

SOUTH JAMAICA EMPIRE ZONE DEVELOPMENT PLAN

(Amended from the South Jamaica Development Zone Policy adopted 11/29/04)

SECTION I. OVERVIEW

The mission of the South Jamaica Empire Zone Administrative Board (“Board”) is to assure the highest level of Empire Zone-related services to local growth-oriented firms, to those prepared to invest in their businesses, and to potential move-ins.

It is the longstanding goal of Greater Jamaica Development Corporation, which was established in 1967 and has been the Jamaica Empire Zone administrator since 1987, to help transform downtown Jamaica into a regional sub-center for commerce, industry, business and government services, and a cultural and higher education in the New York Metropolitan area. The initial impetus for creating Greater Jamaica Development Corporation (GJDC) came from a study conducted by Regional Plan Association in the late 1960’s. The plan recognized that Jamaica’s position as a transportation hub connecting population centers and businesses in New York City and Long Island situated it for reinvigoration as a “regional sub-center” serving the entire area.

The Empire Zone program is one of a range of economic development tools for Jamaica’s revitalization. Together, they help to assure that downtown Jamaica and the industrial areas immediately adjacent to downtown Jamaica are in harmony to create a modern and efficient multiple-purpose area that offers a pleasant and productive experience for those who work, live and visit here. The objective is that Jamaica Center and its environs be a major employment center of office and industrial enterprises and a quality retail community built around its regional multi-modal transportation nexus, easily accessible to its large, skilled and educated multi-cultural work force.

The Board aims to support the on-going redevelopment of the Jamaica area, including Ridgewood and South Jamaica, that will accommodate a complex of region-serving facilities, airport-related enterprises and county-wide government services, that will have attractive residential communities, be a hospitable and prosperous-looking setting for private investment, and support cultural activities and amenities that enhance the quality-of-life for its citizens.

The Board recognizes that the factors and general goals defined in New York State’s Empire Zones Act, §962 (“zone development plan”), and the resources necessary to carry out the plan, must be derived from a wide range of service providers and public agencies at the City and State levels, including the programs and projects independently carried out by Greater Jamaica Development Corporation. The use and focus Empire Zone incentives that support the overall Development Plan for South Jamaica are subject to review and modification by the Zone Administrative Board.

The City agencies and offices that play a key role in serving businesses and administer economic development programs, namely New York City Department of Small Business Services, the Mayor's Office for Industrial and Manufacturing Businesses, and New York City Economic Development Corporation, have in place missions that are complimentary to that of the Board. They are as follows:

The Department of Small Business Services makes it easier for companies in New York City to form, do business and grow by providing direct assistance to business owners; fostering neighborhood development in retail, commercial and industrial districts; promoting financial and economic opportunity among minority- and women-owned businesses; preparing New Yorkers for jobs and linking employers with a skilled and qualified workforce; and supporting the creation of Business Improvement Districts throughout the City.

New York City Economic Development Corporation's mission is to encourage economic growth in each of the five boroughs of New York City by strengthening the city's competitive position and facilitating capital investments that build capacity, generate prosperity and catalyze the economic vibrancy of city life as a whole.

The mission of the newly created Office for Industrial and Manufacturing Businesses is to retain and grow that sector's job base, execute the goals of the city's industrial policy, and serve as a single point of coordination for the industrial and manufacturing sector.

The Mayor's Office in January, 2005 announced a revised and re-invigorated industrial policy for New York. The boundaries of the pre-existing In-Place Industrial Parks (IPIP), all of which were in manufacturing areas as defined within the City's zoning resolution, would be reviewed and, when approved, be re-designated as Industrial Business Zones (IBZ's). This re-designation was approved by the New York City Industrial Business Zone Boundary Commission and the program was implemented in 2006. IBZ's are areas where the Bloomberg Administration has guaranteed not to support the rezoning of industrial property for residential use; companies relocating to the IBZ's are eligible for City-based tax credits; and the entire program is overseen and coordinated by a newly created office that is charged with maintaining the overall vitality of the industrial sector, the Mayor's Office for Industrial and Manufacturing Businesses. The IBZ for Jamaica removed some acreage from the pre-existing IPP that lies between and close to York College and the JFK AirTrain Station Area. Although this acreage still retains its land use designation as M-1 (light manufacturing), the Department of City Planning indicated that it wanted to retain some flexibility for long-term development of these parcels. On the other hand, the new IBZ added acreage due west of and contiguous with the existing IPIP. It also defined an entirely new area for IBZ designation, the "JFK Corridor," which encompasses M-1 property adjacent to JFK airport. The JFK Corridor IBZ is approximately three miles from downtown Jamaica. The City selected GJDC to administer both of these areas as of October 1, 2006, and can therefore apply Empire Zone benefits to support the health and vitality in these designated industrial areas.

The Economic Development section of the 2004 Strategic Policy Statement from the

Queens Borough President's Office cites New York State's Senator Charles Schumer's call for the "city (to) undertake a major effort, through development and infrastructure improvement, to locate businesses to hubs such as...Jamaica." The Queens Borough President's Strategic Policy Statement defines Downtown Jamaica with the same boundaries as the Board uses to define Jamaica Center and, in congruence with both the Board's policy and GJDC's organizational policy, indicates its support to maintain the area as both a commercial and industrial center.

Zone benefits, judiciously applied, will encourage small businesses to expand and will help attract the mid-sized commercial, industrial and retail companies needed for Jamaica to reach its potential for mixed use vitality, given its position as a regional transportation hub. Zone benefits will also increase the attractiveness of major development projects to their targeted markets, reducing back end risk to the developer and therefore encouraging this level of investment.

SECTION II. GOALS AND STRATEGIES

Given the broad representation and involvement of the Jamaica Zone Administrative Board; the commitment of both the City and the County to the economic vitality of Jamaica's business district; and especially the accomplishments, on-going projects and capacity of Greater Jamaica Development Corporation, which is the local administrator of the Jamaica Empire Zone, we would set the bar high for the overall goals and objectives of economic activity in the Jamaica Empire Zone.

Goal 1 Retain and attract jobs to Jamaica through incentive programs to maintain the area as both a commercial and industrial center

Strategy

- Connect zone certified businesses with the local workforce and the pre-existing training services available through the Department of Small Business Services to assist with the human resource needs in the zone
- Utilize web-based and print marketing materials with the support of the Mayor's Office of Industrial and Manufacturing Businesses to attract firms that are looking to locate in the South Jamaica Empire Zone
- Organize business workshops to market the Empire Zone incentives to eligible firms
- Attract businesses that are classified as "Strategic Industries" (see Section IV) to the South Jamaica Empire Zone
- Encourage local minority and women-owned businesses to become certified by New York State and City as Minority/Women Business Enterprises ("M/WBEs")

Performance Metrics

- Track the number of jobs retained by certified companies.
- Track the number of net new jobs created during the report year by

companies who are both currently certified and who had been certified within 5 years from the date of the report year.

- Document the percentage of newly certified businesses that were classified as strategic industries
- Track outreach efforts targeting MWBEs

Goal 2 Assure that businesses are provided with the level of city services, including the maintenance of public property and security, they need to prosper and grow

Strategy

- Leverage the newly created Industrial Business Zones (IBZ) Program to support Empire Zone certified businesses operating in IBZs
- Provide ombudsman services to in-place companies

Performance Metrics

- Track number of requests for area maintenance and percent of requests resolved
- Track number of requests to resolve regulatory, compliance or permitting issues with government agencies

Goal 3 Advocate and help facilitate major infrastructure investments to stabilize and help prepare downtown Jamaica for additional growth

Strategy

- Encourage station Area Development for the area around the JFK AirTrain, as explained in “Vision for Jamaica Center – Jamaica Transportation Center Project,” developed by GJDC. The overall plan calls for higher density mixed use development than has heretofore been seen in downtown Jamaica, including development of a hotel; office or other commercial use towers; market rate housing; and upscale retail, restaurant and hospitality-related consumer businesses. This is aligned with the Borough’s and the City’s more broad-based plans.

Performance Metrics

- Track total public investment infrastructure improvements to support private development

Goal 4 Attract public and private investment to the area

Strategy

- Collect data specific to investment in Station Area development, other than infrastructure, and document in the Zone Annual Report
- Market zone capital credits to expanding zone certified businesses

- Provide technical assistance and eligibility screening for other financing and incentive programs such as those offered by the Industrial Development Agency (IDA)

Performance Metrics

- Track the Zone Capital Credits allocated for Direct Equity Investments and document the progress of projects in Zone Annual Report
- Track the level of investment reported in zone certified companies

Goal **Advocate for and support community development projects; defend the community from noxious or incompatible uses.**

Strategy

- Market Zone Capital Credits to not-for-profits engaged in community development projects that are raising funds to undertake capital improvements.
- Deny certification to those applicants that are rendered to be barriers to the revitalization of the industrial areas within the zone. The Borough President’s Strategic Policy Statement specifically cites junkyards and solid waste transfer stations as such barriers. These types of firms will not be recommended for Zone Certification, nor will other noxious or incompatible uses for mixed use development.

Performance Metric

- Track Zone Capital Credits allocated to non-profits and others engaged in Community Development projects in the Empire Zone.

SECTION III. TARGETED AREAS/INFRASTRUCTURE DEVELOPMENT

Area 1: Downtown Area of the South Jamaica Empire Zone

The Regional Plan Association study that served as a foundation for creation of GJDC focused on development projects within an area called Jamaica Center. This was defined as a one-plus square mile area roughly bounded by Hillside Avenue on the north, 170th Street on the east, South Road on the South and Sutphin Boulevard on the west. The term “Jamaica Center” as used by GJDC today has changed little. It now includes a commercial strip along Jamaica Avenue reaching east to 188th Street and a modest expansion west to the Van Wyck Expressway.

The Downtown Jamaica Area of the South Jamaica Empire Zone (“Downtown Zone”) is an irregularly shaped, contiguous area within Jamaica Center. Its irregular shape conforms to areas designated by New York City’s zoning regulations as eligible for business uses. The Zone includes areas zoned as C4 or C6 (commercial) or M1 (light manufacturing/industrial). The Zone is about two miles from east to west and averages about one half mile from north to south. It is in general divided into two halves: a commercial/retail

area that is north of the LIRR right-of-way (which lies parallel to Archer Ave); and an industrial area south of this line.

The Downtown Zone is comprised mostly of acreage previously in the Empire Zone. It has unparalleled rail accessibility and is a hub linking eastern suburban regions, New York City, and now, with its AirTrain link to JFK airport, the world. The Downtown Zone also has an industrial area designated by the City of New York as an Industrial Business Zone (IBZ) and, within the IBZ, one of the city's two industrial Business Improvement Districts. The Zone Administrative Board believes that the Downtown Zone is well-positioned for mixed use development – market rate residential, retail, commercial, hospitality and industrial development should support and energize one another.

West of the Van Wyck Expressway, acreage has been added to the Downtown Zone. This area is also well served by mass transit. Within its borders are areas zoned for industrial use that have been newly designated by the City as an Industrial Business Zone. This makes industrial businesses operating or relocating there eligible for City-based tax credits. The area also contains Jamaica Hospital and a close-by retail strip along Jamaica Avenue. This segment of Jamaica Avenue, which until now has been outside the Empire Zone, is in special need of revitalization.

Area 1 has a substantial amount of space available for development or redevelopment, partly because of proposed up-zoning of much of the area by the New York City Department of City Planning. There are also substantial opportunities to use Empire Zone benefits to encourage redevelopment of specific properties near the new JFK AirTrain. These include an abandoned building occupying 70,000 square feet of property with build-out potential for over one million square feet of commercial space; a site under consideration for redevelopment as a 700,000 square foot hotel; and another site being considered for redevelopment as a 700,000 square foot office tower.

Area 1 includes York College and, on its campus, the US Food and Drug Administration Northeast Regional Laboratory.

There is also a contiguous area of approximately 12.5 acres of land, much of which is either vacant or blighted and which is zoned for manufacturing use. There are a number of property owners holding sections of the property. It is currently a focus of a New York State Brownfield Opportunity Areas Program study, being conducted by GJDC with funding from the New York State Department of State. The study will include pre-development and planning work for this area which will result in a market demand analysis and feasibility studies for various development concepts for this site.

Area 2: JFK Zone

In April of 2006, the City formally established Industrial Business Zones (IBZ) as part of a citywide policy to support the retention of the City's remaining industrial base. As noted above, one such IBZ expansion included M-zones adjacent to JFK Airport, which employs over 37,000 people on the airport itself and is one of the primary economic driv-

ers for the entire region. These adjacent M-zones were designated by the City as part of the “JFK Corridor” IBZ.

The JFK Corridor area is home to an array of freight forwarding companies that are critical to the efficient functioning of the airport’s freight operations and must be located near the point of international freight transfer. Assuring that the infrastructure of the area is well maintained and that it retains its M-zone designation will support the continued growth of JFK as a freight transfer point for international trade.

Area 2 is a somewhat rectangular in shape with irregular borders, especially on its northerly side. The average width of Area 2 from north to south is under ¼ mile and the approximate length of Area 2 from east to west is one mile. The southerly border of Area 2 hugs the JFK airport boundary, primarily along Rockaway Boulevard. The eastern boundary is defined by block 13791, lot 0023, which is approximately equal to 230th Street. The westerly boundary extends as far as 130th Street. The northerly boundary of Area 2 follows the block and lot lines of the eligible parcels zoned for industrial use (M) by New York City Planning.

This off-airport property, which totals 239 acres, comprises Area 2 of the Jamaica Empire Zone.

SECTION IV. TARGET BUSINESSES

Strategic Industries

Manufacturers and Traded Businesses as listed below will be considered Strategic Industries.

- Manufacturers are an at-risk sector due to property values, energy costs and other factors. Yet manufacturers pay good wages and have a high multiplier effect in creating additional jobs outside a business’s walls. They will therefore be considered a Strategic Industry when located in or relocated to land that is zoned and approved for industrial use.

The following list of strategic industries refers to traded businesses (a business that generates 60% or more of its revenues from sources outside the City of New York). Corporate headquarters, back-office operations and data centers of national or regional companies, research and development facilities, regional distribution centers, and certain business services are examples business types that can meet these criteria. Strategic industries do not include retail or local service operations that are captive to the local market.

Area 1: South Jamaica Downtown Empire Zone (“Downtown Zone”)

A. Station Area Development

Station area development associated with the JFK AirTrain, located at Sutphin Boulevard and Archer Avenue, should be guided by the goal of creating destination places in Ja-

maica, not merely providing a travel transfer point. A priority project undertaken by GJDC to achieve this goal is to develop an “airport village”: mixed use, transit oriented development within an area of approximately 20 square blocks immediately around and adjacent to AirTrain. It will be targeted for development of a new hotel and conference center, a commercial office building tower and supporting retail amenities, especially, but not limited to, retail outlets with regional or national brand recognition, as well as parking, and open space. The addition or enhancement of artistic and cultural venues to this area is also desired.

The JFK economy is projected to grow substantially in the next decade as new infrastructure investments, such as Terminal 6 for JetBlue Airways, come on line and world travel continues its growth curve.

Target businesses for the Station Area include:

- On-airport companies, whether in aviation or in servicing the aviation industry, that might benefit from more economical space off the airport grounds, but within the Zone, for expansion or relocation.
- Corporate, wholesale or commercial entities that generate higher paying office jobs, such as, but not limited to, back office and “shared service centers,” which represent specialized functions for large corporations that need not be sited at their headquarters.
- Upscale retail development, especially retail outlets with regional or national brand recognition.
- Entertainment, cultural, lodging and hospitality venues that will support both concentrated mixed use development and creation of a travel destination point.
- Air travel and related companies and the specialized businesses that support the airport infrastructure and the large number of on-airport employees, such as health services, education and training centers or recruitment centers.

B. Commercial Areas

In support of the vision for transit oriented development around AirTrain, the City has approved local businesses’ request to create a Business Improvement District (BID) on Sutphin Boulevard between 94th and Hillside Avenues. This strip is the North-South commercial and vehicular backbone for Station Area Development. Greening, storefront and other streetscape improvements in the BID will be part of the overall development of an Airport Village. Here, too, attractive retail, cultural, artistic and commercial uses would be encouraged through Zone benefits.

Similarly, there are two other commercial BIDs in Jamaica Center and their contribution to the success of a strategic vision of a vital and vibrant retail hub should not be underestimated. The Jamaica Avenue BID (officially, “Jamaica Center Improvement Association,” JCIA) runs from Sutphin Boulevard east to 168th Street. Another BID branches off Jamaica Avenue for a single block north from Jamaica Avenue to 89th Avenue along 165th Street. This BID is unique to Jamaica in that it is structured as a pedestrian mall during shopping hours.

As noted above, a new segment of Jamaica Avenue has been added to the Empire Zone, extending it westward across the Van Wyck Expressway. This interstate highway isolated this part of Jamaica Avenue from the retail growth taking place closer to the heart of the downtown area and is in special need of revitalization.

Targeted businesses in the commercial areas outside the Station Area include:

- Retail outlets that locate in Business Improvement Districts that do not already have a presence in the Zone.
- Retail outlets that locate on Jamaica Avenue west of the Van Wyck Expressway that meet all criteria for certification defined in Part A (“Criteria for Certification”) of Section VIII below (“Certification / Cost Benefit Analysis”) and which are *not* of the type or kind specified under Part B (Criteria for Denial) in Section VIII.
- Commercial offices, for-profit health clinics, and training and educational centers.
- Upscale retail development, especially retail outlets with regional or national brand recognition.
- Cultural venues

C. Industrial Areas

As noted above, the Board will consider light manufacturing a strategic industry sector.

Most areas within the Downtown Zone that are zoned for light manufacturing (M1 zones) have been designated by the City of New York as Industrial Business Zones. In the summer and fall of 2003, GJDC developed, in consultation with local businesses and the New York City Department of Small Business Services, a new vision for what was then the In-Place Industrial Park and is now the IBZ . It included overall improvement of the Park’s streetscape and amenities for a cleaner, more efficient, welcoming and worker-friendly atmosphere.

The Board intends to use Empire Zone incentives to help retain and grow this industrial base. Labor-intensive manufacturing or value-added distribution activities should be encouraged in the Zone’s industrial areas. Light manufacturing uses, such as food processing, metal fabrication, assembly and appropriate remanufacturing operations will be encouraged in the area. Contract logistics, packaging and break-bulk operations for small, high value goods that travel by air is a logical sector to promote. In the last few years, modern industrial space has been in short supply. The Board supports GJDC’s strategic, long range goal of identifying underutilized property and assembling sites – primarily, but not exclusively, from public property, brownfields and the IBZ – for development as industrial space.

Targeted businesses within manufacturing include:

- Clean, light, labor intensive manufacturing/remanufacturing and value added distribution activities, such as food and food-related industries, metal fabrication, and assem-

bly, and related industrial uses in areas within the City-designated Industrial Business Zones within the Empire Zone.

D. York College Environs

York College should be viewed as an engine for economic opportunity. With the prestigious US Food and Drug Administration now on its campus, Zone incentives should be used to help attract related research facilities, offices, and innovative industrial firms that may find it advantageous to be near the FDA's largest lab outside Washington. Contract laboratories, biotechnology research and development and pharmaceuticals manufacturing are all industries to be encouraged here. They are growth-oriented and offer high pay for well-trained workers.

With York College's newly created Aviation Institute leading the way, the Board aims to attract airport-related firms who can take advantage of their employee training programs. The Board will also target private sector companies that offer technical training, for in and of themselves they create a wide range of jobs – teachers, administrators, facilities managers and maintenance workers. They also enhance educational and training opportunities within the community, which would support fundamental development goals. Zone certification, combined with a cooperative effort to qualify these companies as approved vendors for the nearby Workforce1 Career Center (the WIA-funded "One-Stop"), would provide a powerful incentive for the growth of this sector in Jamaica. The DSBS-funded Business SolutionsCenter, also located at the Jamaica One-Stop, is available to work directly with local business to link this trained and educated workforce to their needs.

Targeted businesses in the York College environs include:

- Air travel and air freight service companies and the specialized businesses that support the airport infrastructure and the large number of on-airport employees.
- Within the R&D sector, which is noted above as a strategic industry, targeted R&D sub-sectors would include food related and aviation related research.

Area 2: JFK Zone

The land use designation for all of Area 2 is M1 (light manufacturing).

That being said, the Board also recognizes the special value of the area to aviation-linked operations. Targeted businesses in Area 2 include:

- freight forwarding and cargo handling
- training venues
- food handling and processing
- specialized businesses that service air carriers, such as contract baggage handling, check-in services and aircraft maintenance.

These types of businesses should be both welcomed and courted, including an openness to addressing their infrastructure needs, especially access by commercial vehicles and on-site parking for workers and clients.

SECTION V. BUSINESS DEVELOPMENT ASSISTANCE AND ZONE ADMINISTRATION

Empire Zone incentives are part of a family of programs, activities, advocacy efforts and financing options that support the broader strategic plan for the economic revitalization of Jamaica that is described in Sections I (Overview) and II (Goals and Strategy) of this Development Plan.

Greater Jamaica Development Corporation, the local administrator of the Empire Zone, has a long and successful history that includes:

- advocating for bonding authority
- assembling sites within the Zone for development by the private sector
- providing financing, especially to minority and woman-owned small businesses through a Revolving Loan Fund operated by its subsidiary, the Greater Jamaica Local Development Co., Inc.
- advocating for public investment in civic and government buildings and public infrastructure, such as the Federal Drug Administration Laboratories, the new Family and Civil Courts and the JFK AirTrain
- supporting a range of cultural programs and organizations, such as the Jamaica Center for Arts and Learning and the soon to be opened Landmark Project, which will convert the land-marked First Reformed Church in Jamaica into a first-rate performance space with seating for up to four hundred; and
- obtaining public financing for development projects within the Zone

Local tax incentives to be offered within the zone include a \$1,000 per employee relocation credit to a maximum of \$100,000 for manufacturing firms moving into New York City-designated Industrial Business Zones (IBZ). All of the newly established IBZ's in the primary Jamaica business zone and the IBZ adjacent to JFK Airport in South Jamaica are included in the Jamaica Empire Zone. A range of city-wide tax incentives are available to companies within the Empire Zone. These include the Industrial and Commercial Incentive Program, which offers abatements and exemptions on local property taxes based on investments in improving industrial and commercial property; the Relocation Employment Assistance Program, which can offer tax credits based on the number of jobs retained in New York; and the Commercial Expansion Program, which offers city tax credits of up to \$2.50/ft² to eligible expanding or relocating commercial and industrial tenants.

There are a wide range of local services available to stimulate creation of new small business, including MWBEs. The Development Plan calls for joint marketing, cross referral, or direct access to these local services. They include:

- The Revolving Loan Fund operated by the Greater Jamaica Development Company, Inc., a subsidiary of the Greater Jamaica Development Corp. The State

portion of the capitalization for the fund is earmarked for MWBEs. The RLF targets certified MWBEs and also markets the fund through WIBO (see below).

- Financing and incentive programs through the New York City Industrial Development Agency, which can provide triple tax exempt bond financing and real estate, mortgage and sales tax reductions to eligible businesses.
- The local Workforce1 Career Center, which offers seminars on small business management on a regular basis.
- Workshops In Business Opportunity (WIBO) offers sixteen sessions, once per week seminars twice a year, “How to Build a Growing Profitable Business,” to underserved communities. WIBO holds a local seminar series in St. Albans, one mile south of the Jamaica Empire Zone.
- A number of stand-alone organizations provide counseling and resources to new businesses. These include the Jamaica Business Resource Center, a Small Business Development Center, and various courses offered by the Adult and Continuing Education Division of York College.
- Seminars and presentations on business planning, marketing, procurement and other topics sponsored by a plethora of local organizations, including the Queens Economic Development Corporation, GJDC, the Long Island City Business Development Corporation and others.
- Specific assistance in government procurement is available from the Procurement Technology Assistance Center at LaGuardia College.

Activities to ensure meaningful participation of MWBEs in Zone activities include the following:

- Collaboration with the Association of Minority Business Enterprises of New York (AMENY), an advocate for small business development by MWBEs, as well as with the Jamaica Business Resource Center and Community Board 12 to alert MWBEs to both program offerings and procurement opportunities.
- GJDC has itself recently drafted, for approval by its Board of Directors, a resolution on Minority and Local Participation in Greater Jamaica Development Corporation Development and Infrastructure Programs. The draft resolution commits the corporation to work with these organizations to set standards for minority participation and develop investment vehicles that enables local financial participation.
- Targeted outreach regarding programs and opportunities will be conducted using State and City lists of MWBE certified companies in our locality plus the Zone administrator’s working knowledge of local firms.

SECTION VI. HUMAN RESOURCES DEVELOPMENT / TRAINING

The Department of Small Business Services’ Division of Workforce Development connects employers with a skilled workforce and provides employment services to the City’s adult jobseekers through WIA-funded One-Stop Centers in each of the five boroughs of New York City. The One-Stops have been branded as Workforce1 Career Centers by the City and the local WIB (Workforce Investment Board). The Queens Workforce1 Career Center, which is located within the Jamaica Empire Zone, is operated in coordination

with the New York State Department of Labor, the Department of Small Business Services and a selected contractor, Grant Associates. Workforce1 Career Centers provide jobseekers with a full array of employment services including job placement, career advisement, job search counseling and skills training. GJDC has a long and close relationship with the Workforce1 Career Center, especially through its Business Solutions Center. The BSC provides recruitment and screening services to businesses seeking qualified employees and overall guidance to firms with questions about or needs around workforce development and training. GJDC works closely both with businesses seeking Zone certification and those already certified to assure they are aware of and are referred for BSC services and generally encourages linkage to the Business Solutions Center. GJDC also co-sponsors events with the BSC to reinforce this connection.

Empire Zone Certified businesses will also be encouraged to register job orders with Business Link, a free service operated by New York City's Human Resources Administration to connect welfare recipients to local employment opportunities.

And, per Empire Zone requirements, companies that are certified will be informed of their obligation to inform New York State Department of Labor of job openings at their firms.

When large-scale training needs are identified, GJDC will provide baseline information and referral for administrative and programmatic assistance regarding NYC Business Solutions training grants and the New York State Advance NY training grant, to encourage the use of these human resource development tools.

SECTION VII: COMMUNITY DEVELOPMENT

The Board shall support capital projects sponsored by not-for-profit organizations that will advance the Plan. An organization seeking approval of a project must submit to the Board a Project Proposal that includes the following: Organization's mission statement; a narrative description of the Project; and a description of how the Project satisfies the applicable criteria listed in this Section.

The Board will support the designation of the following Community Development Projects:

1. The construction or expansion of child day care centers;
2. The construction, expansion or major renovation of a large visitor's center, community center or cultural center;
3. The construction or major renovation of an assisted living center or nursing home;
4. The construction or major renovation of adult training institutes or non-profit educational centers, especially those training students in office work, food proc-

essing, aviation industry-related skills, industrial skills; or industry-specific management education; and

5. The construction or renovation of a community development project that is permitted under the regulations of the Empire Zone Program and that can, in the Board's estimation, create a significant number of jobs or generate significant economic development, business development or commercial activity.

The Board also recognizes that Downtown Jamaica currently houses a disproportionate number of social service and related public service institutions. There are 237 food programs and drop in centers, residential facilities with food programs, and alcoholism and drug abuse centers in Queens. Of these, 76 (32%) are in Community Board 12. This imbalance adversely impacts the goals of the plan. Therefore, the Board will not support development projects for these or similar uses.

The Development Plan targets for Zone certification businesses and industries that can create more employment opportunities for residents, helping them maintain income levels leading to stable, long-term residence. At the same time, the New York City Department of City Planning, recognizing community growth and the emergence of business development trends long-supported by the local Empire Zone, has proposed an extensive re-zoning of approximately 400 blocks in Jamaica, which includes the Downtown Jamaica Empire Zone and environs. The re-zoning proposal, which was certified in February and is now undergoing the City ULURP process (Uniform Land Use Review Procedure) aims to both preserve the quality of existing, low density residential areas while up-zoning residential areas along the broader thoroughfares. The net effect will be to encourage development of higher density, affordable housing where it is most convenient to mass transit and auto access and have the least impact building shadow. It is expected that these steps will prevent displacement in established residential areas within the environs of the Empire Zone and in the middle and long term ameliorate the displacement of residents due to business expansion.

The Board supports efforts by local government agencies and community organizations to preserve affordable housing in the Zone. Government agencies working to preserve and expand affordable housing and to promote housing and community renewal include New York City's Department of Housing Preservation and Development and New York State's Division of Housing and Community Renewal.

SECTION VIII: CERTIFICATION / COST BENEFIT ANALYSIS

A. Criteria for Certification

Local certification must comply with the requirements in Title 5 of the New York Code of Rules and Regulations Part 11.4. Requests for certification will be approved by majority vote of South Jamaica Zone Local Administrative Board, which will then forward approved applications to the Zone Certifying Officer.

Basic tests for evaluating requests for certification of operating companies within the zone will include:

- (1) The applicant will meet minimum job or investment thresholds as defined below.
- (2) A cost benefit ratio between projected incentives and the combined effects of projects job creation and investment that meets the standards of this Development Plan
- (3) The company cannot fall within any category of noxious or incompatible use.
- (4) There must be a match between the type of business/industry sector of the applicant and where it wants to locate with the Zone's policies.
- (5) The company must have a reasonable business plan for growth.
- (6) The company agrees to notify the NYS Department of Labor of new positions after certification and must perform reasonable outreach to residents of CB 12 when seeking to fill projected jobs.

If a company requesting zone certification passes these tests, then it will be subject to minimum thresholds for job creation and investment in the zone. However, these may be different for job *creation* situations and job *increase* situations. And within job increase situations, the baseline number of jobs will affect an acceptable projected job growth factor. In addition, although percentage increases based on existing jobs will be used, they must of arithmetic necessity be flexible in order to be fair. Exceptions for investment amounts, which will be based on a percent of property values, must also be flexible to be fair, both because of arithmetic necessity and also because of variants across industry sectors, e.g., developers, manufacturers, distributors and upscale retailers each invest very different amounts as a percent of property values in order to support business expansion.

Start-ups in the Zone:

Minimum job creation = 2 FTE

(or)

Minimum job creation = 1 FTE *and*

Minimum capital investment (retail/commercial) = 10% of total assessed value of property

New move-ins to the Zone from outside NYS:

Same as Start-ups in the zone

New move-ins to the Zone from elsewhere in NYS:

Minimum jobs brought into the zone = 5 FTE

(or)

Minimum jobs brought into the zone = 2 FTE *and*

Minimum capital investment = 10% of total assessed value of property

Expansion in the Zone:

Minimum job growth, baseline 0 -10 employees = 2 FTE

Minimum job growth, baseline 11-22 employees = 20% increase in FTE

Minimum job growth, 23-50 employees = 5 FTE

Over 50 employees = 10% increase in FTE

Strategic Businesses:

Strategic Businesses will be considered for certification on a case-by-case basis by the Board, notwithstanding a cost-benefit benchmark or other employment and investment thresholds, assuming the Board agrees that the business will enhance the economic climate of the zone.

Real estate corporations, limited liability corporations or similar entities:

Applications will be reviewed by a subcommittee of the Board. The subcommittee will examine the applicant company, as well as its affiliates and related parties, to determine if the project will bring substantial economic benefit to the zone. Such determination will take into account factors such as, but not limited to:

- The level of capital investment budgeted for the project; a minimum expenditure of 10 percent of the total assessed value of the project shall serve as a guide; and
- Whether the applicant has a well-defined marketing plan that demonstrates to the subcommittee's satisfaction that the intended use of the property will enhance the economic climate of the zone.

An *exception to these criteria* is provided for an entity that owns its property and operates its business on such property. If this type of entity chooses to set up a separate real estate entity to hold its property, then this real estate entity may be considered for certification by the Board.

Living Wage Consideration

Regardless of their location in the Zone, given the pervasive and widespread economic disadvantage of residents in and around the Jamaica Empire Zone and the legislative intent of the New York State Empire Zones Act, applicants that are not considered to be an incompatible and/or noxious use, who will pay on average \$10.00 per hour* or more to employees hired after certification will be targeted for zone certification.

B. Criteria for Denial

To discourage inefficient, incompatible and/or unabated noxious uses of Empire Zone incentives, applicants in the following business categories will be denied certification after the effective adoption of this policy.

Retail establishments that are in plentiful supply or that do not establish precedent to encourage additional expansion of amenities or increased retail access by residents represent an inefficient use of Empire Zone incentives. Examples of such retail categories may include, but are not limited to:

- Check-cashing businesses
- Liquor stores

*This wage rate is considered a living wage per a NYC local law that applies to contractors holding service contracts with City agencies.

- National fast food chains
- 99¢ stores
- Nail salons
- Spiritual advisors
- National drug stores
- Fruit stores and similar

Certain uses are incompatible with community mores or land use and these businesses will be denied certification. They include, but are not limited to:

- Adult-entertainment businesses, including, but not limited to pornographic and exotic/adult entertainment businesses, dance clubs and bars
- Automobile junkyards or related used auto parts operations

Certain noxious uses may likewise be denied certification. These may include, but are not limited to:

- Solid waste transfer stations
- Private waste haulers
- Licensed recyclers
- Concrete and gravel suppliers
- Dry cleaning processors and retail outlets

However, the Board recognizes that such businesses can invest in plant and equipment or operate in such a way as to address noxious aspects of their operation. If the Board determines that such investment or operating procedures sufficiently balances job creation against environmental and community impact, they may approve such an application.

In all cases where certification can be denied on the basis of Board policy, the decision to in fact deny will be taken by the Board at a regularly scheduled meeting. Denied applications will be sent to New York State for review, and applicants will receive a Notification of Denial from ESDC.

C. Cost Benefit Analysis

The local administrator of the Jamaica Zone will work closely with companies that intend to submit a zone certification application. Part of this process will include gathering relevant, reasonable projections on job growth and capital investments.

This information will be used by the local administrator to complete form EZ-2, which will provide the Board with the administrator's statement of support for the application in terms of the reasonableness of the business's projected expansion or investment and if the business's operations are consistent with local zone policy.

Once the business information is collected, the data will be inputted into the cost-benefit calculator furnished by the Empire State Development Corporation. The calculator will show the benefit-to-cost ratio. The ZAB will consider a benefit-to-cost ratio of twenty to

one (20:1) to be the threshold above which applicants would be determined to automatically meet the cost-benefit requirement of certification.

Applicants that do not meet this requirement will not be eligible for certification except in any of the following cases:

1. The applicant will have a positive impact on an area that has high commercial vacancy rates, and/or is characterized by blight and disinvestment. Examples of strategies a business can undertake to have a positive impact include, but are not limited to:
 - a. Providing a living wage as defined by New York City's Living Wage Law, N.Y.C. Admin. Code § 6-109.
 - b. Providing job training for new and existing employees
 - c. Brownfield redevelopment
2. The applicant is part of a strategic industry cluster or supply chain.
3. The applicant is anticipated to access zone capital credits.