

Development around the New York Islanders' new arena will be more oasis than urban village

BY DON MURET

# Belmont plans: Parklike setting, high-end retail

## Tenants + Teams

**T**HE NEW YORK Islanders' excruciating journey to build a new arena finds them back home in Long Island, situated in the metropolitan area's biggest piece of underdeveloped real estate.

The site, Belmont Park, a historic horse racing facility and home to the third leg of the sport's Triple Crown, takes up 450 acres

in Nassau County. In three years, the NHL's Isles plan to open an 18,000-seat arena next to the track, plus a high-end retail district and a 250-room, four-star hotel.

Officials representing the project development partners, Islanders co-owner Scott Malkin and the Wilpon family, owners of the New York Mets, discussed the \$1 billion project during the recent VenuesNow Conference in Los Angeles. Oak View Group, which owns *VenuesNow* magazine, is a third investor in the arena portion of the development.

Landing at Belmont Park is quite a story for the Islanders, considering their struggle to find a new home over the past 15 years. It included the failed Lighthouse project under former team owner Charles Wang before the franchise relocated to Barclays Center five years ago. The Islanders' fan base never quite embraced the team's move to an NBA arena that sits 30 miles west and a one-hour commute from Nassau Coliseum, their old home. Barclays Center, designed specifically for basketball, has about 3,000 obstructed-view seats for hockey and has had issues with ice quality and game presentation.

Belmont Park, owned by the state of New York, sits 14 miles west of Nassau Coliseum. The Islanders' project is part of redeveloping the overall property, and it provides the club with a prime opportunity to reset the fan experience. The arena site, behind the west end of the track's massive grandstand, is nestled among 150-year-old oak trees. Overall, there's plenty of green space, a rare setting in metro New York, which led to adjustments in the site plan, said Richard Browne, a partner with Sterling

Project Development.

The original plan called for the 23-acre retail village and hotel to be "bunched" around the arena to create an urban feel to the project and an extension of New York City, Browne said. But after officials dug deeper into site research and considered things like emergency vehicle access and public transportation, it made more sense to spread out the three components, put most parking underneath the retail portion and use surface parking adjacent to the arena, he said.

The new plan was to "create more of an oasis and take advantage of the parklike setting that's been in existence in front of the Belmont clubhouse since 1907," Browne said. "Do with the land what it wants you to do."

The land has a rich history dating to the early 1900s, when the Wright Brothers and other aviation pioneers used the track for flying practice, according to Brian Garrison, president of Value Retail International, a developer of high fashion districts such as 2 Rodeo Drive in Beverly Hills, Calif. Malkin is London-based Value Retail's chairman. Today, pieces of the track remain open to all visitors, such as the paddock, where horses are saddled up and paraded around before they head to the track. It's one example of Belmont Park's countryside feel and accessibility that the Islanders want to fold into their project, Garrison said.

"It's really hallowed ground," he said. "It drove us away from creating a more urban entertainment district, which would have been the knee-jerk reaction, to really working with the history and vegetation, which we would never be able to replace. The arena sits in



a grove with 80-foot-tall oak trees and phenomenal views. We don't see any other arena in the world that has these characteristics."

On the retail side, there aren't many arenas in the world with tenants next door matching 2 Rodeo Drive, which showcases top-shelf brands such as Tiffany & Co., Versace and Jimmy Choo. It's among the 20 properties Value Retail has developed globally over the past 30 years. Seventy percent of its 1,300 employees are women and 95 percent come from the fashion retail business, Garrison said, and that's where Value Retail's expertise should help create a new generation of sports and entertainment destinations focused on females and families.

"The retail brands we deal with are high maintenance, with exacting standards," he said. "They're professional athletes in their own way. We design our projects to address the female shopper. That's our target. If she's happy, the family's happy and everyone around her is happy. We're taking a similar approach to the arena, and it starts with a look at the team as a luxury retail tenant."



The arena at the center of the project will welcome the Isles for the 2021-22 season.

to go through the process of buying a ticket, getting to the event and buy something to eat and drink and “don’t want to talk to anybody about (how to do) those things,” Garrison said.

“Obviously, that comes down to creating a community through technology, being able to access where your friends are without having to run the gauntlet to get in and around places,” he said. “You feel like you’re in your own neighborhood from the time you buy a seat.”

Officials expect the project’s Environmental Impact Report to be approved by the end of 2018 and plan to start construction in May, with the arena opening for the 2021-22 NHL season. To date, the project has received tremendous support from city and state officials because they all recognize the importance of keeping the Islanders in New York, Browne said.

Browne filled the role of owner’s representative for building Citi Field and is doing the same for the Isles’ arena project. He said his experience with the Mets’ ballpark taught him that dealing with the various New York political factions to get construction done is in many ways more of an art than a science.

The project team has also been lucky in terms of hiring New York construction workers. Many are sports fans and longtime Islanders supporters. Separately, the ability to hire local women- and minority-owned firms to work on the arena development is viewed by political leaders as making a positive contribution to the city, Browne said.

“From a logistics standpoint, this is a lot easier, believe it or not, than building an 80-story building on Madison Avenue,” he said. “It’s a plus when you have a state agency that owns and controls the land, but obviously there are other things you have to take into account from the political side.

“There’s an awful lot of momentum you need to build to get these projects over the finish line.” ■

Value Retail expects to start leasing space for the retail village early next year to a mix of high-end tenants similar to those in its other shopping districts, Garrison said.

The big question is how those luxury retail brands work next to an NHL arena in a sport drawing working-class families that may not typically have \$500 to spend on a pair of Jimmy Choo shoes. Project officials point to the strategy behind the retail piece supporting the overall development financially, tied to an arena playing host to 41 to 50 hockey games a year, plus dozens of special events.

“It’s a 365-day year,” Garrison said. “The rest of the time, we’ve got a great anchor with fashion, [expected to draw] 5 million to 6 million visitors a year. For arena events, the people coming to spend \$300 to \$600 a ticket for Bruce Springsteen and U2 are a similar demographic to those using our retail.”

He said, “It’s that 41 to 50 days a year where you have some commonality, but it’s really a relatively low ratio when you think about it. The retail will be a completely integrated experience with all

## Few arenas sit next to brands like those of Value Retail’s 2 Rodeo Drive.

the touch points being the same and how we marry the premium luxury shoppers with the die-hard Islanders fan. It’s something that seems like it’s oil and water, but we actually found some common ground that as the project fully develops you’ll get to see.”

The special events side begs another question: Is there enough demand for a fifth big league arena in the New York-New Jersey region? Madison Square Garden is a must-play for touring acts, and Barclays Center has held its own since it opened in 2012. Prudential Center in Newark and the upgraded NYCB Live: Nassau Veterans Memorial Coliseum provide additional competition for events.

The answer is yes, Browne said, due in large part to the 20 million

people living in a 75-mile radius. For the Islanders, though, as well as OVG Facilities, which is expected to operate the Belmont Park arena, there’s a need to create separation from the pack as a competitive edge

for booking concerts and family shows. The new arena, designed by Populous with AECOM Hunt as the general contractor, will feature eight full-size loading docks below ground with 50,000 square feet of column-free space for touring shows to unload equipment.

“You’ll be able to drive two semis on to the event level without obstruction, which makes it appealing to tour operators,” Garrison said. “We believe this building will be the least expensive to operate for a tour (of any) venue in the region.”

Technologically, project officials spoke with the younger generation of Islanders front office employees to find out their needs in a live event setting. The millennials’ message: They want