



BFC Partners breaks ground on Empire Outlets; A 340,000 s/f retail complex

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BFC Partners has celebrated the groundbreaking of Empire Outlets, a catalytic project that will create over 1,800 jobs and bring \$285 million in private investment on the North Shore. A 340,000 s/f retail complex, Empire Outlets will offer increased amenities and shopping opportunities for residents and visitors at 100 designer outlet stores. BFC principals Donald Capoccia and Joseph Ferrara were joined by NYS lieutenant gov. Kathy Hochul, NYC Economic Development Corp. president Kyle Kimball, borough president James Oddo, councilmember Debi Rose, NYC & Co. executive VP Kelly Curtin, Goldman Sachs Urban Investment Group managing director Margaret Anadu, and New York Wheel LLC CEO Rich Marin and Staten Island Yankees owner Nick Tiller at the groundbreaking ceremony at Richmond County Bank Ballpark in St. George.

"Empire Outlets is a well-timed catalyst that will trigger the transformation of the North Shore and position Staten Island for sustained growth into the foreseeable future," said Donald Capoccia, principal at BFC Partners. "This project will be a dynamic economic engine for NYC, creating more than 1,800 construction and permanent jobs that will benefit its residents, businesses, cultural and community organizations for generations to come. We would like to acknowledge gov. Andrew Cuomo, mayor Bill de Blasio, city council speaker Melissa Mark-Viverito, Empire State Development Corp., New York City Economic Development Corp., borough president James Oddo, councilwoman Deborah Rose, HireNYC, Community Board 1, and James Prendamano and John Pitera of Casandra Properties for their dedication, support and allocation of resources."

"This is an exciting project for Staten Islanders and all of New York City. Building an iconic observation wheel along with a new retail complex will transform Staten Island's waterfront," said U.S. senator Kirsten Gillibrand. "This new site will have a lasting impact on the borough's economic growth and job creation."

"The Empire Outlets project provides an enormous breakthrough in the transformation and revitalization of Staten Island," said Hochul. "More importantly, it offers an array of attractions and benefits for hardworking families in the borough and beyond. Finally, the North Shore will have new and affordable shopping opportunities in its own backyard, walkable communities for residents and tourists to roam along the beautiful waters, and state-of-the-art hospitality with the development of a new hotel at Lighthouse Point. New York State is proud to play an integral role in shaping this development and we look forward to continuing this strategic partnership."

"I have the privilege of working a stone's throw away from what is the epicenter of the transformation of Staten Island's northern waterfront. Empire Outlets is an essential part of the 'Core Four' projects that total nearly a billion dollars of private investment along this corridor. The project is an economic development bonanza in and of itself, but its benefits can grow exponentially as this trailblazing endeavor encourages future investments, large and small, in our community. The upside for Staten

Island is huge and I am proud to continue to work with BFC and our partners and colleagues in maximizing this critical moment for Staten Island," said Oddo.

"We have all witnessed many chapters in Staten Island's history, but none as exciting as what we are embarking on here today," said Rose. "The Empire Outlets will draw visitors from all over the globe. More importantly, this groundbreaking kicks off a North Shore renaissance that will meet the needs of future generations of Staten Islanders. Along with forthcoming projects and existing anchors that have served us for decades, the Empire Outlets will help give Staten Island's North Shore a prominent place on every map. This project will bring private investment and jobs to the North Shore, and its economic ripple effects on our neighborhoods and small businesses will be immeasurable. I want to thank all those whose leadership and long-term vision for Staten Island have made this day possible - and I look forward to my first shopping trip!"

"Empire Outlets will bring over 1,800 jobs and millions in private investment to the North Shore of Staten Island, joining the other catalytic projects in the area to make the neighborhood a destination for residents and visitors," said NYCEDC President Kyle Kimball. "By utilizing HireNYC, the 100 stores that will call Empire Outlets home, are not just providing shopping opportunities, but also job opportunities to the local community. This groundbreaking represents one step in the redevelopment of the North Shore, and we look forward to continued work to help make Staten Island an even greater asset for all New Yorkers."

"As New York City's only outlet shopping center, Empire Outlets will no doubt become a premier destination, boosting regional tourism and bringing thousands of new jobs to Staten Island," said Empire State Development president, CEO & commissioner Howard Zemsky. "Empire Outlets meets the New York City Regional Economic Development Council's long-term goals for growth in the region, and we are proud to have worked with both NYCEDC and Goldman Sachs to support this exciting new venture."

Goldman Sachs, through its Urban Investment Group, provided \$130 million of capital for Empire Outlets, which is part of the firm's broader commitment to impact investing in New York City. To date, Goldman Sachs has committed \$2 billion to nearly 100 projects across all five boroughs - in areas like affordable housing and new community and healthcare spaces.

"Through investments we've made throughout New York City to create growth in underserved communities, we've seen the impact that providing retail opportunities and community space brings to a neighborhood," said Margaret Anadu, managing director in the Goldman Sachs Urban Investment Group. "We're pleased to have been a part of the Empire Outlets project, the largest public-private partnership in decades that will create jobs and economic growth in Staten Island."

"This is a great day for Empire Outlets, as they officially break ground on a complex that will generate jobs and help drive the economy of the North Shore of Staten Island, and indeed all of New York City," said Mari. "We expect to hold our own groundbreaking ceremony very soon, once all of the details for our closing are in place. We congratulate Empire Outlets and Don and Joe on their terrific achievement and look forward to continuing the celebration of the redevelopment of the St. George waterfront with our own groundbreaking soon."

"We have had unprecedented interest from retailers and entertainment groups from around the globe," said Ferrara. "We are very confident that once Empire Outlets open its doors in 2016, our visitors will be fully encompassed into an experience that they will most certainly want to repeat. Partnering with New York Wheel, Lighthouse Point, the Yankee organization, Snug Harbor & the historic St. George Theater, we as a team will sculpt "Destination St. George" into a worldwide

visitor magnet for decades to come. I would like to thank and acknowledge James Prendamano and John Pitera of Casandra Properties for bringing our extraordinary opportunity to the market, as well as Andrew Boyle and Peter Edelman from EB Development for their vision and resources."

Empire Outlets, developed by BFC Partners, will be a 340,000 square foot retail complex, comprised of approximately 100 designer outlet retailers, along with a gourmet dining destination with a variety of restaurants and cafes. Among the national brands joining Empire Outlets include Nordstrom Rack, H&M, Gap Outlet, Banana Republic Factory Store, White House Black Market, Guess Factory Store, U.S. Polo Assn., Columbia Sportswear Company, Innovation Luggage, Wilsons Leather, G.H. Bass & Co., Lids, Obey Your Body, Starbucks, Walgreens, Ghirardelli Chocolate, Haagen Dazs, Krispy Kreme, Nathan's Famous and Applebee's. Plans also include a 190-room hotel that will provide extraordinary views of the Manhattan skyline. BFC Partners will also build a 1,250-space structured parking garage below the retail and hotel components to accommodate commuters and visitors. Construction is expected to be completed in 2016. Designed by SHoP Architects, Empire Outlets will feature expansive open corridors and pedestrian walkways to the water, contemporary materials reflective of the industrial waterfront, and a sweeping sustainable green roof visible from the Harbor. Celebratory vertical circulation elements such as grand staircases, glass elevators, and streamlined escalators will guide shoppers as they move from the waterfront up to Richmond Terrace, creating a dynamic and easily navigated pedestrian experience.

BFC Partners has entered into a 99-year lease. They, along with the neighboring New York Wheel, will pay a total of \$2.5 million per year in rent to the City, with additional participation rents once certain ridership and gross revenue milestones are reached. The developers will also contribute \$300,000 per year in contributions to area-wide maintenance, such as upkeep to the waterfront esplanade. Additionally, BFC Partners has set goals to hire locally through NYCEDC's HireNYC program for 50 percent of permanent jobs created. HireNYC is a free program that connects the City's workforce development services to economic development projects to provide job access to local, low-income New York City residents. The developer also intends to hire 25 percent minority and women-owned business enterprises.

Located adjacent to the Empire Outlets will be the New York Wheel, which will break ground itself in the coming months. The New York Wheel, the largest observation wheel in the Western Hemisphere, will stand 630 feet tall and is expected to welcome as many as 30,000 riders per day during peak season and an estimated 4.5 million visitors per year.

The two development sites are located steps from the Staten Island Ferry Terminal and the Richmond County Bank Ballpark in St. George. The two projects, along with others on Staten Island's North Shore, create a hub for jobs and tourism with a new entertainment complex that will attract visitors from across the region and around the world.

Partnering with Lighthouse Point, the Staten Island Yankees, Snug Harbor and the Historic St. George Theater, the developers of the New York Wheel and Empire Outlets are creating new programming for "Destination St. George," a tourism campaign to help launch the North Shore of Staten Island as a worldwide visitor magnet for decades to come.

The New York Wheel and Empire Outlets represent two of several initiatives undertaken by the City to create jobs and increase opportunities on the North Shore of Staten Island. Lighthouse Point will

include more than 100 residential units, a hotel, a diverse mix of retail shops and dining options, considerable public open space, and parking. The New Stapleton Waterfront will provide additional housing, open space, infrastructure and resiliency improvements to Staten Island's North Shore.

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