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Retailing by the River: Hudson Yards' Blueprint

By DAVID MOIN

"THINK BOUCHON. Not Per Se."

That's Ken Himmel, president of Related Urban, expressing his vision for the mall within Hudson Yards, which Related is developing along with Oxford Properties Group. He's invoking the popular French-inspired Bouchon Bakery, more of a pit stop for the general public in need of a pastry fix, compared with the expensive Per Se restaurant, for serious destination dining. Both are in The Shops at Columbus Circle at Time Warner Center, another Related project and part of the inspiration for the retailing at Hudson Yards.

"We want it to be approachable, with an incredibly broad appeal. We don't want it to be intimidating," Himmel said. "We are not going to do Michelin three-star restaurants."

"There will be a greater sense of community," added Jay Cross, president of Related Hudson Yards.

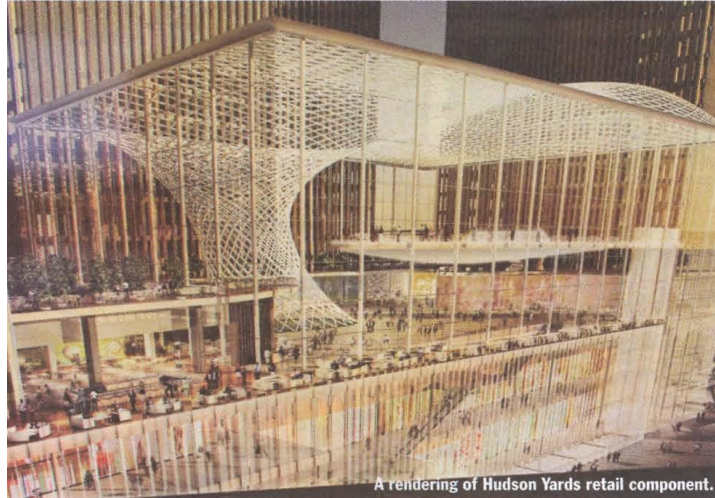
The master plan for the sprawling \$15 billion, 26-acre Hudson Yards, one of the world's biggest urban developments, calls for 6 million square feet of office space, 12 acres of parks, 5,000

apartments, a cultural center, a hotel and a mall, which executives prefer to describe as "a vertical destination" for stores, restaurants and bars and the "heart and soul" of the project. It's all being built atop the rail yards near the Hudson River, between 30th and 33rd Streets and 10th Avenue and the West Side Highway.

In an exclusive interview on the retailing, Related executives said the mall will have 720,000 to 750,000 square feet over five or six levels, each with roughly 120,000 square feet of selling space, making it big enough to accommodate a department store anchor of 200,000 square feet or larger. It could open as soon as 2015 if some deals with larger retail-

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A rendering of Hudson Yards retail component.

ers — the magnets for smaller specialty stores — are arranged by the end of this year. The structure will be glass-enclosed, with views of the Hudson River and the Manhattan skyline to the north, south and east, and will have extended hours, to 10 to 11 p.m., depending on the business.

It's known that Related has pitched Nordstrom and Bloomingdale's, and possibly others, but no anchor has been signed. Considering the better grade of retailing being pursued, the choices for an anchor are limited. Kohl's or J.C. Penney's price points just wouldn't do. Neither would those at Saks Fifth Avenue or Neiman Marcus.

"There's a pretty good case for getting a really terrific department store and a lot of great brands," said Himmel, explaining that for a Manhattan site, Hudson Yards has a "rare ability" to provide floor plates with sufficient dimension to satisfy Nordstrom or another department store operator.

About nine years ago, when Related was leasing the 340,000-square-foot Shops at Columbus Circle, Nordstrom and Bloomingdale's were approached, and both declined. "Nordstrom was not ready to move into Manhattan. They were of a different mind-set," Himmel said. Recently, however, the Seattle-based chain has grown aggressive about seeking a Manhattan location and is considering 3 Columbus Circle, just south of The Shops at Columbus Circle, as well as Hudson Yards.

Bloomingdale's could create what would be its third Manhattan location; and has long considered tapping the West Side. Related was after Bloomingdale's to build a home unit in The Shops at Columbus Circle, and made a proposal to Bloomingdale's last year for Hudson Yards, which was rebuffed.

There is an awareness that landing a department store isn't a sure thing. "We have a model here that works with or without a traditional department store," Himmel said. "Without an anchor, we won't have to reinvent the project. We would like to resolve it by year end."

In lieu of a department store, "We can create a series of [smaller] anchors that make fashion, accessory and home statements," with a "smattering" of luxury spe-



Building a new neighborhood: Jay Cross and Ken Himmel.

rience on the top level be unusual — though not too rarefied — to encourage people to ascend to all levels, the executives said.

For any retailer, Hudson Yards involves the risk of pioneering freshly developed, untested territory. In addition, vertical shopping complexes in Manhattan, including Trump Tower and Manhattan Mall, have generally lacked success, though Related says its multilevel Shops at Columbus Circle is performing well above expectations, generating \$1,500 to \$1,600 in sales per foot.

Development of the West Side site was stalled for decades by various ill-fated proposals and deals with other developers that either fell through or ran into community opposition, including a plan to build a new stadium for the New York Jets. There's still the challenge of finding a major office tenant as a hook to lure retailers and residents.

But Related is confident it can make it happen on Manhattan's far West Side. "If it's planned and executed the right way, we can turn this into a real destination," Himmel said. Malls in cities "work anywhere else in the world. Why can't it work here?"

cialty stores, as well as those in the better, bridge and contemporary price zones. Coach is among those contacted.

"We are not dependent on one solution or another; but there is a huge case for signing retailers," said Cross. "On the West Side from Columbus Circle to the Financial District, this is where the growth will be for the next 15 to 20 years."

"We've got to have something for everyone, but the focus will be on offering something that is more unique, at the better end, not mainstream," said Webber Hudson, executive vice president. "The ground floor will be the most unique — the higher end."

They're looking for the array to reflect a New York vibe, a hip, "Bohemian, Barneys Co-op-type" appeal, and to be on the upscale side, but broad and below luxury. It's critical, too, that the food and beverage expe-

In terms of density, income, buying power and visitors, Related says the West Side ranks as one of the top seven markets in America, and that Hudson Yards is expected to draw traffic from Times Square, Chelsea, the Meatpacking District and the Upper West Side, including leisure and business travelers, particularly those visiting the Jacob K. Javits Center for conventions and trade shows. They think the High Line being extended this season from 20th to 30th Street, to the southern edge of Hudson Yards; the planned extension of the number 7 subway to 34th Street and 11th Avenue, and upgrades happening soon at the Javits Center will feed traffic to Hudson Yards.

"When this project is completed," Himmel said, "the impact will be similar to a Rockefeller Center — in a modern vernacular."