

Apex, city plot 527 units in Elmhurst

City Planning ups ante on developer's Queens rezoning



Apex Development Group's Andrew Esposito and a rendering of 314-unit development at 78-01 Queens Boulevard (Apex, Getty, 7801 Queens Holding LLC)

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When Andrew Esposito's Apex Development Group asked permission to build 314 apartments in Queens, city planners wanted more.

Now a corner of Elmhurst could be transformed with more than 500 new apartments and 19,000 square feet of retail.

The proposed rezoning includes 78-01 Queens Boulevard, which Apex's partner Sunlight Development bought last year for \$9.5 million.

The seller was affiliated with the estate of Aghadjan Elghanayan, one of five Iranian brothers who emigrated to the U.S. to create a real estate dynasty that includes Rockrose Development and TF Cornerstone.

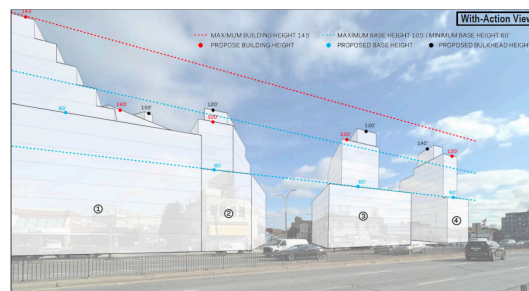


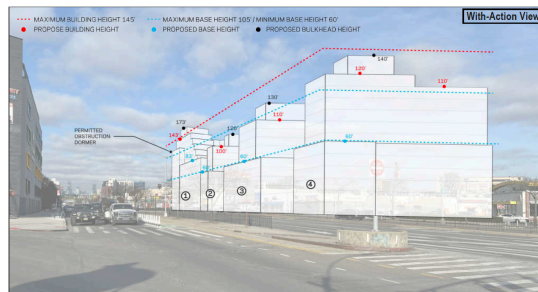
Figure G-8
No-Action and With-Action Comparison - Queens Boulevard at Barnwell Avenue

The pending application goes further than Sunlight's property. It seeks to rezone three neighboring parcels, none of which Apex or Sunlight own, from manufacturing to residential. Crain's first reported the effort.

If successful, it could make the neighboring properties hot commodities and pave the way for a cluster of residential development, demonstrating how city officials leverage private rezoning applications to create more market-rate and affordable apartments.

"We're adding density to the site so it reduces our cost basis," said Apex's Esposito. The price Sunlight paid for the site would amount to \$85 per developed square foot after the upzoning, according to land valuation expert Duane Burress.

Apex and Sunlight want to build a 13-story building with more than 300 apartments and 10,000 square feet of retail where Queens Boulevard meets Albion Avenue.



Rendering of 314-unit development at 78-01 Queens Boulevard
(7801 Queens Holding LLC)

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The joint venture's development would replace a TD Bank branch, but to avoid creating an island of housing in a sea of warehouses and tire shops, city authorities suggested that 78-21, 79-01, 79-09 and 79-25 Queens Boulevard be included in the rezoning.

That might inoculate Apex's project from criticism that it is out of the context with the surrounding neighborhood, a common argument by opponents of development, although they generally seek to "protect" their low-scale housing, not commercial buildings.

Under the city's Mandatory Inclusionary Housing law, changing from manufacturing to residential zoning would trigger affordable housing requirements at all of the sites, likely necessitating the use of the state's new tax abatement for mixed-income housing development, [485x](#).

The rezoning application envisions 93 apartments across 110,000 square feet at 79-01 Queens Boulevard (owned by [Yuk Chiu Chan's Summer 7821 LLC](#)) and 79-09 Queens Boulevard (owned by [Alvaro Tamayo](#)), plus 67 units across 60,000 square feet at 79-25 Queens Boulevard (bought by Ashok Chainani in 2019 for [\\$4 million](#)) and a potential 53 units across 48,000 square feet at 78-21 Queens Boulevard (owned by Yuk Chiu Chan's [Summer 2010 LLC](#)), which abuts the site owned by Sunlight.

Those owners stand to benefit from an upzoning without actually initiating one — and without the legal, architectural, environmental, lobbying and public-relations costs that can exceed \$1 million for larger projects.

The Apex and Sunlight development is projected to be completed in 2027, while the other, hypothetical projects could be done two or three years later.

While Esposito said he has received positive feedback from the community so far, he has first-hand experience with the blowback that rezonings often face. Some residents in Park Slope/Windsor Terrace have opposed a proposal by Apex for a 13-story, 244-unit building at the Arrow Linen site. Other locals and pro-housing groups have endorsed the project.