

Gay City **NEWS**

Life is a Cabaret License

\$20M project aims for full-service gay hotel, reopened xl dance club on 42nd Street

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Published: Thursday, February 4, 2010



An aerial view of the proposed gay hotel-resort-nightclub complex site on West 42nd Street.

At a time when city officials nervously double-check and then triple-check their once confident projections about tourism growth and more than a few gay locals grumble about the dearth of fresh nightlife choices, a \$20 million project could bring nearly 80,000 square feet in tourism and dance club space to West 42nd Street — in the form of New York’s first full-service gay hotel and the first new nightclub serving the LGBT community in more than five years to have a cabaret license, needed if patrons wish to dance. Officially described as “The Out NYC: a hospitality and entertainment destination geared to the gay community,” the project, due to be completed by early next year, is informally dubbed “a hetero-friendly urban resort” by its developers. In addition to 123 guest rooms and a 10,000-square-foot dance club capable of serving 750 patrons, the project — which will renovate a three-story building originally developed as a Travel Inn in 1960 to accommodate the crowds

expected at the 1964 World's Fair and later used by the Red Cross, before it was abandoned several years ago — will also include a gym, spa, restaurant, and 24/7 café, making it the most ambitious commercial development ever to court New York's gay community. Located at 508 West 42nd Street, between Tenth and Eleventh Avenues, in Hell's Kitchen, the project is financed and sponsored by Parkview Developers, which has been building and managing residential and hotel properties on Manhattan's West Side for the past seven years. Parkview's principals, Ian Reisner and Mati Weiderpass, who are a couple, are major philanthropic donors to LGBT, AIDS, and other medical charities, both in the US and abroad. Despite their energetic financial support for an impressive range of leading community organizations — including the LGBT Community Center, Gay Men's Health Crisis, Broadway Cares/ Equity Fights AIDS, the Empire State Pride Agenda, and Servicemembers Legal Defense Network, where Weiderpass, a former US Army captain, sits on the board and is the lead fundraiser — the two men are not household names in the LGBT community. Two names considerably more familiar to gay New Yorkers, however, are involved in the project — xl dance bar and its owner, John Blair. The original xl closed several years ago when Blair and his partner, Beto Sutter, lost their lease on West 16th Street in Chelsea after more than five years in business. With only three Manhattan gay nightclubs — Splash, the Monster, and Escuelita — licensed for dancing, and a total capacity of less than 2,300 patrons combined, Blair, Sutter, and the Parkview team clearly see a ripe opportunity to fill the void in nightlife options, particularly for Hell's Kitchen's swelling gay population. The most significant hurdle at this point — for the nightclub and for the overall character of the project that ends up being built — is approval of both a liquor license and a cabaret license for the nightclub. Liquor licenses are approved by the State Liquor Authority, which looks to the local community board's recommendation for guidance. Once a liquor license is granted, xl would be eligible for a cabaret license, granted by the city's Department of Consumer Affairs, "as of right." In reality, getting the two licenses are even more intertwined. In reviewing the club's application for a liquor license, the community board will be mindful of xl's desire not only to sell alcohol, but to do so to a crowd of up to 750 drawn to 42nd Street by the lure of a night out dancing. This being 2010, battles over nightclubs follow a well-established choreography, and the Out NYC team is clearly banking on Blair's record on the nightlife circuit over the past 30 years as their ace in the hole. Still, the developers are taking no chances, with project adviser Ethan Geto saying, "We have to fight for this." They've been meeting with local politicians, including City Council Speaker Christine Quinn, in whose district the project is located, and Borough President Scott Stringer, the two officials responsible for community board appointments in the area. The briefing book they've assembled on the project offers comprehensive details on the project, its component businesses, and the economic

and fiscal benefits it promises to deliver — 158 full and part-time jobs, \$27.5 million in annual hotel complex and related offsite spending, and \$3.4 million in new tax revenues. But, the heart of it is a point-by-point preemptive response to the concerns facing any proposed dance club venture — noise, crowds, security, and traffic — and an affirmative profile of Blair's record in the industry. The Out NYC team's first test comes on February 9 when it faces the Business Licenses and Permits Committee of Community Board 4, which serves Chelsea and Hell's Kitchen. Approval there would send the matter on to the full community board on March 3, and then on to the State Liquor Authority and the city Department of Consumer Affairs. Assuming xl wins approval, it will be part of a five-story complex — Parkview plans 15,000 additional square feet on new fourth and fifth floors — dominated by a 123-room hotel, 91 of which will encompass the entire 31,000 square feet of the upper three floors. The 22,000-square-foot second floor will include 23 guest rooms as well as an open-air garden and a 5,000-square-foot Nickel Wellness and Fitness Center, which is relocating from its current Chelsea location. The 25,000-square-foot ground floor will include the hotel check-in and concierge, nine guest rooms, a restaurant and café operated by eatery nyc (which opened Hell's Kitchen's Whym and the original Vynl restaurant), the retail shop BASE, conference meeting rooms, and the 10,000-square-foot dance club. That's a whole lot of space and ways to be gay in New York. How did this concept come to be? Reisner explained that his vision for Out NYC resulted from his experiences traveling around the world, staying at hotel complexes that offer all the amenities of an urban resort. While visiting a W hotel in Santiago, Chile, he found that a top-flight restaurant, bar, gym, and roof garden led him to spend most of his time in the city right inside the hotel. He finds much the same allure at the Standard Hotel and Spa in Miami Beach, and at South Beach's Delano he discovered BASE, a retailer who, he said, specializes in attracting "cool hunting" customers — buyers interested in finding only the latest, whether it be apparel, sunglasses, books, CDs, fragrances, or wall art from among a lean, carefully curated product offering. Gay frequent flyers, Reisner said, generally have to content themselves with finding LGBT-friendly destinations, even if the hospitality sometimes comes at the cost of a raised eyebrow over a couple's king-size bed request. He believes that New York, the No. 1 destination for gay and lesbian travelers, according to the research firm Community Marketing, Inc., can easily draw a hetero-friendly crowd to "a gay mall" two blocks west of the Broadway theaters and smack in the middle of the city's two most vibrant LGBT neighborhoods. Parkview is currently in the final stages of negotiations with Barcelona-based Axel Hotels, which since 2003 has developed boutique hotels serving the gay community in that city as well as in Berlin and Buenos Aires. The hotel Reisner and Weiderpass are planning will be a moderately-priced, "W-ish, Calvin Klein-clean" affair with room rates from \$99 to \$399, and an average of about \$250. In addition to recruiting Nickel, xl, BASE,

and eatery nyc, Parkview hopes to attract community functions, such as commitment ceremonies and (in time) weddings, and is talking to the LGBT Community Center about offering it space for Midtown events. Parkview's most recent development was a 108-condo complex on 47th Street at Tenth Avenue, and it has overseen condominium and hotel development and operations on West 58th Street and on Central Park South. In addition to their work with New York and Washington-based LGBT advocacy groups, Reisner and Weiderpass provided a portion of the initial funding for the LGBT Jerusalem Open House more than a decade ago, and they are key players in the Vienna Life Ball, which has raised more than \$20 million, much of which has gone to support amfAR, the Foundation for AIDS Research, and the William J. Clinton Foundation. The couple have also been active supporters of local politicians. In 2008, Weiderpass gave \$1,000 to Congressman Anthony Weiner's mayoral committee and \$750 to Comptroller William Thompson's after having donated \$2,500 the year before to a political committee for Speaker Quinn that did not specify the office she was seeking. Reisner also gave \$750 to Thompson's committee in 2008, and \$1,500 to Weiner's. Blair, who has been out of the political-giving picture since donating \$500 in 2004 to former Council Speaker Gifford Miller's 2005 mayor committee, is clearly a known quantity to local officials. He was part of a nightlife summit called by Quinn in 2006 responsible for developing a package of Council measures that addressed surging concerns at that time over security at clubs, particularly on the West Side. Blair has won particularly impressive bragging rights from the community affairs officer at Chelsea's 10th Police Precinct. At a community board discussion of local nightclubs several years ago, Detective Michael Petrillo said he "never had a complaint or problem with xl" and that it was "one of the best run clubs in the city." Despite this reputation, the Out NYC group devoted six of its briefing book's 14 sections to a discussion of xl's operations. In addressing potential concerns about rowdy nightclub patrons, the group noted that xl would limit admission to those over 21, would be open daily beginning at 4 p.m. — to avoid the crush of club-goers queued up to enter establishments that have 10 or 11 p.m. openings — and would have an indoor waiting area to accommodate up to 50 people. Perhaps the most compelling factor regarding crowd control and security is the club's location within a \$20 million hotel facility and immediately east of the Manhattan South Task Force Police Precinct. Reisner said that from the get-go in negotiations with the Axel group, the hotel made clear that crowd, security, and noise issues would need to be addressed to its satisfaction. Blair has engaged a security monitoring firm called Club Eyes and Ears, or CEE, not to provide bouncers for xl but rather to shadow the security personnel the club hires. Run by two retired law enforcement officials, including a former US Drug Enforcement Administration senior special agent, CEE is the sort of outfit club owners typically bring in — often under a court mandate — once they have been cited for violations and perhaps shut

down. Blair argues his proactive approach to preventing problems makes good business sense. “I’m not doing this because I’m a good guy,” he said. “I’ve learned through 30 years that if I’m going to have a problem, it’s going to come as much internally as externally, so to protect my liquor license — most of the problem comes from security. Either they’re overreacting, underreacting, or part of the problem. You have to have them — but how do you make sure that they don’t cause a problem and that they are an asset?” The Out NYC briefing book also includes a sound engineer’s recommendations about how to address the critical acoustical issue facing clubs — muting the bass — and a traffic engineer’s study showing that West 42nd Street can reasonably accommodate patrons’ travel to and from the club, particularly in light of the large numbers of potential patrons from adjacent neighborhoods who can walk there, the numerous mass transit options nearby, and an internal hotel loading driveway that will take taxis off the street. The siting of xl may prove its greatest strength in mitigating community board concern over a new nightclub. With a police precinct on one side, a Con Edison substation on the other, and a travel lodge across the street, the nearest major residential cluster is at Tenth Avenue and 41st Street. That stands in sharp contrast to many clubs in Chelsea, even those on the far west side, which are located on narrower side streets with greater proximity to residential properties and more troublesome traffic flows. Blair understands that these factors notwithstanding, a liquor and cabaret license are never easy sells in Manhattan these days. “You have this knee-jerk reaction that all nightlife is bad, all lawyers are bad, all nightlife is bad,” he said. Then, speaking specifically about what he faces next week and next month at the community board, he added, “And it’s very entrenched. They’ve been on the board for years.”