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BUILDING & CONSTRUCTION

NORTHEAST

BUILDING A STRONGER REGION

THE HIGH LIFE

The Big Apple is in the midst of several major projects. *Page 18*

THE RIGHT FOOT

2010 is expected to be another tough year for construction. *Page 16*

URBAN *sanctuary*

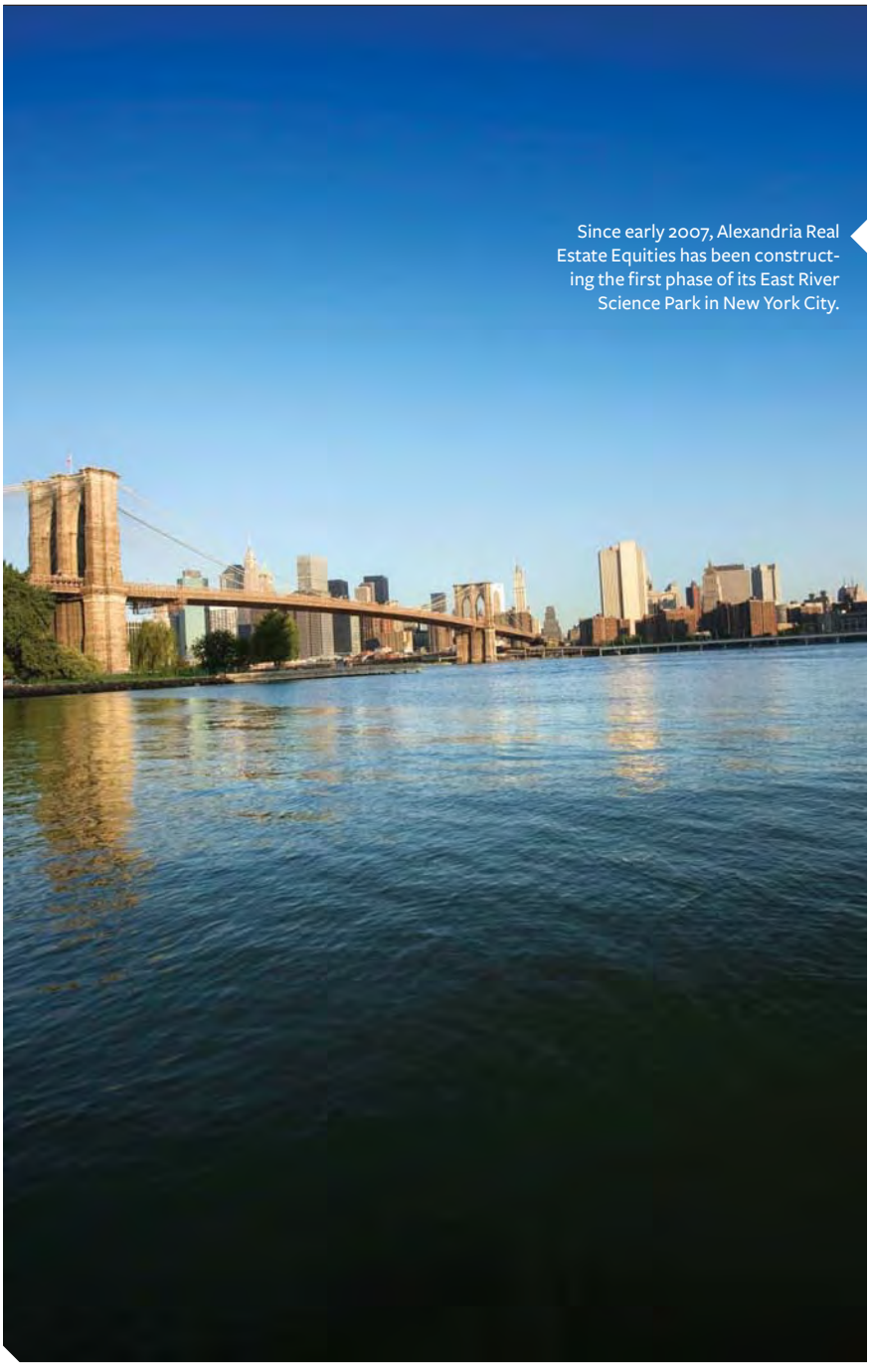
Teamwork contributed to the successful completion of The Allegro Apartments, an award-winning development in Washington, D.C. *Page 79*

New Life for New York

"Our design provides a comprehensive, architecturally interesting urban vision for a 'Science Park in the City.'"
> *Nancy J. Kelley, senior vice president*

Alexandria Real Estate Equities believes its East River Science Park will be a major boon to New York City, as well as the life sciences industry. *By Staci Davidson*

Alexandria Center for Science and Technology at East River Science Park
www.alexandrianyc.com
Project cost: More than $700 million
Location: New York City
Scope: 3.5-acre campus for life science research and development



Since early 2007, Alexandria Real Estate Equities has been constructing the first phase of its East River Science Park in New York City.

Life sciences cover the study of living organisms, but more specifically, they are the use of science and technology to improve the health and well being of a population. Alexandria Real Estate Equities Inc. is working to drive studies such as these by developing properties where companies in the life science industry can collaborate.

"World-class life science entities are attracted to Alexandria's world-renowned scientific research environments located in the leading life science cluster markets world-wide, unique sustainable operations and unique proprietary services," the developer says.

Based in Pasadena, Calif., Alexandria Real Estate Equities is the largest owner and first-in-class real estate investment trust focused principally on science-driven cluster formation. At the end of 2008, Alexandria had an approximate $5.2 billion total market capitalization, making it the leading provider of real estate to the life science industry. The company says it strives to provide high-quality environmentally sustainable real estate, technical infrastructure and services to the diverse industry of life sciences.

Alexandria's client tenants include institutional, pharmaceutical, biopharmaceutical, medical device, product, service and translational companies, as well as government agencies. The >>

>> company says its operating platform is based on "the principle of clustering with assets and operations located in key life science markets." It has locations in Los Angeles, San Francisco and San Diego, Calif., as well as in New Jersey, Florida, North Carolina, Washington, D.C., Seattle and Canada.

"We are the cluster creator," the developer says. "Alexandria maintains a unique and independent position that allows us to work closely with biotechnology and pharmaceutical entities, academic institutions, governmental bodies, venture capitalists and other thought leaders to help foster and drive innovation within the life science community. We control the location – a multidisciplinary 'trading floor' where science, talent and capital strategically come together to collaborate and innovate. Our unmatched and proven proprietary products including the Accelerator Corp., the Science Hotel and the Innovation Center are critical magnets that help to position our client tenants for increased productivity, efficiency and the development of successful future product pipeline opportunities."

Since early 2007, Alexandria's newest cluster has been under construction in New York City. On Manhattan's East Side, the Alexandria Center for Science and Technology at East River Science Park (ERSP) will consist of approximately 1.1 million rentable square feet of technical space, as well as a number of features to foster collaboration among a range of life science firms, the company says. The first phase of construction will be complete around the end of 2009.

"The campus will include a state-of-the-art digital conference center, as well as space for clinical and translational research and development," the company says. "There will also be a notable restaurant, cafe, fitness center and a one-acre landscaped science park, with stunning East River views. Located in Manhattan's East Side life science/medical corridor, the science park will capitalize on its proximity to the city's academic medical research institutions and major hospitals. New York City combines the preeminent location of the Alexandria Center with science, capital and talent - the critical components of a successful cluster market."

When complete, the East River Science Park will have more than 1.1 million square feet of technical space.

Capital Contributors

The first phase of the complex includes two towers totaling 725,000 square feet, with laboratories, offices and conference space. The start of the second phase has been delayed because of the slow economy, but when complete, the entire complex will have three buildings on 3.5 acres.

Funding for this project is coming from a variety of sources. In addition to the $700 million to be invested by Alexandria Real Estate Equities, the city of New York is providing about $13.4 million in capital funds for the project and New York state is providing $27 million to be used for infrastructure work in con-

Wade Electric takes pride in having this opportunity to work with Turner Construction at the East River Science project. Through value engineering, re-design, technical assistance and construction, Turner and Wade are providing essential services consistent with Alexandria's requirements on the East River Science project. Turner and Wade's working relationship spans more than 30 years, and includes such projects as New York Times College Point and the New Fulton Fish Market at Hunts Point. The professional working relationship on the East River Science Project between Turner, Alexandria and Wade's personnel has contributed to the overall success of this unique facility. Congratulations to Turner Construction Co. and all its subcontractors in this collaborative effort.

nection with the project. The New York Economic Development Corp. (EDC) says Manhattan Borough President Scott Stringer contributed $500,000 to the project, and approximately $5.6 million in funding came through the New York City Industrial Development Agency. Additionally, the U.S. Department of Commerce Economic Development Administration will provide $2 million for the reconstruction of East 28th Street, which will support the development of ERSP.

"New York City's business community, through the New York City Investment Fund and Partnership for New York City, has committed to invest up to $10 million in capital to be used for ERSP tenant improvements," EDC says.

Accelerating Breakthroughs

The East River Science Park's location was chosen for its proximity to the Bellevue Hospital Center, as well as many of the city's top academic medical research institutions and major hospitals. These include Beth Israel, Columbia University, the Memorial Sloan-Kettering Cancer Center, The Mount Sinai Hospital, New York University Medical Center, The Rockefeller University and Weill Medical College of Cornell University.

"East River Science Park will be a multi-use commercial life science campus dedicated to translational innovation

Tishman Construction Corp. of New York

Steve Karafiol, senior vice president of Tishman Construction Corp. of New York, says: "Tishman has utilized its extensive company resources and knowledge of the New York construction marketplace to support Alexandria Real Estate Equities in its first development in New York. As Alexandria's owner's representative, our personnel are their 'eyes and ears' on this major research facility. Our primary responsibilities focus on overseeing each phase of this expansive project: pre-construction (design development, procurement, scheduling, and contracting), construction (trades work, logistics, coordination and the payment process), and post-construction (punch lists, commissioning, agency approvals and closeouts). We believe our involvement and timely advise have assisted Alexandria in producing a very successful development."

To meet the needs of its life science clients, Alexandria says the East River Science Park will feature enhanced mechanical, electrical and plumbing systems, and emergency back-up power.

New York State of Mind

Alexandria Real Estate Equities Inc. explains it wanted to locate one of its life science clusters in New York City because it is "one of the strongest innovation locations in the world, marked by its renowned clinical and research institutions, energized collaborative culture and internationally acclaimed position as a home to leaders in science, technology, capital and talent." The city also has a number of reasons for wanting a development like ESRP.

"New York City has always been at the forefront of scientific innovation, but the city never fully capitalized on its assets to create a thriving commercial bioscience industry and the jobs that come with it," Mayor Michael Bloomberg said in a statement. "We joined with Alexandria Real Estate Equities to create the East River Science Park to provide today's bioscience companies with the state-of-the-art commercial lab space they need to locate and expand. ImClone's decision to become its anchor tenant is evidence that our work is paying off. It also serves as a major boost to our efforts to diversify New York City's economy. In recent months, we've announced initiatives to promote entrepreneurship, develop green jobs, support nonprofits, grow the media industry and add industrial jobs. [ImClone's plan to locate at ESRP] strengthens our belief that bioscience is another industry in which the city can and will succeed."

"The growing number of biotech and pharmaceutical companies in New York speaks to the extraordinary academic medical research and health care assets available across the state," New York Governor David A. Paterson said in a statement. "No other sector of economic development holds as much promise for job growth as innovation. For every job created in the innovation sector, 3.5 additional jobs are created in the overall economy. Scientific research is a core component in our goal to make New York a global leader in New Economy. Through the collaborative efforts of the state and city, we are not only saving invaluable jobs but helping ensure that ImClone continues its important mission of developing treatments for cancer patients. I have no doubt that we will continue to foster the growth of emerging biotech businesses."

Alexandria's client tenants in other cities include institutional, pharmaceutical, biopharmaceutical and medical device companies, as well as government agencies.

and synergy within New York's larger scientific community, ultimately resulting in the acceleration of medical breakthroughs from the laboratory bench to the patient's bedside," said Nancy J. Kelley, senior vice president of Alexandria. "Our design provides a comprehensive, architecturally interesting urban vision for a 'Science Park in the City,' that is sensitive to the adjacent neighborhood and creates new, vibrant civic spaces that will attract people to the site.

"Together, these elements will combine with Alexandria's vision to create an internationally recognized center which will be a striking environment acting as a hub of scientific and public activities that will support the discovery of leading-edge treatments, resulting in significant improvements in human health care and overall improved quality of life."

Alexandria says ERSP will have a number of features and amenities, such as:

» Enhanced mechanical, electrical and plumbing systems;
» Emergency back-up power;
» Floor-to-ceiling heights;
» Increased floor loading capacity; and
» State-of-the-art multi-purpose conference center with flexible meeting and events space.

"The first building will include 14 floors comprised of a spectrum of life science uses, including laboratory/office space for life science entities at all stages of growth, a conference center, convergence cafe, space for clinical drug operations and other translational uses," Alexandria says. "The second building will include laboratory and office space, as well as street-level retail. The plan also calls for a glass-enclosed winter garden and 43,000 square feet of publicly accessible open space, including a riverfront esplanade. The project's second phase calls for a laboratory/office building."

Well Anchored

The anchor tenant of ERSP will be ImClone Systems, a global biopharmaceutical subsidiary of Eli Lilly and Co. In July 2009, ImClone leased nearly 100,000 square feet of space at the center; it will take occupancy some time around June 2010.

ImClone Systems is focused on the development and commercialization of therapeutic products in the field of oncology, and has a broad spectrum of product candidates with potential application in multiple tumor types. With the goal of building an oncology powerhouse, Eli Lilly acquired ImClone in November 2008 as a complement to its internal cancer research unit, Lilly Oncology. Eli Lilly says locating translational research and development at the Alexandria Center provides ImClone Systems and Lilly Oncology with "a unique and highly collabora-

VitaTech Engineering offers global professional EMI/RFI engineering services for nanotech, science, research, engineering, medical and hospital projects that include: EMI/RFI assessment, placement and mitigation of high-resolution Imaging tools (i.e., SEMs, TEMs, STEMs, FIBs, E-Beams, NMRs, etc.), electrophysiology instruments and diagnostic medical imaging tools (i.e., MRIs, MEGs, CTs, etc.).

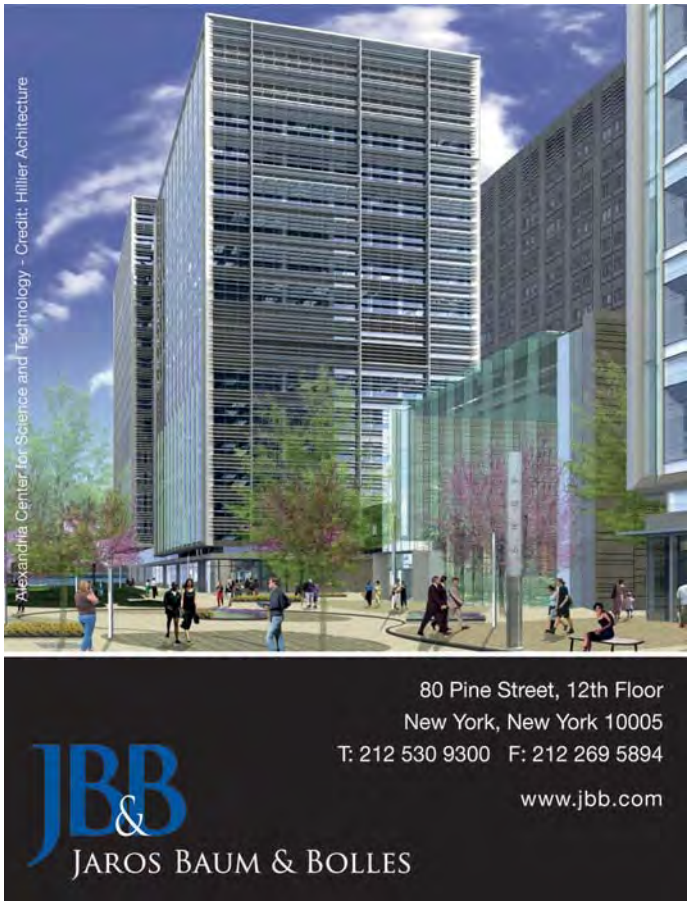
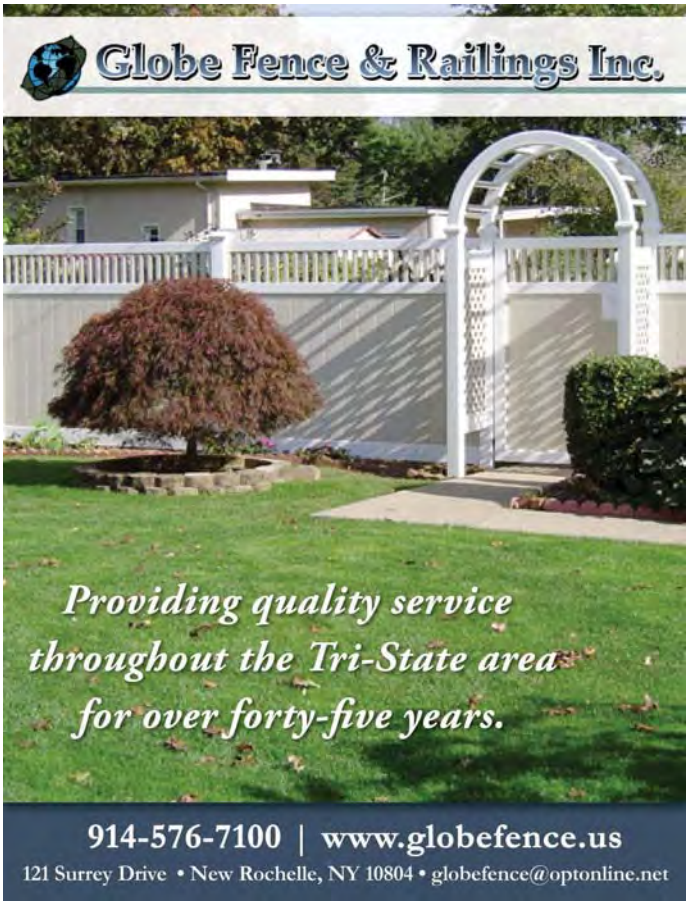
tive platform from which to access renowned medical and research institutions in New York City." It also expects to benefit from Alexandria's proprietary clustering model for life science research.

"Alexandria has had a prior relationship with Lilly in one of its primary life science cluster markets and has worked cooperatively on a number of strategic initiatives," said Joel S. Marcus, chairman, president and CEO of Alexandria Real Estate Equities.

"Lilly is the first top-tier biopharmaceutical company to base translational research and development operations in New York City," Marcus continues. Alexandria has now delivered on its strategy to take the positive attributes of New York City and couple them with its world-class life science cluster capabilities to provide the best technical environments in which to conduct and foster cutting-edge collaboration among life science entities to produce tomorrow's cost-effective medicines that improve the human condition."

Initially, ImClone plans to bring 125 scientists to ERSP, but has plans to expand. Alexandria notes growing New York City's commercial bioscience industry is a central goal of Mayor Michael Bloomberg's administration. Its economic diversification strategy is to spur entrepreneurship and promote high-growth industries in which New York City has competitive advantages.

Until recently, Alexandria says, the ERSP space included a parking lot and an underutilized parcel of city-owned land on the Bellevue Hospital campus. When fully built out, the ERSP complex will hold up to 1.1 million square feet of research and development space and provide 2,000 bioscience-related jobs. The city explains the complex is located within an area to be designated as an Empire Zone, which will allow ImClone and other tenants to qualify for state tax incentives based on investment, job retention and employment growth.

"Our new location in New York City, with unprecedented access to academic research organizations, the latest research tools and our Fully Integrated Pharmaceutical Network partners, will help us speed innovative medicines to patients," said Eli Lilly CEO John Lechleiter in a statement.

"However, to protect this innovation, we are going to need health care reform that encourages innovation and in turn leads to breakthrough, life-saving medicines for patients," he added.