

REAL ESTATE ADVISOR

MEGAPROJECTS SERIES: LONG ISLAND CITY'S HUNTER'S POINT SOUTH BY ARTHUR J. ADAMS JR.

Issue III – March 2017





Anyone who has traversed the 59th Street Bridge (also known as the Ed Koch Bridge) can't help but notice the massive change on the Long Island City waterfront over the past few years. The one-time urban blight of industrial factories and junkyards now competes with Manhattan for majestic skyline views on the shores of the East River, as New York City converts old manufacturing space to affordable high-rise residences, retail space, and parks.

Several developers are participating in the 30-acre project, including Related Companies, Rockrose, and TF Cornerstone. Seven parcels comprise what ultimately will become as many as 5,000 residential units, of which 60% will be targeted for low- and middle-income families, and 300 set aside for low-income seniors. The development already boasts a 1,100-seat school, more than 96,000 square feet of commercial buildings, and 4,600 square feet of community space. NY Waterway's East River Ferry provides access to Manhattan, as does the Number 7 line of the MTA's subway system. And most buildings have parking garages at a fraction of the cost of those in Manhattan.

The project generated some controversy in 2008, when a *New York Times* articleⁱ reported that it favored middle-class over lower-income households who were forced to flee the city because of increasing housing costs. The Phase One plan was since modified in 2011 to make all units affordable.

Once a site to store unused railroad cars, as recently as twenty years ago most people avoided the neighborhoods of Long Island City. Now it is booming with young professionalsⁱⁱ and families seeking stylish, convenient, and affordable places to live. The area has 25 development projects, either completed, under construction, or planned.

It's easy to understand the appeal. Framed by attractive residential towers with stunning views, Hunters Point South Park, bordering the East River, has a running track, playground, and beautifully landscaped pathways. Nearby on an adjacent street is a basketball court, and the area just beyond is bursting with restaurants featuring a myriad of popular cuisine choices. The entire project is a growing testament to New York City's constantly changing landscape, meeting the needs of the market by providing a place to live, work, and play.

In 2013 when the first housing units became available under Phase One, the Hunter's Point lottery had 93,000 applicants—the highest response on record for a housing lottery in New York City—and the fortunate winners moved into 31 units beginning in May 2015. "This is the best apartment deal in New York City," Phase One developer Related Companies' Senior VP Frank Monterisiⁱⁱⁱ said. It includes a medical facility, rock-climbing wall, and restaurants, and offers sustainable features such as urban farming terraces and grey-water irrigation. It consists of two towers, rising 32 and 37 stories.

The Phase Two contract, awarded to TF Cornerstone, comprises the area bound by 54th Avenue to the north, 2nd Street to the east, Newtown Creek to the south, and the East River to the west. Although the discovery of an Amtrak tunnel and power lines^{iv} beneath the site forced the developer to modify its initial plans for the second phase, which delayed construction, that section of the project will include nearly 1,200 apartments (of which close to 800 will be affordable) and a 600-seat elementary school. If all goes according to plan, construction is slated to commence this year. TF Cornerstone enjoys a reputation for building projects with attractive amenities and superior craftsmanship that create a sense of community and establish thriving neighborhoods.

The entire waterfront project is based on several principles^v to make the area aesthetically pleasing and incorporate sustainable design: offer protected views; include pedestrian and bicycle friendly streets; provide a varied and compelling skyline; and encourage alternative (read: carbon-footprint-friendly) transportation.

Poised to become a vibrant and well-designed community, Hunter's Point South may even get a floating pool^{vi} in the 11-acre park that is part of Phase Two of New York City's \$100 Million waterfront expansion, extending the waterfront from Astoria to Long Island City. Millions already saw the site in its full regalia when Macy's 4th of July fireworks were prominently displayed at Hunter's Point South Park. Now the park is on the list of locations being considered to locate the pool "for everyone" that will encompass a kids' pool, sports pool, lap pool, and lounge pool.

As further evidence that the decision to revitalize the Long Island City waterfront was a good one, several projects adjacent to it are being developed. The 5Pointz graffiti mecca, at 22-44 Jackson Avenue, was replaced by two residential towers, 41 and 47 stories high, totaling 1,100 new residential units. In addition, 12,000 square feet of artist and gallery space, a 32,000 square foot park, retail space, and a public parking garage are included.

At the higher end of the scale, Flushing Commons^{vii}, in nearby Willets Point, is a luxury development offering premium residences, an open-air plaza, and a proposed YMCA with a state-of-the-art indoor swimming pool, fitness center, basketball courts, running track, and day care facility.

And there may be even more to come: Related Companies has a plan in the works to build a mall and designated park, enhancing Long Island City as a destination for people seeking an alternative to Manhattan living.

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ⁱ http://cityroom.blogs.nytimes.com/2008/11/13/council-approves-queens-redevelopment-plans/?_r=0

ⁱⁱ <http://www.nytimes.com/2016/02/14/realestate/long-island-city-fast-growing-with-great-views.html>

ⁱⁱⁱ http://gothamist.com/2015/05/22/hunters_point_south_photos.php#photo-1

^{iv} <http://ny.curbed.com/2016/5/3/11576638/tf-cornerstone-hunters-point-south-amtrak-tunnel>

^v <http://www.nycedc.com/project/hunters-point-south>

^{vi} <http://www.hunterspointsouth.com/Home/tabid/908/post/hunters-point-south-among-10-potential-locations-for-floating-pool---swimming-in-lics-east-river-could-soon-be-a-reality/Default.aspx>

^{vii} <http://flushingcommons.com/>