

# New Mixed-Income Housing on the Lower East Side

By Ronda Kaysen JULY 24, 2015



The first phase of the project will include 556 mixed-income units, a movie theater, a bowling alley and a museum.  
Handel Architects

For nearly half a century, the view south from the corner of Essex and Delancey Streets has been of vacant parking lots behind chain-link fences, carving a desolate hole in the otherwise vibrant neighborhood. But this month, construction finally began on a \$1 billion redevelopment project that will reshape the Lower East Side.

With financing secured, developers can now begin work on [Essex Crossing](#), a 1.65 million-square-foot project that will eventually add 1,000 units of housing to the area, half of which will be permanently affordable. The first development phase will deliver 556 mixed-income units, a new home for the historic Essex Street Market, a movie theater, a bowling alley, a museum and a new shopping corridor along Broome Street.

“The whole neighborhood is going to be completely different,” said Gigi Li, the chairwoman of [Community Board 3](#).

The community and the city spent years hammering out an agreement for the site, finally reaching one in 2013, settling a bitter dispute that started when the area was bulldozed in 1967, displacing nearly 2,000 residents in the name of urban renewal. Over the years, various

attempts to redevelop the site, known as the Seward Park Urban Renewal Area, fizzled as vying neighborhood factions sparred over how it should be rebuilt, with some groups calling for only affordable housing and others demanding none. The final agreement provides a mix of retail, housing, offices, a park and space for a new public school. In September 2013, the city chose Delancey Street Associates, an umbrella group of three separate developers, to rebuild the site now called Essex Crossing. “You have this important population that is just cut off from the rest of the Lower East Side by the size and scale of those parking lots — this just reconnects the fabric,” said Margaret Anadu, a managing director in the [Goldman Sachs Urban Investment Group](#), which is the project’s equity partner, investing \$200 million in the development.

Many of the nine parcels are spread out along the south side of Delancey Street from west of Essex Street to the Williamsburg Bridge. On Essex Street, north of Delancey, three existing buildings will also be redeveloped, including the original Essex Street Market building, which will be demolished after its new home opens.

For many New Yorkers, the most striking change will be the new retail, a continuous three-block stretch of shopping along Delancey and Broome Streets between Essex and Clinton Streets. The new Essex Street Market will be housed on the ground floor of a 24-story building that will also include part of the Market Line, a mix of shops and restaurants descending below grade and on the second floor. The complex will also house a Regal Cinemas multiplex and a rooftop farm. On a separate parcel on Essex and Broome Streets, the bowling alley Splitsville Luxury Lanes will open along with a 15,000-square-foot museum, which currently has no occupant. The original tenant, the Pittsburgh-based Andy Warhol Museum, bowed out this spring.

“It’s almost like a little city within a city,” said Faith Hope Consolo, the chairwoman of Prudential Douglas Elliman’s retail leasing and sales division.

For the Essex Street Market vendors, the wait for a new home has been tense, as foot traffic has dwindled in the aging market building. “There’s the myth of misunderstanding that the market is closed,” said Anne T. Saxelby, the chairwoman of the Essex Street Market Vendor Association and an owner of Saxelby Cheesemongers. The market, which was founded by Mayor Fiorello H. La Guardia in 1940, has been in continuous operation for 75 years.

At its new location, the market will double in size, providing vendors with options to expand, stay open later and prepare food on-site, according to the city’s [Economic Development Corporation](#), which operates the market. “It’s cool now, it’s going to be incredible later,”

said [Donald A. Capoccia](#), a principal of BFC Partners, which is developing the Essex Crossing site with [L & M Development](#) Partners and [Taconic Investment Partners](#).