

NEWSLETTER

Real Estate Morning Newsletter

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Midtown hotels plan fall reopenings

BY JANAKI CHADHA, DEANNA GARCIA | 09/29/2021 05:46 AM EDT

QUICK FIX

— **Two premier Midtown hotels that have been closed** since the beginning of the pandemic will reopen this fall — a promising sign for the city's struggling hospitality industry.

— **Macy's is suing its Herald Square landlord**, Kaufman Realty, to block a potential deal with Amazon to advertise on a billboard atop its flagship store.

— **Governors Island will now be open year-round**, Mayor Bill de Blasio announced Tuesday, instead of closing at the end of October.

GOOD WEDNESDAY MORNING. Welcome to POLITICO New York Real Estate. This roundup is for you, so please tell us how we can make it better. Please send tips, ideas, calendar

items, releases, promotions, criticisms and corrections to jchadha@politico.com.

AROUND NEW YORK

ON THE MEND — **“Grand Hyatt, Midtown Hilton plan fall reopenings in hopeful sign for hotel market,” by Crain’s Eddie Small:** “Two of New York’s marquee Midtown hotels that have been closed since the onset of the pandemic are poised to reopen, another indication that the city’s beleaguered hospitality industry is on the road to recovery. The New York Hilton at 1335 Sixth Ave. will reopen Oct. 4, while the Grand Hyatt at 109 E. 42nd St. will do the same Nov. 1, according to the Hotel Trades Council. The Hilton, which has about 1,900 rooms, will bring back about 325 of the roughly 1,100 employees who worked at the hotel prior to the pandemic, union sources said, while the Hyatt, which has about 1,300 rooms, will bring back at least 25% of its roughly 700 workers. The hotels’ decisions come shortly after the City Council passed a bill requiring hotels with 100 or more employees, at least 75% of whom remain unemployed, to provide workers with severance payments of \$500 per week for 30 weeks. Rich Maroko, president of the Hotel Trades Council, credited the passage of the bill with helping persuade Hilton and Hyatt to reopen.”

LAW AND DISORDER — **“Macy’s fights to block Amazon from advertising on billboard,” by Crain’s Natalie Sachmechi:** “A turf war is erupting between the largest department store in Manhattan and the world’s largest retailer over the rights to advertise on a Herald Square billboard, according to a lawsuit filed recently in state Supreme Court in Manhattan. Macy’s is going after its landlord, Kaufman Realty, to block a possible deal with Amazon to use the billboard atop its flagship Herald Square store, claiming that ads from its competitor would cause ‘immeasurable’ harm to its business, the complaint said. The e-commerce giant raised eyebrows in August amid reports that it would open its own department stores in cities across the country. Critics saw the move as a blow to existing retail businesses.”

GRAND OPENING — **“Manhattan West is finally fully open for business — Here’s what’s inside,” by New York Post’s Lois Weiss:** “The latest and greatest slice of the city, Manhattan West, is officially open for business with a private kick-off party happening tonight. ‘Manhattan West, a project decades in the making, weaves together the diverse communities of Manhattan’s West Side and provides New Yorkers with a tremendous amount of new experiences, restaurants, cultural programming, public space, arts and entertainment,’ Laura Montross, Brookfield’s director of communications, told The Post. The mega-project’s developer, Brookfield, bought its first parcel for the project in 1985 and acquired the remainder over the next 19 years while the 2005 Hudson Yards rezoning allowed the development to go forward....The 7.5 million-square-foot, amenity-stuffed oasis includes 200,000 square feet of food haunts, public art and experiential retail set around 2.5 acres of open space.”

SKY’S THE LIMIT — **“Unit high in world’s tallest condo sells for \$28.5M — a \$10M discount,” by New York Post’s Jennifer Gould:** “A 93rd-floor unit in the world’s tallest

condo tower has sold for \$28.58 million — more than a quarter off the initial asking price of \$38.75 million. The buyers are Cindy K. Chan and Hung P. Wong, according to property records. The four-bedroom, 4½-bathroom unit is at Central Park Tower, which rises 1,550 feet tall at 217 W. 57th St. The 4,296 square feet comes with a relatively modest monthly maintenance fee of \$6,336 a month. So far, 15% of its 178 units have sold, according to Kael Goodman’s Marketproof.”

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POLICY AND POLITICS

STAYING OPEN — Governors Island to open year-round, by POLITICO’s Erin

Durkin: Governors Island will now be open year-round, Mayor Bill de Blasio announced Tuesday. Instead of closing at the end of October as scheduled, the recreation destination in New York Harbor will remain open and served by ferries starting this November. “We have a jewel in New York Harbor. We have a place that’s magical that all New Yorkers should experience,” de Blasio said at a press briefing. “It’s a great place to go and get a break from the hustle and bustle of the city. It’s part of our history, so we are going to have now, rather than a very limited schedule historically from May to October, it’s going to be year round that people can do and enjoy everything on Governors Island.” The island will be open to the public from 7 a.m. to 6:15 p.m. seven days a week, starting Nov. 1.

IN MEMORIAM — Richard Froehlich, first executive vice president and chief operating officer of the city’s Housing Development Corporation, died last Friday. He was 57. Froehlich, who joined HDC in 2003, was remembered as a “giant” in the affordable housing community who played a key role in city housing initiatives over the last two decades. “Rich was a natural connector of people and ideas. There was never a problem too complicated for him to untangle and to guide us all through,” said HDC President Eric Enderlin, in a statement. “His presence will be missed dearly by the entire affordable housing industry and especially at HDC, where he served and led the City through some of our biggest challenges for nearly two decades.” Rachel Fee, executive director of the New York Housing Conference, called Froehlich “a leader, both in New York City and nationally, in affordable housing finance.” “No one had a better understanding of the intersection of bond financing and affordable housing finance. It was an understanding based upon decades of experience, a brilliant legal and finance mind, and extraordinary creativity,” she wrote on Tuesday. “He played an indispensable role in building HDC into the powerful engine for affordable housing development that it is today.”

SHELTER SKELTER — “De Blasio Tees Off Trump at Bronx Golf Course: Homeless Shelter Operator Set to Evict the Ex-President,” by THE CITY’s Claudia Irizarry

Aponte: “While Donald Trump battles Bill de Blasio over the mayor’s decision to dump the former president as operator of a Bronx golf course, the city is playing through — proposing a new firm to run the Ferry Point links. A notice published Monday shows a company called Ferry Point Links LLC is set to be awarded a 13-year Parks Department deal to take over the Jack Nicklaus-designed 18-hole course at the foot of the Bronx-Whitestone bridge. A firm incorporated under that name in late August, state corporation records indicate — sharing both an executive’s name and address with one of the city’s biggest homeless shelter operators, CORE Services Group.”

NYCHA NEWS — **“NYCHA signs off on latest deal to build more apartments on its land,” by Real Estate Weekly:** “The New York City Housing Authority (NYCHA) and the New York City Department of Housing Preservation and Development (HPD) have finalized a \$60 million deal that will bring 101 new affordable apartments to Mott Haven in the Bronx. The Betances Family Apartments will be built on a formerly vacant retail building on the corner of Willis and 146th Street that was demolished last year at NYCHA’s Betances VI campus. Construction will start next month on the 101-unit development which will include 70 units for extremely low- and low-income households, 30 units for formerly homeless households, and one superintendent’s unit.”

QUICK HITS

- “Vornado leasing 77K sf to school in 825 Seventh Avenue,” by [The Real Deal’s](#) Holden Walter-Warner
- “Phoenix Realty acquires Spencer Equity’s Bronx Section 8 complex for \$19M,” by [The Real Deal’s](#) Akiko Matsuda
- “Brookfield’s \$400M loan in Greenpoint Landing tops outer-borough list,” by [The Real Deal’s](#) Akiko Matsuda
- “Controversial tower housing upgraded Inwood Library breaks ground,” by [Crain’s](#) Cara Eisenpress
- “Nuveen lands city’s second green loan for Midtown office building,” by [Crain’s](#) Eddie Small

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