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Real Estate Guide

KEIL
TWO TREES FARM HITS
MARKET FOR \$95M

Battery Park City
(photo taken
from the Solaire)
is an urban oasis.

Downtown's green
giant keeps growing

BATTERY UP

WAITING GAME BARBARA K ON HOW TO BARGAIN

Lorenza D'Alipio

Building a better Battery



Photo: Bryant Hoast/Lorenzo Coniglio

TRADING SPACES The Zachs family (from left: Olivia, Kiley, Neil and Lisa) are giving up their big house for the big city, turning a Hudson View West (inset) pied-a-terre into home sweet home.

By KATHERINE DYKSTRA

NINE months ago, Neil Zachs and his wife Lisa purchased a condo in Battery Park City's Hudson View West on Albany Street. They intended to use it as pied-a-terre. But come fall, it will become their primary home.

"My kids love Manhattan so much that [they] want to live there full-time," says Zachs, who will spend weekends in Battery Park City (BPC) and weekdays in southern New Jersey, where he practices oral surgery.

"For my wife, who was born and raised in Oklahoma, she was like, 'I could deal with this.' There are tons of parks, and the streets aren't as busy, and you can cross the street easily," he says. "We live in a cul-de-sac in New York?"

Zachs makes a good point. If anywhere in Manhattan feels suburban, it's BPC. The neighborhood, a planned community born from the dirt and rock dug out to build the World Trade Center, is one tree-lined block after another. There is so little traffic, the streets beg for jaywalking.

In fact, most "traffic" comes in the form of little golf cart-like landscaping trucks piloted by people in



Lorenzo Coniglio

SHOWBOAT: BPC's water access is a rare perk for Manhattan.

khaki shorts and safari hats whose job it is to tend the area's parkland. It's a big task — one-third of the 92-acre community is made up of green spaces. With elaborately manicured grounds and residential towers flanking its wide streets, the area feels like the Upper East Side-meets-Disney World: tony, yet somehow slightly phony.

Nevertheless, it's a far cry from the claustrophobic streets of the adjacent Financial District, which is cut off from BPC by the busy, multi-lane West Side Highway (West Street). To leave BPC, one must either cross West Street, whizzing with traffic, or head over one of two tiny pedestrian causeways.

That's where 50 West St. comes in. Although located in the Financial District,

the ground-up, 240-condo, 150-hotel-room building rising on the border of the two neighborhoods will serve to connect them. Or at least make navigating between them more pleasant.

"The West Side Highway cuts Battery Park City off from the rest of lower Manhattan," says Phillip Gesue, director of acquisitions and development for Time Equities, which is developing 50 West St. and creating "a large public plaza where most of the people in south Battery Park City will cross" into the Financial District. (Sales will begin in spring 2009, with pricing to be announced.)

Seven-thousand square feet of the 65-story development's 18,000-square-foot lot have been put aside for the plaza — a coup for the two BPC condo conversions



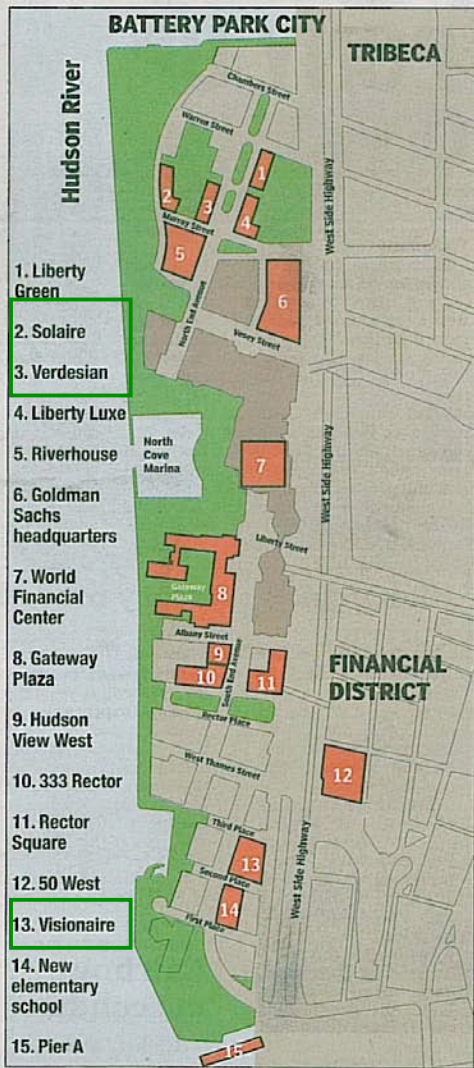
HIGH HOPES: 50 West St. will rise above lower Manhattan.

currently under construction directly across the existing walkway. The first, the Michael Shvo-marketed Rector Square, has 305 units. And the second, 333 Rector St., owned by Buttonwood Real Estate, has 16 stories and 200-plus rental units that will be converted.

Three blocks south, the ground-up Visionaire is rising. The 251-unit, eco-friendly project is the Albanese Organization's latest in the area. The firm previously developed the Solaire and the Verdesian rental buildings.

Visionaire prices average \$1,300 per square foot. Rector Square's condos start at \$573,000 for a studio. And the eco-friendly Riverhouse is attracting \$1,390 per square foot.

You get more for your money [in BPC] in terms of the actual price of apartments," says broker Sharon McGrail of Bond New York, who lives and works in the area. She estimates that the average one-bedroom apartment in a doorman building is about \$500,000. Of course, prices go up for new construction, gut renovations and units with river views.



Also in north BPC, Goldman Sachs is building a new headquarters with 2 million square feet of office space. The project is more than halfway constructed, with plans to populate it in 2009.

And it doesn't stop there. Major civic improvements abound. BPC will break ground this summer on a new elementary school on Battery Place and First Place. The school should be ready for students in 2010. Riverhouse, another relatively new condo building, will contain a public library and a

Poets House literary center. And the Battery Park City Authority is in discussions with the city to lease Pier A, which hasn't been in use for more than 25 years.

The area's last two available development sites, both in north BPC, are reserved for two towers developed by Milstein Properties. The buildings, Liberty Green and Liberty Luxe — which are 24 and 32 stories, respectively, and 471 units each — will be connected by a 5,500-square-foot community center, which will include a pool,



GREEN DAY: The view from atop 22 River Terrace (above) shows a sliver of the BPC parkland that needs tending. Once converted, Rector Square (left) will have studios to two-bedrooms.



gym and classrooms.

The neighborhood has come a long way. When Gateway Plaza, BPC's first residential building, opened in 1981, the area looked like a scene out of "Wall-E."

"When I moved in, in 1983, we didn't have streets; we had dirt roads," says Linda Belfer, chair of the Battery Park City Committee. "You couldn't get a container of milk."

Slowly the area was populated, mostly with people who wanted to walk to work in the Financial District.

"The idea was, 'Who would want to live there?,'

PLAN BPC

Although Battery Park City is only a stone's throw from the Financial District and is physically in Manhattan (it is named after Battery Park, which sits to its south), it is technically not a part of the city at all. The planned community is in fact owned and operated by New York State, by way of the Battery Park City Authority. The land is leased to developers and homebuyers.

Instead of property taxes, residents have PILOT (payment in lieu of taxes) bills, which vary from building to building depending on when it was built and the timeframe of the land lease. This, along with relatively high maintenance charges due to the land lease, can make living here expensive, despite the relatively inexpensive real estate.

"Some of the stuff has sold slowly because Battery Park City is on a land lease, and they have the PILOT payment in lieu of taxes, which is fairly expensive," says developer Phillip Gesue. This "is [also] why it is so pristine and clean."

It's also the reason BPC is so green. Starting in 2000, the authority mandated that all new residential buildings follow a set of sustainable building guidelines. So eco-conscious residents can breathe easy.

and it was people who were working long hours on Wall Street . . . because they could walk back and forth to work," says Chris Daly of the Shel-drake Organization, which is developing Riverhouse.

The commute to the Financial District is still a draw, but more and more it's

families, not Wall Streeters, who are moving to BPC.

"There's a movie theater at World Financial Center. My wife and I will go out to dinner, [and] my kids will grab a slice and go to the movies," says Zachs. "I feel more comfortable letting my kids do what they do."