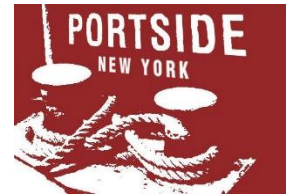


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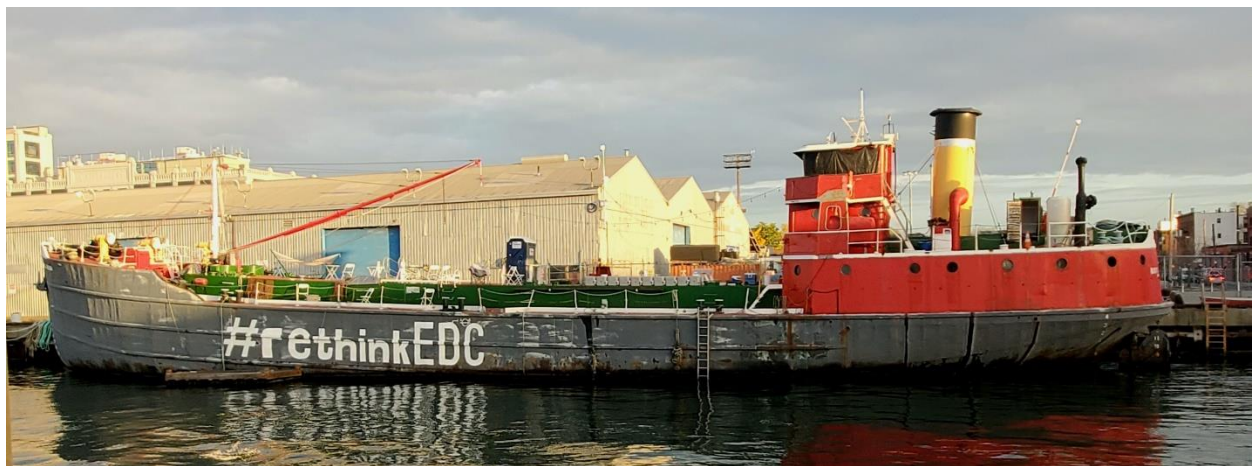
Date: 12/1/22 updated from earlier versions

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#RethinkEDC <https://portsidenewyork.org/rethinkedc>

Lightships have large messages on their sides to warn sailors of hazards, and PortSide has converted its historic oil tanker into a lightship by painting #rethinkEDC along the side of the MARY A. WHALEN. The hazards of the EDC include chronic mismanagement, failed infrastructure; unfulfilled promises about job counts, indirect economic benefits and community give-backs; wasting money and cooking the books, damaging businesses and nonprofits – including years of battering this award-winning, nonprofit.



The MARY A. WHALEN was modified to raise awareness of EDC failures in the attached PortSide critiques of EDC operations. PortSide's analysis of the EDC is informed by our research into harbor issues relating to our advocacy work and years of being battered by the EDC, our on-again, off-again landlord, while trying to get them to deliver space they promised from 2008-2011. Our conclusions are corroborated by the many leaders of businesses and nonprofits around NYC with which we confer.

Several Comptrollers in a row have raised the alarm about the EDC with scathing audits. The most recent was [released on 7/6/22](#) by Comptroller Brad Lander and shows that the EDC hid a quarter billion dollars in subsidies to the NYC Ferry.

Summary of PortSide critique of the EDC

Recent critiques of the EDC focus on bad fiscal management, poor transparency and accountability, and in some cases, development priorities. This critique focuses on management and operations to demonstrate chronic incompetence with all forms of their endeavors which will affect all EDC projects. We do a deep-dive analysis into the EDC performance at our location, Atlantic Basin, Red Hook, Brooklyn including years of multiple [EDC planning efforts](#) and site management to document

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chronic EDC failures and a pattern of discrimination. Our extensive contacts around NYC, tell us that the EDC's work in Atlantic Basin is consistent with it elsewhere.

The attached includes the 44-page critique "Appendix EDC" submitted to the 2021 Department of City Planning (DCP) Comprehensive Waterfront Plan process. The EDC received "Appendix EDC" from DCP soon thereafter. The result we see is retribution, not progress acting on our constructive criticism and the request for space that this award-winning nonprofit needs and merits – and was previously promised. Also attached is the 3-page 2022 update to "Appendix EDC."

PortSide's critique is a rare case of an EDC tenant speaking out. Many frustrated EDC tenants and vendors confide in us, our attached critique calls them the "Commiseration Society;" but they don't speak publicly for fear of retribution, losing a lease or contract with the EDC. We hope more voices will come forward to prompt a movement to rethink the EDC so that it truly fosters economic development rather than wasting resources and damaging and disappointing businesses, nonprofits, and communities.

Goals of the rethinkEDC effort:

1. PortSide launches the #rethinkEDC campaign to call on New Yorkers to rethink the EDC, what it does, how it does it, and who benefits, and to implement reforms. The nonprofit, quasi-governmental EDC has ballooned into NYC's largest landlord and has a growing portfolio of assignments that take over work traditionally handled by City agencies such as DDC, DCP, DOT, and DCP, including work as essential to NYC's such as planning flood protection systems. In our critique, PortSide shows that the EDC is not fit for such work given their chronic mismanagement, tendency to make misrepresentations, institutional culture, high staff turn-over, and lack of transparency and vision. Several Comptrollers have pointed out how the EDC also wastes money and cooks the books.
2. To finally right-size PortSide. The EDC should provide PortSide with adequate space and terms, having promised us more space here from Spring 2008 into Spring 2011, a community give-back to Red Hook that was never delivered.
 - a. **12,000 sq ft at the south end of the Atlantic Basin Pier 11 warehouse and shared use of adjoining loading dock with a 20-year lease.**
 - b. **Use of the parking lot south of the Pier 11 warehouse**, if approved by Ports America which uses it when cruise ships are at the Brooklyn Cruise Terminal. Ports America has allowed this during the pandemic. 9/23/22, the EDC evicted PortSide Park there.
 - c. **Ability to have revenue-generating activities** (all are currently blocked) including vessels alongside our MARY A. WHALEN that pay PortSide fees, plus retail (museum store and café), a classroom for marine license training, event rental space. The latter three need building space.
 - d. **The right to have people sleep on the MARY A. WHALEN for programs, visiting crew, and a shipkeeper.** The EDC revoked permission for this in our 2022 berth permit.
 - e. **Berth Permit term longer than one year** to enable us to get multi-year grants and loans.
 - f. **Permission for a small wet lab structure, powered by renewable energy**, located next to the water south of MARY A. WHALEN due to school requests for marine life programs.

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- g. Relief from the demand that PortSide submit permits for every event with over 20 people.** Our lease (a berth permit for the ship) should allow us to conduct normal operations without suffocating interventions like this. (August 2021, the Port Authority said only events of 75+ attendees needed this. No progress with the NYC EDC.)

PortSide history with the EDC

PortSide urgently needs building space to properly deploy \$115,000 in federal DOE funding secured by Congresswoman Nydia Velazquez. The EDC owes PortSide, Red Hook and the working waterfront! From Spring 2008 to Spring 2011, the EDC promised PortSide a home in Atlantic Basin as a community give-back to Red Hook and as an amenity for the working waterfront. See the history [here](#). In 2018, the EDC made us do yet another business plan for that building space they promised (see www.bit.ly/ASHORE2). The EDC ignored that work and rented the space to the Formula E car race. The originally-promised pier space is now rented out; and since the EDC has run the clock 14 years since 2008, PortSide demands more building space than was originally promised, and a 20-year term to allow us to recover and finally stabilize and grow.

PortSide expects that Formula E will not race here in the future given the increase in cruise ship calls and the footprint taken up by the NYC Ferry Homeport 2 under construction. Once Formula E leaves, the building space we demand and deserve will be empty. Most of the Pier 11 warehouse is empty; so, even if Formula E stays, they could move their dead storage space north in the warehouse, freeing space for PortSide.

Eight pages of the attached 2021 critique “Appendix EDC” provide examples of the EDC’s mistreatment of PortSide, their machinations, unworkable conditions, and unsustainable requirements, and their pattern of wasting our time with make-work projects they then ignore. Since 2008, PortSide has been stunted by the EDC’s unfulfilled promises, blockades, and make-work projects. Most of our large collection of historic artifacts was destroyed since the EDC did not provide us building space to house it. Our diverse stakeholders, including Title 1 schools, NYCHA residents, the creative sector, Red Hook, and the maritime community are being denied the benefits of a fully realized PortSide.

As we planned to release our critique of the EDC, the EDC struck again, showing how they can be an abusive landlord. On 9/19/22, most of the ships on our pier were evicted with 4 days’ notice to make way for a project the EDC has planned for years, the construction of NYC Ferry Homeport 2. See [THE CITY](#). The berth permits (compare to a lease) were abusive enough with a clause that you can be evicted on 30 days’ notice; but 4 days is astounding. The Monday emails were followed by calls from DockNYC saying that boats would not be able to pick up their passengers in the other piers in the EDC’s DockNYC portfolio if they did not leave by the weekend. One company moved their boats to New Jersey. The upheaval affected PortSide.

Late Friday afternoon of that week, PortSide received a cease-and-desist letter evicting our beloved PortSide Park, a pandemic popup, with what we consider to be baseless claims about safety. The park had to be out by Monday Rosh Hashanah, or our ship could be evicted too. Our statement and media coverage is [here](#). No matter that Borough President Eric Adams had awarded PortSide a “Covid

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Everyday Hero” award for the park. No matter that Mayor Eric Adams is now touting the need to grow shoreline parks in neighborhoods like ours in [this video](#).

EDC retribution for PortSide’s speaking out

1. This spring, the EDC changed the “berth permit” for our ship MARY A. WHALEN (compare to a lease) so we are no longer permitted to have a resident shipkeeper, a standard arrangement for historic ships in the USA and historic houses in NYC parks that increases security and reduces staff costs. On the example of NYC historic houses we provided, the EDC had allowed PortSide to have such a shipkeeper starting in 2017. Revoking that made our Executive Director homeless, leaves our ship unguarded at night (a risk to the public who get on to explore) and leaves our shipboard office vulnerable to break-ins. This site is not secure since the EDC has not repaired rollup doors to the warehouse, so people can walk through that and get on the pier even if the pier gates are closed. Note that the EDC assumes no responsibility for security; the berth permit says it’s the responsibility of tenants.
2. [eviction of PortSide Park](#) at 3:55pm, Friday 9/23/22 of Rosh Hashanah weekend
3. Early October, the EDC had a graffiti removal team working for 5 days to remove blue paint on the asphalt that was part of PortSide Park. The chemical stripper and paint were washed down the storm drain.

Carolina Salguero, Executive Director of PortSide NewYork says, *“I was an award-winning photojournalist who covered dysfunctional governments overseas. I came back to do good in my hometown to find similar dynamics with the EDC and its dissembling, denial, incompetence, and lack of vision. The EDC is stunting an innovative, impactful social entrepreneurship nonprofit that can foster economic and community development using maritime as a driver and offering B-to-B services to workboats. Imagine a right-sized PortSide with visiting vessels, wet lab, library with computer center, youth boat building shop, classes for Coast Guard licenses, exhibits, movie nights, museum store and café, ADA-accessible space in a building, and our beloved MARY WHALEN more available once our offices are off the ship. Sleeping aboard should be allowed. The EDC allowed us to have a shipkeeper for years. Why the change?”*

Councilmember Alexa Aviles (D38) says, *“The New York City Economic Development Corporation (NYCEDC) manages revenue-generating properties owned by the City, including food markets like Hunts Point Market, cruise terminals and a large portfolio along the Southwest Brooklyn waterfront. Yet many New Yorkers do not know that EDC is in fact not a public entity, though its board appointed by the Mayor. While EDC is meant to provide public benefits, in many cases it leases to large entities and collects a flat fee from its leasers instead of property taxes, effectively subsidizing major corporate tenants. Though the EDC is tasked with economic development, whether it's the failed Amazon deal or highly subsidized NYC Ferry system, EDC's notion of development doesn't quite fit the bill. The shuffling around and displacing of tenants at the Atlantic Basin terminal is just one instance of how EDC's model of development has more to do with what suits EDC and not the greater good or the economy. As a member of the City Council Economic Development Committee and the City Council Member for*

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waterfront communities like Red Hook and Sunset Park, I will always demand transparency out of EDC and for the public to be informed about how decisions are being made and how money is being spent. Taking the longer view, it is high time for conversations on how we #RethinkEDC."

Rep. Nydia M. Velázquez (D-NY) says *"Well over a decade ago, NYCEDC announced it was providing PortSide pier-side space in Red Hook which has never materialized. PortSide's vision to expand programming to better connect and educate the community with its working waterfront has great merit that should have the City's full support. That PortSide's historic tanker MARY A. WHALEN is docked at Atlantic Basin adjacent to the Pier 11 shed with so much underutilized and unplanned space is a missed opportunity. The U.S. Department of Transportation's Maritime Administration designated the Brooklyn working waterfront as a part of America's "marine highway," and PortSide has proven to be a valuable educational resource making the maritime sector better understood, appreciated and beneficial to shoreside communities. PortSide's goal is to use the warehouse space to build on this synergy and create a pipeline to maritime jobs. This year, I secured through the U.S. Department of Education \$115,000 in funding for PortSide maritime youth education. I have participated in many meetings over the years with PortSide and NYCEDC. It is time for the city to step up and do its part for the community."*

Assemblymember Marcela Mitaynes (AD51) says *"PortSide is an asset to NYC and needs office, program, and storage space in the Pier 11 warehouse, and permission for other activities, to better provide maritime education and cultural programs for the Red Hook community and beyond. The EDC is overdue to fulfill their promise of building space, originally made to PortSide and the Red Hook community as a community give-back in 2008. The EDC has stated that part of their core mission is to build strong neighborhoods. Unfortunately, as demonstrated by PortSide's experience, the EDC has not been able to fully assist neighborhood-based businesses and nonprofits in overcoming the structural size and other disadvantages they face in the market - even replicating and exacerbating these challenges within government. I urge EDC to fulfill their original promises and consider PortSide's current needs so they can serve their current and future stakeholders."*

Assemblymember Jo Anne Simon (AD52) says *"As a valuable asset to our community, PortSide deserves the city's support to thrive. PortSide was created to be an innovative maritime center, serving the working waterfront and improving public access to the harbor in order to foster community and economic development. PortSide has educated children and adults about the maritime operations in our harbor, including the work done by historic oil tankers, like the Mary Whalen, the last of its kind. Right-sizing PortSide's place along Brooklyn's waterfront is the right thing to do."*

Senator Andrew Gounardes (D22) says *"PortSide has been an integral part of Red Hook's culture and resiliency for years and has had many broken promises from EDC over the years. Despite that, they have continued to cultivate community and design programming that caters to the residents needs and gives access to the Brooklyn waterfront in meaningful ways. I urge EDC to fulfill its promise to them and give them their space as well as work with them to provide certainty to their operations long term."*

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“PortSide has transformed the MARY A. WHALEN into a community space full of history, heritage, and love for our borough,” said Brooklyn Borough President Antonio Reynoso. “I’m hopeful that the EDC will work with PortSide so that the nonprofit’s impact can continue to grow, and Red Hook can become an even greater hub of maritime education, curiosity, and advancement. We must evolve together if our borough is to continue to be the best in the city, where the people, organizations, and companies that call Brooklyn home can flourish.”

Jacqui Painter, Brooklyn AD51 female Leader, says, *“Being a community located on the waterfront, it’s imperative that these spaces should be for the public good. Portside is a staple here in Red Hook that connects our most marginalized neighbors to the waterfront and maritime programming. We need to #RethinkEDC and their role in administrating our public spaces so that it is not just benefitting private interests for profit. All New Yorkers deserve access to the waterfront and the amazing maritime programming that nonprofits like PortSide offer us.”*

Julio Peña III, Brooklyn AD51 male Leader, says *“PortSide is a Red Hook staple that provides much-needed community education services. The EDC promised PortSide space. PortSide deserves adequate program, office, and storage space. It is unconscionable that the EDC has not followed through. Given how impactful PortSide’s Sandy recovery work was, imagine how they could have served Red Hook during the pandemic with that building space. No more broken promises.”*

Mike Racioppo, Brooklyn Community Board 6 (CB6) District Manager, says *“Brooklyn Community Board 6 has long seen the excellent work and programming Portside New York has done with limited space and resources. We not only support Portside continuing to do this work but for NYCEDC to provide pier side space needed to increase PortSide NewYork’s capacity. NYCEDC announced they would provide this space years ago and should do so ASAP. It would pay immediate dividends to our shared community.”*

Bob Kunkel, Principal, First Harvest Navigation says, *“The Comptroller audit about the NYC Ferry is not surprising. The industry estimates for subsidizing the ferry operation exceeded \$16 a passenger. With energy prices and emission issues now forefront in the marine sector, the NYC Ferry has issues that will be difficult to overcome. We were part of a group that worked towards a set aside for Hybrid and EV operation that was ignored by the EDC. We understand the struggles with the EDC reported here.”*

Save Our Seaport says, *“This is a very disturbing report to anyone who values the maritime history, culture, practices, and use that our New York waterfront should afford.”*

Charles Denson, Executive Director, Coney Island History Project says, *“The loss of PortSide Park is a terrible blow for New York. The NYCEDC is famous for eliminating or desecrating parkland without mitigation. They have no sense of history or what the public wants. They’ve also chosen an extremely dangerous and harmful site for the Coney Island Ferry dock. This site at Kaiser Park on Coney Island Creek will destroy a wildlife refuge and release toxic pollution into Coney Island Creek and Gravesend Bay. It*

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eliminates the only safe public access to the Creek. Ferry operation at this site is dangerous for park users as well as ferry passengers. Every negative aspect of this project was pointed out during endless public meetings, but the EDC decided to do the project "quick and dirty." No mitigation or remediation has been offered by EDC to offset the environmental damage and loss of public use at this vulnerable park site. The \$70,000 fine that EDC received from the State for environmental permit violations and illegal dredging at the ferry dock is to EDC just the "cost of doing business." For the full story please watch the video: "Environmental Racism and the Coney Island Ferry." <https://youtu.be/eOcMu3Flii4>

John Bowie, recently retired as General Manager of Vane Line Bunkering says, *"The maritime industry is one of the most misunderstood and under-represented in New York. The mission of award-winning PortSide to bring the industry, the community and local government together to maximize waterfront assets in the community and help industry be a partner to the community through education and employment has been hampered by a lack of commitment from local agencies that have not followed through on promises to assist PortSide. PortSide's original plans were welcomed by the maritime industry; and if PortSide were allowed to grow, they would be a more valuable asset to the maritime industry in New York."*

Adam Armstrong, "A View From The Hook" blog, www.aviewfromthehook.com, Red Hook community member, until 2020 says, *"The NYCEDC has a long history of incompetence and malfeasance in Red Hook. In 2009, the EDC rammed through the Phoenix Beverages deal, insisting that Phoenix occupy 2 piers on the Red Hook waterfront (7&11) when Phoenix had only requested one. Then the EDC backpedaled on the only part of that deal that benefited the community, i.e., providing space within the Pier 11 shed and on the Atlantic Basin for Red Hook's maritime education institution, PortSide New York and its ship, Mary A. Whalen. That promise has never been fulfilled, and PortSide New York is still being blocked from creating a home base in Red Hook. But the big one for me is the EDC's absolute ineptitude in building an operational shore power system for cruise ships docking at the Brooklyn Cruise Terminal, allowing cruise ships to turn off their dirty diesel engines while at berth - saving lives and removing dangerous PM2.5 and CO2 emissions from Red Hook's air. Thirteen years after that shore power system was proposed (in 2009) the system is still not fully operational and unable to connect to many ships that dock in Red Hook - and local residents are still waiting for promised upgrades to make it so. Meanwhile, Red Hook kids continue to breathe dangerous, carcinogenic and asthma-inducing emissions from the idling cruise ships. When will NYCEDC be asked to honor its promises to create a shore power system that works and to provide a space for a home base on land and within the Atlantic Basin for PortSide New York? Red Hook is still waiting."*

Captain James Chambers, lifetime NY harbor mariner. *"The greatest harbor in the world could be even greater with better management."*

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