

Bitter aftertaste for Willets Point spice business from redevelopment

BY JESS WISLOSKI AND JOHN LAUINGER
DAILY NEWS STAFF WRITERS

Monday, August 25th 2008, 7:13 PM

When Neli Soni moved his family's Indian food distribution business to Willets Point almost two decades ago, he never could have imagined the painful irony the city had in store.

Back in 1989, the city used tax incentives and a low-cost loan to lure the business, House of Spices, to the gritty industrial zone near Shea Stadium.

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The Willets Point location, near several major highways, helped House of Spices grow into the country's largest manufacturer and distributor of Indian and Pakistani foods.

But now, 19 years later, the city is threatening to uproot House of Spices and roughly 260 other Willets Point businesses so the area can be redeveloped into a glitzy realm of residences, stores and a hotel.

"It's just very ironic," Soni said, noting that the financial package the city offered House of Spices in 1989 required the company to grow its workforce.

"We successfully did that," he said, explaining that the company added 70 jobs.

Mayor Bloomberg's controversial plan to redevelop the 62-acre industrial zone - possibly using eminent domain - is the latest example of policies promoting residential and commercial uses at the expense of industrial uses.

Since Bloomberg took office in 2002, the city has rezoned or has proposed to rezone roughly 20% of manufacturing districts, according to the Pratt Center for Community Development.

The numbers are not as stark in Queens, where 355 of 3,333 manufacturing acres have been rezoned, with 162 more acres proposed for changes.

Deputy Mayor for Economic Development Robert Lieber said the city must clean up the former coal-ash dump, which developed in hodgepodge fashion without sewers or storm drains.

"This is first and foremost a remediation," Lieber said during a recent speech at Queens Borough Hall, noting that the project will create 5,300 permanent jobs. "This is an area that is sorely in need of being cleaned up."

But Soni said the city's grand plan for Willets Point has jeopardized House of Spices' future in New York - and caused him to shelve \$1 million in capital improvements to his operation.

"It sends the wrong signal to nonFortune 500 companies," he said, noting that morale is declining among his workers - and many have started looking for other jobs. "I don't see them supporting manufacturing in any way."

Soni said he wants to stay in the city. But while the city keeps him in limbo, he is looking at land in New Jersey, where manufacturing space costs between \$6 and \$8 per square foot, compared with between \$20 to \$25 per square foot in the five boroughs.

"The cost of doing manufacturing in New York City is very high," he said.

jlauinger@nydailynews.com