

# Target to Open on the Lower East Side

Big-box retailer has signed a lease to open a 22,500 square-foot store in a development called Essex Crossing

By *Keiko Morris*

April 30, 2017 7:22 a.m. ET

The Lower East Side of Manhattan, a gritty precinct once famous for crime, junkies and denizens of punk rock, is about to get its first Target.

The big-box retailer has signed a lease to open a 22,500 square-foot store at the 1.9 million-square-foot development stretching across several Manhattan blocks called Essex Crossing.

The move is part of Target Corp.'s TGT -0.43% expansion into urban areas. The company, which had 32 small format locations—stores ranging from 12,000 to 60,000 square feet—at the end of 2016, is expected to have more than 130 by the end of 2019 in cities and dense suburbs across the U.S.

The new Target will be located on the second floor of the tower under construction at 145 Clinton St. The property will house a Trader Joe's supermarket on the lower level and rental apartments above.

The development venture, called Delancey Street Associates, includes Prusik Group LLC, BFC Partners, L+M Development Partners Inc. and Taconic Investment Partners.

Essex Crossing, which extends roughly between Stanton and Grand streets to the north and south and Essex and Clinton streets to the west and east, will have 1,078 rental and condominium apartments and include a movie theater, a bowling alley, a three-block-long marketplace and a medical facility.

A majority of the retailers that have signed for space at Essex Crossing are expected to open in 2018, offering services in an area that has been underserved, said Andrew Katz, a principal of Prusik.

Target “sees tremendous potential” in New York City, where there is a dense population and plenty of tourists, making the area one of the company’s priority markets, the spokeswoman said.

Target is using the stores to support its online shoppers, offering them the ability to order online and pick up purchases in the store within an hour. The company plans in June to test same-day delivery service from its Tribeca location, offering store shoppers the option of having their purchases delivered within a certain time frame to locations in Manhattan and parts of Brooklyn and Queens, for a fee.

The Lower East Side location will be one of at least five expected to open in Manhattan over the next three years. Later this year, the company plans to open a 40,000 square-foot store across from Macy's near Herald Square.