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Huge retail and hotel project moves forward in Times Square

The \$2.5 billion, 46-story development could attract internet-economy giants to the crossroads of the world

What may be the next phase in the unending reinvention of Times Square is moving forward. After a long gestation period, L&L Holding Co. is showing off details of its project to replace the Doubletree Hotel at 1568 Broadway and move the Palace Theatre on which it sits to create a massive new "experiential retail" location.

The nearly 600-foot-tall structure will include a 75,000-square-foot retail space at its base, an 18,000-square-foot wraparound sign and an LED system across the entire 46-story facade. It also would have the only permanent outdoor stage in Times Square.

Named TSX Broadway for its intersection with Times Square, the \$2.5 billion project is being positioned as a retail play that could bring the giants of the new digital economy to the crossroads of the world. Amazon, Facebook, YouTube, Samsung, Chinese e-commerce titan Alibaba, Disney and even Walmart have expressed interest in the site, according to a person familiar with the discussions.

The developers see the site as integrating a retail experience with live performance possibilities, an advertising billboard extravaganza surrounding the stage and the heaviest foot traffic on earth. Demolition will begin in the winter, with construction expected to be finished by 2021.

Andrew Essex, a veteran media and advertising executive who is working as a consultant with the developers, imagined how the bells and whistles would pay off if a star such as Ariana Grande performed on the outdoor stage surrounded by stories-high streaming video on the billboards.

"They would be the most 'memed' visuals anywhere on the planet, across the social web," Essex said. "This is a very big canvas."

Construction of the complex, which will include a 669-room hotel, will be a bit of an engineering feat. The developers will demolish the existing hotel and install jacks to raise the landmarked, 1,700-seat Palace Theatre to tuck it into 10 floors of retail space. The hotel will be built atop the retail.

"We're lifting the entire Palace Theatre 30 feet, which allows us to then reinvent the entire building," said David Orowitz, senior vice president at L&L, which is developing the site with Maefield Development and Fortress Investment Group. "This is the kind of machinations you need to go through in Times Square to create something like this."