# **QBBA BULLETIN**

the newsletter of The Queens & Bronx Building Association



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End of Year 2016

# Crane Operator Blamed for February Collapse and Loss of Life

New York City DOB investigators have found that a series of errors by the crane operator, Kevin Reilly, caused the collapse and that the operator failed to secure the crane the night before the accident. Also, that he lowered the main boom of the crane at an improper angle the morning of February 5, 2016, causing the crane to become unstable and topple over.

A pedestrian, David Wichs, married and having a degree in mathematics from Harvard, was killed and three other people were injured when, as documented on a video, a crane with a 565 foot boom left debris across almost two blocks of Worth Street in TriBeCa. The crane did not have any structural or mechanical failures.

Accordingly, DOB has suspended the crane operator's license and filed a case against him to revoke his license permanently. Due to these actions, the crane operator is no longer allowed to operate cranes in New York City.

"The crane operator involved in this incident acted recklessly, with tragic results. The actions we're taking should send the message to everyone in the construction industry that safety must come first," said Buildings Commissioner Rick D. Chandler, PE.

DOB also announced that the agency will work with the City Council on legislation to improve crane safety. This includes legislation to allow the agency to have more stringent licensing requirements for operators of large cranes, and to require the registration of lift directors who must be on site at all times during crane operations.

"This tragedy compelled us to look broadly at how we can improve crane safety in our city. A lift director overseeing crane operations may very well have prevented this collapse, so we look forward to working with the City Council to require lift directors to be registered with us. It's also clear that some crane operations have too little margin for error , which is why we banned from city streets cranes like the one that collapsed in February," Commissioner Chandler added.

Recently, in November 2016, a crane operator and a construction worker were killed in Queens when a steel beam fell from a crane on a windy day. Officials said it appeared there was a problem with the crane's rigging, unrelated to the wind.

# On Wednesday, Jan. 18<sup>th</sup> Our Guest Speaker is City Council Member Donovan Richards, Jr., Chair of the Land Use Subcommittee on Zoning and Franchises



A lifelong resident of Southeast Queens and the Rockaways, Council Member Donovan Richards, Jr. was elected to the New York City Council in March 2013. Richards was inspired to go into politics after he lost a childhood friend to gun violence at the age of 18. Shortly after, he decided to be an intern for then-Council Member James Sanders, Jr. Donovan worked his way up to Chief of Staff for Sanders before campaigning for District 31 after Sanders became a state Senator.

Once Richards was elected, he was appointed to be the chair of the Committee on Environmental Protection, which allowed him to address the decades-old systemic issue of flooding in Southeast Queens. As the first black council member to chair the committee, Richards secured more than \$1.5 billion to help fill the enormous sewer infrastructure hole in Southeast Queens. He also passed the first update to the city's Air Code in forty years to help contribute to Mayor Bill de Blasio's goal of reducing carbon emissions 80 percent by 2050. He co-chaired the Mayor's One NYC plan as the only council member tapped to help coordinate the multiagency citywide plan.

In the second half of his term, Richards was appointed chair of the Land Use Subcommittee on Zoning and Franchises, providing him the chance to be at the center of Mayor de Blasio's push for affordable housing across the city. Capital New York said on the day of the announcement of the new chairmanship that "after only a year-and-a-half as chairman of the City Council's Committee on Environmental Protection, Donovan Richards established something of a legacy."

In his first committee meeting as chair, Richards proudly passed a text amendment to simplify and expedite the process of lifting and rebuilding homes damaged by Hurricane Sandy in the Rockaways, Southeast Queens, South Brooklyn, and Staten Island. The Mayor's Office on Recovery and Resiliency expects this amendment to help about 2,000 families rebuild their homes. As the chair of Zoning and Franchises, Richards vows to weigh all sides in upcoming zoning districts, as well as ensuring that the character of neighborhoods are

preserved during the process while boosting density and invigorating the economies of communities.

In March 2016, Donovan Richards, Jr. helped negotiate a stronger, more inclusive affordable housing plan (MIH/ZQA) and made history when the Council passed the most aggressive affordable housing policy in the nation.

### Calendar Of Events...

Jan. 18
Wed., 6 pm
Douglaston Manor, Douglaston
Speaker: Donovan Richards, Jr., Chair, Land Use
Feb 15
Wed., 6 pm
Douglaston Manor, Douglaston
Mar. 15
Wed., 6 pm
Marina del Rey, Throgs Neck
Apr. 19
Wed., 6 pm
Douglaston Manor, Douglaston
Marina del Rey, Throgs Neck
General Membership Dinner Meeting
Douglaston Manor, Douglaston
Douglaston Manor, Douglaston

Info/Reservations: e-mail june@queensbronxba.com or fax: (718) 428-3494

### **OBBA BULLETIN**

QBBA Bulletin is the newsletter of the Queens & Bronx Building Association. For information regarding content and advertising, please contact our Executive Director, June Petrone, at our association headquarters, 16-66 Bell Boulevard, #745, Bayside, NY 11360, (718) 428-3369, fax: (718) 428-3494, e-mail: june@queensbronxba.com. Visit www.queensbronxba.com

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**News from the President** 



Craig Elka, The Briarwood Organization

The year, 2017, certainly promises to be a year of interest! As Robert Altman has stated in his article, it is undetermined exactly how our new president will act, particularly in the influence of the construction industry as well as all other matters.

For those in the Queens and Bronx Building Association, the past year has been an improvement and there is even hope for changes in

legislation in New York State and in New York City as well.

This year can also be a most positive one for our association, but we certainly could use the help of our membership to this cause. Those who have been longtime members know the value of not only joining the QBBA, but attending our various events as well, for here, in person is where you get the best opportunities to convey the benefits of your products or services to your fellow members. Although your financial contributions of membership enable the QBBA, the New York State Builders Association (NYSBA), and the National Association of Home Builders (NAHB) to lobby on your behalf, and they are certainly welcome, it is the one-to-one relationship with fellow members that will help you improve your business. In case you hadn't realized, membership in QBBA also entitles you to membership in NYSBA and NAHB.

Advertising your skills or materials in our newsletter, on our web site, even in our Annual Awards Journal also will help promote your business as well as help to support our many efforts on your behalf, especially representing you in Albany and Washington, DC.

On Wednesday, January 18th at 6 p.m., we will be meeting at Douglaston Manor where our guest speaker will be Donovan Richards, Council Member, 31st District, Chair of the City Council Land Use Subcommittee on Zoning and Franchises. On this newsletter's cover, you will also see our upcoming calendar of events. Please mark the dates and check our web site for our roster of guest speakers.

Beyond attending our events, you are most welcome to join any of our member-run committees that currently include Membership, Golf, and Trade Show. Other industry associations have many more committees, please let me or June know if you are interested in joining a committee or have thoughts of creating a new one. We are at your service!

### Reasons for OSHA's Silica Dust Rules

OSHA will be enforcing a reduction in silica exposure for an over eight-hour day from 250 micrograms per cubic meter of air to 50 micrograms. Here is what you need to know: 2.3 million people in the U. S. are exposed to fine grains of silica on the job; Inhaling the dust is one of the oldest known workplace hazards; Crystalline silica is an important industrial material found in the earth's crust; Quartz, the most common form of silica, is a component of sand, stone, rock, concrete, brick, block, and mortar; Silica dust can penetrate deep into the lungs, causing diseases like silicosis, lung cancer, and kidney cancer. Employers covered by the construction standard have until June 23, 2017 to comply with most requirements. Courtesy of Bosch Speed Clean<sup>TM</sup> Concrete Bits.

Peter Florey (2014-2016) D & F Development Group LLC; Lawrence Rosano, Jr. (2013-2014) Associated Development Corp.; Ira Brown (2010-2012) The Briarwood Organization; Olga Jobe (2009-2010) Jobe Development; Hercules Argyriou (2007-2008) Mega Contracting Corp.; Joseph G. Ciampa (2004-2006) Ciampa Organization; Leslie A. Lerner (2002-2003) LAL Property Management Corp



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### City Government Update

by Robert S. Altman, Esq., QBBA Legislative Consultant

President Trump. Wow! Who would have thought it. Not me. Not even close. So why and what's next?

First, why? Polling and even exit polls had Clinton winning. If you wanted to, you could view exit polls during election day in key states. Votecastr, a site run by both a Democratic and

Republican operative, showed Clinton winning in every key state that she pretty much eventually lost. And polls before the election showed her winning. But polls are based on past data and trends. And Trump was right. He had brought in voters that usually did not vote. And Clinton did not bring in voters who usually show up. So much for her supposed ground game. She should have hired David Axelrod.

Second, what's next, and this is what has me most perplexed. Much of what made Trump popular is tough to do. His immigration policy requires a mix of possible but difficult to implement policies. A wall. Possible, but in remote areas not so easy or cheap (try getting workers and materials to remote areas so easily?). Muslim ban? Probably unconstitutional. Rounding every illegal up? Good luck. And a wall does not even keep out illegals. Many are tourists, students, etc., who overstay their visas. Trade agreements. Hmm, not exactly a great policy.

The world is getting smaller and unless you not only reverse the agreements but add tariffs to boot, the trend will not slow significantly and if you do all of it, it will get the US in a trade war. And that is dangerous. The Putin policy? What is it? Does he walk into the Ukraine now without pushback? What about NATO? China? And ISIS? The current policy on ISIS was beginning to work, but now we don't even know what the policy will be. Syria? Assume Assad is now safe. Israel? Who knows? Remember, a lot of Trump supporters, including Breitbart, one of his campaign managers, are anti-Semitic. Taxes and the debt? His numbers don't work and dynamic scoring (the argument that tax cuts lead to greater revenues) has pretty much been debunked. In fact, the last three tax increases resulted in a stronger



economy (Bush 1, Clinton, and Obama). So who knows what happens?

The problem here is that policy is driven by facts. And Trump's campaign was the worst in terms of facts in the history of modern presidential campaigns. Does he now pivot and accept facts or continue in a campaign reality that bears no resemblance to the current world? And if he accepts the facts, then what is his policy. I don't have answers for you.

Trump is not a dumb man. But his empire is much smaller than running a county government, let alone a major city, state, or country. And there are limited processes for running his personal empire. If he wants to do something in his private sector world, he basically can without consultation for the businesses he actually controls unless he is looking for outside help (usually financing). Does he get too frustrated? Does he rise to the occasion? Is it someplace in between?

The answers to those questions will determine a lot of things. But my current answer to them is simple: I don't know.



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### QBBA MEMBERSHIP MEETINGS





























The end of year brings us to the end of another successful QBBA year full of activities. This past September, we honored our new officers with Bronx Borough President Reuben Diaz, Jr. officiating at our installation dinner held at Marina del Rey in Throgs Neck. (See page 2 for the list of your leadership.) In October we held our annual Trade Show at the La Guardia Marriott in East Elmhurst (pages 6 & 7). As always, good food, great raffles, many booths and attendees. November's Mixer & Cocktail Party at Monahan's in Bayside was followed by our annual Holiday Party & Building Awards Gala in December.











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## **Succession Planning** for Businesses

By Anthony J. Ficara, Esq., Legal Counsel for QBBA, and Jodi B. Zimmerman, Esq.

In our ever changing and often complex world of real estate transactions, development, and other related service industries, we often neglect to focus attention to succession planning of our businesses. Proper estate planning not only ensures your assets and belongings will go where and to whom you want after you die as seamlessly as possible. It also plans for someone to take your place (a successor) when you are no longer able to perform your obligations due to incapacity or death. If you're thinking, "It's fine, my business isn't that complicated", realize, at a bare minimum, a properly drafted business succession plan will deal with the organized transfer of a business and take at least one stress off your loved ones.

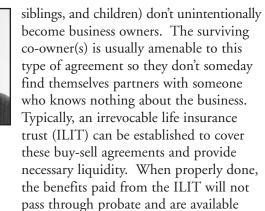
Family first. Like many privately held businesses, real estate development companies, investment companies, management companies, and other service or material companies in our industry are often family owned, multi-generational businesses. Have you thought about whether your assets are enough to provide for your family if something happens to you and you no longer have an income? If you have young children, are your aware that you need to name a guardian to raise them in your absence? If you don't do this and something happens to both parents, a judge will decide who will raise your children without knowing your preference. If a guardian is needed for your child[ren], where will that guardian get the money to care for your child[ren]? How will college costs for your children be covered if you don't plan? And don't forget your pets. For some, their pets are loved and cared for similarly to children. Who will care for your pets, both personally and financially, if they outlive you and you don't have a plan?

If you are a business owner, your business has the responsibility of providing not only for you and your family, but your employees and clients are counting on you as well. So, what's the point of all of this? Without a written plan, the business you spent most of your life working at will likely fall apart when you are gone. Ok, so now we recognize succession planning for our business will secure not only our business legacy, but our family's future as well.

How do you begin? There are numerous estate planning tools for the business owner and no plan is "one-size fits all". Here we will touch on a few of the more common succession planning techniques for business owners.

Trusts are frequently used in personal and business estate planning. You can create a trust during your lifetime that will permit any subsequent growth of the trust assets to pass outside of your taxable estate. With a grantor retained income trust (GRIT), an irrevocable trust, you transfer ownership of assets to the trust and retain the income or use of the property during the term of the trust. The principal of the trust passes to a non-charitable beneficiary at the end of the term. With a GRAT, or grantor retained annuity trust, you create an irrevocable trust into which you place assets and retain the right to a payment of a fixed amount for a specified period of years. The principal passes to non-charitable beneficiaries at the end of the trust term. Finally, a grantor retained unitrust (GRUT) is an irrevocable trust that provides an annual payment of a fixed percentage of the net fair market value of the trust assets. The payment amount is determined annually. The primary differences between the three forms of trust are in how the payments to the grantor are calculated and in what manner payments are made.

Another commonly used technique is creating a buy-sell agreement where there are one or more co-owners, such that upon the death of any owner, their interest is automatically purchased by the other owner(s). Having this type of an agreement can ensure that beneficiaries of the deceased owner (usually spouses,



immediately, providing resources to pay

for estate taxes, etc..

Another approach is the family limited partnership (FLP) which is used to transfer assets from one generation to another, and are typically thought of as holding companies. There are two types of partners involved in an FLP, General Partners (GPs), and Limited Partners (LPs). GPs have the responsibility of controlling the assets and managing the LPs, and also bear the liability. On the other hand, LPs have no ability to control or otherwise affect the operations of the FLP. With FLPs, often the GP desires to move assets to LPs (usually children), while still retaining control over the assets.

As a business owner, it's quite likely that a significant portion of your wealth and your family's source of income after your death is tied up in your business. The success of your estate plan is dependent upon the business being transitioned to the next generation or sold to someone outside the family for a fair price, which will hopefully allow your life's work to be of value even after you're gone. It is important to note that while your business may seem like your friend or neighbor, no two estate plans are exactly alike. We all have nuances in our lives that make our estate plan unique to us, so don't run out to an estate planning attorney and tell them you gotta get a GRUT, because your friend has one!

Estate planning affects everyone in our industry, from the owners down to the employees, and we should all take a moment to recognize and consider how best to plan for our families' future and the succession of our businesses.

This article is not to be considered legal advice. If you have any specific questions you should contact your legal counsel. You may contact Anthony J. Ficara, QBBA Legal Counsel, at Ficara and Associates, P.C., 155 Pinelawn Rd., Ste. 2205, Melville, NY 11747, (631) 237-4917; fax (631) 237-4776; afteara@ficaralaw.com.

# QBBA 2016 Trade Show























































# Number of Older Adults in the US Expected to Surge, Highlighting Need for Accessible Housing and Policy Improvements

Harvard Joint Center for Housing Studies Releases New Report About America's Aging Population

By 2035, more than one in five people in the US will be aged 65 and older and one in three households will be headed by someone in that age group, according to *Projections and Implications for Housing a Growing Population: Older Adults 2015-2035*, a report by the Harvard Joint Center for Housing Studies. This growth will increase the demand for affordable, accessible housing that is well connected to services beyond what current supply can meet.

According to the report, as the baby boom generation ages, the US population aged 65 and over is expected to grow from 48 million to 79 million, and the number of households headed by someone over 65 will increase by 66 percent, to nearly 50 million. This growth will increase the demand for housing units with universal design elements such as zero-step entrances, single-floor living, and wide halls and doorways. However, only 3.5 percent of homes now offer all three of these features. The housing implications of this surge in the older adult population are many and call for innovative approaches to respond to growing need for housing that is affordable, accessible, and linked to supportive services that will grow exponentially over the next two decades.

In the coming years, many older adults will have the financial means to pay for appropriate housing and supportive services that allow them to live longer in their own homes. However, many others will face financial hardships, particularly because their incomes will decline in retirement. Low-income renters are particularly vulnerable and it is projected that nearly 6.4 million low-income renters will be paying more than 30 percent of their income for housing by 2035. The report adds that 11 million homeowners will also be in this position by that time. In total, it is estimated that 8.6 million people will be paying more than half their income for housing by 2035. It is also projected that 7.6 million older adults will have incomes that would qualify them for federal rental subsidies by 2035, an increase of 90 percent from 2013.

In many surveys, older adults express a strong desire to live at home for as long as possible. Achieving that goal will require public and private action to support modifications to existing homes, take steps to address the affordability challenges facing both owners and renters, and adapting the health care system to enhance service

delivery in the home. There is also a need to expand the range of housing options available to better meet the needs of an aging population and improve options for older adults to remain in their community when their current home is no longer suitable.

"Right now, more than 19 million older adults live in unaffordable or inadequate housing, and that problem will only grow worse in the next two decades as our population ages," says Lisa Marsh Ryerson, president of AARP Foundation, which provided funding for the report. "This important follow-up study to Harvard's groundbreaking 2014 report on housing America's older adults not only calls attention to important trends, but also helps point to the kind of solutions, those requiring cross sector collaboration between the housing industry, policymakers, and public, private, and philanthropic organizations that will fulfill older adults' ardent desire to continue living independently at home with security and dignity." The full report may be read at www.jchs.harvard.edu/housing-a-growingpopulation-older-adults.

For more information contact: Kerry Donahue, (617) 495-7640, kerry\_donahue@harvard.edu

### Funding Available to Support Solar Development

NY-Sun is now accepting applications for their Affordable Solar Predevelopment and Technical Assistance program. Funding supports the development of solar projects for multifamily affordable housing and community solar projects serving low-to-moderate income (LMI) households, with up to \$200,000 for each approved proposal.

Applications may be submitted by local governments, affordable housing, community organizations, and service providers working to make solar accessible to LMI communities in New York. NY-Sun will accept and review applications on a rolling basis until all funds are exhausted. For information: affordablesolar@nyserda.ny.gov.

The Solar in Your Community Challenge is an 18-month, \$5 million prize competition to support community-based solar programs and projects aimed at providing solar access to LMI communities and is aimed at supporting innovators to create solutions to bring solar to non-profits LMI households and local and tribal governments. Selected teams will be provided with seed funding as they complete milestones, receive technical assistance from an online marketplace of qualified

experts, and compete to win final prizes from May 1, 2017 to October 31, 2018.

Those interested in learning more about the Solar in Your Community Challenge and forming a team, please visit the program web page. The regular application deadline is March 17, 2017. This program is supported by the U.S. Department of Energy's SunShot Initiative and is administered by SUNY Polytechnic Institute. Contact: Beth Fiteni, NY State Office of Clean Energy, Department of Public Service, (516) 490-2332, Elisabeth.Fiteni@dps.ny.gov

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### Welcome New Members

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There is always room for one more! If you know of someone who should be part of our QBBA, please let June Petrone know at (718) 428-3369.

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### The Highly Regulated Home Remodeling Industry

Some industries are highly regulated. Banking, securities, and health care are prime examples. Although the home remodeling industry might not immediately spring to

mind, the fact is that layers of both state and county statues and requirements make home remodeling a highly regulated industry in New York.

Since the statutes and regulations are not part of an overarching comprehensive regulatory scheme, many home remodelers, as well as homeowners who are the intended beneficiaries, are unaware of them. Failure to be aware of these laws and regulations can lead to significant consequences for home remodelers, which may include fines, denial or revocation of a license, and inability to recover payment for work performed. Regulations typically

fall into two categories: contract requirements, and licensing. While many industries have licensing requirements, few have directives that mandate the inclusion of specific contractual clauses. Home remodelers are likely familiar with their local requirement to have a license, but may be unfamiliar with the contract-based regulations.

At the state level, General Business Law 771 governs the contents of home improvement contracts. It requires home improvement contractors – a very broad term as explained below –

to provide a homeowner with a written contract that contains: (a) the name, address, telephone number, and license number of the home remodeler; (b) the price; (c) the approximate or estimated dates to start the work and reach substantial completion; (d) a description of the work to be performed and the materials to be provided; (e) a statement of any contingencies that would materially affect the completion date; (f) whether a definitive completion date is to be of the essence; (g) a specific clause notifying the owner of the lien rights available to the general contractor, subcontractors, and suppliers; (h) a clause notifying the owner of the contractor's obligations under the Lien Law for monies received prior to completion; (i) if progress payments are to be made, a schedule of the payments identifying what work is to be done or material supplied in order for a payment to be due; which schedule must bear a reasonable relationship to the work performed or material supplied; and (j) a three day right to cancel the contract.

This statute covers almost all residential remodeling work including siding, insulation, driveways, swimming pools, windows, terraces, patios, landscaping, fences, porches, garages, flooring, basements, solar energy systems, and other improvements, provided the cost exceeds \$500 – a very low threshold. Failure to comply with the statute subjects the home remodeler to fines of up to \$250 for each violation or five percent of the aggregate contract price. While the penalty cannot exceed \$2,500 per contract, that limitation is likely of little solace to a home improvement contractor. Moreover, failure to comply with these requirements may prevent a home remodeler from enforcing the contract in court.

In the New York metropolitan area and on Long Island, additional regulations exist. For example, Nassau County requires greater specificity in contracts, including that brand names, colors, dimensions, and model numbers for materials appear in the contract documents. Whereas New York requires a home improvement contractor to notify the homeowner of his or her right to cancel the contract within three business days of its signing, Nassau County goes further and requires a Form Notice of Cancellation to be provided along with the contract.

Nassau County also requires that work shall be completed no later than thirty days after the completion date specified in the contract. In contrast, while New York State requires an estimated or approximate completion date, it does not contain a blanket requirement that work be completed within 30 days of the estimate.

Both Nassau and Suffolk also regulate a home remodeler's advertising and promotional material. Besides the general

prohibition on false or deceptive advertising applicable to all businesses, Nassau requires a home remodeler to display its full company name and license number to appear on all advertising and promotional literature. Suffolk also requires the license number on a home remodeler's advertising.

Moreover, Nassau and Suffolk counties, like many other counties, require a home remodeler to be licensed. Failure to have a license will prevent the home remodeler from suing an owner for monies owed for the construction work. Moreover, the

licensing process itself requires disclosure of substantial personal and professional information, including whether the applicant has ever been convicted of a crime, filed bankruptcy, owes child support, or has had a license suspended or revoked. The application, at least in Suffolk County, even asks for the name and address of the applicant's accountant and whether a license has been denied to an immediate family member. Providing false information in the license application can be a felony.

The City of New York also contains some similar rules and regulations of which a home improvement contractor must be aware, as well as others not required by Nassau or Suffolk counties. Here, for example, a home improvement is prohibited from deviating from plans or specifications without the owner's written consent. Too, the Commissioner of Consumer Affairs may fine a home improvement contractor if it determines that the contractor or its management personnel are untrustworthy or not of good character. This vague regulation may not withstand judicial scrutiny.

The public policy behind all these rules and regulations is the protection of consumers. Thus, they are likely to be interpreted broadly and in a manner advantageous to consumers. Failure to be aware of, and follow these legal requirements jeopardize a home remodeler's opportunity to have an enforceable contract, to obtain payment for work performed, and even its license and ability to remain in business. Proactive attention to these laws and regulations are necessary and indispensable.

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### New York City Economic Development Corporation Announces Two New Transportation Projects

New York City Economic Development Corporation (NYCEDC) has released details for the Rockaway Shuttle, a free bus service that will connect residents with the Citywide Ferry Service. It will launch in the summer of 2017. The eastbound and westbound shuttle routes each span four miles, connecting the ferry terminal at Beach 108th Street with Beach 35th Street to the east, and Beach 169th Street to the west.



The routes were developed based on a yearlong community engagement effort, which included community board meetings, elected-official-led town halls and civic organization events. The shuttle stops, which are currently under final review by the Department of Transportation, are in close proximity to densely populated areas and NYCHA developments, delivering on Mayor de Blasio's commitment to create an equitable and accessible ferry service.

Citywide Ferry will carry an estimated 4.6 million passenger trips per year across six routes, providing affordable, new transportation options to communities where housing and jobs are growing rapidly. Nineteen vessels will be operating at 21 landings throughout New York City connecting New Yorkers with the city's hundreds of miles of waterfront.

In addition, the Citywide Ferry Service ferry landing for Long Island City (LIC) north will be located off of Center Boulevard in Gantry Plaza State Park. The LIC North ferry landing is part of the route which is scheduled to launch next summer.

Upon completing an environmental review and after extensive engagement with residents and elected officials of the LIC community, NYCEDC is in coordination with New York State Parks to site the LIC North ferry landing adjacent to a densely populated residential core. The LIC North ferry landing is projected to have the highest ridership outside of Manhattan, estimated to service approximately 4,000 daily trips. Citywide Ferry Service will provide affordable and reliable transit connections to rapidly growing waterfront communities like Long Island City.

"The Citywide Ferry is a much-needed service to address some of the transit shortfalls in Queens. The Long Island City landing spot will be a boon for residents and businesses of the fastest growing neighborhood in New York City," said Queens Borough President Melinda Katz. "Our challenge in government has been to help ensure infrastructure keeps up with demand, and we're pleased the project is on track to launch next year."

Citywide Ferry Service will provide increased transportation options for commuters in Western Queens, and the cost of a boat ride to Midtown or Wall Street will be the same as a trip on the subway. All five boroughs will be better connected. The project is an excellent alternative for residents and consumers who currently use subway and bus lines.

The current ferry landing in Hunters Point South will continue to be part of East River Ferry operations until its integration into the larger Citywide Ferry Service network in 2017.

Citywide Ferry Service will create at least 155 new jobs in the New York Harbor. The crew will earn wages above \$15 per hour, along with a comprehensive benefits package.

The Rockaway, South Brooklyn, and Astoria routes are scheduled to launch in 2017. The Rockaway route will connect to the Brooklyn Army Terminal and Wall Street. The Astoria route will connect to Astoria, Roosevelt Island (Cornell Tech), Long Island City, East 34th Street, and Wall Street. The South Brooklyn route will connect Bay Ridge, Brooklyn Army Terminal, Red Hook, Brooklyn Bridge Park's Pier 1 and Pier 6, and Wall Street, with a connection to Governors Island (launch date TBD). The Soundview and Lower East Side routes are to launch in 2018. Routes from Coney Island and Stapleton on Staten Island are in planning stages for future expansion.

The combined routes will cover over 60 miles of waterway. Over half a million New Yorkers live within a half mile of one of the 21 Citywide Ferry landings, including 15,000 families living in NYCHA developments.

Commuting Times are as follows: Rockaway to Wall Street (1 stop): Approximately 1 hour; Astoria to E. 34th Street (2 stops): approx. 22 minutes; Astoria to Wall Street (3 stops): approx. 38 minutes, Soundview to Wall Street (2 stops): approx. 43 minutes; Bay Ridge to Wall Street (4 stops): approx. 48 minutes. The cost per ride will equal that of a single subway ride. Four thousand daily East River Ferry customers will see fares reduced from \$4 to the cost of a single subway ride. The fare will allow for free transfers to any other ferry route within the system, including the East River Ferry. Both paper and smartphone ticketing will be available, with payments accepted via cash, credit, or debit card. Discounts will be available for seniors, children, and New Yorkers with disabilities, and passengers will be allowed to bring bicycles on board for a \$1 fee.

New boats will be equipped with the most modern engine design available to reduce emissions and noise, as well as an efficient hull design that will limit wakes and maximize fuel economy. Each boat will be able to carry at least 149 passengers, will be equipped with WiFi, will be fully accessible to New Yorkers with disabilities, and will comply with the requirements of both the Americans with Disabilities Act and New York City Local Law 68 of 2005.

The City is investing \$55 million in infrastructure upgrades, including building 10 new ferry landings with barge construction currently underway at a facility on Staten Island. New York City is providing \$30 million in operating support per year, over a period of six years. Based on a projection of 4.6 million annual trips, the per-trip subsidy for Citywide Ferry Service will be \$6.60, lower than the nearly \$8 per trip subsidy on the Long Island Railroad or the nearly \$15 per trip subsidy for express buses. The City is also providing \$10 million for additional startup costs, such as vessel upgrades and ticketing machines. For more information, visit www.citywideferry.nyc.

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