

# NYC Economic Development Strategy

Deputy Mayor Robert K. Steel

@RobertKSteel

May 14, 2012

# NYC: Capital of International Trade

---

## From its earliest days, NYC has been a global hub of international trade

- The NYC metro area is the largest contributor to US exports
  - \$161B in 2011, >10% of all US exports
- NYC's 36% 1<sup>st</sup>-generation immigrant population provides natural connectivity to virtually every potential export market
- NYC's harbor is a major competitive advantage
  - Largest port on the East Coast, 3<sup>rd</sup> largest port in the country
  - Supports 165K direct jobs and 270K total jobs in the region
- Air cargo exports from NYC airports grew by 16% in 2011
- International tourism is an export industry
  - NYC has #1 market share of international tourists by wide margin

# NYC Economy Snapshot

---

## NYC's economy has outperformed the rest of the country since the onset of the financial crisis

- The NYC metro area is a \$1.28T economy, which would rank just behind Spain as the 13<sup>th</sup> largest economy in the world
- 3.28m private sector jobs
  - 4 sectors with more than 300,000 jobs
- Over the last two years, New York added twice as many private sector jobs as the next ten largest cities combined
- Industries like technology, tourism, film and design have significantly expanded in the last decade:
  - New York passed longtime #2 Boston to become the 2nd largest recipient of tech VC investment in the country in 2011
  - A record number of films/TV pilots filmed in NYC in 2011
  - 50.5m tourists visited NYC in 2011: #1 US tourist destination

# Economic Development Overview

---

Four key pillars of Mayor Bloomberg's economic development strategy

**Improving  
Quality of Life**

**Creating a  
Pro-Business  
Environment**

**Investing in  
the Future**

**Innovation and  
Economic  
Transformation**

# Overview

---

## Four key pillars of Mayor Bloomberg's economic development strategy

**Improving  
Quality of Life**

**Creating a  
Pro-Business  
Environment**

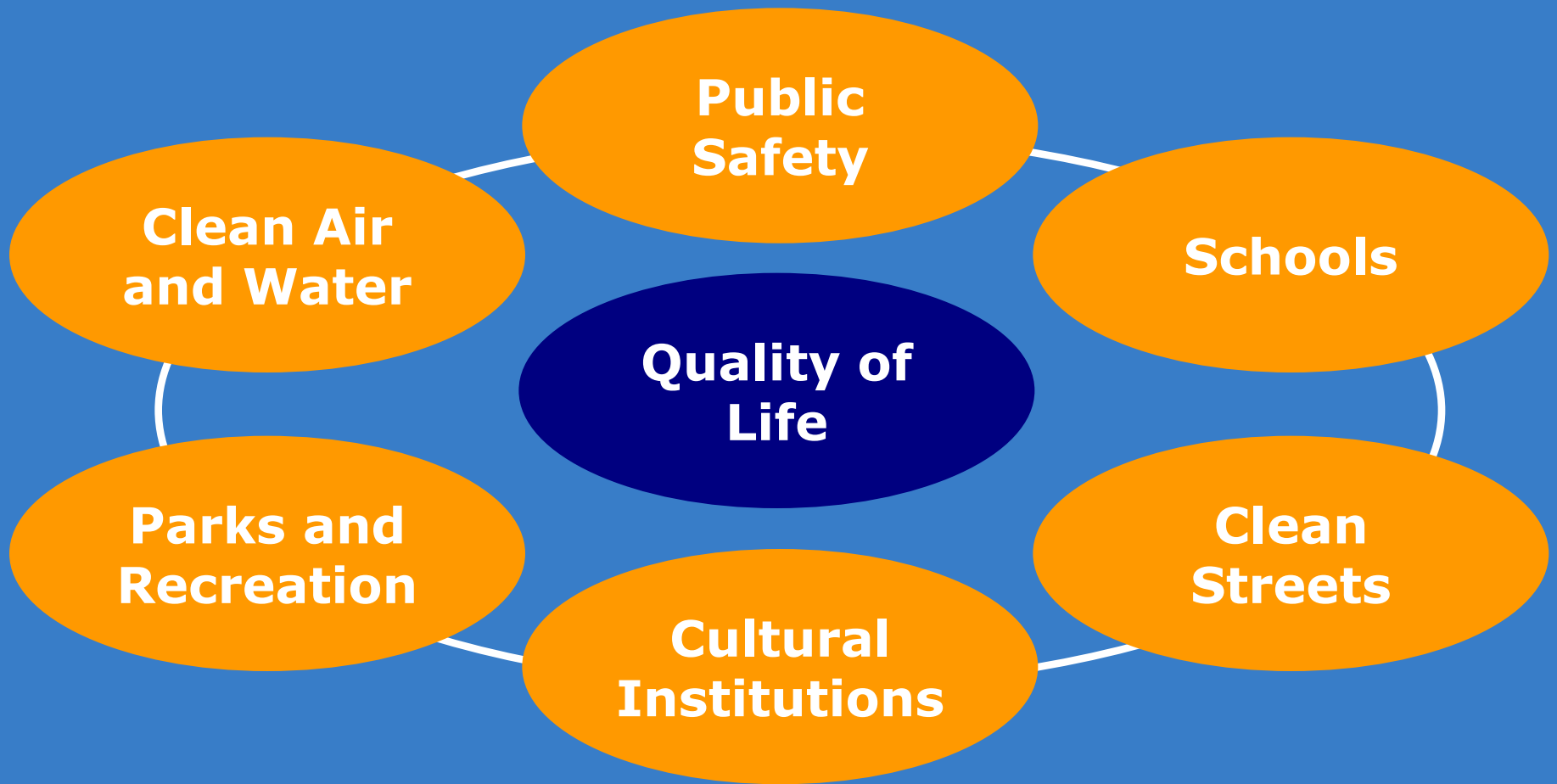
**Investing in  
the Future**

**Innovation and  
Economic  
Transformation**

# Quality of Life

---

People have a choice of where to live



# Overview

---

## Four key pillars of Mayor Bloomberg's economic development strategy

**Improving  
Quality of Life**

**Creating a  
Pro-Business  
Environment**

**Investing in  
the Future**

**Innovation and  
Economic  
Transformation**

# Creating a Pro-Business Environment

---

Helping businesses open, expand and thrive

**Balanced Regulation**

**Business  
Customer  
Service**

**Pro-Business  
Environment**

**Supporting  
Small  
Businesses**

**Low Taxes, Controlling Spending**



# Overview

---

## Four key pillars of Mayor Bloomberg's economic development strategy

**Improving  
Quality of Life**

**Creating a  
Pro-Business  
Environment**

**Investing in  
the Future**

**Innovation and  
Economic  
Transformation**

# Investing in the Future

---

**“When you stop investing in the future, the future hits the road.” – Michael R. Bloomberg**

- **Transportation / Critical Infrastructure**

- #7 Extension to 34th/11th
- Comprehensive Waterfront Revitalization Plan
- Bridge and Roads State of Good Repair
- 3rd Water Tunnel and Upstate Watershed

- **Affordable and Public Housing**

- New Housing Marketplace Plan – 165K units of affordable housing
- PLAN NYCHA

- **Commercial Office Space**

- Major developments in Manhattan: Lower Manhattan, Hudson Yards
- Development of other Central Business Districts: Downtown Brooklyn, Stapleton, Long Island City, Jamaica, Willets Point

# Overview

---

## Four key pillars of Mayor Bloomberg's economic development strategy

**Improving  
Quality of Life**

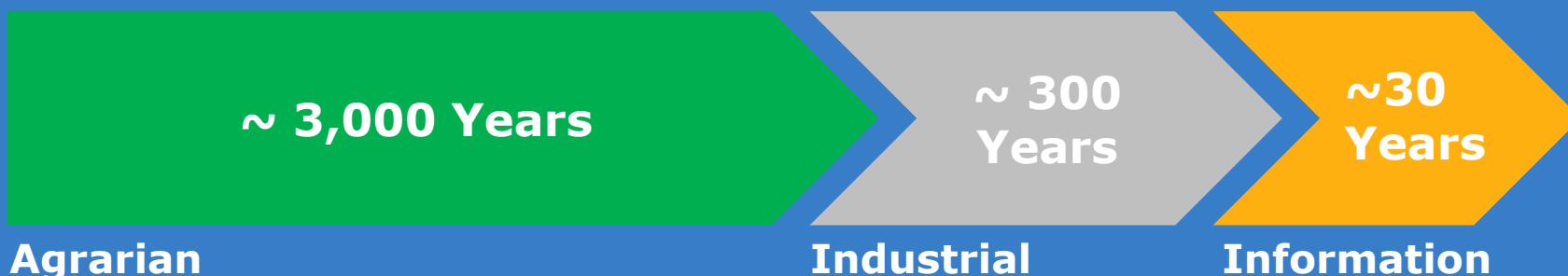
**Creating a  
Pro-Business  
Environment**

**Investing in  
the Future**

**Innovation and  
Economic  
Transformation**

# Emerging Strength in Tech

Under Mayor Bloomberg's leadership, NYC has emerged as a hub of start-up activity



- Mayor Bloomberg is himself the “Start-Up Mayor”
- NYC recently passed Boston to become the 2<sup>nd</sup> largest recipient of Technology VC investment in the country
- Home-grown success stories: Foursquare, Tumblr, SecondMarket, Etsy, ZocDoc
- Recent “Start-Up Immigrants”: Google, Facebook, Twitter
- 30%+ growth in employment in high-tech jobs in NYC since 2005

# Cornell and the Technion

---

**On December 19, 2011, Mayor Bloomberg announced the selection of *Cornell-Technion* to build an 11-acre campus on Roosevelt Island**

- \$2 billion investment to leverage \$100 million City contribution
- \$350 million gift from Charles Feeney
- Research areas: Media, Healthcare and Built Environment
- 2 million square feet of new buildings
- 2,000 students and several hundred faculty at full build
- Partner with DOE to work with 10,000 students and 250 teachers
- \$150 million fund to support NYC-based start-ups

# Roosevelt Island Site Today

---





# Cornell and the Technion's Vision



# Center For Urban Science and Progress

---

**On April 23, Mayor Bloomberg announced that an academic and private-sector consortium would create the *Center for Urban Science and Progress (CUSP)* in Downtown Brooklyn**

- Led by NYU, CUSP includes CUNY, Carnegie Mellon, Univ. of Toronto, University of Warwick, and IIT Bombay
- IBM and Cisco are corporate partners, as well as Con Edison, National Grid, Siemens and Xerox
- CUSP will research and develop solutions to urban challenges
- 370 Jay Street, a 460k sq ft City-owned building will become cutting edge academic and research center by 2017
- 530 graduate and doctoral students, with 50 faculty at full build



# Center For Urban Science and Progress



# Economic Impact – A “Game-Changer”

The combined impact of the Cornell-Technion and NYU projects will help transform NYC’s economy

**Building the  
Campus**

**22,000+ jobs**

**Operating the  
Campus**

**~9,000 jobs  
(1/3 of NYC  
university jobs held  
by people with less  
than BA)**

**Commercializing  
the Campus’  
Research**

**Tens to  
hundreds of  
thousands of  
jobs; 800+ new  
companies**

**>\$28 billion of Total Economic Activity (over 30 years)**

*Source: New York City Economic Development Corporation*

# A Comprehensive Talent Strategy

---

**In January, with financial support from VC leader Fred Wilson, Mayor Bloomberg announced the creation of the Academy for Software Engineering**

- A new high school for the design and development of software and applications
- Located in Flatiron/Gramercy start-up hub
- Supported by and integrated with NYC's tech and start-up ecosystem
  - Internships in NYC's tech industry with professional mentors
- AFSE will develop curriculum that can be leveraged City-wide
- Complementary to P-TECH, innovative 6-year HS in Brooklyn sponsored by IBM

# Applied Sciences NYC Timeline

---

**Applied Sciences NYC is a generational project that will change the trajectory of the City's economy**

- **Spring 2012:** Continuation of negotiations with Carnegie Mellon and Columbia
- **Fall 2012:**
  - Cornell/Technion program will open
  - NYU CUSP program will open
  - Academy for Software Engineering will open
- **2017:**
  - Opening of first phase of Cornell/Technion Roosevelt Island Campus
  - Opening of NYU CUSP in Downtown Brooklyn

# Conclusion

---

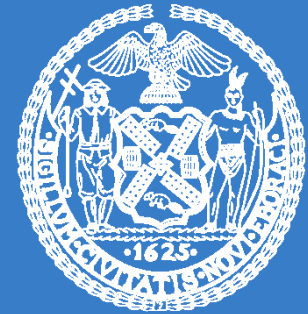
## Four key pillars of Mayor Bloomberg's economic development strategy

**Improving  
Quality of Life**

**Creating a  
Pro-Business  
Environment**

**Investing in  
the Future**

**Innovation and  
Economic  
Competitiveness**



# **NYC Economic Development Strategy**

**Deputy Mayor Robert K. Steel**

**@RobertKSteel**

**May 14, 2012**