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The New York Times

## Blending Work and Life, in a Single Queens Complex

By C. J. HUGHES

A developer is proposing a project in Long Island City, Queens, that will offer something that has long been a no-no in New York: factories and apartments on the same site.

TF Cornerstone is planning a massive \$925 million mixed-use development on the waterfront with 1,000 rental apartments and 100,000 square feet of light manufacturing space.

On June 27, after a selection process that stretched more than a year, New York officials chose a team led by TF Cornerstone to undertake the two-building complex, to rise on more than four acres of city-owned land that now has parking lots, a road-repair facility and a shuttered restaurant that played a role in a federal investigation.

The 15-million-square-foot project, which will also add offices, stores, a public school and a park to an East River area called Anable Basin, still requires a zoning-change approval, a public process that could take two years.

"This has something for everyone," said Jeremy Shell, a principal of TF Cornerstone, which has three development partners: BJH Advisors, a real estate finance firm, and two nonprofits, the Greenpoint Manufacturing and Design Center, an industrial landlord, and the Coalition for Queens, a developer focused on technology companies.

"The types of commercial uses will be complementary," Mr. Shell added. "They won't create issues. They will create a very dynamic neighborhood."

The tower portions of the complexes will be tall. One is planned to be 650 feet, or about 65 stories, and the other will clock in at 500 feet, or 50 stories. They will mirror the cluster of seven glassy high-rises that



ABOVE, RENDERING BY TF CORNERSTONE. ABOVE RIGHT, ULTISSET FOR THE NEW YORK TIMES

stand along a nearby stretch of riverbank, by a well-known Pepsi-Cola sign. TF Cornerstone owns five of those buildings, the two tallest of which are 400 feet.

But the new towers, which will taper as they rise, are intended to be more graceful than what's popped up along much of the river in the past decade, said Alicia Glen, New York's deputy mayor for housing and economic development.

For years, housing and factories were kept far apart, which was especially important when the factories were polluters. But as industries have cleaned up their acts, that kind of restrictive zoning no longer makes as much sense, she said.

Also, if successful, the Anable Basin project could disprove the notion that luxury housing hurts industrial neighborhoods because it eats up land that could be used for factories, Ms. Glen added.

Above, an artist's rendering of the planned \$925 million mixed-use development in Long Island City, Queens. Above right, the actual site for the buildings, which would straddle 44th Drive, west of Vernon Boulevard.



"All of the battles over rezoning pitted jobs versus housing, which is something we need to get beyond," she said. "I hope this can change the conversation in a more positive way."

Ms. Glen added that of the nine development proposals received in May 2016 by the city's Economic Development corporation, which handled the selection process, TF Cornerstone's stood out for having so many nonresidential uses.

While details about layouts and amenities are still being hashed out for a project that's not expected to open until 2022, the apartments will be studios to three-bedrooms. Twenty-five percent of the units will be below market rate.

Currently, market-rate one-bedrooms in Long Island City rent for an average of \$2,814 a month, according to a June market report from the brokerage MNS.

As for industrial tenants, they will pay about \$3,700 to \$9,000 a month, said Brian T. Coleman, the chief executive of the Greenpoint Manufacturing and Design Center, which will own and manage 50,000 square feet of the manufacturing space. The rent is below average for the area, in keeping with Greenpoint's mission, Mr. Coleman added.

Also at Anable Basin will be 400,000 square feet of offices, 19,000 square feet of stores, an 80,000-square-foot elementary school and a one-acre waterside park with an esplanade that wraps around and connects to an existing public pier.

The shuttered restaurant, the Water's Edge, is enmeshed in a federal investigation into whether Mayor Bill de Blasio helped Harendra Singh, its operator, in his quest to obtain favorable lease terms in exchange for campaign contributions.

The two-story barge-supported restaurant, whose lease expired in May, will be razed and replaced with a similar business under TF Cornerstone's proposal. "The details of that are not fully resolved yet," Mr. Shell said, "but our intent is to reintroduce a waterfront restaurant, generally in that location."

Recouping investments for projects with so much commercial space can be challenging, since industrial rents are usually far cheaper than residential ones, "and over time, the differential just grows and grows and grows," said Adam Friedman, the executive director of the Pratt Center for Community Development, a Brooklyn-based research group.

This can pressure landlords to convert industrial space to higher-paying uses, Mr. Friedman added. But since the developers will lease the land from the city and not buy it outright — a lower-cost proposition — the deal may pencil out more favorably, he said. That the project will receive abated property taxes and other tax exemptions will also help, he said.

Mr. Friedman said he liked the idea of a return to the old days, when craftsmen often lived where they worked. "This is the way cities were always built," he said.