



## **N.Y.C. to acquire 12.5-acre Coney Island property for \$95.6 million**

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According to mayor Michael Bloomberg, the city has signed a contract with Thor Equities to acquire 6.9-acres in Coney Island for \$95.6 million, which will allow the city to expand, enhance and make permanent the area's historic amusement district. With the acquisition of three waterfront parcels, the city will create a 12.5-acre outdoor amusement park within a new 27-acre amusement and entertainment district. Approved by the city council in July, the plan will preserve and grow the historic amusement area; create a mixed-use neighborhood with new retail options and nearly 5,000 new units of housing, including 900 income-targeted units through the city's first use of the Inclusionary Zoning Program in south Brooklyn; and generate more than 25,000 construction jobs and 6,000 permanent jobs. In total, the plan is expected to generate more than \$14 billion in economic activity for the city over 30 years. The mayor was joined at the announcement, held at city hall, by congressman Jerrold Nadler, council member Domenic Recchia, Jr., state senator Diane Savino, assembly member Alec Brook-Krasny, Carlo Scissura from the office of Brooklyn Borough president Marty Markowitz, deputy mayor for Economic Development Robert Lieber, New York City Economic Development Corp. president Seth Pinsky, city planning commissioner Amanda Burden and Thor Equities chairman and CEO Joseph Sitt.

"The city's acquisition of the land in Coney Island's historic amusement district marks the beginning of a new era in Coney Island's history," said Bloomberg. "Over the last four decades, the amusement district has dwindled to just three acres, but we're now reversing that trend. With public and private investment, Coney Island will see the creation of a new 12.5-acre outdoor amusement park within a vibrant 27-acre entertainment district. Like New York City's other great parks, Coney Island's amusement park will be owned by the public, and its future will be in the hands of New Yorkers who have cherished it for generations. What's more, today's announcement means that we can move full-steam ahead with our plan to revitalize Coney Island - not only as America's greatest seaside amusement park - but also as a vibrant community with thousands of new apartments and jobs."

"Today's announcement is an important milestone in the redevelopment of Coney Island," said Nadler. "With the announcement of the city's agreement with Thor Equities and the issuance of a RFP for an amusement area operator, Coney Island has finally turned the corner and its long awaited redevelopment can finally begin. I thank the mayor and councilman Recchia for their leadership and join them as we once again make Coney Island into America's quintessential people's playground."

"Coney Island is bigger than all of us - it was here before we were ever thought of, and with our strong commitment it will be thriving long after we're gone," said Markowitz. "Mayor Bloomberg has been a real friend to Coney Island, and I commend his commitment to creating the year-round,

affordable Coney Island of the 21st century. It's not about profits, it's about families. I also commend Joe Sitt, who I know has Coney's best interests at heart. Now, we are truly ready to enter a new heyday, guarantee the awe-inspiring 'bling' of what was once called an 'Electric Eden,' ensure local residents benefit from new jobs, housing and resources, and make Coney island once again the amusement epicenter of America - for this century and beyond."

"This is a major step toward fulfilling the promise we made to Coney Island when we passed our rezoning plan over the summer," said Recchia. "With the acquisition of this land, we will have the ability to create a first-class entertainment destination that's open year-round, provides jobs to the people in the community and continues to draw people from around the world. I would like to thank the Bloomberg administration and Thor Equities for working together to achieve an agreement that will ensure we can move forward. We are truly on the cusp of an exciting new day for Coney Island."

"Today is a great day for the city of New York and the people of Coney Island," said Savino. "With this announcement we are one step closer to the realization of a revitalized Coney Island. The preservation of the amusement industry and the promise of new housing and retail will finally restore Coney Island to what it once was, and will preserve it for generations."

"I am extremely grateful to both Joe Sitt and Mayor Bloomberg for coming up with a deal that makes sense for both sides and that makes the dream of a new Coney Island a reality," said Assembly Member Brook-Krasny. "I look forward to doing all I can in working together to ensure the process moves onward."

"Today marks the start of an exciting new era for Coney Island," said Joseph Sitt, Chairman and CEO of Thor Equities, which will retain roughly half of the property it owns in Coney Island. "From the beginning, we have wanted to work collaboratively with anyone and everyone who shared my childhood dream, and now company mission, of developing a revitalized Coney Island. We couldn't be happier to be working side-by-side with Mayor Bloomberg as a partner in achieving that goal."

Bloomberg also issued a Request for Proposals on November 13 to identify potential developers and operators for a first-phase, amusement park on a portion the city-owned sites. The sites will be leased to an amusement developer beginning in summer 2010. The city will invest over \$150 million, together with millions more from the state and federal governments, to improve Coney Island's infrastructure, including improving the underground infrastructure throughout the neighborhood, continue to rebuild large sections of the Boardwalk and construct a brand-new Steeplechase Plaza. Upon expiration of the first-phase lease and the completion of necessary infrastructure, the city expects to issue another Request for Proposals to identify a permanent amusement park developer. It is anticipated that existing amusements on other city-owned sites in the neighborhood, including the world-famous Cyclone and Deno's Wonder Wheel Park will continue to be operated by their current operators for the foreseeable future. The city also now owns a right of first offer for the remainder of Thor Equities' land within the amusement and entertainment district.

The city will use a variety of criteria to evaluate responses to the Request for Proposals to be released on Friday, including: the strength of a respondent's amusement and entertainment programming plan for the 2010 season and beyond; a clear understanding of the redevelopment objectives put forth in the Coney Island Comprehensive Plan; the economic impact of the proposal; the development's financial feasibility; the development team's qualifications and safety record; and a thoughtful and innovative approach to site design and planning that honors and takes into account Coney Island's unique culture and history. The city expects to select an operator in January 2010. Respondents are strongly encouraged to provide a Minority and Women-owned Enterprises

(M/WBE) and Local Hiring and Utilization Plan with methods for encouraging local hiring during construction.

Under the rezoning, the amusement and entertainment district will be bordered by Surf Ave. to the north, the New York Aquarium to the east, the Boardwalk to the south and Keyspan Park to the west. To ensure the amusement park is preserved for amusement uses, the city's plan involves designating it as parkland and allowing development on what are currently parking lots adjacent to Keyspan Park. Any new development would include more parking than what is currently available. State legislation is necessary to make the sites available for development and additional parking.

The Coney Island Comprehensive Plan is part of the Bloomberg Administration's Five Borough Economic Opportunity Plan, a comprehensive strategy to create jobs for New Yorkers today, implement a long-term vision for growing the city's economy, and build affordable, attractive neighborhoods in every borough.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540