

Queens Borough President Recommendation

APPLICATION: ULURP # 200303 ZSQ

COMMUNITY BOARD: Q02

DOCKET DESCRIPTION

IN THE MATTER OF an application submitted by RXR 42-11 9th Holdings LLC pursuant to Sections 197-c and 201 of the New York City Charter for the grant of a special permit pursuant to Section 74-96* (Industrial Business Incentive Areas) of the Zoning Resolution to allow an increase in the maximum permitted floor area ratio in accordance with Section 74-963 (Permitted floor area increase) and, in conjunction therewith, to modify the quantity and size of the loading requirements of Section 44-50, in connection with a proposed twenty-story commercial building within an Industrial Business Incentive Area specified on the maps in Section 74-968 (Maps of Industrial Business Incentive Areas) in an M1-4 District, located at 42-11 9th Street, Block 461, Lot 16, Borough of Queens.

*Note: Section 74-96 is proposed to be changed under a concurrent related application (200304 ZRQ) for a Zoning Text Amendment to establish the proposed project as an Industrial Business Incentive Area 2 and make the Section's provisions applicable to M1-4 Districts. (Related ULURP # 200304 ZRQ)

PUBLIC HEARING

A Public Hearing was held by the Queens Borough President via Zoom webinar and livestreamed on www.queensbp.org on Thursday, November 12, 2020 at 10:30 A.M. pursuant to Section 82(5) of the New York City Charter and was duly advertised in the manner specified in Section 197-c (i) of the New York City Charter. The applicant made a presentation. There were three (3) speakers. The hearing was closed.

CONSIDERATION

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

- The applicant has filed for an Industrial Business Incentive Area (IBIA) Special Permit that allows increased floor area and bulk modifications for certain manufacturing and commercial uses as an incentive to encourage mixed manufacturing-commercial development to strengthen and support the area. The Special Permit may be granted if a number of conditions and requirements are provided or met and identified on a specific site plan. The resulting development must include required industrial uses and incentive uses, minimum sidewalk widths, specified building heights and setbacks, ground floor design standards, public plazas must be at least 2000 SF in size, appropriate signage and other open areas. The proposed development and all of the conditions and requirements provided must be recorded in a filed Restrictive Declaration before any building permits can be issued;
- The Special Permit requested is currently only applicable in designated Industrial Business Incentive Areas. The applicant has concurrently filed a related application (ULURP #200304 ZSQ) for a zoning text amendment that would establish the applicant's property, located in an M1-4 District, in the Zoning Resolution as an Industrial Business Incentive Area making it eligible for the requested Special Permit;
- The proposed development is a 321,347 SF (6.5 Floor Area Ratio (FAR)), twenty-one-story mixed industrial/commercial building that includes approximately 64,270 SF for light manufacturing use (required industrial 1.3 FAR), 98,876 SF permitted uses (commercial 2.00 FAR), 158,201 SF incentive uses (commercial office and retail 3.2 FAR). The 6.5 FAR proposed development is the same as what would be allowed if the site were to be developed with an as-of-right 6.5 FAR community facility building. There will be 67 accessory parking spaces, 43 bicycle parking spaces, landscaped open space along 10th Street with a minimum depth of 15 feet, and the sidewalk along Queens Plaza South would be widened by over 5 feet to make it 15 feet wide. The proposed building would be approximately 330' tall built on a two-story podium and a 19-story tower above with additional setbacks on the tenth floor, and the bulkhead would have a maximum height of an additional 40'. The first floor would be used for industrial, retail, parking, loading, mechanical and lobby space, the second and third floors would also be reserved for industrial space only, floors 4-6, 10, 19-21 would be reserved for Permitted Uses and/or Incentive Uses (i.e., office space and/or restaurant space), and floors 7-9, 11-18 would be reserved for office space only;
- The Development Site (Block 461, Lot 16) is approximately 49,400 SF (200.33' x 254.42') in an M1-4 District, owned by 9th Street Management LLC. The lot is bounded by 9th Street, 43rd Avenue, 10th Street and the Queensboro Bridge directly above Queens Plaza South. The site is currently developed with a 45,536 SF one-and-a-half-story industrial building that covers most of the lot. Titan Machine Corporation, an elevator machining and repair company, has been in business on the site since 1973 and currently employs twenty-one workers. The space is no longer properly configured for the company's needs or modern equipment. Titan intends to relocate to another facility with more suitable space. This area of Long Island City is developed with a mix of industrial, commercial, office and residential uses are all within 600 feet of the development site. Notable development in the vicinity includes Queensbridge Park 1- block northwest, the NYCHA Queensbridge housing complex 1-block north, the Ravel Hotel to the west on 9th Street. The Development Site is served by the following transit options: Queensboro Plaza subway station

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(7, N and W lines) to the east, Court Square-23rd Street subway station (E and M lines, with connections to the 7 and the G lines) to the southeast, Queensbridge-21st Street subway station (F line) to the northeast, as well as the Q102 and Q103 bus lines;

- In 2016, the City designed two Industrial Business Incentive Area (IBIA) Special Permits to facilitate the creation of new office and light industrial space in IBZs. In conjunction with the 2017 Plan, *New York Works*, the applicant seeks to amend the Zoning Resolution to accommodate future light industrial manufacturers who may need smaller industrial spaces, produce much-needed office space in Long Island City, and to facilitate the Proposed Development;
- The applicant met with the Community Board 2 Land Use Committee prior to certification of the application. Concerns were raised at that meeting about allotting smaller "maker" spaces at affordable rents to local manufacturers; the applicant's intention to participate in the Business Improvement District (BID); the applicant's intention to use and/or develop space under the Queensboro Bridge in relation to the development project dependent on NYC Department of Transportation use; and the applicant's intent to support M/WBE businesses within the industrial space. The Land Use Committee did not vote to recommend this application until the applicant better addressed these concerns;
- Community Board 2 (CB 2) approved this application with condition by a vote of thirty-two (32) in favor with two (2) against and two (2) abstaining at a public hearing held on October 1, 2020. CB 2's conditions were as follows: the developer should set aside 10% of the industrial space at a rental rate of \$15 per square feet keeping it affordable for local industrial users; and capping the annual rent increases at 3% for ten years, with an option to renew at those terms for another ten years with the same terms;
- Titan Machine Company has been in operation in Long Island City for nearly fifty years since 1973. Most of the employees live in the nearby community or are Queens residents. To date, RXR Holdings has teamed with Titan Machine Company to make commitments with local community based organizations to provide a variety of training, job readiness, educational opportunities and other programs that will benefit local and area residents;
- Residential development in Long Island City has supplanted many formerly industrial areas displacing industrial businesses in the area. Long Island City, however remains one of the largest remaining industrial areas left in New York City;
- During the Borough President's Land Use Public Hearing, the applicant identified several community based initiatives and outreach efforts in which they have established working relationships with local community based organizations creating job training and readiness programs, expanding vocational education opportunities, and seeking participation of local service providers for the development. The local organizations working with the developer include Urban Upbound, LaGuardia Community College, On Point Security, Riis Settlement House, and Pursuit who have agreed to participate in several programs geared towards the local community around the development site. The development team has already committed to 300 construction related jobs through local organizations and has agreed to work with SEIU 32BJ regarding services for the constructed building. The applicant also stated that they were considering CB2's conditions of approval. There were three speakers who testified in favor of the project citing Titan Machine Company's longstanding presence and participation in Long Island City organizations, the opportunity for the increase of up to 1500 new jobs instead of the existing 21 jobs on the site, the required industrial space and incentive commercial uses to be developed in the project as opposed to the predominantly residential development that has occurred over the last fifteen years in Long Island City, and RXR Holdings commitments to working with the local community.

RECOMMENDATION

Based on the above considerations, I hereby recommend approval of this application for the IBIA Special Permit with the following conditions:

- Developers hire workers, both during and after construction, who would be paid prevailing wage;
- The applicant consider the request issued by Queens Community Board 2 to set aside industrial space at \$15 per square feet to help keep the area affordable for small or emergent industrial businesses in Long Island City.



PRESIDENT, BOROUGH OF QUEENS

11/20/2020

DATE