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## Metslandia! Related and Wilpons Score a Bigger Than Predicted Willets Point Development



Take me out to the mall game! (Queens Development Group)

By Matt Chaban

Talk about a *home* run.

After two years of negotiations with some of New York's biggest developers, the city has scored a victory at Willets Point at once smaller and bigger than previously pitched. Today, Mayor Michael Bloomberg released the line-up for a 52-acre Willets Point development boxing in Citi Field, which will be built by a development double play by the Related Companies and Sterling Equities, run by the owners of the Mets.

The project will not encompass the entire 61-acre Iron Triangle. Nor will it follow the outlines of a plan for phased development at Willets Point released in 2010. But rather than being a smaller project, a glorified mall as early leaks of the agreement had suggested, the new plan far exceeds what the

Bloomberg administration had once called for on the site two years ago—and not simply because the Wilpons will now build a million-square-foot “entertainment complex” (don’t call it a mall!) on the west side of their stadium. The bigger play is what is planned on the east side of the stadium.

“At Willets Point, where others have seen challenges, we have always seen enormous opportunities,” Mayor Bloomberg said at a breakfast hosted by the Queens Chamber of Commerce. “Today the valley of ashes is well on its way to becoming the site of historic private investment, major job creation and unprecedented environmental remediation.”

Previously, the city was looking to develop 680,000 square feet of retail, 400 units of housing and up to 387 hotel rooms on a 12.5 acre site. Now, with the expansion of the project west of the stadium—a 29 acre parcel to be known as Willets West—there is more room for housing and hotel rooms, and even some office space within a 23 acre swath of the Iron Traingle. The amount of retail also rises to 900,000 square feet, though it is meant to be community focused, rather than the destination, mall-style retail that will be in Willets West.

The number of housing units jumps to as many as 2,500 apartments, up from 400, of which 30 percent would have to be set aside as affordable housing. At full build out, that would be 875 units. Related has the option to build less apartments overall depending on market conditions, but spokeswoman Joanna Rose said the plans was to build as much as possible. “You have to build a critical mass to create a neighborhood,” she said. And it is true that residential is a specialty of Related’s, as well as one of the more profitable things one can build in the city.

There will also be up to 500,000 square feet of office space, which is targeted at local businesses, and two hotels, one of 200 rooms and another of 280, a hundred more than previously planned for the site. There will also be more open space than originally proposed, 5 acres instead of 2 acres.

Taken together, the 52-acre complex (not counting the stadium sitting in the middle of it) covers twice the area of Related’s Hudson Yards development, but is also smaller in scale, 6 million square feet compared to nearly four times as much development on the Far West Side.

Were Related and Sterling to win later phases to develop the entire Willets Point area, it would control a huge 90 acre swath of prime Queens real estate. The development team has the right of first refusal on subsequent phases of the project.

Issues of eminent domain for the project are still looming, but also shrinking. Mayor Bloomberg announced that the city now controls 95 percent of the property within Willets Point needed to move forward on the first phase and hoped to own all of it soon, thereby avoiding eminent domain proceedings for the first phase. The city controls less land further east in Willets Point.

“The mayor is keeping his eye on Queens,” Congressman Joseph Crowley said. “The jobs here will be enormous.” Construction is expected to employ 12,000 workers over the course of the project and create 7,100 full-time jobs within the project area.

None of this can begin before the developers clean up their site, a process that is expected to begin next year or early 2014 and could last a few years given the mess at Willets Point—decades of contamination dating back to the valley of ashes, when it was a coal dump, as well as more modern toxins from oil to heavy metals from the auto and industrial work in the area.

The developers have promised a state-of-the-art, sustainable clean-up, but that also means it will be a few baseball seasons before anything can be built, let alone open. The city will contribute \$100 million toward clean-up and infrastructure work, which will be repaid through \$310 million in construction tax revenue and \$150 million in annual taxes, according to the administration's calculations.

Once the site is cleaned up, it will proceed in phases, with the 200-room hotel and 30,000 square feet of retail and restaurants along 126th Street, on Citi Field's eastern flank. This part of the project will be designed by Elkus Manfredi and Perkins Eastman, with another possible collaboration on the hotel.

This first piece of development is meant to activate the entry to the stadium while also masking a 20-acre parking lot that will be paved behind it. This will facilitate the construction of Willets West because the plan is for the new million-square-foot complex to be built on the stadium's current parking lots.

The new lot will be fitted with temporary ball fields and community space that will be available half the year, during the Met's off-season and when the team is away on prolonged road trips. The developers are exploring whether this would be fields that could be driven on top of or temporary structures that need repeated installation, as happens at all-star games, the Super Bowl and similar events.

To accommodate this new lot and other modifications, the city will be seeking approvals from the City Council but is structuring the plan so as to avoid a full land-use review going through the community boards and borough hall.

Once Willets West is built, including a 2,500 car parking structure, the eastern parking lot would be replaced with the balance of the 4.5 million square feet of development—all that housing, retail and office space.

"This is a great asset for the team and for Queens," Jeff Wilpon, executive vice-president for Sterling Equities said.

Sterling and Related were both looking at the project, while it was the Wilpons that suggested the two should team up. That franchise is giving fans of the long-planned (at least as far back as the Mets' last World Series) project hope it will finally happen.

"I think this is just spectacular," Queens Borough President Helen Marshall said. "And with the Mets on board, I know it's really going to get done. They're fielding the best team, very focused on results."

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