

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

COMMITTEE ON ECONOMIC DEVELOPMENT

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January 23, 2019

Start: 1:06 p.m.

Recess: 2:43 p.m.

HELD AT: 250 Broadway - Committee Rm.
16th Fl.

B E F O R E: PAUL A. VALLONE
Chairperson

COUNCIL MEMBERS: Adrienne E. Adams
Inez D. Barron
Robert E. Cornegy, Jr.
Peter A. Koo
Brad S. Lander
Mark Levine
Carlos Menchaca
Keith Powers
Donovan J. Richards
Carlina Rivera
Helen K. Rosenthal
Jumaane D. Williams

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

David Ahrenberg, President, Brooklyn Navy Yard

Harrison Green, Executive Director for Community Outreach, Brooklyn Navy Yard

Jocelynn Rainey, Chief Administrative Officer
Brooklyn Navy Yard

Claire Newman, Chief of Staff, Brooklyn Navy Yard

Margaret Flanagan, Waterfront Alliance Appearing
for Roland Lewis, President and CEO

[sound check] [pause] [gavel]

CHAIRPERSON VALLONE: Good afternoon everyone. We're starting our committee hearing on Economic Development on oversight for the Brooklyn Navy Yard expansions. Today is Wednesday, January 23, 2019. I'm Council Member Vallone, and I have the privilege of chairing this committee today. I'd like to extend my thanks to our fellow Council Members here. We are joined by Council Members Rivera, Adams and Barron. The purpose of today's hearing is to take a closer look at the expansion plans for the Brooklyn Navy Yard and to discuss its methodology, goals and vision for the future. To kick things off, I'd just like to start by having a brief discussion of the Navy Yard itself, its history and how it came to be the rich industrial, manufacturing and technological hub that it is today. The Brooklyn Navy Yard is a 300-acre facility along the Brooklyn Waterfront that was established in 1801 as a ship building yard for the United States Navy. The yard played important roles in the American Civil War and both World Wars, and at its peak during World War II employing over 70,000 people. In 1966 the yard was decommissioned and sold the city from which point it

experienced significant decline until 1981 when the Brooklyn Navy Yard Development Corporation was created to manage and oversee the yard. In the years since, it has experienced several periods of economic boom in industrial and light manufacturing businesses and the yard has become known as one of the most well managed city facilities. Roughly 99% of the yard's space has been leased for the last 10 years, an indication of strong demand for additional space prompted with the expansion plans we are here to discuss today. As of September 2018, business at the Navy Yard employed 8,500 people, but the yard is also underway to have the largest expansion since World War II. Last year the Brooklyn Navy Yard Development Corporation announced its \$2.5 billion Master Plan, which is set to create 10,000 new jobs by 2020, and an additional 5.1 million square feet of manufacturing space, which is estimated to allow 30,000 people to work at the yard by 2030. The Navy Yard Development Corp has committed to continue leasing to a tenant ratio of 75% manufacturing jobs, 20% creative offices and 5% amenities and services throughout the expanded facility. While we as a committee applaud the efforts and successes of the

Navy Yard to date and the Navy Yard's Master Plan, we would also like to use this hearing as an opportunity to take a look at the details of that plan, and gain a bit more clarity on how those \$2.5 billion in city funds are being spent. Our committee and the public are eager to see what is happening today, tomorrow and for the future. The Master Plan focuses around three sites for expansion with the yard, all of which center around the vertical manufacturing space in which the entire supply chain is operated by manufacturer's on site from design to prototype and final production. This type of integrated facility can be incredibly appealing to small industrial and manufacturing businesses who can design, approve and compete their products with like minded companies in the same space and in a relatively small amount of time. If we did have one major concern regarding the yard, it is how inaccessible it remains to the general public. The yard's high walls and security fences often discourage the public from engaging with business at the site. We are curious about the Navy Yard in its result—in its inclusion of the local community around the site. I'd like to know how interested people can experience the innovation and

development at that yard. Lastly, the committee is concerned with the resiliency steps currently being taken as one of-part of the Master Plan to ensure that the yard can withstand rising sea levels, potential future storms and, of course, inclusion of the local community. There is nearly \$5 million in damage to the yard after Super Storm Sandy, and advocates have expressed concerns that the yard's expansion might expose it to additional potential damage when faced with another major storm or rising sea levels. We are certain that the Navy Yard has responses to these questions and look forward to hearing testimony from its Executive Director David Ahrenberg today. With that being said, I'd like to thank our Economic Development Committee staff, Legislative Counsel Alex Paulenoff; Policy Analyst Emily Forgione, and Finance Analyst Alia Alli, for all their hard work in putting this together. They truly are the heart and soul of this committee along with my staff who work tirelessly each month to put this together. Now, before we turn it over to the--to David, I'd like the crew that's there on the first panel to raise your hands so we can swear you in for today's testimony. So, do you Can you please raise--

can you please raise your right hand? Do you swear or affirm to tell the truth, the whole truth and nothing but the truth in your testimony today, and to respond honestly to Council Member questions? Thank you. So, however you would like to proceed.

DAVID AHRENBERG: Okay, great. Thank you so much, and that was a great introduction and summary and a lot of very good questions many of which are covered in the presentation that I'll walk through, but there will be, I'm sure additional questions that we can get to after the presentation. I've got about a 15, 20 minute presentation that we'll walk through, additional written testimony that we'll leave behind, but that does not exactly correlate to the presentation.

CHAIRPERSON VALLONE: Gentlemen we're ready to go on--on the video?

MALE SPEAKER: We got it.

CHAIRPERSON VALLONE: Perfect.

DAVID AHRENBERG: Great. First, though, I'm joined here by Harrison Green who's our Executive Director for--for Community Outreach; Jocelynne Rainey who's our Chief Administrative Officer. She's got a lot of things that report to her, but including our

2 Workforce Development Initiatives at and Claire
3 Newman is our Chief of Staff in a lot of the planning
4 and real estate functions report to her.

5 CHAIRPERSON VALLONE: David, if you
6 could put your title on the record and your--

7 DAVID AHRENBURG: Yes. Sorry and I'm
8 David Ahrenberg, President of the Brooklyn Navy Yard.
9 So thank you very much Chairperson Vallone and
10 members of the committee for the opportunity discuss
11 the model of the Navy Yard as well as the current
12 phase of growth and then we'll get to the--to the
13 Master Plan, and the future growth that we see coming
14 in the--in the future decades. We're going to focus
15 on--on where we are today, and the kind of core
16 principles of the model going back in time, and--and
17 today, and then get to the future, and throughout it
18 I hope you'll--you'll understand how our mission
19 interweaves really with everything that we do, every
20 decision that we make is really informed by the core
21 of our mission.

22 CHAIRPERSON VALLONE: Which is important
23 because it's been about four years since we've had
24 you, and we want to take this opportunity with the
25

under committee to work with you today and going forward. So, that's why I like--

DAVID AHRENBURG: [interposing] Right.

CHAIRPERSON VALLONE: --the history in the background in that sense. There may be a few of us who are hearing it for the first time.

DAVID AHRENBURG: Great. Wonderful. So-- so as I said, we are a mission driven not-for-profit. We are a 501(c)(3) LDC and so while the city owns the property, we are not technically a city agency although we do receive city capital funding. Our--our mission statement is up here. Fundamentally our goal is to anchor the industrial and manufacturing sector in our area of Brooklyn and in New York more broadly, create a real estate environment where those kinds of companies can thrive, and thus create high quality middle-class accessible jobs, and then on the other side to ensure we go through great pains to make sure that this is true that the local community is included in every element of those--of those opportunities. Demographically and Chairperson you-- you covered some of this in your opening remarks, but we are--we're relatively large. We 300 acres, which is about half the size of Prospect Park about a third of

the size of Central Park. So, we are large physical holding. We have over 70 buildings, nearly 5 million square feet of space under roof. So, enclosed buildings and we're home to 400 businesses, and while we had about 8,500 jobs at the yard in September, our most recent count is about 9,000, and as we'll discuss, we're--those numbers are going up day after day. This gives a little bit of the overview. So, from the late 60s after the federal government had closed down, almost no jobs, and with steady increases over time, but, you know, real serious lack of investment on the public side in terms of infrastructure and on the private side in terms of business creation ramping all the way through the mid 90s really and into the early 2000s. We now stand at a really special moment where about four years ago or so in 2015, there were about 6,500 jobs at the Navy yard. We're now at 9,000 so nearly a 50% increase in just the last three or four years and in the next few years, 2020 or maybe 2021, 2022, we will hit about 20,000 jobs. So doubling again and nearly tripling over that 6 or 7-year period. That is--that growth is really driven off these five development projects, which total not quite a billion dollars of largely

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2 private investment although there are some very
3 critical public investments including from the City
4 Council local members and the delegation from
5 Brooklyn that have made a lot of this possible, but
6 the vast majority of this investment is either purely
7 private or Brooklyn Navy Yard investments, which is
8 kind of a combination of public and private because
9 of our--

10 CHAIRPERSON VALLONE: [interposing] How
11 would you break down the percentage between?

12 DAVID AHRENBURG: The city--pure city
13 money is I would say in all of this about 100 or so.

14 JACQUELYNNE RAINEY: It's 85%
15 approximately private investment.

16 DAVID AHRENBURG: Right.

17 CHAIRPERSON VALLONE: Okay, that's what I
18 was interested in.

19 DAVID AHRENBURG: So, and I should say
20 sometimes those in the real estate community can come
21 in with a lot of beautiful renderings and, you know,
22 say we're going to do this, we're going to do that,
23 we going to do this. All of these projects are
24 topped out meaning the structure of the building is
25 completed. They are largely enclosed, and they're

delivery dates are coming up in the next couple of months in most cases. So, these 20,000 jobs are going to happen. You know, will it be in 2020? Will it be 2021? We can't exactly know that because it's really based on the tenants, but this--this phase of growth is well underway and is nearly certain. So, why do we focus on manufacturing? The reason is--is really threefold. The first is that the--the base pay scale in the industrial and manufacturing sector in New York City, these stats are for New York City. We don't have them for the Navy Yard unfortunately, but for across New York City industrial workers make about twice that, which those workers, the workers in the hospitality and retail trades do, and that is a huge difference between 35, 40,000 and \$70,000 per year, but those jobs still remain accessible. That chart on the right corner so nearly half of the workforce in the industrial sector has nothing more than a high school diploma. And so while the--so manufacturing while it's changing, and certainly the nature of manufacturing at the Navy Yard has changed, that legacy of manufacturing is a pathway to the middle-class. It remains very much the case. The bottom is a little bit harder to--to see in the gate.

It's something we see anecdotally all the time, which is that there are real meaningful career ladders in the industrial and manufacturing sector. In retail and hospitality, you see a vast--and vastly dominated by very low-wage jobs, and then some higher paid jobs, and it is unfortunately often difficult to make the transition from stocking the shelves in a supermarket to owning the supermarket. It doesn't happen that often. Whereas if you look at industrial employment, it's a very even distribution of--of jobs and pay scale, and so you can go from an entry level position to a skilled entry level position to a management position and on up the ranks, and so you don't have to go from a \$30,000 a year job to a \$80,000 a year job. There is a \$40,000, \$50, \$60, \$70,000 a year dollar jobs all the way through, which means that for the average worker it's a lot easier to make your way up through the ladder.

CHAIRPERSON VALLONE: Have you seen that transition existing? Have you see the ladder or the growth of the entry to mid-level at the Brooklyn Navy Yard?

DAVID AHRENBERG: All--all the time, all the time. We see it in our data. We we see it in our

placements that we'll talk about through the employment center and then anecdotally, you know, we all spend most of our waking hours at the Navy Yard and know most of the tenants, know a lot of the employees and hear all the time stories of people who came in as, you know, this is one of the stories. Came in as a truck driver and now runs the highest tech laser cutter in the Northeast.

CHAIRPERSON VALLONE: Well that's-that's the model of the story that we're very happy to know.

DAVID AHRENBERG: Yes. Right, right. However, these are not your traditional, not exclusively your traditional manufacturers. The nature of manufacturing in America and certainly in a high cost city like New York that is changing dramatically. While we do have some traditional manufacturers, these tend to be at the top of their industries. They've developed Visual Solutions It's the top printing company really in the world. We have producers for the city, which are artisans, woodworkers, metal workers who need to be near New York City because of our largely real estate economy here. They do museum installations, you know, residential conversions and the like. The really

exciting group for us is the innovative manufacturers which we see as the Next Generation of manufacturing in New York City, which are at the intersection of design, technology and manufacturing. Those can be robotics companies. They can be drone companies. I know there's a hearing going on right now about e-bikes. The Lyft bikes were designed and prototyped in the Navy Yard and so—I'm sorry—

JACQUELYNNE RAINEY: [interposing] Jump bikes.

DAVID AHRENBERG: Jump bikes. Sorry. We also have a strong center concentration in media, the arts and then there is an element of creative office at the Navy Yard for reasons that we'll talk about in a second. So, you know, we focus on creating a real estate environment where these companies can survived by an equal—equal part of our mission is to then connect the local community to those jobs and particularly because the jobs are changing. Right to run a high tech laser cutter is a different kind of job and requires different skills than you might have needed to walk onto Navy Yard in 1942 and get a job during World War II. And so we really lean into that—to that change--the changing realities of the

workforce. The way we do that is twofold. The first is that we have placement services where we have an on-site employment center that we'll talk about that works with job seekers who are in the job market today to help them find opportunities, and then we have Pathway programs, which are a diverse set of programs that we run for, you know, those in the labor--those who will be in the labor market in the coming years and who we have a little bit more time to--to skill for the--up-skill for the kinds of jobs that are coming to the Yard. So, in terms of the first category, like I said, we have our on-site, our employment center. Here you can see the metrics that we set for ourselves and were set by our funder the Robin Hood Foundation, which is a--a tough customer when it comes to foundations, and we're proud to say that in every category we outperform the metrics that we set for ourselves in this year hit an all-time high of placing 459 people into jobs at the Yard. That number has been growing steadily. It's been above 300 for the last couple of years, and as you can you see from--from the statistics, the Employment Center focuses on the hyper local community so the catchment right in the middle there. Those are the

10 zip codes that effectively about the Navy Yard or are closest to the yard and almost two-thirds of the placement comes from those zip codes. You know, we're open to any Brooklynite who wants to find a job, but we spend a lot of time reaching out and making sure the local community knows that the yard and its employment opportunities are there for them. We also we focus on NYCHA residents and those who may have experienced other barriers to employment in the past. They NYCHA placements, as you can see, are about a third of the placements are from NYCHA complexes generally. The majority of those are form Whitman Ingersoll Farragut Houses, which are right next to the Navy Yard, and then we have a focus on formerly incarcerated individuals, long-term unemployed and getting women into non-traditional work environments. In the second category and that's really for people who are like looking for a job tomorrow. In the second category of building skills, this is something that I think that we are all extraordinarily excited about. So in six days if I have my days right, two to three—200 and something high school students will show up at the Navy Yard to move into the Brooklyn Steam Center. This is a

partnership that we developed with the Department of Education to open a Next Generation Career and Technical Education Program at the Navy Yard. Effectively, the model is eight local high schools. We'll send students in their junior and senior year for half of-half the day. So, freshmen-freshmen, sophomore year and half of their junior and senior year will be spent at their home high school learning history and literature and all that, and then they'll come to the yard and study these five areas of study: Design and Engineering, Computer Technology, Computer-sorry-Construction Technology, Computer Science, Film and Media and Culinary Arts and Business, and this program is deeply informed by the 400 tenants at the yard who have done everything from helping us develop the credentials that the students will gain to taking them as interns, doing job shadowing. They've interviewed the teachers to make sure they have industry relevant experience and we really think that when we cut the ribbon in a few weeks it will set a new bar for this kind of education in New York City. We also run a very active internship program where we place over 150 interns per year dominantly from the CUNY system

particularly City Tech, which is very local to us, and importantly we fund the vast majority of these summer stipends ourselves to make sure that every business and every student has the opportunity to get a real meaningful internship. We also on the business side run a series of programs to help our businesses scale. The vast majority of our businesses are extremely small. So we run training programs, the Concierge Program to connect them to-to other resources in the community and then connect them to each other to make sure that they are successful because we can only add jobs obviously if our tenants are successful and are adding jobs themselves. And then lastly, we also want to make sure that the construction activity happening at the Yard is also accessible to the local residents, and so we set what we understand to be the most aggressive MWBE and local hiring goals for our own construction in the city. This is Building 77, which was a very large project, 130 something million dollars of eligible costs, and we finished this project about a year ago. These are the results. So, where we set very aggressive goals we actually exceeded every single one of those goals, which, you

know, we're extraordinarily proud of. So that takes us through kind of what we're doing today. The Master Plan, you know we're going to—we're going to hit 20,000 jobs. We're very confident in that. We've got a lot of work to do to make sure that the transportation and all kinds of other things are taken care of, but we're confident that we're going to get to that 20,000 jobs. About a year ago--about a year and a half or two years ago actually, we started asking ourselves okay how do we not rest on our laurels? How do we push forward and--and get to the next level of growth? However, what we realized is that we're at an interesting inflection point because really the growth of the yard to date has been driven by reusing the historic buildings that were left to us by the Navy. We are now effectively out of those buildings. However, we see strong ongoing demand for the kind of space we provide, and so that provides a conundrum where if really our model is about adaptive re-use and there's strong demand for this space. We really are capped at the future growth in jobs unless we come up with a new plan, which is the Master Plan. And so what the Master Plan and everything that you'll see from now

on is part of the Master Plan tried to do is set an ambitious, and I would say a very, very ambitious vision of the future for ourselves. This is a dream, no small dream proposal that we are going to be pursuing. We also needed to set out a road map to decide—to guide decision making. So, things like accessibility, our transportation have done—have been done historically on a little bit of a catch-as-catch can basis. So we wanted to take a step back and ask ourselves across the board how do we really plan this city within a city so that all elements are there from its transportation to way finding makes sense. And then as we'll talk about, we wanted to set a new—a new—we wanted to create a new model for ground-up industrial development. In the city the—the kinds of buildings that you're going to see in—in the later slides are buildings that really have not been built in urban America ever frankly. A mantra we kept saying is: If not at the Brooklyn Navy Yard then where? We wanted to set the bar extraordinarily high for ourselves. So, like we said, we'll be at 20,000 jobs in the coming years, and we asked ourselves how do we add another 10,000 jobs to get ourselves to a total 30,000. As you said in your opening remarks,

we want that concentrated in manufacturing sectors. S
we did envision about three-quarters of the job to be
in the industrial and manufacturing areas. But with
a mix of creative office and amenities and services,
the creative office adds to the ecosystem of the
yard. They also pay higher rents than manufactures
can afford, and so helped to cross-subsidize the
manufacturers and amenities. You know, you've got to
feed people if they're—they're working. And so that
would take us to 30,000 jobs with a—with
approximately this—this mix, again right around 75%
manufacturing. In order to hit that 10,000
additional jobs, we would need to add about five
million square feet of additional space. So, like I
said, this is a dream—our small dream plan. This is
one of the sites—I'm sorry. I'll go back. Those are
concentrated on these three sites that you can see
here. One effectively on our border with Dumbo, one
on our border with Clinton Hill and Fort Greene, and
one on our border with—Williamsburg. The fact
that all of those sites were at the edge of the yard,
provided a fantastic opportunity for us we believe to
open up the gates a little bit and make the edge of
the yard a little bit more porous to the community,

and so what you see here by way of example, is on the Williamsburg side large-large buildings dominated on the—on the lower floors in blue here by manufacturing spaces. The lowest floors would be large scale manufacturing spaces with high ceilings for when these companies go to scale. Up the building you'd have smaller unit sizes, and then at the top you have office towers where the design and prototyping might happen, and that also provide a critical cost subsidy to allow the economics of this to work. On the ground floor what you see is a walkway around this barge basin, which is a body of water at the Navy Yard that currently is inaccessible to the public. The general public would be able to walk right in and walk around that barge basin, and on the ground floor of those buildings on this site what we're envisioning is showrooms. So, something that would engage the community, invite them in but have something really meaningful to do with what we're doing at the yard. So, our woodworkers and manufacturers could actually sell their products on sit and the general public could see what's happening.

CHAIRPERSON VALLONE: How do you plan to do that? I think just while you're doing the

presentation, I think a good part of that for us is the inclusion of these wonderful visions to make sure that the waterfront is accessible, the community is involved. That vision is also represented. So the steps that you're going to include how is that going to happen?

DAVID AHRENBERG: Yes. So-so we in developing this Master Plan we have been running a pretty inclusive process I would say where we're meeting with tenants, we're meeting with local stakeholders, members of the-our local elected official delegation, and really iterating this plan over time. In terms of the execution of this, you know, that will be our next big challenge, and these are not cheap buildings to build, and the economics are of-of building for manufacturing tenants are-are they're challenging because we have to change an affordable rent for these manufacturers or-or else they can't operate their business. We have a proven track record where we've added millions of square foot of space in just the last couple of years and we've figured out how to make the economics work, and our-you know, that's-that's our collective work to do in the coming years, but we certainly have a large

set of tools that we can use. We are one of, if not the most active user of tax credits in the economic development world. Not affordable housing, but in economic development in the country. We would continue to do that. We're an opportunity zone, which is still a little uncertain exactly how that program is going to take shape, but that is potentially another important tool we'll have to make the economics of this pencil out. And then importantly, I would note on the ground floor to answer one of your questions, the ground floor is envisioned, the lowest floor is envisioned as a parking facility for the workers in this space. That gets the building of the flood plane critically. This is, you know, a rendering of what that area could look like. So, what you see here again are on the lower floors, the public facing uses. Up right above you see those high-high ceiling height floors where you'd have large scale manufacturing, then above smaller scale manufacturing and office uses. This is the Dumbo development site, which really mimics the same concept where a ground floor plane is open to the public--the gen--the local residents could walk right in through that kind of yellow-greenish area.

The red area on the ground floor is a public facing facility. Here we're envisioning an engineering museum, small, but something that is—would an amenities to the community. There are a couple of public schools right here as well as the Boys and Girls Club, and also speak to what we're doing at the yard, which is a lot around, you know, modern manufacturing and engineering. And, you know, this is—this is the rendering of that site, and then lastly on Flushing Avenue really abutting Clinton Hill we are envisioning the same basic concept with the ground floor program here centered around food manufacturing, which is the building just to the left here is our Building 77 which we just completed and have an active ground floor program of food manufacturing and retail again to enliven that ground floor, but still have a use that is meaningful to what our mission is about, and that creates large numbers of jobs, and here's the rendering of that site. That was a lot. I'm happy to take questions and—and dive deeper into any of the points that came up with others that you have.

CHAIRPERSON VALLONE: Well, clearly we need more than one hearing. [laughter] There's a

lot going on and a lot of good stories there, but what I'd like to do is--is start off the questioning with the Council Member who pretty much hosts most of the area, and that's Council Member Steve Levin.

COUNCIL MEMBER LEVIN: Thank you very much Chair Vallone. I--I just had a quick statement just that I'm--the kind of relationship in my--in my nine years in the Council with the Navy Yard and you have had that relationship with not only the elected officials that represent the Navy Yard itself, but all of the surrounding areas, and, you know, by and large the Navy Yard is a great success story of the last 20 years in New York City where you have really been able to transform and reimagine industrial, light industrial uses to be--to go against the trends and go against the grain New York City where we've seen a lot of industrial uses flee the city. By and large you brought them in or have been able to maintain them, and--and so I think, you know, we look forward to kind of working through this strategic Master Plan, and kind of how we can set the Navy Yard up for the next 50 years and, you know, one of the benefits that the Navy Yard has is, you know, an abundance of--of zoning to work with or floor area to

work with, and—and—and a strategic vision, which has been on track for a long time and I guess my one question is kind of what—what do you see as the biggest challenge is, you know, over the next decade or so, or things that could potentially impeded your growth or your expansion whether that's a, you know, big picture macro economic issues or, you know, small—small picture kind of regulatory—see regulatory issues How are you approaching that issue and what have you seen on the horizon?

DAVID AHRENBERG: Yeah, and—and I'll say I'm going to leave most of the answering the questions to the team here who actually does most of the work. I'll take this one, and then hand it off to them because I suspect that they see other challenges, and I'm sorry. I should have noted in the presentation the Master Plan will require a ULURP. It's—we are not certified yet. We're hoping to do so in the spring to—around the spring. It is important to note in any ULURP, this ULURP will not request any additional floor area or density. We do have an abundance of that if there are elements of the current zoning program in M zones that just don't quite fit with the current needs of manufacturers

particularly around parking and—and loading, and so the kinds of buildings you see here are simply impossible to build under current zoning. I would say two—two challenges that we really think about. One is resilience, right. We are 300 acres on the waterfront, and we would not be doing our job if we weren't taking that extraordinarily seriously. We talked about that for new buildings, which is expensive and complicated, but relatively straightforward. You just lift them out of the flood plain and, you just, you know, put parking below, and so we will certainly do that. We have 70 historic buildings some of which are, you know, go back to nearly the founding of our country. To lift them is not possible, and so we are working through the Master Plan and with a small—with a—with another group of consultants to come up with a—a plan to—to make ourselves as resilient as possible. We cannot dry proof our historic buildings. It is physically impossible. We are also built into a small part on quicksand, and certainly on a lot of fill and and—and what was formerly marsh, and so we will get wet in the next storm, and so it's incumbent upon us to figure out what we think about as a—a set of tools

for our tenants where we can address their core business needs in the case of a flood, and so while the building might get wet, how do we protect that \$500,000 laser cutter, right, or the metal that goes in the laser cutter than can get wet. That's okay and you can move your computers and moveable equipment. That laser is not going any where. It's, you know, a quarter of the size of this room, and so how do we dry proof that laser cutter, and something that we are thinking very carefully about.

COUNCIL MEMBER LEVIN: And just to be, you know, just to be clear here, the--the amount of damage caused by Sandy at the Navy Yard between the Navy Yard and your tenants was probably about a half a billion dollars?

DAVID AHRENBURG: No, no. It was not quite that much. It was about \$100 million--

COUNCIL MEMBER LEVIN: Okay,

DAVID AHRENBURG: --but evenly split between us and our tenants.

COUNCIL MEMBER LEVIN: Okay.

DAVID AHRENBURG: Our tenants have made themselves more resilient. A lot of that was the on-site power plant that absorbed a lot of that, which

feeds the--the Con-Ed Grid, but a lot of our tenants have taken steps. Frankly, I think a lot of our tenants were also, as a lot of people in New York City were caught off guard--

COUNCIL MEMBER LEVIN: Uh-hm.

DAVID AHRENBERG: --and so did not move their product as they will next time. So, we think a lot of those costs will be avoided. We sustained about \$50 million of damages ourselves. We're in the kind of early stages of actual construction and i.e. kind of late stages, with FEMA of getting funding to--to elevate all of our substations. We--we operate a micro grid. So, we own all the substations and--and within the yard and so those are all going above the--above the flood plain.

COUNCIL MEMBER LEVIN: But six years later you're still working with FEMA and SBA or your teams are still working with the SBA to--to--to--to access funds that are because of Sandy?

DAVID AHRENBERG: We are certainly still working with FEMA--

COUNCIL MEMBER LEVIN: Yeah.

DAVID AHRENBERG: --and Claire can talk more about that.

COUNCIL MEMBER LEVIN: But it's—it's—
it's, you know, this is a decade long process.

DAVID AHRENBURG: It's a long process.

COUNCIL MEMBER LEVIN: Yes, it is.

DAVID AHRENBURG: And the other challenge
that I think a lot about is the changing nature of
the skills that are required in these businesses--

COUNCIL MEMBER LEVIN: Uh-hm.

DAVID AHRENBURG: --and that is so core
to our mission right that we take it extraordinarily
seriously and spend an enormous amount of time
thinking about. The Steam Center is the centerpiece
of that. I would say were whole—that's a 30,000
square foot facility, which we built on behalf of the
city. So we did the design and construction of that
space instead of School Construction Authority. We
are reserving the other half of that floor so another
30,000 square feet in the hopes of either expanding
that program or getting the CUNY program to operate
in that space as well. So, we are focused on what
we're doing now, and opening a high school and
certainly a Next Generation new-new program is, you
know, it's a lot to—to bite off right now, but we are
certainly focused on what the next set of initiatives

will--will focus on to address the skills--the skills requirements for these Next Generation of manufacturers. Well, would you guys in terms of other challenges?

JACQUELYNNE RAINEY: David, you hit upon exactly what I was going to talk about. With all of this growth, I mean we're going from, you know, 9,000 jobs to 20,000 jobs like right now, and then thinking about us going to 30,000 jobs, how we can continue to keep the community connected to these jobs is something that I would sleep over everyday, right because the majority of the businesses that are going to be coming on board, are still going tot small manufacturers, and , you know, one of the issues is that small manufacturers feel like the talent is in here in, and I think that we've done a lot of work towards getting past that barrier with our tenants. But as we bring on new tenants, how are we going to continue to do that? And so I think that being creative around, I think the Steam Center is one answer because degrees are not the barrier. It's really skills, but I also think we're going to have to think a little bit about apprenticeships, and, you know, really how are we going to get the community

involved in those kinds of programs and continue our internship programs as well. So, and I guess something that we're really going to have to push hard on is really thinking about how do we make sure that the surrounding community is trained for these jobs that we're going to have here as well?

COUNCIL MEMBER LEVIN: Thank you so much. Chair, thank you so much for allowing me to sit on your committee.

CHAIRPERSON VALLONE: Absolutely. It's your committee. [laughs] So, we also have been joined by Council Members Cornegy, Menchaca, Lander, Rosenthal and Levine.

COUNCIL MEMBER: We're going to have Powers, too.

CHAIRPERSON VALLONE: And Powers. Keith is coming, too. So, there's--there is a lot here and--and most of it is all good news. I can't see how it couldn't be. It's just like a matter of bringing it all out and how you got to this point and how we can tackle it. I believe this--this will be an annual hearing because there's--there's a duty to bring this information even beyond the local. We're talking about 8.2 million people in New York City need to

know the opportunities. The students need to know the opportunities because this is a success story we try to build and growing so that folks realize you don't need to anywhere. We have it right here. So, I—I kind of broke it up, and the Council Members have questions, but the areas that I see are ones that you've touched. So, we could probably deal with it a little bit more, but Workforce Development, the community engagement. We didn't talk too much about transportation, but as we're growing the amount of employees—employers obviously there's going to be a greater stress and demand on the transportation infrastructure and then we could talk about that. The resiliency plan of it. Zonings since you mentioned ULURP what you actually are zoned for and what type of zoning you would need, and then I think the reporting area would be exactly this, similar to what we've done now with working with President Patchett and EDC, a lot of the concerns is the ability for us as a City Council to be—have the recording, have the accountability of corporations and not-for-profits working right within the city, and us having some ability to have a say in that. So I think today is the opportunity to learn a little

bit there. So, as this was handed over or created with the Brooklyn Navy Yard, BNYDC, was EDC there first? Was Economic then handling it or you just meet and take over from that one point?

DAVID AHRENBURG: Yeah, so we just raised the--the--on that, you know, in 1969 when the city purchased the property they tried. They, and I don't know--it was part of the process with EDC. I don't know who it was got a private ship builder to operate in the yard for a few years. They then went out of business. They then tried a car manufacturing plant to locate at the Navy Yard. That didn't go anywhere. They then lease it to a predecessor not-for-profit called Click, which was then dissolved and reformulated as the Navy--as the NYDC in 1981, and so it's always--it's--it's never been EDC. It's been in the Navy Yard. A lot of our city capital funding and relationship with the city actually runs through SBS because we're on the waterfront.

CHAIRPERSON LEVINE: So, why don't we delve a little into that. So, the relationship with SBS and the amount of city capital funding, what is the percentage there?

DAVID AHRENBURG: Sure. If you want to--
sure.

CLAIRE NEWMAN: So our structure with SBS is primarily governed by two documents. We have a ground lease, which runs from a term of 99 year and passes through a lot of the requirements and responsibilities that the city wants to see the Navy Yard deliver on and then we also have a master contract with the city that runs through SBS, which governs a lot of the flow of funds around city capital dollars. I would describe the capital money that supports the Navy Yard in two buckets. First is what we would call--is a 10-year state of good repair plan, which is something the Navy Yard and OMB and City Hall agreed to some years ago, and essentially wrote the road map for how the Navy Yard would get its streets, its roofs, the basic infrastructure back into a state of good repair because it's wonderful to have a 300-acre asset, but we also have the responsibility for all of those utilities on one street--

CHAIRPERSON VALLONE: [interposing] And when does that start? When is that tenure?

CLAIRE NEWMAN: It started about 10 years ago so I get a-

CHAIRPERSON VALLONE: It's up? (sic)

CLAIRE NEWMAN: Yeah, exactly. It's more like a 20 year at this point funds roll, et cetera, et cetera, and that was approximately \$200 million and we're working our way through that list of repairs every year, and then in the second bucket are funds that are given to the Navy Yard.

CHAIRPERSON VALLONE: So with that first bucket and those repairs, where is the recording going to? Is it OMB? Is it--

CLAIRE NEWMAN: [interposing] Yes. It's to OMB and then all of the contracts follow the standard kind of city capital process where we get a certificate to proceed from OMB and then those contracts are registered by the Comptrollers' Office.

CHAIRPERSON VALLONE: So, we now need to revisit and look for expansion within that project, and what are the different infrastructure needs that you will need and the community would need?

CLAIRE NEWMAN: We do it on a fairly regular basis with OMB through their yearly capital process but, you know, it's certainly something we

are always open to and excited about because as we—as we continue to operate the yard, the reality is this façade needs a replacement or that roof needs a replacement, and we’re catching up on effectively 50 years of deferred maintenance from the period of the 60s when the—when the Navy left and the recent history when money started to flow for basic infrastructure.

CHAIRPERSON VALLONE: Does that include the capital costs of the old historic buildings and the new vision buildings and--

CLAIRE NEWMAN: [interposing] Yeah, we’re just--

CHAIRPERSON VALLONE: --the kind that you’re laying out and--?

CLAIRE NEWMAN: Not all of that. So with respect to the basic repairs on the old buildings, yes. If a building needs its roof replaced or needs a new electrical system indeed. For the new Master Plan there’s no funds allocated yet, and then the second bucket of money is for specific projects. So, for Building 77 for example, which David talked about in his presentation, that was about \$195 million project and the city and—thanks to support from a

number of Council Members and the borough president provided around \$100 million.

CHAIRPERSON VALLONE: Is that within the same timeline the 10 years?

CLAIRE NEWMAN: That's complete and open, but it was within that same 10-year plan, but I was above and beyond the kind of set amount of money that OMB had already agreed to. That was the kind of project where we had to go and explain the job creation. It was a new project, and we asked for support.

CHAIRPERSON VALLONE: So, how does the interagency I guess coordination work then. That's a big thing with all of our committees is the fact that you are not just operating alone. You've got all of the city agencies at this point from Buildings and Zoning and ULURP and NYCHA and Housing and Jobs. How is that handled within the interagency corporation?

HARRISON GREEN: So, a lot of it runs through SBS as, Claire said and the Comptroller's Office and that's just, you know, frankly a process we have to get through and we do that every year. Our contract this year is actually multi-year contract to kind of smooth it out for us and make it

a little less paperwork intensive each year. In terms of other agency coordination, the Department of Buildings reviews some of our building plans. SBS again because we're on the waterfront, reviews other building plans and we just, you know, we've got relationships there and we're—we largely there act as a builder as a private developer and those are less sister agencies in that case, and more regulatory agencies making sure that our buildings are—are, you. know, up to code and—and safe.

CHAIRPERSON VALLONE: So, what percentage of the buildings then would you be the owner/operator versus the leased or sold off to private?

HARRISON GREEN: There are really only three developments that are not our own: Steiner Studios, which is relatively large and encompasses a corner of the yard. That's ground leased. There's another—it's called Dock 72, which is a 700,000 square foot new development, which is going up, which is ground leased to Boston Properties and Ruden, a joint venture between the two of them, and then on the other corner the Admirals Row, which is they're to be the site of a supermarket and other retail. We ground leased that as well because we're not a retail

developer and didn't—didn't want to get into that line of business. We had made a commitment to the community long ago to bring a supermarket. So, we're going to honor that commitment, but we didn't actually want to be the landlord a supermarket. We just—we just don't do that. So, we as a general matter and in the Master Plan expect to build own and operate our—our buildings ourselves. It gives us complete control over the tenanting decisions and that's a 100, you know, that's everything for us. If we can't control the tenant decisions, we don't know whether it's going to be just another peer tech company or whether it's going to be the kinds of companies we attract, which create a wide diversity of jobs, and so the control within the company—within the not-for-profits is essential. Every single leasing decision I see personally and look at how many jobs. Look at whether, you know, if they're an existing tenant, have they use the employment center and to what effect. I meet with most of them. It is a decision that we take extraordinarily seriously because we don't create the jobs. It's the tenants that do. So, I--

2 CHAIRPERSON VALLONE: [interposing] Well,
3 I think it's kind of both. So, you were seeing-

4 HARRISON GREEN: [interposing] Yes, yes.
5 yes, yes but we can't. We are low and can't do it
6 absolutely. So, we are low and can't do it. So-so
7 we only do public-private partnerships where it's a
8 kind of project, which we really can't do, retail
9 development and office development, Steiner's
10 Studios. We don't want to run a film studio that's
11 not really within our core competency. Other than
12 that, we try to self-develop.

13 CHAIRPERSON VALLONE: So, how much are
14 setting up the new plan versus what you have existing
15 would be a new type of business versus continuing the
16 business that you already have?

17 HARRISON GREEN: So, so the vision is in
18 the Master Plan, and those three sites that we will
19 build, own and operate, all of those sites. Now,
20 that is the current vision. There is a high
21 probability that we will decide to do one or more
22 public/private partnerships in-in that, but only in
23 the right conditions and only where we believe that
24 it's effective for our mission to do so and that is a
25 decision that frankly we just-we can't make now. We

have to make at the time of when the—when those opportunities are—present themselves to us. I want to clarify one thing about the Master Plan. So, the Master Plan calls for about \$2.5 billion of additional investment. That is no small number, and, you know, another concern I have is figuring out the capital stack to make those work because we charge our tenants, you know, a fraction of what the private real estate market would charge, and so making the economics of building that building, getting enough debts into those buildings to make it—to make it pencil out is—is a challenge. We have taken the position that we can and will execute on that master plan ourselves with the tools that are there right now so the opportunities on program, tax credits and the like because we are, you know, we've got cash flow that we could reinvest into the Navy Yard and at the right time we will reinvest that into one of these buildings. So, we have not made an explicit capital ask to the City Council or to the Administration or to the Borough President or to anybody else related to that master plan. When the time comes and when we design the building and when we perhaps have an anchor tenant that we're ready to

build for, at that point there will be a conversation to be had ,and we certainly don't want to preclude that because the Master Plan and if the buildings can go at one pace to rebuild it and have to finance it entirely ourselves, and it would go at a very different pace and a much accelerated pace if we have the kind of public support that we've enjoyed in the past.

CHAIRPERSON VALLONE: It sounds like our ongoing dilemma depending on who is doing the building and who has got control of the project whether we're dealing with libraries, schools, parks-

HARRISON GREEN: Right.

CHAIRPERSON VALLONE: --or EDC. There's always a different set of rules. So, how does that all and forgive my trying to tie this all in, and this will be my last question on this and then I'll turn it over. How does that relate to the relationship with SBS and OMB and the decisions that you just outlined that you're going to make? SO, in- in the contract that's there and in the line lease, where is the coordination between what is developed? Is it all through the non-profit, or is there that city engagement?

HARRISON GREEN: I would say that there is a lot of city engagement. We work very closely with the Deputy Mayor, Deputy Mayor Glen's team. It is important and we're joined here by Ann Gutman, our Board Chair. We also have a highly professionalized board representing real estate professionals, Workforce Development professionals, the local community and it is a very active and engaged board, and so the decision making process while highly coordinated with the city and sister agencies is formally run through, and substantively in many ways run through the board process. Not in many ways, in all ways.

CHAIRPERSON VALLONE: And how many board members do you have?

HARRISON GREEN: We have a large board. We have 28 board members, and it's a large board because, you know, we need all the real estate professionals. We need finance professionals. We need community members. We need a lot of different or for local council people. I'm sorry. Three local Council people and the borough president have-have delegates on the board and so it's-it's a very healthy but diverse set of people.

CHAIRPERSON VALLONE: So, the President of the Board didn't think he was going to be part of the series.

HARRISON GREEN: Right. [laughs]

CHAIRPERSON VALLONE: We're going to get you involved. Alright so what--what I'd like to do I want to go into the educational. I think the opportunity is there at the same center and the students is screaming for delving into and how we can expand that. I'd like to turn it over to the Council Members who signed up for questions. So first is Council Member Inez Barron.

COUNCIL MEMBER BARRON: Thank you, Mr. Chair and thank you to the panel for coming, and I'm very familiar with the Navy Yard because I lived my childhood up to about age 16 in the--what was then called the Fort Greene Projects. They've since been separated into two NYCHA developments. The Steiner Studios. Is there a relation--a relationship between your company, your corporation and Steiner Studios and if so, what is that relationship? And I'm interested in that because I am the Chair of the Committee on Higher Education.

DAVID AHRENBURG: Okay. Right.

JACQUELYNNE RAINEY: So our relationship with Steiner Studios is one of a ground lease transaction and so Steiner Studios I believe was opened in 2001. Oh, no, 2004 and their whole development site and their expansion plan is governed by a ground lease between the Brooklyn Navy Yard Development Corporation and their operating entity, and so that lease governs the nature of the relationship. I would say that Steiner Studios is through that relationship responsible for doing all their own construction, getting all the approvals they need for whatever they want to build. They go out and secure their own financing and then they make the decisions around what movie productions come into the facility. I think members of the committee probably know that Firestein Graduate School of Film is there, which is a--

COUNCIL MEMBER BARRON: Right.

JACQUELYNNE RAINEY: --community program, and that was put into one of the buildings there with city support.

COUNCIL MEMBER BARRON: So, what is the financial relationship between the two of--the two entities?

JACQUELYNNE RAINEY: They pay us a ground rent.

COUNCIL MEMBER BARRON: They pay you a ground rent. So you know what that amount is?

JACQUELYNNE RAINEY: Part of it is participation so it can vary a little bit from year to year. I don't have the figure off the top of my head.

COUNCIL MEMBER BARRON: Okay, if I could get that at some point--

JACQUELYNNE RAINEY: Sure

COUNCIL MEMBER BARRON: --subsequently that would be great. The other question that I have, which was alluded to by the Chair talks about education. So, if you could talk a little about the high school and about what appears to be another program, another component that's not actually the high school? Are they two distinct programs because I heard you say that there are five schools that will be sending students?

DAVID AHRENBURG: Yeah, sure. Do you want to explain that a little bit?

CLAIRE NEWMAN: So about five years ago when David came on board, one of the things that we

really pondered was how are we going to close this gap between finding a workforce and--and that our businesses need, and this idea that the skills don't exist here in New York City, and we were really trying to think about how do we create this training program or give someone who actually does that work space so they can create a training program. It might be something like a last mile training for college students in order to ensure that they're able to get the jobs that are on the yard. With that, we had a--it took us a while trying to have conversations with CUNY and different entities around how do we create this, and at one point--I don't know if you know Dr. Lester Young. He is a Regent.

COUNCIL MEMBER BARRON: Very well.

CLAIRE NEWMAN: Yeah.

COUNCIL MEMBER BARRON: Yeah, I've known him for about 45 years.

CLAIRE NEWMAN: [laughs] So--so Dr. Lester Young came to the office one day. He had asked for a meeting with us and came to the office and said, Listen, I'm thinking about this program that would look like what BOCES Program is Upstate and in Long Island where the students go to the program everyday

and just can—can just focus on those career and technical skills, and we were like Oh, my God. That's exactly what we're trying to think. We weren't thinking about high school students, but that's even better. We were thinking about college students, but that's even better. We were thinking about college students. We're all in. So, with that, the DOE signed on, and said that this also sounds like a great program as well, and the DOE took on this new vision around career and technical training of having what we thought of as the time as a hub where students from eight local schools could come to the Brooklyn Navy Yard, which is a place where we know business is happening and that they could just focus on these skills. We thought this is a great opportunity for us to make sure our businesses could inform the program, that they would be guest lecturers, that they would help to create the curriculum so that, you know, I have this saying that, you know, people support what they help to create. So that when they know that they've been part of this program that they were actually going to hire the folks that they helped to train. SO it has expanded since then that it's now—it's going to be

its own high school, but it's still going to be fed by these eight schools. So they're going to have home schools where they go to high school in Brooklyn very local to where we are, and they are--when they're junior and senior year, they're going to start coming to the STEAM Center, which is going to be located in Building 77, which is the million square foot building that we just opened where we're going to have some of our most prestigious manufacturers in that building so that we're thinking about the students actually being on the elevator with these buildings--with these businesses.

COUNCIL MEMBER BARRON: So, it's going to--it's going to be a high school?

CLAIRE NEWMAN: It's opening. It's--it's a high school that's going to be fed by four--by eight separate high schools.

COUNCIL MEMBER BARRON: And when will it actually be functioning?

CLAIRE NEWMAN: Six days from now.

COUNCIL MEMBER BARRON: Okay. So, you're going to begin it in the fall--in the spring semester?

CLAIRE NEWMAN: So, the school has also--they have seniors already. So they're going to start

coming to the site here, and the Brooklyn Navy Yard so they have satellite space at Boys and Girls High School, at Weston Hills High School and--and Winn Day (sic) High School. I'm sorry, Windy High School.

COUNCIL MEMBER BARRON: How many students will be a part of this school?

CLAIRE NEWMAN: 200--approximately close to 200 student and that will be the juniors and the seniors that will be coming to the program at the Brooklyn Navy Yard.

COUNCIL MEMBER BARRON: And how were the schools elected?

CLAIRE NEWMAN: So they were selected looking--as we were thinking about schools that had higher performing scores, and lower performing scores, so the--the schools that were selected were selected by the DOE. We didn't select the schools, and they were selected based on like proximity to the Navy Yard. So, George Westinghouse, Benjamin Vanager, Bedford Academy, the High School for Global Citizenship, Science Skills, Science Technology, Boys and Girls and Medgar Evers College Prep are the schools that will be involved.

COUNCIL MEMBER BARRON: Okay. I have more questions but it will be round 2.

CHAIRPERSON VALLONE: Yes, we'll definitely---

COUNCIL MEMBER BARRON: Okay.

CHAIRPERSON VALLONE: I know there's two

COUNCIL MEMBER BARRON: [interposing]
Thank you.

CHAIRPERSON VALLONE: I know there's two Council Members coming up. So, I just want to give an opportunity for quickly some questions for both. So, Helen, do you—I think you're next, right.

COUNCIL MEMBER ROSENTHAL: Adrienne.

CHAIRPERSON VALLONE: Adrienne is next.
Adrienne.

COUNCIL MEMBER ADAMS: Thank you very much, Mr. Chair. Thank you all for your testimony today. This is very encouraging to hear about the projects and just hear the magnitude and the scale of this project. So thank you for your hard work. I'm getting to the party a little bit late. So, I'm just going to ask a couple of questions briefly just to give myself a little more of the back story. As far as community engagement is concerned, my colleague

Carlina Rivera was here earlier and she kind of whispered something to me. She said that her grandmother live in Farragut Housing and she said, I really hope that they do well for those residents and tenants over there at Farragut. So, can you let her know what it is that you have intentionally done for the residents of Farragut?

DAVID AHRENBERG: Yeah, absolutely. So, I'm going to turn this over to Harrison because he actually does a lot of this work. It's something that we take extremely seriously and have really invested a lot of time and energy in—in recent years. Harrison, do you want to describe a day in the life and then I'll—I may jump back in.

HARRISON GREEN: Sure. So, our—our reach to the community shows—there is not balance on it. Se do a lot of investment in time not only in the workforce area but also sort of in the sponsors and philanthropy area. So, we recognize that again there's sort of a gap not just with trying to get into the workforce, but—but also just sort of the day-to-day living, right. So we do a lot of sponsorship particularly around like this—this Thanksgiving we—we—we helped with our—the food

pantry, which we do monthly actually that's hosted with-in conjunction with Mark and City Harvest. We do over 500 toys for the-the holiday season as well, and beyond that during any given month we're engaging with tenant-with the tenant associations probably about six times through tenant association meetings as well as individual programmatic meetings. In addition to that, we're out and dealing with the Community Boards as well and hearing and touching base with our community organizations. Each year we do-well, twice a year actually we do engage our community organizations, bring them all together and sort of do sort of a presentation similar to-to what we've got here to make sure that they're all abreast and keep aware of what's going on and opportunities at the Yard.

DAVID AHRENBERG: And I would just-so just to-to try to give a very current example of this and-and how seriously we take this because we-we do know that the Navy Yard is surrounded is surrounded by walls and until recently those walls had-had barbed wire on it, and a sign saying: Government Property. Keep Out. So, there's a long legacy here of-of, you know, a kind of arms length relationship,

and it's something I—I got my start as a community organizer in Brooklyn and so I know the importance of just being present and I think that for us to be present we've got to get outside the—the walls. I'm not sure that we've always historically done that. It's some that we took—we take very seriously now. We have the grocery store opening in in the fall of this year. They've already started hiring. As part of that deal, we negotiated for a three-week sole source hiring period where they could only take resumes from our employment center. That period was during December. It was actually extended to a—to a three week period, and in that period our team held more than 60 programs out in the—in the community either information sessions, training sessions and application sessions and over the course of—of three weeks, you know, multiple times a day we did it both at our employment, at the Community Center at—at this point it was at Farragut or Ingersoll and at the Boys and Girls Club, which serves largely those three complexes and we had extraordinary turnout. We—we hired nine local residents to actually go door-to-door and kind of put flyers under—under doors and the like. Although we didn't do that because I don't

think you're allowed in NYCHA, but something like that, and really kind of made an enormous investment. I had a conversation with Hank saying I think we might be overdoing this and pending more than we need to, but it was something that we wanted to err on the side of way overdoing rather than slightly underdoing, and, you know, the results speak for themselves and this is, you know, largely Harrison and our Executive Director for--Vice President for Course Development a woman named Katie. Their efforts resulted in 741-42--742 applicants going in and getting a head start on that--on that process.

COUNCIL MEMBER ADAM: It's great to hear. Thank you. I have a background with Community Boards and Community Chair for a number of years in Queens. So that's really important to me. My two final questions again have to do with the community. One of your 28 board members, how many come from the community and my final question would be your 9,000 jobs what is the percentage of workers that are coming from the community proper?

DAVID AHRENBERG: So, there's a lot of questions. I have the statistic right here precisely so for the yard wide employee--employment 53% are

Brooklyn residents and about 30% are from our 10 most local zip codes. I will note that that's—if anything those are—are low because we're taking that off driver's licenses and there are some people who apparently work at that Navy Yard like live in California, which clearly they haven't changed their driver's license. So, then those numbers are probably actually a little bit higher, and like I said, we do the—the Employment Center, the placements we make through there are higher in the local community because that's where we do most of our outreach. In terms of our board members, Claire and I could probably huddle and try to figure it out, but I would say the majority live in the immediately surrounding zip codes, and we have a number who—so—so they're part of the community and then we have a number who, you know, work for community organizations or are somehow kind of officially tied to the community other than just being residents.

COUNCIL MEMBER ADAM: Like stakeholder. Very good. Thank you very much. I appreciate it. Thank you Mr. Chair.

CHAIRPERSON VALLONE: Helen Rosenthal and we've been joined by Peter Koo.

COUNCIL MEMBER ROSENTHAL: Thank you so much, Chair and thank you for your presentation. It's really impressive. I have a couple of questions about—that have to do with slides in the presentation. So, I might ask you to open up.

DAVID AHRENBURG: Sure.

COUNCIL MEMBER ROSENTHAL: But if we could start just very quickly and this was a question that Council Member Cornegy asked me to ask is the consultant that you hired for this project, was it a MWBE?

DAVID AHRENBURG: For—for the Master Plan?

COUNCIL MEMBER ROSENTHAL: Uh-hm.

DAVID AHRENBURG: I think it is. [background comments] Yes, they are. I believe they're MWBE. I don't know if they're a registered W-Woman-owned business, but yes, one of the principals is. Yeah.

COUNCIL MEMBER ROSENTHAL: Okay, good to hear and then for the—the jobs that you were just mentioning where you did—there's been some outreach, and got 741 applicants—local applicants that was for how many jobs?

2 DAVID AHRENBURG: It's for about 500 jobs
3 and those--the interview process is now ongoing.

4 COUNCIL MEMBER ROSENTHAL: Okay, could
5 you get back to us when the jobs are filled with what
6 number ended up getting jobs?

7 DAVID AHRENBURG: Yes, of course.

8 COUNCIL MEMBER ROSENTHAL: Great, that
9 will be great and then if you look at and tell me
10 this is like really quick and dirty on the envelope
11 math that no one should ever do but--

12 DAVID AHRENBURG: [laughs] No problem.

13 COUNCIL MEMBER ROSENTHAL: --I don't
14 recommend it. So a billion dollars of investments end
15 up getting 20,000 jobs. Is that a fair statement?
16 Just to get your testimony?

17 DAVID AHRENBURG: So, so the current
18 phase of development is just under--is just under a
19 billion dollars and will generate about 14,000 jobs
20 because--

21 COUNCIL MEMBER ROSENTHAL: [interposing]
22 I was just doing quick and dirty math. Let's call it
23 for--call it \$20,000.

24 DAVID AHRENBURG: Right.

25 COUNCIL MEMBER ROSENTHAL: Take it.

2 DAVID AHRENBURG: Right.

3 COUNCIL MEMBER ROSENTHAL: That gets us
4 to \$50,000 per job.

5 COUNCIL MEMBER ROSENTHAL: Okay and then
6 over time will the number of jobs grow so that these--
7 this billion dollar investment it sort of serves as a
8 fixed cost so that the cost per job over time will
9 come down.

10 DAVID AHRENBURG: Well, jobs are
11 certainly densifying within the Yard and so, you
12 know, companies are packing more and more people into
13 smaller spaces. So I would image that it will go up
14 some, but I think it is very important to note and
15 this may not be the point of your question, but that
16 billion dollars the vast, vast, vast majority, 85% of
17 it is private investment. So, not-not public
18 investment. So, there that is just the cost of
19 construction of a new building.

20 COUNCIL MEMBER ROSENTHAL: I would have
21 though you would have said, which would have been
22 interesting to me that the vast majority of it is to
23 shore up the ground so that you don't have problems
24 with, you know, flooding again, you know, like that.

2 DAVID AHRENBURG: So, yes, so part-so
3 part of it is the infrastructure investment, which
4 has been—we have partnered with the city to make sure
5 that—that we address those issues but of that billion
6 dollars, the vast majority is just the cost of on our
7 side adaptively—adaptively reusing old building and
8 just, you know--

9 COUNCIL MEMBER ROSENTHAL: [interposing]
10 Yep.

11 DAVID AHRENBURG: --gutting them and
12 building 77 a million square foot building, which is
13 on the corner of Flushing and Vanderbilt--

14 COUNCIL MEMBER ROSENTHAL: [interposing]
15 Right.

16 DAVID AHRENBURG: --so a very visible
17 corner for the Navy Yard, it has no windows on the
18 bottom 11 floors.

19 COUNCIL MEMBER ROSENTHAL: Right.

20 DAVID AHRENBURG: We spent \$200 million
21 just under \$200 million modernizing every element of
22 that building adding windows, all new elevators, all
23 new systems, and each one of these developments that
24 you see here come along with a, you know, pretty
25 hefty construction price.

COUNCIL MEMBER ROSENTHAL: Got it. So, is that billion dollars such a fixed cost? That's a one-time fixed?

DAVID AHRENBURG: That's right.

COUNCIL MEMBER ROSENTHAL: So, hypothetically next year, when we don't have that cost, right, that investment has already been made, right.

DAVID AHRENBURG: Exactly.

COUNCIL MEMBER ROSENTHAL: Okay got it. Could you go to the slide which had the picture of the buildings the first one with the walkway that was in yellow?

DAVID AHRENBURG: Yes. The-oh that's up there. Okay.

COUNCIL MEMBER ROSENTHAL: I came in late. Sorry. I would have asked. Okay, right there. I'm wondering-we were talking about connecting to the community and I was wondering about crossing I think is it Kent. I'm not sure but it -the walkway that is currently in yellow, is there some way of clearly indicating that that crosses into-crosses the street-

-

DAVID AHRENBURG: Yes.

COUNCIL MEMBER ROSENTHAL: --into the community so that it would, you know, I'm making it up. Let's say that walkway was painted yellow that you would paint the same yellow in the street so that the community is clearly encouraged in?

DAVID AHRENBURG: Yes, I would also say that yes and when we get to designing the buildings, we will certainly make that as inviting of a corner as possible--

COUNCIL MEMBER ROSENTHAL: [interposing]
Great.

DAVID AHRENBURG: --where it is a grand entrance to the art and beckoning the community in. This--these master planned buildings are a ways off. We're not breaking ground on them any time soon, but what we are doing right now is an exercise to re-envision the gates that currently are the yard==

COUNCIL MEMBER ROSENTHAL: [interposing]
Yep.

DAVID AHRENBURG: --to make them more inviting and efficient for--for access.

COUNCIL MEMBER ROSENTHAL: And then your notion of the museum look, I'm again--so what you're

doing is great. So, these are, you know low tier questions.

DAVID AHRENBURG: Right.

COUNCIL MEMBER ROSENTHAL: But again the note-to the notion of welcoming the community, the-I'm wondering what is driving having a museum using space from a museum versus having space-community facility-community space just for-not for rent but for use like for the community board or local groups that everyone is trying to find meeting space, really hard to find. Whether or not you'd be interested in devoting some space to that, and then also if you would be willing to have more retail on the bottom for the things that are being manufactured on site?

DAVID AHRENBURG: Right, so-so on--

COUNCIL MEMBER ROSENTHAL: [interposing]
For that-that-?

DAVID AHRENBURG: [interposing] Yes. So that's the concept in-here on the ground floor here and these are--

COUNCIL MEMBER ROSENTHAL: [interposing]
Okay.

DAVID AHRENBURG: --these are master plans so it may be flip-flopped. It may be that

somebody comes up with a great other way to engage with the community and, of course, we would be open to that, but certainly in terms of community access when we—when we come around to actually designing these buildings, that will be first and foremost in our mind. I would on the ground floor Building 77 where we have—that's one of the buildings that we've all—we've already completed. That's the million square foot building that I was just describing. We have a food manufacturing facility where the manufactures sell retail into the lobby. So, it's a kind of interesting place for the population for the community to come in. I also serves lunch to our workforce, which is important in that we actually built a conference room, which will be accessible to local stakeholders and maybe our tenants in order to solve the need for them, I would say, which we're certainly aware of, but also self-servingly just, you know, we want people coming down to the yard. More—the more—more is better for us in terms of that.

COUNCIL MEMBER ROSENTHAL: Great and this and I'm sort of punting you back to the Chair, but as part of this, is there a report that documents where

2 the jobs—who's getting jobs and sort of overtime, you
3 know sort--

4 DAVID AHRENBURG: [interposing] We can
5 certainly---

6 COUNCIL MEMBER ROSENTHAL: [interposing]
7 Is there income bands or--?

8 DAVID AHRENBURG: Yeah, we can—we can—we
9 can provide as—as much as we have on that. We have
10 dashboards that, you know, we all look at constantly
11 to make sure that we're on target. I will say that
12 the granular data is hard for us because the State
13 Department of Labor will not share that data with us
14 because of privacy concerns. First of all enough
15 where you could kind of figure out oh, that's—that's
16 this company or that's—that's company. So, we don't—
17 we've asked but we've not been granted access to that
18 data. So, what data we have comes from a survey we
19 take of tenants and our employment center. So, it's
20 not—it's a little bit kind of back of the envelope
21 math, but it's the best.

22 COUNCIL MEMBER ROSENTHAL: And that's
23 what footnotes are for. Thank you. Thank you so
24 much.

CHAIRPERSON VALLONE: Back to Council Member Barron, but just before we do that since we're talking about that, you know, Chair Barron for higher education I think your—the Owen Employment Center, the DOE, the NEXUS, the high school, the students, it's a model for every borough.

COUNCIL MEMBER BARRON: Uh-hm.

CHAIRPERSON VALLONE: And as a Queens guy and I'm advocating for my Northeast Queens and everyone in Queens I think these are opportunities that every student I think should have the ability if there would be a skillset for the next generation is even going into the boroughs, whether the time is not a major company, but the template is there. The template is there and you won't need to go anywhere else. We have the students. So, I-I just wanted to maybe give you an opportunity. You mentioned the 200 students of the eight—the eight high schools. Is there plans or your own independent high school or educational hub at some point that could grow within the facility and maybe we could then grow that format into the outer boroughs.

DAVID AHRENBURG: Yeah, I would say, you know, I mean Feirstein is when I think about our

mission Feurstein and the STEAM Center is, you know, it's—it's hard for me to come up with a word. How I usually describe is, you know, the little angels with harps on a cloud. It's like that is everything for us, the fact that CUNY students. Feirstein is the graduate film program for Brooklyn College. It is the only—it is the only public graduate film program on a—on a back lot in the country and so those students are paying CUNY rates and, you know, coming from the local community have better access to their chosen industry than anybody in the country right, and that is—that's extraordinary, and that's what we want with the STEAM Center. The STEAM Center actually the DOE fell in love with another building in the Navy Yard which is a beautiful building , and they actually wanted to put the STEAMS under there, but it's a single-use building like one tenant, and we actually said no we actually want you in Building 77. We want you in the center -the center of the yard and not many landlords would say hey, I want 200 high school students in the lobby of our buildings and in—in the—in the elevators, but we—we actively wanted that in our partnership with the principal to create a culture of ownership with the students and, you

1 know, Dr. Young actually said it to us in his first
2 meeting, you put a high school student in a high
3 school and they sometimes act like a kid, and you put
4 them in a place of business, and they act like a
5 young adult. That was pretty much exactly his words,
6 and we're seeing that play out all the time. We are
7 certainly—we—we've designed, we built, we're heavily
8 involved in the whole concept of—of the high school,
9 and so that's a—a big chunk of work for Jocelyn and
10 her team, and on the construction side Claire and her
11 team. So, we're—we've got a lot going on right now,
12 but we are certainly interested in seeing that format
13 expand and like I said, we've reserved the other half
14 of the floor in that building. We're not leasing
15 out. We're not making any rent on it, in the hopes
16 that either high school program stands or there a
17 similar kind of program.

18
19 CHAIRPERSON VALLONE: I think may we—we
20 do at this at point especially when I do it, it's for
21 the students. They're the kings.

22 DAVID AHRENBURG: Right.

23 CHAIRPERSON VALLONE: So, I think this is
24 a great starting point for us to reach that. I'm very
25 excited about that. We have students bursting at the

seams and any time we go to a career day, we go and we ask and the first question is: How do we get that job we want? And so you are providing that, and that's why I think it's so important, and I—I thank Margaret for hanging in there from the Waterfront Alliance and ensure our panel after. I think that one of the things that she wanted to ask and she's been waiting was is the slide in the presentation that you have very accessible to the public? Can folks see what the future is going to be at some point and can it be placed online or--

DAVID AHRENBURG: A lot of this had been—the renderings are online. They've been in—in the press as well. So a lot of—a lot of what is here is accessible for everybody to the master plan.

CHAIRPERSON VALLONE: So, if it's not we can get it at some point? Access to it?

DAVID AHRENBURG: Yeah, I mean we're--

CHAIRPERSON VALLONE: This presentation is very helpful. I am sure that folks would like to.

DAVID AHRENBURG: Yeah, and what I would certainly say is anybody who wants a presentation we—we have the conversations all the time, exactly what

we would release to the general public is something we'd just have a conversation about.

CHAIRPERSON VALLONE: Council Member Barron.

COUNCIL MEMBER BARRON: Thank you Mr. Chair. Just a few follow-up questions. I read somewhere about a museum. Is this a part of what the high school will do or is it something that's separate?

DAVID AHRENBURG: No, that's-that's the concept on-on this next site on the Dumbo facing site. Oh, it our-

COUNCIL MEMBER BARRON: [interposing] So it's like separate.

DAVID AHRENBURG: Yes, we're having- anyway. So one of the master plans that we're technical difficulties it's on my screen.

FEMALE SPEAKER: There you go.

DAVID AHRENBURG: Oh, okay, this is one of the master plan sites. Again, the ground floor these-these are goals we have, but I would call them illustrative examples of what we want to do in a master plan. There is not-it's not set in the stone that we're going to have the science and technology

to see them there, but what we want to figure out is a way on the ground floor to engage the community and bring them down to the yard but in a way that's meaningful for us. We don't want to have a movie theater there, right? That would have nothing to do with our mission. So we want something that relates both to the community and--and what--and what we do. So--so the science and technology museum is--is just an example, you know, frankly whether that gets built in that space or not, will be something that we'll just have to work out in the coming years.

COUNCIL MEMBER BARRON: Okay. My colleague asked the question about what percentage of the community was--were members of the board, and as we're talking about board members, what percent of your board are black?

DAVID AHRENBURG: I can't do that math right off the top of my head.

COUNCIL MEMBER BARRON: Okay, if I could get that black--

DAVID AHRENBURG: [interposing] Yeah.

COUNCIL MEMBER BARRON: --and Latino and-- I'd like to know that because you're situated in the midst--

2 DAVID AHRENBURG: [interposing] Right.

3 COUNCIL MEMBER BARRON: --of what was
4 historically always a black community.

5 DAVID AHRENBURG: Right, yes, I
6 understand. Yeah, we can get that--we can get that
7 for you. I will say that, you know, having a
8 diversity of viewpoint and opinions is something that
9 we need more.

10 COUNCIL MEMBER BARRON: Right, and and--
11 and as we talk about the gentrification that's going
12 on at the Brooklyn Navy Yard it's fine to say that
13 people in the community are on a board, but I want to
14 know how many blacks--

15 DAVID AHRENBURG: Right, Uh-hm.

16 COUNCIL MEMBER BARRON: --or percentage
17 of blacks--black members are on the board and also get
18 talking about CUNY and SUNY are you--do you have
19 other ideas for relationships to expand the job
20 opportunities for students who are coming through the
21 DOE and with the CUNY programs. Of course, as we
22 talked about the Feirstein lot that's already there
23 the graduate program. That's a graduate program--

24 DAVID AHRENBURG: Right.

2 COUNCIL MEMBER BARRON: for film, but do
3 you have other kinds of collaborations that you're
4 looking to establish as well?

5 DAVID AHRENBURG: Yes, for sure. I mean
6 we very much want to deepen the relationship we have
7 with CUNY. We already have a pretty deep
8 relationship so with City Tech, which is right down
9 the road from us.

10 COUNCIL MEMBER BARRON: Right.

11 DAVID AHRENBURG: We had a quite close
12 relationship really centered in large part around our
13 internship programs right now, and making sure that
14 those students have access to the robotics companies
15 and—and companies like that at the yard. We are in
16 conversations with right with CUNY. I don't know
17 where they will go. They are very exploratory, but
18 about the next step to deepen that relationship.

19 COUNCIL MEMBER BARRON: So, we're talking
20 about graduate students, college students, high
21 school students. How far down do you go because it's
22 a school literally where Flushing and Sand meet the
23 Navy—the Navy yard, the Navy Street. There's a
24 little high—a little elementary school there.

25 DAVID AHRENBURG: Yes, there is.

COUNCIL MEMBER BARRON: I think it's 287.
So how far down do you go in terms of beginning to
stimulate because let's talk about career days.

DAVID AHRENBURG: Right.

COUNCIL MEMBER BARRON: Beginning to
stimulate children to think about that. How far down
to the times with that. (sic)

DAVID AHRENBURG: We—we have programs
that run all the way through to elementary school so
we do tours of the yard. We've actually developed a
curriculum set, which is DOE certified to be part of
their curriculum, which is free-free for local public
schools which concentrates on two areas. One is
women in non-traditional work during World War II as
kind of a social studies module and then we have a
science and technology module around green building
design so that teachers get trained. They take their
mod—they take their curriculum to the school. They
do a couple in-class sessions and then they culminate
to the, you know, the trips of the Navy Yard.

COUNCIL MEMBER BARRON: Okay.

DAVID AHRENBURG: You were saying.

CLAIRE NEWMAN: We volunteer at that
school specifically in their read ahead program.

2 COUNCIL MEMBER BARRON: Okay.

3 CLAIRE NEWMAN: They read there at
4 lunchtime. It's now—we have a very strong
5 relationship with that particular principal. We do—

6 COUNCIL MEMBER BARRON: [interposing]
7 she's part of my mentees.

8 CLAIRE NEWMAN: Michelle?

9 COUNCIL MEMBER BARRON: Yes.

10 CLAIRE NEWMAN: Yes. so she's lovely, and
11 we have a—we have—we have a strong relationship with
12 her.

13 COUNCIL MEMBER BARRON: I hired her as a
14 teacher for her first position, and I have a special
15 interest.

16 CLAIRE NEWMAN: Oh, she's wonderful--

17 COUNCIL MEMBER BARRON: Yes.

18 CLAIRE NEWMAN: --and the students there
19 are amazing as well

20 COUNCIL MEMBER BARRON: Yes.

21 CLAIRE NEWMAN: And we—and we volunteer
22 there. I—I actually go there and we—we also work
23 with them as far as we give them private tours.
24 We've had pizza party with that group as well. We
25 really want to make sure that, you know, if the

2 community there knows what's going on there. We want
3 the young people to be ambassadors for us--

4 COUNCIL MEMBER BARRON: [interposing] Uh-
5 hm.

6 CLAIRE NEWMAN: We want them to go home
7 and tell their parents about it as well, and I don't
8 know if we talked a lot about we have an exhibit
9 already in place, a small museum. We have space in
10 that building that we--

11 COUNCIL MEMBER BARRON: Right.

12 CLAIRE NEWMAN: --that we give out to DOE
13 schools that are located around the yard who actually
14 have their meetings there as well. So, our--

15 CHAIRPERSON VALLONE: You see the first
16 space, the space is already there.

17 CLAIRE NEWMAN: So the space is already
18 there. Yeah, so we already have yes a couple of
19 space in that building as well, and we--

20 CHAIRPERSON VALLONE: [interposing] Even
21 the historical implications of the site there.

22 COUNCIL MEMBER BARRON: Right.

23 CHAIRPERSON VALLONE: There's so many
24 different ways to incorporate.

CLAIRE NEWMAN: and the--and the school calls all the time and they us at our, you know they call theme exactly. So, we have principal meetings there.

CHAIRPERSON VALLONE: The principals have a hotline directly to our [laughter]

CLAIRE NEWMAN: So, we have a strong relationship at every level, and in all different areas throughout our--

COUNCIL MEMBER BARRON: And then you spoke about the development of the three sites that's coming soon. Oh, first that? Okay. How tall is that structure?

DAVID AHRENBURG: 24 stories as envisioned.

COUNCIL MEMBER BARRON: 24. Okay. So,--

CHAIRPERSON VALLONE: Is that part of the future ULURP or is that part--?

DAVID AHRENBURG: Yes.

CHAIRPERSON VALLONE: Okay.

COUNCIL MEMBER BARRON: Yes, it's going to go through ULURP. Okay so we'll be talking again about it.

2 DAVID AHRENBURG: Right. I know.

3 COUNCIL MEMBER BARRON: I know I have
4 concerns about density, and then I read some place in
5 your testimony or in the briefing paper that there's
6 also the opportunity for special use, which means you
7 have less parking requirements?

8 DAVID AHRENBURG: That's right. We've
9 done a, you know, all of this will come, you know
10 with ULURP and all the conversations. We've done a
11 transportation study, and are trying to right size
12 the parking requirements so that (a) we can build the
13 buildings and generate these jobs, but then also
14 incentivize people to use public transportation and--

15 COUNCIL MEMBER BARRON: [interposing]
16 Which is not very--very comfortable and very
17 convenient there.

18 DAVID AHRENBURG: So--

19 COUNCIL MEMBER BARRON: [interposing]
20 There are a couple of buses that come through there.

21 DAVID AHRENBURG: Yeah, so we want to
22 provide a bike. (sic)

23 COUNCIL MEMBER BARRON: [interposing]
24 it's quite a distance.
25

2 CHAIRPERSON VALLONE: We found it taxing
3 (sic) at his point.

4 DAVID AHRENBURG: Yeah.

5 CHAIRPERSON VALLONE: Let me go to that
6 set of questions on transportation.

7 DAVID AHRENBURG: Yeah.

8 COUNCIL MEMBER BARRON: Right. The
9 transportation.

10 CHAIRPERSON VALLONE: The existing
11 transportation and the future vision for
12 transportation whether it's a ferry service,
13 expanding buses, whether--

14 DAVID AHRENBURG: Right.

15 CHAIRPERSON VALLONE: --it's the BQX,
16 whatever is happening but we want to know what.

17 DAVID AHRENBURG: Yeah, maybe that's--
18 that's--

19 CHAIRPERSON VALLONE: What your growth is
20 going to require as more and more employees and
21 families come.

22 DAVID AHRENBURG: Right. That's
23 critically important for us. We've been making very
24 significant investments in the last couple of years
25 in our transportation network. We built a ferry

landing, and we'll be getting ferry service, we put the landing in and our costs we'll be getting ferry service in May of this year, but the backbone of our transportation system is the free shuttles that that we operate, which go to the F, A and C in Dumbo and then to the G at Atlantic Terminal, which is run two routes. They kind of run continuously from 5:00 in the morning until 10:00 at night.

CHAIRPERSON VALLONE: So the shuttles are going straight from the station to the terminal?

DAVID AHRENBURG: Exactly and so if you get on in the middle of the yard, you're actually six minute away from the S, A and C and about 9 minutes to Atlantic Terminal.

CHAIRPERSON VALLONE: And you operate the shuttles?

DAVID AHRENBURG: We operate the shuttles, yes, and so while we are, you know, we're not right on top of a train station by any means. We are closer than most New Yorkers think, and I would put myself in that category. I grew up in Brooklyn in the mid and my dad teaches at LIU, which is like around the corner from us, and I was never quite sure where the Navy Yard was to be honest, and I think

people think we are farther from public transportation than we are. So, we're doing everything we can to dispel that myth.--

COUNCIL MEMBER BARRON: [interposing]
Okay.

DAVID AHRENBURG: -make it easy to connect and get people onto public transportation and out of the car.

COUNCIL MEMBER BARRON: Okay so then my last question has to do with the statement that you made for the three sites that you plan to develop. You said you being the Brooklyn Navy Yard Development Corporation would build, own and operate. When you say 'own' who are you talking about? You or are you talking about you as a part of the city?

DAVID AHRENBURG: Yes so I-I guess I misspoke slightly. So, the city owns based on ground lease all of the buildings whether we build them or private developers build them.

COUNCIL MEMBER BARRON: Okay.

DAVID AHRENBURG: This city technically owns them.

COUNCIL MEMBER BARRON: Okay, okay thank you. Thank you, Mr. Chair.

CHAIRPERSON VALLONE: An important point to bring out. [laughter] Kind of how I always thought of the hearing is to find out who—where we are going from A to B. Is there hope that the BQX would—is that still part of the conversation the city with the current status of that is?

DAVID AHRENBERG: The BQX the planned route would run through the Yard actually and during on one of our gates on the Williamsburg side and exiting through the Clinton Hill gate effectively. The corner there where the yard kind of comes up against BQE is extremely congested, and complicated and they route it through the yard for that reason, from our perspective like I just said, links to public transportation is extraordinarily important for us. We want to get people out of cars. It's good for us. It's good for the city and so, you know, the more public transportation options that serve—serve the Navy Yard, then more jobs we can create.

CHAIRPERSON VALLONE: And the ferry that's coming now in May is that going to open the waterfront accessibility? Because I think you have such a great opportunity there to reconnect the community--

2 DAVID AHRENBURG: [interposing] Yep.

3 CHAIRPERSON VALLONE: --the rail
4 waterfront. I have a district that's surrounded by
5 water and no access.

6 DAVID AHRENBURG: Right.

7 CHAIRPERSON VALLONE: It's one of those
8 things like we-we're tortured as New York City-we're
9 surrounded by water, but we can't get to it.

10 DAVID AHRENBURG: Right.

11 CHAIRPERSON VALLONE: So, it's one of the
12 things now we're always focusing on for-for growth of
13 project. It's to make sure we get re-access.

14 DAVID AHRENBURG: Right. Yeah, so-so the
15 ferries-ferries stop and will be publicly accessible.
16 We will run a shuttle from the ferry stop to our-to
17 one of the gates to transport people to the edge of
18 the yard who don't have-who aren't tenants of the
19 yard. So, we will-we're doing what we can to make it
20 publicly accessible.

21 CHAIRPERSON VALLONE: We have an existing
22 pier already or is that being built?

23 DAVID AHRENBURG: No, it's an existing
24 structure, and then we're building the landing, but
25 the pier exists.

CHAIRPERSON VALLONE: Well, we thank you. This is the first, and I think we've been—we're taking this committee to—to retackle issues in the past and now make this almost an annual update. We look forward to working with you on that, growing how we can provide these opportunities, how we can work together on bringing these to our next generation of students, new businesses that are coming as New York City continues to grow. This is an example of success, and I think this is, as we learn more about it, we as the Council want to make sure that there is some accountability so, we know what's happening and get back and see what's happening in the community, what's happening in Brooklyn and also bring these opportunities to the five boroughs. So, that's what's the purpose of today's hearing. Do you want to ask questions Council Member Barron? I think we're good. So, thank you to the panel today. We look forward to working with you, and we just have one more panel from Waterfront Alliance. It's just stole your show if you want to come in. (sic)

JACQUELYNNE RAINEY: Thank you.

DAVID AHRENBURG: We appreciate the opportunity

2 CHAIRPERSON VALLONE: Thank you very
3 much. So we have Margaret Flanagan from the
4 Waterfront Alliance. We tried to ask a couple of
5 questions for you since you weren't here, but come on
6 up. Sure, you're going to come up. Thank you David.

7 DAVID AHRENBERG: Okay. [background
8 comments/pause]

9 CHAIRPERSON VALLONE: It's all yours,
10 Margaret. Sure just introduce yourself and for the
11 record.

12 MARGARET FLANAGAN: [off mic] Thank you
13 Chair.

14 CHAIRPERSON VALLONE: Is your microphone
15 on?

16 MARGARET FLANAGAN: [on mic] Thank you,
17 thank you, Chairman and Committee Members and my
18 fellow New Yorkers. I'm Margaret Flanagan with the
19 Waterfront Alliance and presenting feedback from our
20 President and CEO Roland Lewis. Waterfront Alliance
21 is a non-profit coalition of more than 1,000
22 community, recreational groups, educational
23 institutions, businesses and other stakeholders with
24 a mission to inspire and enable resilient,
25 revitalized and accessible coastlines for all

communities. We agree with the great news we've heard here today about the importance of jobs and workforce development, and great opportunities that the Brooklyn Navy Yard Development Corporation has brought to the property and the city. We support the new master plan, and yard expansion to include public access to the water while maintaining a vibrant working waterfront. Here are some suggestions to consider along those lines. Build access to touch, learn or paddle on the water integrated into the proposed public esplanade at the Kent site as our first obligation. Thanks very much to the Navy Yard for the existing uses there that include a nursery for a Billion Oyster Project, and access to rowing for Village Community Boathouse and those are amazing stewardship opportunities that will also stimulate, as Council Member Barron mentioned, stimulate the younger members of the community that become interested in the waterfront and the jobs there. We also suggest that you site the proposed Science and Engineering Museum and Youth STEM programs immediately on the waterfront for direct access to learning on the waterfront. They're currently proposed for the—is it the Navy Yard site where it's

essentially landlocked from the water by the other business uses of the Navy Yard. Instead, building that kind of facility over at the Kent Avenue site where there is public access to the water would enable even richer learning to come out of that center. That would also increase equity overall in Brooklyn because the proposed site for the Museum and STEM Center is just about a half a mile from the existing Education Center in Brooklyn Bridge Park, but if you go in the other direction, it's three miles before you get to another Waterfront Program Center at the Bushwick Inlet Park. So moving that center closer to the north would really fill a gap in access to quality programming on the waterfront for the community. Alright, I'll keep going.

CHAIRPERSON VALLONE: Or just make two of them.

MARGARET FLANAGAN: [laughs] Even better. We appreciate that this hearing delved into some of the details about the ferry access at the Navy Yard, which is an important public amenity. I think it's not clear to the public that that ferry dock would also include the shuttle bus ride to the restricted areas of the yard. The master plan

rendering discusses a future potential fly-away bridge, which would be a large infrastructure project. The distance is a quarter mile probably or so. So we just did advise the there be some clear rational descriptions about what ferry service to the Navy Yard will mean, but, of course we want to continue to support that access for the great jobs and innovative manufacturing there.

CHAIRPERSON VALLONE: We've also been joined by Council Member Donovan Richards.

MARGARET FLANAGAN: Hello. [laughs]
Hello, we applaud—deeply applaud the Navy Yard for preserving the working waterfront there. You know our working waterfront sustains our high quality of life. We have access to global goods at an incredible price because of our working waterfront, and they take care of all our waste, and they get our recycling done for us, and so the working waterfront is really essential to the quality of life in Navy Yard and has been really squeezed out by many of the real estate pressures that we see, and so we sincerely congratulate the Navy Yard for continuing that working waterfront and propose to keep it going, but REFI for Pier D would increase working waterfront

at that Navy Yard and we congratulate the Navy Yard for also recognizing what an incredible financial responsibility would be part of that and including funding for the infrastructure of Pier D and the REIF as well. Waterfront Alliance—oh, I’m sorry.

[laughs] Oops, next page. Oh, and Waterfront Alliance also applauds the Navy Yard for their proposals to increase resilience and access at the Navy Yard. We’d love to continue supporting you with some of the tools available in our repertoire. It includes a Maritime Activation Plan, which is like a menu of options for best use for integrating various opportunities at the Waterfront. I can provide some examples for you if you’d like to see as well, and also our WEDG Program for Waterfront Edge Design Guidelines, which is a specific tool that can be used for developments on the water to incorporate resilience, ecology and access altogether. So we really look forward to working with this committee and the Brooklyn Navy Yard Development Corporation to see how these great things come to life and thank you very much.

CHAIRPERSON VALLONE: [off mic] We want to see that Activation. [on mic] We want to see that activation plan all over the place.

MARGARET FLANAGAN: [laughs] Thank you.

CHAIRPERSON VALLONE: That's sounds very exciting.

MARGARET FLANAGAN: Thank you.

CHAIRPERSON VALLONE: So, thank you for the--the additional requests. I think they make sense. You and Roland and all the hard work that you do, we say thank you and like the Harbor School right her in New York City was an example of learning about those tools working with the Waterfront and now we're opening up a middle school in College Point to give-- just to show how we can grow to the Queens and Brooklyn and the Bronx. Some of the ideas of getting access back to the water and giving the students the realization of a future job right here. So, we thank you for that.

MARGARET FLANAGAN: Uh-hm.

CHAIRPERSON VALLONE: Council Member Richards. Oh, he left. I think that--

MARGARET FLANAGAN: [interposing] Yes.

1 COMMITTEE ON ECONOMIC DEVELOPMENT

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2 CHAIRPERSON VALLONE: --concludes our
3 hearing today. Thank you, everybody. Much
4 appreciated. [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 February 7, 2019