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[Back to Article](#)

Free With Registration: Marketplace

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The City of New York is buying three waterfront parcels totaling 6.9 acres in Coney Island from Thor Equities for \$95.6 million as part of a plan to revive a legendary entertainment area that has fallen on hard times.

Joseph Gunn, senior counsel in the city's Division of Economic Development, represented the buyer.

Wachtel & Masyr partners Morris Missry and Jesse Masyr, and associate Mia Stevens-Haynes, represented Thor Equities.

The city plans to create a year-round destination that includes a 12.5-acre outdoor amusement park within a 27.5-acre amusement and entertainment district created by the City Council in July.

The Brooklyn project also includes new restaurants, movie theaters, retail and the city's first new roller coaster since the Cyclone was built in 1927. The plan also involves nearly 5,000 units of housing, including 900 units for low- and moderate-income families, officials said.

The project is expected to create more than 25,000 construction jobs and 6,000 permanent jobs, city officials said. In total, the plan is expected to generate more than \$14 billion in economic activity for New York City over 30 years.

"When tourists come to New York we want Coney Island to be on their must-do list right next to Times Square and the Empire State Building," Mayor Michael R. Bloomberg said in a statement.

Mr. Bloomberg noted that the area's amusement district has dwindled to just three acres over the last four decades, but "we're now reversing that trend."

Thor Equities, controlled by developer Joseph J. Sitt, began buying land in Coney Island in 2005, evicting tenants to clear the way for a never-realized \$1.5 billion, Las Vegas-style entertainment arena and high-end luxury housing.

Much of the land remains vacant. The Cyclone and the Wonder Wheel remain, but the Thunderbolt is gone, and the Astroland amusement park closed last year. Meanwhile, the city and Mr. Sitt engaged in a year of tense negotiations over the future of the faded amusement area.

Mr. Sitt, chairman and chief executive officer of Thor Equities, said his company still owns about five acres in the Coney Island area, and plans to develop the land after the city finishes construction of its new entertainment arena.

On Nov. 13, the city issued a request for proposals to identify potential developers and operators of an amusement park to open in summer 2010 on a portion of the land it has purchased.

The city will invest more than \$150 million, together with millions more from the state and

federal governments, on infrastructure and rebuilding sections of the boardwalk and a new Steeplechase Plaza, officials said.

