

SFC Revises Plan to Tap Into Retail Interest in Project

By John Jordan

YONKERS — Officials with the SFC project, the \$1.6-billion redevelopment of the city's waterfront, announced last month that they have revised the plan for the first phase of the project to take advantage of strong interest some retailers have expressed in leasing space at the yet-to-be built project in downtown Yonkers.

Joseph V. Apicella, project director for SFC, made the announcement on May 5 at the Yonkers Riverfront Library as part of the city's "Business Week" program. While Apicella would not forecast a construction start date for the massive redevelopment venture to be built on 13 acres, he said the SFC partnership plans to aggressively move forward with a plan to build approximately 600,000 square feet of retail and entertainment space as part of the first phase—River Park Center—of the development. He later estimated that the first phase would cost in the "hundreds of millions of dollars" to complete.

The SFC partnership now consists of Cappelli Enterprises of Valhalla and Fidelco Realty Group of Millburn, N.J. Original partner Struever Brothers Eccles & Rose of Baltimore has suffered from the real estate downturn and is no longer a partner in the Yonkers venture.

"This project has taken a next critical step," he said. "That next critical step is we have evolved from our conceptual drawings and our site plans to a project that will be presented by our new architectural firm that is ready to go in the ground."

Apicella, who also serves as executive director of SFC partner Cappelli Enterprises, added that the redesign was fueled by significant retail interest in the project based on what he termed as "tremendous unmet capacity for retail space east of the Saw Mill River Parkway" in Yonkers.

Brian VonSchmid, Cappelli's director of retail leasing, said, "We have had extensive talks with major national retailers. Today "Retail Day" in Yonkers (as part of the Yonkers Business Week program) was sponsored by the International Conference of Shopping Centers (ICSC) and their interest in the entire City of Yonkers as a retail destination is significant. We (SFC) will have a presence at the ICSC national conference in Las Vegas later this month and we hope to come back from that with agreements with major tenants for our project."

Marc E. Berson, chairman of Fidelco Realty Group, an SFC partner, stated, "For the first time in nearly two years there is strong interest in new retail projects. We have been gratified with the extent and quality of the interest in our downtown project. The adjustments we have made to the plan are designed to position us as a premier location in the New York metropolitan area, and we believe that we will be ready to begin construction by winter."

Apicella during his presentation, said that when the project is 70% to 80% pre-leased, "we can go to the marketplace and get financing quite easily" even in this current difficult lending environment, he said.

The amount of retail and entertainment space has been ramped up from the original plan of approximately 465,000 square feet to approximately 600,000 square feet. As a direct consequence of the still



A rendering of the revised River Park Center phase of the SFC plan.

troubled housing market, the revised plan now calls for the construction of 200 to 250 rental apartment units. Also included in the plan is a 120,000-square-foot entertainment complex including a 15-screen movie theater, a 6,500-seat rooftop minor league ballpark, 2,400 enclosed parking spaces, a 120-foot Atrium and public promenade and daylighting of the Saw Mill River.

The prior plan for River Park Center called for 465,000 square feet of retail space, 325,000 square feet of office space in multiple buildings, 80,000 square feet of restaurant space with restaurants opening onto a new riverwalk along a reopened Saw Mill River, a 15-screen, 80,000-square-foot movie theater, a 6,500-seat ballpark, 950 residential apartments in two buildings and parking facilities with more than 4,000 parking spaces.

Apicella explained that the drastic reduction in the number of housing units is also a direct result of market conditions and now will require SFC to build the planned 950 units in phases.

"We don't believe you can put 950 units on one side of the marketplace today and expect to get the appropriate absorption," he said. "We do not, the city administration does not, the business community does not, and the citizenry does not want to have a project that is set to fail. We want to have a project that is set to succeed."

He said that SFC is currently in discussions with a number of national housing providers who can possibly self-finance the residential project, as potential joint venture partners on the housing component of River Park Center.

The new architectural firm GreenbergFarrow has redesigned River Park Center to include a mix of retail, restaurant, entertainment and residential components. The redesigned project will feature two buildings separated by the atrium. A roof-top ballpark will serve as the roof above both buildings.

The building fronting on New Main Street will include street-level retail stores with enclosed parking. On the southwest corner of the building will be 200 to 250

rental apartments. The second building on the Elm Street side of the property will be devoted to retail and entertainment. It will include 120,000 square feet of entertainment space including a 15-screen multiplex cinema and retail spaces to accommodate anchor stores of up to 135,000 square feet and numerous smaller retail shops. The planned floor plates have the flexibility to adjust to retailers of varying sizes, from 75,000-square-foot supermarkets to 33,000-square-foot spaces for retailers such as book and music, sporting goods and electronics outlets. Smaller spaces have been designed to appeal to other national and local retailers, SFC officials stated. SFC officials said the project

could accommodate as many as seven large to medium-sized big box users and anywhere from 20 to 35 street-front retailers depending on their size.

Apicella said that prior to construction the Yonkers Fire Department's firehouse on New School Street will have to be relocated. SFC is currently working with the city to come up with possible relocation sites. SFC will have to go back to the city for minor site plan modifications.

The project will take about 24 months to complete. He noted that site work will require extensive brownfield remediation and earthwork to be undertaken in connection with the Saw Mill River daylighting.