

Testimony submitted before the New York City
Industrial Development Agency
By Council Speaker Gifford Miller
September 29, 2003

Good morning and thank you for the opportunity to present testimony on the development of 1 Bryant Park.

I hardly need to mention that this is a project of enormous scope and great importance to the people of this city.

The proposed allocation of \$650 million dollars in Liberty Bonds for the Durst Organization represents a major public investment ... as would the granting of certain tax breaks for Bank of America.

As you consider this proposal and all future proposals, I would urge you to keep in mind several issues that need to be addressed.

The **first** is the need for all Liberty Bond-financed projects to use high performance building standards.

If Liberty Bonds are to be used to finance this project, then they should be used in a socially and environmentally responsible way.

The Durst record on green building is a good one, as demonstrated by the Conde Nast building located at 4 Times Square. I would certainly hope this would continue by using the latest environmentally sustainable building techniques for this project.

I am thrilled to learn that Mr. Durst has indicated that 1 Bryant Park will be LEED Gold, the second highest standard in green building.

There is already a green residential building being erected in Battery Park with Liberty Bond money. I am pleased to hear that the IDA has encouraged developers to build green and hope that others will follow in Durst's example.

Secondly, we must emphasize the need to support New York City's economy.

Durst and all future liberty bond developers should be encouraged to purchase locally-made materials for the construction and maintenance of their projects. I am encouraged to learn that Durst has indicated a desire to support this concept.

Local manufacturing is essential to the strength of our economy and to the health of our job market.

There are already 500 manufacturers that supply everything from food to printing to fabricated metal listed on the "made in New York" website (www.madeinnyc.org). This website was

created in response to the massive job loss following 9/11 and is one of the mechanisms to repair our local economy.

We must not forget that every one million dollars spent in local manufacturing sales generates 16 jobs in the city.

Thirdly, Bank of America must honor its commitment to retaining and creating jobs in New York City.

Bank of America estimates that it will create about 3,000 jobs in the future and I am encouraged by this projection. The provisions of the tax incentives that will be afforded to the Bank of America should this deal go through must be enforced. We cannot afford to give money away to companies that break their promise of creating jobs for New Yorkers.

A **fourth** issue of critical importance is the use of commercial Liberty Bonds to build outside of Manhattan's core business districts.

Although \$2 billion in Liberty Bonds are eligible for use outside of lower Manhattan's "Liberty Zone," so far only one project, located at Brooklyn's Atlantic Avenue Terminal, has been selected for such funding.

The goal behind Liberty Bonds is not just to create more office space. These bonds are an incentive for people to invest in our city, and we need to encourage economic development beyond downtown and midtown Manhattan. A portion of the Liberty Bonds can and should be used for the construction, reconstruction and renovation of commercial properties throughout the five boroughs. This is an opportunity to boost our economy and create jobs in sectors such as manufacturing where we see tremendous changes taking place.

Finally, I would like to stress the importance of transparency.

Transparency throughout the process is vital in order for elected officials and the public to know who is being considered for IDA bonds and when and where public hearings are taking place. We acknowledge that there is pressure on the IDA to distribute these bonds by the end of 2004, but it is imperative that the public be given complete access to the process. I am disappointed that members of the IDA board do not feel compelled to attend these public hearings and have as little as 24 hours to vote on this project. The public has a right to know how and where our tax dollars are being spent.

Thank you very much again for giving me the opportunity to present these concerns and suggestions.