

# The New York Times

## Real Estate

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### The Neighbors Will Play the Cello

By ANTOINETTE MARTIN

**“W** E are going to build this building!” Mayor Cory A. Booker thundered with an intensity that made the veins stand out at the temples of his shaven head. Only moments before, at the same podium, at the same news conference early this month, Gov. Christopher J. Christie called himself a son of Newark and threw his political muscle behind the same project: One Theater Square.

It was a veritable passion play staged at the New Jersey Performing Arts Center on May 5, with bipartisan actors and concerted hoopla, all meant to stimulate a sense of urgency concerning a long-time plan to build a 44-story residential tower across from the center.

Especially among lenders. City officials, arts center executives and the developer Carl Dranoff — who built



DRANOFF PROPERTIES

**MUSIC LOVERS**  
The One Theater Square Project, a rendering at left, is located adjacent to the New Jersey Performing Arts Center in Newark.

the arts-district Symphony House condominiums in Philadelphia and luxury units on the Camden waterfront — all exhibited a fierce certainty that arts-loving people would want to live in downtown Newark.

Mr. Christie said it had been an “easy choice” to approve \$38 million in tax credits over 10 years for the project, which he did shortly after he took office in January, because the revitalization of Newark and other cities was crucial for the health of the state.

But that still leaves

roughly \$160 million in financing to be secured for the 328-unit tower, which is to have expensive amenities like a pool and fitness center while having 20 percent of its apartments rented below market rates, to artists who qualify.

Despite the stalling of residential projects all around the Northeast for lack of lender confidence, officials are pressing forward with what was described at the news conference as a “game changing” plan, in a neighborhood where no new market-rate housing has

been built in 45 years. Their optimism can be ascribed in part to the way arts center events, along with sporting events at the Newark arena, draw huge crowds. “Newark needs middle-class housing,” said Lawrence P. Goldman, the arts center’s chief executive, who helped conceive the overall plan for the acreage around the arts center — including shopping, additional parks and more residential buildings. In an interview before the conference, he said, “We are going to put up a beautiful, slender tower on a site with

the ultimate access to the arts, train service, great views — including, for some, the New York skyline — and attract people of means, no question.”

The arts center opened on Center Street in 1997. Situated along Route 21 and the Passaic River border with Harrison Township, and near Military Park downtown, the center is within five blocks of two train stations: Newark Penn and Broad Street, which are both connected to light rail service.

The mass-transit access is what made the Theater Square project eligible for the state tax-credit program. It is available only to developers of large projects within a mile of train stations in nine designated cities, including Newark, Trenton and New Brunswick, the home of Rutgers University.

“The tax credit was huge; it was critical,” said Mr. Dranoff, whose company, Dranoff Properties, was among 12 to make proposals.

“The next step of securing financing is also very important,” he said in an interview, “and we are going to do it. For those who might have trouble believing that, I will just point out that we took on what many people said was an impossible project in Camden, one requiring a jigsaw of public and private financing, and put it together in the six months following 9/11.”

The Victor Lofts in Cam-

den were created after restoration and conversion of decrepit and long-vacant buildings that belonged to RCA Victor, which look across the river to Philadelphia.

“I will knock on every door, and I will not go away,” Mr. Dranoff said. “I will keep coming back until we get the financing to make Theater Square happen. I made that commitment to the city and NJPac, and we will not fail.” He did not specify which or how many banks and lending institutions he had contacted so far, but in the past he has mentioned two lenders who have heard his case with “interest.”

Mayor Booker and his deputy for economic development, Stefan Pryor, emphasized that they opposed development of a solely “middle-class enclave” around the arts center, even though they are eager to see Theater Square introduce a new level of quality.

“The message is this,” said Mr. Pryor in an interview after the conference. “We need to build a mixed-income downtown that includes middle-class housing and includes affordable housing. We need to ensure we provide opportunity for all to move into our newest, most state-of-the-art housing stock and don’t repeat the mistakes of the past in building enclaves of superb housing stock set off from lower-income housing projects.”

Mr. Pryor said that set-

ting aside 20 percent of more than 300 units as “affordable” — and available to qualified artists and arts-industry workers based on income — amounted to “a lot of units.”

Also downtown, “work force” housing is planned at the Teachers Village project on Halsey Street, in rental buildings set around two new charter schools, the deputy mayor noted. On Rector Street, behind the performing arts center, another market-rate tower, this one condos, is to be built by the team of the basketball star Shaquille O’Neal (a Newark native) and Boraie Development of New Brunswick.

Theater Square, which would become the tallest building in Newark, was itself originally planned as condos, switching to rental as financing was shriveled by the recession.