



# RXR breaks ground on 28-story New Rochelle tower

**By Bill Heltzel**

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Celebrants at the ceremonial groundbreaking of a \$120 million, 28-story mixed-use building in downtown New Rochelle on Nov. 30 left unspoken a big reason for their joy: Speed equals money.

Public officials and principals of RXR Realty, the developer of 587 Main St., boasted about how quickly the project got going.

The groundbreaking took place 10 months after the project was announced.

Contrast that timetable with RXR's Garvies Point mixed-use project in Glen Cove, Nassau County. Groundbreaking is scheduled for Dec. 5, 13 years after the project was first pitched.

RXR promised to break ground in November, said New Rochelle Mayor Noam Bramson, "and here we are today. They delivered."

City Manager Charles Strome III said starting the project in less than a year is a monumental achievement.



*New Rochelle Mayor Noam Bramson, City Manager Charles Strome III and RXR Chairman and CEO Scott Rechler. Photo by Bill Heltzel*

“You think it’s easy to get seven city councilmen to unanimously agree?” he asked. “It’s not. With a lot of councils this wouldn’t have happened.”

Scott Rechler, RXR’s chairman and CEO, said the city’s urgency gave the firm the confidence to act quickly.

Speed counts. Speed lowers the costs of planning and prepping a project. It quickens the schedule for collecting rents and making a return on investment.

Construction workers are put on the job sooner and permanent jobs are filled. New stores can open.

Replacing a blighted, abandoned property with a modern residential-retail tower enhances property values and expands the tax base.

Other developers see what’s going on and propose their own projects.

“It creates a self-reinforcing cycle,” Rechler said.

The 587 Main St. project is also the proof of New Rochelle’s strategy for positioning the city as an ideal suburb of New York City.

As the economy began to improve a few years ago, the city council began looking for ways to reverse falling revenue. The council wanted to attract housing, shops, restaurants, offices and hotels to a downtown that had been in decline for decades. They recognized that the city has a key asset, the New Rochelle Transportation Center, enabling residents to get to Grand Central Terminal quickly on Metro-North trains.

Two years ago, New Rochelle hired RDRXR at New Rochelle LLC – a joint venture of RXR Realty and Renaissance Downtowns – as the master developer.

The firm developed ideas and strategies for achieving the city's goals. It also completed a comprehensive state environmental quality review for the entire downtown development area. Now any developer can skip that expensive, time-consuming step and take a proposal directly to the city, cutting the approval process by a year.

The 587 Main St. project is on the site of the old Loew's Theatre, a massive structure that extends all the way back to Huguenot Street, and a narrow row of storefronts on both sides of the theater entrance.

The property owners, Brause Realty and ABS Partners Real Estate, are partnering with RXR.

Loew's was built in 1926. It was designed by Herbert J. Krapp, one of the leading theater architects during the era of movie palaces. It was built in an elaborate Spanish-Mediterranean style, with a clay tile roof, baroque parapet and gorgeous mosaics.

The movie theater closed in 1980, the victim of changing entertainment economics and a gradual decline of the downtown.

It was turned into a nightclub called the Palladium. The walls were painted black, and unique architectural elements were stripped out.

The club became the site of drug activity and unruly conduct. It closed in 2003.

The old movie theater is a crucial part of the city's plan to transform Main Street into a cultural district, with art galleries and performance studios.

New Rochelle allows developers to build up to 20 percent higher if they preserve a historic site, create a cultural space or provide other community benefits.

RXR is building four extra floors. It has pledged to preserve the theater's façade, featuring terracotta architectural embellishments, and to create a new marquee similar to the original.

The developer is also building a 10,000-square-foot black box theater, a versatile space that can be used for a variety of events.

The building will have 280 rental units, including 28 that will be rented at below market rates, 17,000 square feet of commercial space and 234 parking spaces.

RXR spokesman Seth Pinsky could not say how much rents would cost, but said the apartments will be affordable by regional standards. The building will have a full array of amenities and services.

"It will be a first-class building at affordable rents."

Leasing is expected to begin in late 2018.

The architect is PS&S of Warren, N.J. The general contractor is Hudson Meridian Construction Group of Manhattan.

Rechler said RXR is already looking at other sites for development downtown.

