CITY PLANNING COMMISSION

July 27, 2016/Calendar No. 22 N160322 BDQ

IN THE MATTER OF an application submitted by the Department of Small Business Services on behalf of the Long Island City Business Improvement District pursuant to Section 25-405(a) of Chapter 4 of Title 25 of the Administrative Code of the City of New York, as amended, concerning the establishment of the Long Island City Business Improvement District, Borough of Queens, Community Districts 1 and 2.

On May 5, 2016 on behalf of the Long Island City Business Improvement District, the Department of Small Business Services (SBS) submitted a district plan for the Long Island City Business Improvement District, Borough of Queens, Community Districts 1 and 2.

BACKGROUND

The Department of Small Business Services (SBS), on behalf of the Long Island City Business Improvement District, intends to expand the existing Queens Plaza / Court Square Business Improvement District by adding a "South Sub-District" that extends south and west from the boundary of the existing BID at Court Square. The entire BID will be renamed the Long Island City Business Improvement District.

The Queens Plaza / Court Square Business Improvement District was originally established in 2005 to fund the maintenance of streets and sidewalks, safety programs, visitor services, retail attraction, and marketing and place-making initiatives. The existing area would become the "North Sub-District" in the proposed Long Island City BID.

The existing North Sub-District is a mixed-use area comprised of approximately 85 properties. The district has about 2.8 million square feet of existing office space with about 1.1 million additional square feet in planning. This includes three large office buildings: the 50-story Citigroup tower, the MetLife Building, and 2 Gotham Center, a 21-story building occupied by the NYC Department of Health. Additionally, there are a number of smaller office buildings, 2 existing hotels and 1 hotel in planning. The North Sub-District also contains national retail chains and locally owned retail businesses. According to the BID, there are currently 669 residential units, with another 4,085 units in planning or construction. The North Sub-District generally includes all

street-facing property lots extending north along Jackson Avenue on both sides of the street from Court Square to Queens Plaza, and extends west along Queens Plaza North and Queens Plaza South from Northern Boulevard / Jackson Avenue to 21st Street.

The proposed South Sub-District would expand the existing BID to generally include properties facing Jackson Avenue from Court Square to 51st Avenue, properties facing Vernon Boulevard from Borden Avenue north to 44th Drive, and properties facing 44th Drive from Vernon Boulevard east to Hunter Street.

The South Sub-District would be comprised of approximately 115 wholly commercial properties and approximately 93 mixed-use residential properties, predominantly two-stories or three-stories in height, with ground floor retail or office uses. There are currently an additional 2,700 residential units in planning or construction. Two Court Square, a large building tenanted by Citigroup and CUNY Law School, is located within the district, as well as Hunters Point Plaza, which contains a mix of government and private offices. The BID estimates that there are approximately 140,000 square feet of additional commercial space in planning or construction. Within the BID, there is also one existing hotel and three more in planning. The South Sub-District also contains many professional services such as real estate brokerage offices and medical offices. There are about 18 industrial businesses interspersed throughout the district, including auto repair and general contracting.

The BID, with funds from the Economic Development Corporation (EDC), maintains the City-installed landscaped medians on Jackson Avenue. EDC also provides funding to the BID, which in turn funds the NYC Department of Parks and Recreation to maintain the public open spaces in Queens Plaza. Several other small public parks are excluded from the BID service area. The BID has said that it would support efforts to make these spaces attractive and to ensure they remain functional public spaces. However, the BID does not want to take full responsibility for their maintenance.

There is a low retail vacancy rate within both the North and South Sub-Districts. There are 47 businesses in the existing BID North Sub-District and 190 businesses in South Sub-District. Retail rents are between $50 and $100 per square foot. Office rents are between $20 and $40 per square foot.

The area in and around the proposed BID constitutes a major transportation, retail, manufacturing, and retail hub of western Queens. In 2013, there were approximately 2,100 firms and 46,000 jobs in Long Island City. While industrial jobs and firms have declined over the past several decades in Long Island City, much of the area retains industrial activities, primarily in wholesale trade, transportation and warehousing, construction, and manufacturing. These are interspersed with other business sectors including financial services, health care and social assistance, and television and motion picture production. Much of the area covered by the BID was rezoned in 2001 to a new special district that increases density and in some areas allowed new residential uses. That rezoning has successfully facilitated a large daytime working population and, increasingly, a large residential population. Between 1993 and 2013, the number of firms increased 30% in Long Island City, accounting for a 22% increase in total jobs.

The Cornell Tech applied science campus under construction on Roosevelt Island is a significant development that is expected to spur new companies and commercial activity that could locate in both sub-districts.

The BID proposes a first year budget of $800,000, which includes $450,000 for the North Sub-District and $350,000 for the South Sub-District. Services are differentiated between the two sub-districts to reflect different needs of each. Proposed expenditures are as follows:

North Sub-District Annual Budget

Services	Budget	Percent
Maintenance/Sanitation	$155,000	34.4%
Maintenance of Public Improvements	$151,000	33.6%
Ambassador	$20,000	4.4%
Marketing/Promotions	$86,000	19.1%
Administration	$38,000	8.4%

South Sub-District Annual Budget

Services	Budget	Percent
Maintenance/Sanitation	$156,550	44.7%
Placemaking	$103,450	29.6%
Marketing	$40,000	11.4%
Administration	$35,000	10.0%
Contingency	$15,000	4.3%

Street maintenance may include manual sweeping and cleaning of sidewalks, curbs and gutters, emptying of pedestrian trash receptacles, maintenance of street trees and tree pits, and snow removal at bus shelters and crosswalks, with special attention paid to problems of over-flowing trash. Additionally, landscapes areas, including tree pits and planted traffic medians, are expected to be maintained. If funding permits, graffiti removal may also be provided for public and private surfaces.

Improvements to be provided by the Amended District Plan may include sidewalk plantings in tubs and at grade, sidewalk logos and plaques identifying the areas as the BID, and street and sidewalk amenities such as information boards and kiosks, pedestrian crossing enhancements, and identification of nearby sights and landmarks.

Marketing and promotion may include joint advertising, special events, banners, brochures, and publications. Though security is not in the proposed first-year budget, if it is deemed that a supplemental security is warranted in either sub-district, the BID may include a uniformed security program.

The BID proposes an assessment based on a formula that factors in the assessed value of property and the linear foot frontage of commercial properties. The assessment formula is structured to meet the total annual budget for each sub-district. The formula differs slightly between the two sub-districts to account for the higher proportion of mixed-use buildings in the South Sub-District where commercial frontage weighs more heavily in the formula than assessed value of the property.

In the North Sub-District, assessed value from commercial property will account for 60% of assessments, while the linear foot frontage of commercial properties will account for 40% of assessments. In the South Sub-District, assessed value from commercial property will account of 30% of assessments and the linear foot frontage of commercial properties will account for 70% of the assessments. Commercial uses above the ground floor will be assessed an additional 50% of the linear foot frontage for each floor of commercial use or part thereof. Residential property will be assessed $1 per year. Government and non-profit property are exempt. The highest assessment in the district is expected to be $30,149; the lowest is $394. More than 60% of the properties will pay $660 or less.

Of the 626 properties contacted by the Long Island City Partnership, 122 responses were received. 119 of these were in favor of the BID expansion and 3 were opposed (1 mixed-use owner and 2 residents). 504 did not respond. Among commercial properties, 19% of total commercial properties in the district support the BID expansion, 51% of total commercial assessed value support the BID expansion, and 31% of total commercial tenants in the district support the BID expansion.

ENVIRONMENTAL REVIEW

The district plan was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA) and the SEQRA regulations set forth in Volume 6 of the New York State Code of Rules and Regulations, Section 617.00 et seq., and the New York City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The designated CEQR number is 16SBS004Q. The lead agency is the Department of Small Business Services.

After a study of the potential environmental impact of the proposed action, a Negative Declaration was issued on May 2, 2016.

WATERFRONT REVITALIZATION PROGRAM (WRP)

This application (N160322 BDQ) was reviewed by the City Coastal Commission for consistency with the policies of the New York City Waterfront Revitalization Program (WRP), as amended, approved by the New York City Council on October 30, 2013 and by the New York State Department of State on February 3, 2016, pursuant to the New York State Waterfront Revitalization and Coastal Resources Act of 1981, (New York State Executive Law, Section 910 et seq.) The designated number is 16-047.

This action was determined to be consistent with the policies of the New York City Waterfront Revitalization Program.

LAND USE REVIEW

On May 5, 2016 the Department of Small Business Services submitted a district plan for Long Island City Business Improvement District (BID) to the Department of City Planning. The plan was then transmitted for review to the Office of the Mayor, Office of the Queens Borough President and the Queens Borough Board, City Council Speaker, City Council Members for Council Districts 2 6 and Queens Community Boards 1 and 2.

Community Board Public Hearings

On May 17, 2016, Queens Community Board 1 held a public hearing on this application and by a vote of 36 to 0 adopted a resolution recommending approval of the BID expansion.

On June 2, 2016, Queens Community Board 2 held a public hearing on this application and by a vote of 36 in favor with 4 opposed, adopted a resolution recommending approval of the BID expansion.

Queens Borough Board

The Queens Borough Board voted on June 20, 2016 to support the BID. In its recommendation the Board said:

> *Long Island City has a mix of vibrant commercial, industrial and residential communities and is one of the fastest growing neighborhoods in Queens and all of New York City. The member generated fees and self-governance of LIC BID will provide additional services supplementary to those provided by the City and promote local businesses through marketing and other support programs, improve the area through public art and community programs and advocate for the capital improvement projects such as public plaza and sidewalk improvements to make sure the area businesses remain vital and healthy.*

CITY PLANNING COMMISSION PUBLIC HEARING

On June 8, 2016 (Calendar No. 8), the Commission scheduled June 22, 2016 for a public hearing on the BID district plan. On June 22, 2016 (Calendar No. 16), the hearing was duly held.

There were five speakers in favor of the proposal and none in opposition. Those who testified included two co-Chairs of the Long Island City BID Steering Committee, the President of the Long Island City Partnership and Executive Director of the Long Island City BID, the Director of BID Services & Economic Development for the Long Island City Partnership reading a statement on behalf of a co-Chair of the Long Island City BID Steering Committee, and the Deputy Commissioner of Neighborhood Development at the NYC Department of Small Business Services.

The first co-Chair of the BID, who is also a business owner and property owner in the expansion area, spoke of the benefits that cleaner streets, better lighting, and other services to create a more inviting environment would have on local businesses. He explained that local businesses do not currently benefit fully from the high-rise residential development along the waterfront and in other nearby locations, and felt that the BID expansion would help attract residents to local commercial businesses.

The second co-Chair of the Long Island City BID Steering Committee described the outreach effort to the community over the past 2.5 years. She explained that an extensive process was used to understand the needs of the community and that few objections to the proposed BID expansion were received – 1 commercial business and 3 residents. As a property owner in Long Island City, she expressed that their tenants along Vernon Boulevard and other small business owners she spoke with expect the BID will be a valuable way to help their businesses.

The President of the Long Island City Partnership and Executive Director of the Long Island City BID discussed the history of the Court Square / Queens Plaza BID and the origins of this proposal to expand the district. She described two public meetings which were well attended and provided a brief overview of the budget, services that will be provided, and the assessment formulas. Overall she felt the proposal is modest, yet effective.

The Director of BID Services & Economic Development for the Long Island City Partnership read a statement on behalf of a co-Chair of the Long Island City BID Steering Committee, in which she expressed that the BID would benefit commercial and manufacturing businesses, as well as improve the pedestrian environment.

The Deputy Commissioner of Neighborhood Development at Small Business Services felt that BIDs have been a valuable component of economic development and neighborhood revitalization, and that the outreach effort for the Long Island City BID has demonstrated that key stakeholder groups are in support of this expansion.

There were no other speakers and the hearing was closed.

CONSIDERATION

The Commission believes that the proposal to expand the Court Square / Queens Plaza BID to create the Long Island City BID is appropriate and will support economic development within both the existing sub-district and the proposed expansion area.

The Commission has carefully reviewed the documents that the BID sponsor submitted regarding notification of stakeholders about the proposed BID and believes that these outreach efforts for the BID were satisfactory. The Commission believes that the BID sponsors made a reasonable effort with outreach to get in touch with as many property owners, residents and businesses.

BIDs are important to the City because they promote healthy economic development for the communities they serve and help retain and attract businesses to the district. The Long Island City Business Improvement District will help manage this existing business area and provide guidance for growth in the future.

The Commission enthusiastically supports the establishment of this BID.

RESOLUTION

The Commission supports the proposed BID plan and has adopted the following resolution:

RESOLVED, the City Coastal Commission finds that the action will not substantially hinder the achievement of any WRP policy and hereby determines that this action is consistent with WRP policies; and be it further

RESOLVED, that the City Planning Commission certifies its unqualified approval of the district plan for the Long Island City Business Improvement District.

The above resolution duly adopted by the City Planning Commission on July 27, 2016 (Calendar No. 22) is filed with the City Council and the City Clerk pursuant to Section 25-405 of the Administrative Code of the City of New York.

CARL WEISBROD, Chairman
KENNETH J. KNUCKLES, ESQ., Vice Chairman
RAYANN BESSER, IRWIN G. CANTOR, P.E., ALFRED C. CERULLO, III, CHERYL COHEN EFFORN, MICHELLE R. DE LA UZ, JOSEPH DOUEK, RICHARD W. EADDY, HOPE KNIGHT, ANNA HAYES LEVIN, ORLANDO MARIN, LARISA ORTIZ, Commissioners

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Nancy Silverman
Dominic Stiller
Marie Tomiali
Rod Townsend

May 23, 2016

Mr. Carl Weisbrod, Chair
City Planning Commission
120 Broadway, 31st Street
New York, NY 10271

Dear Mr. Weisbrod:

RE: # N160322BDQ
Long Island City Partnership Bid Expansion --
Vernon Boulevard, Jackson Avenue & 44th Drive

Community Board 1 held a public hearing on the above referenced application to establish a subdistrict to the existing bid. Following the hearing a motion was made, and passed, to approve the application for the following reasons:

- Will enhance the business district by supporting and advocating for the merchants
- Promote and facilitate in enhancing the pedestrian traffic/visitors by means of marketing and providing public art and community programs
- Promote & provide street scape improvements/beautification and supplemental sanitation services to the Bid and its expanded subdistrict

Very truly yours,

Joseph Risi
Chairman

cc: Hon. Jimmy Van Bramer

The City of New York

Community Board No. 2

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Melinda Katz
Queens Borough President

Patrick A. O'Brien
Chairman
Debra Markell Kleinert
District Manager

June 2, 2016

Mr. Carl Weisbrod, Chair
City Planning Commission
22 Reade Street, Room 2 West
New York, New York 10007

RE: Amended District Plan for the Long Island City Business Improvement District -N160322BDQ

Dear Mr. Weisbrod:

On June 2, 2016, Community Board 2 held a public hearing concerning the expansion of the Long Island City Business Improvement District -N160322BDQ.

At the full board meeting of Community Board 2, with a quorum present, a motion was made and seconded to approve the expansion of the Long Island City Business Improvement District. The vote was 36 in favor of the motion with 4 opposed and 0 abstentions.

Please contact Community Board 2 if you have any questions.

Sincerely,

Debra Markell Kleinert
District Manager

DMK/mag

cc: Honorable Joseph Crowley, US Congress
Honorable Carolyn B. Maloney, US Congress
Honorable Grace Meng, US Congress
Honorable Nydia M. Velazquez, US Congress
Honorable Michael Gianaris, NY State Senate
Honorable Michael DenDekker, NYS Assembly
Honorable Margaret Markey, NYS Assembly
Honorable Catherine T. Nolan, NYS Assembly
Honorable Elizabeth Crowley, NYC Council Member
Honorable Jimmy Van Bramer NYC Council Member, Majority Leader
Honorable Daniel Dromm, NYC Council Member
Honorable Melinda Katz, Queens Borough President of the Borough of Queens
Honorable Melva Miller, Deputy Borough President
Irving Poy, Queens Borough President's Office
Yoni Bokser, Queens Borough President's Office
Patrick A. O'Brien, Chairman, Community Board 2
Lisa Deller, Chair, Land Use Committee CB 2
John Young, Department of City Planning
Penny Lee, Department of City Planning
Alexis Wheeler, Department of City Planning
Barry Dinerstein, Department of City Planning
Kris Goddard, Small Business Services
Elizabeth Lusskin, Long Island City Partnership

Queens Borough Board Recommendation

COMMUNITY BOARD: Q01 & Q02

DOCKET DESCRIPTION

IN THE MATTER of an application submitted for the amended district plan for the Long Island City Business Improvement District, pursuant to 25-405 of the Administrative Code of the City of New York.

PUBLIC MEETING

A Public Meeting was held in the Borough President's Conference Room at 120-55 Queens Boulevard on Monday, June 20, 2016 at 5:30 PM pursuant to Section 82(5) of the New York City Charter and was dully advertised in the manner specified in Section 197-c (i) of the New York City Charter. The applicant made a presentation.

CONSIDERATION

Subsequent to review of the application and consideration of testimony received at the public meeting, the following issues and impacts have been identified:

- The Long Island City Business Improvement District (LICBID) Expansion Steering Committee has proposed to create a new BID that incorporates the existing Queens Plaza/Court Square Business Improvement District (to be known as the North Sub District) with a new extension area of the BID (to be known as the South Sub District);
- The existing Queens Plaza/Court Square sub-district encompasses properties fronting Queens Plaza North and South between 21st Street and Jackson Avenue/Northern Boulevard, and on Jackson Avenue from Queens Plaza South to 45th Avenue/Thomson Avenue. The new proposed South Sub District would incorporate properties fronting Jackson Avenue from 45th Avenue/Thomson Avenue to Vernon Boulevard, 50th Avenue between Jackson Avenue and Vernon Boulevard, Vernon Boulevard from Jackson Avenue to 44th Drive, and 44th Drive from Vernon Boulevard to Jackson Avenue. The proposed BID expansion area consists of 626 total properties including 208 commercial properties, 190 commercial tenants, 406 residential properties and 12 government/non-profit owned properties;
- The LIC BID Expansion Steering Committee represented by a group of community stakeholders conducted outreach to the property owners, businesses and residents within the new proposed South Sub District to identify specific needs and issues of the new sub-district. That outreach will allow tailoring of services to address the needs of the new sub-district, coordination of appropriate joint services or activities with the existing North Sub District, and facilitate joint administrative cost savings for the LICBID;
- The Queens Plaza/Court Square BID was created in 2005, and supports business, property owners, businesses and residents in the area. The BID is operated by the Long Island City Partnership, a non-profit Local Development Corporation. The proposed new sub-district will provided the following services to better support local businesses and promote a higher quality of life for the neighborhood such as supplemental sanitation services, streetscape improvements and beautification, visitor attraction, marketing, public art and community programs, capital improvements, and advocacy for improving city services;
- CB 1 & CB 2 approved the amended district plan for the Long Island City Business Improvement Plan at their respective public meetings held on May 17 and June 2, 2016.

RECOMMENDATION

Long Island City has a mix of vibrant commercial, industrial and residential communities and is one of the fastest growing neighborhood in Queens and all of New York City. The member generated fees and self-governance of LIC BID will provide additional services supplementary to those provided by the City and promote local businesses through marketing and other support programs, improve the area through public art and community programs and advocate for the capital improvement projects such as public plaza and sidewalk improvement to make sure the area businesses remain vital and healthy.

Based on the above consideration, the Queens Borough Board hereby recommends approval of the Amended District Plan for the Long Island City Business Improvement District.

PRESIDENT, BOROUGH OF QUEENS

6/29/16
DATE