



# LONG ISLAND CITY

Comprehensive Plan **Phase 1**

S U M M A R Y   R E P O R T



Long Island City  
Partnership

## ACKNOWLEDGMENTS

The Long Island City Comprehensive Plan has received pivotal support from public and private funders:

NYS Senator Michael Gianaris	NYC Economic Development Corporation
NYS Assemblywoman Catherine Nolan	Consolidated Edison Co. of N.Y., Inc.
NYC Council Speaker Melissa Mark-Viverito	Cornell Tech
NYC Council Majority Leader Jimmy Van Bramer	Ford Foundation
Queens Borough President Melinda Katz	TD Charitable Foundation
Empire State Development	Verizon Foundation
NYC Regional Economic Development Council	

The LICP Board Comprehensive Plan Steering Committee provided invaluable input, feedback and support. Members include,

Michelle Adams, Tishman Speyer	Richard Dzwlewicz, TD Bank
Denise Arbesu, Citi Commercial Bank	Meghan French, Cornell Tech
David Brause, Brause Realty	John Hatfield, Socrates Sculpture Park
Tracy Capune, Kaufman Astoria Studios, Inc.	Gary Kesner, Silvercup Studios
Mary Ceruti, SculptureCenter	Seth Pinsky, RXR Realty
Ebony Conely-Young, Long Island City YMCA	Caryn Schwab, Mount Sinai Queens
Carol Conslato, Consolidated Edison Co. of N.Y., Inc.	Gretchen Werwaiss, Werwaiss & Co., Inc.
Jenny Dixon, The Isamu Noguchi Foundation and Garden Museum	Jonathan White, White Coffee Corporation
Patricia Dunphy, Rockrose Development Corp.	Richard Windram, Verizon

Finally, thank you to the businesses and organizations who responded to our survey and to everyone who participated in our focus groups and stakeholder conversations. Your participation was essential to informing this report. Summaries and lists of participants can be found in the Appendices.



ABOUT THIS REPORT

Phase 1 of the Comprehensive Plan and this report was completed by Long Island City Partnership with the assistance of Public Works Partners and BJH Advisors. In the final months leading to publication of this report, additional work, including continued stakeholder conversations, was undertaken by Long Island City Partnership.



Long Island City Partnership

The Long Island City Partnership (LICP) is the local development corporation for Long Island City (LIC), Queens. LICP’s mission is to advocate for economic development that benefits LIC’s industrial, commercial, cultural, and residential sectors. The goal is to attract new businesses to LIC, retain those already here, welcome new residents and visitors, and promote a vibrant and authentic mixed-use community. The LIC Partnership operates the Long Island City Business Improvement District and the LIC Industrial Business Zone, among other programs.



LICP Project Manager: Christina Chavez

Report design: Ben Dodd

Printed in Long Island City at i2print

Cover photo (“Dancers”) courtesy of Socrates Sculpture Park

Funding provided by a grant from Empire State Development

This work is licensed under the Creative Commons Attribution 4.0 International License. To view a copy of the license, visit <http://creativecommons.org/licenses/by/4.0/>

TABLE OF CONTENTS

Acknowledgments	2
Executive Summary	4
Introduction	8
Methodology	10
Key Findings	13
Relevant Projects Underway	36
Recommendations	37
Implementation & Next Steps	51
Endnotes	52
List of Appendices	53

# EXECUTIVE SUMMARY

## COMPREHENSIVE PLAN FOR LIC: WHY NOW?

Historically and currently, Long Island City is a key economic driver for the region. It is a source of good-paying, middle class jobs for local workers, of essential goods and services for New York City, and, increasingly, of housing -- both affordable and market rate.

The area remains and is becoming ever more attractive for commercial office, retail, light industrial, design, tech, and cultural uses, reinforcing the neighborhood's authentic, mixed-use character.

LIC's recent growth confirms its strong regional reputation as an attractive neighborhood, ripe with opportunity. Without careful planning, however, this growth threatens the very mix of uses that has helped attract investments in the first place. Cultural organizations, artists and businesses across all sectors are challenged to find and maintain affordable real estate. Without attention to their needs, these businesses and organizations will move outside of LIC—and some outside of NYC—taking with them the diversity they contribute to, along with their quality jobs and critical economic activity. Existing infrastructure is already at or over capacity, with more residential and

business growth expected. LIC must also be positioned to take advantage of new opportunities such as attracting spin-off companies from Cornell Tech when it opens on Roosevelt Island in 2017.

Despite its economic importance, LIC has never had an overall plan guiding its development, and is developing in ways no one ever planned. This first-ever LIC Comprehensive Plan will address how to leverage LIC's tremendous market potential to not only preserve but also enhance this authentic, mixed-use "city within the City."

The objectives of Phase 1 of the Comprehensive Plan were to gather and synthesize information from many existing sources to understand the current market and the perspective of various stakeholders, to validate widely held views and take them out of the realm of the anecdote, and to discover new information or trends that should inform future policies and actions.

We reviewed the myriad of past or ongoing studies that explored aspects of LIC, all of which focused on smaller geographies or particular sectors. This Comprehensive Plan looks across sectors at the greater LIC area that more closely matches

its historical definition: from north of Newtown Creek to Astoria Boulevard, and from the East River to Steinway Street (on the north side of Sunnyside Yards) and 43rd Street (on the south side of Sunnyside Yards). This set of boundaries also allowed the study to capture important activities underway today that have implications for all of LIC. We conducted a study of the existing conditions with a baseline analysis of key LIC characteristics, including land use, market conditions, and demographics. We held dozens of conversations with key stakeholders in the community—including business owners, property owners and developers, artists and cultural institutions, Cornell Tech, business incentive program experts and workforce development providers. We also undertook a landmark survey—distributed to all of the more than 6,600 businesses and organizations in LIC—to understand who is here, their perceptions of the neighborhood, the challenges they face here, and the opportunities they see to grow and thrive. An impressive 515 unique businesses and organizations across a range of sectors and sizes responded to the survey, providing invaluable perspective and insights.

## KEY FINDINGS

The secondary and primary research resulted in a breadth of information to be used for future policy recommendations and further study. The following key findings reflect some of the most crucial indicators to highlight for action.

1. LIC's central location, its mixed-use character, and the interdependence and collaboration among entities – within and across sectors – are seen as LIC's greatest assets.
2. Businesses and organizations across sectors are optimistic about their longevity in LIC and want to expand their operations here.
3. Sufficient availability of affordable and appropriately configured space is a challenge across sectors and endangers our "city within the City."
4. There is unmet demand for commercial office space. Yet, without government intervention new buildings have not been created, limiting economic growth and putting pressure on existing industrial space.
5. Stakeholders across all sectors affirmed that the presence of arts and culture and working artists are essential to LIC's mix and vibrancy. But these uses are under threat and interventions are needed to support their future in LIC.
6. Existing business incentive programs, while helpful to industrial and commercial firms, are not easily available to and are often insufficient for the businesses in LIC that need them most today.
7. Although the overall population in the study area showed increased income and educational attainment, persistent and substantial pockets of poverty remain.
8. New job opportunities abound and will increase in LIC's growing sectors. However, maximizing the benefits of these opportunities will require better connections between employers and local residents, and appropriate training and education programs.
9. Many parts of LIC feel disconnected from other parts of the neighborhood—or are very hard to navigate—creating barriers to movement and vitality.
10. Improved public transportation options, availability of parking for commercial activity and efficient vehicle movement are all economically vital to the area.
11. A diverse variety of local amenities and services, including restaurants, retail, recreation, housing options, green space, community services, libraries, quality health care and schools are fundamental to maintaining a successful mix of businesses and organizations in LIC and to forming a functional live/work environment to support employee needs as well as the existing residential population.

## RELEVANT PROJECTS UNDERWAY

During the course of this study a number of projects, policies, proposals, and plans in LIC or that will have an impact on the area were completed, announced or begun, helping to address some of the issues raised in our key findings. For a complete list, see page 36 in the Summary Report.

## RECOMMENDATIONS

The following recommendations address some of the issues and disconnects revealed by the key findings. While some intervention is underway, more is required. Implementing these recommendations will have a real impact across all sectors and will help to maintain and foster an equitable, mixed-use, full service community in LIC.

1. **Make incentive programs work for the businesses that need and want to be in LIC. In addition, look for creative ways to build more space for businesses.**
  - Implement adjustments to improve the (1) accessibility, (2) predictability, (3) transparency, and (4) effectiveness of existing incentive programs.
  - Relieve the real estate pressure on industrial companies and allow for future growth by creating more commercial, and, if possible, more industrial space by designing creative development structures.
  - Address impediments to new construction and investment, such as current tax policies, outdated building codes, and zoning restrictions.
2. **Work with the City to incentivize new commercial office construction through appropriate zoning and incentives to serve pent-up demand, take advantage of new growth, and simultaneously reduce pressures on viable industrial and cultural space.**
3. **Capture and retain growing, entrepreneurial businesses in LIC to anchor their job creation here.**
  - Develop a nonprofit, multipurpose step-up space for small, growing industrial firms and nascent technology and design firms graduating from co-working or incubator space. Colocate it with prototyping and workforce development services.
4. **Increase opportunities for cultural institutions and artists to maintain and operate active, permanent spaces in LIC. Expand the integration of arts and culture into the LIC urban fabric and communities.**
  - Explore options to creatively help with space costs (ownership and rental) by both making existing tools such as zoning bonuses function better and incentivize use of existing space for artists.
  - Create a connected “downtown” through incorporating culture into the landscape. Explore projects in other cities, such as RiNo District in Denver and Miami Adrienne Arsht Center for possible adaption for LIC.

5. **Develop a strategy to foster a cluster of biotechnology, life sciences, and technology related industries in LIC by leveraging LIC's relevant and unique advantages, anchoring an important sector for NYC.**
6. **Work to relieve parking strain on LIC businesses and organizations. Maintain truck and vehicular movement necessary for efficient business activity.**
  - In commercial areas of Community Boards 1 and 2, undertake a targeted study to identify opportunities to alleviate LIC's parking strain on businesses of all sectors to facilitate local commercial activity.
  - LICP will continue to advocate for the replacement of parking spots lost from demolition of a municipal parking garage and for additional parking spots to be created for businesses.
  - Ensure trucks and necessary vehicles can still operate within and through LIC.
7. **Work with transportation agencies to update routes and frequencies of buses and subways in order to move people within LIC from where they are to where they need to go.**
  - Study where there are gaps in local transportation options, such as intra-LIC and inter-borough, to consider adding additional public transportation service or increase frequency of existing service.
8. **Bridge neighborhood barriers and improve connection between sub-areas of LIC.**
  - Enliven underused public land to create safer and more interesting spaces for pedestrians.
  - Create a new street sign program modeled on DOT's Walk NYC neighborhood maps to help residents, visitors and employees better navigate the neighborhood and increase awareness of the many amenities and cultural resources in the area.
9. **Maximize economic benefits for LIC residents and businesses.**
  - Create better linkages among LIC employers, jobseekers and training options to build skills in residents that are needed by our businesses and to connect them with local employers.
  - Support workforce training programs at the high school, technical and college levels.

# INTRODUCTION

## LIC IN CONTEXT

Long Island City is in a period of explosive growth and transformation. Since the early 19th Century, LIC has been an essential economic driver for the region. It is a source of good-paying middle class jobs for local workers, of essential goods and services for New York City, and, increasingly, of housing—both affordable and market-rate. LIC's proximity to Manhattan, its inventory of reasonably priced real estate and unparalleled access to transportation systems that connect the region—public transit, highways and airports—has ensured the neighborhood is a central node for production, commerce and distribution.

Long Island City is becoming more residential—and in a more concentrated way. Between 2000 and 2013, while the area's population as a whole declined slightly, it also concentrated dramatically west of Sunnyside Yards where it grew by 13.5%. The 22,500 housing units currently in development or planned will increase residential units overall by more than one-quarter in the next few years. This will reverse the population decline in the study area as a whole—and concentrate it further. New residential units increasingly will need to serve a diversity of household types: families with and without children; singles living alone or with roommates, professionals working locally or in Manhattan, and staff, faculty and students associated with nearby Cornell Tech on Roosevelt Island.

There has also been an explosion in hotel construction which takes advantage of LIC's significant light manufacturing zoning where hotel development is permitted, proximity to Manhattan and City airports, as well as demand for local accommodations. There are at least 27 hotels in current operation with over 2,500 hotel rooms; we are aware of at least 36 more in planning or development with a projected additional 5,000 rooms.<sup>1</sup>

The area is also becoming ever more attractive for commercial office, retail, light industrial, design, tech, and cultural uses, reinforcing the neighborhood's authentic, mixed-use character. Recent development is bringing greater density to the neighborhood. It is also bringing significant investments in the public realm. As a result, the area has become one of the safest in the City, with new (if not yet sufficient) neighborhood amenities that help support the increased density and growing mix of uses as LIC becomes more of a 24/7 community.

LIC's interdependent industrial, commercial, residential and cultural uses actively foster collaboration, creativity and innovation. This mix of uses supports the ecology that growing, innovative firms increasingly report are requirements to attract talent: a fully functioning community where work and home are in close proximity, good schools are available, streets are safe for pedestrians and foster commerce, and neighborhood services for residents and workers alike.

While there has been limited new commercial construction, significant investments are being made in larger, pre-existing industrial or warehouse buildings. These investments have led to space returning to the market at higher rents more in line with commercial office tenants rather than refurbished spaces for industrial and manufacturing users. Some specialized producers with higher margins have been able to move into these buildings. In some cases, it has been reported that larger traditional industrial tenants have been able to stay, especially when a landlord provides favorable rents in an effort to curate and diversify their tenant base to make their buildings more attractive to a range of users.

These new investments in the area confirm and enhance LIC's strong regional reputation as an attractive neighborhood, ripe with opportunity for growth. Without



Careful planning, however, this growth will threaten the very mix of uses that helped attract investments in the first place. Cultural organizations, artists, and businesses across all sectors indicated that they are challenged to find and maintain affordable real estate, even though the vast majority of them indicated that they very much want to stay in LIC.

But rather than see these as competitive uses, LICP sees it as an opportunity to thoughtfully plan to accommodate all of them.

Despite its historical and increasing regional economic importance, LIC has never had an overall plan guiding its development. Prior efforts, some now 30 years old but still relevant, were geographically limited or sector-specific. This Comprehensive Plan looks across sectors at a greater LIC area that more closely matches its historical definition: from north of Newtown Creek to Astoria Boulevard, and from the East River to Steinway Street (on the north side of Sunnyside Yards) and 43rd Street (on the south side of Sunnyside Yards). This area also represents the current business services catchment area of LICP under its Industrial Business Service Provider contract. Phase I of the Comprehensive Plan aims to collect and synthesize data leading to actions and policies that will:

- Continue to foster the vibrant mixed-use neighborhood that is socially and economically diverse, and continues to serve the regional economy—as LIC has effectively done for generations;
- Leverage LIC’s tremendous market potential to both preserve and enhance the area, and guide public and private sector investments in LIC to balance growth across sectors, supporting the very mix that has attracted investment; and

- Secure infrastructure investments and strategic interventions to help the neighborhood serve its present and future needs.

This is a critical time to put forth a vision that will help guide City, state and federal policies and investment. Many initiatives, organizations and City agencies have already contributed meaningfully toward planning for balanced growth in LIC. This planning process has been supported by a diverse breadth of public, private and nonprofit institutions, all of which are deeply committed to ensuring that the area and the region continue to benefit from LIC’s unique assets now and in the future. Given this mayoral administration’s commitment to both support industrial jobs, and find appropriate ways to develop up to 60 million more square feet of commercial office space, developing an action plan with LIC stakeholders is of paramount importance. The following recommendations present steps to achieve these goals.

The objectives of Phase 1 were to gather and synthesize information from a variety of sources to understand the current market and the perspective of various stakeholders; to validate widely held views and take them out of the realm of the anecdote; and to discover new information or trends that should inform future policies and actions. The information gathered in Phase 1 provides a rich base of data that can be used for further research and to develop future policy recommendations. Based on the findings from these various sources of data, we present recommendations that aim to inform the neighborhood’s future development to maintain balanced, equitable growth in LIC. This report also sets the stage for Phase 2 of the Comprehensive Plan, which will both move these recommendations forward and, where needed, undertake additional targeted studies of particular issues in greater detail.

# METHODOLOGY

The study focused on seven ZIP Codes –11101, 11102, 11103, 11104, 11106, 11109 and 11120—in the westernmost part of Queens (see Figure 1). These ZIP codes represent the current business services catchment area of LICP under its Industrial Business Service Provider contract, and are all part of the historical boundaries of the greater LIC area, including the ‘core’ of the LIC neighborhood, Astoria, Ravenswood, Hunters Point, and parts of Sunnyside. While the neighborhood itself can be looked at holistically, each of these sub-neighborhoods also has distinct geographic and demographic characteristics. The analysis approach described in this section examines LIC as a whole as well as the needs of specific stakeholder groups and sub-neighborhoods. This approach aims to provide a useful picture of the current landscape and associated challenges.

LICP took a two-pronged approach to understanding the needs of our mixed-use community and identifying future opportunities to foster continued balance and growth. The approach combined secondary research on the current conditions in LIC with the collection of primary data through an extensive business survey, stakeholder conversations, business interviews, and focus groups. The Business and Organization Survey and preliminary stakeholder focus groups were conducted and administered from October 2015 through January 2016. One-on-one interviews with businesses that completed the survey, a focus group with businesses planning to expand in the next five years as well as a second round of stakeholder conversations were conducted from January to June 2016. During this time LICP engaged a team of consultants to analyze the data and information collected and assist in preparing the findings and recommendations. LICP also worked closely with the LIC Comprehensive Plan Board Steering Committee and consulted with City and state elected officials, our City partners and funders of this study.

This section provides details on the methodology for the multiple information gathering efforts undertaken for this study.

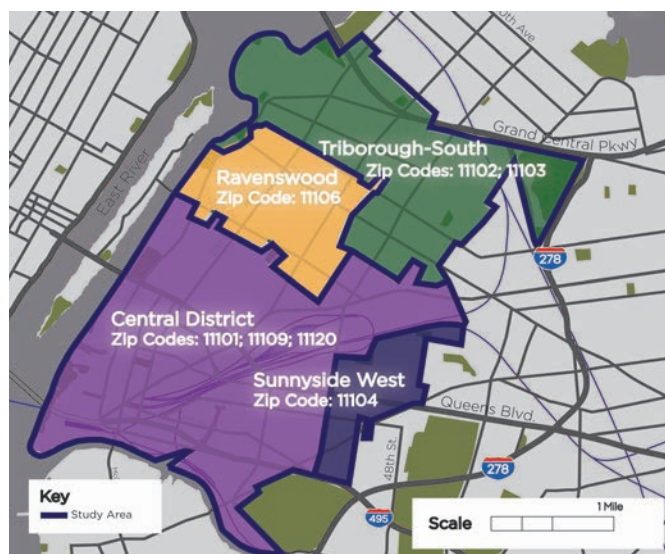
## SECONDARY RESEARCH AND EXISTING CONDITIONS REPORT

### *Existing Conditions*

The Existing Conditions report (Appendix A) is a summary of neighborhood characteristics, including descriptions of the current land use and market conditions. LICP collected data to get an understanding of greater LIC as a whole and by sub-geography, and to identify the core attributes and challenges within the area. The data collected for this report was taken from the sources available in the fall and winter of 2015.

Data was collected from both public and proprietary sources, including the NYC Department of City Planning (DCP), NYC Department of Finance (DOF), NYC Department of Education (DOE), the American Community Survey (Census) and CoStar, a highly regarded commercial real estate information company. The report was also informed by previous business sector or locational studies of the LIC community, in addition to LICP’s understanding of the neighborhood landscape.

FIGURE 1: LIC Comprehensive Plan Study Area



The baseline research included gathering information on neighborhood characteristics such as demographics; land use and zoning; infrastructure and commuting patterns; and residential, office, industrial, and retail market conditions.<sup>2</sup>

While recent demographic and market data was used in the baseline research, LICP acknowledges that the greater LIC area is in a dynamic period of growth and change, which is unlikely to be captured by quantitative data alone. Therefore, the baseline existing conditions analysis should be reviewed as a part of a greater study of the area. The rapidly changing landscape highlights the importance of primary data collection to understand the specific needs of businesses currently operating in LIC. Having created this baseline, LICP and others will be able to compare to more current data as it becomes available.

### *Secondary Research*

LICP consulted numerous other studies and reports on the LIC landscape to help identify key issues and potential policy considerations for exploration. Reports consulted are listed in Appendix B.

## **PRIMARY DATA COLLECTION**

In addition to understanding the baseline existing conditions, LICP wanted to understand the experiences of businesses currently operating in the neighborhood and, in particular, to discern the factors that drew businesses to LIC and could potentially drive businesses out of LIC. We also wanted to understand in what ways the neighborhood currently serves businesses' needs—or could better do so. To achieve this, LICP engaged in a variety of outreach activities to obtain input from as many businesses as possible. These activities included distributing a business and organizational survey as well as conducting targeted stakeholder conversations, focus groups, and individual business interviews.

### *Business Survey*

LICP developed a Business and Organization Survey to gather real-time, on the ground information on the LIC business environment. The final survey consisted of 20 questions developed in concert with LICP partners including the LICP Comprehensive Plan Board Steering Committee, NYC Mayor's Office, NYC Economic Development Corporation (EDC), NYC DCP, and the NYC Dept. of Small Business Services (SBS) (see Appendix C). The questions gave respondents the opportunity to describe their work, type of business, location in LIC, square footage, size and education attainment of their workforce, and to catalog their organization's needs and priorities (including their need for more/less space in upcoming years), use of business assistance programs and to rate the quality of services in LIC.

In parallel to survey design, LICP created a comprehensive outreach plan to disseminate the survey to all the businesses and organizations in the neighborhood. Based on the 2013 US Census Data, we estimated there are approximately 6,600 businesses in the LIC catchment area. The overarching distribution strategy was to engage with businesses in multiple ways to ensure that all businesses in the area were aware of the survey and to achieve a maximum response rate. We attempted to reach the approximately 6,600 businesses in the area through direct mail<sup>3</sup>, email<sup>4</sup>, print, internet advertisements, and door to door outreach. Several larger landlords also distributed the survey to their tenants. Other organizations in the area, including the Community Boards, publicized the survey to the community.

The survey was promoted and also distributed at events such as the LICP Annual Tradeshow and the LICP Members & Friends Night, through LICP's weekly newsletter, City websites, print advertisements, and social media accounts. LICP staff and interns conducted door-to-door outreach to businesses in all seven zip codes in the catchment area, including multiple contacts

with businesses in the LIC Industrial Business Zone (IBZ), administered the survey over the phone, and used numerous email blasts to encourage the highly representative group of respondents that we had. Finally, two raffle prizes were offered, a pair of JetBlue tickets or a three month membership to the LIC YMCA, to all survey respondents. These prizes were generously provided by JetBlue and the LIC YMCA.

The survey effort was conducted over an eight-week period and resulted in 515 responses from unique businesses and organizations after data cleaning, including the removal of duplicate entries and government agencies.<sup>5</sup> Survey responses used for

analysis represent approximately 8% of the estimated total businesses and organizations in Long Island City.<sup>6</sup>

### *Stakeholder Conversations and Focus Groups*

To inform the overall work of the Comprehensive Plan, LICP convened a series of preliminary stakeholder conversations for groups with varying needs, speaking with representatives from Cornell Tech; cultural institutions; industrial business owners/property owners/brokers; and residential/commercial developers, owners and brokers. These conversations allowed us to discuss the specific needs of each stakeholder group in order to understand LIC's current strengths and to identify future opportunities to sustain and grow all sectors in a successful, mixed use environment. The conversations focused on zoning, business incentives, workforce development programs, neighborhood infrastructure, business (or organization) space needs, as well as neighborhood characteristics that have the highest value and those that need to be improved.

After the survey closed, LICP conducted additional stakeholder conversations centered on workforce development and incentives, as well as a focus group consisting of industrial businesses looking to expand their space in the next 5 years. The purpose of these discussions was to expand upon the questions posed in the survey and to gather information on the issues facing businesses in LIC that could not be obtained through survey data alone. Summaries of these meetings can be found in Appendix E.

### *Interviews*

LICP and the consultants conducted one-on-one interviews with more than a dozen businesses to follow up on key issues beyond the survey.

In addition to the focus groups and interviews described above, LICP had multiple conversations with industry-specific stakeholders to gain further input and insight to inform the findings and recommendations of this study.

## ABOUT THE SURVEY RESPONDENTS

The survey respondents represent a mix of well-established and new firms or organizations, with 21 percent of them having operated in Long Island City for 25 years or more, and 34 percent having operated in Long Island City for fewer than five years. Similarly, the businesses are diverse in terms of workforce size. While 41 percent of the firms surveyed had fewer than five employees, 25 firms surveyed employed more than 100 people, providing some insight into the business needs of Long Island City's larger entities. The firms represent the industrial, commercial and retail sectors, as well as artists, cultural organizations and community facilities/organizations. The respondents occupy over 7,800,000 square feet of space and employ over 23,000 full time workers. Of those surveyed, 175 businesses moved to Long Island City from another location. Industrial firms were the most likely to have relocated; 85 indicated they moved from another location, 65 of which were previously from Manhattan (30% of which arrived in the last 5 years). Summary analysis of all responses is provided in Appendix D.



# KEY FINDINGS

The future of LIC depends on the vitality of its discrete but related industries, sub-neighborhoods and communities. In identifying the key issues and opportunities for the neighborhood, LICP has aimed to create a suite of actions that together would not only maintain but strengthen LIC's successful, mixed-use character. The data collected reinforces that LIC's mix of residents, visitors, businesses, and workers benefit individually from the support of its collective ecosystem.



## Finding



LIC's central location, its mixed-use character, and the interdependence and collaboration among entities—within and across sectors—are seen as LIC's greatest assets.

- Across all sectors and throughout the study area, survey respondents rated access to LIC's public transportation network as the most important factor to their businesses and organizations. Yet service is at or beyond capacity, particularly in the core LIC area around and through Queens Plaza. In addition to issues of capacity, existing transportation routes do not serve new patterns of residential and commercial development and activity, including north-south along the Queens-Brooklyn waterfront and east of Sunnyside Yards.
- Stakeholder conversations and individual interviews confirmed that businesses and organizations are particularly attracted to LIC's unique mix of uses that, they say, are important to their business operations.
  - LIC's burgeoning tech and commercial office centers are situated within walking distance of product prototyping firms and larger-scale industrial facilities that can offer job-based production runs. Information about which firms offer these services would facilitate these opportunities.
  - An active community of workforce development and related community organizations strive to support and develop LIC's job seekers, providing
- key services that will help more residents find jobs locally and contribute to the neighborhood's future as a healthy, mixed-income community.
- Local arts and cultural organizations attract international audiences, stimulating interaction and inspiration.
- Since 2010, after a previous period of decline, the area has seen an increase in the number of workers who both live and work in Long Island City. This signals a trend that LIC could develop into a stronger live-work neighborhood.
- Long Island City is exceptionally diverse, with 44.5% of the population having been born in another country. Through interviews and conversations, businesses owners and local workforce development leaders confirmed the diversity of the population is an asset to LIC's businesses and the neighborhood.

In addition to contributing to the distinctive community character of LIC, perhaps more importantly, LIC's diverse mix of businesses operates as a functional ecosystem. Throughout stakeholder conversations and interviews, we heard that collaboration across and within sectors is a significant component of business' desire to remain in LIC. Smaller light industrial and design companies leverage other, larger, more specialized manufacturers.

**“Small businesses in the light manufacturing and innovation economy are coming to look for space in LIC – they’re loving the fact that they’re in groups next to each other, transferring knowledge.”**

– INDUSTRIAL BUSINESS/PROPERTY OWNERS/BROKERS FOCUS GROUP



*Krypton Neon*

Photo credit: Krypton Neon



*Noguchi Museum*

Photo credit: Elizabeth Felicella  
© The Isamu Noguchi Foundation and Garden Museum



*Silvercup Studios*



*Rockaway Brewing Co.*

Photo credit: Rockaway Brewing Co.

Artists care about being near to likeminded creative entities to spur artistic growth. Numerous businesses and organizations pointed out that their business models need LIC's diverse linkages to survive. The coexistence of these firms supports and fosters economic growth across sectors, with one business or organization dependent on others for supplies, services, distribution, or the attraction of talent and customers.

**“That certainly has to do with why we’re here – it’s that mixed use feeling that you could go to Dyke’s Lumber and then go down the street and see a PS1 exhibit and it’s all part of the same thing.”**

– CULTURAL ORGANIZATIONS FOCUS GROUP

Finding

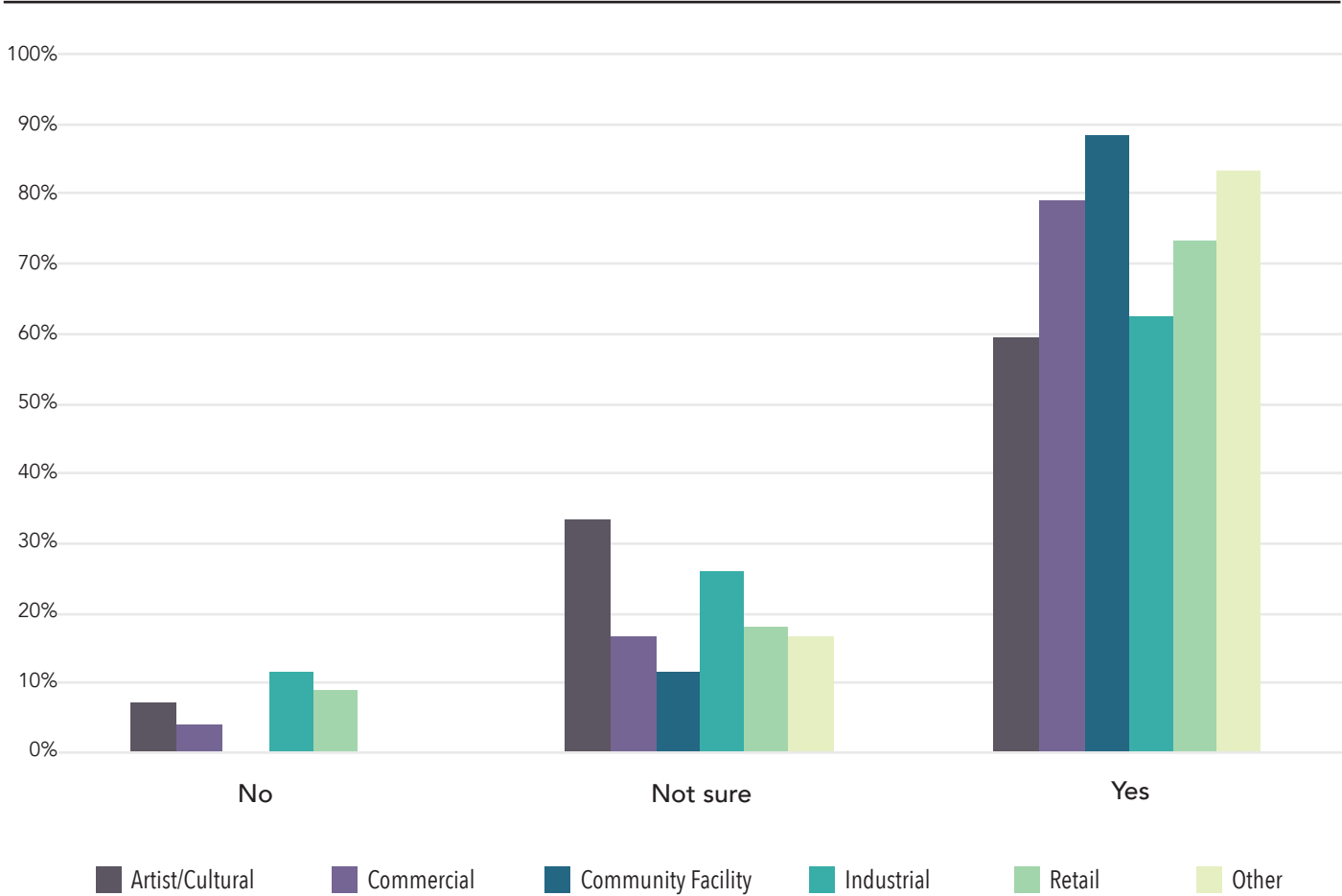
2

Businesses and organizations across sectors are optimistic about their longevity in LIC and want to expand their operations here.

Over two-thirds of all businesses and organizations that responded to the survey believe LIC is the right place for them over the next five years (See Figure 2). Of the respondents that think they will be in LIC in five years, 87% are planning to retain or increase the size of their workforce. These businesses currently account for over 20,000 jobs. Survey respondents planning to stay and expand their space would need a minimum of 1.1 million additional square feet.

Although the majority of all businesses and organizations responded to this question optimistically, 40% of Arts/Cultural organizations and 38% of Industrial firms responded “no” or “not sure” if they planned to be in Long Island City in five years. Rent and difficulty finding appropriate space were cited as the primary reasons by survey respondents in focus groups and stakeholder conversations leading to [Key Finding #3](#).

FIGURE 2: Do businesses think they will be in LIC in 5 years?







## Finding

# 3

Sufficient availability of affordable and appropriately configured space is a challenge across sectors and endangers our “city within the City.”

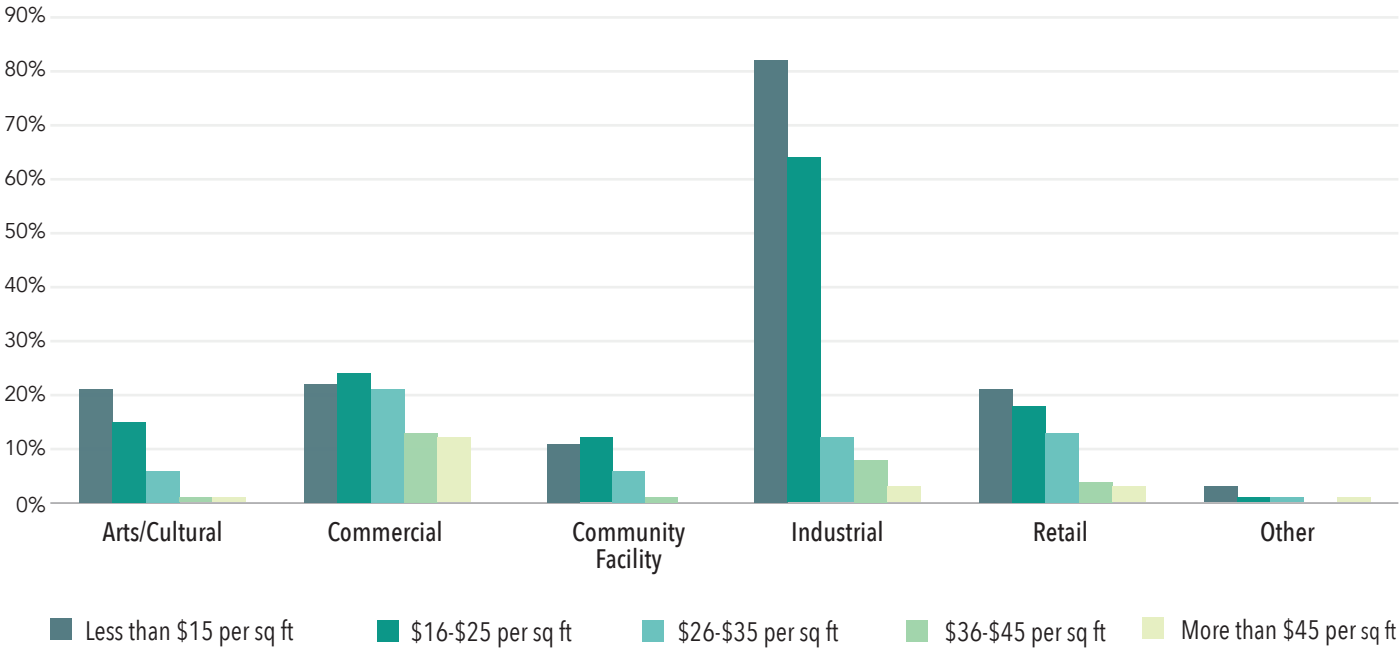
LIC’s explosive growth is putting pressure on rents that affect existing businesses and organizations as well as those looking to come to LIC. Increasing demand for space from existing businesses in LIC and new arrivals has resulted in pent up demand for space across sectors.

While many respondents indicate they want to remain in LIC, and are willing to pay to stay, availability of affordable space is a challenge for many manufacturers, small commercial office businesses, and artists/cultural organizations. This appears to be driven, in part, by a vexing conundrum: the loss of quality space for industrial use to as-of-right conversions to commercial office, in a market where commercial office demand is surging but rents are not yet high enough to spur new commercial office development at an appreciable scale. The result is competition between these two key constituents of LIC and opportunity to find creative ways to accommodate both.

## INDUSTRIAL SPACE

Industrial rents in LIC have remained relatively stable since 2006, ranging between \$11 and \$18 psf. Based on the survey, over half of industrial business respondents indicated they believe rents between \$16 and upwards of \$45 psf are appropriate (within this group of respondents, most indicated rents between \$16 and \$25 psf are appropriate) (see Figure 3). However, despite this willingness to pay, industrial firms report that they still struggle to find available space at these rents on leases currently being offered. While rent prices on current leases are generally in line with business expectations, industrial respondents have expressed concern about whether they can continue to find affordable space in LIC when their leases expire. And this impact could be significant. By 2018, nearly 60% of surveyed industrial firms’ leases will expire, rising to 80% by 2020 (see Figure 4).

FIGURE 3: Appropriate Rent Range by Sector



The industrial vacancy rate in LIC has dwindled to 2.4%, indicating very strong demand for space and a dearth of supply. (There is currently less than 700,000 square feet of available space.) The absorption rates for available industrial properties in LIC have been consistently strong since 2006, driving vacancies down. Historical and recent absorption rates suggest that demand for industrial properties at current prices is strong; however no significant net new industrial square footage has been delivered to the markets since early 2013.



Laser cutting machine at Edison Price Lighting

**“WE’RE PUTTING A WAREHOUSE SPACE ON THE MARKET FOR ONE DAY AND 15 PEOPLE CALL US UP INTERESTED IN RENTING THE SPACE.”**

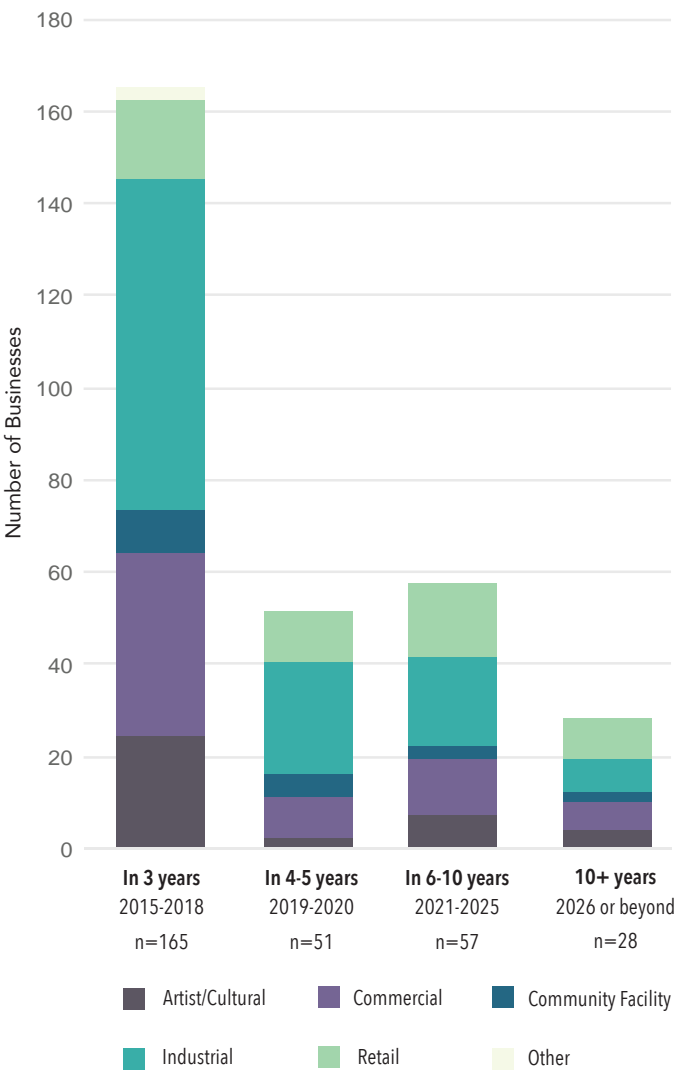
– INDUSTRIAL BUSINESS/PROPERTY OWNERS/BROKERS FOCUS GROUP

Despite strong demand for industrial space and willingness from businesses to pay higher-end industrial rents (more than \$16 psf), substantial industrial inventory is being lost due to property owners’ decisions to shift space to commercial office uses and hotel development, both of which produce higher economic return for property owners, as well as rezonings that have allowed residential in previously industrial areas. Average commercial office rents in LIC (October 2015) were \$31.38 per square foot, an increase of 73% from Q4 2006, with vacancy rates around five percent; 50% of commercial office respondents to our survey indicated that rents in that range or above were, indeed, appropriate for their business (see Figure 3). In the core area of LIC there are 27 hotels currently operating and more than 30 in planning stages or in construction.

Loss of industrial footprint has been historically trending throughout the study area: between 2005 and 2015, industrial and manufacturing lot area decreased 3.9 million square feet, with the loss of square footage particularly high in some sub-areas.<sup>7</sup> While there may have been more inventory of industrial space than needed at current demand, the fact remains that more profitable uses are competing with industrial uses. The challenge is how to accommodate those uses, which also have positive impacts on the area, in a way that does not unduly disadvantage job providing economic sectors.

Lack of available and affordable industrial space is problematic, particularly for LIC’s current industrial businesses that are looking to expand. Of the surveyed industrial firms who plan to expand, and may or may not stay in LIC, there is a minimum of 800,000 square feet of additional space that is needed within the next five years. Of this group alone, the minimum square footage of space needed exceeds the current amount of vacant industrial space (less than 700,000 square feet). Property owners and developers reported that construction cost of creating more space in existing, underbuilt industrial buildings is prohibitive. In some industrial areas, existing zoning envelope and floor area ratio do not support significant investments with worthwhile returns. In addition, the programs that are available to incentivize this investment are also complicated to access and lack clarity in terms of the ultimate magnitude of benefit they provide.

FIGURE 4: Sector Share by Lease Expiration



Juice Press

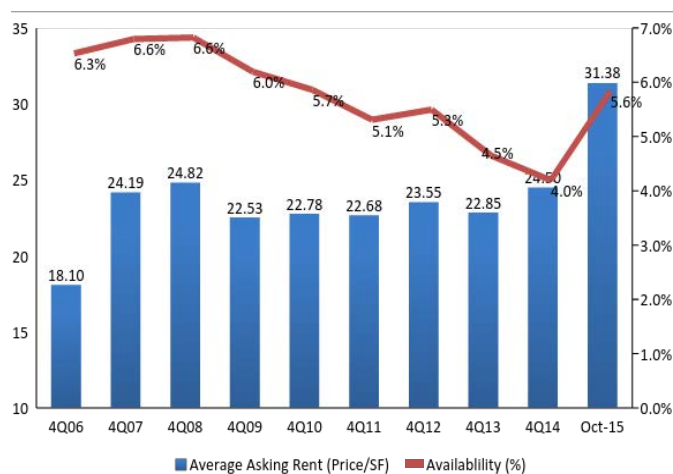
# Finding 4

There is unmet demand for commercial office space. Yet, without government intervention new buildings have not been created, limiting economic growth and putting pressure on existing industrial space.

According to projections by the New York City Economic Development Corporation, 60 million square feet of new commercial office space will be needed in New York City by 2025—much of it expected to be outside of Manhattan. Increasing demand for commercial office space from existing businesses and organizations, businesses looking to relocate to LIC, and the expected demand from new industries, including spin-out companies from Cornell Tech appear to support these projections. This points to the importance of commercial office space as a vehicle for fostering LIC's continued vitality. As a neighborhood that thrives on its mix of uses, the challenge LIC faces is accommodating the demand for commercial office space without causing its demand to infringe upon viable industrial and cultural uses.

Although the average asking rent of commercial office space in LIC increased 73% from Q4 2006 to October 2015 (see Figure 5), property owners indicated in conversations that these asking rents still do not financially support ground-up construction of commercial office space. (During these conversations property owners and developers said ground-up construction of commercial office space would require rents of at least \$60 psf and, more realistically, \$80 psf.) On the other hand, about one-quarter of commercial office survey respondents, most of which are professional services firms, indicated needs for significantly lower rents; 13% indicated a need for rents less than \$15 psf, which is more in line with average asking rents for industrial space. Major real estate transactions in industrial and commercial areas also point to the increasing value of LIC's existing building stock over ground-up construction. Between 2011 and 2015, the average price psf of industrial properties, many of which are used for commercial purposes, increased 84%, up to \$364 psf.<sup>8</sup>

FIGURE 5: Average Commercial Office Asking Rent and Availability in Study Area 2006-Sep 2015

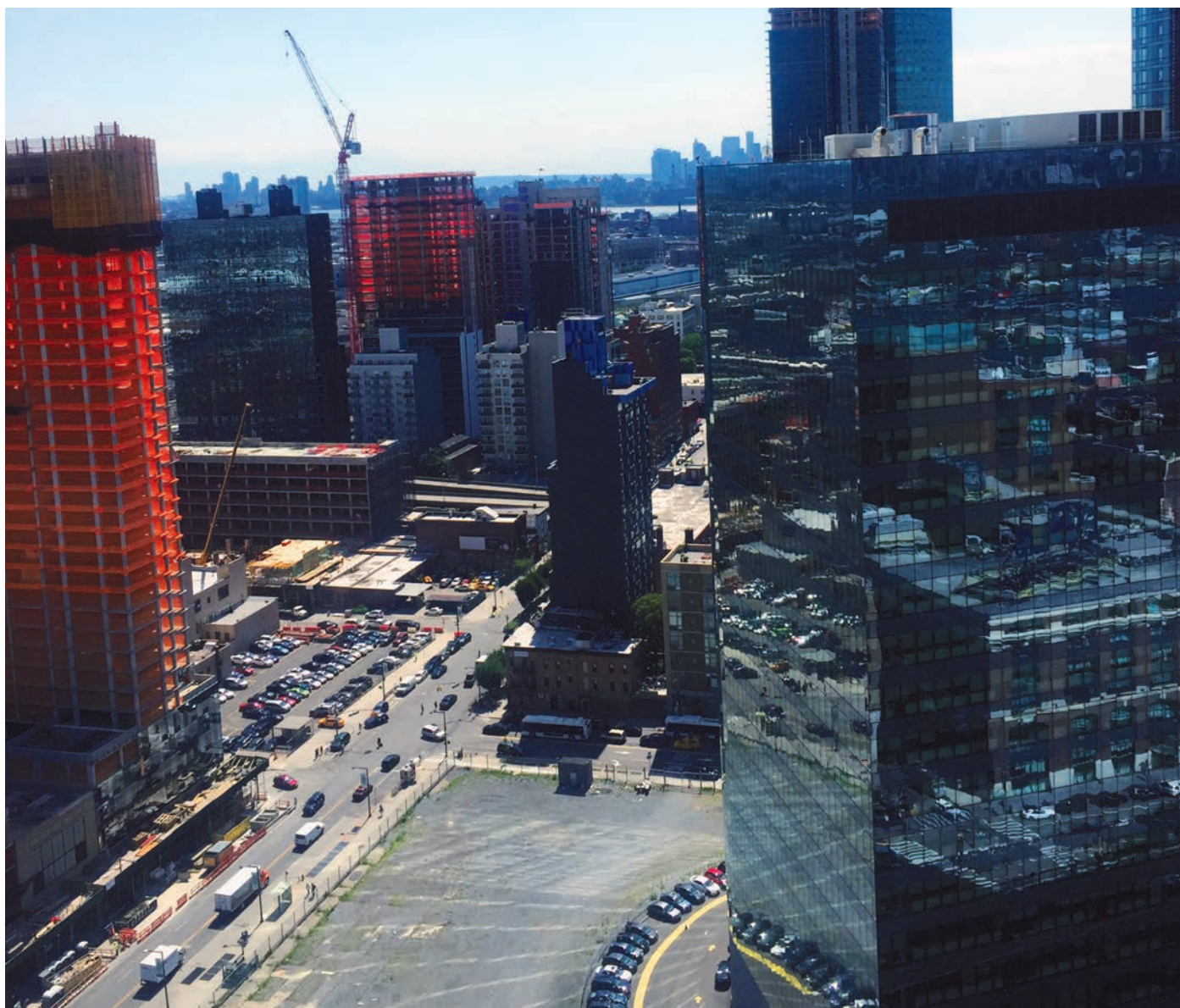


Source: CoStar

Since 2006, 1.5 million square feet of commercial office space has been added in the core area of LIC, of which 1.1 million square feet was delivered through two projects, both of which received government assistance: Two Court Square (488,453 sq. ft.) completed in 2007, and occupied by Citigroup and CUNY Law School, and Two Gotham Center (662,000 sq. ft.) completed in 2011, and entirely occupied by the NYC Department of Health.

As a result, industrial spaces in taller buildings near transportation have become prime targets for as-of-right conversion to office space. Since 2006, 2.1 million square feet of rentable industrial space has been lost due to conversion and other repurposing. If the status quo continues, commercial office space is likely to continue to be created from existing industrial spaces—and not at a level that will meet a continued, growing demand.





*Two Gotham Center in the foreground. Recently announced One and Three Gotham Center will be constructed on adjacent lot.*

Upcoming commercial office lease renewals and plans for space expansion will increase these firms' interest in converted industrial building stock for their use. The expanding non-industrial commercial firms surveyed will need a minimum of 250,000 square feet of space in the next five years. Of those surveyed, 60% of commercial firms' leases will expire by 2018, increasing to nearly 75% by 2020 (see Figure 4). The demand for commercial space is only expected to rise, spurred on by the anticipated arrival of spin-out companies from Cornell Tech's campus on Roosevelt Island, business

incubators, and new co-working spaces such as WeWork, Spaces, and Green Desk. Stakeholder conversations with potential tenants and landlords reveal that while there are features of converted industrial space that are attractive, many of these companies also seek the level of building services and features that new construction can more appropriately provide. These include modern HVAC and plumbing systems, reliable high speed broadband, among others. At the same time, they do not need true industrial features, such as loading docks and floors capable of bearing very heavy loads.



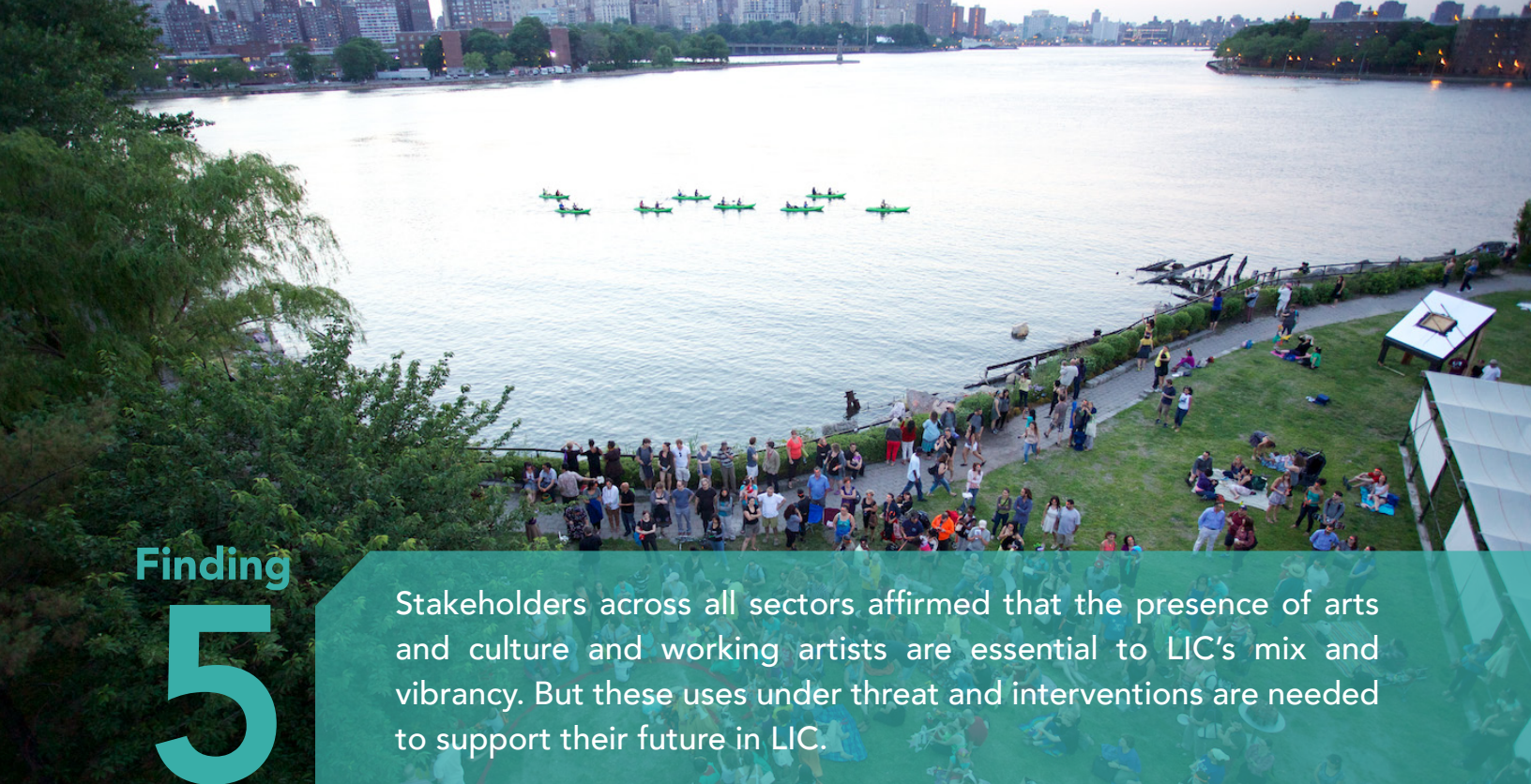


Photo credit: Socrates Sculpture Park

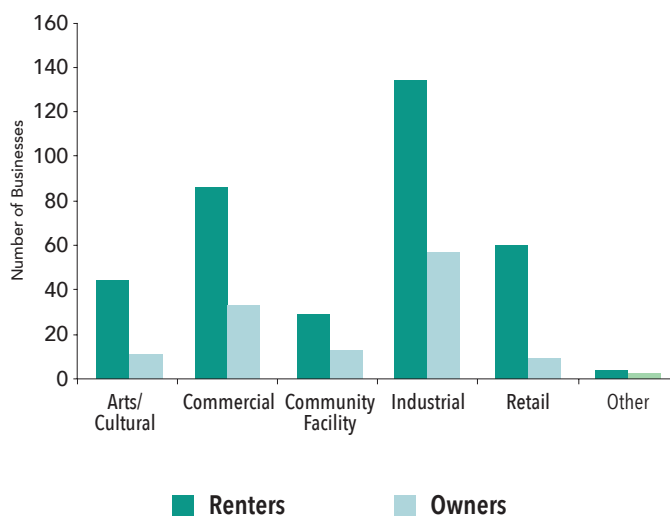
# Finding 5

Stakeholders across all sectors affirmed that the presence of arts and culture and working artists are essential to LIC’s mix and vibrancy. But these uses under threat and interventions are needed to support their future in LIC.

LIC’s cultural institutions and artists are a foundational element of its being recognized as a “city within the City” and are essential uses to develop strategies to retain. They reach audiences locally and worldwide, bringing international visitors and economic vitality to the area. As an essential element of LIC’s diversity and mixed-use ecology, arts and cultural organizations also serve as social connectors in the neighborhood.

Artists and cultural organizations also have a significant, unmet need for affordable space. Of those who responded to the survey, LIC’s artists and cultural organizations reported that they expect to need a minimum of 175,000 additional square feet in the next five years; the overall demand for new space from the sector is likely greater. Additionally, artists and cultural organizations that responded to our survey indicated that the two most important space-related factors are availability of reasonably priced real estate and space that provides an industrial/open floor plan. Nearly half reported seeking rents below \$15 psf while just 18% indicated that rents above \$25 psf would be appropriate (see Figure 3). Conversations with local stakeholders confirmed that renters face significant threat of displacement due to rising rents. (80% of artists and cultural organization survey respondents rent their space; of those who rent, two-thirds have leases that will expire by 2018, increasing to 71% by 2020. See Figures 4 and 6).

FIGURE 6: Rental and Ownership Patterns by Sector



Artists and cultural organizations also lack the capital to purchase space. Even if affordable ownership options were available, purchasing requires significant resource commitments to fit out, operate and maintain the property, which would cut into critical funds for supplies and/or programming and impact their overall mission. While some of LIC’s cultural organizations have been able to take advantage of significant capital opportunities



Photo credit: SculptureCenter

from local elected officials and the NYC Department of Cultural Affairs, not all are eligible or able to do so. Even when accessible, these entities are then often faced with having to pay additional costs to fit out the space, which cuts into operating and programming resources. These organizations, as well as artists, are facing the same issues as industrial companies when it comes to space availability, price, and lease terms.

Stakeholders and conversations with artists and cultural organizations also cited a lack of cultural connectivity in LIC. As demonstrated further in [Key Finding #9](#), LIC's lack of wayfinding signage makes it difficult for residents,

visitors and workers to navigate the area between transit nodes and cultural destinations. *Civic Action: A Vision for Long Island City* an exhibition and report by the Isamu Noguchi Foundation in partnership with Socrates Sculpture Park highlighted this issue and proposed the installation of new wayfinding and signage to help orient people in the neighborhood and to cultural institutions. The LIC Art Bus which makes stops at Socrates Sculpture Park, The Noguchi Museum, SculptureCenter and MoMA PS1 also demonstrates the need for improved public transportation connections to cultural sites, see further in [Key Finding #10](#).

**"WE'RE CONCERNED ABOUT BEING PRICED OUT,  
THOUGH WE WOULD LIKE TO STAY PART OF  
THIS VIBRANT, ARTISTIC COMMUNITY."**

– ARTS/CULTURE SECTOR SURVEY RESPONDENT



## Finding

# 6

Existing business incentive programs, while helpful to industrial and commercial firms, are not easily available to and are often insufficient for the businesses in LIC that need them most today.

Current incentive programs, the aim of which is to reduce the costs of use and occupancy enough to make space affordable, were described by existing LIC businesses as being of limited utility—especially by smaller industrial businesses. Based on discussions with many industrial business owners and several incentives experts, one of the biggest challenges of existing programs, such as Commercial Expansion Program (CEP) and Industrial and Commercial Abatement Program (ICAP), is that eligibility requirements reflect the realities of a generation ago, not today's business environment. For instance:

- Rules and caps set long ago keep benefits of programs like CEP unreasonably low in today's real estate market and limit its effects.
- Many programs are intended to help businesses that are relocating to different NYC neighborhoods when the need today is also to help them remain in LIC. (We have found that when businesses leave LIC, it often means relocating outside of NYC altogether.)
- Some existing incentives meant to help operating companies require significant expenditures on physical improvements to properties when these properties many have already been brought into good repair recently by property owners.
- Many require longer lease terms than those currently being offered in LIC's dynamic real estate market, where five-year terms or less are becoming the norm.
- Many programs are also based on increasing employment when LIC would benefit from having thriving businesses retain employment.
- Most of the significant programs can only be accessed once—and many cannot be bundled.
- The most significant programs do not address industrial firms' biggest challenges at the moment—operating costs and the lack of appropriate, affordable space in the first place.

In addition, incentive programs' application processes were almost universally described as exceedingly complex and difficult to access. They require a specialized knowledge of arcane requirements that businesses must generally hire experts to help them understand and navigate—a cost that is particularly prohibitive for smaller businesses. Amplifying this problem is that many businesses hire an expert only to find out they are not, in fact, eligible for a program, or, because many of the benefits are discretionarily awarded by the City or state, that a benefit will not be granted. These issues contribute to the pattern of businesses leaving NYC when they leave LIC; other areas like New Jersey and, increasingly, Pennsylvania make incentive programs deep and easy to access.

### SELECT BUSINESS INCENTIVE PROGRAMS

#### Commercial Expansion Program (CEP) DOF

CEP provides rent abatement of up to \$2.50 per square foot on new, renewal, and expansion leases in eligible areas. The program has a term of up to five years for commercial businesses and ten years for industrial businesses. Improvements to premises are required.

#### Energy Cost Savings Program (ECSP) SBS

ECSP reduces the delivery component of utility bill for up to 45 percent for electricity and 35 percent for natural gas. Businesses must (1) relocate to, (2) make improvements to property in, or (3) lease space previously improved buildings in qualified areas.

#### Excelsior Jobs Program ESD

The Excelsior Jobs Program provides incentives to firms in targeted industries that create and maintain jobs and make significant financial investment.

#### Industrial & Commercial Abatement Program (ICAP) DOF

ICAP grants property tax abatement to commercial and industrial buildings for up to 25 years. Properties must be improved by at least 30 percent of the assessed value. Industrial properties improved by at least 40 percent of the assessed value are eligible for additional abatements.

#### Relocation & Employment Assistance Program (REAP) DOF

REAP provides tax credit of up to \$3000 per employee per year for businesses relocating to eligible area. Improvements to relocation premises are required.



## Finding

# 7

Although the overall population in the study area showed increased income and educational attainment, persistent and substantial pockets of poverty remain.

While the median household income in LIC increased substantially from 2000 to 2013 (see Figure 7), persistent and substantial pockets of poverty remain. In 2013, 22,976 residents, or 14% of the population in the study area, were living below the poverty line. Poverty is particularly concentrated in select census tracts in public housing communities, where the population living below the poverty line reaches as high as 43.4%.

FIGURE 7: Median Household Income by ZIP code 2000-2013

Zip Code	2000	2013	Change 2000-2013
11101	\$28,872	\$47,142	63.30%
11109	NA	\$125,871	NA
11102	\$35,078	\$49,924	42.30%
11103	\$38,482	\$55,129	43.30%
11106	\$34,651	\$48,720	40.60%
11104	\$37,962	\$56,059	47.70%

Source: American Community Survey, 5-Year Averages, 2009-2013

LIC residents' educational attainment increased significantly between 2000 and 2013. In 2000, 25.2% of residents over 25 years old had a bachelor's degree or higher. By 2013, that had increased to 41.2%. But that distribution varies across the study area; census tracts with the highest level of poverty had the lowest educational attainment (see Figure 8).

FIGURE 8: Educational Attainment in Census Tracts with highest % of Population Living Below the Poverty Line 2013

Census Tract	% living below poverty line	% high school graduate or higher	% bachelor's degree or higher	Public housing on tract
43	43.4%	72.1%	10.2%	Ravenswood Houses
47	33.5%	68.9%	26.2%	Ravenswood Houses
87	34.5%	66.9%	10.9%	Astoria Houses
25	33.0%	60.7%	8.3%	Queensbridge Houses N&S
39	39.8%	69.4%	22.5%	None
Study Area	14.0%	82.8%	41.2%	

Source: American Community Survey, 5-Year Averages, 2009-2013



## Finding 8

New job opportunities abound and will increase in LIC's growing sectors. However, maximizing the benefits of these opportunities will require better connections between employers and local residents, and appropriate training and education programs.

Throughout the study area, more than 15,000 new jobs arrived in LIC between 2004 and 2013. The greatest gains in employment were seen in the sectors of: Health Care and Social Assistance; Professional, Scientific and Technical Services; and Support/Waste Management and Remediation. This growth is expected to continue over the next several years as Cornell Tech looks from Roosevelt Island to adjoining LIC for services and space for its students, faculty and staff, and spin-off businesses. For all industries in the study area, annualized wages are \$47,044; of the top five employment industries in the study area, that account for 56.1% of total employment, all but one pay an average wage that is higher than \$38,246, a threshold for "middle class" income in New York State.

In the near term, there is tremendous opportunity for job growth in Long Island City; 87% of survey respondents planning to stay in LIC say they will retain or increase employment. These businesses currently account for over 20,000 jobs and expect to generate more than 1,000 additional jobs within the next five years. It should be noted that the number of firms from the survey expecting to increase their workforce is just a percentage of the total number of firms in the study area (survey responses represent approximately 8% of the estimated total businesses and organizations in LIC) and that there is the potential for many more jobs to be created in the area. Community facilities, manufacturing, and retail

projected the highest growth rates. These positions generally have lower educational requirements, making them accessible to a wide group of jobseekers. About one-third of industrial firms and 40% of retail firms said that more than half of their positions had no minimum education requirements.

With lower educational barriers, the traditional industrial sector and some newer firms with a production component have the potential to offer career paths for individuals most vulnerable on the skills spectrum. These industrial and production jobs have traditionally also paid relatively higher wages than other sectors with similar education requirements. For example, at \$65,343 average annual salary, construction pays 48% higher than average annual wages in the neighborhood and nearly \$40,000 more than retail annually. Similarly, manufacturing pays about \$46,600 annually, while retail pays about \$29,700.<sup>9</sup> Through a combination of on-the-job training and technical skills gained over time, industrial workers can often advance from entry-level positions up a career ladder as carpenters, computer numerical control (CNC) operators, or machinists. These are portable skills that will allow for employment at a variety of firms of different sizes and growth stages.

Making the most of these opportunities in the industrial sector will require better coordination among jobseekers, workforce development organizations, and employers.



*Boyce Technologies*

First, many jobseekers are simply not exposed to the idea of jobs like those in manufacturing, which limits jobseekers' interest in pursuing those opportunities. Additionally, industrial employers, particularly manufacturers, have not typically used local workforce development organizations for hiring or training. These employers tend to depend heavily on personal networks, as it is an investment to train someone for the available job. Employers prefer to hire someone who is connected to the business—perhaps through an existing employee—as they are perceived to be more likely to succeed and stay on the job. Better connections between workforce development organizations and local employers could increase awareness of jobseekers to industrial jobs, enhance employers' view of the value of workforce programs, and ultimately inform training and educational curriculum and facilitate placements in industrial businesses.

LaGuardia Community College's new Center for Career and Professional Development is a partnership between the school and employers to help students develop the



*The Falchi Building in the LIC Industrial Business Zone, east of Sunnyside Yards*

skills needed for the jobs openings local employers have. Strategies raised by participants in our conversation with workforce development organizations include a plan to increase linkages to, and awareness of, employment services and opportunities available in LIC (including, most immediately, adding a page of all the programs to the Partnership's website to increase visibility, which is now in process).





## Finding

# 9

Many parts of LIC feel disconnected from other parts of the neighborhood—or are very hard to navigate—creating barriers to movement and vitality.

In addition to connecting LIC's residents to potential job opportunities in the area there is also the need to improve intra-neighborhood movement, north-south and east-west, to connect residents, visitors and workers to the commercial and industrial districts and to neighborhood amenities.

### CONNECTIVITY

LIC's pedestrian bridges, gateways and elevated structures are the essential connectors among its sub-neighborhoods, including to and from transit hubs. But as many reports have identified—and what conversations with stakeholders have confirmed—these key connectors feel uninviting or are inconvenient to use.

As a result, anchor institutions and retail that are adjacent to one another are perceived to be highly segmented and separate. Sunnyside Yards bifurcates LIC with connections (for both vehicles and pedestrians) at only ten points across its 192-acre expanse. They also enable access to retail and cultural amenities within sub-neighborhoods. Long, windy overpasses or dark, empty underpasses are uninviting at best and, at worst, risk being unsafe without foot traffic or on-street security. Even when safe, the perception of them as uninviting

makes trips across them more arduous than the actual distance traveled. For pedestrians that access these connectors daily between transit stations and jobs in the industrial core, the experience becomes an issue of safety and quality of life.

The *Western Queens Transportation Study* confirms that LIC suffers from a lack of pedestrian connections to and between the area's sub-neighborhoods, transit hubs, attractions, and amenities while the Design Trust for Public Spaces' *Under the Elevated: Reclaiming Space, Connecting Communities* (2015) and the *Public Open Space Proposals for Selected City-owned Land in Hunter's Point* prepared by NYC Department of City Planning Queens Office (1999) point to potential benefits of activating the neighborhood's underutilized spaces—including these key connectors. *Under the Elevated* identified spaces under the Queensboro Bridge that might be brightened and drainage improved. DCP's report proposes two separate but inter-related projects to convert select City-owned land to public open spaces in Hunter's Point, to provide active seating areas, and to enhance the areas under the Queensboro Bridge access ramps with interesting paving, ceiling treatments, lighting and pedestrian-only access.





21st Street and Queens Plaza North, looking south

## WAYFINDING

LIC's street grid can be a challenge to navigate, even for those familiar with the neighborhood. Lack of wayfinding signage also makes it difficult to navigate among transit modes and destinations, including businesses, cultural sites, and shopping. Reports like the *Western Queens Transportation Study*, the Isamu Noguchi Foundation's *Civic Action* report (2011 – 2012), and the *LIC Links* report prepared for the DCP and EDC (2007) all make this case—repeatedly.

- Most recently, the *Western Queens Transportation Study* recommended that WalkNYC, the Department of Transportation's wayfinding program established in cooperation with the Long Island City Partnership, be expanded to additional locations near transit hubs, subway stations, parks, recreation nodes and cultural institutions.
- *Civic Action* proposed the installation of wayfinding and signage systems throughout the area to provide orientation to the East River—a main geographical reference point in LIC, and the cultural institutions in the neighborhood.

- *LIC Links* suggested ways to incorporate wayfinding signage into urban design interventions on pedestrian bridges and gateways in the area, using unique screening treatments and lighted signage to illuminate dark areas.

A unified wayfinding system will enhance the neighborhood's brand, ease navigation, and reinforce LIC's cultural institutions, commercial corridors, and attractions as key destinations. With the Long Island City/ Hunters Point Area-wide Reconstruction project in the design phase, there may be an opportunity to address this, at least for the area west of Sunnyside Yards and south of 44th Drive, by developing improved pedestrian signage.

The existing conditions report we compiled indicated strong pedestrian demand for better connectivity among LIC's sub-neighborhoods and increased pedestrian access to local services and amenities.



## Finding

# 10

Improved public transportation options, availability of parking for commercial activity and efficient vehicle movement are all economically vital to the area.

LIC sits at the crossroads of excellent highway infrastructure creating easy access to Midtown Manhattan, Brooklyn, the Bronx, Long Island, Westchester, Connecticut, and LaGuardia and John F. Kennedy Airports. In the greater study area, seventeen MTA subway stations, with thirteen stations located in the core area of LIC where there is the greatest user demand, seventeen bus lines, Long Island Railroad commuter rail connections, and ferry service all provide direct and relatively plentiful connections to various points surrounding LIC, but primarily Midtown; connections to Brooklyn, Roosevelt Island, the Bronx and Long Island are less robust. The MTA's LIRR connection to Grand Central Station is expected to be completed within several years. An intermodal LIRR station at Sunnyside Yards is also planned, although specific information is not yet available.

Despite its favorable location within the regional transportation system, severely limited street parking and overcrowded or limited public transportation options between sub-neighborhoods of LIC—as well as between LIC and Brooklyn—were reported as significant challenges for businesses, residents and visitors to the area. Parking is a problem throughout the study area, including inside of the IBZ where residential competition is not a significant issue. (Businesses are competing for spaces with one another.)

## TRANSPORTATION WITHIN LONG ISLAND CITY

Most subway and several bus lines have experienced heavy growth in ridership. Existing transit routes, while essential, prioritize access to Manhattan. New travel patterns, including north-south connections within the study area and to Brooklyn, as well as broader intra-borough transportation, are increasing demand for new routes and services.

In the core LIC area there are thirteen subway stations servicing the neighborhood but many lines are running at peak track or train capacity or both. According to 2015 MTA subway ridership data, N, Q, R, 7, and E subway lines are running at peak track and train capacity during heavy commuting periods, meaning there is no capacity to run additional trains on the lines, nor is there capacity for additional passengers on train cars that are running. Of these lines the N and Q lines experience peak load points at Queensboro Plaza. The R, M, and F subway lines are running at peak train capacity, meaning that although no capacity to run more trains on the current track infrastructure exists, there is capacity for more passengers on trains at peak periods. Of these lines, the R subway line experiences its peak load point (highest number of passengers in a day) in the area at the Queens Plaza station.



Queensboro Plaza also serves as an intermodal transit hub, with transfer points between the subway, bus, and bicycles with a CitiBike station and connections to bike paths adjacent to it.

Buses are the chief public transportation options that serve intra-district needs. While there are multiple bus lines in the study area, many have relatively infrequent service. The Q103 line, as a case in point, experienced a 133% increase in ridership between 2009 and 2014 which helped drive the extension of this service to weekends starting in 2015. Even still, the bus arrives every 15 minutes during peak weekday periods and as infrequently as once an hour at other times.

The emergence of private shuttle services between transit nodes and key commercial businesses, residential buildings, hotels, and cultural institutions also demonstrates the demand for improved connections in LIC. Private shuttles include those provided by property owners connecting the Falchi and The Factory buildings to the closest subway stations, hotel shuttles such as those of The Ravel Hotel and Z NYC Hotel, as well as the LIC Art Bus (with stops at Socrates Sculpture Park, The Noguchi Museum, SculptureCenter and MoMA PS1).

Overall, survey respondents rated access to public transportation as the most important factor to business operations across all sectors and sub-neighborhoods of LIC. However, the quality of that access varied by geography. According to surveyed businesses, access to public transportation was rated poorest in ZIP 11102, receiving an average score of 3.4 out of 5.0.

Recent transportation studies and forthcoming strategies from partners have confirmed these issues:

- In 2014, the Department of City Planning completed the initial phase of the *Western Queens Transportation Study*, and developed a set of recommendations to address the changes in the part of the LICP study area's transportation needs in light of the extensive land use and employment shifts under way. While this study did not include the area south and east of Sunnyside Yards, or east of Steinway Street, many of its recommendations were confirmed by our survey and stakeholder conversation findings. Recommended changes to LIC's bus service, in particular, will help to improve service to Roosevelt Island and other Queens neighborhoods. DCP's study also confirmed the need to create new east-west bike connections between the future Cornell Tech campus on Roosevelt Island and Western Queens, in order to meet anticipated demand from new students and employees.
- RPA's study *Overlooked Boroughs* study, released in February 2015, noted travel within the four boroughs surpassed travel into Manhattan. Additionally, job growth in the boroughs in the last two decades exceeded the job growth in Manhattan. However, transit system connections remain Manhattan-centric, leaving large areas of the boroughs with inadequate service. The study recommended improving the frequency and speed of bus lines; providing new subway alternatives through unused or underused lines linking residents from Brooklyn through Queens to the Bronx; and improving the commuter rail network to benefit borough residents.



Fresh Direct shuttle



The Factory shuttle

Photo credit: Atlas Capital Group

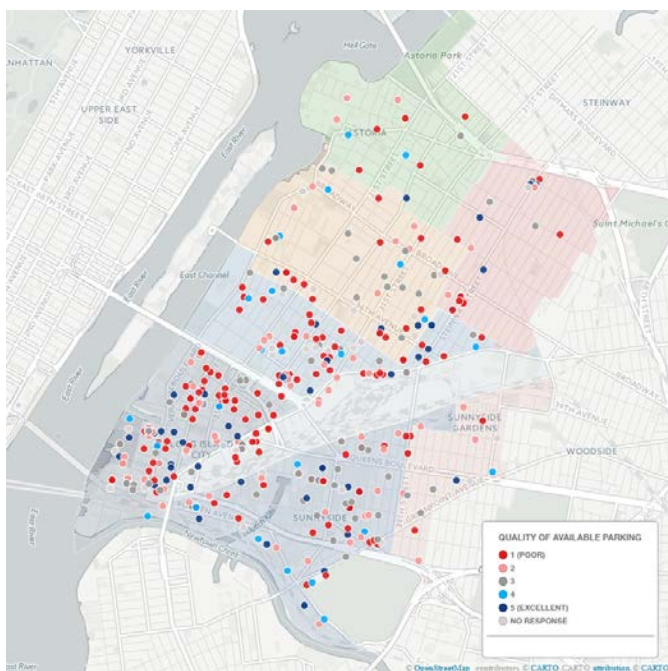
- In February 2016, Mayor de Blasio announced the BQX streetcar, which is proposed to run along the western edge of LIC, into Downtown Brooklyn, and all the way to Sunset Park in Brooklyn, connecting residential and employment nodes along the way. This project is just entering the public process, and is currently projected to open for service in 2024.

As the neighborhood continues to develop and more people and businesses move to Long Island City, there will be a greater need to accommodate a variety of users within public transportation on a local level, as well as on roads and highways. Efficient vehicular movement, including trucks, is essential to the local economy and as the neighborhood develops it is crucial to plan for accommodating more pedestrians and drivers.

## PARKING

With increases in the number of residents, workers, and visitors, parking in LIC is becoming more and more constrained, particularly in commercial corridors. The construction of Two Gotham Center resulted in the demolition of 1,150 municipal parking spots—previously

FIGURE 9: Survey Respondent Quality Rating of Available Parking



*Parking is one of the biggest challenges for businesses in LIC.*

the largest garage in LIC. On-street parking is also constrained by the predominance of taxi and livery services and auto repair shops operating in the area whose vehicles often occupy on-street space that might otherwise be utilized by a broader swath of LIC constituents.

The lack of on-street parking can deter retail customers from visiting LIC as well as industrial business customers. Industrial businesses have frequent interaction with customers and suppliers many of whom travel by car when public transit is not near enough or practical where transporting goods, models, samples, large, heavy boxes etc. are involved. Parking was rated extremely poor by firms and organizations across all sectors and sub-neighborhoods in LIC. Parking received the lowest rating overall of any neighborhood factor: 2.4 out of 5.0. All sectors except one (community facilities) rated parking as one of the three most important factors to their business operations, indicating that poor parking conditions present significant challenges to operating businesses and organizations across LIC.





## Finding

# 11

A diverse variety of local amenities and services, including restaurants, retail, recreation, housing options, green space, community services, libraries, quality health care and schools are fundamental to maintaining a successful mix of businesses and organizations in LIC and to forming a functional live/work environment to support employee needs as well as the existing residential population.

Stakeholder conversations, focus groups, surveyed businesses and organizations, as well as the findings in the Existing Conditions report all identified the need for and importance of a diverse mix of amenities, housing options, and quality services like health care and schools to sustain a functional live/work neighborhood. Both existing LIC businesses and stakeholders looking to LIC for future growth, including Cornell Tech, stated the diversity of services and amenities is very important to maintaining and recruiting skilled workforce. LIC is already known for some prominent amenities and cultural sites but the lack of wayfinding and confusing street grid, as shown in **Key Finding #9**, make accessing existing amenities difficult for residents, visitors and workers.



*Manducatis Rustica on Vernon Boulevard*

## RETAIL AND NEIGHBORHOOD AMENITIES

Fostering a safe and vibrant 24/7 community depends on the attraction of appropriate retail (drugstores, grocery stores, personal services, etc.), and neighborhood amenities (access to parks, cultural institutions, etc.). Overall, surveyed businesses and organizations rated Long Island City's access to such amenities moderately at 3.2 out of 5.0.

- Retail businesses and Arts and Cultural Organizations noted that access to neighborhood amenities were the second most important factor to their operations (behind access to public transit).
- Stakeholder conversations, interviews, and open-ended survey responses confirmed that the presence of retail and neighborhood amenities such as eating and drinking establishments, clothing stores, and drugstores is critically important to firms' attraction of talent, clients and customers.

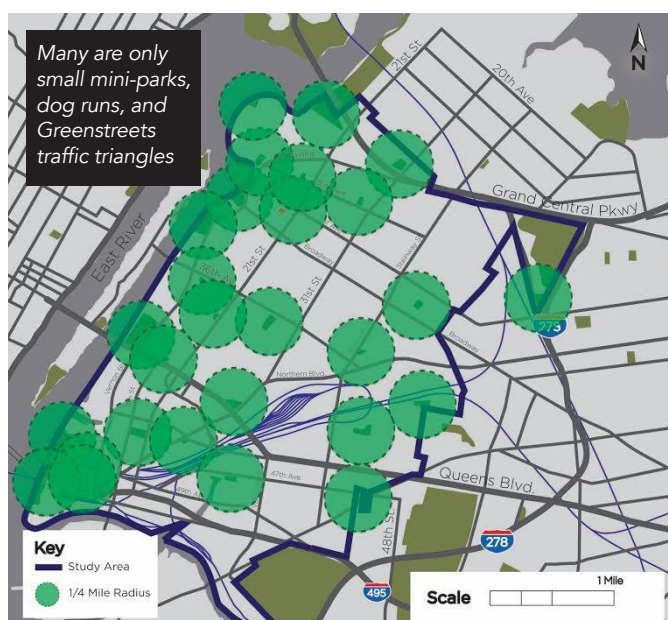
Since 2006, over 285,000 square feet of retail space has been delivered to the market, however, the net amount of available rentable building area has decreased 48,800 square feet within that same time. Although new retail-only developments are unlikely, due to the high price and demand for land in the study area, ground-floor retail in mixed-use buildings can provide new inventory to the market.



Supporting existing retail businesses and attracting new retail where it is needed in the neighborhood remain integral to supporting a community of workers, students, residents, and visitors throughout the day and night. With the expected influx of residents in most of the subareas of the study area, some developers and retail brokers are aware of the challenging possibility of LIC becoming a bedroom community where residents do their shopping elsewhere. LICP's role as the local development corporation has been to continue to increase this awareness and deploy strategies for increasing foot traffic through street activations and programming.

The existing amenities in the area, including the cultural and recreational institutions that have developed in the study area, have contributed to improving the quality of life for the area and serve as a catalyst for economic development. The area is known as a destination for significant and unique cultural offerings. Many of the museums, galleries, performing arts venues, arts schools, and parks have received recognition and become anchor institutions, driving tourism and recreation business in the study area. As noted in [Key Finding #9](#), wayfinding and signage systems are needed throughout the area to help provide direction to cultural institutions.

FIGURE 10: Open Space Locations in the Study Area within a Quarter-Mile Radius



## OPEN SPACE & RECREATION

While the study area is home to several parks and green spaces, only a few offer larger-scale opportunities for recreation—and those that do are clustered on the waterfront. Additionally, there is a deficiency of active recreation space, as many existing parks in the study area offer only passive uses to residents.

The National Recreation and Park Association assert that mini-parks and neighborhood parks service areas within a quarter-to-half-mile radius or about a five-to-ten minute walk for pedestrians. **Figure 10** shows a quarter-mile radius around existing open spaces in the study area. These open spaces include larger waterfront parks, small “mini-parks”, playgrounds, dog runs and Greenstreets traffic triangles. While many areas in the study area are well within a comfortable walking radius of an open space, particularly along the waterfront, gaps are apparent where no open space is available for recreation nearby. Moving east from the waterfront, the largest areas of green space are cemeteries. These underserved areas are found not only in manufacturing districts east of the rail yards, where one might expect fewer recreational land uses, but also in residential and commercial areas along Northern Boulevard, Steinway Street, 31st Street and Broadway, amongst others. Furthermore, as shown in [Key Finding #9](#), existing amenities including the neighborhood's parks and open spaces are not easily accessible due to a confusing street grid leading to longer walking times to reach the area's parks and open spaces or creating a psychological barrier to access.



*Queens West Sports Field*

## SCHOOLS

Stakeholder conversations, interviews, and open-ended survey responses from businesses and organizations revealed that the presence of quality schools in the neighborhood is critical for businesses looking to attract talent. Many of LIC's schools, however, are currently at or over capacity, particularly at the elementary level and at specialized schools, indicating a need to increase funding and infrastructure for public education in the face of increased housing demand.

- The enrollment at 19 of 35 schools in the study area is greater than the target enrollment, and more than 43% of students in the study area attend schools that are over-enrolled.
- The most severely overcrowded schools are specialized High Schools such as International High School at LaGuardia Community College, Middle College High School at LaGuardia Community College, or the Aviation Career & Technical Education High School.

While Long Island City overall saw a decline in population of children under ten years old between 2000 and 2013, certain areas are seeing high growth in families. The recent and upcoming pipeline of residential construction primarily offers higher-end rental and condominium options with in-building amenities, which often attracts families with children.

New York City's Department of Education has recently made efforts to address citywide issues of overcrowding. Additionally, the City plans to incorporate schools into LIC's upcoming development, with additional funding allocated for three new schools and additional schools seats in Western Queens.

This study's analysis confirms that efforts to expand school capacity in and around LIC would not just be a residential community issue, but a business issue as well. Sufficient school seats are critical for the attraction and development of talent in LIC.

## HOUSING

In order to foster long-term economic diversity and neighborhood stability in LIC, its current and future housing stock must be appropriately configured for a variety of household types, family sizes, and income levels. Survey respondents and stakeholders stated that in addition to quality schools, the availability of housing options both rental and ownership, is also important to businesses looking to attract talent and retain their current workforce.

The housing market in the study area is dynamic, with consistent growth in sales price and rents, signaling strong demand. Overall, firms rated LIC's proximity to quality housing moderately, with an average rating of 3.0 out of 5.0. However, the majority of the new housing stock, and housing units planned or in-construction are rental units.<sup>10</sup> Hunters Point South on the LIC waterfront will provide up to 5,000 units of housing with 60% of the units affordable for low to moderate income families. These units will contribute to the pipeline of housing units under the Mayor's affordable housing agenda. While this will provide new housing supply for some, there is a lack of new ownership opportunities, particularly affordable ownership, being offered in the market.



*Hunters Point South*

## Relevant Projects Underway

During the course of this study, a number of projects, policies, proposals, and plans in LIC or that will have an impact on the area were completed, announced, or begun, helping to address some of the issues raised in our key findings.

Many of the projects, policies, proposals, and plans listed below are the result of the work of the area's elected officials including, U.S. Congresswoman Carolyn B. Maloney, NYS Senator Michael Gianaris, NYS Assemblywoman Catherine Nolan, NYC Mayor Bill de Blasio, NYC Council Speaker Melissa Mark-Viverito, NYC Council Majority Leader Jimmy Van Bramer, and Queens Borough President Melinda Katz, responding to some of the same conditions highlighted in the key findings.

### INVESTMENTS AND PROGRAMS

- **The Industrial Action Plan (2015)** Mayor and Council Speaker's 10-point action plan to invest in and protect NYC's industrial sector
- **NYC FY2017 Budget** The fiscal year 2017 budget includes targeted investments to the City's cultural organizations and libraries, youth workforce development, and public safety.
- **NYCEDC LIC Waterfront Mixed-Use Redevelopment Request for Proposals (2015)** NYCEDC issued a RFP for two sites in LIC to create a new development project that combines commercial and advanced manufacturing space with mixed-income affordable housing, publicly accessible open space and a new school.
- **Tishman Speyer office towers: One and Three Gotham Center (2016)** NYCEDC and Tishman Speyer announced a development including two commercial office towers in LIC, totaling 1.1 million square feet and 31,000 square feet of retail, with benefits from NYC Industrial Development Agency.
- **NYCDCLA Comprehensive Cultural Plan for NYC (2015)**
- **Three new schools announced for LIC (2016)** City budget allocation of \$200 million for three schools in LIC and one school in Woodside.
- **Hunters Point Community Library (2017)** New \$38 million library under construction on LIC's waterfront
- **Mount Sinai Queens expansion (2016)** \$150 million, 140,000 square foot building expansion and renovation, including operating rooms and emergency department
- **Youth education & internship programs at Socrates, SculptureCenter, Noguchi, Museum of the Moving Image, among others (in progress)**
- **LICP, NYCDOT, 7Train Murals - Thomson Avenue Mural (2015)**
- **Retail attraction efforts by LICP including space bank map of listings for sale and lease, rendering of development sites in LIC, annual real estate breakfast (on-going)**
- **Brooklyn Queens Connector (BOQX) (in progress)** A new streetcar proposed to run along the East River waterfront from Sunset Park to Astoria.
- **LIC/Hunters Point Area-Wide Reconstruction (Preliminary Design Completion: 2016)** \$40 million project will include streetscape upgrades.
- **Q103 Service Expansion (2015)** Expanded weeknight and weekend service
- **Citywide Ferry Expansion (planned 2017)** Additional stops proposed for LIC, Astoria and Roosevelt Island. Existing ferry location at Hunters Point South.
- **Connect IBZ: Broadband Expansion (2016)** Xchange Telecom contracted by the City to expand high-speed broadband access into the LIC IBZ.
- **Kosciuszko Bridge Demolition** Phase 1: Queens Bound Bridge and demolition of old bridge – Early 2017; Phase 2: Brooklyn Bound Bridge - 2020

### REPORTS

- **NYCDCP "LIC Core" Study (in progress)**
- **NYCEDC Sunnyside Yard Feasibility Study (in progress)**
- **Queens Tech Zone Strategic Plan Task Force (Queens BP Melinda Katz/C4Q) (in progress)**
- **NYCDOT, Design Trust Under The Elevated: Reclaiming Space, Connecting Communities input and preliminary related work by LICP (in progress)**
- **Regional Plan Association, Overlooked Boroughs: Where New York City's Transit Falls Short and How to Fix It (2015) and Fourth Regional Plan (2017)**
- **Partnership Fund for New York City, New York's Next Big Industry: Commercial Life Sciences (2016)**
- **Center for an Urban Future, Making It Here: The Future of Manufacturing in New York City (2016)**



# RECOMMENDATIONS

The following recommendations have been developed in response to findings from Phase I of the LIC Comprehensive Plan and address some of the issues and challenges revealed in the key findings that require intervention beyond what is underway. The data collected consistently reinforce an overarching takeaway:

**LIC's mix of businesses, residents, visitors, and workers will benefit individually from the support of its collective ecosystem**

—and in the incredibly dynamic period that LIC finds itself in, that critical mix requires targeted, strategic interventions to ensure it continues to exist. LICP will continue to work in close collaboration with stakeholders, including City and state partners, to ensure that as improvements to the public realm are implemented, they are done cognizant of the findings and recommendations of this Comprehensive Plan.

**These discrete recommendations are also highly interrelated with the goal to have impacts across all business and organization sectors.**

The ability to successfully incentivize new commercial office space will expand business and job opportunities in LIC as well as help to relieve pressure on industrial firms and cultural organizations that are competing for pre-existing space. A multipurpose step-up space for growing innovation and light industrial firms will not only provide space for them, but foster connections to job opportunities for local residents and add to the workflow of larger production firms. Transportation improvements will facilitate commerce and connect local residents with LIC's growing amenities as well as jobs. And developing long-term spaces for artists and arts organizations will not only provide them with predictable places in which to grow, but also ensure that they continue to make their special contributions to the neighborhood by becoming increasingly woven into LIC's social and economic fabric.

## Recommendation

## 1

Make incentive programs work for the businesses that need and want to be in LIC. In addition, look for creative ways to build more space for businesses.

LICP's Incentives Working Group, in consultation with the Economic Development Corporation, is exploring options to adjust existing incentive programs and/or develop new and innovative programs that match the business realities of firms in LIC today. These adjustments aim to improve incentive programs to be accessed and used by businesses that need and want to be in LIC.

1A

**Implement adjustments to improve the (1) accessibility, (2) predictability, (3) transparency, and (4) effectiveness of existing incentive programs.**

LICP will work with relevant agencies to pursue a variety of proposals raised by its stakeholders and local incentives experts, including:

- Allowing tenants in buildings receiving ICAP to also access CEP, since ICAP's impact is often diffused for users of multi-tenant buildings.
- Additional CEP improvements should include:
  - Making CEP a gateway to the helpful Energy Cost Savings Program.
  - Raising the outdated \$2.50 psf cap of CEP to a more meaningful amount to influence investment decisions at businesses.
  - Allowing manufacturers to receive the full 10 years of benefit of CEP regardless of lease terms (i.e. options, recapture, early termination) including if those manufacturers move to a new location within the same area (i.e., within the same IBZ).
- Additional ICAP improvements should include:
  - Allowing "manufacturing activity" to include some retail (up to 25% of sales) on site.
  - Providing clarity of the program benefit before a business submits their application.
- Lower the build-out requirement for REAP for industrial businesses.
- Increase the portability of key incentives. For example:
  - Allowing businesses that are already enrolled in REAP that are relocating but remaining eligible, to notify DOF after signing the new lease/purchase (as opposed to before).
  - Allowing REAP credit to be refundable beyond the first 5 years of the program and capture additional hires in Years 6-12.
- Making ECSP a stand-alone benefit that requires a lower investment requirement than ICAP to allow more businesses to take advantage of it.
- Allowing businesses with shorter leases to be eligible for incentive programs. For example, businesses with a 5-year lease that is renewable for an additional 5 years should be eligible.

## RECOMMENDATION 1A (continued)

- Making New York State's Excelsior Jobs Program, which is refundable for all 10 years, more transparent and as-of-right.
  - Increasing the benefit of the Excelsior Investment Tax Credit, currently valued at 2% of the qualified investments.
  - Changing the interpretation of the program to clarify that a business recommitting to staying in its existing space and retaining its employees can also become eligible.



*Boyce Technologies*



*The Factory*

**1B**

Relieve the real estate pressure on industrial companies and allow for future growth by creating more commercial, and, if possible, more industrial space by designing creative development structures.

**1C**

Address impediments to new construction and investment, such as current tax policies, outdated building codes, and zoning restrictions.

In addition to recommending adjustments to incentive programs, where it is economically feasible and operationally realistic, increase the amount of space for industrial and commercial uses. As shown in Key Findings #3, #4 and #5, industrial and commercial space is in demand from multiple sectors with limited availability on the market.



## Recommendation

# 2

Work with the City to incentivize new commercial office construction through appropriate zoning and incentives to serve pent-up demand, take advantage of new growth, and simultaneously reduce pressures on viable industrial and cultural space.

To stem the loss of viable industrial space to as-of-right commercial office conversions, and to accommodate for future business sector growth, LICP recommends that the Department of City Planning and Economic Development Corporation work together with LIC stakeholders to develop a broader set of recommendations on focused zoning actions or neighborhood-specific incentive programs designed to spur sufficient commercial office development at various economic levels and mitigate development pressure on industrial space for non-industrial uses. Creation of more commercial office space in LIC would not only absorb demand from Manhattan and Brooklyn and support business retention in NYC, but also lead to business growth, job growth, and opportunities to connect to the local workforce. If there are more options for residents to live and work in the neighborhood, this will also have the added benefit of alleviating strain on the transit system during peak rush hours while also appealing to the desires of today's workforce.

Conversations with the property owners and developers focus group and with local stakeholders led to a consensus that current office rents are not at a price point yet to support ground-up construction nor are they trending to reach that level in the near future. City intervention is needed to help create more commercial office space, both in mixed-use areas where more density is being sought, and in areas zoned for commercial construction. As mentioned previously, in addition to rent, other factors such as current tax policies, outdated building code issues, and zoning restrictions also contribute to the lack of ground-up construction.

Commercial office space is most viable in high density and transportation-rich areas, such as those in the LIC 'core' and along the waterfront. In addition, where the

City is considering zoning changes to allow or increase residential development, there should be a significant incentive, for example in the context of mixed-use development, a 6:1 FAR of residential to commercial, to foster commercial development alongside market rate and affordable housing, and satisfy lenders' requirements. Finally, to help reduce the pressure on existing industrial space, fully commercial office, or commercial and industrial mixed-use projects should be facilitated to the maximum extent possible.

In 2001, as part of the City's plan to create a 4th Central Business District, LIC's 'core' area was rezoned to facilitate commercial development. The City made significant capital investments to improve the streetscape to further this plan. The rezoning included residential uses with commercial to create a healthy mixed-use community – with long term resiliency and immediate attractiveness. But the economics of construction have meant that virtually no ground up commercial construction has occurred leading instead to an explosion of market-driven residential construction, particularly of rental units in LIC's 'core.'

With all of the recommendations above, it is important to keep in mind Long Island City is a very large and diverse area and no one land use approach will be appropriate for all parts.

Similar markets, such as Downtown Brooklyn, face similar challenges in identifying opportunities for ground-up commercial development when rents are still below where it is economically feasible to develop such space and when major, anchor tenants are not the predominant customers in the market. Downtown Brooklyn and Hudson Yards both received government support in the form of incentives and financing to spark major development plans.

Capture and retain growing, entrepreneurial businesses in LIC to anchor their job creation here.

## Recommendation

# 3

Develop a nonprofit multipurpose step-up space for small, growing industrial firms and nascent technology and design firms graduating from co-working or incubator spaces. Colocate it with prototyping and workforce development services.

LIC's emerging creative and light industrial businesses need affordable room to grow in LIC. Survey respondents and conversations with business owners, commercial real estate brokers, and operators of incubator spaces, such as NY Designs at LaGuardia Community College, confirmed the need for step-up space for growing industrial and nascent technology and design firms that are not yet "market ready." Creating step-up space for these growing companies is important to help them develop their business locally and continue to work and collaborate with artists in the area for design concepts and manufacturing companies in LIC for larger production runs after prototyping. These dynamic firms also require flexible lease terms, prototyping lab space, and related support services to nurture their growth in New York City. The recent growth of local co-working spaces like WeWork, Spaces, and GreenDesk support a specific sub-sector of commercial office firms and are not suited for light-industrial users.

In line with the City Council's *Engines of Opportunity* report and Mayor de Blasio's recently announced industrial policy platform, LICP and partners (La Guardia Community College and others) aim to create a new, mission-driven, multi-purpose space for LIC's growing collection of light industrial and innovation firms. Services would be provided in partnership with the neighborhood's well-established education institutions, as well as business support and workforce development organizations. In particular, components of the space that might be considered include: subsidized workspace, a community-accessible prototyping lab, business development services and workforce/entrepreneurship development support for both local jobseekers and growing firms. We specifically heard from workforce development stakeholders and employers that there is an unmet need for specific technical training that is not being provided in the marketplace at scale.

## Recommendation

## 4

Increase opportunities for cultural institutions and artists to maintain and operate active, permanent spaces in LIC. Expand the integration of arts and culture into the LIC urban fabric and communities.

- 4A Explore options to creatively help with space costs (ownership and rental) by both making existing tools such as zoning bonuses function better and incentivize use of existing space for artists.
- 4B Create a connected “downtown” through incorporating culture into the landscape. Explore projects in other cities, such as RiNo District in Denver and Miami Adrienne Arsht Center for possible adaption for LIC.

To address the urgent need to protect affordable arts and cultural spaces in LIC, LICP will work with cultural stakeholders to identify and promote strategies for preserving space for this essential local resource. Thanks to funding spearheaded by City Council Majority Leader and Cultural Affairs Committee Chair Jimmy Van Bramer, the NYC Department of Cultural Affairs is in the process of developing a first-ever comprehensive cultural plan. The implementation of this critical plan may present opportunities to address the needs of LIC’s artists and cultural organizations, in partnership with Majority Leader Van Bramer and the New York City Department of City Planning and Economic Development Corporation.

Information is being gathered from local and national experts in creative strategies to enhance neighborhoods’ cultural footprint and connectivity. LICP and its cultural partners are exploring successful ideas that can be adapted to LIC. Models from outside LIC, such as the Fourth Arts Block in Manhattan or the RiNo District in Denver, various projects funded by ArtPlace, the Miami Arsht Center and the Cleveland Foundation’s work at University Circle might



*Joffrey Dance Center at LIC Springs*



## RECOMMENDATION 4B (continued)



Noguchi Museum

PHOTO CREDIT: ELIZABETH FELICELLA  
© THE ISAMU NOGUCHI FOUNDATION AND GARDEN MUSEUM

also be candidates for further study. Further strategies to be considered include direct grants to artists or arts organizations; zoning bonuses for real estate developers who set aside and fund the build-out of permanent arts spaces; helping artists and arts organizations to purchase space in a manner that doesn't unduly divert funding from programming and supplies.

In addition, the study highlighted the importance of physical improvements and programming that use culture and the arts to bridge neighborhoods and communities. Recent physical interventions in LIC, or some under consideration/development, are described in [Recommendation 8](#). On the programming side, locally Socrates Sculpture Park and the Museum of the Moving Image provide excellent examples of engaging

local youth through programming, as well as others in the area. *Creative Transformation: Arts, Culture, and Public Housing Communities*, a roundtable report released by Naturally Occurring Cultural Districts NY (NOCD-NY) presents strategies and recommendations for working with LIC's public housing communities. Additionally, *The Noguchi Museum & Socrates Sculpture Park District Study*, prepared by HR&A Advisors and WXY Architecture + Urban Design in 2014, proposed creating an arts district surrounding the two institutions in order to maintaining and promote access to cultural institutions to benefit neighborhood residents and employees as well as create a precedent for land use policy and planning that would seek to maintain mixed industrial and affordable residential neighborhoods.

## Recommendation

## 5

Develop a strategy to foster a cluster of biotechnology, life sciences, & technology related industries in LIC by leveraging LIC's relevant and unique advantages, anchoring an important sector for NYC.

Conversations with the City and industry stakeholders, including the Partnership Fund for New York City confirmed that there is significant interest in identifying a location in which to make further investments in the type of specialized space needed to support a cluster of biotech, life sciences and technology related firms. Long Island City's proximity and ease of access to the east side of Manhattan, where an established corridor of medical facilities exists, expansion of the East River Ferry, availability of existing industrial buildings appropriately zoned for possible retrofit for lab space, sites for bespoke development, and the neighborhood's mixed-use character, makes LIC ideally positioned to become a hub for biotech. LIC remains a strong commercial and industrial hub because the companies here take advantage of its unique locational assets, and helping another prime industry to do so will keep LIC economically strong and help the City compete with other more mature biotech clusters like Boston, providing jobs at every education level. The need to develop biotech in NYC and in LIC particularly requires appropriate interventions around a comprehensive neighborhood strategy.

LIC has the potential to be viewed as an extension of Manhattan due to its transit connections to medical facilities on the East Side, including Rockefeller University, Sloan Kettering Medical Center, New York University and the Alexandria Center. East River Ferry service expansion, to be completed in 2017, will provide additional direct connections between LIC and the East Side. In addition, anchoring biotech in LIC will have an additive effect of leveraging potential life sciences and technology related firms, such as those from Cornell Tech on Roosevelt Island. Although these firms will have different space requirements than biotech companies, they will benefit from a biotech cluster and the overall synergy of industries in LIC.

LIC has a number zoning districts with sites for bespoke development and industrial spaces that could be retrofitted for some biotech companies seeking to accommodate labs with large, heavy equipment that requires heavy floor loads, freight elevators and the like. With retrofitting of these industrial spaces and with appropriate incentives to make commercial office spaces available to those biotech firms that can build out smaller lab spaces and the business components of their operations, LICP believes LIC could be home to an anchor location that flexibly accommodates a range of biotech and related companies, which could be quite attractive to an industry that appears to prefer clustering together to ensure a sufficient pool of talent and leverage related firms' capacities.

Industries like biotech also require a vibrant mixed-use neighborhood that offers a live/work environment with a variety of amenities, services, and housing options. LIC is positioned to leverage its existing assets to attract a new industry but, as shown in the key findings above, more will need to be done to create a full-service neighborhood and maintain its mixed-use character.

In addition to contributing to the vibrant, entrepreneurial spirit of the neighborhood, a biotech cluster has the potential to provide job opportunities for lower-skilled workers in areas like lab maintenance and assistance and material transport. LaGuardia Community College in LIC is capable to create customized training programs for specialized companies.

The need to develop biotech in NYC and in LIC particularly has been identified yet the cost and complexity of doing so, and the lack of an anchor tenant, have meant that it has not developed organically and will require a comprehensive neighborhood strategy. In 2001, the Partnership Fund for New York City released

## RECOMMENDATION 5 (continued)

*Market Demand Study for Commercial Biotechnology, Biomedical and Bioinformatics Facilities in New York City.* This study launched an initiative with the City that led to the Alexandria Center for Life Science and Harlem Biospace. The joint work of the Fund and the City was an effort to bring biotech industry to NYC. The study identified Manhattan for the first phase of the industry then to the outer boroughs. In June of 2016, the Partnership Fund for New York City released *New York's Next Big Industry: Commercial Life Sciences* which documented the existing life sciences industry in NYC and recommendations for further investment to support

the growth of this industry as well as help the City compete economically with other more mature clusters of biotech and life sciences like Boston and foster regional opportunities and further growth within New York State. The areas of investment include affordable and appropriately located space, talent, capital, and promotion of life science industries.

The City has also identified the need for further investment in biotechnology commercial space. Of the 60 million square feet of commercial space needed in the City by 2025, 3 million square feet is estimated to be needed for biotech and life sciences related industries.<sup>11</sup>

Work to relieve parking strain on LIC businesses and organizations. Maintain truck and vehicular movement necessary for efficient business activity.

## Recommendation

# 6

6A

In commercial areas of Community Boards 1 and 2, undertake a targeted study to identify opportunities to alleviate LIC's parking strain on businesses of all sectors to facilitate local commercial activity.

6B

LICP will continue to advocate for the replacement of parking spots lost from demolition of a municipal parking garage and for additional parking spots to be created for businesses.

Long Island City's industrial and commercial areas are busier than ever with more establishments moving into the neighborhood and growth expected from many of our business sectors. Parking is a key asset and conflicts over spaces and access to loading docks are increasing in the areas with the most growth.

Across all business sectors, LIC's increasingly limited parking supply presents significant challenges to firms' and organizations' operations. In addition to a reduced supply of structured parking, short-term on-street parking that might be used by visiting customers or patrons competes

with business operations as well as local taxi and delivery depots. Survey results revealed several specific problem areas, particularly in LIC's industrial business areas.

Informed by these findings and in partnership with Queens Community Boards 1 and 2, the New York City Department of Transportation should initiate a study to identify opportunities to alleviate Long Island City's parking problem areas, including, for instance, evaluating the opportunity to shorten long-term on-street (12+ hours) parking regulations that inhibit drivers from easily accessing the neighborhood's retail establishments and commercial centers.



## 6C Ensure trucks and necessary vehicles can still operate within and through LIC.

As Long Island City continues to develop, and more residents and businesses move to the area, it is important to plan for our transportation network to accommodate a variety of users as well as maintain efficient vehicular and truck movement within and through LIC. Our businesses depend on vehicles for essential business activity; area businesses have frequent interaction with their customers, clients and suppliers. Often deliveries

and pickups are made with trucks and cars transporting items like prototype models or heavy materials not suited for public transportation. In some cases, lack of public transportation options, either near the business location or where employees live, requires workers to drive to LIC. Area businesses also rely on access to LIC's bridges and tunnels to move their products and goods to adjacent boroughs or to travel to LaGuardia and JFK Airports.

Work with transportation agencies to update routes and frequencies of buses and subways in order to move people within LIC from where they are to where they need to go.

## Recommendation

# 7

Study where there are gaps in local transportation options, such as intra-LIC and inter-borough, to consider adding additional service or increase frequency of existing service.

While public transportation access was rated as a key attribute of LIC for survey respondents, they also noted that the system did not provide for enough intra-LIC movement, especially as new residential and commercial areas develop and densify. There is increasing demand for new transit routes, including north-south and east-west connections within LIC, and further connections to Brooklyn, Roosevelt Island and other parts of Queens. This demand for improved intra-borough transit was highlighted in RPA's study, *Overlooked Boroughs*. Bus service improvements are the least expensive and easiest to implement to improve north-south and east-west movement through the area, especially for residents and workers traveling from the transit

hubs across the Sunnyside Rail Yards and to the area's cultural institutions. Improved east-west bike and ferry connections to the future Cornell Tech campus will be particularly beneficial to business, residents and visitors. As the City pursues the recommendations presented by the Western Queens Transportation Study, its plans for the LIC/Hunters Point Area-Wide Reconstruction, and for the BQX streetcar service, LICP can provide valuable insight into the needs of Long Island City's business community—particularly those areas not included in the Western Queens Transportation Study—in partnership with Queens Community Boards 1 and 2.

## Bridge neighborhood barriers and improve connection between sub-areas of LIC.

### Recommendation

# 8

#### 8A Enliven underused public land to create safer and more interesting spaces for pedestrians.

Previous reports and studies, survey respondents and conversations with stakeholders all pointed to the need to improve wayfinding and street level conditions, particularly near areas with heavy construction, on the bridges that cross the rail yards and under the elevated train tracks.

A combination of street lighting (particularly in dark underpasses), improved wayfinding signage, and removing barriers to pedestrians along the neighborhood's key connective routes will help pedestrians orient themselves, increase activity on sidewalks, provide retail establishments with access to additional customers in adjacent areas, and activate otherwise uninviting spaces under the elevated structures. Improved foot traffic in Long Island City will help to attract the type of activity this neighborhood requires to sustain a vibrant, 24/7 live-work community. LICP has already engaged partners to address several locations in LIC. For instance:

- *Lighting Under LIC Elevated Structures* - With funding from Majority Leader Jimmy Van Bramer, LICP is working with DOT to implement a pilot lighting program with the use of strategically placed floodlights to test improvements at various types of intersections (i.e. under the ramp lands at Dutch Kills Street/Jackson Avenue and under the train trestles at 23rd Street/Queens Plaza and 27th Street/Queens Plaza).
- *Thomson Avenue Bridge Mural* – Under the NYCDOT Urban Art Program, LICP partnered with NYCDOT and local sponsors/partners Citi, Janovic Paint, RE:Sources, Jamestown, LaGuardia Community College and Vanbarton Group, to support local artist Mark Salinas from 7Train Murals to beautify the pedestrian bridge linking Thomson Ave in the Court Square area to Skillman Ave in the Industrial Business Zone. This bridge carries thousands of students and workers from the Court Square Station to the other side of the Sunnyside Yards daily, as well as thousands of cars and many bikes.
- *Hunters Point/LIC Street Reconstruction Project* – This nearly \$40 million project of NYC DOT, DDC and DEP is just getting underway, and will be including a number of streetscape enhancements. LICP is working closely with the City agencies and Community Boards to help achieve both maximum functionality and improvement in the streetscape in multiple key areas.
- *Capital Improvements on Jackson Avenue and Queens Plaza*, including the creation of Dutch Kills Green - Following a total of \$80 million in investment by the City, LICP has been working to maintain and further enhance the medians on Jackson Avenue and the Queens Plaza Greenway and Dutch Kills Green (in partnership with the Parks Department).

Additional sites could be treated similarly with a variety of creative approaches, including working with local arts organizations to program spaces or to leverage City programs to enhance streetscapes and encourage walkability.



Thomson Avenue Bridge Mural

PHOTO CREDIT: NYC DOT



DOT's WalkNYC Map in Dutch Kills Green

## 8B

Create a new street sign program modeled on DOT's WalkNYC neighborhood maps to help residents, visitors, and employees better navigate the neighborhood and increase awareness of the many amenities and cultural resources in the area.

Long Island City was one of the four pilot areas chosen by DOT for the WalkNYC pedestrian wayfinding program. LICP worked closely with DOT to identify locations for sign placement and destinations to highlight on the maps. Although not all signs have been implemented, the pilot program began in 2013 with more than 20 signs installed in the core area of LIC. The WalkNYC printed maps are now distributed widely and are being refined and updated as allowed. Building off the WalkNYC neighborhood maps, a new street sign program should be implemented throughout the study area to help residents, visitors and employees better navigate Long Island City's street grid and direct people to the area's existing amenities and cultural resources.

Initiatives and interventions to improve navigability should be designed and implemented in close partnership with New York City's Department of City Planning, Department of Transportation and design experts such as the Design Trust, as well as with groups such as ArtBridge which, among other interventions, curates artwork for construction fencing.



## Maximize economic benefits for Long Island City residents and businesses.

### Recommendation

# 9

9A

**Create better linkages among LIC employers, jobseekers, and training options to build skills in residents that are needed by our businesses and to connect them with local employers.**

There is tremendous opportunity for job growth in Long Island City in the next five years, particularly in its higher-paying industrial businesses. While jobs in the industrial sector generally do not require advanced educational attainment, jobseekers' exposure and access to opportunities at industrial firms is limited or they are not prepared with the appropriate training for the position. Many industrial companies are often smaller and less connected to workforce services. Survey respondents and interviews with businesses and focus group conversations confirmed the need for skills specific training (e.g. carpenters, construction managers, or machinists). Employers cited that many job seekers are not prepared with the appropriate hard and soft skills needed for the position. Many of LIC's non-profits and institutions (see list below) offer skills based training but more can be done to link local job seekers to these programs and provide new training opportunities for growth

sector industries like advanced manufacturing and life sciences.

LICP is well positioned to enhance jobseekers' awareness of industrial jobs and training programs for this field by developing a repository of workforce development opportunities on our website to facilitate the connection between service providers and jobseekers. LICP can also act as a convener, bringing industrial businesses and local workforce providers together to encourage employer-based enrichment activities for jobseekers such as site visits and job shadowing. LICP is currently planning an event for LIC employees and employers in partnership with Council Majority Leader Jimmy Van Bramer. The event will include a workforce development open house at Queensbridge Houses intended for residents to learn more about local industrial and manufacturing employers in LIC. There will also be a component for employers to inform and explain the different workforce development grant and incentive opportunities available from a number of government agencies.



Amy's Bread



*Meet and greet event with students and faculty from LIC CTE schools.*

## 9B Support workforce training programs at the high school, technical and college levels.

In addition, we will work with our local workforce development partners including LaGuardia Community College, Cornell Tech, Queens Economic Development Council, Urban Upbound/Long Island City Workforce1 Career Center, The Fortune Society, NYC Business Solutions, Queens Community House, Coalition for Queens, Jacob A. Riis Neighborhood Settlement House, Zone 126, Per Scholas, and Con Edison to identify opportunities to improve connections between Long Island City's local workforce providers and industrial employers and find opportunities to connect with area residents, especially those in

census tracts with the highest percentage of population living below the poverty line, with employers and skill-based training. Better connections will help to address the area's unemployment rate (highest in zip code 11106 at 11.40% of the population<sup>12</sup>) and pockets of poverty with low education levels while meeting the needs of employers and strengthen the economy. Previous efforts by LICP include hosting meet and greet events between LIC's Career and Technical Education (CTE) high schools and local businesses. These events are attended by program administrators from NYC Department of Education, educators and students.

# IMPLEMENTATION & NEXT STEPS

---

**A**s we begin Phase 2 of the Comprehensive Plan we are working with our partners to leverage projects and policy ideas already in progress, but not yet public, and beginning to move forward with the recommendations outlined above. With this information, we will evaluate where LICP will conduct original work and then prepare ourselves organizationally and financially to do so.

The data and information gathered during Phase 1 is only the beginning of this process. We will keep following key data indicators and identifying trends to use as tools to guide our work forward.

Phase 1 of the Comprehensive Plan is the result of a community effort. Thank you to everyone who donated their time before, during and after. Long Island City continues to be a dynamic neighborhood and we look forward to working with our partners as the neighborhood continues to grow.

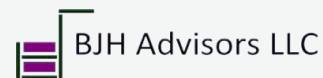


# ENDNOTES

1. See more at: <http://www.longislandcityqueens.com/do-business/economic-development/development-lic/>. Accessed 2016.
2. Unless otherwise noted in this report, analysis and data sets can be found in Existing Conditions. See Appendix A.
3. The mailing list was created from Dun & Bradstreet data. Government agencies, as well as addresses which were known to be inaccurate, were removed. However, it is unlikely that this list represents the true number of businesses in Long Island City as information may be out of date or contain duplicates. We conducted outreach using the Dun & Bradstreet list in order to contact as many businesses as possible.
4. Contacts extracted from the D&B Connect-Mail Contact List and the LICP Internal Client Database.
5. When examining the data, analysis may have different numbers for the value 'n', (in analysis n represents the number of responses being analyzed); not all respondents answered each question, causing the n to vary between analyses. See Appendix D.
6. Percentage of total businesses based on 2013 Census Data.
7. NYC PLUTO 05v1, 15V1, 2016, as pulled by LICP
8. Modern Spaces, 2006-2015 Market Study, Investment Sales.
9. New York State Department of Labor, Q2 2015. Annualized based on 2015 Q2 wages
10. Of the 22,450 housing units currently in development or planned, 21,250 are rental apartments. See more at: <http://www.longislandcityqueens.com/do-business/economic-development/>. Accessed 2016.
11. Anuta, Joe. (2015, November 5). City unveils initiatives to spur tech, life-sciences industries. Crain's New York. Retrieved from [http://www.crainsnewyork.com/article/20151105/REAL\\_ES-TATE/151109928/citys-economic-development-chief-maria-torres-springer-unveils-a-trio-of-ambitious-tech-life-science-initiatives](http://www.crainsnewyork.com/article/20151105/REAL_ES-TATE/151109928/citys-economic-development-chief-maria-torres-springer-unveils-a-trio-of-ambitious-tech-life-science-initiatives)
12. American Community Survey, 5-year Averages, 2010-2014.



Public Works Partners is a consulting firm whose work strengthens the organizations that strengthen communities. Our clients include nonprofits, government agencies, foundations, higher education institutions, and public policy research organizations. We help our clients to launch and administer complex new programs; improve operations and increase impact; and promote organizational excellence. They come to us because our team's hands-on experience and expertise in these sectors allows us to design and implement customized solutions to complex problems that make the most sense for each organization we serve.



BJH Advisors, LLC (BJH) is a real estate development and advisory firm, with expertise in planning, project management, finance, tax policy, market analytics, and Federal/State/City incentives. BJH works with both public sector and private clients to analyze and structure real estate development opportunities; undertake financial feasibility, market and zoning analysis; and help determine if policy goals require programmatic action. BJH is a woman and minority-owned enterprise, certified in New York City, New York State and by the Port Authority of NY and NJ.

# APPENDICES

Appendices in printable format can be found at [LONGISLANDCITYQUEENS.COM](http://LONGISLANDCITYQUEENS.COM)

Appendix A: Existing Conditions Report

Appendix B: Secondary Research Sources

Appendix C: Long Island City Business & Organization Survey

Appendix D: Long Island City Business & Organization Survey Responses

Appendix E: Stakeholder Conversations and Focus Group Summaries



## Long Island City Partnership

27-01 Queens Plaza North, 9th Floor, Long Island City, NY 11101

[WWW.LONGISLANDCITYQUEENS.COM](http://WWW.LONGISLANDCITYQUEENS.COM)

### STAFF

Elizabeth Lusskin  
President

#### BID & ECONOMIC DEVELOPMENT

Cheryl Tse  
*Director of BID Services & Economic Development*

Christina Chavez  
*Project Manager, Economic Development*

Sam Wynne  
*Operations Manager & Ambassador, BID Services*

#### BUSINESS ASSISTANCE

Charles Yu  
*Director of Business Assistance*

Ted Baptiste  
*Business Assistance Manager*

#### MARKETING & EVENTS

Jenna Petok  
*Director of Marketing & Events*

Christine Carroll  
*Marketing & Community Coordinator*

Stephanie Luca  
*Events Manager*

#### ADMINISTRATION

Jean Lateef  
*Director of Fiscal Operations*

Ying Huang  
*Office Manager*

*For full list of LIC Partnership Board of Directors, see website.*