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FOR IMMEDIATE RELEASE

WHY NEW YORK NEEDS HUDSON YARDS: CITY MAPS OUT CASE FOR NEW DEVELOPMENT TO BOMA/NY

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Left to right: BOMA/NY Vice President Anthony S. Lifrieri, RPA; BOMA/NY Program Committee Chair, Gail P. Duke, RPA/CPM; Vishaan Chakrabarti, Director of the Manhattan Office of the NYC Dep't. of City Planning; and BOMA/NY Treasurer, Kenneth C. Wentworth, RPA

NEW YORK, NY --- Making the strongest case possible for the proposition, “to make money you have to invest money,” Vishaan Chakrabarti, who directs the Manhattan Office of the NYC Dep’t. of City Planning, outlined how the Hudson Yards master development plan would solve numerous economic needs over the next generation—from helping to fill the shortfall of 68 million square feet of office space, to helping close projected multi-billion dollar budget deficits, and elevating New York from its current 18th place ranking as a convention site to a spot in the top five—before an audience of more than 300 at the recent September BOMA/NY luncheon.

The proposed site, explained Chakrabarti, encompasses West Side property where the tax base has decreased by 3%, land is underutilized, and ample space is available for new office towers, the extension of the Javits Convention Center, the building of numerous parks, and the well-publicized New York Sports and Convention Center. The Center, which will host up to 10 Jet games a year as well as such proposed sports blockbusters as the Super Bowl and Final Four, will be a 75,000-seat stadium complete with retractable roof so that it can also accommodate plenum seating of 40,000 or function as a 200,000-square-foot exhibition hall.

“Think of the plan as the extension of the Midtown Manhattan business core,” explained the city official, that will add 19 million square feet of Class A space, extend the #7 train beyond Times Square west to 11th Avenue and then south to 34th Street, expand Javits to include a 1,500-room hotel, and adds “parks, not parking,” i.e. 20 new acres of parkland connecting with Hudson River Park. The new park system will ultimately provide a green walkway from the Gansevoort historic district in lower Manhattan to 42nd Street. Residential and commercial development will be encouraged, he added, through a re-zoning that respects the character of neighborhoods Chelsea, Clinton and the Garment Center, which border on the proposed redevelopment site.

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Why Hudson Yards/2

More than 150,000 construction jobs will be created, Chakrabarti continued, and more than 220,000 jobs will be created over the 20-year life of the project, which should reach fruition in 2025. Conservative estimates for profits to be generated by the project range from \$900 million to \$1.5 billion.

Answering questions about the financing of the stadium, which has been the target of controversial ads decrying the cost of the stadium at the expense of education, Chakrabarti explained that start-up capital will have to be raised through borrowed funds—probably by issuing bonds—and the City budget prohibits paying for education through borrowed funds. However, the profits to be generated will help offset general budget deficits and can be used for education. Moreover, he added, the cost of the “stadium is not just for 10 football games a year but for year-round bookings of trade shows and other activities.” The Jets are putting up \$800 million, with up to \$600 million being contributed by the City and State for those components that will make the Center a year-round facility—including the base platform needed to cover the rail yards and the retractable roof.

The #7 train expansion and the new parks will be funded by revenue generated by future commercial and residential development, and the hotel will have a dedicated room fee that will help cover its costs, as well as \$200 million in private investment.

As for the ticklish question of parking, the master plan team did extensive surveying and found that the majority attending Sunday games will take mass transit, just as they do to work during the weekday. Traffic from Long Island, Queens and Brooklyn will actually be reduced as cars will no longer pass through the City on their way to the Meadowlands.

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Why Hudson Yards/2

As the master plan, which has received a string of endorsements from Manhattan and outer borough officials and community groups, passes through the approval process, plans call for focusing on the supporting infrastructure first, and so “shovels will be in the ground for the #7 line extension in 2005,” Chakrabarti said. The # 7 line intersects with every north-south line at 42nd Street, and will be a major boost to those needing to reach the West Side. There are also plans to eventually link with Metro North, particularly the Amtrak Empire Line, and convert Penn Station into a regional transportation center similar to Grand Central Terminal.

Tentative plans also call for the beginning of the work on the extension of the Javits Center and the rail yard platform to begin in 2005 as well. Relocations for those involved in condemned properties will proceed according to the law.

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