

Focus On Long Island City

Long Island City has finally earned its pedigree. After a false start in 1986, when Citibank built a self-contained 1.4 million sq. ft. office tower at Court Square, this riverfront stretch of gritty industrial blocks is finally now, after 20 years, metamorphosing itself into a modern, urban landscape.

Rezoning, an expansionary New York economy, and plenty of cheap capital were the catalysts for the current, spectacular development binge. Add to this: extensive waterfront, an excellent transportation system, an embryonic arts movement anchored by MOMA, and a proactive well-run local government cheerleader, LICBDC, and the foundation has been set for long-term durable growth.

So far, development has been concentrated in 3 distinct districts: Queens Plaza to the North, Court Square in the center, and the Waterfront along the East River.

Residential development has dominated the East River waterfront with Rockrose already in the rent-up stage of 450 units with over 2,000 more units planned, and Toll Brothers going into the ground with a luxury 150 unit condominium project. The Fila site at 44th Road, with site development underway, has a planned 1,000,000 sq. ft. development. To the North, the Silvercup West site at the Queensboro Bridge has planned approximately 2.4 million sq. ft. of mixed use development, which will provide an exciting mix of office, retail, residential and studio production space. Anchoring the waterfront at its Southern end, is the planned 500,000+ sq. ft. reconstruction of the former Pennsylvania Railroad Power Plant at 50th Avenue.

The waterfront development compensates for its lack of close mass transit access with its wonderful views, while the Queens Plaza area benefits from its being the best transportation hub in New York City. Queens Plaza, anchored on its east by the planned 600,000+ sq. ft. Tishman Speyer redevelopment of the Modell's site, and



buttressed on the west by the planned 45-story residential tower at 23rd Street, promises to become an exciting mix of residential, office, and hotel developments. An excellent barometer of the intense interest being focused on Queens Plaza

North by city-based, as well as national developers, would be the response our firm has been receiving from the marketing of the 205,000 sq. ft. site at 29th Street and Queens Plaza North, currently occupied by The Bank of New York. This site, due to its 3 street frontages, expansive setbacks from Queens Plaza, and the additionally available 100,000 sq. ft. of air rights, provides the perfect mix of excellent transportation access, a spectacular 360° view, and value with an asking price set at one-half that of Downtown Brooklyn.

Many real estate professionals view Queens Plaza as having the potential for greater long-term growth than the other core areas of Long Island City. The center of Queens Plaza is dominated by the 800,000+ sq. ft. Met Life Insurance building. At an effective rental rate of less than half of Midtown office properties, there are already expectations that companies such as Viacom, as well as several banks and unions have it on their "must see" list. The confluence of a superb gateway location to Manhattan, unparalleled subway access, and deeply discounted sale and rental values should prove to make this neighborhood competitive with the Wall Street district and New Jersey's Newport.

Holding down the center is the Court Square District where the towering Citibank building will soon be joined by mid-rise office structures and residential condominiums. This is a charming "neighborhood feeling" sub district characterized by its courthouse and mini-park, as well as strip service retail establishments along Jackson Avenue. However, expect the feeling of a low key neighborhood to change rapidly as the high-density zoning allowed along Jackson Avenue attracts hi-rise development.

Long Island City has achieved critical mass with thousands of residences in the planning and development stages and hundreds of thousands of square feet of office space soon to follow. The last 20 years will prove to have been a sleepy prolog to the next few decades of unimagined growth and development.



Queens Plaza North, 200,000 sq. ft. For Sale through Greiner-Maltz

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