



PERSPECTIVE NEW YORK

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HUDSON SQUARE:

"THE FUTURE IS NOW"

By Robert D. Greenberg, AICP and Lisa Martone

Recently rejuvenated, bordering the Hudson River, inviting for new businesses and comfortable for existing businesses, and filled with a variety of enterprises, Hudson Square is redefining itself as the new 'in place' to be in New York City. Over the past two decades the area has struggled to find its identity among well-known areas like The Village and Chelsea, but this up and coming area, nestled between SoHo and Tribeca, is benefiting from the upgrading and improvement of the Hudson River waterfront and the transformation of older, industrial buildings to first class, modern, commercial use.

Bounded by Greenwich Street on the west, West Houston Street on the north, Canal Street on the south, and the Avenue of the Americas on the east, Hudson Square is often thought of as western SoHo. However, the area has become unique enough to be classified by its own name. The branding of this area is helping to redefine the district as a 'go-to' destination and is positively impacting change for the area. In order to further promote the district, local stakeholders, including real estate companies, commercial tenants and government agencies, decided to follow the model that has been successful for other City neighborhoods and created a new business improvement district for the area.

ties of 10.0 FAR, bonus-able to 12.0 FAR. Although the zoning allows for light manufacturing uses, the district is primarily commercial. Characterized by large loft buildings which formerly housed printing and graphic arts firms, the district has become a major resource and magnet for creative companies in media, advertising, architecture, publishing, graphic arts, and entertainment among other fields, as well as for distinguished non-profit institutions. Unlike surrounding neighborhoods, the shift from manufacturing has been to other commercial uses, rather than residential. The area continues, however, to maintain several significant industrial uses such as Federal Express and United Parcel Service distribution fa-

"This area has got a creative vibe like almost nowhere else I have seen."

Ellen Baer, President, Hudson Square BID

The newly formed Hudson Square Business Improvement District, with an initial year budget of \$1.7 million, will promote and attract new retail and cultural attractions to this changing commercial neighborhood, improve the physical environment and help address traffic and other quality of life issues and challenges. Streetscape improvements, using cutting edge, environmentally sustainable technologies, is also on the agenda.

Although the district is relatively new in terms of its name and BID designation, the neighborhood was formed in the 1790s when it was a public square surrounded by distinguished row houses, named for historic figures such as Dutch Governor Rip Van Dam, New York's then-Mayor Colonel Varick, and William Houston, a delegate to the Continental Congress. When Cornelius Vanderbilt's built a freight depot for the Hudson River Railroad in the mid-1800s the neighborhood was redefined. Its tremendous rail access made the area a mecca for the printing industry, where the need to move large, heavy shipments of material was essential. "This was historically a printing district," notes Ellen Baer, newly named President of the Hudson Square BID. "It is reflected in the large floor plates, high ceilings, expansive windows and solid infrastructure of the many warehouse and loft buildings that comprise the district."

The proposed district is governed by the M1-6 zoning classification, which allows for commercial and industrial densi-



250 Hudson Street

PHOTO BY STEPHEN CHARLES NICHOLSON/MELISSA DAVIS

HUDSON SQUARE

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250 Hudson Street rooftop garden

ilities, although they are outside the formal boundaries of the business improvement district.

A UNIQUE OFFICE ENVIRONMENT

Due to the great success of developers and landlords such as **Jack Resnick & Sons**—who are completing a stunning renovation of 250 Hudson Street, a 360,000 SF, 15-story building and **Trinity Real Estate**—who began the transformation of the district in 1983 with its first conversion of former warehouse space to Midtown-caliber office space—the district is high on the list of anyone seeking prime office space.

When **Saatchi & Saatchi**, one of the world's largest advertising agencies, moved into Tishman Speyer's 375 Hudson Street in the early 1990s, it solidified the district as place for media and creative arts to be. Recent leases signed at 250 Hudson Square include **Corbis**, a major stock photography company, **Daniel J. Edelman**, the world's leading independent public relations firm, and **Lowe Worldwide**, an international ad agency. Trinity's tenant roster includes industry leaders such as **Penguin Putnam**, **Getty Images**, **PR Newswire**, **Princeton Review**, **monster.com**, **Viacom**, and **New York Magazine**.

Currently, Trinity owns, leases and manages approximately six million square feet in 18 buildings throughout the district. Jack Resnick & Sons also owns and manages 315 Hudson Street, a 450,000 SF, nine-story office building, which is 94% occupied.

"Companies are thinking 'outside the box' about how they want their offices to look and function. Our tenants came here, in part, because they were drawn to the high ceilings and the abundant natural daylight that you get with loft buildings."

Dennis Brady, Executive Managing Director of Leasing, Jack Resnick & Sons

Compared to Midtown or Downtown, Hudson Square offers a unique combination of lower rental rates, wide streets, buildings with large floor plates, many with floor-to-ceiling windows, along with an expanding mix of retail and restaurants, great public transportation access (via the Number 1, E and C subway lines and busses), direct access to the Holland Tunnel and is just steps away from major residential neighborhoods. "You get a feeling walking down the street that there is a lot of open sky and streets that are filled with people but far from overcrowded," notes Jonathan J. Dean, Managing Director of Leasing for Jack Resnick & Sons. "Going out to lunch does not mean being stuck on endless lines and stretching out the lunch hour or rushing through a meal—which all translates into happier and more productive workers."

A GREAT PLACE TO SHOP AND DINE

There are a several full service restaurants, cafés and bars in the district offering food and drink to daytime office personnel and evening hour patrons. Customers from commercial offices



250 Hudson Street offices

HUDSON SQUARE

upstairs frequent the restaurants and cafés at lunchtime, as do their customers and clients in the area for business reasons. There is a range of cuisine, including Basque, Italian, French, Caribbean, Japanese, Chinese, Mexican, Portuguese, Russian and Spanish fare. Most of the bars and lounges, of which there are less than a dozen, are open only in the evenings and attract a local and citywide crowd. At 326 Spring Street, the Federal style James Brown residence houses the “Ear Inn,” so called because of the missing fragments of the letter B on the word “Bar”; it’s been a favorite watering hole for many years, was recently declared by “Time Out New York” to be one of New York City’s 100 Essential Secrets.

“The move Downtown was a great opportunity for our agency to accurately showcase our brand. Our old building made our space feel like a gigantic, Midtown conglomerate. In addition to the cost savings associated with moving to Hudson Square, the high ceilings and the openness of the new floor plan physically reinforces our ‘no silos’ management philosophy and provides a strong sense of what Lowe NY is—a nimble, highly creative ideas company.”

Mark Wnek, Chairman & Chief Creative Officer, Lowe NY

LIVING IN HUDSON SQUARE

This area is one of the few where residential development is moving forward unabated. Luxury buildings like Trump SoHo, which is technically in Hudson Square, **The Renwick**, and **No. 22**, are still selling well. In addition to these signature projects, at present there is a very limited amount of residential use sprinkled throughout the district, primarily in older, low rise buildings or converted commercial buildings. Residential uses can be found on Broome, Charlton, Dominick, Greenwich, Hudson, Spring, Van Dam, Varick, and Watts streets, with the total number of residents numbering in the few hundred. But that is already changing as the neighborhood’s popularity continues to grow.

ROOM AT THE INN

The latest news is that **The Viceroy** hotel is proceeding as planned. In keeping with its improved commercial prospects, and building on its adjacency to the tourist magnet neighborhoods of SoHo, Tribeca and the West Village, Hudson Square is currently undergoing a surge in hotel construction. Within the next three years, more than 1,000 mid- to high-end hotels rooms are expected to be added to the area in five projects, where formerly no such rooms existed.



345 Hudson Street

THE FUTURE IS NOW

Hudson Square continues to transform from its historic roots to the modern, vibrant, up-and-coming neighborhood it is today. Office tenants, seeking to co-locate with firms in the creative industries and find a highly accessible building with Class A amenities but at rates as much as half of those in Midtown or Downtown, continue to flock to the district. Retailers, restaurateurs, and hoteliers, seeing the growing demand, are planting their flags. And as the economy recovers, exciting new projects are in the pipeline, including Trinity Real Estate’s proposed 1.35 million SF **4 Hudson Square** and its 241,000 SF **7 Hudson Square** development.

For the tenants, shoppers, residents and workers who flock to the district every day, the future is now. ■