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Coney Island Lot on Market

Three-Acre Site Once Used for Roller Coaster Abuts City Land

Article

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The former site of the Thunderbolt roller coaster at Coney Island is back on the market in a sign that New York City's effort to upgrade this storied amusement Mecca might be gaining some traction.



Enlarge Image

Horace Bullard, the founder of the now-defunct Kansas Fried Chicken chain, put the empty three-acre parcel of land up for sale last year, but didn't find a buyer.

Now that the economy is in better shape and the city has succeeded in luring new amusement attractions, Mr. Bullard is betting that he has a better chance selling the lot, which has been vacant since the Thunderbolt was torn down in

2000.

Coney Island, famous for its roller coasters and parachute jump, has been in decline for decades. Surf Avenue is dotted with empty storefronts and many parcels of land in the area remain vacant.

In one of its major economic development initiatives, the Bloomberg administration in 2009 rezoned a 19-block area, paving the way for new hotels, amusement parks and 5,000 housing units. The city also purchased seven acres of land on the boardwalk from Thor Equities for \$96 million.

Last year, Central Amusement International, a New Jersey-based company that makes rides for Disney Parks and Six Flags, opened Luna Park, Coney Island's first new amusement park in decades. The company is planning to open a second Coney Island amusement park called Scream Zone this summer.

The 2009 rezoning permits retail space and a new hotel as high as 270 feet, or about 32 stories, to be built on the northern portion of Mr. Bullard's lot. The southern section is zoned exclusively for amusement park space.

The site is on the other side of West 16th Street from MCU Park, where the Brooklyn Cyclones minor-league baseball team plays.

City officials confirmed that they have begun discussions with Mr. Bullard about expanding the amusement area into a portion of the property. But they stressed that at this time there is no deal on the table.

Mr. Bullard, who declined to comment for this article, hasn't put a specific asking price on the lot. But Robert Dankner, president of Prime Manhattan Residential, which is marketing the site, said he expects the lot to fetch between \$75 million and \$90 million.

The property that Thor sold to the city for \$96 million was more than double its size but the former Thunderbolt site has retail and hotel zoning as well as street frontage on Surf Avenue.

The city's rezoning plan was controversial when it was first announced. Critics said it would replace Coney's Island's honky-tonk character with cookie-cutter development.

But city officials say it was necessary to reverse decades of decline.

"Thanks to the rezoning and investments made by the city and its partners, Coney Island is thriving again," said Kyle Sklerov, a spokesman with the city's Economic Development Corp.

The wooden Thunderbolt roller coaster, which began operating in the 1920s and was shut down in 1982, was featured in the movie "Annie Hall," rumbling above the childhood home of Woody Allen's character. Roller coasters have been on Coney Island since 1884.

The Cyclone, opened in 1927, is still operating.

Mr. Bullard hoped to participate in the rebirth of Coney Island. He grew up in Harlem and made his name as the founder of the Kansas Fried Chicken chain that at its peak had more than two dozen locations in Greater New York and seven in Japan. During the 1980s, he began buying up several acres of property in Coney Island, including the Thunderbolt site and the Shore Theater on Surf Avenue.

Mr. Bullard devised a multi-million-dollar proposal to build a giant amusement park in Coney Island to reverse decades of decline in the area. He spent years trying to make the plan work, but the administration of former Mayor Rudolph Giuliani eventually passed on the project.

What's not clear is whether the economy has improved to the point that Mr. Bullard will sell.

"I think it's a fantastic site," said Robert A. Knakal, chairman of Massey Knakal Realty Services, which marketed the lot last year. "We had a lot of interest, just not at the numbers that Horace wanted."

Today, it remains difficult for developers to finance construction. But Mr. Danker says that with banks and private-equity firms hunting for investments, the site has better odds of selling, he said.

"It doesn't mean this is a slam dunk by any means, but I think this is much more fertile ground," Mr. Dankner said.

One complication is that the city owns two strips of land stretching down West 15th and 16th streets on either side of the Thunderbolt site.

Mr. Bullard has begun discussions with the city about a potential land swap for the city's strip of land on West 15th Street in exchange for the southern portion of the Thunderbolt site, which is zoned for an amusement park.

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