

# 125<sup>TH</sup> STREET CORRIDOR DEVELOPMENTS HARLEM, NEW YORK CITY

Report By Ariel Property Advisors | Released October 2016



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Boasting a rich history, world-renowned cultural venues, respected academic institutions, and classic architecture, Harlem is a well-known international brand, a designation few New York City neighborhoods can claim.

More than 800,000 visitors are drawn to Harlem every year. In recent years, federal, state and city officials have introduced a string of initiatives to increase development and commercial activity along the neighborhood's vibrant east-west thoroughfare, 125th Street, which will undoubtedly lead to an increase in visits to the community.

To foster public and private investment, the City Council in 2008 approved a comprehensive rezoning of 125th Street between Broadway and Second Avenue. The initiative provided a means for the eventual development of 1.8 million square feet of commercial office, hotel, retail and residential space. Additionally, the New York City Economic Development Corporation and Empire State Development have issued a number of RFPs in search of projects that will help transform 125th Street into a world-class arts, cultural and entertainment destination and regional business district.

The result has been a burst of dynamic and creative development plans that will offer amenities and attractions to visitors and local residents alike.

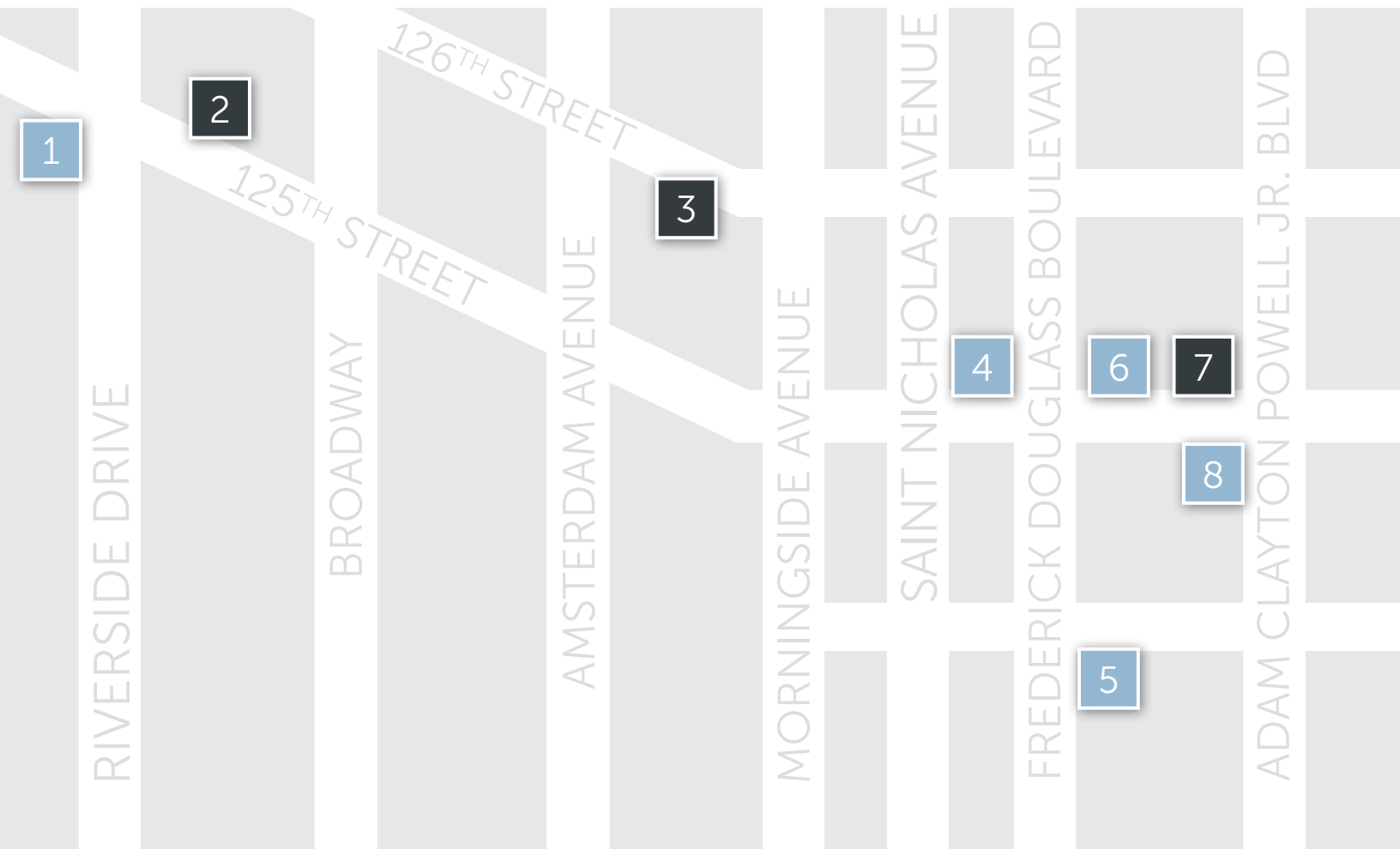
Although development activity was dormant during the recent economic downturn, broader economic growth and a resurgence of the New York real estate market are bringing the ambitious visions of 125th Street closer to reality. From river to river, a wide spectrum of new projects are moving forward.

This report is intended to serve as a guide to the major developments that have been completed, are under construction or are in the planning stages. Ariel Property Advisors hopes you find it informative and looks forward to seeing these projects come to fruition.



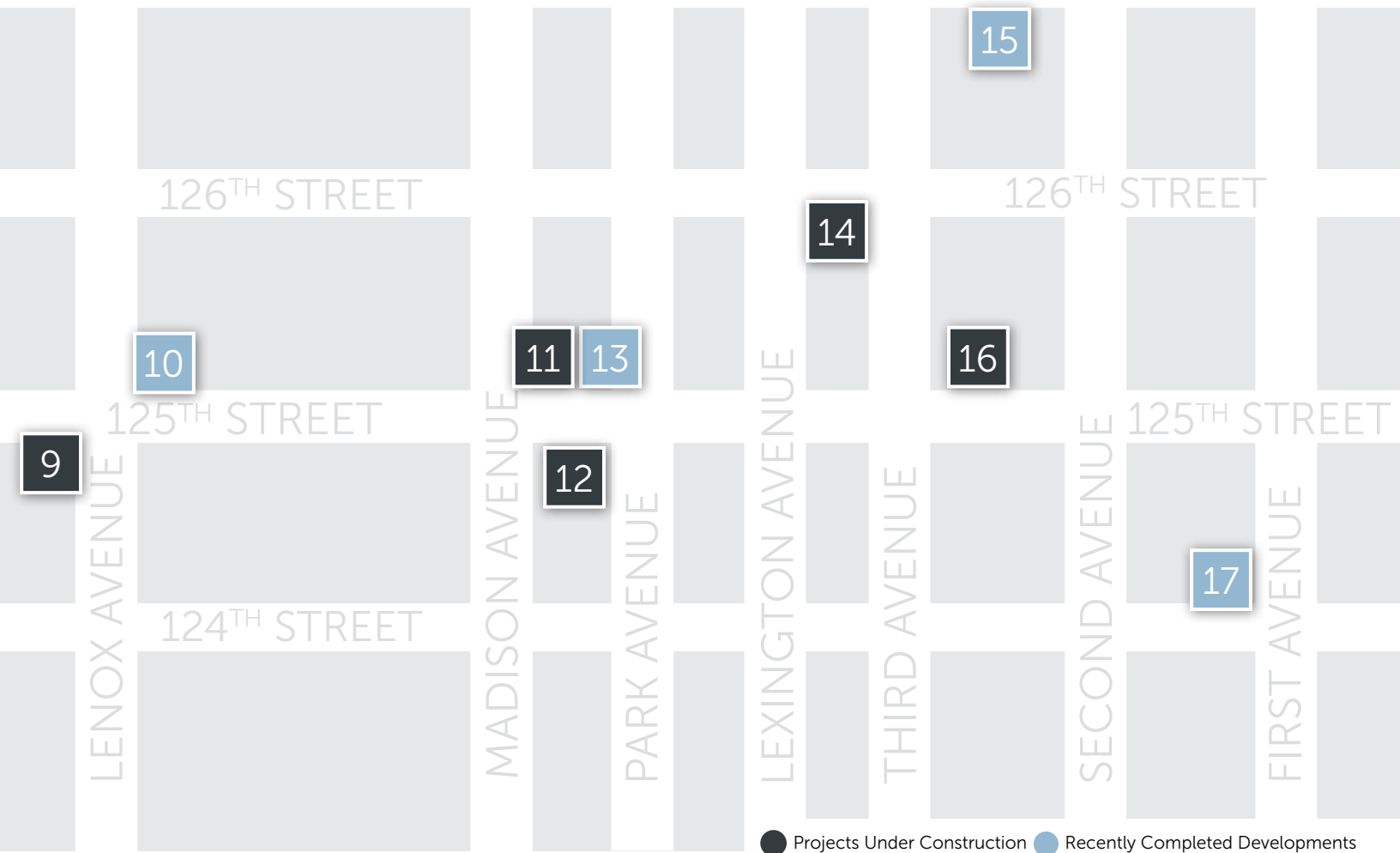
# 125<sup>TH</sup> STREET CORRIDOR DEVELOPMENTS MAP

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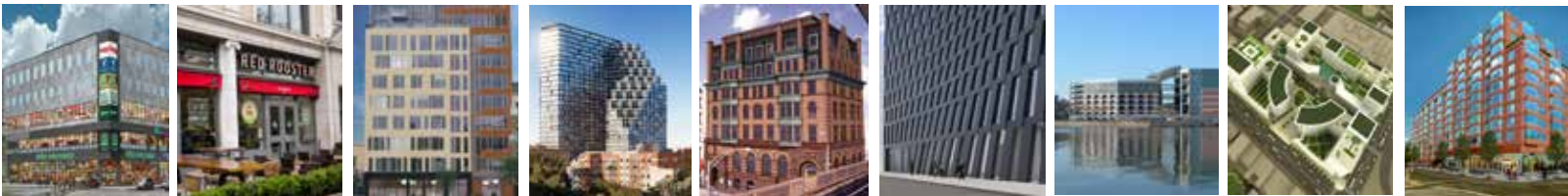


# 125<sup>TH</sup> STREET CORRIDOR DEVELOPMENTS MAP

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● Projects Under Construction ● Recently Completed Developments







## COLUMBIA UNIVERSITY ARTS CENTER

Address: 633-635 West 125<sup>th</sup> Street,  
603-627 West 129<sup>th</sup> Street and  
3221-3233 Broadway

Location: West 125<sup>th</sup> Street Between  
Broadway and Riverside Drive

Current Status: Under Construction

Developers: Columbia University

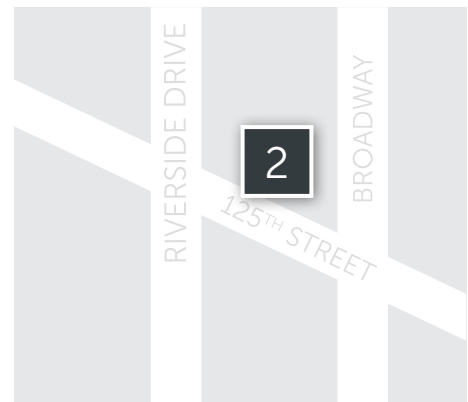
Proposed Development: 53,000 SF  
Arts Center

Expected Completion: 2016/2017  
Academic Year

Jobs Creation: N/A

## COLUMBIA UNIVERSITY ARTS CENTER

Columbia University is developing a six-story, 53,000-square-foot arts center on West 125<sup>th</sup> Street as part of its \$7 billion 17-acre campus expansion into West Harlem. The University is using a \$30 million pledge from Philadelphia philanthropist H.F. Lenfest, after whom the building will be named, to partially fund the facility. One of the goals of the Lenfest Center for the Arts, to be located on a plaza between Broadway and 12<sup>th</sup> Avenue, will be to connect with and celebrate Harlem's vibrant arts and cultural scene. The Lenfest gift is the University's largest ever donation associated with the arts. The Lenfest Center will open at some point during the academic year of 2016/2017.



## TAYSTEE BUILDING

Address: 450 West 126<sup>th</sup> Street

Location: West 126<sup>th</sup> Street Between  
Amsterdam Avenue and Morningside Avenue

Current Status: Under Construction

Developers: Janus Property Company  
and Monadnock Construction Inc.

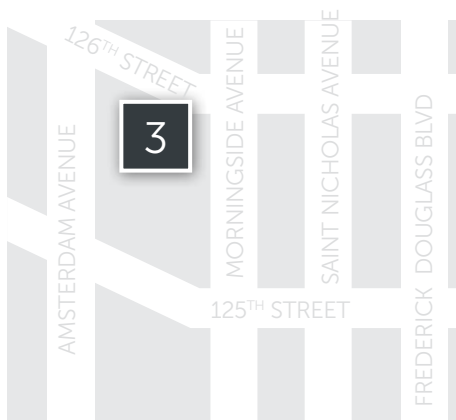
Proposed Development: 300,000 SF  
Commercial and Retail Space

Expected Completion: 2017

Jobs Creation: 510 Construction  
Jobs and 440 Permanent Jobs



## TAYSTEE BUILDING



The Janus Property Company, in partnership with Monadnock Construction, was selected by the New York City Economic Development Corporation to develop the Manhattanville Factory District. As the third phase of a multi-phase project, originally a bakery for the Taystee Bread Company, the completely new Taystee Building will contain 300,000 square feet of Class A, LEED Silver certified, state-of-the-art, mixed-use commercial and retail space. The project will offer a flexible and efficient floorplan, high ceilings, large expanses of energy efficient glass, extensive outdoor space and on-site parking. When completed in 2017, the building will be an integral component of the Manhattanville Factory District, connecting the hustle and bustle of West 125<sup>th</sup> Street by way of a landscaped through-block passageway to West 126<sup>th</sup> Street.

The first two phases of the Manhattan Factory District, the Mink Building and the Sweets Building have been completed and are 100% occupied. Also currently under development is the fourth phase of the project, Malt House, located just across the street from the Taystee Building on 126<sup>th</sup> Street.



## VICTORIA THEATER REDEVELOPMENT

Address: 233-235 West 125<sup>th</sup> Street

Location: West 125<sup>th</sup> Street Between  
Frederick Douglass Boulevard and  
Adam Clayton Powell Jr. Boulevard

Current Status: In Development

Developers: LAM Development Group

Proposed Development: Restoration of the Theater, Addition of Two 26-Story Hotel and Residential Towers (50% of the Units Will Be Affordable Housing), 27,000 Square Feet of Retail Space, 25,000 Square Feet of Cultural Arts Space, and a 90-Car Parking Garage

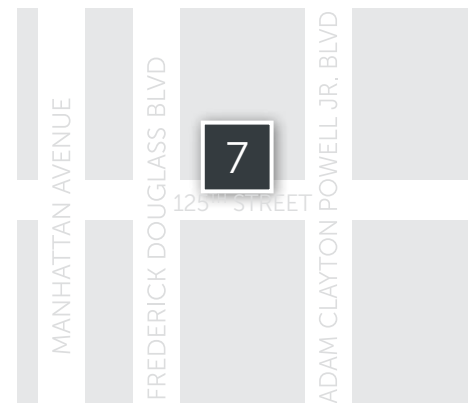
Expected Completion: 2017

Jobs Creation: 500 Construction  
Jobs and 373 Permanent Jobs



## VICTORIA THEATER REDEVELOPMENT

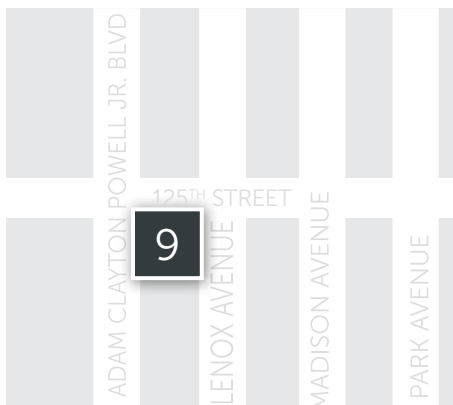
The Victoria Theater Redevelopment at 233-235 West 125<sup>th</sup> Street, between Adam Clayton Powell Jr. and Frederick Douglass Boulevards, will be transformed into a hotel, residential rentals, and office and community space. In 2008, the Empire State Development Corporation selected Danforth Development Corporation for the project, but development was halted during the economic downturn. After talk of construction for over a decade, the redevelopment has finally commenced and the project is being led by LAM Development Group with hopes of completion in 2017. Current plans call for the facade of the theater, which was built in 1917, to be preserved with two 26-story hotel and residential towers rising above it. Additionally, plans indicate a 210-room Renaissance Hotel by Marriott will occupy one tower and 229-units of retail and residential will fill the other.







## WHARTON PROPERTIES RETAIL DEVELOPMENT



Jeff Sutton's Wharton Properties is currently developing 100 West 125<sup>th</sup> Street into a five-story shopping center with approximately 180,000 square feet.

Whole Foods has leased about 40,000 square feet on the ground and lower levels, Burlington Coat Factory has leased about 70,000 square feet covering the third through fifth floors and American Eagle has signed a lease for 8,500 square feet. Olive Garden and TD Bank have also signed on to lease space in the building. The project will transform the corner of West 125<sup>th</sup> Street and Lenox Avenue into a modern retail mecca.

## TWO HARLEM TOWERS BY GREYSTONE

Address: 69 East 125<sup>th</sup> Street

Location: East 125<sup>th</sup> Street Between Madison Avenue and Park Avenue

Current Status: In Development

Developers: Greystone

Proposed Development: Two Residential Towers, 57,488 SF of Residential Space and 5,643 SF of Retail Space

Expected Completion: 2017

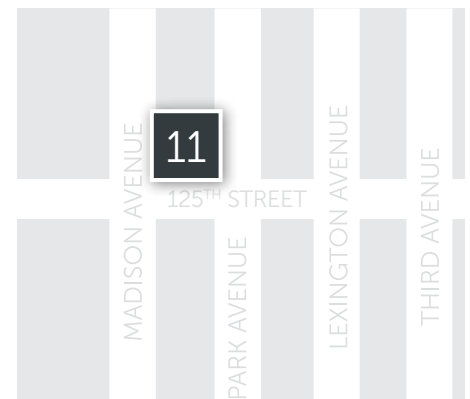
Jobs Creation: N/A



## TWO HARLEM TOWERS BY GREYSTONE

Greystone purchased 69 East 125<sup>th</sup> Street for \$11.55 million in December 2013, and is now moving forward with plans to build two residential towers to occupy the site.

The taller of the two towers will rise 12-stories, approximately 120 feet. Combined, the buildings will contain 57,488 square feet of residential space comprised of 75 units which will be a mix of affordable and free market units. There will also be ground floor commercial office space totaling approximately 5,643 square feet.







## EAST HARLEM TOWER

Address: 1800 Park Avenue

Location: Southwest Corner of East 125<sup>th</sup> Street and Park Avenue

Current Status: In Development

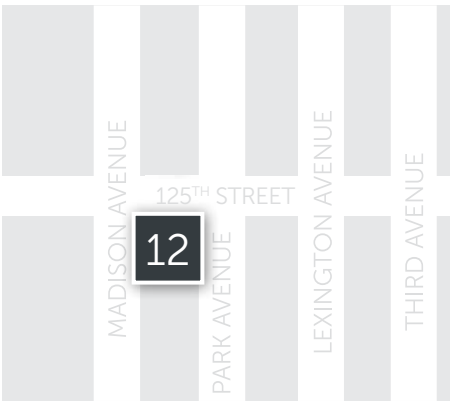
Developers: Durst Organization

Proposed Development: TBD; Regardless, the Final Plans Will Include a Substantial Affordable Housing Component. Approximately 600,000 Square Feet of Mixed-Use Space Can Be Built As-Of-Right

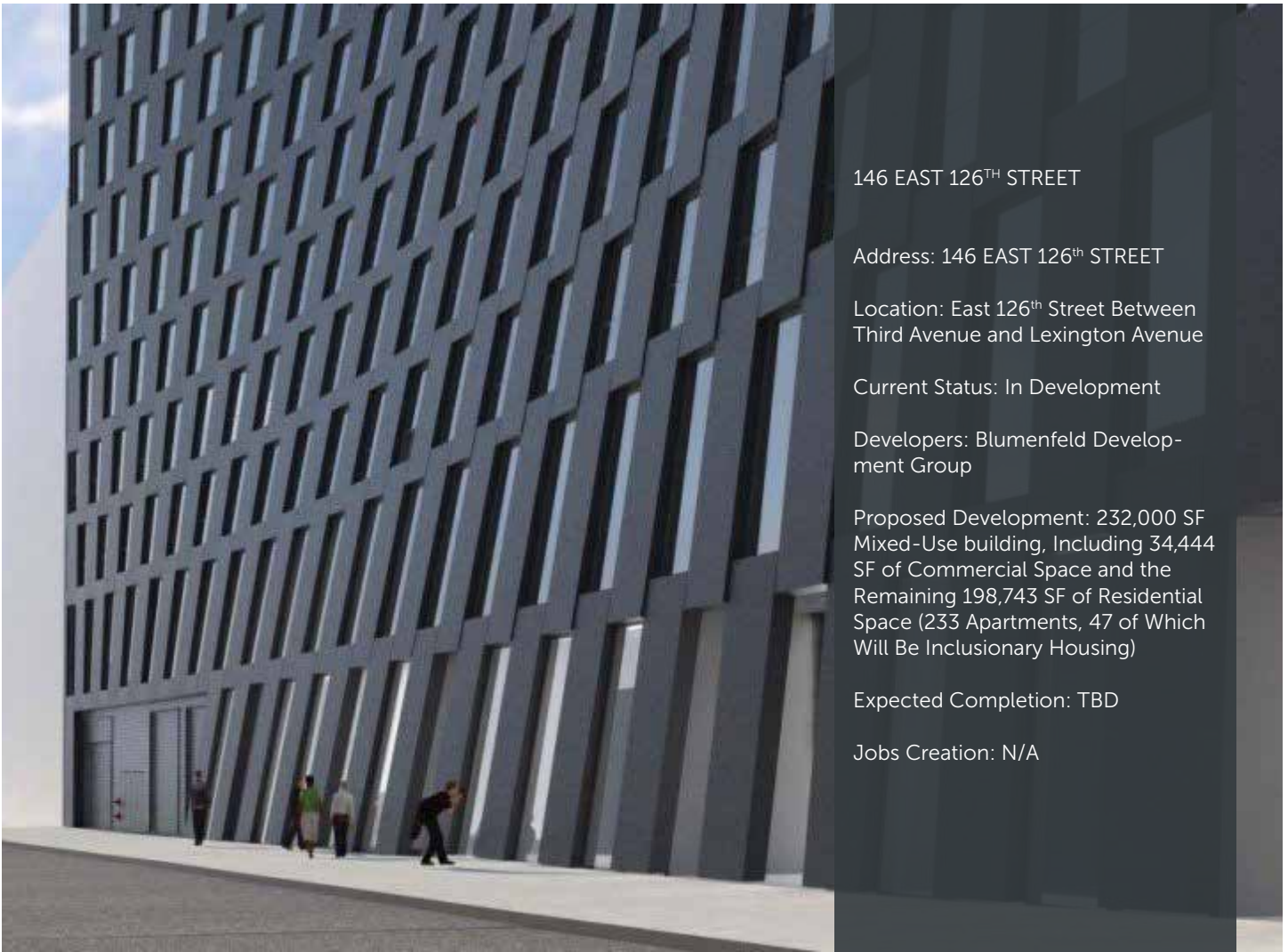
Expected Completion: N/A

Jobs Creation: N/A

## EAST HARLEM TOWER



In 2013, Continuum Company purchased 1800 Park Avenue for \$66 million and submitted plans to build a 24-story 80/20 residential tower after the original plans for a 32-story building totaling almost 700,000 square feet on the site was rejected by DOB. However, in 2015, Continuum decided to sell the development site; in early 2016, Continuum defaulted on its loan on the property. As a result, the Durst Organization (the creditor) purchased the property for \$91 million and is currently drawing up new plans for the lot. Approximately 600,000 square feet of mixed-use space can be built as-of-right. The plans will include a substantial affordable housing component and the project is still qualified for the 421-a tax abatement as previous developer, Continuum, technically poured foundation on the site.



146 EAST 126<sup>TH</sup> STREET

Address: 146 EAST 126<sup>TH</sup> STREET

Location: East 126<sup>th</sup> Street Between  
Third Avenue and Lexington Avenue

Current Status: In Development

Developers: Blumenfeld Develop-  
ment Group

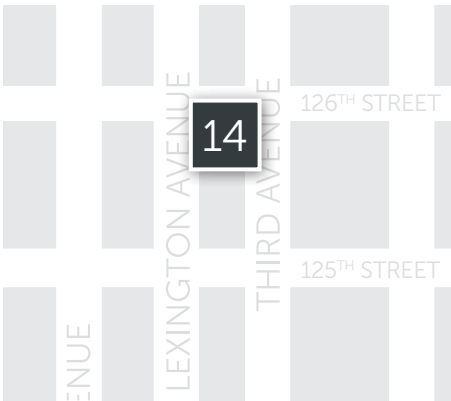
Proposed Development: 232,000 SF  
Mixed-Use building, Including 34,444  
SF of Commercial Space and the  
Remaining 198,743 SF of Residential  
Space (233 Apartments, 47 of Which  
Will Be Inclusionary Housing)

Expected Completion: TBD

Jobs Creation: N/A

# 146 EAST 126<sup>TH</sup> STREET

The 11-story, 232,000-square-foot mixed-use building will include 34,444 square feet devoted to commercial use on the first two floors. The remaining square footage will be devoted to residential use, including 233 apartment units (66 studios, 145 one-bedrooms, and 22 two-bedrooms), 47 of which will fall under inclusionary housing. Blumenfeld Development Group obtained \$77 million in financing from the State Housing Financing Agency and AIG for its East Harlem project. Danish architect Bjarke Ingels will design the structure.





## THE EAST HARLEM MEDIA, ENTERTAINMENT AND CULTURAL CENTER

Address: 209-249 East 125<sup>th</sup> Street,  
2449-2469 2<sup>nd</sup> Avenue, 204-238 East  
126<sup>th</sup> Street and 2305-2307 3<sup>rd</sup> Avenue

Location: East 125<sup>th</sup> Street to East  
127<sup>th</sup> Street Between Second Avenue  
and Third Avenue

Current Status: Under Construction

Developer: Archstone-Smith,  
General Growth Properties, The  
Richman Group, The Carey Group,  
Monadnock Construction, Hope  
Community and El Barrio's Operation  
Fightback

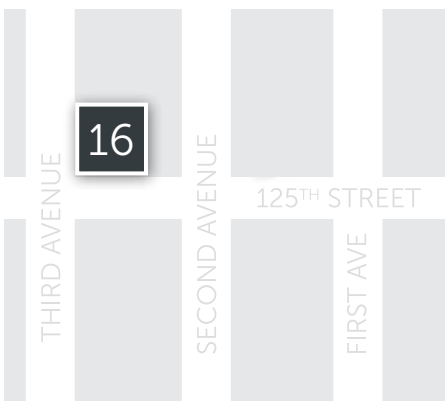
Proposed Development: 1,700,000  
SF of Retail Space, Office Space and  
Affordable Housing

Expected Completion: TBD

Jobs Creation: 4,000 Construction  
Jobs and 1,500 Permanent Jobs



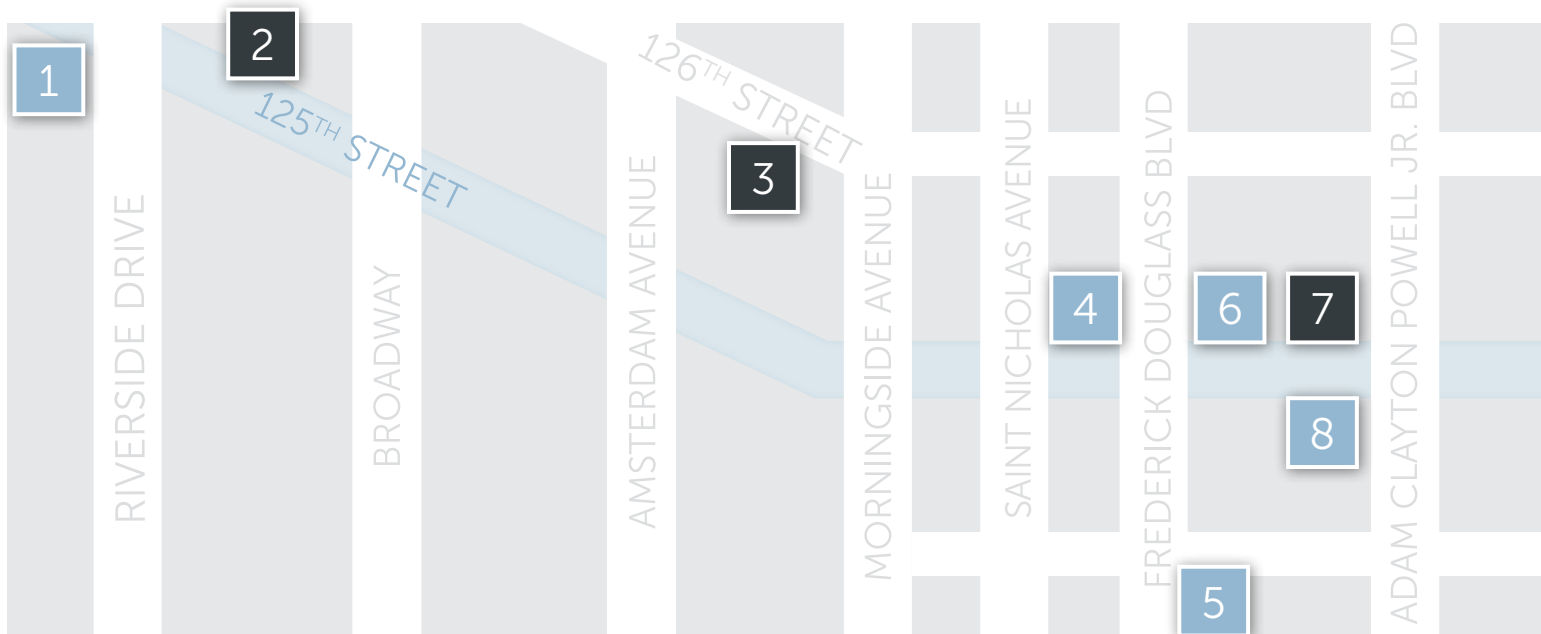
## THE EAST HARLEM MEDIA, ENTERTAINMENT AND CULTURAL CENTER



A five-phase, \$700 million-square-foot, mixed-use development is planned to include 30,000 square feet of dedicated community and cultural space, more than 600 affordable housing units, a public plaza, new office and retail space and a hotel.

The New York City Economic Development Corporation and Department of Housing Preservation and Development are partnering on the project with developer 125 MEC Center LLC, consisting of Archstone-Smith, the Richman Group, Monadnock Construction and local development partners Hope Community and El Barrio's Operation Fightback. The entire development is expected to create 1,500 permanent jobs and 4,000 construction jobs.

## 125<sup>TH</sup> STREET DEVELOPMENTS | COMPLETED



**WEST HARLEM WATERFRONT**

NYCEDC advanced a lengthy and inclusive design process to move this recommendation forward, with Community Board 9 and WEACT for Environmental Justice as key community partners throughout the process. This effort ultimately transformed a derelict and under-utilized section of the Hudson River waterfront, between West 125<sup>th</sup> and West 135<sup>th</sup> Streets, into the 2-acre West Harlem Piers Park (WHPP). Mayor Michael R. Bloomberg, together with community leaders and elected officials, celebrated the park's opening in the Spring 2009.

WHPP connects to Riverside Park's Cherry Walk to the south and includes new lawns, benches, landscaped areas for passive recreation, as well as pedestrian and bicycle paths, park furniture, and public art. The park includes a pier designed for excursion boats, a recreational/fishing pier, a barge for commuter ferries and a kayak launch.



**301-303 WEST 125<sup>TH</sup> STREET**

A four-story 100,000-square-foot shopping center has risen at the corner of 125th Street and Frederick Douglass Boulevard. This new development includes a 30,000-square-foot Designer Shoe Warehouse as its anchor, the city's first Joe's Crab Shack, Blink Fitness and Party City.



**ALOFT HARLEM HOTEL**

Located at 2300 Frederick Douglass Boulevard, on the southeast corner of 124th Street, the 12-story, 124-room Aloft hotel is the first new hotel in Harlem in over 45 years. Apex Condos, 44 residential units are located on the top six floors.



**ONE-2-FIVE LIVE**

Grid Properties and the Gotham Organization developed this \$14 million, three-story retail building at 261-269 West 125th Street next to the Apollo Theater. Designed by BLT Architects, the project is located across from Harlem USA, an entertainment complex developed by the same team.

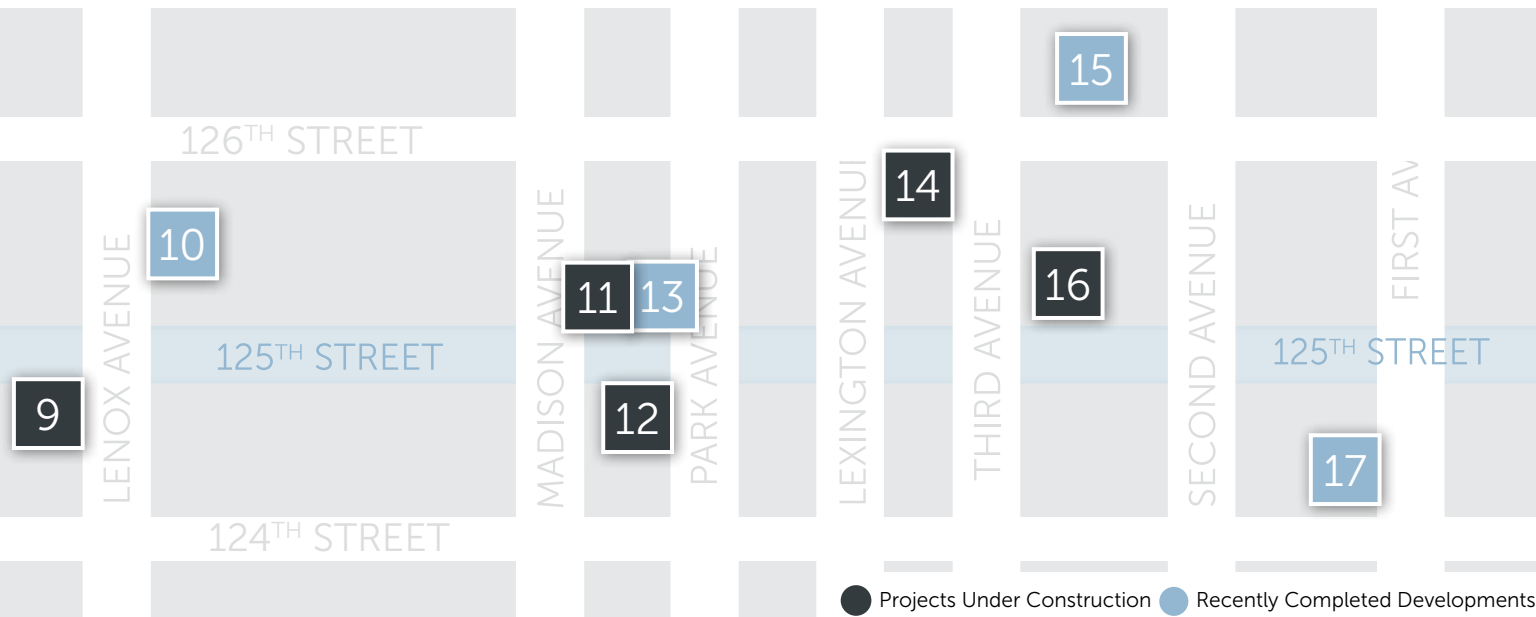
The building includes the area's first Red Lobster restaurant, which has leased 9,500 square feet on two levels for a 300-seat restaurant. An 11,000-square-foot space that housed a bookstore and the Hip-Hop Culture Center will reportedly be leased to a casual sit-down restaurant.



**TOURO COLLEGE**

Touro College of Osteopathic Medicine is located at 230 West 125th Street, directly across from the Apollo Theater. Construction of the medical school was completed in Spring 2007. Its facility provides approximately 75,000 square feet devoted to state-of-the-art medical education. The school contains amphitheater-style lecture halls, classrooms, offices, support facilities, clinical skills training facilities, as well as technologically advanced laboratories. The library includes more than 50,000 E-books and 26,000 E-journals, sophisticated virtual resources, more than 80 computer workstations, multimedia areas and comfortable reading spaces.





● Projects Under Construction ● Recently Completed Developments



RED ROOSTER

Celebrated and internationally famous Chef Marcus Samuelson opened this long awaited Harlem restaurant at 310 Lenox Avenue, just one block south from the famous Sylvia's Restaurant. Serving an eclectic combination of soul, American and Scandinavian food, its notable dishes include dirty rice and shrimp, mac and greens, fried yard bird and Swedish meatballs. Known for its lively and upbeat atmosphere, The Red Rooster has received critical acclaim by New York Magazine and the New York Times.



CORN EXCHANGE BUILDING

In 2011, the New York City Economic Development Corporation selected 125<sup>th</sup> Street Equities LLC to redevelop the Corn Exchange Building, which was built in 1883 and granted landmark status by the Landmarks Preservation Commission in 1993. The \$17 million redevelopment project included the rehabilitation of the historic building as well as the construction of six additional floors, following landmark guidelines, resulting in 9,000 square feet of retail space and 22,000 square feet of office space. Sixty construction jobs and 90 permanent jobs were created.



HARLEM AUTO MALL

Located at 2495 2nd Avenue on nearly a full city block between 127th and 128th Streets and 2nd and 3rd Avenues, The Harlem Auto Mall provides Harlem and Northern Manhattan with the first auto dealership above 57th Street in more than three decades. The project was co-developed by General Motors and the Potamkin Auto Group. An assortment of community leaders, including Mayor Michael Bloomberg, Reverend Jesse Jackson, and U.S. Congressman Charles B. Rangel, gave the project strong endorsements, viewing it as an affirmation in Upper Manhattan's future growth and strength by the corporate community. The initial investment was at least \$60 million and eventually approached \$100 million, creating as many as 175 jobs. The prime mover behind the project, aided by agencies like the city's Economic Development Corporation and the Upper Manhattan Empowerment Zone, was the Potamkin organization, which has 50 auto franchises nationwide, including 9 in New York City. The mall opened its doors in 2006.



THE TAPESTRY

The joint venture team of Urban Builders Collaborative/Lettire Construction Corp. and Jonathan Rose Companies developed and built Tapestry, a 12-story gateway residential building located at 245 East 124th Street at the foot of the RFK Bridge in Manhattan.

The 185-unit, 50/30/20 mixed-income rental building sets 50% of the apartments aside for market-rate tenants; 30% of the apartments for middle-income tenants with rents set at 130% of the area median income; and 20% of the apartments for low-income tenants earning below 50% of AMI. The project also features 8,000 SF of ground-floor retail space.



## 125<sup>TH</sup> STREET DEVELOPMENTS | TRANSPORTATION

### THE FOLLOWING NEW YORK CITY SUBWAY STATIONS ARE LOCATED AT 125<sup>TH</sup> STREET (WEST TO EAST):

- 125<sup>th</sup> Street at Broadway serving the 1 train
- 125<sup>th</sup> Street at St. Nicholas Avenue serving the A B C D trains
- 125<sup>th</sup> Street at Lenox Avenue serving the 2 3 trains
- 125<sup>th</sup> Street at Lexington Avenue serving the 4 5 6 trains

Metro-North Railroad's Harlem – 125<sup>th</sup> Street commuter station is also on 125<sup>th</sup> Street at Park Avenue.

### M60:

Over 32,000 people ride buses daily on 125<sup>th</sup> Street, 9,700 on the M60, making it the busiest bus route on 125<sup>th</sup> Street.

MTA New York City Transit (NYCT) and the New York City Department of Transportation (DOT) plan to upgrade the M60 to Select Bus Service, featuring off-board fare payment, dedicated bus lanes, limited stops and transit signal priority in Manhattan. Bus lanes and other 125<sup>th</sup> Street improvements would benefit all 32,000+ daily bus riders on 125<sup>th</sup> Street, not just the M60. As part of the project, DOT would also make improvements to curb regulations and pedestrian safety along the corridor. The proposed service would be 10-15% faster from end-to-end than the current route, and 15-20% faster between 125<sup>th</sup> Street/Lexington Avenue and La Guardia.





#### FUTURE SECOND AVENUE SUBWAY LINE & 125<sup>TH</sup> STREET:

Currently under construction, the Second Avenue Subway will include a two-track line along Second Avenue from 125<sup>th</sup> Street to the Financial District in Lower Manhattan. It will also include a connection from Second Avenue through the 63<sup>rd</sup> Street tunnel to existing tracks for service to West Midtown and Brooklyn.

The Second Avenue Subway will reduce overcrowding and delays on the Lexington Avenue line, improving travel for both city and suburban commuters, and provide better access to mass transit for residents of the far East Side of Manhattan.

The project is scheduled to be built in four phases. Phase One will include tunnels from 105<sup>th</sup> Street and Second Avenue to 63<sup>rd</sup> Street and Third Avenue, with new stations along Second Avenue at 96<sup>th</sup>, 86<sup>th</sup> and 72<sup>nd</sup> Streets and new entrances to the existing Lexington Avenue/63<sup>rd</sup> Street Station at 63<sup>rd</sup> Street and Third Avenue.

#### When complete in December 2016, the first phase will:

- Serve approximately 200,000 daily riders
- Decrease crowding on the Lexington Avenue Line by as much as 13%, or 23,500 fewer riders on an average weekday;
- Travel time will be reduced by 10 minutes or more for many riders traveling from the Upper East Side

Source: MTA



In 2007, the New York City Department of City Planning proposed zoning map and text changes to 24 blocks along the 125<sup>th</sup> Street corridor. After public review, the City Council approved the rezoning proposal with modifications on April 30, 2008.

The rezoning proposal was based on a series of shared goals articulated throughout the public outreach process by an Advisory Committee, stakeholders and research conducted by an Interagency Working Group. These shared goals included:

#### Shared Goals

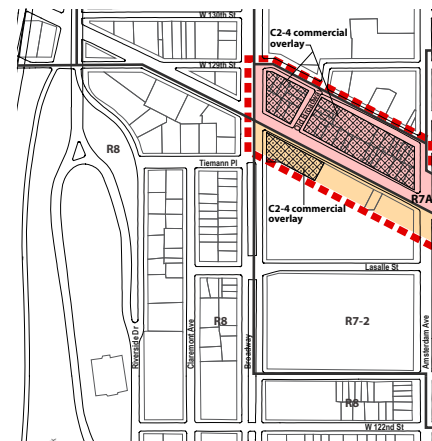
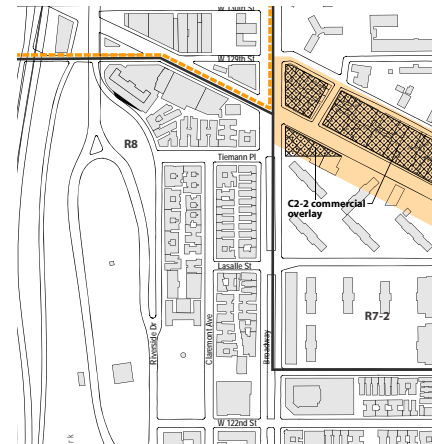
- Strengthen 125<sup>th</sup> Street's continuity and maintain its unique character
- Increase density in areas that can accommodate it
- Encourage more residential uses
- Increase visitors and nighttime activity
- Encourage a diverse mix of businesses, including arts and entertainment
- Generate career opportunities for Harlem residents
- Address cross-town transportation

#### Overall Vision and Strategies

Building on its historic and existing character and resources, a series of strategies for 125<sup>th</sup> Street were identified to achieve the shared goals. The proposed strategies sought to sustain the ongoing revitalization of 125<sup>th</sup> Street as a unique Manhattan main street, enhance its regional business district character and reinforce the street's premier arts, culture, and entertainment destination identity. The proposed strategies included:

- Zoning and Urban Design - Zoning changes to promote commercial and housing development, including affordable housing; urban design principles to protect the corridor's existing scale and character and to improve the street's pedestrian experience
- Arts and Entertainment - Strengthen critical mass of arts and entertainment venues, promote the street's identity and foster complementary uses
- Retail - Encourage a balanced retail mix
- Transportation - Address traffic challenges

Source: NYC Department of City Planning

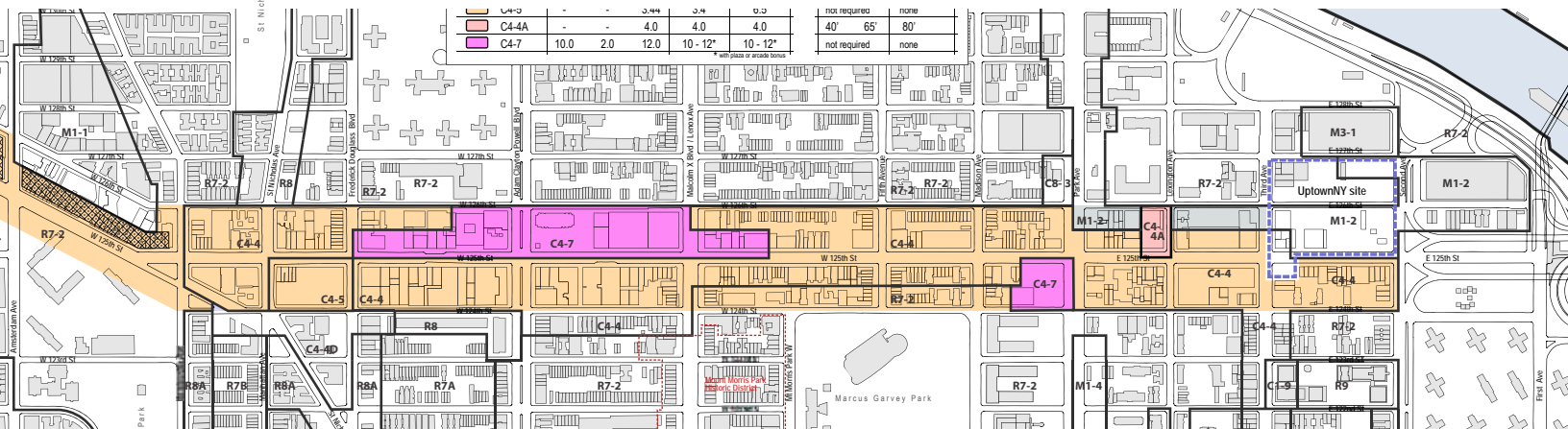




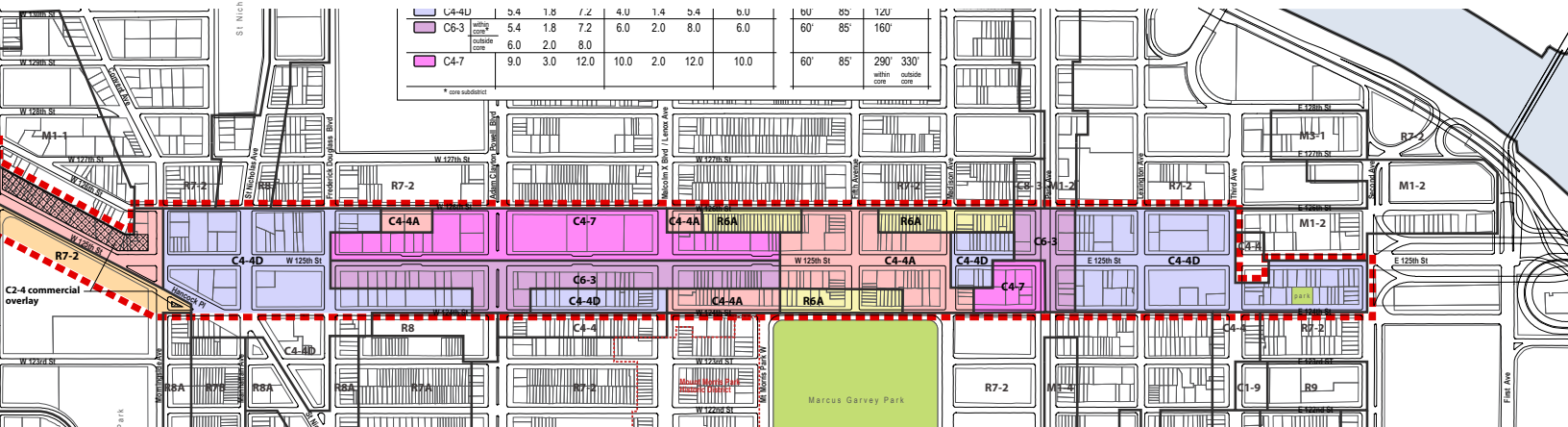


## 125<sup>TH</sup> STREET DEVELOPMENTS | ZONING

### 125<sup>th</sup> Street Rezoning - Old Zoning



### 125<sup>th</sup> Street Rezoning - Approved "New" Zoning



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