



## **THE HOWARD HUGHES CORPORATION® ANNOUNCES APPROVAL OF \$850 MILLION DEVELOPMENT PROJECT FOR 250 WATER STREET AT THE SEAPORT IN LOWER MANHATTAN**

December 29, 2021

**Vision for Mixed-Use, Multifamily Rental Building Includes Affordable Housing and Generates \$50 Million for South Street Seaport Museum**

**HHC Secures Seaport Foothold for 99 Years Through Ground Lease Extension**

NEW YORK, Dec. 29, 2021 /PRNewswire/ -- The Howard Hughes Corporation® (NYSE: [HHC](#)) today announced the final approval by the City of New York of its planned \$850 million 250 Water Street development project at the Seaport in Lower Manhattan, a key component of HHC's long-term vision for the historic neighborhood. The 26-story mixed-use project, designed by world-renowned architecture and urban design firm Skidmore, Owings & Merrill (SOM), will feature residential rental apartments, office, retail and community space. In addition to providing affordable housing, the building, originally planned with a market-rate component consisting of for-sale units, will now offer market-rate residential rental units to address the high demand for rental housing in Lower Manhattan.



Rendering of 250 Water Street Project at the Seaport in Lower Manhattan.

The project will generate \$50 million in essential funding for the South Street Seaport Museum, a beloved New York City cultural institution, with \$40 million generated by the HHC 250 Water Street project and an additional \$10 million committed to by the City of New York. The 250 Water Street project, which is expected to break ground in 2022, will generate roughly \$1 billion in economic impact for the City and State and create more than 3,300 permanent and construction jobs.

HHC has also obtained approval from the City to extend the company's ground lease for City-owned properties at the Seaport to 99 years, strengthening HHC's ability to continue to invest in and revitalize the area and demonstrating its confidence in the long-term future of New York City.

"This important project will play a vital role in New York City's recovery through the creation of a new mixed-income rental building, office space, neighborhood infrastructure improvements, and critical funding to ensure the long-term success of the treasured South Street Seaport Museum," said Saul Scherl, President of the New York Tri-State Region for The Howard Hughes Corporation. "We are firmly committed to a bright future for the Seaport neighborhood, and our 250 Water Street project is at the heart of our vision for this vital and historic part of the City."

"Throughout my tenure, I have been proud to advocate for mixed-income housing throughout my district, especially affordable housing in areas long out of reach for so many working families," said New York City Council Member Margaret Chin. "The 250 Water Street project will not only transform an outdated parking lot into high-quality mixed-income housing, it will also provide a critical lifeline to one of my district's—and our city's—most treasured cultural institutions, the South Street Seaport Museum. The Howard Hughes Corporation is clearly committed to the Seaport as our city recovers, and I want to thank HHC leadership for a collaborative, productive partnership and willingness to work hand-in-hand with the community over the last few years. This is a project I am proud to support."

"The approval of 250 Water Street represents an important moment in the continued revitalization of the Seaport district, and the economic and cultural recovery of Lower Manhattan," said Manhattan Borough President Gale A. Brewer. "I am pleased that this will result in 70 new affordable apartments and an endowment of sustainable funding for the South Street Seaport Museum, a beloved organization that I have supported for many years. Over its 54 years, the South Street Seaport Museum has reminded us of the rich maritime history of Lower Manhattan, and I am delighted that it will continue to link the Seaport to its unique history as a birthplace of our city. Congratulations to the Mayor, Councilmember Chin, and members of Community Board 1 and the Lower Manhattan community, as well as to the teams at The Howard Hughes Corporation and New York City Economic Development Corporation, for supporting the preservation and growth of the historic portion of the oldest port in our city."

Planned for the site of a full-block surface parking lot, the 324-foot-tall building will provide a much-needed gateway to the Seaport and includes approximately 270 apartments above a five-story base with Class A office, retail and community space.

By following the standards and guidelines of the City's Mandatory Inclusionary Housing program, HHC has committed that 20 percent of the residential floor area comprising at least 70 of the 26-story building's apartments will be affordable to families earning an average of 40 percent of area median income, or roughly \$45,000 for a family of four. Based on the current strength of the local multifamily rental market, HHC intends to develop the building's market-rate residential units as rental, rather than for-sale apartments as originally proposed.

The Museum has served as the area's cultural anchor since 1967, with celebrated collections that honor New York City's maritime heritage. The Museum has suffered significant setbacks over the last two decades, including a two-year closure after 9/11, the 2008 financial collapse, flooding during Superstorm Sandy, and, most recently, the pandemic. In addition to the \$40 million endowment made possible through HHC's 250 Water Street development, the Museum will be the recipient of \$10 million of capital funding committed to by the City to advance future Museum capital rehabilitation projects. Building on this critical infusion of new funding, the Museum will plan for a new state-of-the-art building that will meet its programming needs.

In connection with the approval to extend its City lease from a remaining 51-year term to 99 years, HHC has also committed \$9.8 million toward essential resiliency enhancements as well as improvements to Titanic Park, an entry point to the Seaport, together with a \$3.75 million investment to expand maritime uses by facilitating vessel docking on the east and north sides of Pier 17.

The approval of 250 Water Street and HHC's lease extension caps a comprehensive public review process during which HHC obtained approvals through the City's Uniform Land Use Review Procedure, which included review by Manhattan Community Board 1, the Manhattan Borough President, the New York City Planning Commission and the New York City Council.

HHC will begin a comprehensive remediation of the site through the New York State Brownfield Cleanup Program in 2022.

Approval of the 250 Water Street project comes as HHC is nearing completion of the Tin Building, another significant milestone in the revitalization of the Seaport. The historic Tin Building is currently being refurbished and redeveloped by HHC as a marketplace in partnership with Chef Jean-Georges Vongerichten, set to open in spring of 2022. Together, Pier 17, the Tin Building and 250 Water Street exemplify HHC's commitment to the rejuvenation of this important historic area of New York City.

#### **About The Howard Hughes Corporation®**

The Howard Hughes Corporation owns, manages and develops commercial, residential and mixed-use real estate throughout the U.S. Its award-winning assets include the country's preeminent portfolio of master planned cities and communities, as well as

operating properties and development opportunities including the Seaport District in New York; Columbia, Maryland; The Woodlands®, The Woodlands Hills®, and Bridgeland® in the Greater Houston, Texas area; Summerlin®, Las Vegas; Ward Village® in Honolulu, Hawai'i; and Douglas Ranch in Phoenix. The Howard Hughes Corporation's portfolio is strategically positioned to meet and accelerate development based on market demand, resulting in one of the strongest real estate platforms in the country. Dedicated to innovative placemaking, the Company is recognized for its ongoing commitment to design excellence and to the cultural life of its communities. The Howard Hughes Corporation is traded on the New York Stock Exchange as HHC. For additional information visit [www.howardhughes.com](http://www.howardhughes.com).

#### **Safe Harbor Statement**

Statements made in this press release that are not historical facts, including statements accompanied by words such as "will," "believe," "expect," "enables," "realize," "plan," "intend," "assume," "transform" and other words of similar expression, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on management's expectations, estimates, assumptions, and projections as of the date of this release and are not guarantees of future performance. Actual results may differ materially from those expressed or implied in these statements. Factors that could cause actual results to differ materially are set forth as risk factors in The Howard Hughes Corporation's filings with the Securities and Exchange Commission, including its Quarterly and Annual Reports. The Howard Hughes Corporation cautions you not to place undue reliance on the forward-looking statements contained in this release. The Howard Hughes Corporation does not undertake any obligation to publicly update or revise any forward-looking statements to reflect future events, information or circumstances that arise after the date of this release.

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