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## Hotel Plans Face Protests

*Displaced Tenants Await Compensation After Construction Forces Evacuations*

By AATEKHA MIR

Plans by Wyndham Hotels & Resorts to open Chinatown's largest hotel face a possible community protest tied to the demolition of a neighboring apartment building and the evacuation of its tenants.

A venture that includes developer William Su has been building a 108-room hotel at the corner of Bowery and Hester Street. The national chain Wyndham Garden plans to open an 18-story facility next year.

But the construction caused unsafe conditions that in 2009 forced the evacuation and demolition of a neighboring 11-unit apartment building in which about 50 low- and moderate-income residents were living. Mr. Su also owns an interest in 128 Hester St., according to his attorney, Stuart Klein. Mr. Klein declined to comment on the size of Mr. Su's stake in either property.

Last year, the state Division of Housing and Community Renewal ordered the owner of 128 Hester to pay relocation benefits to nine tenants who brought an action against him. The owner, who hasn't paid any compensation, is appealing that ruling. John Gorman, the attorney representing the tenants, estimates that each tenant is entitled to compensation of \$60,000 and \$90,000 each. Mr. Klein declined to comment on the figure.

A community group that has aligned itself with the tenants is



Views of the Wyndham under construction at 91-93 Bowery.

warning that it will try to block the hotel opening if the tenants aren't compensated. "That is morally wrong," says Christopher Kul, executive director of Asian Americans for Equality, an advocacy group. "We will mobilize community opposition and hold protests," he warns.

Mr. Su, who also developed the Windsor Hotel in Chinatown, didn't respond to requests for comment. Mr. Klein, his attorney, said 128 Hester's owner spent \$200,000 on repairs and that "we do not believe we caused the deterioration of 128 Hester." Mr. Klein also says that there was a settlement offer made to the tenants that was "rejected." Mr. Gorman, the tenants' lawyer, says he knows of no such offer.

Evy Apostolatos, a spokeswoman for Wyndham, declined to comment on tenants' demands, noting that Mr. Su and not Wyndham is its developer and owner. Wyndham will be the operator, she said.

The Wyndham is one of the largest projects under way in Chinatown at a time when the community is dealing with growth pressures. Groups are fighting over whether the area should create a business improvement district, an issue that is expected to be voted on this summer by the City Council. Proponents say that it will support economic development. Opponents warn that small businesses will be hurt by the special assessment fee that the district

would charge.

Some developers are pressing the city to make zoning changes to permit high-rise offices and apartments on Canal Street, Chinatown's main thoroughfare. But other groups are concerned that development efforts might damage Chinatown's economy and heritage.

The site of the Wyndham Gardens hotel used to be a Chinese movie theater that shut in 2000. Mr. Su purchased the property, 91-93 Bowery, in 2005. A couple of years later, 128 Hester St. was purchased.

Last year, the city Buildings Department determined that the construction of the hotel "was directly responsible" for the unsafe condition of 128 Hester St. The Buildings Department also issued "multiple hazardous violations" at 128 Hester that "were never cured," according to the state ruling.

Supporters of rezoning Canal Street say the area can handle more development. "Rezoning within an appropriate context, relative to the needs of the Chinese community should help to bring new investment, business and growth to Chinatown and further help to revitalize the area, attract new businesses, residents and visitors," says Gregg Schenker, a co-managing partner at ABS Partners Real Estate, which owns property in the area.

Ms. Apostolatos, the Wyndham spokeswoman, said in an email that the hotel chain is eager to be part of this growth.

# The Assessor

## Buying, Holding Pays Off

Investments are paying off big time for those who were brave enough to buy Manhattan office buildings during the depths of the downturn.

Take the case of a venture of George Comfort & Sons, RCG Longview and DRA Advisors, which purchased Worldwide Plaza office in a 2009 deal that valued the office tower at about \$600 million.

The venture has increased the property's occupancy to about 95% from about 46%, thanks to megadeals like last week's decision by the U.S. subsidiary of Japan's

Nomura Holdings Inc. to lease more than 900,000 square feet.

Meantime, rents in the area have grown to about \$55 a square foot from about \$45 a square foot in 2009, according to Cushman & Wakefield.

The building's current value, probably more than \$1.1 billion, experts say. "It wasn't that we didn't lose a little sleep for a while after we bought it," says Jay Anderson, an RCG Longview partner. "The market snapped back much quicker than we thought it would."

—Laura Kusisto



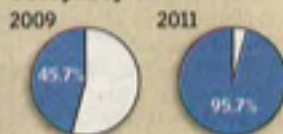
### By the Numbers

Worldwide Plaza's stats

Market rents in area



Occupancy



Valuation



Sources: Cushman & Wakefield; Real Capital Analytics; WSJ reporting; Bloomberg News (photo)  
\* Estimate