

REAL ESTATE

## How TriBeCa became NYC's \$50M neighborhood

By Max Gross

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We now know TriBeCa as a neighborhood where Jon Stewart vies with Gwyneth Paltrow for sidewalk space; where the local restos are curated by David Bouley and Drew Nieporent; where the apartments are massive, and a Duane Street townhouse is in contract for just under \$50 million.

It wasn't always this way.

In the spring of 1993, the average price for a condo or a co-op in TriBeCa (and neighboring SoHo) was \$182 per square foot, according to data from the real estate appraisal firm Miller Samuel. Two decades later, that figure is more than eight times higher — in the last quarter of 2013, the average price per square foot was \$1,569, and the average four-bedroom mega-loft was trading at \$1,981 per square foot.

So how did this neighborhood, once an unpopulated span of cast-iron factories and warehouses (as well as the butter and egg capital of the city), become the domain of rock stars, movie actors and hedge-fund princes — not to mention, one of the most sought-after areas for new development?

The change started happening in the 1970s. “This was something that was a gleam in the [Department of City Planning’s] eyes for years,” says Bob Abrams, who moved into a 3,000-square-foot apartment, with another 3,000 square feet of outdoor space, at 16 Hudson St. when the building went co-op in 1979. Back then the entire six-story, 30-unit structure (including five commercial spaces), which had been used for light manufacturing, sold for \$4 million. Abrams paid an “embarrassingly low” price for his top-floor unit.

By that time, artists had already discovered that the area was ripe for conversion. “There were pioneers like Richard Serra and Meredith Monk and Sandi Slone, who happens to be my wife,” says Douglas Elliman broker Bruce Ehrmann, who is also co-chair of Community Board 1’s Landmarks Committee. And when Robert De Niro was

playing Jake LaMotta in “Raging Bull” and needed a place with good light, privacy and space to practice his fight scenes, he set up a boxing ring in a TriBeCa loft.

By the 1970s, the city was offering tax benefits like the J-51 program to turn industrial buildings and warehouses into residences.

“TriBeCa was a pretty desolate place,” Abrams remembers. “What it did offer was an incredible amount of space, and so much more cheaply than the Upper East Side or Brooklyn Heights, where I had lived. I had a lot of art. And the attraction of the space — the high ceilings — seemed great for me, personally.”

And great for him financially, as well — Abrams’ pad is now on the market for \$8.99 million with broker Noble Black of the Corcoran Group.

“You had these floor plates that lent themselves to larger, open plan loft living,” says developer Zach Vella of VE Equities, who is currently building two ground-up condos in TriBeCa: 21 North Moore and 290 West St. “It gave you the flexibility to do what you wanted without restrictions ... they’re 5,000- to 10,000-square-foot floorplates.” And older buildings like the Fischer Mills at 62 Beach St. and 45 Walker St. still offer lofts with 4,000 square feet of space.

But regardless of the buildings’ history and sheer amount of square footage, TriBeCa’s appeal is also in its unique architecture.

“It’s somewhere between the industrial and classical world,” says architect Morris Adjmi, the neighborhood’s most prolific design mind, whose projects — including 403 Greenwich St. (a ground-up modern take on a cast-iron building) and 83 Walker (another tribute to cast iron) — are a throwback to the area’s best traditions. “People see that as being authentic and real,” Adjmi says, “as opposed to moving in to just another new development. It’s embracing the history.”

Some buildings, like 7 Harrison, Steven Harris’ 12-unit building in a former dry goods and cold storage warehouse, will keep the brick look of yore when it is completed next year. Same goes for the 53-unit 443 Greenwich St. (a former printing house and steel wool factory), which Metro Lofts is putting on the market next year and should be done in 2015.

Others, like the 33-unit condo Sterling Mason (another Adjmi project), partly honor the old, but also adapt and modernize it for 2013. “Landmarks, in order to give approval to our plan, had to approve the design,” says Charles Bendit, co-CEO of Taconic, of the former tea and coffee warehouse that the firm is converting into condos. Bendit and Adjmi decided to recreate the 1905 brick-and-terra-cotta building as a kind of “photo negative image.” Along with the original warehouse, they built a duplicate out of metal on the adjoining plot of land.

But in TriBeCa there's also entirely unique, splashy, ground-up architecture that wouldn't look out of place along the starchitect-heavy High Line. It includes projects that are about to kick off, like 11 North Moore, with a limestone facade, steel base and floor-to-ceiling windows that gives it a glassier, edgier look than most of what you see in the area. Douglas Elliman is marketing the 18-unit condo, where the starting price is \$4.5 million for an 1,897-square-foot three-bedroom up to \$35 million for the 7,061-square-foot penthouse with a 3,168-square-foot roof terrace with private pool.

Then there are new projects that have been on the market a bit longer, but are now commanding some of the city's highest prices — like Franklin Place and 56 Leonard, the latter an enormous glass and steel Jenga tower, where available units start at \$2.875 million for a 1,027-square-foot one-bedroom. (A four-bedroom penthouse listed for \$47 million is currently in contract.)

Of course, architecture and residential development are only part of the story. “Services changed a ton, early on,” says Vella. But TriBeCa somehow managed to steer clear of the flood of chain stores — the “shopping mall effect” — that consumed SoHo. Sure, stores and boutiques came, but the streets remained walkable.

“I remember there was a deli that opened across the street from our office,” says Jane Rosenthal, who is De Niro's partner at Tribeca Productions. “It was like, ‘Wow, there's suddenly a deli [that] opened up!’ ”

In the early 1980s, a young Drew Nieporent went jogging along West Broadway and discovered an empty restaurant space. It became one of the big players of the neighborhood, Montrachet.

“It was quiet, the streets were cobblestone and large, and it was removed from Wall Street — we took a gamble on leasing the space,” says Nieporent. “But I was fortunate. I hired a young chef named David Bouley, so what we had in our favor was expertise and a \$16 menu with three courses.”

(Corton, Montrachet's successor in the same location, was offering a \$115 menu this summer.)

De Niro approached Nieporent a few years after Montrachet opened with the idea of another restaurant, which became Tribeca Grill.

“That was the ground-breaking moment in terms of restaurants,” says Nieporent. “After Tribeca Grill, we did Nobu . . . but Tribeca Grill was the precursor to everything, and emblematic of what the area's all about. We didn't take a space and change it — we adapted a warehouse to become a restaurant. And it wasn't a fly-by-night operation; it's very busy 23 years later.”

As for today's TriBeCa, Adjmi sums it up like so: "It's just convenient enough. It's not overcrowded, not over-commercialized; there are cool restaurants, you have all the parks — it's a perfect family neighborhood. You don't get that combination of the building stock, and all the rest of the amenities and lifestyle-enhancing qualities, in any other place."