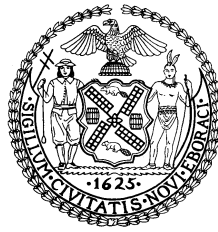


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The City of New York
Manhattan Community Board 8

Public Safety Committee
Lenox Hill Hospital
130 East 77th Street, Theater Room
Wednesday, May 6, 2015
6:30 pm

Board Members Present: Debbie Teitelbaum, Nick Viest, Jim Clynes, David Rosenstein and Elizabeth Ashby

Number of Attendees: 28 (attendance sheet attached)

The meeting was called to order at 6:30 pm.

Agenda: Discussion of possible Apple retail store at Madison Avenue and 74th Street.

Guest speakers: Jason Barlia, Apple, Market Director for NY; Emi Penafiel, Apple, General Manager, and Fred Zeytoonjian, Manager, State and Local Government Affairs - East

After introductions, Jason introduced himself and stated he has worked for Apple since 2003. Emi Penafiel will be the store's General Manager and has been working for Apple for 3 years, overseeing the Long Island area. Fred is with Government Affairs.

Jason stated the following:

Apple treats the opening of their stores with the same sense of secrecy as their products. This is the earliest a store has even been announced and will be the sixth store in NYC. They've hired historians to understand the original design and artisan engineers to rebuild the building. The building has already significantly improved as it looks brand new. A new sidewalk has been put in. They believe the store will be a gift to the community.

Apple wants to be partners in the community and mitigate concerns. They want to stand out by fitting in. Each store is uniquely different. This is a boutique store, and will be the smallest in NYC by quite a significant margin. This will be nearly half the size of the upper west side location. Store is designed to be for the community and not for large crowds. Fifth Avenue will still be the experience that people want to have. This store will not host rock concerts, like SoHo. It is not designed for that, but will have small events with 10-12 people around a table. They will work with kids and schools and give back to the community. The stated concerns are unique moments in time. You don't normally see lines at stores. The Apple watch is in high demand but you never saw a line around the world. You could go in and experience the watch and buy them online. Watches will be in stores soon but it's an example of a new product

launch. This is the newest product since the iPhone in 2007. There were no lines for last two versions of iPads. They have experience dealing with lines; if they have lines, they will make sure they maintain the streets, keep safety and cleanliness. More than 95% of the time, conservatively, they won't have lines outside the store.

Hours: The Fifth Avenue location is the only 24-hour store out of 460 stores. This location will have the shortest hours because it's a boutique store in NYC. Proposed hours are Monday - Saturday, 9a - 8p, Sunday, 11a-7p.

Public Session:

Neighbor: question about iPhone theft.

Jason: Improved technology helps deter this now. Phones can be tracked, wiped or made useless which has made theft significantly less of an issue than it was in the past. Attorney General Schneiderman has a Secure of Smartphones coalition: thefts are down in NY, London and San Francisco. Apple has also worked with the NYPD on registering phones.

Neighbor: Asked for details about the store.

Jason: Store will be a floor and a half. They have preserved all original facets of the building including the vault in the basement. Half is being dedicated to customers and personal one-to-one training, which you sign up for online.

Neighbor: Thinks hours of: 9a-8pm Monday to Saturday, 11a-7p on Sundays is unwarranted in the neighborhood.

Jason: Hours are not locked in stone; this is where they are thinking of starting. They get small deliveries because products are small; generally products are delivered inside the store very quickly so they will do their best to avoid leading to Madison Avenue congestion. Deliveries will be on Madison Avenue side, not side street.

Neighbor: Grand opening question

Jason: Heavy lifting and construction noise will come down to a minimum now; opening will be in the next few months.

Neighbor: Thinks store location is excellent due to number of public and private schools in the area.

Neighbor: Doesn't think this is the whole truth and questioned future real estate expansion. Whitney is gone but lines for big exhibits were manageable. Questioned why they can't decide that product launches would not happen from this store. Project has been shrouded in secrecy. How will lighting be handled?

Jason: Only safety lights are on in the evening. Only the most highly visible Apple stores in the world have had sleeping outside stores. Sometimes people have other ulterior motives; they get paid by companies. This only happens at the highest profile stores. Historically a phone is launched once a year. They manage the lines a few hours before the launch opens. They will work with the local precinct and if the police do not allow people outside the store earlier than a few hours before launch, they won't get in the way of that. They will get people in and out as quickly as possible. Follow up question regarding air conditioning units: showed photo of A/C unit, taken from her bedroom.

Jason: The A/C on the co-op next door will be much larger than the one on the Apple store. If there are any noise issues, come talk to them in the store.

Neighbor: Question about real estate.

Jason: They don't anticipate the need for additional space. The other businesses still have long leases.

Neighbor: Lived near upper west side Apple store on Broadway and 67th street and has been very happy with that Apple store and is in support of this location.

Nick explained situation with food trucks and vendors. If area is not restricted, it's virtually impossible to stop vendors. Trucks are different. Police can help with that. Fresh Direct trucks have been towed.

Neighbor suggested more planters in front of store to deter food vendors.

Point of contact will be Emi at Apple store. (Emi later gave out her business cards.)

This store has been designed to have lower traffic within the store. Separate space will be open for employees only, with frosted windows. Caravaggio restaurant is open and staying.

Neighbor: Thrilled that Apple is opening on Upper East Side. Comfortable that Apple will be responsive to community.

Neighbor: concerned about lights: Gagosian keeps lights on 24 hours. Gagosian has been contacted but they do not shut the lights.

Jason: Apple will make sure bright lights do not shine into people's apartments and that only safety lights will be on at night. There has never been a protest regarding the opening of an Apple store so they want to be good neighbors and address issues. This is the first time they are public about the opening of an Apple store.

George Osborne:

Represents Saving the 74th Street Residential neighborhood. After WSJ article came out, he received a call from Apple that Apple would meet with him. He and Herbert Feinberg met with Emi and Jason on Monday morning and received a very disappointing presentation. Heard a two-hour "run-through" that there weren't any problems. He and Mr. Feinberg did not hear any commitments regarding fixing long lines, nor working with the 19th precinct on dispersing lines before a launch. Camping outside is offensive and inappropriate. Apple went to Caravaggio to buy out his lease, then David Webb, but businesses did not give up their stores. Asked Apple to think about the community and stay closed on Sunday. Apple should contact the city regarding food trucks. Nick explained that Dept. of Health comes under their jurisdiction. Mr. Osborne suggested to Apple that they work with Consumer Affairs to restrict licenses for food carts, but has seen no cooperation from Apple. Mr. Osborne passed out a proposed resolution stating that there are significant quality of life concerns with the store and a request that Apple should consider another location.

Neighbor: expressed desire that Apple consider that this is a residential neighborhood when determining hours.

Neighbor: grew up on 74th street. Wants to continue leading a quiet life. Neighborhood already has a big burden on it.

Jason: People are not sleeping outside stores. This is not a regular occurrence. Not one store had people outside stores when watch was launched.

The size of the store is the right size for the community; there is no active pursuit of any additional space.

There are no landmark violations for the store including any part that is not part of the Apple space.

Neighbor: If they want to be good neighbors, put up signs that people cannot sleep outside store; a solution can be found. What will the signage be like? Will signage be lit up?

Jason: This location is a landmarks building so there are no logos in windows. Same landmark regulations like the SoHo store. At SoHo, there is only one sign. They have

done other historical buildings around the world, and they try to respect and preserve the building as much as possible.

George Osborne questioned what would be on flagpole. He wants commitments to the community.

Board Members:

Lines can be controlled by police. Suggested to Apple that in future, communication is better than secrecy because people expect the worst. There are strict signage regulations in this zoning district. Neighbors will not see a large, neon sign. Board should reinforce the concerns so that we are on record that we want issues addressed. Believes Apple wants to be a good neighbor.

City agencies need to be on food trucks, be on their case with parking issues, etc.

Regarding lines: Apple should delay launch of phones by 24 hours to take pressure off the store. This could appease the concerns of these neighbors. This store should launch phones 24 hours after other stores.

This store will be a boutique; we're speculating negative issues. The 19th precinct can disperse a crowd; it's not legal to sleep on the street. Strict zoning laws are in place so there will not be signage issues.

Resident, Jamie Zimmerman, submitted a letter in support of the Apple store which was read out loud by Jim Clynes.

Does Jason have a sense that a 24-hour delay would be supported by Apple store? Overnight lines are very disruptive.

Jason: Thinks working closely with the 19th precinct is the best solution. Apple also has their own private security. Their intention is to only recognize a line a few hours before a launch. Police should disperse lines earlier if they see fit.

Jason said that they will discuss the 24-hour delay and get back to us. Also, Tim Cook does not believe in "Black Friday" so that type of shopping would never happen at any Apple location, so no reason to change the proposed hours. Store would never be opened earlier or left open later than regular hours because of a holiday.

CB8 will follow up regarding rules about planters to see if planters could be placed outside store to deter food vendors.

Nick explained that usually issues are presented when there is an application before us. This is unusual. We decided to hear it because there were complaints from the community.

The issue before us tonight is addressing the residents who have raised issues about the store and to hear Apple's plans for the space. Emi then passed out business cards.

Neighbor reiterated that this is about key quality of life issues.

Committee:

Some key items are garbage concerns, proposed hours, crowd management during launch, A/C noise, lights at night, delayed launch of products at this location.

This has not gone to Landmarks committee because no changes have been proposed to the facade of the building.

Discussion regarding resolution vs letters. Committee agreed to write detailed letters in lieu of resolution, outlining concerns. We should schedule a meeting for July to get responses from Apple. We will write to Apple and also Consumer Affairs, NYPD, DOH and DOT. We need to tell them that this area has a specific character that can be

damaged by food trucks and sleeping in front of store. We should invite these city agencies to the same July meeting. Let agencies know to do their jobs and help us manage this area. Letters will also reflect that Apple attended the meeting and addressed the residents and that several residents expressed support of the store. The letter, overall, will reflect what took place at this meeting.

The meeting was adjourned at approximately 8:25 pm.
Debbie Teitelbaum and Nick Viest
Co-Chairs, Public Safety Committee

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**Debbie Teitelbaum and Nick Viest
Co-Chairs, Public Safety Committee**