

TOP STORIES

Knight Capital thrives on chaos on Wall Street

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St. John's reports big jump in fall applications; other colleges also gain

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How boos for Isiah could derail the big Penn Station plan

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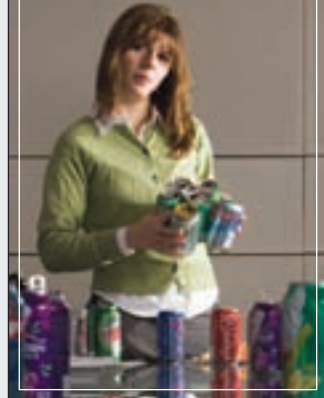
Malpractice panel eyes no-fault birth-injury plan

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BUSINESS LIVES

OFFICE ECO-NAGS

Getting colleagues to go green requires plenty of patience and persuasion **PAGE 39**



AT DEADLINE

YANKEES CAPTAIN DEREK JETER IS OPENING UP THREE

Manhattan health clubs in a joint venture with 24 Hour Fitness in the chain's first foray into New York. Mr. Jeter is an equity investor in the clubs, called "24 Hour Fitness-Derek Jeter," though terms of were not disclosed. "You don't have to play baseball or even be a baseball fan to go work out there," he says. Last year, 24 Hour Fitness also signed a 10-year, \$10 million deal with the Yankees that gives it the right to open three Yankees-themed health clubs in Manhattan. They are separate from the Jeter clubs.

THE NAMESAKE OF THE GENERAL MOTORS BUILDING has found a new home. GM's **See AT DEADLINE on Page 2**

CRAIN'S

NEW YORK BUSINESS

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REAL ESTATE
Offshore investors on NYC buying binge; top leases, sales
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MEETING DEMAND: To accommodate a wealthy foreign guest, Daniel Flannery of The Ritz-Carlton at Central Park built a \$1 million suite.

\$30,000 A NIGHT

Hitting the suite spot

What recession? Hotels cash in on foreign demand for luxury rooms

BY LISA FICKENSCHER

LAST SEPTEMBER, The Ritz-Carlton New York, Central Park hotel got a call on behalf of a royal family that was arriving in New York

from overseas within 10 days and wanted to stay in a large suite on a low-level floor.

The problem: No such room existed.

Workers were immediately dispatched to knock down walls in four guest rooms on the third floor to create a 1,900-square-foot suite, featuring two living rooms and a dining room with park views.

The cost of the 10-day renovation? \$1 million.

The bill for the family's two-

week stay? More than \$200,000.

While most of the city is bracing for a recession, the priciest Manhattan hotels are thriving, flush with cash from wealthy foreign visitors who are coming here in droves and spending thousands of dollars a night for premium accommodations. Demand is so strong that hotels are considering adding more luxury rooms.

"The high end of our business is growing by double digits," says

See HOTELS on Page 8

Tax-exempt housing funds are drying up

Only 2 or 3 projects with affordable units may get financing

BY THERESA AGOVINO

A STATE HOUSING finance program is being cut back, which could jeopardize a number of affordable housing developments in New York City.

This year, only two or three of the approximately 30 projects seeking state tax-exempt financing under the 80/20 Program—buildings in which 80% of the apartments are rented at the market rate and 20% are leased to low-income households—are likely to receive it. Potentially worse is that no other projects may get funded in 2009 and 2010.

The New York State Housing Finance Agency, which issues bonds for the 80/20 Program, says there will be only \$689 million available over the next three years for new projects. All of that money will be allocated for this year's projects. Last year, the HFA issued \$722.1 million worth of bonds for 80/20 projects.

The 80/20 Program is an im- **See HOUSING on Page 9**

Media advertising on a downswing

Newspapers most vulnerable; radio, local TV also hit hard; Internet prospects bright

BY MATTHEW FLAMM

ON THE HEELS of a 13% plunge in December's advertising revenue, *The New York Times* said last week that it would cut 100 newsroom jobs over the course of this year.

The paper isn't the only suffering media business. Radio ad revenue for the New York marketplace took a slide in January, and television insiders predict a low-single-digit ad revenue drop in the first quarter for the local marketplace. Add magazines to the mix: Some are seeing the bottom fall out of their ad page counts.

The first quarter of 2008 is already looking dismal, following a tough fourth quarter. As talk of a looming recession grows, media companies that depend on advertising are looking with trepidation

See MEDIA on Page 8

MEDIA CULPA



The New York Times Media Group

-13%
AD REVENUE

(December 2007; includes International Herald Tribune)¹



Time magazine

-39%
AD PAGES

(through Feb. 11)²



SmartMoney

-22%
AD PAGES

(through March)²



Ladies' Home Journal

-15%
AD PAGES

(through March)²

New York radio marketplace

-7.5%
AD REVENUE

January 2008³



Sources: 1-Company report. 2-Mediaweek. 3-Miller Kaplan Arase & Co. report.

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NEWSPAPER



LIVES

TABLE TALK

A new quartet of casual Italians from four veterans

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GOTHAM GIGS

Star concierge

ABBIE NEWMAN, 48, is the woman with the golden Rolodex, keeping many New Yorkers happy with Abigail Michaels Concierge.

PLEASED TO SERVE

Ms. Newman spent 17 years at the InterContinental hotel. When business dropped after Sept. 11, she and fellow concierge Michael Fazio decided to use their network of contacts in the residential market. They co-founded Abigail Michaels in 2002 and now boast a portfolio of 40 apartment buildings. "We are big people-pleasers," she says.

COVERS EVERYTHING The company, with 15 employees, provides services that range from procuring theater tickets to hanging art. Ms. Newman has a midtown office, but many of the concierges work at buildings across Manhattan.

MINTY FRESH Some requests are more difficult to fulfill than others. One client wanted a certain peppermint ice cream for his daughter's Sweet Sixteen but couldn't remember where he had eaten it. Ms. Newman worked with a chef to re-create the dessert in time for the celebration. "I live this," she says.

—ADRIANNE PASQUARELLI

EXPERT OPINIONS

KIDS ACTIVITIES DURING MIDWINTER RECESS

NEW YORK CITY SCHOOLS are closed this week, so it's a great opportunity to do things with your children. If you're not afraid to make a mess, try Spin Art from Alex Toys—but cover up the kitchen first. For younger kids, there's a new game, Zingo, which is like Bingo but uses picture tiles instead of numbers. Or you can get out of the house and take the youngsters ice-skating at Chelsea Piers or to the American Museum of Natural History. The dinosaur exhibit is always fun.

—SHARI MISHER STENZLER
Co-founder
Kidville

AMANDA GAZE says that the idea of recycling bottles and cans at Euro RSCG Worldwide has "given a lot of people a hard time."



Not easy going green

Bringing offices up to speed is a slow process

BY MATTHEW FLAMM



OVER THE PAST YEAR, Anvil Knitwear has adopted a range of environmentally friendly practices in its Manhattan offices—everything from adjusting thermostats and recycling ink cartridges to using coffee mugs instead of paper cups.

But when Ellen Singer, Anvil's executive vice president of marketing, showed up at a conference on organic cotton in the fall, she was shocked to find out that the environmentally correct resort where the meetings were held had no televisions, telephones or any other electronic devices in the guest rooms. "I nearly

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THE STATS

Nearly
100

green buildings are under construction or in the pipeline in New York City

Total of
25

million square feet is more than in any other city

Source: New York City Economic Development Corp.

Not easy for offices to go green

Continued from Page 39

flipped out—we're a bunch of businesspeople in need of Internet connections," says Ms. Singer. "We were all huddled in the lobby fighting for chairs to get work done."

As the polar ice caps melt and a green fever sweeps corporate America, more and more businesses are installing energy-efficient lights, shutting down computers overnight and asking employees to please use the recycling bins.

Changing old habits can create unforeseen complications for employees and their employers who are trying to figure out which eco-friendly practices will be effective and which ones will just get on everybody's nerves.

"You still have to be smart about your business objectives," says Ms. Singer.

In her case, being smart included disabling the motion-sensitive

timer in her office that was shutting off the lights every five minutes while she tried to write.

1,000
TONS of commercial trash are collected by one carter in a day

Crossed wires

SOME OF THE DIFFICULTIES in going green start with communications. E-mails about double-sided printing or using a hybrid-car service,

for instance, can get lost in the sea of daily business messages.

And then there are staffers who

may get the message but simply aren't interested.

Marketing giant Euro RSCG Worldwide has launched a host of green initiatives in the last year. It invests in forestry projects that offset the company's carbon footprint, encourages employees to bike to work, has installed compact fluorescent lightbulbs and has given everyone a coffee mug.

But instituting policies is one thing; getting people to follow them is another.

"It's given a lot of people a hard time, this whole idea of recycling cans and bottles," says Amanda Gaze, an account supervisor at the company and a green enthusiast. If an eco-friendly practice is "easy and doesn't interrupt people's lives, then they don't mind it," adds the supervisor, who's often the one doing the sorting after meetings.

Some staffers find that piling on guilt is an effective tool.

"I shame people into using a mug sometimes," says Sarah-Jayne Hall, an associate at law firm DLA Piper. She has also converted colleagues to double-sided printing just by doing it herself—and pointing out which preference to select after clicking on the "Print" function.

A slow change

GREEN ENTHUSIASTS may find it frustrating that co-workers continue to print out their e-mails and throw cans in the paper bins. But the people who do the dirtiest part of the recycling job—collecting the trash—say change is coming, albeit slowly.

"I'd say 75% of people are not doing sorting," says Domenic Monopoli, chief operating officer of Filco Carting Corp., which collects about 1,000 tons of commercial trash in Manhattan every day. "But it used to be 85%, so it's getting better."

There's still a long way to go. Experts on green initiatives say that effecting change takes a lot of

preparation and an understanding of a firm's culture. The best of intentions, they add, can be undermined by the reality of how people behave.

"Most of us defeat green programs in the office quite handily," says Herb Hauser, president of Midtown Technologies, which advises businesses on turning workplaces green. He notes that at his own company, he often finds "everything but paper" in the paper recycling bin.

Mr. Hauser says firms must decide beforehand what can realistically be accomplished.

Organic Works Marketing has

'I'd say 75% of people are not doing sorting' of trash

lofty goals. The public relations and marketing firm with a sustainable slant keeps replaceable plastic bags by the reception desk in its midtown south office so that staffers going out to shop or buy lunch won't use new ones.

The marketing and public relations company also discourages employees from using their own garbage cans. Instead, a designated monitor goes around at the end of the day with two bags—one for recyclables, the other for material that can be delivered as compost to the farmers market in Union Square.

But even Organic Works finds challenges. "[Collecting compost] has been the least successful," acknowledges partner Mara Engle.

COMMENTS? MFlamm@crain.com



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of Newmark Knight Frank represented
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TIPS FOR OFFICE MANAGERS LOOKING TO GO GREEN

PUT SOMEONE IN CHARGE. "There has to be a person with authority to make the necessary changes, set targets and report on them," says Mark Armitage, U.S. president of consulting firm The CarbonNeutral Co.

MAKE SMALL CHANGES PART OF A LARGER STRATEGY. "If you don't give employees that context, they'll just see [going green] as another thing making their day less comfortable," Mr. Armitage says.

TAKE A GRASSROOTS APPROACH. "The people making [everyday] decisions are going to come up with the best ideas, because they're the ones tinkering with these things all day long," says Rachel Webber, director of energy initiatives at News Corp. in New York.