

Essex Crossing comes on line

Nine-building development caps decades of change on Lower East Side

BY TOM ACITELLI

Paul Stallings bought his first four buildings on the Lower East Side—each with 24 apartments—for a total of \$250,000. The year was 1980, and the deal was sealed with \$40,000 in cash and the balance in seller financing.

“I started on Norfolk Street,” said Stallings, an attorney turned investor. “And literally you didn’t go to the end of Norfolk Street because it was too dangerous.”

Twenty-four years later, Stallings opened the Hotel on Rivington, the neighborhood’s first boutique inn, which, along with other high-end additions, such as Schiller’s Liquor Bar by Keith McNally and the Blue Condominium, touched off a wave of change that all but wiped away the Lower East Side’s gritty, crime-ridden legacy.

The capstone came in September 2013, when the Bloomberg administration tapped L&M Development Partners, BFC Partners, Taconic Investment Partners and Goldman Sachs to develop a 6-acre parcel known as Essex Crossing. The nine-building, 1.87 million-square-foot project is set to begin opening this year. It includes a massive, subterranean retail complex; hundreds of market-rate and affordable apartments; and a 15,000-square-foot park. Plus, there will be a cinema, a Trader Joe’s and a Target. The project sits on land that federal and local authorities cleared in the late 1960s under the guise of urban renewal. Numerous attempts to rebuild there failed, derailed by then Assembly Speaker Sheldon Silver’s controversial efforts to appease select constituents by keeping the parcels vacant. But a corruption scandal would humble Silver in 2015—the same year that construction started on Essex Crossing.

Stallings, who was not involved in the project, said that aside from pushing real estate prices much higher, the development’s biggest effect may be ending a longstanding geographic divide

“Historically there’s always been this east-west division,” he said. “SoHo, NoHo were prime areas, and as you marched east, rents and values diminished. This might be the icing on the cake in eliminating that differential.” ■



ESSEX CROSSING

116 DELANCEY ST./140 ESSEX ST./121 STANTON ST.
The building at 116 Delancey St. will be a rental with retail and is scheduled to open in 2021. The 8-story 140 Essex St. is expected to open in 2019 with affordable rental units for elderly tenants. It will also have retail. The one at 121 Stanton St. will be a market-rate condo with retail and is expected to open in 2024.

131 RIVINGTON ST.
Neil Bender owns the six-floor, 25,650-square-foot mixed-use building, which housed restaurateur Keith McNally’s Schiller’s Liquor Bar from 2002 until a rent hike prompted its closure last year. Bender is the nephew of the late William Gottlieb, a reclusive figure who controlled one of the city’s largest private real estate portfolios.

115 DELANCEY ST.
This 25-story, 315-foot building will be the tallest of Essex Crossing’s nine properties. It is scheduled to open in the fall and will have 195 apartments and a 14-screen Regal Cinema.

105 NORFOLK ST.
The Blue Condominium opened here in 2007. The 32-story building, developed by a joint venture between Angelo Consentini and John Carson, was a striking departure for the neighborhood in terms of its cantilevered azure design and its amenities, which included the Lower East Side’s first 24/7 doorman. The pair bought the site, as well as air rights, for nearly \$6 million in 2005. The seller was the family that owned Ratner’s delicatessen, which closed in 2002. Blue was built on the deli’s largest parking lot.

242 BROOME ST.
Construction is expected to wrap this year on the 14-story, 55-unit Essex Crossing condo building. The first five floors will have both retail and commercial tenants, and the International Center of Photography will occupy space there.

202 BROOME ST.
Work on this 15-story building is expected to finish in 2020. It is slated to have Class A offices on floors two through five and 83 condos up top. There also will be street-level retail.

180 BROOME ST./175 DELANCEY ST.
The 26-story 180 Broome St. will have Class A offices on floors two through five and 263 mixed-income apartments above. There will be street-level retail. The building is expected to be finished in 2020. The 15-story 175 Delancey St. is expected to open this month. It will include 99 apartments aimed at older New Yorkers and contain a 55,000-square-foot medical center that NYU Langone will operate. There will also be ground-floor retail and a community center.

145 CLINTON ST.
This 15-story, 211-unit apartment building will include the Lower East Side’s first Target and first Trader Joe’s. There will be a 15,000-square-foot park with a playground. It is expected to open next month.