

Operations, Accomplishments, and Projects undertaken for the New York City Industrial Development Agency

Operations and Accomplishments

The New York City Industrial Development Agency (the “Agency” or “NYCIDA”) is a public benefit corporation of the State of New York organized under Article 18-A of the New York State General Municipal Law to serve the five boroughs of New York City.

The mission of the Agency is to encourage economic development throughout the five boroughs, and to assist in the retention of existing jobs, and the creation and attraction of new ones. The Agency programs are discretionary and provide companies with access to tax benefits to acquire or create capital assets, such as purchasing real estate, constructing or renovating facilities, and acquiring new equipment. All applicants must satisfy eligibility requirements and demonstrate a need for assistance.

NYCIDA programs provide incentives that may include:

- Sales and use tax exemptions – Providing exemptions on sales taxes on purchases and/or leases of machinery, equipment, and construction materials for renovations at approved locations.
- Mortgage recording tax (MRT) – The mortgage recording tax applicable to a project mortgage is reduced from 2.8% to 0.3%, lowering upfront costs.
- Property tax abatement for up to 25 years

We take immense pride in NYCIDA’s substantial contributions to the economy and the people of New York, as empowered by the General Municipal Law. Since July 2011, the Agency has leveraged discretionary incentives to induce approximately \$28.2 billion in private investment for our 148 active projects. These projects have resulted in the creation and retention of 63,278 full-time permanent jobs as well as the development or the upgrading of nearly 38.8 million square feet of real estate for commercial activity. (Results are as of June 30, 2025.)

FY25 was a year of meaningful progress and major milestones. NYCIDA closed on 20 projects—the largest number of executed project agreements in many years. These closings represent the culmination of efforts by our staff, board, and partners to bring previously approved transactions to fruition, turning plans into investments and commitments into outcomes. The scale of these closings underscores the strength of NYCIDA’s pipeline and the critical role the agency plays in driving forward the City’s economic development goals.

In addition to these closings, the NYCIDA Board of Directors approved 15 new projects across the green energy, commercial office, food retail and supermarket sectors, reflecting the agency's ongoing focus on catalyzing investment, supporting quality job creation, and strengthening key industries citywide. These approvals will help unlock future investment and economic activity, contributing to New York City's long-term resilience and prosperity.

Among this year's closings were two groundbreaking firsts for NYCIDA. We closed our first-ever Manhattan Commercial Revitalization (M-CORE) transaction at 850 Third Avenue with HPS Investment Partners. The project reflects the growing importance of modernizing outdated office space to attract tenants, improve energy efficiency, and maintain the city's status as a premier global business destination. The M-CORE program continues to demonstrate how well-designed and strategically deployed tax incentives can catalyze substantial investment and revitalize aging building stock while supporting job growth and local retail vibrancy.

We also closed our first offshore wind project: SBMT Asset LLC & Empire Offshore Wind LLC. This transaction will support the redevelopment of the South Brooklyn Marine Terminal into a major offshore wind port, serving as a logistics and operations base for offshore wind construction. This project aligns with City and State energy priorities and represents a major step forward in establishing New York as a national leader in the green economy.

Sustainability remained a central pillar of NYCIDA's work in FY25. We executed 14 project agreements for battery energy storage facilities that had previously been approved by our board. These projects are instrumental in supporting the City's climate goals by enhancing grid reliability, reducing emissions, and enabling the integration of renewable energy sources. Together, they reflect the agency's role in facilitating infrastructure investments that benefit both economic resilience and environmental stewardship.

As we look to the future, NYCIDA remains steadfast in its mission to advance economic development that is equitable, sustainable, and forward looking. We are deeply grateful to the NYCIDA Board of Directors and our partners in the public and private sectors for their collaboration and shared commitment to New York City's economic vitality. As we build on the accomplishments of FY25, we look forward to continuing our work to support transformative projects, catalyze investment, and strengthen the future of New York City.

As we look ahead, NYCIDA remains dedicated to supporting New York City's economic vitality and sustainability. We are grateful for the trust and collaboration of our stakeholders and look forward to continuing our work to drive prosperity and innovation in our beloved city.

Projects Undertaken during Fiscal Year 2025

FY25 has been a particularly strong year for the NYCIDA, with 20 transactions being closed this year. Together, these projects are expected to generate approximately \$775.2 million in City tax revenue, a five-fold increase from FY24, approximately \$2 billion in private investment leveraged, a four-fold increase from FY24, and a projected three-year job growth of 239 full-time employees, a 29 percent increase from FY24. The improved results of this fiscal year can be attributed to closings of several large transactions.

Green Economy

NYCIDA made key advancements in FY25 to advance New York City's green economy, supporting the development of critical infrastructure towards building a clean and resilient energy system.

During FY25, NYCIDA closed 14 battery energy storage projects with energy companies such as NineDot Energy, Soltage LLC, and TotalEnergies. These projects are located in Brooklyn, Queens, Staten Island, and the Bronx and total nearly 100 MW of energy storage capacity for the City. Battery storage systems work by storing electricity during off-peak hours and supplying it to the grid during periods of high demand, such as on hot summer days. NYCIDA is a significant driver of battery storage development in the city, fulfilling one of the pledges in New York City's Green Economy Action Plan, which lays out a series of pledges and strategies by the Adams Administration to grow the city's green economy and train and position New Yorkers of all backgrounds to benefit from the nearly 400,000 projected green collar jobs in New York City by 2040. A key commitment in the Action Plan is to promote and deploy NYCIDA tax incentives to support battery storage capacity projects and support other green economy uses throughout the five boroughs.

Through FY25, NYCIDA has induced approximately 365 MW of battery storage capacity in NYC, generating nearly \$1 billion of private investment and supporting progress toward New York State's ambitious 6-GW target for energy storage capacity by 2030. Batteries are a critical component in shifting New York City's aging grid to renewable energy, and they build grid resiliency by providing backup power and replacing highly pollutive peaker plants that negatively impact air quality, particularly in low-income areas.

NYCIDA also closed on its \$1.8 billion transaction with Equinor to transform the South Brooklyn Marine Terminal (SBMT) in Sunset Park, Brooklyn into one of the premier offshore wind hubs in the United States. This includes major improvements to SBMT's port infrastructure, the creation of an operations and maintenance facility, a new substation, and a staging and

assembly area for the turbines associated with future offshore wind farms, made feasible by the sales tax exemption provided by NYCIDA. Second, NYCIDA is providing property tax benefits in connection with the underwater electrical infrastructure required for Equinor's first NYC-based offshore wind development—Empire Wind I—which will be located off the coast of Long Island, offering property tax abatement on the electrical cables within New York City waters. The project will be New York's first large-scale offshore wind development and is expected to produce 810 MW of clean energy, enough to power approximately 500,000 homes. Construction is well underway, with SBMT expected to be completed in 2026, and Empire Wind projected to be operational in 2027.

Harlem Food Bazaar

In December 2024, NYCIDA closed on a transaction with Bogopa Harlem, LLC which enabled the company, which is a family-owned business who operates multiple Food Bazaar grocery stores across the New York metropolitan region, to open its first Manhattan location at 125th Street in East Harlem. The newly opened stores brought fresh meat and produce to an area of the city that is lacking in such services. The benefits were provided as part of NYCIDA's Food Retail Expansion to Support Health (FRESH) program. The program's mission is to bring healthy and affordable food options to communities by lowering the costs of owning, leasing, developing, and renovating supermarket retail space. The FRESH benefits enabled the company to affordably renovate and fit out its grocery store space, which sits on the ground floor of a mixed-use, 19-story, 400-unit, affordable housing development. NYCIDA was happy to partner with the company to deliver grocery stores which provide a valuable resource for the building's tenants and the community.