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## Sorry, We're Booked. But Just Across the River . . .

By ALISON GREGOR

**V**ISITORS to the New York area may not readily think of Long Island City, Queens, when looking for luxury accommodations.

Besides having mostly limited-service or budget hotels, the area has pockets that remain gritty and industrial. And one of the last times any Long Island City hotel was in the news was last summer, when the alternative rock band Dinosaur Jr. reported that its gear had been stolen from a trailer outside a hotel where members had stayed.

But the neighborhood — just a short subway ride from Manhattan — is changing, and so is the hotel market there. A decades-long vision of urban planners to turn Long Island City into a business center is becoming a reality after a major rezoning about six years ago. Included in the mix of residential and commercial projects are several new hotels, including two upscale boutique properties on the East River waterfront as well as more moderately priced hotels.

The 23-room Q-Plaza Hotel — the site of a 2002 protest against what demonstrators called prostitution in the area — is being converted and expanded into an upscale boutique hotel. To be called the Ravel Hotel, it is scheduled to open this spring with 78 rooms.

The architect Steven Kratchman has designed the expanded building so that all the rooms will have views of Manhattan, many through bay windows; some rooms will open onto French balconies or terraces. The three-level rooftop will be used for a bar and lounge area, along with a spot for local artists to display their work, according to Ravi Patel, who bought the property in 2005.

Mr. Patel said he chose Long Island City largely because Manhattan was too expensive. The total cost of redeveloping the former Q-Plaza will be about \$4 million, he said, adding that he expects to attract an overflow of visitors from Manhattan. Rates will start at around \$350 a night.

"A lot of hotels are going condo in Manhattan, so the supply of hotel rooms has been slowly diminishing in the city, and there was, and still is, huge demand," he said.

Mr. Patel says he was first met with resistance from the local community. "It was very hard to convince people that we

weren't putting up a huge brothel here," he said. "But we're actually putting up something nice."

Nearby, another boutique hotel is in the works. Developers plan to break ground this spring on the Z Hotel. Designed by the architect Andre Kikoski, who created Suba, a restaurant on the Lower East Side of Manhattan, the hotel will have 11 stories with 100 rooms. Like the Ravel Hotel, the Z will have rooms facing Manhattan, along with colorful light-emitting diodes on a facade designed to evoke the United Nations building.

Henry Zilberman, the hotel's developer, says he believes that there is a strong market for travelers seeking an alternative to Manhattan, where rates are often steep because of rising development costs.

"Today a room in a hotel in Manhattan costs easily \$1 million if you want to build," he said.

Mr. Zilberman, who also owns several limousine businesses in Long Island City, said he plans to provide myriad amenities. His limousine service, for instance, will transport hotel guests free to places like the theater district or Bloomingdale's in Manhattan, every hour on the hour.

Rooms will be around \$200 a night, or roughly half the rate of comparable hotels in Manhattan.

"There's no reason that Hoboken would do better than Long Island City," he said. "I never got it. We have much better transportation, much better proximity to Midtown."

Some hotel developers, however, expressed concern that there may be too much development planned for a rather concentrated area of Queens.

"We're going to see a couple thousand hotel rooms in Long Island City in the next three to four years," said Sam Chang, one of largest hotel builders in New York City, who in 1999 constructed a Holiday Inn Express in Long Island City. "That's just going to be too many."

Mr. Chang says he now has more than 20 hotels under construction in New York City and no plans to develop additional hotel sites in Long Island City, although he is finishing a 75-room Days Inn there that is set to open in April.

His former business partner, John Lam, another active New York City hotel develop-



er, is building a 150-room Fairfield Inn by Marriott nearby.

Still, hotel consultants say that the hotel market in Long Island City may prove to be robust because of demand from business travelers and not only because of an overflow of tourists from Manhattan.

Substantial commercial projects are springing up throughout Long Island City, with more planned over the next few years.

Completed last year was Court Square Place, a 16-story, 275,000-square-foot building owned and operated by the United Nations Federal Credit Union. Tishman Speyer Properties, which developed that building, is also constructing a 486,000-square-foot office tower for Citigroup, near that company's 48-story tower that was, for years, Long Island City's sole skyscraper. Tishman Speyer also has plans to redevelop the substantial Queens Plaza Garage site, located in the neighborhood.

And then there is Silvercup West, a planned 2.2 million-square-foot mixed-use development by Silvercup Studios along the East River. It will include 650,000 square feet of office space, 270,000 square feet of

studio space and 150,000 square feet of retail space, along with about 1,000 apartments and parking for 1,400 vehicles. The company plans to break ground in about a year, according to Stuart Match Suna, the president of Silvercup.

Nolan Hecht, the director of the hospitality transactions group at Cushman & Wakefield, a commercial real estate brokerage firm, said, "The silver lining here in Long Island City is now you can take advantage of the strong hotel market in New York City and feed off of that, and then five years from now you'll probably see an influx of commercial demand that will fill a hotel."

Ankur Shah, the general manager of the Comfort Inn in Long Island City, which his company bought in 2005, is cautiously optimistic about the neighborhood's hotel market as well.

"I would not say that every hotel in Long Island City is going to make money in operations," he said. "There are people investing who are anticipating a boom in the real estate pricing around this area. They're expecting it to be the next Hoboken or something." □

**Long Island City proves an attractive option for developers of hotels.**



*Continuing development in Long Island City, Queens, is reflected in two planned boutique hotels — the Z Hotel (rendering and building site at left) and the Ravel Hotel, top. The Ravel is scheduled to open this spring. Rooms of each hotel are to face Manhattan.*