

CITY COUNCIL  
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON FINANCE

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October 4, 2023  
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HELD AT: Council Chambers - City Hall

B E F O R E: Justin L. Brannan  
Chairperson

COUNCIL MEMBERS:

Diana Ayala  
Charles Barron  
Gale A. Brewer  
Selvena N. Brooks-Powers  
David M. Carr  
Amanda Farías  
Kamillah Hanks  
Crystal Hudson  
Farah N. Louis  
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Keith Powers  
Pierina Ana Sanchez  
Althea V. Stevens  
Marjorie Velázquez  
Nantasha N. Williams  
Julie Won

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

Susan Rosenthal  
Senior Vice President of Life Sciences and  
Healthcare for NYC EDC

Mikelle Adgate  
Senior Vice President of Government and Community  
Relations at EDC

Ziying Li  
Senior Director at Department of Finance

Ken Grace  
Director at Department of Finance.



1  
2 SERGEANT AT ARMS: Quiet please. Good  
3 morning and welcome to New York City hybrid hearing,  
4 Committee on Finance. At this time, please silent  
5 all electronic devices. At no time, please do not  
6 approach the dais. IF you have any question, please  
7 raise your hand. One of us Sergeant at Arms will  
8 kindly assist you. Thank you for your kind  
9 cooperation. Chair, we are ready to begin.

10 CHAIRPERSON BRANNAN: Thank you,  
11 Sergeant. [gavel] Okay, good morning and welcome to  
12 today's Finance Committee meeting. I'm Council Member  
13 Justin Brannan and I have the privilege of chairing  
14 the Committee on Finance. We've been joined this  
15 morning-- with us in person is Councilman Carr, and  
16 joining us remote on Zoom Council Members Moya,  
17 Hanks, Stevens, Velázquez, and Brooks-Powers. Also  
18 want to extend my condolences to Council Member Moya  
19 on the passing of his father this week. Today, the  
20 Committee is holding a hearing on Introduction 1070  
21 sponsored by Council Member Jennifer Gutiérrez which  
22 would reinstate the biotechnology credit against the  
23 City's unincorporated business tax, general  
24 corporation tax, and corporate tax of 2015. I want  
25 to thank the Finance staff for their hard work in

1 preparation for this hearing, especially Deputy  
2 Director Emre Edev [sp?], Chief Economist Delara  
3 Denaku [sp?], Economist Hector German [sp?], and  
4 Andrew Wilbur, and my Committee Counsel Mike Twomey.  
5 New York City's biotechnology credit was first  
6 created by state law and then enacted by the City  
7 Council in 2009. It was first authorized for a  
8 period of three years, and then extended by State  
9 and Council action until the State did not renew the  
10 credit, and it lapsed in January of 2019. This  
11 year, the Governor signed a renewal of the biotech  
12 credit for the Council to reinstate. Biotech is a  
13 form of technology involved in the scientific  
14 manipulation of living organisms to create products  
15 conducive to improving the lives and health of  
16 plants, animals, and humans. This includes research  
17 on new drugs, medical devices, and diagnostic tests.  
18 The New York City biotechnology credit is a  
19 refundable credit of up to \$250,000 which is  
20 available to small New York City-based biotech  
21 companies. The intent of the credit is to assist  
22 new start-up firms that are researching new ideas  
23 and developing new products to foster a vibrant  
24 industry in New York City, both directly and any  
25 kind of ancillary services that the

1 industry needs. Biotech has become a growth  
2 industry in the City since the adoption of the tax  
3 credit over the last 10years. The City has added  
4 more than 260 biotech research companies, and built  
5 itself into the core of a region leading the country  
6 in life science jobs and funding. While economic  
7 growth is and should be a central concern for the  
8 City at all times, tax credits are an expenditure  
9 that deserve review like any other agency spending.  
10 An effective economic tax break will actually change  
11 the behavior of the private sector in ways that  
12 stimulate stronger economic growth. On the other  
13 hand, a poorly executed tax break will leave no  
14 meaningful impact on a company's decision-making and  
15 end up a wasteful drain on city revenues, and  
16 ultimately City tax payers. At a time when the  
17 Administration is projecting agency budget cuts of 15  
18 percent going into next year's budget, the situation  
19 certainly demands the City's leadership be mindful of  
20 where and how we spend our resources. Tax breaks are  
21 no different. It's not about whether we think the  
22 goal is worthwhile or laudable or not. It's about  
23 making sure that the investment actually moves the  
24 ball forward and is achieving the goal. Today, we'll  
25

1  
2 hear testimony from the Administration about the  
3 impact of this biotech tax credit on the City, and I  
4 look forward to discussing how we can objectively  
5 measure the effectiveness of this credit. With that,  
6 I'm going to turn things over to my Counsel Mike  
7 Toome to swear in our witnesses today.

8 COMMITTEE COUNSEL: Good morning. Could  
9 you raise your right hands, please? Do you affirm  
10 that your testimony will be truthful to the best of  
11 your knowledge, information and belief, and that  
12 you'll respond honestly to Council Member questions?  
13 Susan Rosenthal?

14 SENIOR VICE PRESIDENT ROSENTHAL: Yes, I  
15 do.

16 COMMITTEE COUNSEL: Ziyang Li?

17 SENIOR DIRECTOR LI: Yes, I do.

18 COMMITTEE COUNSEL: Mikelle Adgate?

19 SENIOR VICE PRESIDENT ADGATE: Yes, I do.

20 COMMITTEE COUNSEL: Thank you. You may  
21 begin.

22 SENIOR VICE PRESIDENT ROSENTHAL: Good  
23 morning Chair Brannan and member of the Finance  
24 Committee. Thank you having us today. My name is  
25 Susan Rosenthal and I serve as the Senior Vice

1  
2 President of Life Sciences and Healthcare for the New  
3 York City Economic Development Corporation. I'm  
4 joined by my colleague Mikelle Adgate who serves as  
5 EDC's Senior Vice president of Government and  
6 Community Relations, and Ziyang Li, Senior Director  
7 of the Business Income Tax Research Unit at the New  
8 York City Department of Finance. We're happy to have  
9 the opportunity today to advocate for the passage of  
10 Introduction 1070 which would reinstate the New York  
11 City biotechnology tax credit. To ground our  
12 discussion of today's legislation, I'd like to  
13 quickly define biotechnology so that we can better  
14 understand how these industries impact our city.  
15 Very similar to what Council Member Brannan said  
16 earlier, biotechnology, a term often used  
17 interchangeably with life sciences, is the study and  
18 use of living organisms for the purposes of  
19 innovation and new products that have applications in  
20 many different areas, including agriculture, health,  
21 security, manufacturing, energy, and the environment.  
22 Last year, Mayor Adams and Governor Hochul jointly  
23 released the Making New York Work for Everyone Action  
24 Plan, which aims to make New York City the best place  
25 to live and work. Of the 40 proposals intended to



1  
2 serve as a roadmap for the City's future, one of them  
3 specifically recognized the biotechnology industry as  
4 one of New York City's fastest growing and most  
5 economically significant sectors. We're home to  
6 approximately 500 biotech companies located across  
7 all five boroughs. These companies employ our  
8 neighbors, offer internships for our young people and  
9 provide vital job training. The industry also  
10 supports life-saving medical interventions for our  
11 friends and family, operates community labs in our  
12 neighborhoods, and is constantly innovating to solve  
13 our city's most pressing challenges. It must also be  
14 noted that the biotech industry continues to play a  
15 critical role in the City's response to COVID,  
16 supporting the City's broad response for testing,  
17 treatment, and vaccination programs. The  
18 biotechnology industry will act as a barrier against  
19 future pandemics, developing new technology and  
20 products that will help keep the City and the world  
21 safe. The biotechnology sector in New York City has  
22 undergone tremendous growth in recent years, becoming  
23 one of the City's largest and top-performing  
24 industries. Let me run through some data regarding  
25 the economic impact of the industry. The biotech

1 industry currently employs approximately 20,000 New  
2 Yorkers, and the City's goal is to double this number  
3 in the next 10 to 15 years. The life sciences are  
4 currently a \$5.3 billion dollar industry in New York.  
5 The City's goal is for the industry to create \$82  
6 billion dollars in overall economic impact over the  
7 next 10 to 15 years. That number of biotechnology in  
8 New York City, it grew by 43.7 percent over the past  
9 five years, far outpacing the five percent growth in  
10 the number of companies in the broader New York City  
11 economy. Similarly, biotechnology employment grew by  
12 over 50 percent over the past five years, compared to  
13 a 1.8 percent employment growth rate across the  
14 broader city economy, and the tremendous and  
15 intentional support of the growth of this industry  
16 has helped the New York City metro region become the  
17 largest life sciences economy in the country, ahead  
18 of metro areas such as San Francisco, Boston, and Los  
19 Angeles. EDC and the City have been intentional and  
20 bold in our investment in the biotech sector because  
21 we believe in the industry's high growth potential,  
22 commitment to providing high-paying jobs and  
23 contribution to an innovative and future-focused  
24 economy. This commitment is reflected in the City's  
25

1 more than one billion dollar investment in the  
2 industry. A central focus of our work has been to  
3 create equitable access to an education and training  
4 pipeline for New Yorkers to access the good paying  
5 jobs offered by the life sciences industry. Examples  
6 includes the life sciences internship program which  
7 has provided over 750 high-quality internships to  
8 students from across all five boroughs since 2017,  
9 over 70 percent of whom identify as members of  
10 communities of color, and 54 percent of whom are  
11 eligible for Pell or TAP grants. Another example is  
12 the \$700,000 investment we recently made in BioBus to  
13 expand their work in the Bronx, providing hands-on K-  
14 12 STEM education. And another-- and third, the  
15 Science Park and Research Campus in Kips Bay which  
16 I'll Spark [sic] Kips Bay from now on, a joint effort  
17 between Governor Hochul and Mayor Adams, which will  
18 create a signature job and education innovation hub  
19 that will be the first of its kind in the state.  
20 These investments support job growth with diverse  
21 avenues of opportunity for New Yorkers. While many  
22 jobs in the biotech industry are tailored for  
23 graduates of New York City's higher education  
24 institutions, 2021 census data indicate only about  
25

1 half of the jobs in the industry require a college  
2 degree, and necessary credentials can be obtained  
3 through certificate programs and on-the-job training.  
4 This industry also has an employment multiplier  
5 effect. For every person employed in a technical  
6 position, there are an average of three workers  
7 employed in other occupations, leading to a growing  
8 diversity of jobs tailored for all education levels.  
9 It's important to know that these jobs are of  
10 particularly high-quality and lead to sustainable,  
11 upwardly mobile, and family-sustaining careers. And  
12 for all those reasons, we're here today to thank you  
13 for your partnership and your introduction of this  
14 bill which will reinstitute the biotechnology tax  
15 credit and will help ensure that New York City  
16 remains a desirable and affordable location for  
17 biotech startup companies. We're in an increasingly  
18 competitive environment to attract and retain  
19 biotechnology companies that will create high-quality  
20 jobs, invest in innovation, and advance the sector  
21 into the future. With the reinstatement of this  
22 modest tax incentive, we believe that we will prevent  
23 the loss of these businesses to neighboring cities,  
24 states, and regions. This credit directly confronts  
25

1 the unique challenges that life science companies  
2 face. With the creation of our Life Sciences  
3 Advisory Council, which is composed of academic,  
4 industry, venture, and philanthropic leaders, as well  
5 as our Real Estate Life Sciences Advisory Board,  
6 we've heard directly from the industry about the  
7 difficulties start-ups face. These challenges include  
8 the high upfront investment needed for research and  
9 development, the complicated funding environment that  
10 early stage biotech companies face, lengthy clinical  
11 development processes, and the cost of life science  
12 incubator and research facility space which all make  
13 it exceedingly difficult, in some cases potentially  
14 impossible for biotech companies to get off the  
15 ground in our city. The Governor included the  
16 renewal of the New York City biotechnology tax credit  
17 from 2023 to 2026 in her Executive Budget this year  
18 which was adopted by the New York State and Assembly.  
19 With the Council's adoption of this legislation, the  
20 City will provide a tax credit for part of the cost  
21 connected with research and development and certain  
22 costs connected with emerging technology industries.  
23 The proposed legislation also provides credit for  
24 qualified research expenses as well as high  
25

1 technology training expenses. The latter of which  
2 will benefit employees across the City beyond their  
3 time in any of those supported companies. It's  
4 important to note that the previous iteration of the  
5 biotechnology tax credit which existed between 2010  
6 to 2018 was successful in attracting and retaining  
7 biotech start-ups. There was high demand and the  
8 program provided a median benefit of between \$62,000  
9 to \$72,000 to the approximately 30 businesses that  
10 received the credit each year. Multiple companies  
11 that received the benefit have remarked that it was  
12 helpful aiding them in building operations and  
13 training staff. For example, one company that  
14 utilized the previous iteration of the credit was  
15 Cresilon. With the support of the biotechnology tax  
16 credit, Cresilon was able to expand their labs and  
17 manufacturing facilities at Industry City in  
18 Brooklyn, grow their workforce to 60 employees, and  
19 recently received FDA authorization for significant  
20 pharmaceutical products. Additionally, the proposed  
21 credit's specifically tailored to small start-up  
22 companies that desperately need support to start and  
23 stay in New York City. The legislation provides  
24 benefits to companies that have sale of \$10 million  
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1  
2 dollars or less and fewer than 100 employees, at  
3 least 75 percent of whom must be employed in New York  
4 City. Furthermore, given that the tax credit has an  
5 annual cap of \$3 million dollars, it represents a  
6 relatively modest investment by the City and start-  
7 ups which have immense economic potential and the  
8 likelihood of making an economic contribution to the  
9 City that far exceeds the amount they've received  
10 though this credit. We appreciate the opportunity to  
11 testify today in support of Introduction 1070 and  
12 strongly urge the Council to pass this legislation.  
13 This bill will help achieve the City's goal of  
14 creating an additional 20,000 high-quality jobs in  
15 the next 10 to 15 years, and help the life sciences  
16 industry in New York City continue on its rapid  
17 growth trajectory, cementing our city as a national  
18 leader in this field. We greatly appreciate the  
19 Council's work and collaboration so far, and we look  
20 forward to answering any of your questions. Thank  
21 you.

22 CHAIRPERSON BRANNAN: Thank you, Susan.  
23 We've also been joined by my colleagues on Zoom,  
24 Council Member Williams, and here with us in person  
25 Council Members Farías and Sanchez. I understand the

1  
2 general goal of the credit is to support the biotech  
3 industry and help it grow, but it's a bit of a vague  
4 goal. Could you be more specific about how the  
5 credit is supposed to work and if it's costing us an  
6 average of say \$3 million dollars a year, how much  
7 does the City estimate we're getting back for our  
8 investment exponentially.

9 SENIOR VICE PRESIDENT ROSENTHAL: So, I'm  
10 going to start to answer your question. Then I  
11 welcome for the details of the tax credit methodology  
12 or mechanisms, I'm going to welcome my colleague from  
13 the Department of Finance to comment if she can. So,  
14 you know, we measure the economic impact of biotech  
15 in New York City per year and it's about \$5 billion  
16 dollars, and we want to grow that so that over the  
17 next 10 to 15 years we'll achieve over \$80 billion  
18 dollars of economic impact. And this investment,  
19 what we saw from while it was instated before was  
20 that on average companies yielded a benefit of  
21 somewhere between \$62-\$72,000 per year. Actually, I'm  
22 not sure if that's per year. It might be total. I'll  
23 have to get back to you on that. And so, if you  
24 think about it, I'll use Cresilon as the example.  
25 They used to have a handful of employees, and now



1  
2 they've grown to 60 employees, and they've taken  
3 space-- expanded their space in Industry City. That  
4 multiplier effect of the impact of both of their  
5 growth, as well as the growth within Industry City  
6 and the resulting growth in that neighborhood is a  
7 great example of how a modest investment in that  
8 company with that tax credit can then reverberate to  
9 the broader economy around it in that neighborhood.  
10 And so we anticipate that happening across the City  
11 and over the course of the next 10 to 15 years, we  
12 hope to grow again from 20,000 to 40,000 jobs, and we  
13 need to do that working with those start-ups from the  
14 very beginning.

15 CHAIRPERSON BRANNAN: I guess-- go ahead.

16 SENIOR DIRECTOR LI: Good morning.

17 CHAIRPERSON BRANNAN: Morning.

18 SENIOR DIRECTOR LI: It's actually beyond  
19 the purview of Department of Finance to discuss the  
20 economic impact so I think you had already--

21 SENIOR VICE PRESIDENT ROSENTHAL: Okay.

22 SENIOR DIRECTOR LI: [inaudible]

23 CHAIRPERSON BRANNAN: I guess to play  
24 devil's advocate, we haven't had this tax credit in a

25

1  
2 couple of years. Have you seen less biotech firms  
3 doing business here?

4 SENIOR VICE PRESIDENT ROSENTHAL: I  
5 actually would like to share that we've had many  
6 companies tell us that they are considering leaving  
7 New York City because of the incentives of competing  
8 markets in our region. And so on the one hand, we've  
9 been able to retain companies like Cresilon through  
10 the use of this credit. On the other hand, we see  
11 companies-- there was a company recently called  
12 Epibone that announced they're moving to New Jersey  
13 because of the competing incentives of--

14 CHAIRPERSON BRANNAN: [interposing] What's  
15 the competitive incentives in New Jersey?

16 SENIOR VICE PRESIDENT ROSENTHAL: They  
17 have a variety of different tax programs and tax  
18 credits as well. They also have other use of net  
19 operating losses and other programs that provide  
20 economic benefits to companies.

21 CHAIRPERSON BRANNAN: How do we best  
22 track if the programs are working? Do you have any  
23 thoughts on how a future evaluation might begin to  
24 measure the behavioral and economic impact of a tax  
25 break itself?

1  
2 SENIOR VICE PRESIDENT ROSENTHAL: It's  
3 such a great question and something that's at the  
4 heart of what we're doing now within the broader life  
5 science program, and most of EDC as a matter of fact  
6 in terms of tracking all of our metrics. Making sure  
7 that when we put programs in place we're seeing the  
8 data that shows how many companies are taking  
9 advantages of it, that their growth trajectories are,  
10 how many employees they grow to, and so we will be  
11 monitoring that over time.

12 CHAIRPERSON BRANNAN: Yeah, I think-- you  
13 know, I think those are obvious-- in a time like this  
14 when you're talking about the Administration's  
15 talking about another three rounds of five percent  
16 PEGS, figuring out, you know, the exponential value  
17 of these tax breaks just makes our work a lot easier.  
18 And what data do you think you'd need to undertake an  
19 evaluation like that?

20 SENIOR VICE PRESIDENT ROSENTHAL: Well,  
21 we certainly need the data on how many have been  
22 using or would use that program, and we scan the  
23 market on a quarterly basis to look for how many  
24 companies exist in New York, and we have an objective  
25 to reach over a thousand of those RND innovation

1  
2 companies. We're about halfway there, but in order  
3 for us to continue to achieve that, we need to track  
4 the data of how many companies, how many employees,  
5 what the use of the tax credit will be, and then what  
6 the outcome may be. And then, unfortunately, we also  
7 have to track whether we continue to lose companies  
8 to other areas around us.

9 CHAIRPERSON BRANNAN: But do you feel  
10 that this tax break is competitive enough? It sounds  
11 like New Jersey is still eating our lunch with this  
12 stuff.

13 SENIOR VICE PRESIDENT ROSENTHAL: Well,  
14 it is very meaningful to the start-up community.  
15 What they've-- they've actually asked us continually  
16 over the-- since it's been taken down, since the  
17 beginning of 2019 they've asked if it can be  
18 reinstated. And so we know from what they've told us  
19 that they struggle in the early days of financing  
20 their companies and that ever dollar counts, and  
21 something like this, this modest amount of support,  
22 is very meaningful to them for staying in New York  
23 City. And we also work with Empire State Development  
24 as well as our community across life sciences to  
25 provide support for every company that's looking to

1  
2 grow in New York City. So combine that with the  
3 financial support of a tax credit like this, and I  
4 think we-- this helps us be competitive.

5 CHAIRPERSON BRANNAN: Yeah, I think the  
6 more information you can give us the better. I think  
7 sometimes people often cite the number of tax breaks  
8 that are issued as a sign of, you know, if a program  
9 is effective, but I think understanding-- having a  
10 deeper understanding of the exponential value of what  
11 it brings back is actually more helpful, right? I  
12 have one other question. Oh, another thing, as far  
13 as our friends in New Jersey, do you hear space is a  
14 concern at all?

15 SENIOR VICE PRESIDENT ROSENTHAL: So,  
16 space has always been a concern, and it's a great  
17 question. We are hoping to put in place several  
18 clusters across New York City, starting with-- I  
19 mentioned the Science Park and Research Campus in  
20 Kips Bay. We've also invested in Kips Bay more  
21 broadly to create the Alexandria Center for Life  
22 Sciences, Deerfield [sic] Cure [sic], as well as  
23 spaces on the west side and in Long Island City and  
24 on the Brooklyn Waterfront. And so right now we have  
25 about 3.5 million square feet of life sciences spaces

1  
2 in New York City that is currently live, active, and  
3 either tenanted or tenanting. We do think that  
4 there's competition for space and that's a really  
5 important foundational piece of infrastructure that  
6 we need for the City to attract and retain companies  
7 here. If you look back 10, 15 years ago, we lost  
8 companies from New York City because there weren't  
9 enough spaces, and so part of our investment for  
10 LifeSci NYC is to make sure we're building the most  
11 compelling spaces, thinking to being a tech-forward  
12 life sciences community in New York City and  
13 attracting businesses and talent to those clusters.

14 CHAIRPERSON BRANNAN: Not to confuse this  
15 committee with the Land Use Committee, but what is  
16 the typical zoning requirements that are needed for--  
17 it's a laboratory setting. Is it office settings?

18 SENIOR VICE PRESIDENT ROSENTHAL: There  
19 are zoning settings for laboratory and manufacturing  
20 environments. I will admit, I am not a zoning  
21 expert.

22 CHAIRPERSON BRANNAN: Yeah.

23 SENIOR VICE PRESIDENT ROSENTHAL: And so  
24 I know there are C and N zones. I would need to--

25 CHAIRPERSON BRANNAN: [interposing] Okay.

1  
2 SENIOR VICE PRESIDENT ROSENTHAL: go back  
3 to our [inaudible]

4 CHAIRPERSON BRANNAN: I'm just thinking  
5 as far as, you know, we have an abundance of vacant  
6 office space right now. So I don't know if there's a  
7 way we can get creative there.

8 SENIOR VICE PRESIDENT ROSENTHAL: Well,  
9 it's a great point and in fact, that's what we did  
10 with Deerfield's Cure. So Deerfield purchased that  
11 building and then converted it to wet labs with  
12 incentives through our New York City IDA program, and  
13 so that is now up and running, almost fully tenanted,  
14 has great companies like Lexio [sp?] Therapeutics,  
15 Apetura [sp?], is employing hundreds of New Yorkers  
16 as we speak, and houses two or three incubators in  
17 the space that live now. So it's a great point that  
18 we're constantly working with the developer community  
19 to think about are there ways that we can build the  
20 spaces that are needed. To your point about zoning,  
21 some of that is not feasible from a zoning  
22 perspective--

23 CHAIRPERSON BRANNAN: [interposing] Yeah.

24 SENIOR VICE PRESIDENT ROSENTHAL: but  
25 where it is, we're very welcoming for it.

1  
2 CHAIRPERSON BRANNAN: Have they tried to  
3 incorporate any of this into the Mayor's City of Yes  
4 Plan?

5 SENIOR VICE PRESIDENT ROSENTHAL: Yes,  
6 absolutely, and that should be in the works as we  
7 speak.

8 CHAIRPERSON BRANNAN: Okay. Last  
9 question for me is about refundable credits. Most  
10 economic development tax credits simply reduce tax  
11 liabilities, but rarely are they refundable. This  
12 feature is typically found in poverty alleviation tax  
13 programs like the ITC and not economic development  
14 tax breaks. So do you think the refundability [sic]  
15 is a useful feature of this tax break?

16 SENIOR VICE PRESIDENT ROSENTHAL: I'm  
17 actually going to defer that to my Department of  
18 Finance colleague.

19 SENIOR DIRECTOR LI: It's not  
20 department's purview to talk about the effectiveness  
21 of the refundability.

22 SENIOR VICE PRESIDENT ROSENTHAL: I think  
23 we would have to go back and look into that a little  
24 bit more.



1  
2 CHAIRPERSON BRANNAN: Okay. Well, if DOF  
3 can't answer it, then you guys can answer it?

4 SENIOR VICE PRESIDENT ROSENTHAL: I'm not  
5 sure.

6 SENIOR VICE PRESIDENT ADGATE: Yeah,  
7 Council Members, we're happy to get back to you on  
8 the effectiveness of the refundability aspect.

9 CHAIRPERSON BRANNAN: Okay.

10 SENIOR VICE PRESIDENT ADGATE: I don't  
11 think that we have data with us right now on  
12 refundability, but we can certainly follow up with  
13 you.

14 CHAIRPERSON BRANNAN: Okay, yeah, that  
15 would be helpful. Do I have questions from my  
16 colleagues? Yeah, Council Member Farías.

17 COUNCIL MEMBER FARIÁS: Hi, good morning,  
18 everyone. I just wanted-- a lot of what I'm hearing  
19 here today about the tax credit particularly reminds  
20 me of the same thing that we're seeing earlier in the  
21 year with the TV film production industry and pushing  
22 and encouraging the state to have a tax credit that's  
23 comparable and at least competitive to our  
24 neighboring states. So I appreciate you folks honing  
25 in on that, and raising that to us so we know that we

1  
2 definitely have competitors out there that we have to  
3 maintain to at least keep businesses here. I wanted  
4 to talk a little bit about the part of the credit for  
5 job training, and just kind of-- if I can get an idea  
6 if we know for the businesses that we've seen here  
7 already in New York City. What is the types of like  
8 job training and job retention that we see of the  
9 employees and employers staying in New York, for  
10 example, or staying with companies for longevity?  
11 Just so I can kind of get an idea of what that  
12 investment looks like for the tax credit and if we're  
13 retaining those employees or those staff members here  
14 in the City.

15 SENIOR VICE PRESIDENT ROSENTHAL: Sure.  
16 One of our-- thank you, Council Member Farías, for  
17 your question. It's the most important part of what  
18 we do, right, is creating those job opportunities,  
19 creating those training opportunities for New  
20 Yorkers. It's at the core of every project that we  
21 ask how are doing that. And I'll give one-- I'll  
22 draw on the example I gave earlier from Cresilon, but  
23 expand on that to the broader use of the program.  
24 Cresilon is a great host of our LifeSci internship  
25 program. They take interns from CUNY and from other

1 schools across the City, and actually, they've been  
2 hiring those interns fulltime. And so that's a  
3 really great example where a student gets their first  
4 experience in life sciences. That adds to their  
5 resume, and then they may stay in that experience.  
6 About 40 percent of our interns extend on or become  
7 fulltime hires for the companies that they go to  
8 their internship for. And so that LifeSci internship  
9 program, we have-- we've had over 750 interns across  
10 I think 180 companies across New York City, and of  
11 those companies many of them use this biotechnology  
12 tax credit and then participate in the program in  
13 parallel. And so that's one great example in  
14 addition to that. As staff are coming into  
15 companies, they go through various different training  
16 apprenticeship and growth programs in those  
17 companies, and we see that not only do they benefit  
18 in growth in those companies, but if they move onto  
19 another role they've gotten that training in their  
20 history.

21  
22 COUNCIL MEMBER FARIÁS: Okay, great. And  
23 I've been able to go to some of the LifeSci stuff.

24 SENIOR VICE PRESIDENT ROSENTHAL:  
25 Wonderful.

1  
2 COUNCIL MEMBER FARIÁS: [inaudible] so  
3 I've seen it in action. I think it's wonderful. And  
4 then just quickly on adequate space, I know it's  
5 something that we've been consistently battling.  
6 We've tried to convert spaces. I know even with my  
7 manufacturing bill, we're looking at how do we look  
8 at some of our manufacturing zones and making sure  
9 that we are creating the adequate spaces to compete  
10 and to encourage more businesses to come here in New  
11 York City. but just trying to get a better idea, I  
12 know you somewhat answered it for the chair, how are  
13 we-- in working with our-- with the Mayor City of Yes  
14 and zoning text amendments, do you think in five  
15 years, 10 years, 20 years will be in a good enough  
16 place if those amendments were to pass to be  
17 competitive with how other cities that are not as old  
18 as us particularly can-- you know, and don't have the  
19 zoning requirements that we have or limitations that  
20 we currently have? Will we be able to compete and  
21 retain as many businesses or encourage more folks to  
22 stay here?

23 SENIOR VICE PRESIDENT ROSENTHAL: Sure.  
24 First off, thank you for coming to our events. I  
25 think that's really wonderful, and everybody is

1  
2 welcome to come to those anytime you'd like. We want  
3 everybody's active participation. It takes a village  
4 to grow this industry. And so, to your question  
5 about spaces, we are so excited to be building this  
6 across the City, and we have set a goal for ourselves  
7 to build over 10 million square feet over the next 10  
8 to 15 years. I mentioned earlier that we're at 3.5  
9 million. We have visibility to projects coming  
10 online that are between six to seven million square  
11 feet. So we have a little bit of work left to do.  
12 And within that, we want to make sure the spaces that  
13 are created are the most compelling and future-  
14 forward for the growth of life sciences in New York.  
15 So, for example, we've put in place biolabs at NYU  
16 Langone on Varick Street. That is an incubator that  
17 houses up to 35 companies at a time and has tech-  
18 forward capabilities to make sure that as the  
19 advances in technology continue alongside biology,  
20 that we are welcoming the most cutting-edge companies  
21 coming out of our institutions, whether that be CUNY  
22 or Columbia or NYU or Rockefeller or Einstein. I  
23 could go on and on. And so those incubators are  
24 crucial. We're also looking to put in place the  
25 different types of growth spaces from those

1  
2 incubators so the companies can then grow from then  
3 on. So I mentioned Deerfield's Cure earlier. We've  
4 also invested in Innolabs [sic] in Long Island City  
5 which is a vertical campus for life sciences as well.  
6 We have BioBat [sic] in the Brooklyn-- on the  
7 Brooklyn waterfront, and we're working with the Navy  
8 Yard on spaces as well. And so we see a combination  
9 of working with the private developer community as  
10 well as our real estate board and our Life Sciences  
11 Advisory Council to make sure those spaces are  
12 available and online. And in particular, thinking--  
13 you mentioned manufacturing. We see some of that  
14 happening at the Navy Yard already. We also are  
15 working with developers to consider other spaces  
16 across the City for that as well.

17 COUNCIL MEMBER FARIÁS: And just a tiny  
18 follow-up, can you-- and I think this is what I  
19 heard. Can you just reiterate revenue generation  
20 numbers or projections that we could potentially see?  
21 I think that's something the Chair asked a little bit  
22 earlier, but I missed the numbers.

23 SENIOR VICE PRESIDENT ROSENTHAL: Do you  
24 mean the resulting--  
25

1  
2 COUNCIL MEMBER FARÍAS: Like resulting  
3 revenue that we're anticipating from the tax credit,  
4 like coming back to New York City.

5 SENIOR VICE PRESIDENT ROSENTHAL: Sure.  
6 Sure. So we know that on average every year there's  
7 about five billion dollars of economic impact from--

8 COUNCIL MEMBER FARÍAS: Five B, billion?

9 SENIOR VICE PRESIDENT ROSENTHAL: Yes.

10 COUNCIL MEMBER FARÍAS: Okay.

11 SENIOR VICE PRESIDENT ROSENTHAL: From  
12 the life sciences industry in New York City. We'd  
13 like to grow that and forecast over \$80 billion  
14 dollars of economic impact over the next 10 to 15  
15 years.

16 COUNCIL MEMBER FARÍAS: Great, thank you  
17 so much. Thank you, Chair.

18 CHAIRPERSON BRANNAN: And by Council  
19 Member Brewer. Before I turn to other colleagues,  
20 can you provide us with-- not right now-- but as a  
21 follow-up, a breakdown and a full rundown of the  
22 Jersey tax credits for this sector?

23 SENIOR VICE PRESIDENT ROSENTHAL: We can  
24 follow up on that for sure.

1  
2 CHAIRPERSON BRANNAN: Okay. Do I have  
3 other questions from my colleagues? Council Member  
4 Sanchez.

5 COUNCIL MEMBER SANCHEZ: Hey, good  
6 morning everyone. Good to see you, EDC. So I have a  
7 technical question and then two longer questions.  
8 So, I think this is following up to Chair Brannan's  
9 questions around just understanding the value that  
10 we're getting. Has EDC or Department of Finance done  
11 a cost per jobs? You mentioned 20,000 jobs are  
12 estimated to come from this investment over what time  
13 period?

14 SENIOR VICE PRESIDENT ROSENTHAL: Oh,  
15 there are 20,000 jobs employed now.

16 COUNCIL MEMBER SANCHEZ: Current.

17 SENIOR VICE PRESIDENT ROSENTHAL: And  
18 we're hoping to double that, and--

19 COUNCIL MEMBER SANCHEZ: [interposing] In  
20 what time period?

21 SENIOR VICE PRESIDENT ROSENTHAL: So,  
22 double that at any point in time over the course of  
23 the-- so in 10 years, we expect to see at least  
24 40,000 jobs at that point at any given point in time.



1  
2 COUNCIL MEMBER SANCHEZ: Okay, and if you  
3 had to estimate the cost per jobs, like benefit per  
4 job that we're seeing?

5 SENIOR VICE PRESIDENT ROSENTHAL: I think  
6 I'd have to come back to you on that math.

7 COUNCIL MEMBER SANCHEZ: Another just  
8 clarifying question. There is a pro-ration [sic] if  
9 more credits are applied for than \$3 million dollars.  
10 Have we seen companies applying for more than the \$3  
11 million dollars that we are capped at, have been  
12 capped at?

13 SENIOR VICE PRESIDENT ROSENTHAL: Ziying,  
14 do you know the answer to that?

15 SENIOR DIRECTOR LI: Yeah, this year  
16 stated [sic], it's a funding is insufficient, the \$3  
17 million has to be prorated, and there are incidents  
18 where the cap was hit and then finance [inaudible] to  
19 prorate funding.

20 COUNCIL MEMBER SANCHEZ: So, that means  
21 that a company is getting less than what they're  
22 eligible for?

23 SENIOR DIRECTOR LI: Generally it's lower  
24 than the individual credit cap.

1  
2 COUNCIL MEMBER SANCHEZ: Okay, thank you.  
3 And so the other question is, you know, I represent--  
4 like Council Member Fariás, I represent the West  
5 Bronx, very low-income community, and you know, the  
6 housing crisis is just not just because I'm Chair of  
7 Housing and Buildings, but it's just always in the  
8 front of our minds in the City of New York. So, can  
9 you help us understand what steps if any has EDC  
10 taken, has the City taken to make sure that we're  
11 hiring New York City residents, in particular, not  
12 necessarily having folks coming from outside and, you  
13 know, joining in the housing pressure that we have in  
14 New York City.

15 SENIOR VICE PRESIDENT ROSENTHAL: so,  
16 I'll start with some of the training programs we  
17 have, and then I'm going to ask my colleague Mikelle  
18 to share more on the housing elements. So, I  
19 mentioned our internship program before as part of  
20 our training programs to bring New York City students  
21 into life sciences industry. That program has been  
22 incredibly successful with, again, over 750 students  
23 in the internship program over the past six years.  
24 In addition to that, we recently announced and have  
25 started working with BioBus and expanding their

1  
2 capabilities in the Bronx for K-12 STEM training for  
3 students to have hands-on laboratory experience as  
4 they come into the bus and they-- there's literally a  
5 working lab in the bus--

6 COUNCIL MEMBER SANCHEZ: [interposing]

7 Parked right outside my house, I know.

8 SENIOR VICE PRESIDENT ROSENTHAL: Yeah,  
9 it's fantastic. And so that's-- we're hoping to do  
10 more and more of these activities over time. And by  
11 nature of these clusters building together, the  
12 talent tends to want to work, live, play in the areas  
13 of the clusters that are emerging. So we anticipate  
14 by building a cluster-- we actually have one that  
15 we're building in Morris Park in the Bronx with our  
16 partners at Einstein Montefiore-- that that will  
17 attract and retain people to those jobs in that area.

18 COUNCIL MEMBER SANCHEZ: One more quick  
19 one. Thank you. Thank you for that on the training.  
20 Have any of these firms that have been receiving or  
21 have received in the past a biotech tax credit, have  
22 they layered it on with other credits like ICAP  
23 [sic].

24 SENIOR VICE PRESIDENT ROSENTHAL: So, I  
25 don't know the answer to that. We'd have to look

1  
2 into that further. I don't know if the Department of  
3 Finance colleague is aware.

4 SENIOR DIRECTOR LI: No, we don't have  
5 the information and we may not be [inaudible]  
6 disclose anything due to the secrecy [sic] law. And  
7 I do want to ask something about--

8 COUNCIL MEMBER SANCHEZ: [interposing] We  
9 need-- you don't have to tell us who got what, but we  
10 do need to know if folks are layering these credits.

11 SENIOR DIRECTOR LI: It's not within the  
12 purview of the Department of Finance to [inaudible]  
13 and we don't have the data, and we may not be able to  
14 release it due to tax secrecy law.

15 COUNCIL MEMBER SANCHEZ: Okay, we'll  
16 follow up. That doesn't sound right to me.

17 SENIOR VICE PRESIDENT ROSENTHAL: Okay.  
18 And then Mikelle, did you want to address the  
19 question about housing?

20 SENIOR VICE PRESIDENT ADGATE: Sure,  
21 yeah. Council Member, thank you for the question. I  
22 think one thing to highlight from the testimony is  
23 that for the eligibility of this particular tax  
24 credit, not only does the company have to have fewer  
25 than 100 employees, but 75 percent of them have to be

1  
2 New York City residents. And so I think that's a  
3 really important factor of this to ensure that not  
4 only are we employing New Yorkers, but that we're  
5 ensuring that the benefit is focused on companies  
6 that are targeted, like doing actual engagement,  
7 training, and so on with New Yorkers. And I see that  
8 Council Member Powers has joined and so I would be  
9 remiss if I didn't highlight our partnership with him  
10 on the SPARC Kips Bay campus, which I think is a  
11 really good example about how to create a pipeline  
12 for New Yorkers into these jobs. So, that campus  
13 will, you know, include public high schools, CUNY  
14 schools, city agencies, but also private life  
15 sciences space, and so you can think of, you know, a  
16 high schooler that's interested in working in biotech  
17 industry in the future really having a clear pipeline  
18 into that field in the same space that we're building  
19 and investing in.

20 COUNCIL MEMBER SANCHEZ: Thank you.

21 SENIOR VICE PRESIDENT ROSENTHAL: If I  
22 could add to that. There's-- there will also be a  
23 Health + Hospitals Ambulatory Care Simulation Center.  
24 So you can think of the simulation center with access  
25 to those high school and CUNY students as part of

1  
2 their training which is just-- the synergy of that  
3 really is exciting.

4 COUNCIL MEMBER SANCHEZ: Thank you.

5 CHAIRPERSON BRANNAN: Been joined by  
6 Council Member Powers and we have questions from  
7 Council Member Powers followed by Brewer.

8 COUNCIL MEMBER POWERS: Thank you. Nice  
9 to see you, and appreciate the shout out to SPARC  
10 Kips Bay project that we are in full engagement on  
11 right now. I believe I'm leaving here after this to  
12 go do another engagement. So, I was looking at the  
13 testimony here, and I recognize the tax credit being  
14 offered is for smaller, maybe medium-sized, but  
15 smaller, newer, start-up types in the industry to  
16 provide them a boost to get into this industry. And  
17 I think without question this is an area where New  
18 York City has a big opportunity to, you know, squash  
19 other cities when it come to growing this industry.  
20 I have the Alexandria in my district, SPARC-- I had--  
21 the three-- it's \$3 million dollars, I think, being  
22 offered right now capped out-- and I'm sorry if this  
23 was asked already. Are there-- is there a need  
24 higher than \$3 million dollars right now? You know,  
25 if you-- from the sort of looking at the eligible

1  
2 businesses here, what is the total need that you guys  
3 see beyond-- is it \$3 million or is it beyond that?  
4 Because it looks like the \$3 million is being spent  
5 today.

6 SENIOR VICE PRESIDENT ROSENTHAL: Thank  
7 you, Council Member Powers, and thank you for all  
8 your support on SPARC and the various initiatives for  
9 life sciences. So, we recognize that the tax credit  
10 that we're asking for is \$3 million dollars is meant  
11 to be a modest request amidst the broader city budget  
12 during a time that we know the City is facing some  
13 challenges. So, as a--

14 COUNCIL MEMBER POWERS: [interposing]  
15 Many.

16 SENIOR VICE PRESIDENT ROSENTHAL: born  
17 and bred New Yorker, I take a lot of pride in all of  
18 this. You know, we have visibility to putting place  
19 at least 10 incubators across the City. Those 10  
20 incubators may each house 20, 30 companies. And the  
21 tax credit in the past had supported 30 companies per  
22 year. I could see a world in which we may need more  
23 than that, but I also want to be respectful in what  
24 we're asking for and keep to-- at least let's start  
25

1  
2 here, and then if we do need to expand beyond that,  
3 we should come back to the drawing board.

4 COUNCIL MEMBER POWERS: Got it. But you  
5 do think there's a need greater than the \$3 million,  
6 is--

7 SENIOR VICE PRESIDENT ROSENTHAL:  
8 [interposing] Yeah, especially the funding  
9 environment for start-ups is pretty challenging right  
10 now. I think everybody-- it's challenging across the  
11 board, whether for life sciences or even broader  
12 investment in funding. And so-- but in particular  
13 for the start-up community, what we don't want to  
14 happen is a start-up to fail, because they just  
15 needed a little more support. And we also don't want  
16 a start-up to leave because they needed a little more  
17 support and they got it from somewhere else. And so  
18 what we see is that start-ups really struggle in  
19 that-- we call it the Valley of Death in research and  
20 development where is post-NIH funding. It's pre-  
21 venture funding, and we need to help them leap across  
22 that valley with a little bit of government support  
23 so that they can become that next Moderna, they can  
24 become that next Pfizer. But they won't be able to  
25 do that if they don't have a number of different



1 support mechanisms, especially during the financing  
2 climate that we're facing.

3  
4 COUNCIL MEMBER POWERS: Got it. I'll ask  
5 one more question and my time is up. But you know, I  
6 do think there might be a need greater, and I think  
7 it's worth the conversation, because we are in a  
8 challenging environment, although these are things  
9 that have the opportunity to help our-- grow our  
10 economy--

11 SENIOR VICE PRESIDENT ROSENTHAL:

12 [interposing] Absolutely.

13 COUNCIL MEMBER POWERS: over the next

14 years.

15 SENIOR VICE PRESIDENT ROSENTHAL:

16 Especially-- yeah.

17 COUNCIL MEMBER POWERS: And there might  
18 be-- that exacts the center you're outlying is going  
19 to exist for some. If it exists up to \$3 million--  
20 [inaudible] beyond that as well. I saw that the  
21 eligibility criteria allows a look-back period I  
22 think back to 2020, I believe it is. Can you just  
23 explain that? There's, obviously, some of these--  
24 that scenario you're laying out where there's that  
25 bridge between venture capital and NIH public

1 funding, they probably have crossed or started to  
2 cross that bridge already over the last three years.  
3 Maybe not because of COVID and the pandemic, you  
4 know, slow-down, shut-down. So I just want to hear  
5 why, you know, the justification. Because we're  
6 obviously eating up then resources for ones that are  
7 looking for in the present and now who will maybe--  
8 and allocating it folks who have already crossed the  
9 important moment or hurdle. So understanding that we  
10 have finite resources here, I want to just better  
11 understand the three year look-back period for folks  
12 that are-- have made it through that, or are making  
13 it through that.

15 SENIOR VICE PRESIDENT ROSENTHAL: Sure.  
16 Thank you. And I'll start with the unfortunate  
17 scenario that over the past few years as funding has  
18 become more challenging, even companies that have med  
19 it to their series A or may have made it to 30  
20 employees or 50 employees, they are managing their  
21 runway now very carefully, and the good news is I  
22 think that's a healthy management of their runway. I  
23 think that means that really great science will  
24 progress forward because they will be able to do that  
25 hopefully. But it's in jeopardy. So even that--

1  
2 those companies that have made it over the past  
3 couple of years may be facing challenging in this  
4 environment today that's different than it was three,  
5 four years ago. But for the look-back, I would  
6 welcome Ziyang, if you would comment on that.

7 SENIOR DIRECTOR LI: I don't think it's  
8 within the Department of Finance to talk about why  
9 the credit lapse. [inaudible]

10 SENIOR VICE PRESIDENT ROSENTHAL: Okay.

11 DIRECTOR GRACE: Let me jump--

12 CHAIRPERSON BRANNAN: Hey, we got to  
13 swear you in, make sure you're legal.

14 COMMITTEE COUNSEL: Do you affirm that  
15 you're testimony will be truthful to the best of your  
16 knowledge, information and belief and that you will  
17 respond honestly to Council Member questions?

18 DIRECTOR GRACE: I do. Alright, so my  
19 name is Ken Grace. I'm the Director of  
20 Intergovernmental Affairs, the New York City  
21 Department of Finance, and I'll answer the question  
22 you just asked.

23 COUNCIL MEMBER POWERS: Yes. The  
24 question was the eligibility criteria isn't just  
25 moving forward, it allows for a three-year

1 retroactive look-back for folks that can take  
2 advantage of the credit. And I guess my question is  
3 trying to understand that. No one's arguing that  
4 2020/2021 were not different years than ordinary, but  
5 I think that understanding that there's only \$3  
6 million dollars here to play with, and some folks who  
7 need that money probably more urgently or more  
8 immediately than others. Maybe not. Understanding  
9 that three-year period, because there's been a-- I  
10 bring this up because there's been other tax programs  
11 in the past where folks have tried to get retroactive  
12 look-backs and they've been told no because they have  
13 completed certain steps in the process of that--  
14 where that funding would otherwise be helpful to  
15 them. And so it's eating up, potentially eating up  
16 resources for other folks that are going to need to  
17 that.

19 DIRECTOR GRACE: So, I'll start with the  
20 \$3 million dollar question. When this bill or when  
21 this tax credit sunset in 2018, we don't really have  
22 a lot of information on why it sunset. It was a  
23 while ago. I know this year when the City was  
24 looking for like new ways to attract businesses this  
25 was something that they looked at and it passed at

1 the State level, and I-- you know, why we're here  
2 today is to try to, you know, opt into that. So,  
3 from our perspective we saw that it was a \$3 million  
4 dollar tax credit, and we didn't have any data to  
5 show why it would-- why it should grow or not. We do  
6 know that the \$3 million dollars, it was absorbed by  
7 about 28 to 34 companies, generally between, like,  
8 2015 and 2018. So we really kind of want to see it  
9 moving forward now, because 2018 was a while ago, and  
10 who knows that the landscape will be for these types  
11 of businesses. So, having said that, as far as a  
12 criteria goes, so this credit has very strict  
13 requirements. So first of all, anyone that-- the  
14 only people that are going to get this are folks that  
15 are eligible, and it's part of that \$3 million  
16 dollars pie. So companies must have 100 fulltime  
17 employees or fewer. There needs to be at least 75  
18 percent of those employees working in New York City,  
19 and the gross revenues cannot exceed \$20 million in  
20 the preceding year. They also must have a ratio of  
21 research and development funds to net sale which  
22 equals or exceeds six percent. So, it's very strict  
23 criteria in order to get this.  
24

1  
2 SENIOR VICE PRESIDENT ROSENTHAL: And if  
3 I could add one other point? If there is a company--  
4 first off, I think most companies at that start-up  
5 stage need as much help as they can get. That said,  
6 if it's a company that is starting to hit that 50  
7 employment number, they're going to be a ripe target  
8 from the region around us. And we see-- we brought  
9 up New Jersey earlier. This is a way that we can go  
10 to bat to keep these jobs in New York City.

11 COUNCIL MEMBER POWERS: Appreciate it.  
12 Thank you.

13 CHAIRPERSON BRANNAN: We've also been  
14 joined by Council Member Osse on Zoom, and now we  
15 have questions from Council Member Brewer.

16 COUNCIL MEMBER BREWER: Thank you very  
17 much. I do want to give a shout out to Richard  
18 Robin's program which-- and I was wondering how it  
19 fits into what you're talking about. Obviously, it  
20 attracts New Yorkers. It attracts CUNY students, and  
21 I think it does, but I'd like to hear it from you,  
22 because I'm such a supporter of that program.

23 SENIOR VICE PRESIDENT ROSENTHAL: Sure.  
24 Thank you, Council Member Brewer, and thank you for  
25 supporting our life science internship program led by

1  
2 Upper West Strategies that work, and Rich Robins at  
3 the helm of that. It's an incredible program. It has  
4 had-- we just reached in the past few weeks our 750<sup>th</sup>  
5 intern, and we've had interns hosted at over 180  
6 companies across the city. Many of the companies  
7 that use this biotechnology tax credit take interns,  
8 and I shared the example of Cresilon earlier. We know  
9 many--

10 COUNCIL MEMBER BREWER: [interposing] I  
11 listened to it.

12 SENIOR VICE PRESIDENT ROSENTHAL: Oh,  
13 great. So, you know, these-- this is the vital part  
14 of our program that is helping to launch those  
15 careers and life sciences with CUNY and the other  
16 institutions across the City. So it is a vital part  
17 and directly tied to this program.

18 COUNCIL MEMBER BREWER: Second, do we try  
19 to steal firms from other places?

20 SENIOR VICE PRESIDENT ROSENTHAL: We  
21 welcome and look to--

22 COUNCIL MEMBER BREWER: [interposing]  
23 Steal? Welcome, whatever. How do we--

24 SENIOR VICE PRESIDENT ADGATE:  
25 [interposing] Yeah, I think that the--

1  
2 COUNCIL MEMBER BREWER: [interposing] How  
3 do we do that.

4 SENIOR VICE PRESIDENT ADGATE: I think  
5 that's a great question, Council Member. I wouldn't  
6 characterize the world as steal, but we--

7 COUNCIL MEMBER BREWER: [interposing]  
8 That's my--

9 SENIOR VICE PRESIDENT ADGATE: We do have  
10 at the partnerships team at EDC a very aggressive  
11 business development program where we do talk about  
12 all of the benefits of bringing businesses here to  
13 New York.

14 COUNCIL MEMBER BREWER: Have you been  
15 successful in doing-- in life sciences?

16 SENIOR VICE PRESIDENT ADGATE: Yes, our  
17 business development team works closely with not just  
18 chambers of commerce in terms of identifying space,  
19 but also highlighting all of the reasons why New York  
20 City is so critical for the life sciences industry,  
21 our talent pool, the number of academic institutions  
22 and universities that we have, the fact that, you  
23 know, for very technical life science position there  
24 are three other types of roles that are needed  
25 whether it's administration or HR or custodial. All



1  
2 of that is so important just given our size, given  
3 our public transportation system, given the fact that  
4 we are investing in clusters as innovation and life  
5 sciences space. So we do have a lot of targeted  
6 conversations with businesses that are looking to  
7 move, and we see really attracting and retiring as  
8 being a key part, not just of the business  
9 development program, but also life science.

10 COUNCIL MEMBER BREWER: Do we have a  
11 marketing budget for that?

12 SENIOR VICE PRESIDENT ADGATE: We do  
13 market. We use-- whether it's website, paid ads,  
14 going to conferences, working closely with real  
15 estate firms that support those types of businesses  
16 as they're looking for space. So we can certainly  
17 follow up with you on more information about that  
18 team.

19 COUNCIL MEMBER BREWER: Okay. And then  
20 the academics-- so, obviously you market and the  
21 companies that are eligible know about the tax  
22 credit, but how do you do that with some of the  
23 universities so that CUNY, Columbia-- obviously, I'm  
24 familiar with Janis [sic], and that's my other  
25 question. Are they able to be filled up? Is that a

1 space that we're still working on? And just  
2 generally, because a lot of these start-ups started,  
3 you know, at the city college or whatever. And how  
4 are we marketing to them? That's my other question.  
5

6 SENIOR VICE PRESIDENT ROSENTHAL: Couple  
7 of great questions in there. I'm going to try to  
8 break it up one by one. So, we work very closely  
9 with the institutions and with many of the different  
10 industry stakeholders on our programs, and so I'll  
11 share a couple of example. We have our Life Sciences  
12 Advisory Council which is comprised of members from  
13 Columbia, form CUNY.

14 COUNCIL MEMBER BREWER: I heard it on  
15 here.

16 SENIOR VICE PRESIDENT ROSENTHAL: Yep,  
17 and then we also have our Real Estate Life Sciences  
18 Advisory Board which I mentioned earlier as well. We  
19 also meet with the tech transfer offices very  
20 regularly to talk to our partners at CUNY, our  
21 partners at Einstein, our partners at Columbia and  
22 Rockefeller, and NYU about the innovation that  
23 they're working on with their principle investigators  
24 and their research units. And so we meet with them  
25 to make sure they know of what we're doing. We also

1  
2 invest in innovation with them. So, for example, we  
3 are expanding the New York Stem Cell Foundation to  
4 make sure that their capabilities are available to  
5 the businesses and the start-ups of New York and to  
6 make sure that we support their innovation and  
7 growing and starting new companies directly. The  
8 same, we're investing with Einstein Montefiore up in  
9 the Bronx to build a pilot site for biologics and  
10 cell therapies and production of those incubated  
11 products. And so we work very closely with the  
12 institutions on those innovation programs as well as  
13 making sure the internship program is reaching their  
14 students, making sure that our programming is  
15 reaching their students as well. And now I've  
16 forgotten your other question.

17 COUNCIL MEMBER BREWER: Janis?

18 SENIOR VICE PRESIDENT ROSENTHAL: So,  
19 Janis, we're actually working very closely with Janis  
20 and team at--

21 COUNCIL MEMBER BREWER: [interposing] Are  
22 they filled?

23 SENIOR VICE PRESIDENT ROSENTHAL:  
24 [inaudible] No, they're not filled at this point.

25

1  
2 They're-- they have three different sites in that  
3 cluster in West Harlem.

4 COUNCIL MEMBER BREWER: I know.

5 SENIOR VICE PRESIDENT ROSENTHAL: I know  
6 that the Mink building houses a company called  
7 Velostra [sp?]. It's a really great company that came  
8 out of Wall [sic] Cornell, and also went to J Labs,  
9 one of the incubators in New York and then moved to  
10 West Harlem. They've also-- they're working on the  
11 expansion of Harlem BioSpace as well. So, we're--

12 COUNCIL MEMBER BREWER: [interposing] Are  
13 you helping them to fill up?

14 SENIOR VICE PRESIDENT ROSENTHAL: Yes,  
15 we're in constant discussion with Scott and the Janis  
16 team.

17 COUNCIL MEMBER BREWER: Thank you.

18 CHAIRPERSON BRANNAN: Any other questions  
19 from my colleagues? Okay, seeing none, thank you  
20 EDC. Thank you DOF, and we'll talk to you soon.

21 SENIOR VICE PRESIDENT ROSENTHAL: thank  
22 you everyone.

23 CHAIRPERSON BRANNAN: This hearing is  
24 adjourned.

25 [gavel]

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C E R T I F I C A T E

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



Date October 5, 2023