

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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HELD AT: Committee Room
250 Broadway, 14th Floor

B E F O R E:

KAREN KOSLOWITZ
Chairperson

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Our LIC

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2 CHAIRPERSON KOSLOWITZ: I call this
3 meeting of the Economic Development Committee to
4 order. Before I start I want to recognize my
5 colleague, Council Member Mark Weprin has joined
6 us. As the meeting progresses, we'll have other
7 Council Members. There's a lot going on here
8 today.

9 Good morning. I'm Council Member
10 Karen Koslowitz, Chair of the Economic Development
11 Committee. As New York City's official marketing,
12 tourism and partnership organization, NYC &
13 Company has quite a measurable impact in almost
14 every interaction between New York and the outside
15 world.

16 Today's hearing seeks to understand
17 both the efficiency and effectiveness of the
18 company's ability to generate domestic and
19 international tourism for the city.

20 This week, both the Mayor and NYC &
21 Company announced that the city ended this past
22 year with a new record of 50.5 million visitors.
23 As the fifth largest industry within the city's
24 overall economy, the committee seeks to elicit
25 testimony that will shed light on how the industry

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2 has affected local businesses and cultural
3 institutions and its overall impact on the general
4 economic climate throughout the five boroughs of
5 the city.

6 Officials cite that the tourism
7 industry brought in \$32 billion and supported
8 approximately 320,000 jobs last year. Although
9 the city has been strapped during these tough
10 economic times, this industry has continued to
11 grow.

12 Tourism within the city has made
13 notable gains in recent years, especially in the
14 visitor spending among foreign visitors.

15 International travelers have a tendency to both
16 stay longer and spend more money while on vacation
17 in the city than domestic tourists. Americans
18 stay an average of 2.7 nights and spend an average
19 of \$432, but by comparison, international visitors
20 tend to stay 7.3 days and spend an average of
21 \$1,700. Thus, the city's ability to lure foreign
22 visitors is a big plus because foreign tourism is
23 relatively immune to local recessions. While not
24 large enough to propel the city's economy, this
25 long-term growth industry is critical in providing

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2 much needed job opportunities for poorer segments
3 of the population.

4 As Chair, I am interested in the
5 way NYC & Company will move forward this year in
6 maintaining their momentum, along with any new
7 goals they have set for themselves.

8 At this time, I would like to thank
9 everyone for their participation and will now call
10 on NYC & Company to begin their testimony. Thank
11 you. George Fertitta?

12 GEORGE FERTITTA: Thank you very
13 much.

14 CHAIRPERSON KOSLOWITZ: Welcome.

15 GEORGE FERTITTA: Thank you very
16 much and good afternoon to all of you. I'd like
17 to begin by thanking Chair Koslowitz and the rest
18 of the committee for allowing us to testify today.

19 Five and a half years ago, Mayor
20 Bloomberg put forth an ambitious goal: attract 50
21 million annual visitors by 2015, with a mandate to
22 promote all five boroughs. Two years later, this
23 goal was accelerated to 2012. With 50 million as
24 our goal, the five borough strategy became the
25 backbone of our marketing, communications and

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2 promotional activities. Our television spots,
3 website and print materials, messaging to the news
4 media and every initiative launched revolved
5 around the idea that New York City is an epicenter
6 of cultures, peoples, tastes. We are truly five
7 cities in one.

8 Our first brand campaign, "This is
9 New York City," set the tone for an all-
10 encompassing approach, highlighting all five
11 boroughs and the range of exciting experiences
12 each has to offer. Two years ago, we evolved the
13 advertising further, with a creative execution
14 that specifically calls attention to each borough.
15 This video is currently in the market now.

16 If you'll just turn your attention
17 to the screen for a moment, I'd like to share with
18 you these examples of our advertising programs. I
19 should point out that likely many people have not
20 seen them because they don't appear in New York
21 City, for all the obvious reasons. So if we could
22 just show you the first spot and then I'll make a
23 comment and show you the second.

24 [Video Playing]

25 GEORGE FERTITTA: This is New York

1
2 City has been the campaign. We evolved it and
3 what you're about to see now is the current
4 execution that we created in-house to promote all
5 of the five boroughs of the City of New York.

6 [Video Playing]

7 GEORGE FERTITTA: I'm very proud to
8 report that these efforts have clearly paid off.
9 Tourism is at an all-time high. Just this past
10 December, over 100 members of the industry joined
11 the Mayor in Times Square to celebrate our 50
12 millionth visitor, a full year ahead of schedule.
13 Furthermore, we have seen unprecedented growth
14 across nearly all sectors.

15 For the first time in 20 years, New
16 York City became the most visited U.S. city.
17 Tourism now generates a record \$48 billion in
18 economic impact. Approximately 30,500 jobs have
19 been added since 2007. We now have projected
20 107,000 jobs outside of Manhattan. New York City
21 is the country's top international destination.
22 And after attaining 11 additional international
23 in-market representative firms, our overseas
24 market share has increased from 28 percent to 33
25 percent.

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2 Between January 2006 and December
3 2011, the city experienced the most rapid and
4 successful hotel building on record, with 42
5 percent of the new properties being built in
6 boroughs outside of Manhattan, totally 7,200
7 additional rooms. A survey of popular tourist
8 attractions and cultural organizations showed a
9 record 20 million 85 thousand attendees in 2011.

10 In summation, over the past five
11 years, New York City tourism has grown at a faster
12 rate than any other major destination in the world
13 and it's quickly becoming one of our city's
14 strongest most reliable industries.

15 This startling growth, in the face
16 of one of the worst global recessions in history
17 is made possible by the Administration's support,
18 unwavering industry private sector support and
19 investment, along with the incomparable dedication
20 of our team at NYC & Company. From the outset,
21 our research showed that the largest growth
22 potential was in international travel markets, as
23 the Chairwoman mentioned a moment ago, where our
24 five boroughs messaging resonates the strongest.

25 Foreign visitors stay longer and

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2 spend more, accounting for only 20 percent of
3 visitation with 50 percent of the spend, and tend
4 to be much more intrepid as compared to their
5 domestic counterparts, thus much more willing to
6 explore beyond Manhattan. To this end, since 2007
7 we have opened up representative offices in 11
8 countries, including critical emerging markets.

9 As a result, we are now seeing
10 visitation increases in almost every market. In
11 Brazil, China and India alone, we've had a 30.5
12 percent total visitor increase, yielding \$1.3
13 billion in direct spend. We quickly realized that
14 our challenge was not only to court the countless
15 millions of people hoping to come to experience
16 New York City for the first time but to also find
17 a way to encourage repeat visitation by promoting
18 the five boroughs, the numerous attractions,
19 events and neighborhoods found throughout the
20 entire city.

21 We also immediately learned that
22 our messaging needed to be supplemented by many
23 more tactical call-to-action marketing and
24 advertising programs. Our target visitors often
25 cited cost and manageability as factors

1
2 discouraging them from visiting. To combat the
3 cost issues, we created an array of sponsor-driven
4 travel deals and co-op programs in order to
5 encourage the budget conscious traveler, which
6 frankly, today is just about everybody, to finally
7 make their pilgrimage to New York City.

8 Not only are these deals helping to
9 inspire new visitors, but also create incredible
10 incentivizing opportunities for repeat visitors to
11 book a trip in the city immediately and come back
12 over and over again.

13 In terms of manageability, we
14 overhauled our guide books to be more accessible
15 and saw state of the art information touch screens
16 available in ten languages during our complete
17 renovation of the official NYC Information Center.

18 And of course, we made significant
19 investments in our award winning website
20 nycgo.com, in order to promote as much of the five
21 boroughs as possible.

22 Through enhanced online web 2.0
23 content, nycgo.com has become a fully functional
24 informational portal that has over 14,000 business
25 listings, a daily events calendar which changes

1
2 every day, and 1,200 feature articles, five
3 borough itineraries and more.

4 Finally, we launched several
5 programs to accentuate the many unique areas in
6 the city, hoping to draw a connection for
7 potential visitors in showing that while diverse,
8 New Yorkers have a profound bond and appreciation
9 of each other and our differences. To this end,
10 we launched programs such as Nine in '09 with the
11 Council to highlight ethnic neighborhoods in each
12 borough.

13 Another example would be our work
14 to promote the revitalized Coney Island in
15 collaboration with the borough president's office,
16 the city and Coney Island Development Corp. We
17 developed communication strategies and promotional
18 efforts to showcase the incredible efforts being
19 put in to rejuvenating a New York City landmark.
20 Within a year, Coney Island was thriving again.
21 And thanks to efforts by our press team, was named
22 one of the country's top beach destinations by
23 "Travel and Leisure" magazine for the first time
24 ever.

25 It's important to note the positive

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2 feedback of this kind on programming we receive
3 from our international in-market representatives.
4 Many foreign visitors have friends and family in
5 the city, especially in Queens and Brooklyn, and
6 they really are gravitating to this messaging.

7 The impact of our five borough
8 approach on the city as a whole has been
9 remarkable. Over 8 million visitors ventured
10 beyond Manhattan in 2010 and we are forecasting an
11 additional 400,000 more this past year, 2011.

12 These outer borough visitors
13 generate a projected \$520 million this year in
14 city tax revenue. Our message is resonating and
15 people are finding reasons to travel, even despite
16 the very difficult economic moment in time.

17 A snapshot of our blooming hotel
18 development, 42 percent of which is occurring
19 outside of Manhattan, illustrates they are
20 building and building in all boroughs, because
21 those communities are growing and visitors are
22 exploring them more and more.

23 In fact, our results and our
24 business model have captured the attention of
25 cities and elected officials around the country

1 and the travel and tourism industry as a whole.
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3 Already we have seen Chicago's Mayor Rahm Emmanuel
4 and Los Angeles Mayor Antonio Villaraigosa adapt
5 similar tourism structures with our guidance.
6 What's very telling is that even in these very
7 difficult times, destinations around the country
8 are increasing tourism marketing budgets,
9 expanding their international programs and
10 recognizing the proven return on that investment.

11 As further testament to NYC's
12 success, President Obama selected New York City to
13 be the only city to serve on the 11-person
14 Corporation for Travel Promotion Board. A board
15 charged with overseeing the execution of the
16 Travel Promotion Act, a landmark piece of
17 legislation calling for the creation of the
18 country's first ever international tourism
19 program, with a budget of approximately \$200
20 million annually. This effort is expected to
21 yield \$4 billion in additional spending in the
22 U.S., create 40,000 new jobs and generate \$321
23 million in new tax revenue. I can assure you New
24 York City will get its fair share.

25 However, while the past five years

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2 we have seen unprecedented growth, we are entering
3 into a very critical period. The current global
4 financial climate could begin to slow visitation
5 growth, especially from Europe, markets that are
6 most likely to visit our five boroughs.

7 In fact, the U.S. Department of
8 Commerce has revised down their latest visitation
9 forecast for 2012. Without more financial and
10 legislative support, New York's Travel Institute
11 will not be able to make up the deficit as we have
12 over the past few years, especially if we cannot
13 continue to invest in emerging foreign markets.

14 Since 2007, NYC & Company has had
15 to adapt to cumulative budget cuts equal to about
16 34 percent or \$7 million annually, \$27 million in
17 Fiscal 07 to \$14 million Fiscal 12. These cuts
18 limit our ability to create and even maintain
19 meaningful marketing programs. Some of our much
20 admired and successful initiatives, such as
21 Restaurant Week, Get More NYC and Just Ask the
22 Locals, have been scaled back or in some cases
23 even lost.

24 We have been able to offset the
25 situation to a degree. The fact of the matter is

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2 we are very much at a watershed. Maintaining
3 NYC's share of overseas travelers to the United
4 States, we have grown from 28 percent to 33
5 percent is of particular concern. Each market
6 share point represents approximately \$600 million
7 in direct spending and \$900 million in indirect
8 impact, yielding an additional \$3 billion in spend
9 alone for 2011.

10 And I would say, if there was one
11 thing that I'm most proud of from my team is to go
12 from a 28 percent market share to 33 percent
13 market share, it's just an extraordinary
14 accomplishment. Hats off to all my team,
15 especially on a global basis, that are working
16 24/7 in five continents.

17 Our market share is now in jeopardy
18 as other destinations are investing far more in
19 tourism than New York City, and certainly more
20 than New York State, which has cut the budget to
21 next to nothing. Currently, Las Vegas spends \$168
22 million; Orlando \$33 million plus tens of million
23 dollars from Disney and Universal; Los Angeles
24 spends \$26 million and Miami spends \$18 million
25 annually in public funding.

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2 Of course, these efforts of these
3 cities are also supported by extensive state
4 operational budgets. The state of California and
5 Florida each have a tourism budget of over \$50
6 million each. By contrast, New York State only
7 invests a little over \$6 million in tourism, of
8 which the city, the biggest draw, receives a very,
9 very minor paltry \$300,000.

10 In addition, we are one of the only
11 municipalities in the country that does not
12 reinvest even a portion of its hotel tax back into
13 tourism, despite currently generating in hotel
14 taxes over \$465 million, much more than any other
15 destination.

16 In short, while New York City's
17 tourism sector is significantly outpacing the rest
18 of the country, foreign travel to the U.S. has
19 been down 17 percent over the past seven years and
20 New York City's visitation has been up 9 percent.

21 We are also receiving some of the
22 steepest budget cuts of any major U.S. city.
23 Overall, tourism has been crucial for the city's
24 economy, adding 8,200 new jobs this past year, to
25 a workforce that now totals more than 320,000

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2 jobs, as I mentioned earlier, up 30,500 jobs since
3 2007.

4 While we're all very understanding
5 of the city's ongoing fiscal crisis, without more
6 support New York City will not be able to maintain
7 its place atop an increasingly competitive
8 marketplace. Unfortunately, it will be the
9 boroughs outside of Manhattan that could feel the
10 impact of these losses more than anyone else. At
11 a time when every expense must be weighed and
12 every dollar counted, there would be no smarter
13 investment than in this industry.

14 The boroughs and really the city,
15 the whole city, have never seen this kind of
16 growth and positive attention on a global scale
17 before. However, there is and always will be much
18 more work to be done. It is our hope that the
19 Council will recognize the importance and value of
20 this industry and work with us in finding new
21 creative ways to support, maintain and growth what
22 we've started.

23 I thank you very much for listening
24 to me and I'm happy to answer any questions that
25 you may have.

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CHAIRPERSON KOSLOWITZ: Thank you.

I just want to recognize we've been joined by Council Member Brad Lander, Council Member Ruben Wills and Council Member Steve Levin. I have a few questions that I would like to ask you. They may have been in the context of your statement but I want to individualize some of them.

NYC & Company initially contracted with the city in 2007 and since then the number of visitors to the city has grown. Hotel room occupancy has increased and your documents say that the revenue generated by tourism has increased. How much of these increases are directly attributed to the work of NYC & Company?

GEORGE FERTITTA: I think there are a number of ways of demonstrating that. The most specific way, for example, our international offices, which has in 18 cities around the world covering 25 markets, has very strong relationships with the travel trade in those respective markets.

A perfect example would be Spain. In Spain, we have an agreement where we provide some co-op support with Viajes El Cortes Ingles, which is the largest travel agent in Spain. And

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2 we create specific programs coming to New York
3 City and we can track, with that one tour operator
4 alone, we've brought 45,000 people to New York
5 City this past year.

6 We do a lot of research. We do
7 research in markets around the world and
8 domestically and we track the work that we've
9 done. We have partners in underwriters, such as
10 American Express, Google, AT&T, American Airlines.
11 They have very specific sort of metrics of their
12 own success. So when we drive people to come in
13 for Restaurant Week, Broadway, Off Broadway,
14 there's very specific numbers. We know how many
15 tickets we sell and we know how they found out
16 about it. So we have very specific metrics in
17 place.

18 By the way, every year we meet with
19 Washington, the Department of Commerce, our
20 international tourism team that's stationed here
21 creates very specific goals, market by market by
22 market. We know exactly what we're hoping to get
23 and frankly we know if there's a problem on that
24 and we see that there's a big economic issue in
25 one market, we might shift our resources to a

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market where we see we can see those results. So those are just some of the examples.

CHAIRPERSON KOSLOWITZ: How much of an increase in tourism is the result of monetary exchange rates?

GEORGE FERTITTA: Well, there's no question that a weaker dollar is a very, very strong influence. I think that the Euro and the pound are very, very important to us. I would say that in one of the statistics that I mentioned I was so proud of, if the dollar were so weak and it was only about the currency exchange, New York wouldn't be growing much faster than California or Florida or Chicago or all the other markets. That 29 to 33 percent market share I think really demonstrates, firstly, I think not only the efforts of this organization but also the extraordinary draw that New York City has.

I think that our job is to choreograph that and minimize when things are negative. That's what our press office does in our 18 cities around the world. If something bad happens in New York, within 24 hours that information is out to 18 markets around the world,

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2 and with luck appears in local media in those
3 respective markets. When something good happens,
4 we shout it from the highest hills and make sure
5 they hear about that too.

6 CHAIRPERSON KOSLOWITZ: Before I go
7 on to my next question, I just want to recognize
8 we've been joined by Council Member Mathieu
9 Eugene, who has two meetings going on at the same
10 time.

11 GEORGE FERTITTA: You missed a
12 great speech; I want you to know that.

13 COUNCIL MEMBER EUGENE: I will get
14 the next one when you come back.

15 CHAIRPERSON KOSLOWITZ: Can you
16 please share with the committee what factors have
17 led to an increase in tourism: better quality of
18 attractions, a greater diversity of attractions,
19 better customer service, low crime rate?

20 GEORGE FERTITTA: Well, I think
21 it's a very interesting question. I think
22 firstly, issues that were against travel and
23 tourism to New York City 10 or 15 or 20 years ago,
24 many of them aren't there anymore.

25 New York had a reputation of crime.

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2 Nobody even thinks about that anymore. All the
3 research we show it never even comes up. It was
4 considered to be not a very clean city. Nobody
5 thinks about that. The administration over the
6 last ten years and even starting before that has
7 really worked on the infrastructure. The issue of
8 friendliness and being engaging, our public
9 transportation, these are all huge benefits to why
10 people can come here and why people feel that the
11 experience is fantastic.

12 Word of mouth, I have to say, and
13 there's been a lot of studies, not only by New
14 York City but also on a national level, that one
15 of the best things you can do to sort of promote
16 this country and your respective city is to get
17 more people to come. You know, places likes
18 Queens and Brooklyn, the friends and family
19 opportunity there is just so extraordinary.
20 That's another means of sort of communicating.

21 For me, one of the things that I
22 think has been really very, very successful is
23 just sort of the enhancement of popular culture.
24 You know, a favorite story of mine is that when we
25 were opening up our office in Shanghai, after all

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2 the normal questions being asked, somebody raises
3 their hand. Of 250 people in the room, about 220
4 were women. And after all the appropriate sort of
5 travel trade questions, somebody says "can you
6 tell me about 'Sex and the City'? Does everybody
7 drink Cosmos? Does everybody have a thousand
8 pairs of shoes?"

9 CHAIRPERSON KOSLOWITZ: Did you say
10 yes?

11 GEORGE FERTITTA: I said you'll
12 have to come to find out actually. The only point
13 of that is the popular culture. You asked the
14 influence, it's popular culture about New York
15 today is so strong. So what we do is enhance
16 that. As a matter of fact, when the "Sex and the
17 City" film came out, we had premiers in our
18 markets around the world to piggyback on that.

19 So a lot of forces are going in our
20 favor. I don't in any way want to imply that NYC
21 & Company is responsible for the totality of the
22 success. We are a piece of the success. I think
23 that our attributes have really sort of enhanced
24 what's going on.

25 I think, as I mentioned earlier,

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2 when we sort of squelch something that we would
3 rather not have people hear, I mean people may
4 remember a couple of years ago, actually last
5 year, there was a whole thing about bedbugs. And
6 all over the news, you turn on CNN in London, they
7 were talking about New York City bedbugs.

8 Our communications team to all of
9 our markets just pushed that story down. We said
10 it's no worse than anyplace else. As a matter of
11 fact, it's seasonal. As a matter of fact, you
12 know don't talk to New York, go talk to the Far
13 East. I mean we really did a lot. Then it
14 becomes a non-story. There are countless examples
15 of that.

16 CHAIRPERSON KOSLOWITZ: Thank you.
17 What policy and/or methods are employed by NYC &
18 Company to ensure that the city's contract
19 interests are not compromised by the company's
20 private business interests with its members?

21 GEORGE FERTITTA: Well, clearly we
22 are a member-based organization, although I would
23 say that we also promote all five boroughs and not
24 just our members. There are many members that
25 can't afford to pay the dues, especially in the

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2 cultural area and we're very, very lenient on that
3 and we promote everybody.

4 Secondarily, you know we have very
5 specific sort of guidelines on how our programs
6 can work. When we do Restaurant Week, for
7 example, there are very specific criteria for what
8 allows you to become part of that program. They
9 also contribute, you know, hundreds of thousands
10 of dollars towards that program.

11 The policies that we put forth, I
12 mean we look to try to be as even Steven as we can
13 be. The reality though is that, you know, from
14 day one the Mayor has said to us we don't want to
15 just promote Manhattan. Manhattan gets a
16 wonderful fair share. So what we try to do is
17 sort of milk all the information we can from the
18 five boroughs.

19 I think that quite frankly our
20 website, which is updated almost daily, sort of
21 covers things and we have great relationships, you
22 know, within the different--I would say some of
23 the chamber of commerce offices and clearly some
24 of the borough presidents' offices. So we are
25 constantly sort of monitoring everything that's

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going on.

Our job is to get out as much information as possible, especially, which I reiterated earlier, the repeat visitor. You know, if you look at your own habits, probably some of you have been to London or Paris. And what do you do? You go to the Eiffel Tower. You do the big three or four things in every city. The second time you go, you don't even pay any attention to that. So our repeat visitation is so important. The first time visitor is going to attend the usual suspects. For us, the more people come back, the more we can get them to leave.

The other issue which I think is very important is that surprisingly, and I'm not going to in any way put anybody on the spot, but I'll be there are people in this room that don't know the five boroughs we have very well either. They may know their own borough. How many times have we visited sort of obscure potential attractions in the Bronx or in Staten Island or Queens or Brooklyn, depending upon where you might live?

I would say the foreign traveler,

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2 Australians, Brazilians, Germans, they'll go
3 anywhere. We create fam tours. We bring in
4 reporters from around the world that are paid for,
5 by the way, by usually our airline partners and
6 the hotels put them up for free, in Queens, in
7 Brooklyn and in Manhattan, and they're the ones
8 that write the stories about the obscure things.
9 Things that, you know, wouldn't be top of mind.
10 So it's sort of like a marketing machine that
11 we're trying to create to get our information out
12 there.

13 CHAIRPERSON KOSLOWITZ: How many
14 board members do you have?

15 GEORGE FERTITTA: I think we have
16 76 board members.

17 CHAIRPERSON KOSLOWITZ: What's the
18 breakdown of where they come from?

19 GEORGE FERTITTA: Offhand, I don't
20 know. Many of them, of course, come from our
21 membership. We have a rotating ex officio from
22 each of the borough president offices. I don't
23 know the breakdown offhand but I can certainly get
24 back to you on that.

25 CHAIRPERSON KOSLOWITZ: I would

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2 appreciate that. It would be interesting. I'm
3 going to turn to my colleagues in just a moment.
4 I just want to ask, please provide the committee a
5 breakdown of the type of tourism related jobs and
6 their starting and average wages found within the
7 five boroughs.

8 [Pause]

9 CHAIRPERSON KOSLOWITZ: Can you
10 answer that question?

11 GEORGE FERTITTA: Oh, I'm sorry. I
12 was having a conversation. Can you repeat the
13 question?

14 CHAIRPERSON KOSLOWITZ: Please
15 provide the committee a breakdown of the type of
16 tourism related jobs and their starting and
17 average wages found within the five boroughs.

18 GEORGE FERTITTA: Well, there's a
19 number of different sectors. I think that some of
20 my colleagues could give you a little bit of the
21 better definition of pricing. There's the
22 transportation sector, there's the entertainment
23 sector. There's also the food and beverage
24 sector, which again would sometimes be the lower
25 level jobs. There's the travel trade sector. But

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2 again, in terms of the actual specifics, if you'd
3 like, I could have somebody come up and answer
4 that, I think, or would that be something you
5 would like to hear?

6 CHAIRPERSON KOSLOWITZ: I would be
7 very interested in that. You have to come up
8 front, state your name.

9 KELLY CURTIN: Kelly Curtin with
10 NYC & Company. There's a variety of different
11 types of jobs within the hospitality sector.
12 There's, of course, as George mentioned,
13 transportation. You know, in a hotel, for example
14 you have the hotel management, but then you have
15 catering waiters, you have housekeeping, you have
16 bellmen, you know, lots of different jobs at
17 different levels, the same with restaurants, of
18 course, with catering facilities. There are lots
19 of service jobs. There are unique venues where
20 people do receptions and banquets and meetings and
21 things like that and of course all of our sports
22 complexes, USTA, Madison Square Garden and all
23 different levels of positions, from, you know,
24 hourly wages to management salaries.

25 GEORGE FERTITTA: Many of these

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organizations, clearly, are on our board.

KELLY CURTIN: Yes.

CHAIRPERSON KOSLOWITZ: The USTA is supposedly the biggest money maker; the two-week event of the U.S. Open is usually a very, very big event which draws the largest crowds, more than any sports in Madison Square Garden or City Field or Yankee Stadium. What happens with the money that the city gets from there? How many of the people, do you know, that actually come to the USTA and stay in the area where the USTA is instead of getting on the number 7 train and riding into Manhattan while they're passing probably one of the greatest restaurants there are in the entire City of New York.

Do you have any kind of breakdown of--

GEORGE FERTITTA: [interposing] We can get specifics. But I will tell you, here's my anecdotal point of view on that. It's considered a very upscale event. I think many of the people do stay in Manhattan. There's lots of transportation going back and forth. I think that that's an extraordinary franchise that's been

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created by USTA.

I will personally say I don't think that New York City gets its fair share of that across the board. I think that that's been a conversation that's been taking place for a while. I think as more hotels are being built nearby, that'll be very, very helpful. I think there are unbelievable restaurants in Queens and we do a great deal to support, especially some of the wonderful ethnic enclaves.

I would say, for me, I mean we can get back very, very specifically, but that's my point of view. If anybody here, anybody from my team has anything to do that.

CHAIRPERSON KOSLOWITZ: I would like that. Also, there are great attractions in Queens. I mean right in that park you have the museum, you have the theater that puts on great venues. You just have great things in that park.

GEORGE FERTITTA: That's why we should always hope for rain during that so that people have some time to go do other things.

CHAIRPERSON KOSLOWITZ: An Olympic sized swimming pool, you know there's just a lot

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2 of things and we always feel that Queens is
3 shortchanged or Brooklyn or any of the other
4 boroughs that they don't get all the play that
5 they are supposed to. I was happy to see in your
6 films before how you changed it and did recognize
7 the five boroughs. What's unique about New York
8 City and what should be emphasized is the
9 neighborhoods that we have in every borough.
10 They're unique. It's wonderful. I still get
11 pleasure out of walking through my borough and
12 seeing all the different ethnicities that are
13 living there. Queens is the most diverse borough
14 in the whole United States of America.

15 GEORGE FERTITTA: Absolutely.

16 CHAIRPERSON KOSLOWITZ: I think
17 this should be brought to everybody's attention.

18 GEORGE FERTITTA: I think it should
19 be and I think we do a lot and we can always do
20 more, there's no question. I would also say that
21 just like the pride that you take in the diversity
22 of your own borough, you know we all take an
23 immense amount of pride that wherever we are in
24 any borough and we're hearing foreign languages
25 being spoken from visitors from all over the

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2 world, it's really a thrill to see that it's not
3 just about New Yorkers going in and around New
4 York but to see that extraordinary international
5 influence.

6 CHAIRPERSON KOSLOWITZ: Right. The
7 stores within those neighborhoods, it's really a
8 wonderful place. That's in every borough. Every
9 borough has their neighborhoods. Brooklyn has
10 their wonderful neighborhoods.

11 GEORGE FERTITTA: Listen, Arthur
12 Avenue has become an extraordinary--

13 CHAIRPERSON KOSLOWITZ:
14 [interposing] Exactly.

15 GEORGE FERTITTA: It's
16 unbelievable.

17 CHAIRPERSON KOSLOWITZ: I was born
18 in the Bronx. I lived in the Bronx. So, you
19 know, the Bronx is wonderful.

20 GEORGE FERTITTA: What made you
21 move?

22 CHAIRPERSON KOSLOWITZ: I got
23 married.

24 [Laughter]

25 CHAIRPERSON KOSLOWITZ: I now would

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like to call on Mark Weprin.

COUNCIL MEMBER WEPRIN: Thank you, Madame Chair. I was curious, I know the video you showed: This is New York City, what did you do with that video? Is it shown on TV? Was it an advertising campaign?

GEORGE FERTITTA: Yes. We use that both for advertising campaign. Some appeared on a global basis in specific markets. A lot of time what we do is we do barter. So it may be on, in terms of domestically, we might make a deal with like the Food Network or Discovery or History Channel to be running that. Sometimes we get underwriters to pay for that, underwriters, whether it's American Express or Google or American Airlines. Then we also use those videos in back of the airplanes that we get on barter deals as well. It's part of an advertising campaign.

COUNCIL MEMBER WEPRIN: Okay. I hadn't seen it out there much. I'm just curious, what's the status of the "I Love NY" campaign? I know there was a lot of talk on the state level.

GEORGE FERTITTA: Well, I love New

1
2 York, it is a state campaign. As I mentioned in
3 my statement, they've cut their budget
4 tremendously. They're trying to revise it. Their
5 budget is so nominal. It was a wonderful
6 campaign. I expect it'll become, you know, more
7 prolific in the future. But when you look at what
8 I mentioned earlier, when you see California will
9 spend \$55 million and Florida over \$50 million and
10 New York State spending \$6 million, it's kind of
11 hard to really see the impact that that minor
12 budget will have.

13 COUNCIL MEMBER WEPRIN: I mean I
14 really would encourage a television advertising
15 campaign. I remember when it was on back in the
16 70s and 80s and how much everyone loved it.

17 GEORGE FERTITTA: Spectacular.

18 COUNCIL MEMBER WEPRIN: Even New
19 Yorkers to see it, you know.

20 GEORGE FERTITTA: Absolutely.

21 COUNCIL MEMBER WEPRIN: It
22 encouraged people who lived in New York/New Jersey
23 area to come to New York City and take advantage
24 of that, not to mention statewide and then of
25 course overseas. Do you do a group called Big

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Apple Greeter at all?

GEORGE FERTITTA: Yes, we do.

COUNCIL MEMBER WEPRIN: Do you work with them?

GEORGE FERTITTA: We do work with them. We participate in their events. They're a very thoughtful organization. It's a very small population that they service because it's such a one-on-one relationship. I think it's something like 5,000 people. I may be wrong. You might know better than I do about the numbers.

COUNCIL MEMBER WEPRIN: Just for the people who are listening, I mean they're a group of volunteers mostly, who go and give tours of different neighborhoods that the volunteers may be familiar with, very often in the outer boroughs.

GEORGE FERTITTA: Exactly.

COUNCIL MEMBER WEPRIN: And bring tourists through a website from overseas mostly to come to New York City. I did it just for a day as a volunteer with a couple from London. It's a great organization and one that we need more of a friendly face here in New York City. I think it's

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2 something that, you know when you go to Europe,
3 the people tend to be much nicer, with the
4 exception of France, I mean to Americans who come
5 there. New York has such a tough reputation, I
6 always thought it would be nice to have more of a
7 greeter's network set up through NYC & Company,
8 whether it's kiosks throughout the city or
9 someplace where people know they can get questions
10 answered without having to get themselves into
11 trouble.

12 GEORGE FERTITTA: I think it's a
13 very good point. I mean I think that what's
14 happening, of course, is with the internet, people
15 are gaining so much more information sort of
16 online. We have three or four visitor centers
17 throughout and also, by the way, the Port
18 Authority is now putting in kiosks in the airports
19 with visitor information. They started that last
20 year. But you can't be too welcoming.

21 I do disagree, by the way, I think
22 that New York City is by most people's standards,
23 every bit as friendly as almost any country in the
24 world or any city in the world.

25 COUNCIL MEMBER WEPRIN: Well, I

1
2 love New York City and I love people. I'm just
3 saying our reputation, okay. There was actually a
4 poll out the other day saying that New Yorkers
5 have a reputation.

6 GEORGE FERTITTA: Travel Leisure,
7 they refer to the rudeness and most people explain
8 that we're all very, very busy and move very
9 quickly. But we're also the number one
10 destination, according to Travel and Leisure for
11 visitation around the world.

12 COUNCIL MEMBER WEPRIN: I know when
13 I was a young man and traveled throughout Europe a
14 little bit, you know on a Euro pass that I
15 remember saying to myself how nice everyone was
16 and how we should have this more in New York.
17 I've tried in my life to try to be nice to
18 visitors who come to this town. You know, it's an
19 intimidating place, and that's just being on the
20 City Council, it's intimidating, you know.

21 GEORGE FERTITTA: You've got some
22 power.

23 COUNCIL MEMBER WEPRIN: But for
24 tourists, I mean it really can be intimidating.

25 GEORGE FERTITTA: Well, you know,

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2 that's also part of what was behind the Just Ask
3 the Locals campaign, which we got about 40 famous
4 celebrities like Robert De Niro and Julianne Moore
5 for free to talk about their favorite things to do
6 to give helpful hints. That was a campaign that
7 we launched about four years ago, four and a half
8 years ago. You know, we don't have the funding to
9 keep that going, but that was the logic behind it.

10 After we did that launch, there
11 were headlines all over the world that, you know,
12 New York City welcomes tourists and Mike Bloomberg
13 says come on, we'll be friendly. I mean all of
14 those very things you're saying. I would say,
15 though, that New York's reputation as a friendly
16 city is really so different than it was 10 years
17 ago and 20 years ago. So I think that's been the
18 case.

19 COUNCIL MEMBER WEPRIN: Well we
20 need to keep promoting that. Let me ask a couple
21 of quick questions before I finish, Madame Chair.
22 The convention center that the Governor is
23 proposing at Aqueduct, the largest convention
24 center in the country, he says. What is your
25 feeling about that? Have you had conversations on

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2 that topic? What are you doing to help that come
3 to fruition?

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GEORGE FERTITTA: Well, we've had
5 several briefings by Genting and to give us the
6 information. There are a lot of unknowns. They
7 don't know like what will be the mix. For
8 example, how much meeting space, how much display
9 space, exhibition space. That's always important
10 in terms of gaining to get larger tractions.

11

I think the other big issue, and
12 I've said this directly to them and I think we're
13 all in agreement with it, is to make sure that the
14 transportation support, the infrastructure is
15 really what it needs to be.

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Conceptually, you know a world
17 class huge conversation center in Queens, if it's
18 all done properly, could be wonderful. But the
19 devil is in the details. I think that the
20 infrastructure is really important to get people
21 that want to be staying in Manhattan. There will
22 be new hotel rooms. They're planning on building
23 first a thousand rooms and then up to 3,000 rooms
24 in adjacency.

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But, you know, there's no question

1
2 that a big draw for people coming to conventions
3 and meetings in New York is to participate in all
4 of what New York City has to offer. And a lot of
5 that is centered in Manhattan. So we've got to
6 make sure people can get back and forth. People
7 complain right now just to get to Javits from
8 midtown. So this is a bit of a hike.

9 I mean we think there's some real
10 merit there but I think a lot of it is in how it
11 sort of unfolds.

12 COUNCIL MEMBER WEPRIN: Javits,
13 you're right, is not a convenient location. I
14 mean I think the convention center in Queens would
15 be a great idea. New York City, I think, is
16 desperately in need of a large convention center.
17 I remember when they talked about expanding Javits
18 originally that they said that a lot of trade
19 shows would come to New York in a second for all
20 the things you talked about, but can't because
21 there's no space big enough to accommodate them.

22 GEORGE FERTITTA: Well, I'll tell
23 you Javits, just to let you know, Javits is
24 literally the only convention center in the United
25 States that does not lose money. It's also booked

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2 74 percent of the time. The next closest
3 convention center is about 45 percent. So the
4 real question is what the occupancy rates are that
5 we need to make sure that it's financially viable
6 to have a big operation in Queens.

7 COUNCIL MEMBER WEPRIN: Javits also
8 has to turn away a lot of trade shows--

9 GEORGE FERTITTA: [interposing]
10 Absolutely. We lose to--

11 COUNCIL MEMBER WEPRIN: --not
12 because they don't have the time but just they
13 don't have the space.

14 GEORGE FERTITTA: That's exactly
15 the point. I agree with you.

16 COUNCIL MEMBER WEPRIN: I met with
17 them years ago about that and they were upset
18 about that. So I do think the convention center
19 is great.

20 You know, the U.S. Open is not near
21 New York City too, as you mentioned, you know
22 people come to the U.S. Open from all over the
23 world and don't seem to have a problem getting
24 around in the city and they can get around Queens
25 and other places too. I mean I just think it'd

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2 be--I think it's overstated. You're right, I'm
3 with you, the transportation just has to be
4 upgraded. We need easy ways for people to get
5 around all over the city. But I think the
6 convention center would be a great idea. I want
7 to make sure that you as NYC & Company, our whole
8 New York City promoter, is out there promoting it
9 as a great idea.

10 GEORGE FERTITTA: We have very
11 positive feelings about it. We're taking a little
12 bit of a wait and see until we get some other
13 specifics.

14 COUNCIL MEMBER WEPRIN: Right.

15 GEORGE FERTITTA: Yeah, we just
16 need more information.

17 COUNCIL MEMBER WEPRIN: I agree. I
18 mean obviously we need a lot more specifics. I
19 was just concerned. Last week I was a dinner in
20 Manhattan with a lot of people who are sort of
21 Manhattan-centric and they seemed to pooh-pooh the
22 idea "out in Queens," you know. I found that a
23 little offensive, being from Queens.

24 GEORGE FERTITTA: Well, frankly--

25 COUNCIL MEMBER WEPRIN:

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2 [interposing] And I probably have some company on
3 this panel.

4 GEORGE FERTITTA: In Europe, just
5 to let you know, one of the largest convention
6 centers in the world is outside of London. You
7 know, the world travel market happens there every
8 year. ITB Berlin has the same exact center that's
9 far out. It's not consistent with America yet. I
10 think to make this a success, Americans and
11 businesses that are going to conventions have to
12 sort of take a model that's borrowing from
13 outside, because every other convention center is
14 virtually downtown, with the exception of Orlando,
15 which is very successful, where they bus people
16 back and forth. So I think it's a little bit of a
17 learning experience. I think it has a real
18 opportunity, there's no question.

19 COUNCIL MEMBER WEPRIN: So I would
20 love to see you help us promote it to Queens.

21 GEORGE FERTITTA: Sure.

22 COUNCIL MEMBER WEPRIN: Thank you.

23 CHAIRPERSON KOSLOWITZ: I just want
24 to add, about the convention center, when you say
25 the transportation, whoever comes to New York City

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2 lands in JFK or LaGuardia Airport, which is
3 Queens. They seem to find their way into the
4 city.

5 GEORGE FERTITTA: Absolutely.

6 CHAIRPERSON KOSLOWITZ: So the
7 convention center will be a lot closer to JFK than
8 Manhattan will be to JFK or even LaGuardia
9 Airport.

10 GEORGE FERTITTA: No, I agree. I
11 think, though, that one of the things they're
12 studying is the traffic patterns and what that
13 might do to traffic when there's going to be
14 100,000 people coming. You know, many people for
15 the big shows, like the auto show and the boat
16 show, if they were to be held there, that's almost
17 all coming from the tri-state area by car.
18 They're making facilities to be able to--I think
19 it's 12,000, you know, automobiles, will that be
20 enough. Those are the kinds of sort of
21 infrastructure things that I just think they have
22 to work out to make sure that it goes very
23 smoothly.

24 CHAIRPERSON KOSLOWITZ: I
25 understand that. But we had the same problem,

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people going to the Javits Center. So it'll be the same problem with people coming to Queens to the convention center.

GEORGE FERTITTA: Sure.

CHAIRPERSON KOSLOWITZ: So, you know, I don't buy there's going to be more traffic, there's going to be more cars, there's going to be, you know, people are going to have it hard to get around. I think it's a wonderful thing. It's a wonderful thing for Queens and it's a wonderful thing--

GEORGE FERTITTA: [interposing] For the whole city.

CHAIRPERSON KOSLOWITZ: --for the entire city.

GEORGE FERTITTA: Absolutely. I completely agree. I just think the details, they're a little sketchy and they're the first ones to admit it. They're doing more studies. We had very thoughtful meetings with them, one-on-ones as well as at City Hall about this very topic. So we're all being as supportive right now as we can and we like the idea.

CHAIRPERSON KOSLOWITZ: We still

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haven't given up on Willett's Point yet with the convention center.

GEORGE FERTITTA: And I haven't given up on Javits yet either, by the way.

CHAIRPERSON KOSLOWITZ: Council Member Wills?

COUNCIL MEMBER WILLS: Thank you, Madame Chair. I just have a few questions on budget. I'm looking through the testimony that you gave. I see that you have named five or six times that you have a five borough strategy. Then I see that you have \$21 million in FY 07 and it's down to \$14 million in FY 12. How do you break that down on where you spend the money that you have in the budget?

GEORGE FERTITTA: We have full marketing programs. Again, a lot of our focus has been on the international markets to get them to come to New York City, the entire city. We also do some domestic programs as well.

COUNCIL MEMBER WILLS: So I want to talk mostly about domestic programming.

GEORGE FERTITTA: Okay.

COUNCIL MEMBER WILLS: How do you

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break the budget down for domestic programming?
How much of the budget you use domestically and
how?

GEORGE FERTITTA: Well, our total
budget, by the way, in round figures around \$35
million, because we use private funds. Often the
private funds are matched funds that have very
specific programs. So in terms of domestic,
Restaurant Week is a very strong domestic program.
That's probably out of our total budget maybe 8-10
percent. I mean I can get the specifics but I'm
doing this off the top of my head.

We have our "Get More" program
which is about all the vibrancy in all five
boroughs. So it's with all of the cultural
institutions, the restaurants, the attractions.

COUNCIL MEMBER WILLIS: Okay, so
let's stay on the "Get More" program.

GEORGE FERTITTA: Okay.

COUNCIL MEMBER WILLIS: With that,
the five boroughs, how is the money broken down to
go to the outer boroughs other than Manhattan,
because Manhattan doesn't have an airport, as the
Chairwoman spoke of. So Queens, I'm from Queens,

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2 so I'm specifically talking about Queens. How
3 much of that budget do we have as assistance to
4 promote Queens out of your budget?

5 GEORGE FERTITTA: Well, we don't
6 provide any money other than through our
7 foundation to the boroughs. So that's a
8 foundation grant that we provide to all five
9 boroughs.

10 COUNCIL MEMBER WILLS: What is the
11 total amount of the foundation grants?

12 GEORGE FERTITTA: The foundation
13 grants, give or take, about \$250,000.

14 COUNCIL MEMBER WILLS: So there's
15 one lump of a quarter of a million dollars out of
16 \$35 million.

17 GEORGE FERTITTA: Well, out of city
18 funds, they're very, very separate, you know,
19 funds.

20 COUNCIL MEMBER WILLS: So out of
21 the city--is the foundation money city funds or is
22 it private?

23 GEORGE FERTITTA: No, it's private
24 funds.

25 COUNCIL MEMBER WILLS: So out of

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the private foundation money, how much is that total?

GEORGE FERTITTA: It's about of a million dollars that we have, we give about a quarter of it to the boroughs.

COUNCIL MEMBER WILLS: And then the quarter of it, is it shared with Manhattan or is it just for the four outer boroughs?

GEORGE FERTITTA: It's all five boroughs that get the--

COUNCIL MEMBER WILLS:
[interposing] It's all five boroughs.

GEORGE FERTITTA: Yeah.

COUNCIL MEMBER WILLS: We in Queens get how much out of that?

GEORGE FERTITTA: I think it's about \$58,000.

COUNCIL MEMBER WILLS: Do you have any projections or any desire or anything within your organization that looks at Queens and says we need to spend more money in Queens fostering relationships between entities in Queens, like the Queens Chamber or other entities that would support and strengthen the tourism to the outer

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2 boroughs? Because I'm looking at the budget and
3 it seems like Queens comes in number two behind
4 Manhattan on the borough economic statement.
5 Queens comes in behind Manhattan on number two on
6 both things, direct spending and international
7 visitors. So is Queens number two in spending?

8 GEORGE FERTITTA: First, we don't
9 spend any money in Queens. We give money to
10 Queens to be able to promote what they would like
11 to do. That goes to the borough president's
12 grant. We spend money outside of Manhattan to get
13 people to come to all five boroughs.

14 COUNCIL MEMBER WILLIS: How do you
15 target spending money internationally if you do
16 advertising campaigns, which are great, we've seen
17 the advertising campaigns, but if you're
18 advertising in other countries and Queens is the
19 gateway to the rest of the city or state, then how
20 are you promoting Queens as that landing area?
21 Because Queens has hotels that are developing, a
22 downtown area where myself and Council Member
23 Gennaro share the area, we're projected to have
24 five hotels in that area. They've already
25 mentioned the convention center, if it comes, if

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it doesn't come. How is Queens being supported?

GEORGE FERTITTA: Well, for example, the travel trade, let's take a market, the U.K., we get a million 150 thousand visitors from the United Kingdom every year. We have arrangements with many of the tour operators. And many of the tour operators will make agreements with hotels in all five boroughs. We also sell conventions that stay in Queens. We create meetings that stay in Queens.

But there's no specific budget that says we're going to take x amount of money and promote Queens. We promote New York City, all five boroughs. And then what we do is we have programs that direct people there. So there's not like a campaign in the U.K. that says go to Queens. There's a campaign in the U.K. that says come to New York City and this is all of what you can do. I mean--

COUNCIL MEMBER WILLS:

[interposing] I'm sorry to cut you off. But when these programs are designed, the programs are designed and not maybe intentionally, but the effect of the program is to come to New York City,

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2 which is always viewed as Manhattan-centric. So
3 the outer boroughs, even though you have promoted
4 them, it would seem that because of that the outer
5 boroughs as an indirect policy don't get the
6 support that they need.

7 How many partnerships have you
8 done--and you've done a great job, please I'm not
9 saying that--but how many of the policies have you
10 done that are geared towards working with specific
11 entities in Queens or the outer boroughs, because
12 Tish James is from Brooklyn and we have a couple
13 of other Council Members from other areas, but the
14 majority of us right now are from Queens so we're
15 going to talk about that. And we have our
16 delegation leader also, so we're going to talk
17 about Queens.

18 How many of those programs are
19 directed or do you see being directed towards
20 supporting the outer boroughs, Queens, the outer
21 boroughs to help with the restaurants, the
22 merchants, the different things? How much of your
23 programming effort, not budget but effort goes to
24 working with entities such as the chambers in each
25 borough and different things like that?

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2 GEORGE FERTITTA: You know, I think
3 we work strongly with some chambers more than
4 others. I think that we've worked with the
5 borough presidents offices probably stronger than
6 the respective chambers. I think that as it
7 relates to how we actively promote, you know all
8 of the, let's say tourism assets, in all five
9 boroughs, they're all part of all of what we do on
10 an online basis.

11 If there is a new attraction in any
12 borough, we actively promote that. If there's a
13 new exhibition, for example, at a museum, we
14 actively promote that. As it relates to getting
15 people specifically from let's say a foreign
16 country or, you know, how do we get people from
17 Atlanta to go to Queens or to go to Brooklyn, our
18 job is to obviously let them know all of the
19 hotels. They're going to select the ones that are
20 the most appropriate for them.

21 One of the reasons, quite frankly,
22 why there's been such hotel proliferation in
23 Brooklyn and Queens is it's less expensive to
24 build there, it's less expensive for the rooms.
25 You can create tour packages that are very family

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2 friendly. We've done a great job, in my opinion,
3 of getting family visitation. Ten years ago,
4 people didn't look at this as the ideal place to
5 bring a family. Now we've gone up in family
6 visitation by 8 percent last year through all of
7 the surveys. Part of the way they do that is to
8 stay in less expensive hotels. One of the ways to
9 do that is to stay in Brooklyn and Queens. So we
10 do that very actively.

11 COUNCIL MEMBER WILLS: Like, again,
12 I commend you for the work that you're doing, but
13 there still seems to be an indirect or
14 unintentional disbursement of support to Manhattan
15 and not the outer boroughs. The comment that you
16 made earlier saying that the USTA is viewed as an
17 upscale event. Most people go to Manhattan.

18 GEORGE FERTITTA: I think it's the
19 truth.

20 COUNCIL MEMBER WILLS: No, it's
21 true. But if it's an upscale event the fact of
22 the matter is it happens in Queens. It doesn't
23 happen in Manhattan. So by right, if Queens is
24 good enough to host the event, Queens should get
25 maybe not the lion's share but we should get more

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support on the ground with the--

GEORGE FERTITTA: [interposing] But those packages are created by a lot of their underwriters and sponsors. You know, American Express is a big underwriter. I mean we have no influence on the USTA. That's a private event. Frankly, I don't know offhand what the breakdown would be spending nights in Queens versus Manhattan. But I see the cars going back and forth and we know that the underwriters are paying for people's hotel rooms. And it's not pejorative in any way to Queens but I think the target audience for that event is very much, you know, geared towards Manhattan. International people are coming in. I'm not even saying it's right, I'm just saying that this is the way it is.

COUNCIL MEMBER WILLS: But you have a tremendous amount of influence to begin to work with other entities in the outer boroughs to maybe shift a couple of things, maybe shift--

GEORGE FERTITTA: [interposing] We have no influence on USTA I would tell you.

COUNCIL MEMBER WILLS: No, not the USTA but the outside tourism coming in. You do

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have influence with that. Are you open to now--

GEORGE FERTITTA: [interposing]

We're open to anything.

COUNCIL MEMBER WILLS: --discussing

that with--I mean seriously open to discussing
that?

GEORGE FERTITTA: Absolutely.

Frankly, we are thrilled when we spread the
wealth. We are thrilled that the fact is that
there's a hotel proliferation outside, 42 percent
of the hotels over the last five years, the rooms,
7,200 new rooms in mostly Queens and Brooklyn.
It's a wonderful thing for the entire city, so we
tremendously support that.

COUNCIL MEMBER WILLS: Thank you

very much.

GEORGE FERTITTA: You're welcome.

CHAIRPERSON KOSLOWITZ: We've been

joined by quite a few Council Members, some on the
committee and also some off the committee. So
it's really nice that everybody is so interested.
We've been joined by Council Member Sanders,
Ferrerias, James, and Eric Ulrich was here and
Leroy Comrie has joined us and now Gale Brewer.

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With that, I want to call on Steve Levin.

COUNCIL MEMBER LEVIN: Thank you, Madame Chair. Thank you very much, Mr. Fertitta. So a couple of questions. First off, I was surprised that you didn't specifically mention Marty Markowitz in your testimony.

GEORGE FERTITTA: I think Marty gets plenty of attention on his own, and I do adore Marty Markowitz. He's the best cheerleader I think we've got.

COUNCIL MEMBER LEVIN: I mean he's made the selling of Brooklyn in a positive way, the branding of Brooklyn in a positive way a real hallmark of his tenure as borough president.

GEORGE FERTITTA: Absolutely.

COUNCIL MEMBER LEVIN: I mean, he's come under a lot of fire for being active and going out to the markets that you're speaking about and making sure that people know what Brooklyn is, where it is on the map.

A couple of things as it relates directly to Brooklyn. So my legislative director was just on your website and of I guess the 17 destination spots that are listed, I guess as

1
2 places to go, right on the front of the website,
3 there are only two mentioned from Brooklyn. One
4 is the Brooklyn Bridge. The other one is Coney
5 Island.

6 The attractions, certainly in the
7 district that I represent, and I do represent the
8 Brooklyn Bridge, extend all up and down the
9 Williamsburg waterfront. What are you guys doing
10 specifically with regard to the New York Waterway
11 Service, the ferry service, the East River Ferry
12 Service?

13 GEORGE FERTITTA: We help fund
14 that. We support it tremendously. As a matter of
15 fact, some of our responsibility is to actively
16 promote the harbor.

17 I should point out that our website
18 changes almost every day. So that if you go on
19 the site two days from now, what's being listed as
20 the attractions will be rotated. So any given
21 day, it could easily change and in fact it does
22 change.

23 COUNCIL MEMBER LEVIN: One thing
24 that was very encouraging about the ferry service
25 last summer, particularly during the period when

1
2 it was free, but then that continued, the
3 ridership was more than double what they expected.
4 The ferry ride itself was working as a tourist
5 destination.

6 GEORGE FERTITTA: Absolutely.

7 Everybody was surprised to see that it really just
8 continued and when people were doing surveys, how
9 many international travelers were aware of it,
10 which we promoted in all of our offices. We also,
11 by the way, secured a specific grant to promote
12 the ferry service, which we applied for about two
13 years before that.

14 COUNCIL MEMBER LEVIN: Okay. In
15 your testimony you mentioned the factors
16 discouraging folks from other localities from
17 visiting, and you said--and I don't mean this as a
18 "gotcha" type thing, but you cited cost and
19 manageability but then you mentioned three
20 factors. Was there another factor that didn't
21 make it in?

22 GEORGE FERTITTA: No, it should
23 have been two factors.

24 COUNCIL MEMBER LEVIN: Okay, so
25 there's not another one. What's your take on the

1
2 prospect of legalized gambling in New York City?

3 I know that's another initiative that the Governor
4 is--

5 GEORGE FERTITTA: [interposing]

6 Well, I can give you my personal opinion. I think
7 it will happen. I think it's not by coincidence
8 that they're going to be building a convention
9 center in Queens and that the people that are
10 putting up the money for it happen to be in the
11 gaming business.

12 COUNCIL MEMBER LEVIN: Right.

13 GEORGE FERTITTA: So I guess that
14 it will happen.

15 COUNCIL MEMBER LEVIN: I mean is it
16 a--

17 GEORGE FERTITTA: [interposing] I
18 don't know. I'm just giving you my personal point
19 of view, of course.

20 COUNCIL MEMBER LEVIN: Right. I
21 mean is that a good thing for the branding of New
22 York City? Is it a bad thing for the branding of
23 New York City?

24 GEORGE FERTITTA: Well, I'll tell
25 you, here's what I think. If it's legal in New

1
2 York State, it would be inappropriate for New York
3 City to have to pay the burden of that and not get
4 any of the rewards. So, frankly, I'm not
5 personally pro-gambling but if it's going to take
6 place, New York should get its fair share. So
7 we'll jump in with all feet to make sure that it's
8 actively promoted.

9 By the way there are specific
10 audiences, I mean I do think that we will get
11 visitation. China, they go directly to Las Vegas.
12 They love to gamble. We don't offer much here on
13 that level. There are specific cultures that will
14 spend billions of dollars. I think that Genting
15 is a very smart organization. They've done all
16 the projections. If what they put forth comes to
17 be, it will have a big economic impact, forget
18 whether people like gaming or don't like gaming.

19 COUNCIL MEMBER LEVIN: Right.

20 GEORGE FERTITTA: You know, if it
21 happens, there will be money to be made. I think
22 that the real issue is it's not the what, I think
23 it's the how: how it's done, how it's managed and
24 how it's organized. I think that'll be one of the
25 important factors.

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COUNCIL MEMBER LEVIN: And then
lastly, one thing that we do have coming up in
Brooklyn now that's very exciting is kind of a new
resurgence or a surge of interest in food, locally
grown food--

GEORGE FERTITTA: [interposing]
You're trying to catch up with Queens, I know
that.

COUNCIL MEMBER LEVIN: Right,
right, right.

GEORGE FERTITTA: You're just
trying to catch up with Queens.

COUNCIL MEMBER LEVIN: I mean the
hip thing to do now, by the way, is to go to
Queens. You don't even go to Brooklyn.

GEORGE FERTITTA: Absolutely.

COUNCIL MEMBER LEVIN: If you live
in Brooklyn in my district, you actually go to
Queens, Jackson Heights--

GEORGE FERTITTA: [interposing]
Meet you in Astoria.

COUNCIL MEMBER LEVIN: --to get to
eat. I guess in Spain and in France, often they
direct a lot of their tourism efforts to those

1
2 kind of out of the way kind of these little gems
3 of places to go. I mean I could think of like
4 some really great--I mean even if you go down to
5 like in Midwood to Di Fara's Pizza or something.
6 Have you guys actively been looking at, like,
7 these are the best 50 restaurants in the outer
8 boroughs?

9 GEORGE FERTITTA: We do a lot of
10 promotion with the whole restaurant scene and we
11 have a very strong relationship with Zagat and
12 we're trying, now that they're part of Google to do
13 a big, big program on all New York City
14 restaurants in all five boroughs. I think that's
15 going to be a real opportunity in the not too
16 distant future.

17 I think that the thing about the
18 restaurant scene throughout New York is that it
19 usually goes in trends. Brooklyn sort of has a
20 moment in time. Arthur Avenue is now having a
21 nice moment in time.

22 I think that one of the problems
23 with Queens is that there is so much that it's
24 hard to sort of focus on one. So all the
25 different ethnic enclaves that have such

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spectacular food.

And by the way, the Mayor every year for the commissioners' dinners and other dinners that he hosts, he always goes to obscure restaurants in Brooklyn and Bronx and Queens, et cetera. So he's actively promoting it very much as well.

I think that food is a wonderful entrée. As a matter of fact, Spain came just a month or so ago, the city of Madrid came to promote all of their different cuisines with their famous chefs, and we'll be doing something in return. So food is a cornerstone.

It's not only good for business but it's also one of those things where there's so many different price points, whether you have a great deal of money to spend or hardly any, you can always find a wonderful meal in the City of New York.

COUNCIL MEMBER LEVIN: I do think that people are going to be--also, they're willing to travel a little bit further I think these days to get to that cool place.

GEORGE FERTITTA: Absolutely.

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Absolutely.

COUNCIL MEMBER LEVIN: You know, the place that they read about and like nothing else is going to really--

GEORGE FERTITTA: [interposing] You know what, and people are willing now to take public transportation that haven't before. Now we're talking about visitors. The other thing which we do very actively is we try to get New Yorkers to move around the other boroughs. It's not just outsiders coming in, we want people from Brooklyn to go to the Bronx and people from the Bronx to go to Queens. We want everybody to try Staten Island please. We really want everybody to give it a shot.

COUNCIL MEMBER LEVIN: Thank you very much.

GEORGE FERTITTA: You're welcome.

COUNCIL MEMBER LEVIN: Thank you, Madame Chair.

CHAIRPERSON KOSLOWITZ: Council Member Sanders?

COUNCIL MEMBER SANDERS: Thank you, Madame Chair. I want to speak of what we haven't

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been speaking enough of and that's Queens.

[Laughter]

COUNCIL MEMBER SANDERS: I represent Laurelton, Springfield Gardens, Rosedale, the Rockaways and other places that I'm sure that you're spending a lot of your time marketing, sending information out.

GEORGE FERTITTA: The surfing in the Rockaways--

COUNCIL MEMBER SANDERS: [interposing] Absolutely.

GEORGE FERTITTA: --the whole idea came from our communications team and promoted on a global basis.

COUNCIL MEMBER SANDERS: I thought I saw you out there on that board.

GEORGE FERTITTA: Yeah, I can hang ten like the worst of them.

COUNCIL MEMBER SANDERS: Yes, our water is fantastic. As a matter of fact, I'm trying to speak to the Parks Department. We need to create and I could use your help backing this. We need to create a Muscle Beach on the beach.

GEORGE FERTITTA: You know, that's

1
2 the second time you mentioned that to me, a Muscle
3 Beach, like Venice, California.

4 COUNCIL MEMBER SANDERS:

5 Absolutely.

6 GEORGE FERTITTA: You're trying to
7 go for Venice, California--

8 COUNCIL MEMBER SANDERS:

9 [interposing] Well, you know, we're Venices
10 actually. If Venice, California and the
11 Californians can pretend that they have muscles,
12 then we in New York can do this.

13 GEORGE FERTITTA: I think the
14 surfing thing is a first step to that.

15 COUNCIL MEMBER SANDERS: Sure.

16 GEORGE FERTITTA: I think it's one
17 of those things, you know I think we've got--I
18 forgot the number--is it 14--pardon me?

19 FEMALE VOICE: [off mic]

20 COUNCIL MEMBER SANDERS: Look at
21 that.

22 GEORGE FERTITTA: There you go.

23 COUNCIL MEMBER SANDERS: We're
24 getting people to come to our beaches already.

25 GEORGE FERTITTA: Have you two met

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before by the way?

COUNCIL MEMBER SANDERS: Well,
perhaps on the beach. I think it was--

CHAIRPERSON KOSLOWITZ:
[interposing] I just want to say, so would I.

[Laughter]

COUNCIL MEMBER SANDERS: So if I
could just get the Parks Department to understand.
It's not that expensive either.

GEORGE FERTITTA: Here's my
suggestion. You get an underwriter to help that
happen and Parks will have an open ear, because
they're always looking for things to take care of
and defray some of their costs. I think it's a
great idea. It's clearly very seasonal. I think
it would be very newsworthy. It would be a lot of
fun. I think the competition of New York and
California--

COUNCIL MEMBER SANDERS:
[interposing] Sure.

GEORGE FERTITTA: --is always a lot
of fun.

COUNCIL MEMBER SANDERS: Sure.

GEORGE FERTITTA: By the way, just

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2 to let you know, which is an extraordinary
3 statistic, Australia last year, their number one
4 U.S. destination became New York City. Before,
5 you couldn't even get them off the west coast, now
6 it's all about New York City. They're the ones
7 who would love to go to all parts of Brooklyn and
8 Queens to see what they have to offer, and again
9 as it relates to the Rockaways there's no question
10 that's a big draw.

11 COUNCIL MEMBER SANDERS: Sure. I'm
12 glad that the Australians have come to their
13 senses and we've done some good things. Let me
14 take you to our second most boring topic, the
15 casino, the convention center. What does New York
16 City have to do to improve the transportation?
17 What suggestions would you give?

18 GEORGE FERTITTA: Again, I'm sort
19 of a neophyte in this. The Department of
20 Transportation would be better equipped to
21 respond. I would tell you that in the
22 conversations we've had to date there are two
23 issues: how do you connect--I think one is
24 extending the air train. I think the second is
25 there's some sort of off-ramps that would have to

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2 be done, which is very, very expensive and very
3 costly. And to make sure that things just don't
4 get so bottlenecked. Then actively to have more
5 trains going back and forth at the right moments
6 in time. Those are some of the key things.

7 But again, this is just my top
8 line. I think there are people better qualified
9 than I am. But the people we met with at the
10 developing organization made it clear that they
11 need to do more studies on this and they would be
12 very, very interested in making sure they help
13 out.

14 COUNCIL MEMBER SANDERS: Well, I am
15 like you in many respects on this issue. I
16 personally don't see what people are getting at of
17 gambling. I went down the other day, Madame
18 Chair, and I spent a king's ransom, I must admit.
19 No, confession is good for the soul and it's good.

20 I went down there. I spent a
21 king's ransom and I had to get up from the--first
22 they had to show me how to use the machines. I
23 spent it and then I had to get up and leave my
24 entire fortune of \$10 there. I don't understand
25 what people are doing. However, there are plenty

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of other people who do understand.

GEORGE FERTITTA: Let that \$10 ride. Don't go back.

COUNCIL MEMBER SANDERS: No, I'm going to wait until the interest builds up and I have \$10 again. However, in most cases, a convention center is not a good idea if you're talking pure economic development. In most cases, it's a poor idea, a poor investment. If Cleveland or some other city of that nature came up with this as an idea, it would be bordering on stupidity.

However, New York City is so unique, so different that it may actually work here. This is such a destination that does not have the ability to get the upper tier that a major convention center may be a good idea and can work there. We do have to solve that question of transportation. Because after all is said and done, if you can't get into Manhattan, the idea if not going to fly, it's just not going to fly. But if we can figure out how to get people into Manhattan quickly, then this idea will be great.

GEORGE FERTITTA: I completely

1
2 agree. And by the way, the other thing that New
3 York City has and it's something that's kind of
4 rare and unique is that our airlift, you know, to
5 our airports continues to get stronger and
6 stronger. When you look at the PlaNYC program for
7 2030 and some of the development that you're
8 looking to take place over the next 20 years, we
9 will maintain that and that's a big point of
10 difference. We are still the number one sort of
11 tri-state airport. You know, more people come in
12 through New York tri-state area than any other
13 place and that air lift that continues will allow
14 us to get many more people here. There are some
15 places you just can't get to and New York City is
16 not one of them.

17 COUNCIL MEMBER SANDERS: Just as an
18 aside on that, as we lose more and more commercial
19 activity at the airports which also has to be
20 looked at, but that of course is not your purview,
21 but I'm glad that we're in agreement on all of
22 these issues and especially the Muscle Beach.

23 GEORGE FERTITTA: We're there.

24 CHAIRPERSON KOSLOWITZ: Thank you.

25 Council Member James?

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2 COUNCIL MEMBER JAMES: Thank you.
3 So Marty Markowitz indicated at some event that
4 Brooklyn apparently was topping the charts as a
5 destination. I represent Fort Greene, Clinton
6 Hill, Prospect Heights and Crown Heights, probably
7 one of the hottest districts in the City of New
8 York. What we have going for us is obviously a
9 cultural district. So I see a letter here
10 promoting BAM. And in and around BAM you have
11 Mark Morris, you have the Theater for a New
12 Audience, you have 651, you have Irondale and you
13 have MoCADA, Museum of Contemporary African
14 Diasporan Art. Is there any marketing focused on
15 the cultural district in Fort Greene?

16 GEORGE FERTITTA: Well, I think
17 that we have listings on our website of 1,200
18 cultural institutions. We work very strongly with
19 Kate Levin, the commissioner of cultural affairs.

20 There may be things that--what's
21 important for us to understand is new exhibitions
22 and sort of anything that we can talk about that
23 is new and temporary. The immediacy gets people
24 to go. If people just think that there's a museum
25 of cultural institution that's just there, it's

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sometimes not enough without a large budget. So anything that's new, anything that's immediate.

Also, by the way, we just started something; it started this week which I was very proud of. We were able to get a grant and we're doing a matching grant on that from NYC & Company Foundation that every day, five days a week, five times a day, morning and afternoon and drive time on Sirius radio we will be promoting four or five cultural institutions of that day.

So we're doing our own recordings. We have somebody that's going to be promoting it literally. So we're going to rotate them. So in a course of a week, 30 or 40 cultural institutions will be on air with Sirius radio with millions of listeners.

COUNCIL MEMBER JAMES: Excellent.

GEORGE FERTITTA: That's one thing. And we want to mix it with small obscure ones with, you know, the Met having a big opening.

COUNCIL MEMBER JAMES: That's important, right.

GEORGE FERTITTA: So that's one thing. In addition, for a while and we haven't

1
2 been able to duplicate it, on NBC we had on-camera
3 spokesperson that we had five minutes at I think
4 it was 5:00 every Friday that we would have our
5 people from our staff that would be on air talking
6 about what to do this weekend. What to do this
7 weekend was often about some new show or some new
8 cultural attraction or some new exhibition.

9 So anything we can do to get
10 something new, and again this is not only
11 important for the repeat visitor which is very
12 important, but just to get people in and around
13 the five boroughs. You know, when people in the
14 listening area of Sirius radio hear this, you know
15 we can get people from Manhattan to go there.

16 COUNCIL MEMBER JAMES: So I know
17 you market first Saturdays at the Brooklyn Museum,
18 which is just, I mean it's amazing.

19 GEORGE FERTITTA: We have some big
20 plans for BAM. We have something that's going to
21 be really wonderful happening this fall there that
22 hasn't been announced but it's going to be a big
23 deal.

24 COUNCIL MEMBER JAMES: Brooklyn
25 Museum, the first Saturdays, there was thousands

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of people. It was so packed you couldn't even get down the stairs. It was--

GEORGE FERTITTA: [interposing] You need some transportation up there too then.

COUNCIL MEMBER JAMES: Well we do have transportation; it's just that there was a lot of young people. There was a dance party. It was just incredible and I loved the activity and I loved the excitement.

But also what Brooklyn has and what it's known for is the Borough of Churches. To what extent do you promote churches and the architectural beauty of the churches?

GEORGE FERTITTA: Actually, we've met with Reverend Bernard. He is going to be creating a tour, not only of his institution but also of others.

COUNCIL MEMBER JAMES: Excellent.

GEORGE FERTITTA: We'll be actively promoting that. We've done it, of course, in Harlem which is sort of a very nice concentrated area.

COUNCIL MEMBER JAMES: Right.

GEORGE FERTITTA: It's interesting.

1
2 Once again, the international visitor loves to
3 visit houses of worship, you know, synagogues,
4 churches, mosques. It's really something that's
5 now much more on the radar.

6 COUNCIL MEMBER JAMES: So I would
7 love to talk to you a little bit further about
8 that because along Lafayette Avenue there's at
9 least six of them. They run through my district
10 and they're architectural gems.

11 GEORGE FERTITTA: Please, let us
12 know. We're happy to--

13 COUNCIL MEMBER JAMES:
14 [interposing] Including the Masonic Temple, which
15 is a temple which was modeled after a temple in
16 Greece and it's over 100 years old. It's next to
17 my church, Emanuel which is modeled after a church
18 in Europe as well, Brown Memorial, which is over
19 110 years old. The list goes on and on and on.
20 Not only churches but also just landmarks. We
21 have a number of landmark districts in the
22 neighborhood and the character of some of these
23 buildings is just something that I marvel at.

24 GEORGE FERTITTA: You should remind
25 us, and also we can have these postings on our

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site as well and we can sort of highlight--you know, we create new sort of sites on a monthly basis. So it's kind of an easy thing for us to actually promote.

COUNCIL MEMBER JAMES: I don't understand the fascination but I notice that there was a tour in Brooklyn of cemeteries, like the Greenwood Cemetery.

GEORGE FERTITTA: Yes, that is an attraction--

COUNCIL MEMBER JAMES:
[interposing] And it's very popular.

GEORGE FERTITTA: It is an attraction.

COUNCIL MEMBER JAMES: And macabre at the same time.

GEORGE FERTITTA: It's like New Orleans what a big hit that is apparently.

COUNCIL MEMBER JAMES: Yeah, New Orleans. Do you focus on cemeteries and the famous people who are resting there--

GEORGE FERTITTA: [interposing] I'd rather go for churches frankly I think.

COUNCIL MEMBER JAMES: Okay.

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[Laughter]

COUNCIL MEMBER JAMES: But apparently there are some famous individuals both famous and infamous that are buried in some of cemeteries.

GEORGE FERTITTA: The key to that though is to make sure that when they're visiting a cemetery they know the ten restaurants they should go to nearby.

COUNCIL MEMBER JAMES: Yes, I agree.

GEORGE FERTITTA: Because there's no economic impact by looking at a cemetery. I'm not saying it's not a nice thing to do, but I think there are ways to make sure people spend money.

COUNCIL MEMBER JAMES: Yes.

GEORGE FERTITTA: We're trying to get people to spend money. That's what we really need.

COUNCIL MEMBER JAMES: And promote the local economy.

GEORGE FERTITTA: Absolutely.

COUNCIL MEMBER JAMES: Thank you

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very much.

GEORGE FERTITTA: You're welcome.

COUNCIL MEMBER JAMES: Thank you.

CHAIRPERSON KOSLOWITZ: Thank you.

Council Member Ferreras.

COUNCIL MEMBER FERRERAS: You are like one of the few people that knows that--

CHAIRPERSON KOSLOWITZ:

[interposing] I don't know why I'm having such a hard time--

COUNCIL MEMBER FERRERAS: --knows how to pronounce my name and today you're--

CHAIRPERSON KOSLOWITZ:

[interposing] I know.

COUNCIL MEMBER FERRERAS: It's okay.

CHAIRPERSON KOSLOWITZ: I don't know why I'm having a hard time.

COUNCIL MEMBER FERRERAS: We forgive you, because we love Karen. Good afternoon.

GEORGE FERTITTA: Hi, how are you?

COUNCIL MEMBER FERRERAS: You know, I sit here and I'm excited to hear your excitement

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2 about the work that you've done. But I represent
3 Corona, Jackson Heights, Elmhurst and East
4 Elmhurst. We don't see the dollars. We don't see
5 the impact and there's so much more that could be
6 done. I'm looking forward to working with you to
7 do more.

8 But even in your explanation here
9 of neighborhood highlights of Queens, so you
10 mention places that are very important to our
11 community like the New York Mets, the USTA,
12 Flushing Meadows Park. None of this says that
13 it's in Corona. None of it. Every one of these
14 places, include the Louis Armstrong House is in
15 Corona.

16 So when you talk about, you know,
17 setting the trend and that Brooklyn is trendy or
18 whatever, I think you're also responsible for
19 setting that trend. That's why you do it well.
20 So we want to be trendy and sexy too, because we
21 have it. And it just seems--

22 GEORGE FERTITTA: [interposing] I
23 can tell, it's Corona, it's all about Corona.

24 COUNCIL MEMBER FERRERAS: No, not
25 the beer.

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[Laughter]

COUNCIL MEMBER FERRERAS: You see what the Brooklynite says? She says the beer. She doesn't think about the Louis Armstrong House.

GEORGE FERTITTA: Louis Armstrong is fabulous.

COUNCIL MEMBER FERRERAS: I know.

GEORGE FERTITTA: You know what, a lot of the world understands. Anybody that loves jazz, anybody that loves that era of music, people come from all over the world to go to Louis Armstrong House. There's no question. That's been highly promoted by ourselves.

COUNCIL MEMBER FERRERAS: We have a museum and it is--what I'm trying to say is yes that it's highly promoted and I get it. But it also should be promoted as part of the neighborhood. It is not independent of where we are.

GEORGE FERTITTA: I think this is a very good point.

COUNCIL MEMBER FERRERAS: We need to add Corona. We need to be able to say that people, as you walk from the train, this is where

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2 you can stop. The Louis Armstrong House has
3 established some quirky great local places that I
4 think need to be promoted.

5 I just came back from Brazil. And,
6 you know, I might not be as upscale as the people
7 that go to the U.S. Open when I traveled there,
8 but I stayed in a very nice place. The place that
9 I enjoyed most, it wasn't the upscale restaurant,
10 it was the fish market that I went to and I had
11 dinner at.

12 I think that that's really--and
13 Council Member Steve Levin mentioned this--it's
14 really about highlighting those gems in our
15 neighborhoods that make our neighborhood special.

16 GEORGE FERTITTA: I completely
17 agree. But I don't want to forget that part of
18 the job of all of us would be to get people that
19 already live, certainly in the tri-state area to
20 come. It's not just about visitors coming from
21 outside of New York but it's about visitors within
22 New York to see all of what the city has to offer.
23 That's a huge opportunity that I don't think we've
24 fulfilled completely.

25 I'll be honest with you, I never

1
2 thought about promoting Corona as a destination.
3 We've done a lot with Louis Armstrong. I think
4 that's a good point.

5 COUNCIL MEMBER FERRERAS: I
6 appreciate that. One of the steps that we can
7 start doing by promoting Corona, and we're doing
8 this with our local chamber of commerce, the
9 Queens Chamber of Commerce and I hope that that's
10 one of the strong relationships that you have,
11 when you mentioned the chambers that you work
12 with. And if it's not, you know how do we improve
13 that and make that a stronger relationship?

14 It's about a restaurant week.
15 Everyone knows, every one of my friends that comes
16 from anywhere in this world, you know I have
17 Turkish friends, friends from all over, even
18 French. They ask where can I go eat, Julissa,
19 where in your area can I go eat? You know, it's
20 great Mexican restaurants. There's everything in
21 my district.

22 GEORGE FERTITTA: Sure.

23 COUNCIL MEMBER FERRERAS: I think
24 that we really need to have that neighborhood
25 conversation and maybe it's about sitting with a

1
2 couple of the local people and seeing just what
3 the local feel is about. There might be ten
4 Dominican restaurants but there might be one
5 really, really good Dominican one with great
6 service that that's the one that I would want you
7 to promote.

8 GEORGE FERTITTA: I think it's a
9 very, very good point. You know, we have about
10 700 restaurants that are part of our membership
11 group. We've changed the criteria for some to
12 join the organization. We have very specific
13 rules with the Restaurant Week. It's primarily in
14 Manhattan. We have some in Brooklyn and some in
15 Queens. We've had one or two in the Bronx, of
16 course, and even one or two in Staten Island.

17 What was mentioned even earlier,
18 food is such an entrée and so for us, any more we
19 can learn, any more we can do, it benefits the
20 entire city. I do think we have to have even a
21 greater focus on New Yorkers visiting all of these
22 great places.

23 By the way, they're often the
24 bargains of the century. You feel like I'm on
25 vacation almost and I'm spending very, very little

1
2 money to visit these places that you didn't even
3 know existed.

4 COUNCIL MEMBER FERRERAS: I
5 personally stopped eating in Manhattan because
6 it's so expensive. I can have a great meal for
7 \$10--

8 GEORGE FERTITTA: [interposing]
9 Well don't hold it against Manhattan.

10 COUNCIL MEMBER FERRERAS: I'm just
11 saying it's true. I could have a great meal for
12 \$10 in Corona and have a lot of food and just feel
13 great and take some home for lunch for ten bucks.
14 So it's a great perspective, bargain eating. You
15 can get some great deals in our outer boroughs of
16 delicious, rich food.

17 I just think even, and I'm speaking
18 as a young Latina, that the Restaurant Week isn't
19 necessarily specific to our culture. And so much
20 of our cuisine is what people seek. People want
21 to have Peruvian chicken. People want to have the
22 Dominican red food. People want to have Mexican
23 fajitas and tacos. But yet our Restaurant Week
24 does not promote all these wonderful things that
25 New York is known for. So why not have a

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Restaurant Week and why not have it start in

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Corona?

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GEORGE FERTITTA: I think it's a good idea. The criteria for Restaurant Week is that it has to be a big bargain. So there has to be a price point, you know, which is a criteria and was originally set forth. So for us to create a meal for \$24.07 for lunch or \$35 for dinner, that has to be a big sort of savings. So that \$24.07, that might have been a \$40 luncheon. \$35 might have been a \$55 dinner. So that's the criteria for why people want to come.

I think we should create maybe something very different that relates to just wonderful inexpensive fabulous ethnic restaurants. That's sort of a different program but I think it's a really good idea.

COUNCIL MEMBER FERRERAS: I would love to work with you on that. I think we have a really special opportunity. That's how we're really going to get these outer communities connected into this wonderful opportunity that you offer.

My last question is I know that you

1
2 said that you don't directly fund but you give
3 funding to the borough president. Now, who taps
4 into that money or how do businesses or--

5 GEORGE FERTITTA: [interposing]
6 It's a grant program. It's generally about
7 marketing. The organizations have very small
8 budgets and they don't have money to market. So
9 they submit their marketing materials. So we give
10 a grant to, let's say Queens, and then they have
11 to submit how they're using that money. It's
12 often like small advertisements and sometimes it
13 might be signage and sometimes it might be helping
14 to underwrite a special. It's the borough
15 president's office that decides how they want to
16 spend the money. They have to just prove to us
17 they're spending it and we allocate the funds. We
18 approve it.

19 COUNCIL MEMBER FERRERAS: Okay.
20 Thank you very much.

21 GEORGE FERTITTA: You're very
22 welcome.

23 CHAIRPERSON KOSLOWITZ: Council
24 Member Brewer?

25 COUNCIL MEMBER BREWER: Thank you

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2 very much. How are we going to handle this tour
3 guide problem? I know you called me about it but
4 obviously there's a union discussion. Are we
5 going to see no real people on the buses? Are you
6 aware of the situation? What do you suggest? So
7 far, they have a nine-month contract.

8 GEORGE FERTITTA: You're referring
9 to the guides that are--

10 COUNCIL MEMBER BREWER:
11 [interposing] On and off buses.

12 GEORGE FERTITTA: That are not
13 allowed to be using the microphones.

14 COUNCIL MEMBER BREWER: Correct.

15 GEORGE FERTITTA: I have to tell
16 you, we of course were not opposed to having the
17 microphones. We thought lower the volume a little
18 bit. You know there was just a few neighborhoods
19 that had very specific complaints about that. I
20 may be wrong but I think it's 180 jobs that are at
21 stake here.

22 COUNCIL MEMBER BREWER: 150.

23 GEORGE FERTITTA: 150. I think
24 that it's sort of a shame that the use of
25 technology can in theory be detrimental to jobs.

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2 The only differential is, and this is one of the
3 things that I understand that the tour bus
4 companies are talking about is that it will be
5 offered in eight or ten languages, which is
6 something that--

7 COUNCIL MEMBER BREWER:

8 [interposing] I'm just saying we're pushing really
9 hard to keep the tour guides live on the buses.

10 GEORGE FERTITTA: I agree.

11 COUNCIL MEMBER BREWER: I know, but
12 if you could weigh in on that in any way, that
13 would be helpful.

14 GEORGE FERTITTA: Okay. Appreciate
15 that--

16 COUNCIL MEMBER BREWER:

17 [interposing] I'm just saying a tour on a bus--

18 GEORGE FERTITTA: [interposing] And
19 we've been doing that.

20 COUNCIL MEMBER BREWER: --with no
21 person is not a tour.

22 GEORGE FERTITTA: I agree with you.

23 COUNCIL MEMBER BREWER: I think we
24 have to make that loud and clear. We've made that
25 clear. I have to give Rob Newman in our office

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great credit. He's made it clear. But we could really use some help on that.

GEORGE FERTITTA: We will weigh in again, but we've been doing it on a constant basis. We are in agreement with you on this for sure.

COUNCIL MEMBER BREWER: Number two is I'm also the author of trying to get rid of some of the illegal hotels, as you know.

GEORGE FERTITTA: Yes.

COUNCIL MEMBER BREWER: Long story. But I do know that we need clean, legal, inexpensive hotels. The only one that I know of is just above my district which is the American Youth Hostel, for which I have great respect. So how are you proposing clean legal non-rent regulated apartments, et cetera?

GEORGE FERTITTA: We strongly recommend that there will be a youth hostel program. There's a potential of having up to 50 youth hostels in all boroughs, covering all boroughs.

COUNCIL MEMBER BREWER: Working with the American Youth Hostel?

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2 GEORGE FERTITTA: We've been
3 working with them. We've been working with City
4 Hall. We've been working with all constituencies.
5 We strongly believe in it. Our economic impact
6 figures show that at a minimum it'd bring in \$125
7 million worth of people coming--worth of
8 expenditure--coming into the city.

9 You've talked about traveling
10 around on the Euro past years ago in Europe. You
11 know, we don't have inexpensive places to stay for
12 the youth.

13 COUNCIL MEMBER BREWER: I'm aware
14 of that.

15 GEORGE FERTITTA: I think--

16 COUNCIL MEMBER BREWER:
17 [interposing] That's why the illegal ones popped
18 up.

19 GEORGE FERTITTA: The illegal ones,
20 and I am on the executive committee of the Hotel
21 Association of New York. We want legal clean
22 hostels. We want to get rid of all of the illegal
23 ones. I think that, you know, so far there's only
24 been one or two really negative incidents. But
25 all you need is one tragedy to take place in an

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2 illegal hotel situation and everybody's eyes will
3 be upon it. I hope we don't have to get to that
4 but we completely agree with you on this position.

5 COUNCIL MEMBER BREWER: So what do
6 you think the timeline is? I know the Mayor's
7 Office has been working on this. What do you
8 think the timeline is in trying to create legal
9 low cost youth hostels?

10 GEORGE FERTITTA: I think my team
11 will tell you, I think we're looking for that to
12 happen in the next year, are we not?

13 ERNESTO FREIRE: [off mic] Yeah,
14 we're working--

15 COUNCIL MEMBER BREWER:
16 [interposing] You need to go to the microphone.

17 ERNESTO FREIRE: Ernesto Freire
18 with NYC & Company. Several agencies are working
19 to try to figure out regulations and the
20 appropriate regulations of what would make a
21 feasible hostel. It's looking now, I think our
22 hope is that we could get at least the regulations
23 in place within the year. Then I think from what
24 we're hearing from the industry, developers are
25 really anxious and really lining up. They think

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there's a real potential here to grow this market.

COUNCIL MEMBER BREWER: I mean I think that's good. I only trust the American Youth Hostel. There are other hostel operators who are hostile.

GEORGE FERTITTA: We've met with them many times and--

COUNCIL MEMBER BREWER: [interposing] I know them all, believe me.

GEORGE FERTITTA: --they know our position. They know our position is very strong.

COUNCIL MEMBER BREWER: My husband has been a Big Apple Greeter for years. I do Big Apple Greeter tours often in my neighborhood. I know you mentioned it in your testimony. How do you work with them? Because people love them. If you are in Australia, you mentioned Australia, a Big Apple Greeter over the last 20 years that I know them, does an ad or has some free media in a country, I swear to goodness in five minutes, those country tourists have contacted Big Apple and they're on a plane.

So I have two questions. One, how do you work with Big Apple? Then just generally,

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how do you do your advertising in different countries? Because the minute an ad goes in a country, you suggested Australia or whatever, tourists come. There's a direct relationship there.

GEORGE FERTITTA: Well, first, with Big Apple Greeter, we support their events which raises money for them. We write our own checks-

COUNCIL MEMBER BREWER:

[interposing] You give them some money.

GEORGE FERTITTA: Yes, we give them some money.

COUNCIL MEMBER BREWER: They need more money.

GEORGE FERTITTA: I know, well we'd love them to have more money. I'm not sure I know all the sources of it. They're near and dear to the hearts of everybody, including a lot of the deputy mayors, you know, some of which have been honored.

COUNCIL MEMBER BREWER: They don't give enough money though. Go ahead.

GEORGE FERTITTA: Then with regard to how we actually market, again a lot of our

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2 marketing foreign countries is in the form of co-
3 op marketing. So, for example, whether it's in
4 Spain or in Italy or in Portugal or in Brazil, we
5 create programs that are all about, generally,
6 deals. So it's often an airfare, often a hotel,
7 often other things that are packaged into it. We
8 create a deal that we actively promote. That's
9 the majority of our work.

10 Some of the brand work we do, now
11 that we don't have the budget to do everything
12 we'd like to do, we try to do that in barter with
13 the airlines that will give us some space, some of
14 the networks and some programs that we deal with
15 on an individual basis with certain cities.

16 COUNCIL MEMBER BREWER: So how do
17 you make a decision as to which countries or
18 cities you're going to work with? I mean is it
19 based on a deal coming up or how--

20 GEORGE FERTITTA: [interposing]
21 Well, we create the deals with them. I think,
22 firstly, how willing they are to put up their own
23 money, the people that are outside the--not our
24 money but other people's money. I think the best
25 opportunity for sales. I mean there are some

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2 markets that it would be much more difficult to
3 get people to come to New York than others. I
4 think we always want to fish where the fish are.
5 We have a lot of research that's in place. We
6 want to make sure that when we do spend money that
7 we can track it and understand that it has a big
8 impact. Each country might be very different.

9 By the way, sometimes there are
10 countries that haven't really spent enough time in
11 New York City. I mean I think Canada, there's
12 more we can do with Canada. They've been growing
13 and growing. It's such a great market for us
14 because it's so close. So we'll do a lot more in
15 Canada. We use our international press offices to
16 create events to be on air.

17 I mean things that we've done, for
18 example, in Australia, we hosted their equivalent
19 of the "Today Show" plus their equivalent of "Top
20 Chef." We programmed all of their TV when they
21 came here to New York. It goes back; millions of
22 people in Australia now see all of what New York
23 City has to offer. Then we might do a co-op
24 program with one of the tour operators here to
25 actively participate in that.

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2 COUNCIL MEMBER BREWER: Canadian
3 banks were good and didn't lend people money who
4 shouldn't get mortgages so they don't have a
5 recession. So that's good.

6 The communities like the LGBT, the
7 Latino/Latina community, how do you market
8 specifically to them? We have fabulous festivals,
9 as you know, in many different communities. So
10 how do you market to them around the world?

11 GEORGE FERTITTA: Well we do a
12 great deal with the LGBT community. We created
13 the NYC I do campaign which is about marriage
14 equality to get people to come here, have their
15 weddings here, have their parties and events here.

16 We've had a very strong LGBT, you
17 know, campaign for the last five years, from the
18 day we arrived. We understand the importance of
19 the market, not only the importance of the quality
20 but just as important, clearly, is the economic
21 impact of that market. So we have programs in
22 different parts of this country and on a global
23 basis as well.

24 COUNCIL MEMBER BREWER: Okay.
25 Thank you very much.

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2 GEORGE FERTITTA: You're very
3 welcome.

4 CHAIRPERSON KOSLOWITZ: Council
5 Member Comrie?

6 COUNCIL MEMBER COMRIE: Thank you,
7 Madame Chair. I was just curious about one thing,
8 George. I won't pile on, even though I'm from
9 Queens, about the whole Queens issue. I think
10 you've been talked to about that enough.

11 How do you get to a promotion of an
12 idea of a concept? How does say a Corona-based
13 restaurant group or a promoter that has an idea
14 about trying to create an opportunity, how do
15 they--what's the steps--

16 GEORGE FERTITTA: [interposing] It
17 comes in different ways. The conversation we just
18 had, I never thought of Corona. We know the
19 restaurants. So now what we'll do is we'll
20 together and we'll talk about, what can we do to
21 make something happen there and what resources do
22 we find or what underwriters could we help? I
23 mean, you know, it's so funny, the joke was Corona
24 beer, that may be the best underwriter of them
25 all, you know to get somebody to come to Corona to

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2 promote the restaurants. So some of these ideas
3 come to us and we see if we can do something with
4 it.

5 Other times there are sort of ideas
6 that we have that we can pile people on. You
7 know, "Get More" was an idea about all the deals
8 that take place within the five boroughs. So we
9 aggregate those deals, we get people like American
10 Express to help underwrite. They would, of
11 course, prefer you use an American Express card
12 when you make your reservations. Not everybody
13 does.

14 So it can go any of those ways.
15 And any big idea, I mean there are lots of ideas
16 that we've tried to actively promote that we
17 didn't know they were happening until they were
18 happening, whether it's a festival, whether it's a
19 concert, where it's any kind of sort of
20 aggregation of a lot of people that it makes sense
21 for people to come from outside of New York to
22 come visit.

23 COUNCIL MEMBER COMRIE: Do you have
24 public meetings or an opportunity for those folks
25 to come to talk to you about it? Or is it

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something that if they're doing and they have a promotion that's already set up, like the Dragon Boat Festival or Astoria--

GEORGE FERTITTA: [interposing] And we always promote the Dragon Boat Festival.

COUNCIL MEMBER COMRIE: Right, I'm just using that. The Dragon Boat is kind of--

GEORGE FERTITTA: [interposing] See that happens every year.

COUNCIL MEMBER COMRIE: Right.

GEORGE FERTITTA: That happens every year. Anything that's an annual, it's easy for us to slot it into all of our promotion especially to our site. If it's a new interesting idea, I would say probably the simplest thing is bring it to us. You know, just call us and we'll get our teams to focus on it. Sometimes we may say we think it's a great idea. Or sometimes we might say that idea with that idea with another idea, we make it something bigger.

COUNCIL MEMBER COMRIE: Okay.

GEORGE FERTITTA: We have very limited funds but we want to make sure we spend our money where the community gets the biggest

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bang for the buck.

COUNCIL MEMBER COMRIE: Right. So you wouldn't be adverse to any entity, be it private, public or nonprofit?

GEORGE FERTITTA: Not at all. We welcome any ideas that'll be actively promoting any of the boroughs.

COUNCIL MEMBER COMRIE: Right. Also, the other thing I wanted to ask you: what do you think is the next best attraction to continue to maintain our dominance as a world tourism center? What do we do to continue to drive people and bring repeat business back to New York City?

GEORGE FERTITTA: I think, it's so interesting to me, being on this job for five years now, and I'm a New Yorker. I wasn't really aware of the constant change and the constant change, it's everything from the obvious, whether it's new exhibitions in all the museums or new museums, you know, countless new restaurants, new Broadway, off-Broadway shows, new geographic areas that now seem very prime to have visitation. So it's really the change and the energy of New York City that is the biggest draw. So, anything that

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2 relates to something new, different, change,
3 that's something that we need to know because
4 that's exactly what the people around the world
5 want to know.

6 Our repeat visitation which is one
7 of the keys to our success, there are European
8 travelers that come six out of ten years. How
9 many of us travel to Europe six out of ten years?
10 New York City is such an extraordinary draw.

11 The other point that I wanted to
12 make, which I think I touched on in my statement,
13 we want to see how we're going to be able to
14 capitalize on the global national campaign. Brand
15 USA is going to be spending up to \$200 million on
16 an annual basis. We know the five target
17 countries. Each one of their target countries are
18 very strong supporters of New York City.

19 Again, you know, I am vice chairman
20 of that board. I can't overstep my bounds to
21 direct more than we should for New York, but I can
22 assure you we'll get whatever we need to. So the
23 repeat visitation, other people's money, coming up
24 with a unique idea and just really pushing really
25 ahead.

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2 I have to say, I think that there
3 will be a Muscle Beach; I am sure at some point in
4 the Rockaways. It's a cool idea and it's very
5 newsworthy. There should be, you know, these
6 ethnic enclaves that used to cater specifically to
7 their own population. That's changing. You go to
8 these restaurants now, there may be 50/50.

9 COUNCIL MEMBER COMRIE: Right.

10 GEORGE FERTITTA: It's people from
11 all of the other boroughs. Especially I think
12 sort of intrepid people that love New York City,
13 whether they live here or whether they come to
14 visit. So it's all of those ways are how we can
15 be helpful.

16 COUNCIL MEMBER COMRIE: I look
17 forward to hearing from you about other
18 opportunities to share with your database and to
19 contact NYC & Company about outer borough events.
20 Because I know that Astoria has a large Greek
21 festival. You know, you talk about Long Island
22 City and everything that's going on down there
23 with the niche kitchens and the things that
24 they're doing.

25 Also, you know everything that

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2 happens out at Flushing Meadow Park during the
3 summer. Even in my district, I have Irie Jam
4 which is a reggae concert that happens Labor Day
5 weekend that has gotten bigger and bigger every
6 year. They get 7,000-10,000 people to come and
7 see the artists to come in. So there's plenty of
8 opportunity.

9 GEORGE FERTITTA: That's our job.
10 We want to help.

11 COUNCIL MEMBER COMRIE: Okay.
12 Thank you.

13 GEORGE FERTITTA: Thank you.

14 COUNCIL MEMBER BREWER: Very
15 quickly, Dot NYC was my idea some years ago. I
16 know that it's going through a process. My
17 question, what I'm concerned about and I want to
18 know your opinion is the notion I thought was to
19 promote the Coronas and the Southeast Queens and
20 so on, and Manhattan, but not to have every Tom,
21 Dick and Harry and every Starbucks to get a Dot
22 NYC. Are you weighing in on that? We're New
23 Yorkers, I'm not interested in--the middle man is
24 going to make money but I don't want it to be
25 something that then promotes not New York City.

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2 GEORGE FERTITTA: Well, I would
3 tell you that, for example, we're going to be
4 reserving a number of the domain names, along with
5 Dot NYC and we're going to be having dozens of
6 them that relate to the support of New York City.
7 So we are weighing very strongly in that.

8 I mean this has gone on for I
9 think, what is it, two years now?

10 COUNCIL MEMBER BREWER: Correct.

11 GEORGE FERTITTA: Two years. And
12 is there anything that you wanted to add to what I
13 said? When is it supposed to end?

14 COUNCIL MEMBER BREWER: March. You
15 have to introduce yourself.

16 BRYAN GRIMALDI: Bryan Grimaldi,
17 NYC & Company. As far as I understand it, the
18 process with I Can is applications will be
19 accepted sometime in the early spring and the
20 first 300-500 will be reviewed by them in an eight
21 to nine month time period and awards made at that
22 time. We're not directly involved in it but I
23 understand DoITT and some of the city agencies are
24 working on a procurement to get someone to operate
25 that domain.

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2 COUNCIL MEMBER BREWER: Well, I'm
3 pretty up on all of that. Thank you. My question
4 is just to be clear, I was under the impression
5 it's to promote New York City enterprises,
6 whatever that is defined as. But when I talk to
7 the middle men, and I've talked to most of them,
8 you know they need to make money on this, the city
9 should make money on this. But I just don't want
10 every single Seattle-based, Iowa-based and Gale
11 Brewer shouldn't get one; I might move to Seattle.

12 So I'm just saying I just want you
13 to be aware that we are very concerned about this.
14 The middle men, whomever it may be, doesn't care
15 because they make money every time they sell a
16 domain. So there's a little bit of a conflict of
17 interest in there for promoting New York City.

18 GEORGE FERTITTA: I think it's a
19 point well made. I think we should definitely try
20 to keep whatever we can here. I agree.

21 COUNCIL MEMBER BREWER: All right,
22 but just pay attention. I got a lot of long
23 issues for you, but I'll stop right there. Thank
24 you.

25 GEORGE FERTITTA: Thank you.

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2 CHAIRPERSON KOSLOWITZ: Thank you
3 very much. I'm going to ask you to please stay.
4 We have three people that are going to testify.
5 They happen to be from Queens, and I would
6 appreciate it if you would stay and listen to
7 them.

8 GEORGE FERTITTA: Sure.

9 CHAIRPERSON KOSLOWITZ: Seth
10 Bornstein. We're going to have the three come up.
11 Jack Friedman. Seth is QEDC in Queens, and Jack
12 is the director of the Queens Chamber of Commerce
13 and Arthur Rosenfield, Long Island City Chamber of
14 Commerce and I can't make it out, something Long
15 Island City, Our Long Island City. Is he here?

16 ARTHUR ROSENFELD: Yes, I'm here.

17 CHAIRPERSON KOSLOWITZ: Okay.
18 Seth?

19 SETH BORNSTEIN: I'm Seth
20 Bornstein. I'm the Executive Director of Queens
21 Economic Development Corporation.

22 Apropos to this hearing, this
23 morning at 6:30, I go to a bagel store in Forest
24 Hills every morning to get a cup of coffee. And
25 Carlos, the guy who sells me the coffee, if I

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don't show up, he gets nervous.

He was telling me his cousin is visiting from Mexico next week. They're going to go to Flushing for dinner because he'll have food he can't get in Mexico. They're going to go shopping in Jamaica. This is the kind of tourism we think about sometimes. They're going to stay in Carlos' apartment. They're going to spend money. There are so many types of tourists in the city, you know it just got my mind going about different things.

We get 7 million visitors in Queens. Many of them stay in people's sofa beds and extra beds. Those are the visitors we need to attend to their needs and figure out ways to make it work for them. I digress for a second. I apologize.

Queens Economic Development has been around for 35 years. We run many programs: neighborhood development, business services, and the outdoor space, our food incubator which is the latest tourist attraction in New York City. We have Elizabeth Taylor's birthday cake in our incubator. Last night some of the Council people

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2 were here. I know Gale left, but it was on the
3 West Side for 20 years in the freezer and now it's
4 in Queens. So we'll send you a press release.

5 I suspect there's a large section
6 of the population that's into celebrity cakes and
7 want to come look at it. It's in a beautiful
8 freezer, decorated lovely.

9 We get funds from the city, the
10 state and the federal government. Our goal is to
11 create and retain jobs any way we can. Through
12 our Discover Queens program we have Shop Queens,
13 Shop the World, summer promotions, and Restaurant
14 Week, which I know that Council Member Ferreras
15 talked about. We get funded from the borough
16 president's office through funds from NYC &
17 Company Foundation. Those funds are used, as
18 George Fertitta said, to develop marketing
19 programs.

20 This last year we used marketing
21 money for--two years ago, for the z cards, for a
22 lot of social network which is pretty new to all
23 of us. We're just sort of figuring out how it all
24 works. We need to expand that. The Facebook, the
25 Linked In, all the ways people look at the borough

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to find us. So we used that money for that.

This year we're using the money-- well last year, we'll have it done in a couple of weeks I hope, is our Queens new pocket guide, which we always felt there was never a really good guide to the borough with good editorial. A lot of guides with ads and not great stuff, but I hired Rob MacKay, who became my director of marketing, tourism and everything else. You're looking at, too, at one-third of the staff of the Queens EDC right now. We're a small group.

Rob developed it and I ended up hiring him about six months ago. We have the Queens pocket guide coming out, funded by NYC & Company, which you're really going to be proud of and we're all going to be proud of that because it's going to be a great marketing tool for the borough, cultural, recreational, hotels, restaurants. We need to do more of those things.

We actively encourage and we've already had discussions with NYC & Company about ways to change the model. The Restaurant Week example because the model that works and we do Queens Restaurant Week, and maybe there's a way to

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do this together.

As George said, maybe we can target the small ethnic restaurants that may not fit the criteria for Gramercy Park Tower, which are great places but so is Spicy and Tasty in Flushing, which is a great place but it's all cash. The most expensive thing on the menu is about \$15. So maybe there's a way to work this out. We're going to discuss that because that's a real tourist draw.

As we said, if the tourist comes back to New York the second and third time, he's already gone to Le Cirque. He wants to go to Spicy and Tasty. So I think it's really important that we do that, because in the last couple of years there has been a tremendous surge in other borough tourism and what's out there.

Councilman Sanders discussed Rockaway Muscle Beach. Anyone who has been to Rockaway this summer went to Rockaway Cabana Club which is not a cabana club but it's David Selig who took the concession of the Parks Department at 116th Street and made it the hottest little place in Queens. You go there on a Sunday afternoon in

1
2 the summer it was all the hippie--not hippie,
3 bohemian Williamsburg crowd came to Queens and
4 hung out in the sun eating gourmet tacos and
5 gourmet ice cream. We need to capitalize on that.
6 We need to get more funding. That's something we
7 talked about.

8 Yes, the funding, a little under
9 \$60,000. It's not a lot. We need to figure out
10 ways to make that model to be more funding, to
11 leverage that to get more money to do more things,
12 because in 2010, we had seven million visitors to
13 Queens. We have 90 hotels that'll be in Queens by
14 next year. Most of them are good hotels.

15 About 30 years ago, we had about 10
16 hotels, 15 hotels and you would not recommend most
17 people to stay in many of them. Now, there's a
18 lot of quality hotels in Long Island City. The
19 Wyndham is opening in a couple of weeks. We want
20 to show off the borough because there's so much
21 going on.

22 We are trying to work to revitalize
23 the Queens Tourism Council. So letting people
24 know about the businesses. We're the experts in
25 Queens. We love NYC & Company. They do good

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stuff but we know Queens better than anybody, we live it and breathe it. Walk the streets.

Two weeks ago I got an email from the London office of NYC & Company that wanted information on the borough. I promise publicly, anytime someone calls to get information on Queens, they get a response within two hours, if I'm around, if I'm not, within a day, anything. Because between Rob and myself, we know everything about the borough, every block, it's really kind of scary. My wife is freaked out by it. We now it all and we want to share that and be the resource.

We are the resource. We are the go-to for all Queens things. You know, the money is not enough. We need more. There may be ways to leverage private sector with other sources. I want to make it happen. There's a difference there. We're on the cusp.

You know, we talk about, you know Brooklyn for a couple of years had the mojo, and with all due respect to--all the Brooklyn Council people left already--but Queens is really cutting edge. I mean Long Island City, Jamaica, Flushing,

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2 Corona, all those small communities there, you
3 walk around these neighborhoods and it's really
4 very different than it was even five years ago.
5 We need to let the world know that and share that.

6 So we need to partner better. I
7 mean over the years we've been a little asleep at
8 the wheel I think sometimes. I think NYC &
9 Company there were other priorities. But now
10 we're on the map and we need to figure out ways to
11 make this work a lot better. And I'm sure we
12 could do that.

13 CHAIRPERSON KOSLOWITZ: Thank you.
14 I just want to say that I worked with Seth at the
15 borough president's office and I know Seth a very
16 long time, and Seth knows Queens block by block.
17 It is unbelievable. He took me to places that I
18 didn't even know existed. Jack?

19 JACK FRIEDMAN: Thank you. Jack
20 Friedman, Executive Director of the Queens Chamber
21 of Commerce. There's a lot we agree about today.
22 I think NYC & Company does a phenomenal job of
23 bringing tourists to New York City. The numbers
24 bear that out, the 50 million visitors, exceeding
25 their goals by years, not by months or days but

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years. It's phenomenal.

We're here as the Queens Chamber of Commerce because it's all about jobs and economic activity and economic growth. We agree wholeheartedly that it's the tourism and hospitality industry that's going to get us there.

Queens, of course, has the added advantage of having two major regional airports, international airport at JFK and the semi-international airport at LaGuardia. But our biggest problem, as you saw in the first video, is people get in a cab and they drive right through our borough into Manhattan.

So the first video we looked at, we did see a flash of the Unisphere. And the second video we saw had two flashes, one of Queens Borough Plaza and the other, if you noticed really carefully, it was the menu form the Lemon Ice King of Corona was there. But if you don't know the Lemon Ice King of Corona, you would never get the reference.

Anyway, so why am I here? I'm here to discuss why an organization with a budget of \$37 million, \$16.5 million of which comes from New

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York City, generated from hotel occupancy taxes--

GEORGE FERTITTA: [off mic] That's not the source of it.

JACK FRIEDMAN: Well this is what's in the annual report.

GEORGE FERTITTA: [off mic] No, it couldn't be.

JACK FRIEDMAN: It's in your 2010 annual report.

GEORGE FERTITTA: [off mic] We get nothing from the hotel tax.

JACK FRIEDMAN: Hotel occupancy taxes come back to only CVBs and even though hotel occupancy taxes are generated--

GEORGE FERTITTA: [off mic] That's no the case.

JACK FRIEDMAN: According to the top line of that budget in the 2010 annual report, you'll see a total of \$37 million and the next column says \$16.5 million from New York City grants, or taxes and it's generated from the hotel occupancy taxes.

Queens generates, obviously, a great deal of that amount of money because of the

1
2 airport hotels that we have and the other hotels
3 in the borough. We also, besides the two major
4 airports, we have the city's only casino which
5 generates over a million dollars of revenue for
6 the state each day, the U.S. Open, the Mets,
7 hundreds of restaurants and soon we're going to
8 have a convention center if all goes well.

9 So the Queens Chamber is very
10 similar to NYC & Company in that we're both
11 membership organizations. We're driven by
12 membership dollars. Only ten percent of our
13 funding comes from government sources. Ninety
14 percent of it comes from our membership itself.

15 Yet, if Council Member Koslowitz
16 were to call my office and say she had a
17 struggling business in her district, I would never
18 even think of saying they're not a member and
19 there's not much I can do to help them.

20 Getting to some facts here, you
21 talk about the website and I understand the
22 website does change but there are certain things
23 that are permanent on the website or only change
24 annually like the NYC visitors guide. That's not
25 something which changes all the time.

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When you get onto the website and you go to the home page, there are some tabs on the top. The one that really peaked my interest is the one that says plan your trip. So I think that for a tourist that's coming to the United States, coming to New York, coming from another part of the region or another part of the country, the first place they're going to go is plan your trip, to see what's there.

The first thing on that tab is trip planner essentials and it was the top ten tours that you can take when you come to New York City. None of those top ten tours even have a stop in Queens. Then below that there's a section that has 16-must see top attractions. Flushing Meadow Park and the 7 train are the only ones mentioned in Queens. There's 15 suggested itineraries. Of those 15 suggested itineraries, there's only one mention of Queens and that comes in the itinerary of a three-day visit to New York City which says Catch a Met Game at City Field, which happens about 80 days a year.

But my point is that I understand they're trying to have a five borough effort, but

1
2 even looking at the video today and when you look
3 at the website, it just doesn't bear that out.

4 Under what to do in New York City,
5 they have a calendar of events and that does
6 change and gets updated very often. But they do
7 have an annual calendar of events which also
8 appears in the visitors guide. The only events
9 from Queens in that entire calendar are the
10 opening day for the New York Mets, April 5th, the
11 Dragon Boat Festival and the U.S. Open.

12 Nassau County, by the way, gets a
13 mention with the Belmont Stakes. So they almost
14 get as much print as Queens does, otherwise
15 nothing else comes from our borough.

16 When you get deeper into the
17 website, they list restaurants. Manhattan: 3,073.
18 Brooklyn: 653. Queens: 217.

19 They list shopping. Manhattan:
20 1,170. Brooklyn: 240. Queens: 22. now if I'm
21 not mistaken, Queens Center is the largest per
22 capita shopping center anywhere in the country.

23 Under nightlife, Manhattan: 592.
24 Brooklyn: 170. Queens: 25.

25 And forget about the arts, cultural

1
2 and entertainment because apparently Queens
3 doesn't offer any of those things. Sorry, Queens
4 Theater, The Chocolate Factory, Thalia Spanish
5 Theater and others.

6 If you're looking for a place to
7 say, the news is much better for Queens, because
8 after the 227 choices in Manhattan, Queens does
9 rank second with 19. Of course, 11 of those are
10 airport hotels. Brooklyn offers 14, Staten Island
11 4 and you can't even stay in the Bronx.

12 Under deals, Queens has no offers,
13 no attraction passes, no cultural spots. Queens
14 doesn't even have free stuff to give away,
15 according to the website.

16 So why is this happening? The
17 board of directors or 70 plus board members, none
18 from Queens other than the borough president, not
19 one person. I understand they're a membership
20 organization. We are a membership organization as
21 well. We have an obligation, because we receive
22 city funds, to spend money and promote our
23 borough, culturals, not-for-profits, businesses
24 from Astoria to Long Island City, from Jackson
25 Heights and Corona to Far Rockaway. We don't put

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a limitation.

When you look at the visitors guide and top attractions in Queens, the first thing listed there is Cavo. Now Cavo is a great bar or restaurant, there's no doubt it, but would I list it under the top five attractions of Queens? It probably wouldn't make my top 100 top attractions in Queens. It's a nice restaurant.

Now I don't know whether Cavo is a member or not. My cynical mind says they are. But there has to be some sort of separation. When you're getting government money and when you're on a government contract to be the tourism arm for the entire city, our mission statements are very, very similar. The mission statement for NYC & Company is to promote and to maximize tourism efforts in all five boroughs. Similar to my mission of promoting growth and prosperity, economic development in the entire county but we don't care whether someone is a member or not when we make those decisions. We promote things regardless of that.

So, I want to say again, I've been in my job now for over four years. I have never

1
2 once had a meeting with NYC & Company. There have
3 been a couple of times we've reached out to them.
4 They have put things on their website if we've
5 kind of taken the ball and asked them to put it on
6 there. But there's nothing there about the fact--
7 you know Resorts World, try finding Resorts World
8 on NYC & Company's website. You can if you do a
9 search for Resorts World. But you can't if you
10 look at tours or if you want to look at the
11 homepage.

12 [Off mic conversation]

13 JACK FRIEDMAN: I'm done. I mean
14 the fact is I'm just coming to a conclusion. The
15 facts are the facts. I wish I can go through the
16 website with you to show you the website because I
17 scoured it and I know many of your staff has as
18 well. What I'm saying, I may get a couple of
19 things wrong here and there, but the essence is
20 the same. We're on track here. Queens is not
21 getting their fair share. We should either create
22 our own CVB for the borough or by formula create
23 legislation that would require hotel and occupancy
24 taxes to come back to our county. But at the very
25 minimum we should have a better relationship with

1
2 NYC & Company to make sure out borough is treated
3 fairly.

4 CHAIRPERSON KOSLOWITZ: After the
5 next gentlemen testifies, if you can come up.
6 Okay? Next?

7 ARTHUR ROSENFELD: Good afternoon,
8 Council Members and Chair Koslowitz. My name is
9 Arthur Rosenfield. I am an independent
10 businessman. I'm here to both support the Queens
11 Economic Development Corporation as well as the
12 Queens Chamber of Commerce. I live in Long Island
13 City. I operate a service on the internet called
14 Our LIC, which is a news and guide service for
15 Long Island City. I also operate a much larger
16 service called City Entrée which is a guide for
17 travel and tourism. I've been in the travel and
18 tourism business for 30 years.

19 In fact, at one point, before it
20 was NYC & Company, it was the visitor bureau for
21 New York City and I consulted to the organization
22 that supplied services for their visitor guide,
23 called the Big Apple guide at the time. So I've
24 had a long relationship with New York City and a
25 closer one with Long Island City. I want to just

1
2 call attention to and add support for the idea of
3 neighborhood marketing efforts.

4 I have a specific story to tell,
5 but I want to support the idea of local
6 neighborhood micro market development. About a
7 year and a half ago, as I looked at the advances
8 going on in Long Island City, with the
9 infrastructure, with the development of the new
10 Queensboro Plaza, with all of the construction
11 going on and the hotels that were coming, I went
12 to the Queens Economic Development Corporation and
13 to LaGuardia Community College and I made a
14 suggestion at that time, a proposal to create a
15 new way to focus on individual neighborhoods and
16 to create a pilot for doing that.

17 The concept basically was to tap
18 into the rich resources that we have of students
19 who are studying in the hospitality schools in NYU
20 and LaGuardia, photography or whatever the course
21 curriculum they had an interest in as students
22 that we could tap into that as a basis for an
23 inexpensive way to expand the human resources
24 necessary for developing tourism in Long Island
25 City at the time.

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2 Seth was supportive of that, as
3 Jack has been. We have not advanced as quickly as
4 we'd like to. But I brought the idea to the NYC &
5 Company at the time and met with Ramon Sigrit
6 [phonetic] I believe is his name or was if he's
7 still there.

8 MALE VOICE: [off mic]

9 ARTHUR ROSENFELD: This was a
10 little over a year ago. The concept, again, was
11 to have 30 students from different schools
12 participate as a support service for the community
13 to develop a micro market program for tourism for
14 Long Island City, which has been exploding.

15 The response I had at the time was
16 that they would have to look at the legal issues.
17 Because the way they were evaluating the
18 expenditures of their dollars and the allocations,
19 there were limitations.

20 I just want to say that if those
21 limitations continue, if there are legal
22 limitations, that they should be removed from
23 whatever contract agreements the city has with the
24 organization. There should be nothing in their
25 legal commitments to the city that restrict them

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2 from putting focused attention, revenue and
3 resources on neighborhoods, because that's what
4 they told me was the program at the time.

5 I also just want to call attention
6 to the fact that, again, Long Island City as a
7 neighborhood, which is where I'm focusing my
8 attention in Hunters Point, Astoria, Sunnyside and
9 Woodside, is really an expanding, a rapidly
10 expanding portal for international travelers.

11 It's a very important part of Queens and should
12 have its fair attention. So thank you very much.

13 CHAIRPERSON KOSLOWITZ: Thank you.
14 Thank you everybody for coming here and
15 testifying. I want to call NYC & Company up. We
16 also were joined by Council Member Reyna, who has
17 a meeting upstairs.

18 [Pause]

19 GEORGE FERTITTA: Firstly, just to
20 straighten things out. We do not get a nickel
21 from the hotel tax. Wherever you've gotten that
22 from is just misinformation and not even a
23 question.

24 Secondly, when we're talking
25 about Long Island City, when I speak to my press

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2 group, we've done almost all the promotion for
3 Long Island City. As a matter of fact, we got the
4 Mayor to do the press conference at a hotel in
5 Long Island City to make sure that that was sort
6 of really highly centric.

7 I think some of my colleagues can
8 sort of have conversations with regards to Jack
9 Friedman's thoughts with regard to the lack of
10 focus on Queens because I think it's an inaccurate
11 depiction of what we do.

12 KELLY CURTIN: Kelly Curtin, again,
13 NYC & Company. So with all due respect, Mr.
14 Friedman, there are a lot of things that are
15 incorrect that you mentioned. As Ken mentioned,
16 it would really be helpful to have that in writing
17 because we'd be happy to address every single
18 point.

19 Just for example, the restaurant
20 that you mentioned, the nightclub actually isn't a
21 member. There are tons of non-members on our
22 site. Like you, as a membership organization, if
23 a member can't afford dues, we absolutely work
24 with them and we forgive dues multiple years if
25 they can't afford it. More often than not, this

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does happen with some of our borough members.

Also, the calendar of events in our visitor guide is supplemented with the calendar of events on our website which does have more robust content and is changed constantly. There are actually four places in Queens that are under must see attractions. We have--I don't have them exactly--oh thanks. We have Flushing Meadows, Corona Park, Queens. We have the Queens Museum of Art, the Queens Botanical Gardens and something about riding the number 7 train through Queens and the best eateries which by the way is served up front and center during the U.S. Open. We really promote everything there is to do in Queens when the U.S. Open is going on.

I'm sure George mentioned when I was outside that we don't get any portion of the hotel tax whatsoever, from Queens, from Manhattan or from anyone. We have--

GEORGE FERTITTA: [interposing] We would be happy to have you get some for yourselves.

KELLY CURTIN: And help us get some. That would be great. Just the top tours,

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which was one thing that also you mentioned, that's refreshed quarterly and we definitely keep an eye on the boroughs to make sure that they're rotated in. So those were just a few things that you mentioned that come to mind, but we'd be happy to address all of it.

GEORGE FERTITTA: And also, you mentioned you met with Ramon. I don't know who Ramon Sigrit is. I don't know who--

JACK FRIEDMAN: [off mic] National Director of Sales I believe.

KELLY CURTIN: For who?

GEORGE FERTITTA: I don't know who that is.

CHAIRPERSON KOSLOWITZ: You can't do that.

GEORGE FERTITTA: Sorry. I mean for me, there's no question that we can always do more. There's no question that things could slip through the cracks. There's no question that from our point of view that there's no intention to leave anybody out. I do think some things are more valuable to visitors than others. Look at our own habits.

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2 I think that what we need to do is
3 to make sure that we get the biggest bang for the
4 buck when we do spend our money to get the most
5 people to participate. We're open to everyone.
6 We don't have all the answers. We have an
7 extraordinarily great staff. But I'll tell you
8 something, we don't know Queens as well as Seth
9 does, and we probably never will. So we welcome
10 that information.

11 We have no resistance to learning,
12 no resistance to growing. We actually look at it
13 as a wonderful challenge to find a new
14 neighborhood. I can tell you my team gets
15 thrilled when we see success.

16 You know, Staten Island, there was
17 nothing going on there. This year we brought the
18 Macys Thanksgiving Day Parade balloons and opened
19 up their beach. Thousands of people that never
20 would come were there. We brought 16 food trucks,
21 gourmet food trucks, so when you get off the ferry
22 going to Staten Island that you'd actually get off
23 the ferry instead of just turning around and going
24 back and do something.

25 We brought one of the most famous

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2 comedians to St. George Theater which was a sell
3 out performance and really put Staten Island on
4 the map as one of the corners of the future comedy
5 festival.

6 These ideas, you know, they come to
7 us and we say great, let's give it a try. We have
8 no resistance. All we want to do is to be as
9 helpful as we can. We may not always agree what's
10 going to have the most impact or the greatest
11 resonance with visitors or even residents. But
12 we're happy to listen. I'd love to know who we
13 met with at the right moment in time because we
14 don't know that person.

15 If there are any other questions,
16 I'm happy to field them.

17 CHAIRPERSON KOSLOWITZ: Council
18 Member Weprin?

19 COUNCIL MEMBER WEPRIN: Thank you.
20 George, I think what the last panel was discussing
21 is sort of frustration that a lot of people in
22 Queens feel. That's one of the reasons we had a
23 panel full of Queens' people here.

24 It isn't necessarily directed at
25 you. It's a problem that we feel that Queens as

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2 its grown and over the last few years especially
3 has grown so big and with so many different
4 flavors and ethnicities and new attractions, we
5 often don't feel we get the credit we deserve and
6 quite the attention we deserve. So I think what
7 Mr. Friedman was pointing out was sort of that
8 sense of frustration that Queens' residents feel.

9 So I understand you may not agree
10 with what he said or how he said it, but obviously
11 the sentiment he had though that we really would
12 like to see the issue addressed. You might have
13 mentioned four things. Let's try next time we see
14 it to have 20 things.

15 GEORGE FERTITTA: Oh, of course.

16 COUNCIL MEMBER WEPRIN: And really
17 make that effort. When you have a tour guide, you
18 know you're right, most people come here,
19 especially that first time they want to see the
20 Statue of Liberty, they want to see Empire State
21 Building, they want to see those things. But
22 maybe direct the website to second time visitors,
23 off the beaten track things where we really can
24 take you through the neighborhoods of Queens and
25 part of the neighborhoods of Queens. I think that

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would be a great step in the right direction.

GEORGE FERTITTA: By the way, we do that at our visitor center. We get 300,000-400,000 people every year that come to our visitor center at 810 Seventh Avenue. We have specific six or eight people that are there specifically to talk to them that are off the beaten path, including things in Queens.

The only thing I would just like to ask you, when you said that you don't feel that you get the acknowledgement. First, all the numbers are going in the right direction in Queens. There's no question about the development, the hotel development, the restaurant vibrancy. What would be an example of the acknowledgement that would make people, yourself and colleagues and maybe just the people who live in Queens feels like they are on the grid? Because so much has happened and that's a difference--

CHAIRPERSON KOSLOWITZ:

[interposing] I have an idea.

COUNCIL MEMBER WEPRIN: I'll defer to the Chair.

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2 CHAIRPERSON KOSLOWITZ: Just
3 sitting here. If we brought you into the
4 boroughs, you know every month the borough
5 presidents of all the boroughs have a meeting,
6 it's called a community board meeting with all the
7 chairs of all the boards and with the chamber and
8 with economic development, into each borough with
9 the borough presidents.

10 And, you know, it wouldn't be a
11 blasting session. I certainly would make sure of
12 that. But just for them to tell you what the
13 boroughs have. Because you have everybody from
14 each neighborhood there, so they could tell you
15 what they see is great in their neighborhood. And
16 maybe together, you know, we could sit down, the
17 committee can sit down with you and--

18 GEORGE FERTITTA: [interposing] I
19 think it's a good suggestion. I mean I do think
20 that probably we've been focusing more on work
21 with the borough presidents versus the Council
22 Members and I think maybe that's been a little bit
23 of a skew and perhaps it's been misguided.

24 You know, last year we brought all
25 of our international reps from all over the world

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2 and from 18 cities and we spent time in Queens
3 with them, giving them information about Queens.
4 They're the ones that talk to the travel writers
5 and their respective countries. So, again, I
6 think we've done a lot. Maybe it's been not well
7 documented.

8 The real thing that I think that
9 you had mentioned is how do we help you get the
10 acknowledgment because it's not the reality,
11 because the reality has been there. Its how do
12 you tie the things together so Queens is standing
13 tall versus just being the beneficiary of a lot of
14 the activities that are taking place organically?

15 COUNCIL MEMBER WEPRIN: I want to
16 be clear when I say acknowledgement I'm not
17 talking about any personal acknowledgement or
18 anything--

19 GEORGE FERTITTA: [interposing] No,
20 no, of course. No, I wasn't suggesting that.

21 COUNCIL MEMBER WEPRIN: We're
22 talking about people taking advantage of these
23 cultural institutions. It's not the reality
24 because people don't know about them. People
25 don't know about the Queens Farm and the

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2 Environmental Center. And when you mention
3 Flushing Meadow Park with a broad brush, you have
4 the Hall of Science; you have the Queens Zoo,
5 Botanical Gardens you mentioned, Queens Museum of
6 Art which is now expanding double the size, a huge
7 park, a Unisphere, all these events, concerts that
8 are going on there, other projects that are going
9 on there. That is not being promoted and it's not
10 being promoted by NYC & Company in any way that I
11 know.

12 I never saw these commercials that
13 you say and they do have very little references to
14 Queens. I understand that's not the first
15 attraction for most people who come to the city.
16 We're just asking that there be more of an effort.

17 Let me ask you one other question.
18 So where does the hotel tax money go? If you're
19 not getting it, it goes to the General Fund,
20 right?

21 GEORGE FERTITTA: Yes.

22 COUNCIL MEMBER WEPRIN: Do you get
23 money from the General Fund?

24 GEORGE FERTITTA: No. Well we do
25 get money from the General Fund but it's based on

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2 actually a percentage of the SMUSA [phonetic]
3 franchise. So, it's the \$50 million a year that
4 the organization pays to the City of New York for
5 the creation and the management of the street
6 furniture, so the bus shelters and all that, so
7 that was what the carve-out was from us.

8 COUNCIL MEMBER WEPRIN: That was
9 the fund we had last year with the Speaker in her
10 State of the City I know pointed that out.

11 GEORGE FERTITTA: Then frankly, you
12 know the lion's share of our money is what we
13 raise ourselves, mostly through underwriting and
14 sponsorships and we create programs. One of the
15 things that we need to do is when American Express
16 wants to underwrite a program, they tell us which
17 geographic areas are most important and where
18 their biggest spend is.

19 We've done a lot of things in the
20 outer boroughs but sometimes our hands are a
21 little bit more tied when it's other people's
22 money and how they want to spend it.

23 COUNCIL MEMBER WEPRIN: Right.
24 Well, no question. I mean you mentioned Off
25 Broadway, Off-Off Broadway. Off-Off Broadway, you

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2 might have been referring to Queens in that, I
3 don't know, but in Queens we have all these
4 cultural theaters, whether it's at the colleges or
5 in these small theaters, The Chocolate Factory and
6 things like that.

7 GEORGE FERTITTA: Sure.

8 COUNCIL MEMBER WEPRIN: They just
9 don't get promoted. I mean they do their own
10 promotion but we don't see a lot of that
11 promotion. I know the last panel left but I was
12 going to ask them if they have been doing
13 promotions themselves or decided to take on
14 themselves promoting these items as a tourist arm.
15 Perhaps, you know, the chamber doing their own
16 tourism promotion. Do you do that?

17 GEORGE FERTITTA: Well, you know,
18 we probably do, by the way, a poor job of
19 explaining to everybody and demonstrating all of
20 what we do. I think we will aggregate the
21 emphasis that we've put in all of the boroughs and
22 share that with you. I don't think we're as good
23 at promoting the work that we do as much as we are
24 I think at trying to just get the results. You
25 might just want to mention about the cultural.

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2 KELLY CURTIN: If I could just add,
3 we have a program that we call Culture Spot where
4 we highlight one cultural institution each month
5 and it rotates. We do 12 a year, obviously. In
6 the past couple of years, 20 of them have been
7 Queens institutions. So whether it's Flushing
8 Town Hall, Bayside Historical Society, Louis
9 Armstrong House, of course, Queens Zoo, we
10 constantly are talking about the rich cultural
11 offerings that are in Queens.

12 COUNCIL MEMBER WEPRIN: Now that's
13 in a brochure or that's on the website?

14 KELLY CURTIN: Culture Spot,
15 actually it's on our website. It's heavily
16 promoted through our information centers, as
17 George mentioned. We do postcards. They're
18 distributed through CTM which is a brochure
19 distribution company that we use for many of our
20 programs. So it's all over the boroughs and
21 abroad. We take these abroad when we go to trade
22 shows.

23 COUNCIL MEMBER WEPRIN: When the
24 U.S. Open is in town, do you set up a kiosk at the
25 Open or in the Open area?

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2 KELLY CURTIN: Not usually. But
3 what we do is a lot of content, as I mentioned
4 earlier, on our website about all there is to do
5 along the number 7 train, all the places there are
6 to eat, all the museums that you can go to while
7 you're at the U.S. Open.

8 COUNCIL MEMBER WEPRIN: That's
9 great. That would be a great idea to bring it out
10 to Queens because, you know, once they're back in
11 Manhattan they're not going to come back out to
12 Queens unless they're going to the Open again.
13 You know, while they're at the Open, probably
14 people are thinking "what are we going to do
15 tonight, what are we going to do on the way home"?
16 That would be a great shot to try to promote those
17 number 7 line businesses and other businesses
18 along the way.

19 GEORGE FERTITTA: It's particularly
20 good because the differential in cost is just
21 night and day.

22 COUNCIL MEMBER WEPRIN: Julissa
23 pointed out.

24 GEORGE FERTITTA: Yes. A fabulous
25 meal.

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COUNCIL MEMBER WEPRIN: She just went home to Queens to eat I think. Thank you, Madame Chair.

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CHAIRPERSON KOSLOWITZ: Thank you very, very much. I look forward to working with you and see how we can promote the other boroughs. I like to call them the other boroughs because Manhattan is a borough and Queens is a borough and the rest are boroughs. So it's New York City and the boroughs.

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GEORGE FERTITTA: Thank you very much.

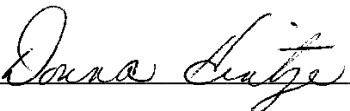
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CHAIRPERSON KOSLOWITZ: Thank you.
This meeting is adjourned.

C E R T I F I C A T E

I, Donna Hintze certify that the foregoing transcript is a true and accurate record of the proceedings. I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

Signature 

Date February 22, 2012