

March 9, 2016 / Calendar No. 9

C 160097 PPQ

IN THE MATTER OF an application submitted by the Department of Small Business Services (SBS), pursuant to Section 197-c of New York City Charter, for the disposition of a lease to Flight Center Hotel, LLC located at Building 60 at JFK International Airport, Block 14260, p/o Lot 1, pursuant to zoning, Borough of Queens, Community Districts 10, 12 and 13.

This application for the disposition of city-owned property was filed by the New York City Department of Small Business Services (SBS) on November 10, 2015 to facilitate the lease of property located at John F. Kennedy (JFK) International Airport (Block 14260, part of Lot 1), Borough of Queens, to Flight Center Hotel, LLC, pursuant to zoning.

BACKGROUND

The proposed action involves the disposition of a lease of property located at John F. Kennedy (JFK) International to Flight Center Hotel, LLC, to facilitate the conversion of the TWA Flight Center into a hotel. JFK Airport is subject to a ground lease between the City and the Port Authority of New York and New Jersey (PANYNJ), which expires in 2050. Flight Center Hotel, LLC (FCH) intends to sublease approximately 6 acres of land at JFK Airport, including Building 60, the TWA Flight Center, from the PANYNJ for a term of up to 75 years. The lease agreement will become effective in the event that the City's lease with the PANYNJ expires without renewal in 2050, or at any time before the conclusion of the sublease in 2095. The term of the lease would begin upon expiration of the ground lease prior to 2095 and would extend until 2119.

The subject property is improved with the landmarked former Trans World Airlines terminal building, the TWA Flight Center, designed by Eero Saarinen and first opened in 1962. The TWA Flight Center operated as a terminal until 2001, when it was found to be unusable as an active airline terminal; it has remained vacant since that time. The interior and exterior of the TWA Flight Center were designated as New York City landmarks in 1994 (N 950051 HKQ & N 950050 HKQ, respectively).

The TWA flight Center is adjacent to Terminal 5, operated by jetBlue. The final approved development plan for Terminal 5 contained a requirement for adaptive reuse of the TWA Flight Center, pursuant to an agreement among the Federal Aviation Administration (FAA), the PANYNJ, the New York State Historic Preservation Office, the Advisory Council on Historic Preservation, and jetBlue. In response to a Request for Proposals (RFP) issued by the PANYNJ in 2014, MCR Development, acting as FCH, proposed to restore the TWA Flight Center and to construct two new adjoining buildings with approximately 505 hotel guest rooms. The restored TWA Flight Center would function as the lobby for the hotel and would also include conference space, restaurants, a museum, and other amenities for hotel guests, airline passengers, and JFK Airport visitors. Renovation of the TWA Flight Center and construction of the hotel would occur pursuant to the sublease between the PANYNJ and FCH and prior to the proposed lease between the City and FCH.

ENVIRONMENTAL REVIEW

This application (C 160097 PPQ) was reviewed pursuant to the New York State Environmental Quality Review Act (SEQRA) and the SEQRA regulations set forth in Volume 6 of the New

York Code of Rules and Regulations, Section 617.00 et seq. and the City Environmental Quality Review (CEQR) Rules of Procedure of 1991 and Executive Order No. 91 of 1977. The lead agency is the New York City Department of Small Business Services (SBS). The designated CEQR number is 16SBS001Q.

This application was determined to be a Type II action, which requires no further environmental review.

UNIFORM LAND USE REVIEW

This application (C 160097 PPQ) was certified as complete by the Department of City Planning on November 16, 2015, and was duly referred to Queens Community Boards 10, 12, and 13, the Queens Borough Board, and the Queens Borough President, in accordance with Article 3 of the Uniform Land Use Review Procedure (ULURP) rules.

Community Board Public Hearing

Queens Community Board 10 held a public hearing on this application (C 160097 PPQ) on January 7, 2016, and on that date, by a vote of 31 in favor, 0 opposed, and 1 not voting, adopted a resolution recommending approval of the application.

Queens Community Board 12 held a public hearing on this application (C 160097 PPQ) on January 20, 2016, and on that date, by a vote of 27 in favor, 0 opposed, and 0 abstaining, adopted a resolution recommending approval of the application.

Queens Community Board 13 held a public hearing on this application (C 160097 PPQ) on December 21, 2015, and on that date, by a vote of 28 in favor, 0 opposed, and 2 abstaining, adopted a resolution recommending approval of the application.

Borough Board Recommendation

The Queens Borough Board considered this application (C 160097 PPQ) on February 8, 2016 and issued a recommendation approving the application on February 10, 2016.

Borough President Recommendation

The Queens Borough President considered this application (C 160097 PPQ) on January 28, 2016 and issued a recommendation approving the application on February 10, 2016.

City Planning Commission Public Hearing

On February 3, 2016 (Supplemental Calendar No. 1), the City Planning Commission scheduled February 24, 2016 for a public hearing on this application (C 160097 PPQ). The hearing was duly held on February 24, 2016 (Calendar No. 20).

There were twelve speakers who testified in favor of the application and none opposed. The first speaker was a representative from the New York City Economic Development Corporation (EDC), who described the purpose of the proposed disposition of a lease of city-owned property from the City to FCH as well as the deteriorating conditions of the TWA Flight Center.

A representative from MCR Development described the history of the TWA Flight Center, its proposed renovation, and the proposed hotel amenities, including conference space, museum, restaurants, and observation deck. The speaker also stated that an estimated 3,700 jobs will be created, including direct, indirect, and construction jobs; he further stated that the hotel will be union built and union operated. The representative also described the transportation access to the airport, including MTA bus service, AirTrain service, and the existing parking availability adjacent to the TWA Flight Center.

A representative from the PANYNJ described the RFP process for the renovation and development work leading to the selection of the MCR Development team and the sublease of the subject property from the PANYNJ to FCH.

A representative from Higgins Quasebarth & Partners stated that the development team has worked with the PANYNJ to achieve renovation and development approval from the New York State Historic Preservation Office. Additionally, the team has consulted with the New York City Landmarks Preservation Commission and the Redevelopment Advisory Committee, and will continue to work closely with these parties throughout construction.

A representative from Beyer Blinder Belle Architects & Planners described previous restoration efforts for the TWA Flight Center, including replacement of some of the windows and asbestos abatement. He further noted additional improvements to be conducted as part of this development process, including restoration of the TWA Flight Center's concrete shell.

A representative from the Real Estate Board of New York (REBNY) voiced support for the application, citing the anticipated economic development and hospitality benefits from the proposed development project.

A representative from the New York Hotel Trades Council stated that the anticipated job creation associated with construction and operation of the proposed hotel is a great example of how hotel development should occur in New York City and stated what a benefit it will be to the local community.

A representative from the Queens Chamber of Commerce reiterated that the proposed development project will create new businesses and jobs, improving opportunities for residents of Queens and New York City.

A representative from Nontraditional Employment for Women stated that the anticipated union jobs produced through the construction and operation of the hotel will help low income and minority women achieve economic independence and secure futures.

A representative from the Global Gateway Alliance stated that the careful design of the hotel will ensure that the TWA Flight Center's longstanding history is preserved. She further reiterated that the development will strengthen the local economy by bringing union jobs to the airport.

A representative from Fulton Houses, adjacent to the High Line Hotel in Manhattan, operated by MCR Development, spoke in favor of the application. He stated the community benefits

associated with the operation of the High Line Hotel and stated that the proposed hotel development at JFK Airport would benefit local Queens communities.

A former TWA employee spoke in favor of the application, citing the legacy of TWA and the anticipated benefit of the renovation of the TWA Flight Center.

There were no other speakers, and the hearing was closed.

Waterfront Revitalization Program Consistency Review

This application (C 160097 PPQ) was reviewed by the Department of City Planning for consistency with the policies of the New York City Waterfront Revitalization Program (WRP) as amended, approved by the New York City Council on October 13, 1999 and by the New York State Department of State on May 28, 2002, pursuant to the New York State Waterfront Revitalization and Coastal Resources Act of 1981 (New York State Executive Law, Section 910 et seq.). The designated WRP number is 15-095. This action was determined to be consistent with the policies of the New York City Waterfront Revitalization Program.

CONSIDERATION

The Commission believes that this application (C 160097 PPQ), submitted by the Department of Small Business Services (SBS) for the disposition of city-owned property located at John F. Kennedy International Airport (Block 14260, part of Lot 1), pursuant to zoning, is appropriate.

The subject property, approximately 6 acres of land adjacent to Terminal 5 and including Building 60, the TWA Flight Center, will be subleased from the PANYNJ to Flight Center Hotel, LLC. MCR Development, acting as FCH, intends to renovate and restore the TWA Flight Center and construct two new adjacent hotel buildings with approximately 505 rooms.

This application (C 160097 PPQ) would allow for the City to enter into a direct lease with FCH, the hotel operator. The proposed disposition would occur in 2050 or at any time before 2095, the conclusion of the sublease between the PANYNJ and FCH, in the event that the ground lease between the City and the PANYNJ expires without renewal. The Commission believes that this application would facilitate the continued operation of the planned TWA Flight Center Hotel, which it anticipates will be an important improvement to JFK International Airport. The Commission recognizes the historic and architectural importance of the TWA Flight Center and believes that the TWA Flight Center Hotel will ensure the considerate and adaptive reuse of this architecturally significant building. Moreover, the Commission notes that the jobs associated with the development and continued operation of the TWA Flight Center Hotel will provide significant local workforce opportunities and bolster the City's tourism economy.

RESOLUTION

RESOLVED, that the City Planning Commission, in its capacity as the City Coastal Commission, has reviewed the waterfront aspects of this application and finds that the proposed action is consistent with WRP policies; and be it further

RESOLVED, by the City Planning Commission, that the application submitted by the Department of Small Business Services (SBS), pursuant to Section 197-c of New York City Charter, for the disposition of a lease to Flight Center Hotel, LLC located at Building 60 at JFK International Airport, Block 14260, p/o Lot 1, pursuant to zoning, Borough of Queens, Community Districts 10, 12 and 13, is approved.

The above resolution (C 160097 PPQ), duly adopted by the City Planning Commission on March 9, 2016 (Calendar No. 9), is filed with the Office of the Speaker, City Council, and the Queens Borough President in accordance with the requirements of Section 197-d of the New York City Charter.

CARL WEISBROD, *Chairman*
KENNETH J. KNUCKLES, *Esq.*, *Vice Chairman*
RAYANN BESSER, ALFRED C. CERULLO, III,
MICHELLE DE LA UZ, JOSEPH DOUEK, RICHARD W. EADDY,
CHERYL COHEN EFFRON, HOPE KNIGHT, ANNA HAYES LEVIN,
ORLANDO MARIN, LARISSA ORTIZ, *Commissioners*

Application #: **C160097PPQ**

CEQR Number: TYPE II

Project Name: **TWA Flight Center Hotel at JFK Airport**

Borough(s): Queens

Community District Number(s): 10, 12 & 13

Please use the above application number on all correspondence concerning this application

SUBMISSION INSTRUCTIONS

- Complete this form and return to the Department of City Planning by one of the following options:
 - EMAIL (recommended):** Send email to CalendarOffice@planning.nyc.gov and include the following subject line: (CB or BP) Recommendation + (6-digit application number), e.g., "CB Recommendation #C100000ZSQ"
 - MAIL:** Calendar Information Office, City Planning Commission, Room 2E, 22 Reade Street, New York, NY 10007
 - FAX:** (212) 720-3356 and note "Attention of the Calendar Office"
- Send one copy of the completed form with any attachments to the applicant's representative at the address listed below, one copy to the Borough President, and one copy to the Borough Board, when applicable.

Docket Description:

IN THE MATTER OF an application submitted by the Department of Small Business Services, pursuant to Section 197-c of New York City Charter, for the disposition of a lease to Flight Center Hotel, LLC located at Building 60 at JFK International Airport, Block 14260, p/o Lot 1, pursuant to zoning.

Applicant(s): NYC Dept. of Small Business Services 110 William Street New York, NY 10038	Applicant's Representative: Hardy Adasko NYC Economic Development Corporation 110 William Street New York, NY 10038 212.312.3703
Recommendation submitted by: Queens Community Board 10	
Date of public hearing: January 7, 2016 Location: 135-45 Lefferts Blvd., S. Ozone Park, NY 11420	
Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> <small>A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.</small>	
Date of Vote: January 7, 2016 Location: 135-45 Lefferts Blvd, S. Ozone Park, NY 11420	
RECOMMENDATION <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> Approve <input type="checkbox"/> Disapprove </div> <div> <input type="checkbox"/> Approve With Modifications/Conditions <input type="checkbox"/> Disapprove With Modifications/Conditions </div> </div> <p>Please attach any further explanation of the recommendation on additional sheets, as necessary.</p>	
Voting # In Favor: 31 # Against: 0 # Abstaining: 0 Total members appointed to the board: 43 1-Not voted due to conflict of interest.	
Name of CB/BB officer completing this form Elizabeth Braton	Title Chairperson Date 1/14/16



Community/Borough Board Recommendation

Pursuant to the Uniform Land Use Review Procedure

Application #: **C160097PPQ**

Project Name: **TWA Flight Center Hotel at JFK Airport**

CEQR Number: TYPE II

Borough(s): Queens

Community District Number(s): 10, 12 & 13

Please use the above application number on all correspondence concerning this application

SUBMISSION INSTRUCTIONS

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 - MAIL:** Calendar Information Office, City Planning Commission, Room 2E, 22 Reade Street, New York, NY 10007
 - FAX:** (212) 720-3356 and note "Attention of the Calendar Office"
- Send one copy of the completed form with any attachments to the applicant's representative at the address listed below, one copy to the Borough President, and one copy to the Borough Board, when applicable.

Docket Description:

IN THE MATTER OF an application submitted by the Department of Small Business Services, pursuant to Section 197-c of New York City Charter, for the disposition of a lease to Flight Center Hotel, LLC located at Building 60 at JFK International Airport, Block 14260, p/o Lot 1, pursuant to zoning.

Applicant(s): NYC Dept. of Small Business Services 110 William Street New York, NY 10038		Applicant's Representative: Hardy Adasko NYC Economic Development Corporation 110 William Street New York, NY 10038 212.312.3703	
Recommendation submitted by: Queens Community Board 12			
Date of public hearing: January 20, 2016		Location: Robert Rose Johnson Family Life Center 172-17 Linden Blvd. St. Albans, NY 11434	
Was a quorum present? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.	
Date of Vote: January 20, 2016		Location: 172-17 Linden Blvd. St. Albans, NY 11434	
RECOMMENDATION: <input checked="" type="checkbox"/> Approve <input type="checkbox"/> Disapprove <input type="checkbox"/> Approve With Modifications/Conditions <input type="checkbox"/> Disapprove With Modifications/Conditions			
Please attach any further explanation of the recommendation on additional sheets, as necessary.			
Voting # In Favor: 27 # Against: 0 # Abstaining: 0 Total members appointed to the board: 162			
Name of CB/BB officer completing this form Yvonne Kordick		Title District Manager	
		Date 2/4/2016	

Application #: **C160097PPQ**

CEQR Number: TYPE II

Project Name: **TWA Flight Center Hotel at JFK Airport**

Borough(s): Queens

Community District Number(s): 10, 12 & 13

Please use the above application number on all correspondence concerning this application

SUBMISSION INSTRUCTIONS

- Complete this form and return to the Department of City Planning by one of the following options:
 - EMAIL (recommended):** Send email to CalendarOffice@planning.nyc.gov and include the following subject line: (CB or BP) Recommendation + (6-digit application number), e.g., "CB Recommendation #C100000ZSQ"
 - MAIL:** Calendar Information Office, City Planning Commission, Room 2E, 22 Reade Street, New York, NY 10007
 - FAX:** (212) 720-3356 and note "Attention of the Calendar Office"
- Send one copy of the completed form with any attachments to the applicant's representative at the address listed below, one copy to the Borough President, and one copy to the Borough Board, when applicable.

Docket Description:

IN THE MATTER OF an application submitted by the Department of Small Business Services, pursuant to Section 197-c of New York City Charter, for the disposition of a lease to Flight Center Hotel, LLC located at Building 60 at JFK International Airport, Block 14260, p/o Lot 1, pursuant to zoning.

Applicant(s):

NYC Dept. of Small Business Services
110 William Street
New York, NY 10038

Applicant's Representative:

Hardy Adasko
NYC Economic Development Corporation
110 William Street
New York, NY 10038
212.312.3703

Recommendation submitted by:

Queens Community Board 13

Date of public hearing: **12.21.15**

Location: **Bellerose Assembly of God
240-15 Hillside Ave, Bellerose, NY**

Was a quorum present? YES ☒ NO ☐

A public hearing requires a quorum of 20% of the appointed members of the board, but in no event fewer than seven such members.

Date of Vote: **12.21.15**

Location: **Bellerose Assembly of God
240-15 Hillside Ave., Bellerose, NY**

RECOMMENDATION

☒ Approve

☐ Approve With Modifications/Conditions

☐ Disapprove

☐ Disapprove With Modifications/Conditions

Please attach any further explanation of the recommendation on additional sheets, as necessary.

Voting

In Favor: **28** # Against: **0** # Abstaining: **2**

Total members appointed to the board: **46**

Name of CB/BB officer completing this form

Mark McMillan

Title

District Manager

Date

12.28.15

Queens Borough Board Recommendation

APPLICATION: ULURP #160097 PPQ

COMMUNITY BOARDS: 10, 12 & 13

DOCKET DESCRIPTION

IN THE MATTER OF an application submitted by the Department of Small Business Services, pursuant to Section 197-c of the NYC Charter, for the disposition of a lease to Flight Center Hotel, LLC located at Building 60 at JFK International Airport, in an M1-1 District, Block 14260 part of Lot 1, Zoning Map 18d, Jamaica, Borough of Queens

PUBLIC MEETING

A Public Meeting was held in the Borough President's Conference Room at 120-55 Queens Boulevard on February 8, 2016 at 5:30 P.M. pursuant to Section 82(5) of the New York City Charter and was duly advertised in the manner specified in Section 197-c (i) of the New York City Charter. The applicant made a presentation.

CONSIDERATION

Subsequent to a review of the application and consideration of testimony received at the public meeting, the following issues and impacts have been identified:

- The Department of Small Business Services/NYC Economic Development Corporation has filed an application that would allow disposition of a lease to Flight Center Hotel, LLC for approximately 6 acres of land including Building 60 (the landmarked former TWA Terminal) located within John F Kennedy International Airport (JFK Airport). PANY & NJ currently has a lease to operate JFK Airport that expires in 2050.;
- Flight Center Hotel, LLC is preparing to enter into a 75 year sub-lease with the Port Authority of New York & New Jersey (PANY & NJ). Flight Center Hotel, LLC would redevelop the site with two new hotel buildings built on either side of the restored/rehabilitated former TWA Terminal Building. The 75-year term of the Flight Center pending sub-lease extends beyond the PANY & NJ airport lease with New York City that expires in 2050.;
- This application is necessary as a contingency in the event that PANY & NJ does not renew the lease for JFK Airport beyond 2050. Approval of this application would enable New York City to lease the property directly to Flight Center Hotel, LLC or through another successor operator of the airport property. Additionally, this application would allow the possibility to extend the lease of the 6 acre development parcel through 2119.;
- Flight Center Hotel, LLC is proposing to build 505 hotel guest rooms in two new buildings on either side of the landmarked building. The former TWA Terminal Building would be faithfully restored and updated for reuse as the hotel lobby, conference center and ballrooms, restaurants and retail space, museums commemorating midcentury modern design and TWA as a pioneering airline. It is anticipated that construction and reopening the building for public use will generate approximately 3700 jobs. Jobs and contracts will be secured through local hiring and outreach to MWBE firms. They have secured agreements with the building and operating trades assuring that the project will be built soundly and safely, and operated by skilled labor ;
- Community Board 10 – Public Hearing January 7, 2016 – Approved 31-0-1;
- Community Board 12 – Public Hearing January 20, 2016 – Approved 27-0-0
- Community Board 13 – Public Hearing December 21, 2015 - Approved 27-0-2

RECOMMENDATION

Based on the above consideration, the Queens Borough Board with a quorum present voted 10-0-0 to approve this application


PRESIDENT, BOROUGH OF QUEENS

2/10/16 -----
DATE

Queens Borough President Recommendation

APPLICATION: ULURP #160097 PPQ

COMMUNITY BOARDS: 10, 12 & 13

DOCKET DESCRIPTION

IN THE MATTER OF an application submitted by the Department of Small Business Services, pursuant to Section 197-c of the NYC Charter, for the disposition of a lease to Flight Center Hotel, LLC located at Building 60 at JFK International Airport, in an M1-1 District, Block 14260 part of Lot 1, Zoning Map 18d, Jamaica, Borough of Queens

PUBLIC HEARING

A Public Hearing was held in the Borough President's Conference Room at 120-55 Queens Boulevard on January 28, 2016 at 10:30 A.M. pursuant to Section 82(5) of the New York City Charter and was duly advertised in the manner specified in Section 197-c (i) of the New York City Charter. The applicant made a presentation. There were eleven (11) speakers in favor with none (0) opposed. The hearing was closed.

CONSIDERATION

Subsequent to a review of the application and consideration of testimony received at the public meeting, the following issues and impacts have been identified:

- The Department of Small Business Services/NYC Economic Development Corporation has filed an application that would allow disposition of a lease to Flight Center Hotel, LLC for approximately 6 acres of land including Building 60 (the landmarked former TWA Terminal) located within John F Kennedy International Airport (JFK Airport). PANY & NJ currently has a lease to operate JFK Airport that expires in 2050;
- Flight Center Hotel, LLC is preparing to enter into a 75 year sub-lease with the Port Authority of New York & New Jersey (PANY & NJ). Flight Center Hotel, LLC would redevelop the site with two new hotel buildings built on either side of the restored/rehabilitated former TWA Terminal Building. The 75-year term of the Flight Center pending sub-lease extends beyond the PANY & NJ airport lease with New York City that expires in 2050;
- This application is necessary as a contingency in the event that PANY & NJ does not renew the lease for JFK Airport beyond 2050. Approval of this application would enable New York City to lease the property directly to Flight Center Hotel, LLC or through another successor operator of the airport property. Additionally, this application would allow the possibility to extend the lease of the 6 acre development parcel through 2119;
- Flight Center Hotel, LLC is proposing to build 505 hotel guest rooms in two new buildings on either side of the landmarked building. The former TWA Terminal Building would be faithfully restored and updated for reuse as the hotel lobby, conference center and ballrooms, restaurants and retail space, museums commemorating midcentury modern design and TWA as a pioneering airline. It is anticipated that construction and reopening the building for public use will generate approximately 3700 jobs. Jobs and contracts will be secured through local hiring and outreach to MWBE firms. They have secured agreements with the building and operating trades assuring that the project will be built soundly and safely, and operated by skilled labor ;
- Community Board 10 approved the application by a vote of 31-0-1 at a public hearing held on January 7, 2016;
- Community Board 12 approved the application by a vote of 27-0-0 at a public hearing held on January 20, 2016;
- Community Board 13 approved the application by a vote of 27-0-2 at a public hearing held on December 21, 2015;

- The speakers at the Borough President’s public hearing included representatives from not for profit advocacy groups, trade and business associations, and a former TWA employee all spoke in favor of the application. Each speaker was highly supportive and remarked on the applicant’s openness and attention to historic detail for the project. The project is expected to restore and reactivate an iconic landmarked building with a host of uses creating a destination that would economically benefit Queens and New York City.

RECOMMENDATION

Based on the above consideration, I hereby recommend approval of this application.



PRESIDENT, BOROUGH OF QUEENS

2/10/16
DATE