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The Skids? Not Hardly



Kenneth Dickerman for The New York Times

A condominium complex, left, and the old Bowery Lane Theater, now luxury apartments at Bowery and Bond Street.

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BEFORE the Bowery bums and urban blight, before the restaurant-equipment dealers flooded the sidewalks, before lighting stores illuminated storefront windows and before the area became known as a haven for punk rock, one of New York's oldest thoroughfares fell into the cross hairs of real estate speculators. They helped transform it into one of the city's ritziest addresses.

A century later, the speculators are back, and over the past few years the Bowery has undergone another transformation, one that in some ways recalls its heyday even as it risks erasing the markers of its past.

Where flophouses and derelict buildings once stood, luxury condominiums with prices of more than \$2,000 per square foot are popping up. Empty lots, gas stations and family businesses have been swept away. Fancy hotels now charge upward of \$400 a night for

the privilege of crashing on the same Bowery where \$4.50 bought a bed for the down and out. Luxury rental apartments — where one-bedrooms start around \$4,000 a month — have replaced John McGurk’s long closed but not forgotten watering hole.

“Historically, what happens in [New York City](#) has almost always been reflected on the Bowery,” said Eric Ferrara, the director of the Lower East Side History Project and the author of “The Bowery: A History of Grit, Graft and Grandeur.”

“So in this age of high-rise condos and hotels, gourmet cupcakes and chichi boutiques, it is not surprising that the Bowery would be vulnerable to gentrification.”

The Bowery cuts through several different neighborhoods in Lower [Manhattan](#), from Chinatown on the south to NoHo and the East Village in the north. Until recently, zoning restrictions made residential development in the area difficult. But as the [Bloomberg administration](#) pushed to loosen zoning laws across the city, construction sprouted up. And because the Bowery is largely unprotected by landmark restrictions, the new and proposed construction has come in all shapes and sizes.

The new Bowery is defined by apartment prices approaching those in Manhattan’s most expensive neighborhoods. Just off the Bowery, at 48 Bond Street, a 5,000-square-foot penthouse with an additional 1,100 square feet of outdoor space is listed for \$15.8 million. Last month, another penthouse on the strip sold for more than \$13 million. There are now half a dozen condos on the Bowery on the market for over \$3 million.

New Yorkers tend to mark the demise of neighborhoods by their own personal calendars, choosing to define the feel and texture of a place by how it fit into a formative period of their lives. For some, the old Bowery died the day the music stopped at [CBGB](#), the punk haven at 315 Bowery that was replaced by a [John Varvatos](#) boutique selling \$200 T-shirts. For others, it was when the Bowery got its own scent, Nouveau Bowery, \$150 for less than two ounces at the perfumery Bond No. 9, just off the avenue.

For many developers, the turning point came with the success of Avalon Bowery Place, a nine-story luxury rental building at the northeast corner of Bowery and Houston. Studios there start at \$2,850 a month. The Avalon opened in 2008, on the heels of Whole Foods, on the south side of Houston.

Even before these large-scale projects were built, developers were pushing into the area.

Kenneth S. Horn, the president of Alchemy properties, said that when he decided to build luxury condos on the Bowery at 57 Bond Street in 2003, CBGB still had lines outside on Friday nights, and fancy restaurants like Keith McNally's upscale pizza joint Pulino's and Daniel Boulud's DBGB were not even in the planning stages.

"When we did the building," he said, "we knew it was new territory."

The calculation for developers pushing into a fringe area, with few properties to help guide pricing and gauge risk, is not exact.

Mr. Horn said he believed that the Bowery was on the cusp of change because it was a natural place for people to migrate as they were priced out of neighborhoods like the West Village and SoHo. "For us, when we were looking at the site," he said, "we believed that as long as we were north of Bleecker, we were going to be O.K."

His team had looked at other sites on the Bowery, including the [Salvation Army](#) building just a few blocks away, but thought it too far south. When he finished the condo 57 Bond Street, on the southwest corner of the Bowery, in 2003, the starting price for a unit was \$1.3 million.

"One young lady who bought in our building, her father grew up on the Lower East Side," he said. "I remember him saying to me: 'I spent my whole life trying to get off the Bowery. And now all she wants to do is get on it.'"

Because of the untested nature of the neighborhood back then, Mr. Horn set his prices about 20 percent lower than new condos farther west on Bond Street, asking about \$1,000 per square foot.

The 12 apartments sold out quickly, and in recent years, resales in the building have gone for 60 to 70 percent more than the original buyers paid.

Recent nearby condo sales at the architect Robert Scarano's 15-story metal-and-glass luxury condo building, which rises above the Bowery at 52 East Fourth Street, have topped \$2,000 a square foot.

At 57 Bond, the design of the building by the architect Marvin H. Meltzer was as striking as the price. Mr. Meltzer said at the time that his goal was to bring modernity to the old industrial area.

The curved exterior with its stone and glass provides a vivid contrast to the white cast-

iron Bouwerie Lane Theater, completed in 1898, just across the street on the north side of Bond and Bowery.

That former theater has also been swept up in the Bowery real estate boom.

Adam Gordon, whose company, Madison Development, made a fortune buying property and converting it to self-storage units, bought the theater in 2007 for \$15 million. He undertook renovations, and this year the triplex penthouse was sold to a Belgian entrepreneur for \$13.49 million — marked down from \$16.5 million. The third- and fourth-floor apartments together sold for \$8.7 million, and the retail condo on the first two floors sold for \$5.5 million.

Hamid Rashidzada bought a studio at 199 Bowery five years ago for \$390,000, when prices had not yet begun to soar. Now, he needs something larger and is selling the apartment for \$549,000, confident that at that price he will find a buyer, because it is tough to find an apartment anywhere on the Bowery for under \$1 million.

Compared with other neighborhoods, not much is available on the Bowery, according to Michael Mansfield, a senior associate salesman at Citi Habitats who analyzed the available listings. There are about two dozen condos on the market, ranging from \$499,000 to \$15.8 million.

But, he said, sales have picked up markedly in the last year or so.

From January 2000 to October 2009, Mr. Mansfield said, 240 apartments sold, for \$500,000 to \$5 million. In the last 18 months, he said, 99 apartments sold in that same price range.

Mr. Ferrara, the author, said that the last few years recalled the period when developers like John Jacob Astor — whose motto was ‘Buy and hold. Let others improve’ — snatched up great swaths of land in the city, including the Bowery.

Mr. Astor and other developers “turned the Bowery into one of the most fashionable early-19th-century addresses in the country,” he said.

“Before Broadway was ‘The Great White Way,’ the city’s theater district was on the Bowery,” he said. “Its early-19th-century performance venues and open spaces rivaled any in London or Paris and undeniably forged New York’s cosmopolitan status on the world stage.”

By the time of [the Great Depression](#), that glory was fading, and for much of the 20th century, the Bowery became synonymous with hard times.

Today, the farther south one goes on the Bowery, the more it clings to its working-class history. In fact, a stroll underscores how varied the avenue remains.

Restaurant supply stores dominate several blocks, with the wares spilling out onto the sidewalks. And, farther south, lighting stores shine on. As the Bowery morphs into Chinatown, dozens of jewelry stores are still bustling.

While the Bowery Alliance of Neighbors, formed as a reaction to the towering new hotel at Cooper Square at the very north end of the Bowery, has fought to preserve parts of the strip, it remains largely unprotected by landmark restrictions.

And because it runs through a number of neighborhoods, no single long-established neighborhood group is focused solely on the Bowery.

For preservationists, this is cause for concern. For developers and architects, it presents an opportunity to build with more freedom than many other neighborhoods in Manhattan afford.

Gene Kaufman, whose architectural firm has been commissioned to design a hotel on the Bowery, said that the street had become “stuck in time.”

“And a city that does not change dies,” he said.

His bold design for the proposed 72-room hotel, at 347-349 Bowery — the old Salvation Army headquarters that just eight years ago was deemed too far south by Mr. Horn and others — is certainly something new.

From its signature balconies, each unique in size and shape and illuminated in glowing red, to its green wall entirely covered in foliage, the building is not intended to recede gently into the background. Mr. Kaufman’s initial plans also included a Jumbotron on the roof.

When [The New York Observer](#) published early renderings, many preservationists and community members were apoplectic.

Mr. Kaufman took the criticism in stride, noting that the design was still being worked out.

“I think the current building boom on the Bowery is becoming the context in which buildings will be thought about and designed in the future,” he said.

In the past couple of years, the Sperone Westwater Gallery at 257 Bowery, designed by [Norman Foster](#), and the New Museum at 235 Bowery, by [Kazuyo Sejima](#) and [Ryue Nishizawa](#), have brought a more modern aesthetic to the old thoroughfare.

The Paris-based Louzon Group bought the Salvation Army building for \$7.6 million in January and is financing the hotel.

Alan P. Miller, the senior director of the real estate investment firm Eastern Consolidated, who brokered the hotel deal, said that although parts of the market remained sluggish, investors were eager to get a piece of the Bowery.

“All of the Bowery is gold,” he said.