration with you, Council Member.
20 And, I am... Although I am, uh, pleased to know that
21 the market is now protected for backup power, I
22 completely agree with you and am in line with your
23 frustration on how long it has taken to get here.

24 COUNCIL MEMBER SALAMANCA: Okay, and finally,
25 the, uh, The Meat Market capital needs, I know that

1
2 there is an \$11 million need for their cooling
3 system. Uh, then, I believe there is another...
4 help me... the façade is that in the [INAUDIBLE
5 01:22:36]... (CROSS-TALK)

6 SENIOR VICE PRESIDENT LIPPMAN: Yes, the façade
7 replacement... (CROSS-TALK)

8 COUNCIL MEMBER SALAMANCA: million dollars?

9 Yeah. Are there any plans, uh, from EDC to
10 allocated capital funding to address these two
11 issues?

12 SENIOR VICE PRESIDENT LIPPMAN: We are very happy
13 that we are going to be addressing the building that
14 is in worst condition at the market, and we are
15 already underway to begin that process of replacing
16 that entire façade for that one building. Uh, and as
17 you know, we have been working closely with your
18 office. We have also had the opportunity to meet
19 with The Mayor, uh, to let him know the urgent need
20 for both the brine system as well as the remaining
21 funding needed for the façade replacements.

22 COUNCIL MEMBER SALAMANCA: Okay, alright, thank
23 you very much. Thank you, Madam Chair. I am done
24 with my line of questioning.

1 SENIOR VICE PRESIDENT LIPPMAN: Thank you,
2 Council Member.

3 CHAIRPERSON FARIÁS: Thank you... (CROSS-TALK)

4 COMMITTEE COUNSEL: Thank you, Council Member
5 Salamanca.

6 We are going to back to the other members. If
7 there are any other members who wish to ask a
8 question of the administration, please use the Zoom
9 Raise Hand Function now.

10 Seeing no additional... Oh, Council Member
11 Gutiérrez has a question.

12 Council Member Gutiérrez, we will turn to you.

13 SERGEANT AT ARMS: Time starts now.

14 COUNCIL MEMBER GUTIÉRREZ: Thank you, so much,
15 and thank you, Chair Fariás, uh, for holding it down
16 for the whole committee. I feel like every time I'm
17 on this, it's a marathon [LOST AUDIO] [INAUDIBLE
18 01:25:01] hearing.

19 Uh, Sabrina, so good to see you. Am I am...
20 Have not... I have not visited the market so much,
21 but I really enjoy hearing just the proposals for
22 [INAUDIBLE 01:25:13] investments, and obviously, I
23 think for me in this district [INAUDIBLE 01:25:17] in
24 have a vested interest in understanding how EDC is
25

1 envisioning some kind of support for the market in
2 [LOST AUDIO] [INAUDIBLE 01:25:25] in Williamsburg,
3 which actually I am already doing a walkthrough with
4 you all soon.

5
6 But, I am particularly interested in a piece --
7 and I was late -- but I do know that you have drafted
8 the individual lease agreements with the particular
9 vendors. Can you explain --if you did that already,
10 I'm so sorry -- but can you explain a little bit
11 more, because I think what I heard was saying that it
12 was, uh, every kind of vendor has a different lease
13 agreement, different terms, can you explain a little
14 bit more about what that policy is? Uh, and if and
15 when you all use uniform, uh, lease agreements --
16 policies?

17 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. And,
18 Council Member Gutiérrez, excited to address you and
19 to see you a little bit later this afternoon.

20 Yes, to answer that question, that's exactly
21 right. Every lease is treated uniquely and
22 differently based on the tenant that we are working
23 with. The vast majority, we have 10 tenants that
24 represent over a 100 business. Each cooperative what
25 we consider one tenant. And, so the way those leases

1
2 are structured vary, but the vast majority of them
3 are what we call ground leases. They range from
4 anywhere between 45-year leases up to 99 years, which
5 is the longest terms of disposition that we are able
6 to do. And part of that is to allow each business --
7 each tenant -- to have the opportunity to almost play
8 owner of the space and to allow them to invest in
9 their own space, to find the financing in order to do
10 that, and that term allows them the flexibility to be
11 able to know that they have a significant amount of
12 term to play with.

13 COUNCIL MEMBER GUTIÉRREZ: Okay, thank you. And,
14 just so you can re-emphasize, I think Chair Farías
15 asked about the opportunity for capital investments
16 for each individual vendor, uh, what is that process
17 like for a vender who is interested in wanting to
18 invest in their own site. And, what is the, I guess,
19 the marriage look like between EDC and, I think,
20 landlords on the site, and then the vendor?

21 SENIOR VICE PRESIDENT LIPPMAN: Absolutely. And,
22 that also varies depending on the lease provisions.
23 There are certain tenants that undergo their own
24 capital infrastructure improvements that we simply
25 approve and ensure that it is aligned with the lease

1 provisions. And, then there are other tenants such
2 as the cooperatives, all three of them, uh, that
3 serve such a vital function to the New York City food
4 supply chain. So, what we do, is we work with them
5 constantly. Uh, at The Meat Market, we sit, as an
6 example, on their board and learn about what their
7 infrastructure needs are, and then be able to work
8 with them in order to make those new need capital
9 requests. And, so it's really lockstep where we put
10 together the project list, uh, and we jointly go and
11 look for the City for funding.
12

13 COUNCIL MEMBER GUTIÉRREZ: Well, thank you.
14 Those are my question, because I am serious about how
15 similar models can go throughout the other EDC
16 properties.

17 Uh, but, thank you so much for this opportunity,
18 and those are all my questions. Thank you, Chair.

19 SENIOR VICE PRESIDENT LIPPMAN: Thank you,
20 Council Member.

21 COMMITTEE COUNSEL: Thank you, Council Member
22 Grodenchik.

23 Uh, now we will turn it back to Chair Farías
24 before moving on to the public portion of our
25 testimony.

CHAIRPERSON FARIÁS: I don't have any other additional questions, so I am kicking it back it you.

COMMITTEE COUNSEL: Great, thank you, Chair. And, thank you to the members of the administration for the testimony today.

We will now move on to public testimony.

I would like to remind everyone that unlike in our typical council hearings, we will be calling on individuals one by one to testify.

Today we will be limiting public testimony to three minutes each. You may begin your testimony once the sergeants have started the timer.

For council members who have questions for a particular panelist, should use the Zoom Raise Hand Function, and I will call on you after the panelist has completed their testimony.

For panelists, once your name is called, a member of our staff will unmute you, and then the Sergeant At Arms will set the timer and give you the go ahead to begin. So, please wait for the sergeant to announce that you may begin before delivering your testimony.

1 Committee on Economic Development 83
2 The first panelist we will hear from today will
3 be Phillip Grant, followed by Arthur Goldstein, and
4 then Bruce Reingold.

5 Mr. Grant, you may begin when the sergeants
6 announce the time.

7 SERGEANT AT ARMS: Time starts now.

8 PHILLIP GRANT: Good afternoon, my name is Phillip
9 Grant, and I am the Chief Executive Officer at the
10 Hunts Point Produce Market - the largest wholesale
11 produce market in the nation. Thank you to Chairwoman
12 Fariás and to our very own council member, Rafael
13 Salamanca, as well as the other esteemed members of
14 the Economic Development Committee for organizing
15 this hearing around such a vital topic as food
16 infrastructure.

17 The Hunts Point Produce Market has been an
18 essential part of New York City's food Infrastructure
19 with its roots going back to 1790 and continues to do
20 the important work of keeping New York City fed --
21 keeping New York City fed for over four generations.

22 The Market was originally located in Manhattan
23 and relocated in 1967 to our current site, a 113
24 acres in the Bronx. The Hunts Point Produce Market
25 along with several other large public markets, is

1 known as the Hunts Point Food Distribution Center
2 (FDC). We are major employers of Bronxites, and the
3 jobs at the Food Distribution Center are largely
4 composed of Union Labor and have historically
5 provided salaries more than one third higher than the
6 average of other industries in the Bronx.
7

8 The Hunts Point Produce Market is an essential
9 intermodal freight facility that provides 25% of New
10 York City's produce. Every year, more than 2.5
11 billion pounds of produce - sourced from 49 states
12 and across the globe - pass through the market,
13 feeding New Yorkers and the greater region.

14 The Market has a customer base that includes the
15 corner push carts to the neighborhood bodegas, to
16 2500 independent green grocers, to Wegmans and
17 Wholefoods and everything in between. We like to say
18 that if you're eating an apple - it very likely came
19 from our market.

20 The Hunts Food Produce Market employees nearly
21 2,000 direct workers, 65% being Bronx based union
22 labor, while also supporting an estimated 7,000
23 indirect jobs in the region. As I mentioned before,
24 the market was built in 1967. The market continues
25 to work hard in an aging facility to keep pace with

1
2 New York City's ever growing food demand in the most
3 diverse city in the world. That is why we are
4 grateful to Mayor Eric Adams for making the Hunts
5 Point Produce Market a priority within his first 100
6 days in office and committing \$100 million to the
7 market's redevelopment.

8 We have been working closely with New York City
9 Economic Development Corporation -- thank you,
10 Sabrina and team -- the goals of this redevelopment
11 project are to strengthen and expand our food supply
12 chain by building a food safety and cold chain
13 compliant facility able to keep up with the demands
14 our growing city, work to make food more accessible
15 to food insecure communities, and support the
16 development of new jobs and small businesses. The
17 redevelopment project is estimated to create 1,000
18 net new direct jobs, most of which will be union
19 labor and supporting 3,500 net new indirect jobs at
20 the market.

21 Again, thank you Chair Fariás, and the esteemed
22 members of the Economic Development Committee, for
23 the opportunity to discuss the incredible impact the
24 Hunts Point Produce Market has on New York City. I
25 look forward to one day having you tour our market so

1
2 that you can see with you own eyes our complex and
3 massive operation. Thank you; I welcome questions.

4 CHAIRPERSON FARIÁS: Thank you so much for your
5 testimony, Phillip. I am looking forward to coming
6 by one day. I know that it will be soon. The Mayor
7 did put me in a freezer for a press conference a
8 couple of weeks ago. So, I have seen some of it.

9 I have two questions, just from your perspective,
10 what are the top issues facing the markets today.
11 And, what does long term success look like for you at
12 the FDC?

13 PHILLIP GRANT: The two issues facing us... And,
14 once again, thank you, Council Member Rafael
15 Salamanca, thank you, Sabrina and team, and thank you
16 to The Mayor for this \$100 million investment.

17 The top issue facing us now is space. You know,
18 we have outgrown our facilities -- so space and age.
19 Our infrastructure has aged. We have been here since
20 1967. We are well past a useful life. The City, you
21 know, as I said earlier, we are working to figure out
22 what works for our merchants. When we look at what
23 works, we are thinking about the next 55 years. You
24 know? And that is some of the hard work that we are
25

1 Committee on Economic Development 87
2 doing closely with EDC, alongside the council member,
3 to figure out what works here.

4 The next issue that is challenging for us here,
5 is just really working to continue to keep up with
6 our labor. Labor has always been a thing... Labor
7 meaning retaining and finding folks outside of the
8 [INAUDIBLE 01:34:35] so, those are some of the things
9 that we are looking towards.

10 CHAIRPERSON FARIÁS: Great, thank you.

11 COMMITTEE COUNSEL: Great, thank you, Mr. Grant.

12 And, next up, we will hear from Arthur Goldstein,
13 followed by Bruce Reingold, and then Dan Kane.

14 Uh, Mr. Goldstein, you may begin when the
15 sergeants call time.

16 ARTHUR GOLDSTEIN: Thank you, I apologize...

17 (CROSS-TALK)

18 SERGEANT AT ARMS: Time starts now... (CROSS-
19 TALK)

20 ARTHUR GOLDSTEIN: my... My video is not working.

21 I work with, uh, Phil Grant, uh, doing government
22 relations. And, I just want to say I look forward to
23 having committee members visit The Produce Market.
24 And, I also happen to represent The Fish Market, so
25 hopefully you could visit there as well.

1
2 But, in terms of the rebuild for the market, we
3 are going to need an incredibly strong partnership,
4 which we already have with the city of New York, uh,
5 with Andrew Kimble and Mayor Adams, and the work that
6 Sabrina is doing and her team. And, we are going to
7 need the State and the Federal governmental. There
8 is no way to meet the numbers that we are projecting
9 without a strong partnership, a united city council,
10 borough president, understanding the value of The
11 Produce Market. We will have to work together to
12 communicate that to the State and Federal level to
13 have an excellent rebuild.

14 Thank you for your time, appreciate it.

15 COMMITTEE COUNSEL: Thank you, Mr. Goldstein.

16 Next we will hear from Bruce Reingold, followed
17 by Dan Kane, and then Andy Sussman.

18 And, Mr. Reingold, you may begin when the
19 sergeants call the time.

20 SERGEANT AT ARMS: Starting time

21 ANDREW SUSSMAN: Yeah, hi, Andrew Sussman, I am
22 President of The Hunts Point Market. Mr. Reingold,
23 who is our general manager had to step away, and he's
24 unable to make a statement today.

1 But, I can make it on behalf of The Hunts Point
2
3 Meat Market.

4 I am president of the market, and I am president
5 of Plymouth Beef Company, one of the 42 vibrant
6 businesses that operate within The Hunts Point
7 Market. So, I am speaking from a business standpoint
8 as well as market management standpoint.

9 I appreciate the opportunity to speak to you all
10 today. I appreciate the ongoing support of
11 Councilman Salamanca, who is a good friend to all the
12 markets. And, I don't want to be redundant, a lot
13 was said about our markets, but understand that,
14 again, 42 vibrant businesses, we feel that it is a
15 great place to do business. A lot of these
16 businesses had opportunities -- and could still have
17 opportunities -- to relocate to other locations with
18 more modern facilities than we have in Hunts Point,
19 but because New York City is such a great place to do
20 business, with proximity to both the City itself and
21 the region -- because this market not only serves the
22 City of New York, but it serves the region as well.
23 Most of us have stayed here, invested here. I am a
24 New York City resident. I was educated here, and I
25 have kept my business here.

1 So, 40% of the protein, ,you know, again, we are
2 talking about various different markets, the beef,
3 chicken, pork -- protein that is distributed, whether
4 it's to all of the supermarkets, restaurants,
5 schools, hospitals, hotels, and other feeding
6 institutions runs through this market. As well as,
7 it wasn't mentioned, the New York City Food Bank
8 operates within the Hunts Point Meat Market, which is
9 a historic and very important resource for the City
10 of New York, and the underserved, and the underfed.
11 And, that operates here within The Meat Market.

12 COVID obviously was a huge left hook to these
13 businesses, but they were deemed essential. We
14 operated during COVID. We made sure that there was
15 meat on the shelves, whether it's a supermarket, the
16 various home delivery services that cropped up -- not
17 only through our city but our region. And, we were
18 here to support them. We managed these businesses
19 when people obviously were sick. We had to provide
20 transportation. We really did the best we could to
21 serve our city. And, because The Hunts Point Market
22 exists, the food shortages that existed -- and in
23 some cases, exist to this day, because of
24 inflationary pressures, were not as acute as they
25

1 Committee on Economic Development 91
2 could have been if the City had to be pulling its
3 food sources from outside of the city, because we're
4 right here. We all have relationships with the
5 direct large agriculture companies, whether it's a
6 Cargill, or a Tyson, a Swift, they ship directly.
7 The state of New York is... (CROSS-TALK)

8 SERGEANT AT ARMS: Time is expired... (CROSS-
9 TALK)

10 ANDREW SUSSMAN: as you all know... Uh, that's
11 too bad, because there are some more important points
12 to make here.

13 Could I... Could I extend for... (CROSS-TALK)

14 CHAIRPERSON FARÍAS: You can finish.

15 ANDREW SUSSMAN: two minutes?

16 CHAIRPERSON FARÍAS: Yes.

17 ANDREW SUSSMAN: Because, there is a lot of
18 repetition.

19 The state of New York is doing a great job. I
20 mean, we are all sitting traffic now. Unfortunately,
21 it's affecting the diesel that's running, and work
22 hours with the traffic. But, they are, you know, as
23 you all know, the DOT is providing direct links to
24 the Brøchner and to the Sheraton, in to our market,
25 so the trucks no longer have to run through the

1 neighborhood increasing asthma rates, which is a
2 concern to all of us. And, it will also help the
3 businesses that operate here on The Point.
4

5 As stated, the markets operate on City land. EDC
6 is our asset manager. You know, if we look at a 20-
7 year, uh, you know, ark of relationship going back to
8 the Bloomberg administration and before, quite
9 frankly, not so terrific. But, the last... At the
10 end the de Blasio administration in to this
11 administration, uh, EDC is way more engaged with the
12 markets for its improvement, for its employees, and
13 the relationship has never been better -- as Sabrina
14 has indicated.

15 Look, the markets... This New York City, the
16 greatest city in the world. This market should be on
17 par, and when I say market, it's the meat market,
18 produce market, and fish market, plus the other 700
19 food businesses that operate on The Point. At the
20 end of the day, this market should be on par with its
21 peer markets nationally and quite frankly
22 internationally. I don't knock it, because I have a
23 huge investment here, but I mean, if you saw the
24 markets in London, to the markets in Los Angeles
25 guys, it's a disgrace.

1 And, finally, a forum like this is coming along.
2
3 Investments are being made. Because, again, the
4 businesses can only maintain the market and take care
5 of our spaces, and that's what we do. But, we can't
6 rebuild the market. The history of the market was
7 this thing was built in the 60's. So, we have the
8 original refrigeration system. So, that's why when
9 we talk about challenges and capital needs, which are
10 being talked about on this call, and I can only speak
11 to The Meat Market, right now. You know, our
12 refrigeration systems need to be upgraded. Our
13 masonry is falling apart. If you visit here, you
14 will see netting over buildings E and F. I mean,
15 that's just sitting there waiting for a solution.
16 The masonry is coming down. As long as...
17 tremendous amount of site work, uh, you know, whether
18 it's paving or other things here, you know, you are
19 running... When the market was designed, you know,
20 you were dealing with 25-foot straight job trucks.
21 We're running 55-foot trailers now in to this market,
22 and the infrastructure is completely falling apart.
23 So, all of that. You have companies here that
24 are prepared to expand, to spend private dollars to
25 expand, which is more employees. We of the 8,500

1 employees mentioned earlier, uh, represent 2,500 of
2 them, primarily Hispanic, primarily African-American,
3 uh, primarily union jobs. We have Local 342 and a
4 teamsters' local here. They're Bronx residents.
5 They're making a living wage. And, there's
6 opportunity for expansion. But, we need the support
7 of The City Council, more people than just Council
8 Member Salamanca.
9

10 And, finally, we are having some traction with
11 Gracie Mansion, which is actually very exciting.

12 The other thing, which is a big challenge, and we
13 are dealing with it, and I'm... (CROSS-TALK)

14 CHAIRPERSON FARÍAS: I don't... I don't mean to
15 cut you off, Mr. Sussman, but if you can do this in
16 the next 20 seconds... (CROSS-TALK)

17 ANDREW SUSSMAN: I'm wrapping it up, I'm wrapping
18 it up... (CROSS-TALK)

19 CHAIRPERSON FARÍAS: Okay.

20 ANDREW SUSSMAN: Two more quick points... One is
21 the red tape. Even when there are public funds that
22 are shown to us, the red tape and The Mayor, we had a
23 call with The Mayor last week, he's, like, there's
24 red tape. We don't even know why there's red tape.
25 There is so much red tape wit OMB to any of these

1 funds, Council Member Rafael Salamanca, said, how did
2 it take so many years for the generators? Because of
3 the red tape.

4
5 And, then, also, uh, you know, not to throw
6 anybody under the bus, but when you hire people like
7 McKissack (sp?), this is what happens.

8 So, that's all I have to say, and I appreciate
9 your time. I speak frankly, and, you know, I'm in
10 the meat business, and I am a loyal New Yorker...

11 (CROSS-TALK)

12 CHAIRPERSON FARIÁS: Well, we... I appreciate
13 your testimony, and I took lots of notes. Thank you
14 so much.

15 ANDREW SUSSMAN: Okay.

16 CHAIRPERSON FARIÁS: And, you can count me in as
17 someone, along with Council Member Salamanca, who is
18 here to support everyone at the market. So, feel
19 free to reach out to me as well.

20 ANDREW SUSSMAN: Thank you, and I appreciate your
21 time. And, this, uh, you know, these are abc's of
22 me, but thank you for your time. It was a pleasure
23 to be here today.

24 CHAIRPERSON FARIÁS: For sure.

25 COMMITTEE COUNSEL: Thank you, Mr. Sussman.

1 Committee on Economic Development 96
2 Next we will hear from Dan Kane, followed by
3 Wendy O'Shields (sp?).

4 And, just a reminder to anybody who wishes to
5 testify, whose name has not been called, please use
6 the Zoom Raise Hand Function now or submit your
7 testimony to testimony@council.nyc.gov within 72
8 hours of the close of the hearing.

9 Mr. Kane, you may begin when the sergeants
10 announce the time.

11 SERGEANT AT ARMS: Time starts now.

12 DAN KANE: [NO AUDIO]

13 SERGEANT AT ARMS: Mr. Kane, you're on mute.

14 COMMITTEE COUNSEL: Uh, Mr. Kane, we are trying to
15 unmute you, but... there you go.

16 DAN KANE: Alright, uh, thank you. Thank you,
17 Madam Chairperson, and The Committee, and the people
18 from EDC, and the City of New York infrastructure --
19 governmental infrastructure.

20 My name is Dan Kane, and proudly represent
21 Teamsters Local 202, and approximately 1,600 members
22 that work on The Food Center and another 400 that
23 work in that area on in the South Bronx.

24 My history is I started out on the loading docks
25 at Hunts Point in 1981 as a teenager, and then came

1 to return to work there afterwards. It is a place
2 that does provide hope and opportunity and a future
3 people -- for working class people, and people who
4 struggle to retain regular, fulltime employment.
5 This is a place that lifted my family out of poverty,
6 and I want to see that happen for future generations.
7

8 That being said, those are interests that we have
9 all spoken about here today. We spoke about the
10 climate interests, and the infrastructure interests
11 that we need to improve. We need to move in to the
12 21st century with how we distribute these products.
13 They are essential products, and they are important.

14 But, sometimes I think what we don't realize is
15 the impact that the market has. The market is a
16 unique place. Many cities in this country do not
17 have a market system to distribute these products,
18 and therefore limits the diversity of the products
19 sold. So, New York is one of five or six cities in
20 this country... It has the most diverse food line in
21 the country. And, culture in our city is very
22 important. These markets are the backbone of the
23 culture of our city. The city's number one industry.

24 One of the top industries is tourism. People
25 come to New York City because of its culture. They

1
2 come to New York City because it's New York. It's
3 one of the things we love about living here. And,
4 that manifests itself in food. And these markets
5 provide a diversified palette -- and I think
6 sometimes in all of the other stuff that we talk
7 about, which is very important, my members are
8 important and all of the other workers are important,
9 there's other teamsters that work there -- but just
10 imagine a New York City with only three or four food
11 service companies that would provide the food and the
12 product line to New York City. Those cities do exist
13 in this country. And, while I represent people at US
14 Foods, and while I represent people at Sysco, which
15 are the biggest food service companies in this
16 country, The Markets have a more diverse food product
17 line that directly effects this city's large industry
18 of tourism. And, we can never forget that. Yes, all
19 those other things that we spoke about, and I can
20 speak to them for a very long time, and I will not
21 take up your time, because everybody spoke about what
22 the jobs mean, what the infrastructure, what the
23 climate change... We all know that those things have
24 to be addressed. But, I think sometimes we miss this

1
2 one. People come to a Broadway show, they stay three
3 nights, they eat three times -- they go to one show.

4 SERGEANT AT ARMS: Time expired.

5 DAN KANE: Very, very important to understand that
6 what it means to the macro economic situation in this
7 city of New York. All of those other interest are
8 important. I want to see these markets stay here, so
9 that people have these opportunities. But, remember
10 what it means to the five boroughs and beyond.

11 Thank you. If anybody has any questions for me on
12 any one of those issues, I'll gladly answer them, but
13 I am trying to stay within the time.

14 CHAIRPERSON FARÍAS: I appreciate that.

15 I did not have any questions, but I do want to
16 continue the conversation on the connection between
17 food and tourism and our cities economy along with
18 our food economy and the State offline, Dan if that's
19 good?

20 DAN KANE: Sure.

21 CHAIRPERSON FARÍAS: And, I see we have a little
22 issue with Alex. But, I am happy to move on to the
23 next testimony. Uh, Wendy O'Shields (sp?)? If you
24 can unmute yourself, you are up.

25 SERGEANT AT ARMS: Time starts now.

1 WENDY O'SHIELDS: I am actually not testifying
2
3 today, everyone. I was just listening in.

4 CHAIRPERSON FARIÁS: Oh, okay, great, well, thank
5 you so much.

6 WENDY O'SHIELDS: Thank you.

7 CHAIRPERSON FARIÁS: Sure... (CROSS-TALK)

8 WENDY O'SHIELDS: Okay, thank you.

9 CHAIRPERSON FARIÁS: Seeing no other hands from
10 any of my colleagues, I will move to close. But,
11 before I do, quickly, are there any procedural items
12 before I give my closing?

13 I am going to take his silence as a, no.

14 So, thank you, to everyone who testified today on
15 this really important and critical issue for The
16 Bronx, Hunts Point and our food economy and our city.

17 This hearing has highlighted the many projects we
18 have going on and the need for follow up on each of
19 them for the betterment of the critical distribution
20 center we have here in our city and our critical
21 essential workforce.

22 I look forward to this continued conversation on
23 oversight on projects and the investments that are
24 being made.

1 Thank you to all of my colleague, members of my
2 committee who came and asked questions, Council
3 Member Rafael Salamanca, my committee and office
4 staff for today.
5

6 This hearing is now adjourned at 2:58.

7 [GAVELING OUT] [GAVEL SOUND]

8 Thank you so much everyone. Have a good rest of
9 your day, goodbye.
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C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date June 14, 2022