

STRENGTHENING THE INDUSTRIAL ECONOMY

Support a strong industrial sector for an equitable and affordable city.

A strong industrial sector is a key pillar of a more affordable New York. **Industrial jobs are accessible and high quality.** They provide good-paying, stable jobs to BIPOC communities, immigrants, and residents without advanced degrees - people too often left behind in other parts of the economy.

INDUSTRIAL BUSINESSES PAY HIGHER WAGES AND OFFER MORE CAREER OPPORTUNITIES TO A WORKFORCE THAT IS 67% PEOPLE OF COLOR AND 70% OF WHOM DO NOT HAVE A COLLEGE DEGREE.

The industrial sector provides over 500,000 jobs in New York City, making up nearly 15% of our city's workforce, while contributing over \$1.7 billion annually in tax revenue.

In addition, 32% of all NYC jobs that pay over \$50,000 and do not require a college degree are industrial jobs (Figure 1). Many industrial subsectors also provide growth, skill acquisition, and wage mobility on the job that other sectors do not. As a result, the industrial sectors are uniquely important pathways to the middle class.

INDUSTRIAL BUSINESS ZONES IN NYC

The City created the Industrial Business Zone (IBZ) designation in 2005 to support and incentivize manufacturing and industrial firms, after decades of

disinvestment. There are currently 21 IBZs throughout the city and firms within the IBZs are eligible for a variety of city and state tax incentives to support their growth.

INDUSTRIAL BUSINESS ZONES IN NEW YORK CITY

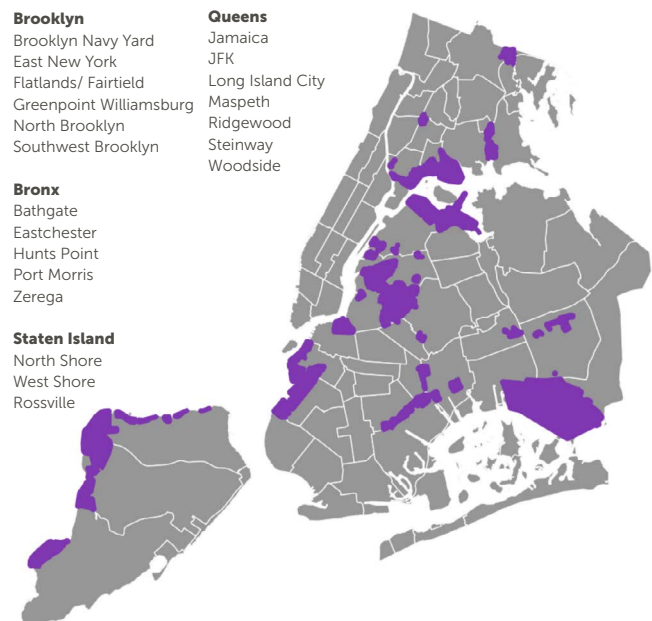
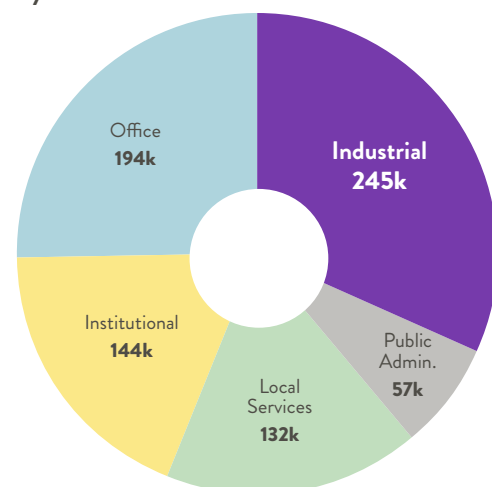


Figure 1. Number of Workers w/o a B.A. Earning \$50k+, by Macro Sector





THE INDUSTRIAL SECTOR KEEPS NYC ALIVE



Not all of the city's manufacturing land exists within these areas, but the IBZ designation helps to mitigate the impact of speculation and prevent industrial business from being pushed out of the city in favor of other, more lucrative uses.

The 40,000 industrial firms in the city's IBZs are supported by non-profit Industrial Business Service Providers (IBSPs). The IBSPs help retain and grow industrial businesses by providing training and technical assistance, workforce development services, support in accessing government programs, financing services, and business planning.

But IBZs are under threat. Since their creation 20 years ago the City has committed to not support residential rezonings in IBZs. But increasingly IBZs are being targeted for residential and speculative real estate development, threatening their proven success in preserving good jobs and industrial stability. Many industrial firms occupy large, low-scale buildings, with the most intensive activity on the ground floor. They rely on access to road, train, and water transportation to distribute products, as well as access to public transportation for workers. The need for appropriate zoning and transportation infrastructure means that industrial firms rely on IBZs as a base of operation.

Housing and jobs are two sides of the same coin.

Housing is essential, but housing without jobs is not stable. The jobs provided by NYC's industrial sector are the very reason families can afford housing and stay in their communities. Our Industrial Business Zones should not be up for grabs - they are **economic mobility assets** that provide pathways for working class communities to rise and that keep neighborhoods strong.

A THRIVING, AFFORDABLE CITY NEEDS A STRONG INDUSTRIAL BACKBONE

The industrial sector is essential to the functioning of New York City's services and infrastructure. Industrial Business Zones contain vital infrastructure, such as road, bridge, pipe, and water main repair and maintenance; car, subway and bus storage, repair and servicing; electricity distribution; waste treatment facilities; and cold storage. All are managed by companies that need to be in industrial zones and need to be located within the city, in order to be rapidly responsive to the city's needs.

INDUSTRIAL JOBS SUPPORT ESSENTIAL SUPPLY CHAINS, CONNECT TO THE GREEN ECONOMY TRANSITION, AND ANCHOR LOCAL COMMUNITIES WITH ECONOMIC MOBILITY AND STABILITY.

To realize visionary plans like the Green New Deal, NYC must rely on its industrial sector to innovate, design, manufacture, supply, install, and maintain green technologies (both for carbon mitigation and resiliency), integrate them into existing infrastructure, and reduce the emissions of services like transportation and energy supply.

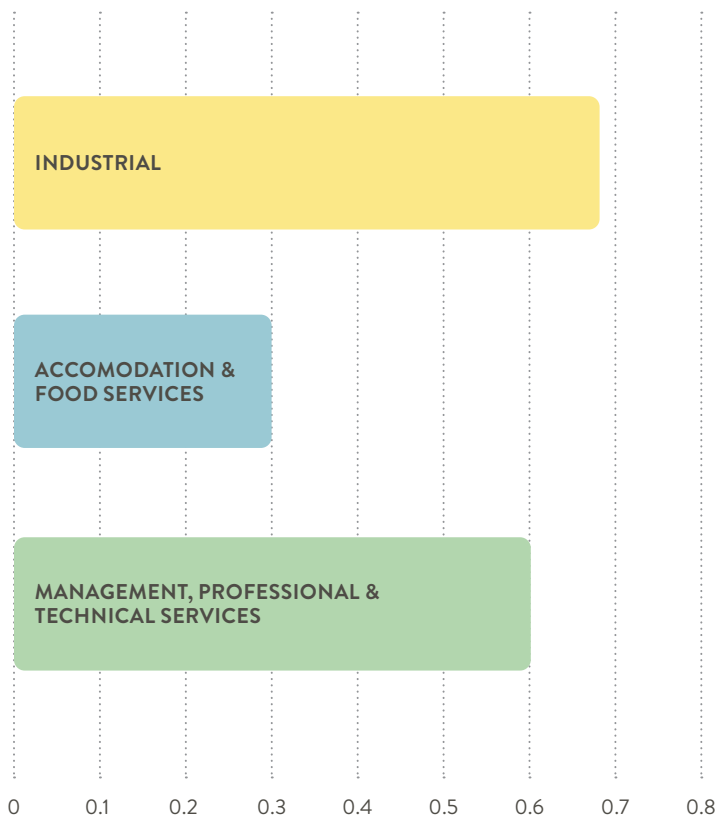


INDUSTRIAL JOBS ARE ACCESSIBLE AND HIGH QUALITY.



Industrial businesses do not just provide good jobs. They are massive engines of economic activity, especially given their lengthy supply chains that increase crosscompany activity and agglomeration effects. The activity is so robust because the multiplier effect is so strong - the number of indirect (business-to-business activity) and induced (worker activity outside work) jobs generated by one direct job (at the company) (Figure 2).

Figure 2. Job Multiplier Effect by Sector



A PLATFORM TO STRENGTHEN THE INDUSTRIAL ECONOMY

We envision a New York City where industrial jobs are a cornerstone of an inclusive and sustainable economy - a city where working-class families can stay and thrive, and where investment in IBZs is understood as an investment in the city and its people.

We call for comprehensive city policies that strengthen and protect industrial jobs and land:

1. PROTECT IBZs

- Commit to no net reduction of Industrial Business Zones - acknowledge the importance of Industrial Business Zones and commit to their continued use as vital hubs for industrial preservation and growth.
- Commit to no residential rezonings within IBZs - except for those that have recently undergone a neighborhood plan with the engagement of the local Industrial Business Service Provider.
- Provide stable and predictable land use/zoning policies that outline a long-term vision for where industrial businesses can grow - including through mapping the new M3A zoning districts created through City of Yes for Economic Opportunity.

2. MODERNIZE INDUSTRIAL POLICY

- Implement the recommendations of the NYC Industrial Plan in coordination with local stakeholders.



A CITY WHERE WORKING- CLASS FAMILIES CAN STAY AND THRIVE



- Invest in sustainable freight infrastructure, including a Blue Highways network.
- Streamline permitting and ensure fair, consistent code enforcement.

3. INVEST IN PEOPLE & COMMUNITIES

- Commit significant funding for workforce development that builds a skilled industrial workforce.
- Support transition to a green economy by expanding industrial jobs tied to renewable energy, recycling, and sustainable manufacturing.
- Ensure industrial jobs remain accessible pathways for residents with barriers to higher education or limited English proficiency.

4. STRENGTHEN INDUSTRIAL BUSINESS SERVICE PROVIDERS (IBSPS)

- Increase and stabilize funding for IBSPs to deliver technical assistance, financing options, advocacy, and workforce training by:
 - Increasing IBSP funding by 50%
 - Indexing the funding to inflation
 - Shifting the funding from a 1-year to a 3-year contract
- Provide resources for nonprofit-managed affordable industrial space to prevent displacement of small businesses.
- Reinvest in the Industrial Developer Fund (IDF) to give nonprofits throughout NYC the means to develop affordable industrial real estate for manufacturers in their communities.

5. EQUITY & ACCOUNTABILITY

- Align city operations and economic development activities with equity goals so that industrial policy advances racial, economic, and environmental justice.
- Ensure IBZs are recognized as **economic mobility assets**, not just land for redevelopment.

ABOUT THE INDUSTRIAL JOBS COALITION

The Industrial Jobs Coalition is a citywide alliance of community groups, policy advocates, and service providers fighting to protect and expand the industrial sector in New York. It includes most of the designated Industrial Business Service Providers, who are responsible for overseeing and supporting the city's Industrial Business Zones.

INDUSTRIAL JOBS COALITION MEMBERS

