

**Residential Real Estate**

# West Side Tower to Have Park Views

By RACHELLE GARBARINE

Sales began last week for the 53 apartments at the Park Laurel, a 40-story tower at 15 West 63d Street that was conceived more than a decade ago. Preliminary site work is under way and the developer expects the building to be ready for occupancy in 2001.

So far contracts have been signed on 11 of the two- to five-bedroom units, including one two-story penthouse. Prices, which in the last week were raised an average of 5 percent, are \$725,000 to \$10.5 million, according to the Sunshine Group, the project's sales agent. Apartments range from 1,309 to 4,782 square feet.

While sales are proceeding, a legal challenge that has swirled around the project continues. Three community groups that oppose the project — they contend that it will make a dense neighborhood denser — are appealing a March ruling by the State Supreme Court in favor of the development. Though the court granted a temporary stay to stop construction, it was ultimately lifted.

The tower will replace the five-story building of the former McBurney School and will cantilever over part of the westerly portion of the adjacent 14-story Y.M.C.A. at 5 West 63d Street. The former school's interior has been demolished, though its landmarked Italian Romanesque facade is being preserved and will be incorporated into the new building. Last February, the Y.M.C.A., which owns the old school and has been pursuing plans to develop the site since 1986, sold the air rights over it to make way for the new tower.

It is being developed by the Vornado Realty Trust, a large real estate investment trust based in Saddle Brook, N.J. The project marks Vornado's first foray into Manhattan's luxury residential market.

"We opportunistically came in and took over a project that was waylaid by the real estate recession of the late 1980's because we think it is the single best site in Manhattan," said

Steve Roth, Vornado's chairman.

The company secured a building permit from the city in March and at the same time had its offering plan accepted by the State Attorney General's office, which is the first step needed to start sales.

The 1986 plan to develop the site had also provoked a lawsuit, which was resolved in favor of the development. That plan was ultimately sidelined by the real-estate recession.

In 1997, with Manhattan's housing market robust, the Y.M.C.A. resurrected its plan to develop the site and after 18 months of negotiations sold the air rights to Vornado. The Y.M.C.A. received \$9.3 million in cash and ownership of the 13 lower

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## Citing density, groups oppose a luxury project.

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stories of the new building, valued at \$10 million.

It will use those floors for its programs and for 65 rentals for low- and moderate-income tenants, said Rowena Daly, its director of community relations. The cash proceeds, she said, will be used to improve the existing Y.M.C.A. building.

The 14th through 40th floors of the new tower will contain the luxury condominium apartments, most of which will have Central Park views. The views distinguish the building from the crop of condominiums catering to prosperous buyers now being built, industry professionals say.

Yale Robbins Inc., a Manhattan-based publisher of real estate data, reports that six such buildings, totaling 337 large apartments, are taking shape above 59th Street. Meanwhile, prices continue to rise.

"Nothing is outrageous given the lack of new product to meet demand

for large luxury apartments," said Henry Robbins, senior vice president of Yale Robbins.

On the Upper West Side, the average sales price per square foot for condominiums — both new construction and resales — is just over \$800 for three-bedroom units and \$1,050 for those with four bedrooms. These prices represent increases of 33 percent and 10 percent, respectively, from the end of 1998, according to Douglas Elliman, the Manhattan brokerage.

But the new luxury condominiums are pushing the market's upper limits. The average sales price per square foot at the Park Laurel is \$1,320, which is expected to rise to \$1,500 by the time all the units are sold, said Louise Sunshine, president of the Sunshine Group. She attributes \$200 of that price to what she called the "park factor."

"Everyone wants a park view," she said.

Layouts of the apartments, designed by Costas Kondylis, a Manhattan architect, feature nine-foot-high ceilings and large windows to enhance park views.

The building's exterior was designed by Beyer Blinder Belle of Manhattan, an architectural firm, to complement the historic facade of the former school.

Planned amenities include a fitness center and a children's playroom. Monthly common charges will range from \$989 to \$3,164. Because of a 10-year tax abatement, real estate taxes are to range from \$65 to \$922 a month, eventually rising to \$608 to \$8,683.

On the legal front, the West 64th Street Block Association, One Lincoln Plaza condominium association and Landmark West, a preservation group, have filed a notice to appeal the State Supreme Court's March ruling. A hearing is expected in September.

Their lawsuit contends that the approval for the project, which was issued in 1989 and lacks an expiration date, should be invalidated be-

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Tony Kurrasch  
The Park Laurel, a proposed condominium tower on the West Side, features large apartments.

cause the city began putting four-year limits on such permits in 1995. It also said the project's environmental impact statement should be updated because buildings constructed in the intervening decade have made the neighborhood more congested, said Charles E. Knapp, a Manhattan lawyer representing the groups.

"Though the court agreed with our analysis that the lapse provision applied to the permit, it inconsistently allowed the city not to apply the law here," he said. "We are not antidevelopment, but we are concerned in trying to maintain a livable neighborhood."

Vornado views things differently. In a statement, it countered, "If the appeal is heard, it won't be for several months and in the meantime Vornado is going ahead with the building." The company said it would start construction on the new tower in July.