

November 17th, 2018

## **OANA Support of Amazon HQ2**

The Board of the Old Astoria Neighborhood Assn (OANA) is pleased to support the establishment of Amazon's Headquarters in Long Island City. We feel the potential economic benefits to Western Queens, and the waterfront area in particular are extensive and will be felt from the smallest Bodega to large corporate enterprises. Most of the negatives can be mitigated with sensible policies.

Old Astoria (From 36<sup>th</sup> Ave to the South, Ditmars to the North, 21<sup>st</sup> st to the East, and the East River to the West) will be directly affected, as we have great direct transportation to the proposed site. (21<sup>st</sup> st and Vernon Blvd buses and the NYC Ferry). We will become a prime residential area for Amazon employees.

The addition of a solid employment and revenue source in our neighborhood will also provide a hedge against any inevitable future recession. (LIC/Astoria fared better than most of the USA in 2008, primarily because of foreign capital and immigration. However, in the current political climate this may not continue.)

While some have expressed trepidation that somehow this will degrade the quality of life in our neighborhood, we feel just the opposite. Some infrastructure issues, such as utilities and transportation, should in fact have a greater chance of being addressed. Amazon should apply the needed pressure for the proper upgrades. (The recent 180 Million Infrastructure investment by the city is a perfect example). They will now have a stake-in the community! And it is in their own self-interest to make sure its employees' quality of life is such that they can recruit and keep highly qualified people.

In order to make sure that the Middle Class is both protected and thrives, we call for aggressive enforcement of Affordable Housing Requirements for Residential Developments built to house new residents.

We also ask that Western Queens residents receive priority for employment.

Any new Developments, residential or commercial, resulting from Amazon's creation of their headquarters need to make land available for (1) new schools, (2) provide green <u>on-site stand-alone</u> <u>power generation and sewage recycling systems</u> to take the strain off of the existing infrastructure, (3) invest in a fund to upgrade infrastructure that is specifically directed at LIC/Astoria (Not the General Fund), and (4) provide incentives to protect and grow small local retail through Entrepreneurial awards and training.



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Also, we ask that Amazon provide direct investment in Transportation including our Subway, North South Corridor between Brooklyn and Queens (Brooklyn Queens Express. Light Rail, or an enhanced bus service) and Ferry. There is precedent, Citicorp had to provide Subway upgrades when they built their tower in LIC.

Finally, the creation of a community center for young people living in the waterfront area, especially but not limited to the NYCHA campuses, would be an essential part of focusing young people's energies in a positive fashion. This should include not only Workforce training, but also athletics, after school activities, and other social programs to raise the bar for all Old Astoria residents.

## How did OANA come to their decision?

We started with the premise that an additional 25000 high paying jobs is a positive for the neighborhood! All parties at some point have agreed with this.

We then looked at the possible negatives, and wondered if they are worth the risk of losing this economic driver.

1. The 3 billion in incentives being given Amazon: While we greatly respect the elected officials whom we have worked with for years who are questioning this, there is no unimpeachable source to determine whether this investment will pay off, especially because much of the payoff is based on future performance, and there is no way to determine this. It is a classic he said he said. The rhetoric is getting heated, but rational thought should prevail. OANA has decided that killing off 25000 jobs based on conjecture just does not make sense. Also, we need to remember that without Government driven incentives, the 2 major industries in Queens, (1) Aviation (which depends on govt investment in infrastructure and operations) and (2) Film and TV production (Which received direct incentives) would not exist.

We are aware of how Public Private partnerships can be very successful. Look at Brooklyn Bridge Park, or Cornell Tech. There arr numerous examples. And we can view the Amazon HQ2 as such a partnership.

2. Gentrification: **FOREWARNED IS FOREARMED**: The examples of rampant gentrification in San Francisco and Seattle are indeed ominous, and we understand the trepidation some feel. However, the primary reason this happened was extremely slow reaction from those local governments to put the proper safeguards in place to protect the Middle and Lower classes.



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We Know What Is Coming. We already have many housing programs in place (Especially Affordable Housing) that create the framework to protect current residents. They do need to be revised and enforced to make them more effective. (Especially the Federally established AMI (Area Mean Income): "Affordable" rents are based on the "AMI". They may not accurately represent the local populations. The area used to determine the AMI must be reduced to make it more sensitive to local populations: Currently it is based on NYC's five boroughs, but also includes Putnam, Rockland and Westchester. This will take aggressive lobbying by our Federal Elected Officials. It can and should be done. (Even if Amazon was not happening).

We also need to establish a cap on Property tax increases, such as is enjoyed by the rest of the state of NYC. This would prevent too fast a rise in homeowners expenses, allowing them to make financial decisions without being under unnecessary duress.

3. The original rezoning of LIC envisioned a mixed-use neighborhood. However, almost all development has been residential. The inclusion of significant commercial by Amazon will bring the neighborhood back to the original mixed-use vision.

It is natural for people to be afraid of change. It is understandable. However, because of Western Queen's proximity to Manhattan, and the logistic, cultural and educational advantages it brings to the table, (Such as Cornell Tech) development is inevitable. OANA views as its responsibility to advise those steps that create a positive quality of life for everyone during this time of great change. There are events that are transformative to a community, and this is one. We feel, with proper oversight and interaction, that we can reap the economic benefits and also protect the quality of life of the neighborhood.

New York is the greatest city in the world, and if anyone can be up to the task of controlling this opportunity for the betterment of the lives of all citizens, New York City can!

We look forward to continued responsible growth in our neighborhood!

Richard Khuzami

President

Old Astoria Neighborhood Association