

## TOWER POWER GOTHAM TO ACCUMULATE 65M SQ. FT. IN OFFICE SPACE

By TOM TOPOUSIS

October 9, 2007 -- The Big Apple is in the midst of a building boom that over the next 25 years will change the face of the city and create so many new office towers that the added space alone will be bigger than downtown San Francisco or Atlanta, a Post analysis shows.

With the World Trade Center reconstruction now underway and several large towers going up in Midtown, the city and state will open bids this week for development of the largest tract of available land in Manhattan: 26 acres over the West Side rail yards.

Added together, towers under construction, in the planning stages or proposed for future development add between 65 million and 70 million square feet of office space - about seven times what is being built at the World Trade Center alone.

"And we think over time, taking a couple of decades, we'll need every bit of that," Deputy Mayor Daniel Doctoroff said of the projections for new office space.

Doctoroff also said that soon after Mayor Bloomberg took office in 2002, the administration calculated that the city would need 65 million to 70 million square feet of new office construction if it is to remain competitive as a business center.

"We're not smart enough to be able to predict exactly when all that will be built, but it's a . . . number that we'll need," he said.

While the amount of new office space planned may sound enormous, the phasing of its construction makes the new projects viable, said Mary Ann Tighe, chief executive officer of CB Richard Ellis' New York office.

"It's a very orderly delivery of space compared to the boom and bust cycles we had in the 1970s and '80s," Tighe said.

Tighe said a force behind the demand for new office space is the aging of Manhattan's current buildings. A study by CB Richard Ellis found that 63.9 percent of the city's office towers will be over 50 years old by 2010, compared with a national average of 24 percent.

Unlike most other cities, Tighe said Manhattan's office towers are more likely to be filled with the top tier of corporate officials - the types of executives who are willing to pay a premium for the best and most technologically sophisticated space.

The Real Estate Board of New York calculates that 7.9 million square feet of new office space is now under construction, including the Freedom Tower. Another 6.9 million square feet is in the planning stages, including four additional towers at the World Trade Center site.

REBNY projects that another 12.6 million square feet in 14 potential projects - mostly in Midtown redevelopment - could be on tap as well.

But the biggest chunk of expansion would come on the far West Side in the Hudson Yards, stretching from the rail yards between 30th and 33rd streets all the way north to 42nd Street, where the city is counting on 24 million square feet of new office space.

