



Oft-delayed Harlem development breathes new life

By [Steve Cuozzo](#) - April 25, 2017 | 12:17am

More than a decade since a dream was born for Harlem's derelict Victoria Theater site, a new future at 233 W. 125th St. is really, truly, at hand.

The \$178 million, mixed-use project atop the theater's famous facade is expected to open by spring 2019. The 1917 Victoria served as a vaudeville house and later as a cinema until it closed in 1989. It's been shuttered ever since — a blight on the block that's home to the Apollo Theater and to a retail boom.

Now, "we have all our financing and permits in place," said Exact Capital managing partner Craig Livingston. Exact Capital, which owns 30-odd Harlem and Bronx properties, is part of a joint-venture development team that includes the hotel-happy Lam Group and Danforth Development, a local firm led by Steven C. Williams.

Livingston and Jeff Lam, a son of Lam Group founder John Lam, sounded exultant that the 26-story tower between Adam Clayton Powell and Frederick Douglass boulevards is at last coming out of the ground. The 400,000-square-foot structure will have 191 mixed-income rental apartments; a 210-room Marriott Renaissance hotel; about 25,000 square feet of retail; and another 25,000 square feet of cultural and arts space.

It's part of the "huge transformation happening on 125th Street," Harlem's historic main shopping drag, Livingston said. What Realty Check previously called a "whirlwind" includes Jeff Sutton's Whole Foods-anchored retail building at Lenox Avenue; new developments soon on sites owned by the Durst Organization and Extell; and the planned enlargement of the Studio Museum in Harlem designed by architect David Adjaye.

The Victoria stands a few doors east of the Apollo amid proliferating national retailers such as Gap Factory, Banana Republic Factory, Lane Bryant, OshKosh B'gosh and Aerosoles. It will bring 125th Street its first major hotel since the Theresa, now an office building, closed in 1967.

"It's actually two separate buildings" connected by a north-south arcade between 125th and 126th streets," Livingston said. It took advantage of the state's power to override city zoning, which wouldn't have permitted so large a structure. **The developers and Aufgang Architects devised a T-shaped building "to maximize the available FAR [floor area ratio] and the views," Livingston said.**

Some longtime Harlemites bemoan that “gentrification” has uprooted lower-income, mostly African American residents and merchants. But the Victoria project “was uniquely conceived to create benefits for local residents,” Livingston said. Last week’s groundbreaking drew officials with deep Harlem roots, including NY State Assembly member Inez Dickens, City Council member Bill Perkins, former US Rep. Charles Rangel and Upper Manhattan Empowerment Zone Chief Executive Ken Knuckles.

Half of the apartments are earmarked for mixed-income affordable housing, including low-income, “so we can have participation of Harlemites from different rungs of the economic spectrum,” Livingston said. A high number of locals will be hired for an estimated 1,625 jobs the project will create, and 30 percent of construction contracts will go to minority and/or women-owned local companies.

The Victoria’s cultural component — two theaters on the third and fourth floors, to be entered via the partly restored original lobby — will be “owned by the state and leased to local arts groups,” Livingston said. The larger of the two is to have 199 seats — to duck a rule requiring union stagehands for a venue with 200 or more seats “which these local organizations couldn’t afford,” he said.

The site’s owner, the Harlem Community Development Corp. (an Empire State Development Corp. subsidiary), first issued a request for proposals in 2004. Danforth was tapped at the end of 2007 — just in time for the Wall Street crash that made financing impossible.

Exact Capital came into the picture in 2011. Then, “we first got involved around three years ago,” Jeff Lam said of his company.

“We were lucky to have Lam partner with us,” Livingston said. “Lam’s prowess as a leader in the hotel market, their participation, was an absolute must-have to make lenders comfortable.”

The chief lender is Goldman Sachs Urban Investment Group, which provided the \$122 million senior loan, according to public records. The project is partly funded by the ESDC and the Upper Manhattan Empowerment Zone.