

With Renewal at 195 Bway, Starbucks Looks to Add Booze to the Menu

BY LAUREN ELKIES SCHRAM MARCH 9, 2016, 3 P.M.



195 BROADWAY.

Last August, **Starbucks Coffee** launched its Starbucks’ “Evenings” program, serving wine, beer and a menu of small plates, in New York City at the Williamsburg location at **154 North 7th Street**. Now the coffee conglomerate is hoping to bring the program to Downtown Manhattan, at **L&L Holding Company’s 195 Broadway**, Commercial Observer has learned.

“It’s like a Starbucks on steroids,” said L&L’s **David Berkey** of the concept.

There is an Evenings menu—which includes wines, craft beers and small plates like truffle mac & cheese and bacon-wrapped dates—served after 4 p.m. at more than 70 Starbucks locations across the country, according to published reports. The company announced in 2010 that it would start serving beer and wine to boost evening sales.



STARBUCKS AT 154 NORTH 7TH STREET IN WILLIAMSBURG.

While Starbucks has leased 5,110 square feet at the base of the 29-story 195 Broadway for at least 15 years, the space was bifurcated. As of two weeks ago, though, Starbucks signed a new lease and intends to gut the space and reopen in the fall, occupying the entire space and including the new concept, Mr. Berkey said. Of the space, 3,400 square feet is at grade and the balance is on the mezzanine. The deal was for 15 years with an asking rent of \$400 per square foot.

The Starbucks at 195 Broadway, which is between Fulton and Dey Streets, will become the company's "central point for Downtown," said Mr. Berkey, who represented the landlord in-house along with **Alan Schmerzler of Cushman & Wakefield**. **David Firestein of SCG Retail** who represented the tenant, declined to comment.

Catty-corner to 195 Broadway, Starbucks has 1,100 square feet at L&L's **222 Broadway**, which CO reported on last November. The space is under construction and scheduled to open this summer. And there will be two Starbucks outposts in **Westfield World Trade Center**.

The store at 195 Broadway makes sense as the focal point for Starbucks' Downtown presence because of the transportation infrastructure at Broadway and Fulton Street, Mr. Berkey said.



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"From a foot traffic standpoint, between Fulton and Day Street is not equal to Herald Square, but it's not that far different," the broker said.

The New York City Landmarks Preservation Commission process is underway as Starbucks has an entrance via the landmarked lobby.

L&L Chairman and Chief **David Levinson** and partners bought the Financial District property for \$206 million in 2005. In November 2013, L&L and **Beacon Capital Partners** recapitalized the building by selling the majority interest to **J.P. Morgan** for \$498.5 million. L&L, owner of what was **AT&T**'s original world headquarters, spent eight years investing \$50 million in efforts to convert the lobby to retail space, Mr. Berkey previously told CO.

Starbucks denied that it's bringing the Evenings program to the location.