



For immediate release

CITYPLACE CELEBRATES 10 YEARS AS AN ECONOMIC ENGINE IN PALM BEACH COUNTY

WEST PALM BEACH, Fla. (October 1, 2010) --- Regarded as one of the most inspired and admired retail and entertainment centers in the nation, CityPlace in Downtown West Palm Beach will celebrate its 10th Anniversary on October 27. Built by a collaboration of developers led by Related Companies in New York, CityPlace has been a major catalyst for the City of West Palm Beach's remarkable growth over the past decade. Since opening in 2000, the property has drawn more than 750 million visitors locally and from around the world; added \$5 billion in taxable property value; created and attracted over 3,700 retail, restaurant and office jobs; and contributed to a 20 percent growth in regional businesses. It has served as the destination for marquee cultural events, National Football League entertainment, and top national musical acts like Vanessa Carlton, Michael Bolton, Clay Walker, Joe Nichols, Plain White T's, Colbie Caillat and more. CityPlace paved the way for over \$1 billion in private and public investments in the area, including the Palm Beach County Convention Center, revitalization of the Flagler Drive, and more than 6,000 residences, which have all come online since CityPlace's grand opening.

"CityPlace has not only been an economic engine for the region and a key part of West Palm Beach's resurgence, but over the past ten years it has become an integral part of the West Palm Beach community, where residents and visitors can shop, eat and play. Additionally, perhaps the most important contribution CityPlace has made to West Palm Beach is to inspire confidence among other investors and developers that West Palm Beach is a smart, credible investment," said Stephen M. Ross, chairman and CEO of Related Companies. "We are extremely proud of not only the commercial success CityPlace has achieved and the loyalty we have seen from our customers, but of the amount of development activity that has occurred in the downtown area since CityPlace opened – probably the most significant since the Florida land boom of the 1920s."

CityPlace has become an icon of mixed-use developments in the United States and beyond due to its mix of national retailers; local and regional specialty shops; destination

restaurants; private town homes and condominiums; commercial office space; a restored 1920s church adapted to serve as a multi-purpose cultural center; a 20-screen Muvico IMAX cinema complex with a Parisian theme; and a \$3.5 million show fountain in the center of the main plaza. Locally, it has ranked as the number-one visitor destination in Palm Beach County and played an integral role in making Downtown West Palm Beach a major shopping and dining destination in South Florida.

“The magic cannot be attributed to any single component,” said Kenneth A. Himmel, President and CEO of Related Urban. “It is the synergy of the project’s innovative, amazing design, an array of name-brand fashion apparel, home furnishings and lifestyle retailers, destination restaurants, meticulous landscaping, inviting public spaces and the 24-hour energy generated by its residents that distinguishes CityPlace from anywhere else.”

CityPlace History

The CityPlace story begins in 1986 when real estate magnate, Henry Rolfs, and a young local associate, David Paladino, quietly acquired 340 parcels of land in just nine months, using 20 individual real estate agents to prevent sellers from getting wind of their ambitious plan. Called Downtown/Uptown, Rolf’s goal was to recreate the west end of Downtown West Palm Beach and build a spectacular gateway to Palm Beach. He was ultimately thwarted when the real estate depression of the late 1980s and early 1990s sent the project into a tailspin with multiple foreclosures and personal losses totaling nearly \$55 million. He died a few years later, virtually impoverished, and a statue of him now marks the boundary of five acres he donated to a group trying to build a performing arts venue in the neighborhood, now known as the Kravis Center for the Performing Arts.

The City of West Palm Beach wanted to turn the failed Downtown/Uptown project into the opportunity of a lifetime, with the vision of filling the razed acreage with high-end retail, offices, market-rate housing, cultural facilities and wonderful public spaces that encourage community interaction. In order to do so, the City issued a nationwide request for proposals to top commercial and residential real estate developers and in 1996 selected three powerful teams to present concepts for the property. The coalition known as CityPlace Partners won with their spectacular CityPlace proposal, the largest of the three in size, scope and vision of the future. The team included Stephen M. Ross, Chairman and CEO, Related Companies; Kenneth A.

Himmel, President and CEO, Related Urban; Jorge M. Perez, Chairman, The Related Group; and Jeremiah W. O'Connor, Jr., Chairman and CEO, The O'Connor Group in New York.

Four years later, the City celebrated the grand opening of what is regarded as one of the most imaginative and futuristic urban developments in the country, heralded in such publications as *The New York Times*, *Wall Street Journal*, *Time Magazine* and *Dallas Morning News*.

CityPlace's international success was further validated when it received the International Council of Shopping Centers' (ICSC) MAXI Award in 2001

for outstanding efforts in shopping center marketing and the 2002 Urban Land Institute's (ULI) Award of Excellence, the industry's most prestigious award, in the category of large-scale, mixed-use projects.

"I congratulate CityPlace on 10 outstanding years," said City of West Palm Beach Mayor Lois Frankel. "CityPlace has grown into a major tourism destination, an economic engine for the region and an anchor for West Palm Beach's vibrant downtown."

The Right Tenant Mix

When CityPlace opened 10 years ago, shoppers enjoyed anchor tenants such as **Macy*s**, **Barnes & Noble Booksellers**, **Restoration Hardware** and the popular **Cheesecake Factory** mixed in with favorites such as **Anthropologie**, **Pottery Barn** and **Williams-Sonoma**. In January 2002, **Publix Supermarkets** opened at the north end of CityPlace, catering to downtown residents and businesses and bringing a much-needed resource to the City. The nationally-renowned **Anushka Spa, Salon & Cosmedical Centre** opened a 12,000-square-foot full-service spa that faces Okeechobee Blvd. in November 2007.

Now, the property also features brands such as **Sephora**, **Lucky Brand Jeans**, **Nine West**, **BCBG MaxAzria**, **Gap**, **Justice**, **Gymboree**, **Tommy Bahama**, **Ann Taylor** and **Banana Republic**. Most recently, CityPlace's has added **Victoria's Secret**, **Bath & Body Works**, **Francesca's Collections** and **Apricot Lane**.

Celebrities such as Vera Wang, Rod Stewart, Nicole Miller, Russell Crow, Connie Francis and Tommy Lee Jones have publicly called CityPlace one of their favorite Florida shopping spots.

CityPlace's restaurant and bar collection is unparalleled in South Florida and includes **Ruth's Chris Steak House**, **City Cellar**, **Il Bellagio**, **Thai Jo**, **Blue Martini**, **Brewzzi**, **Saito's**

Japanese Steakhouse, Kona Grill, Cheeburger Cheeburger, Panera Bread, Sweet Ginger Asian Bistro, Taco Vida, City Pizza, Smoothie King and the revamped and expanded **Improv Comedy Club**. Options for sweet treats include **IceBerry**; the Italian gelato shop and café, **Mamma Che Buono**; the whimsical ice cream and candy shop, **Sloan's**; cupcake boutique and custom cake design studio, **Sugar Chef**; and **Rita's**, the Italian ice and custard shop. CityPlace's most recent dining additions are **McCormick & Schmick's**; and the famous **B.B. King's Blues Club**, which offers Southern comfort food paired with live music seven nights a week.

The centerpiece of CityPlace is **The Harriet Himmel Theater** and surrounding Mediterranean-style plaza and fountain. Named after its major benefactor, Palm Beach philanthropist, Harriet Himmel, the theater's former role was as the First United Methodist Church, which was built in 1926 and is regarded as one of the world's largest Spanish Colonial Revival structures of its time. CityPlace Partners invested \$6 million restoring the three-story building. Grammy-Award-winning keyboard artist, Bruce Hornsby, was the first public concert held in the venue in February 2001. Since then, The Harriet has hosted countless performances, exhibitions, educational forums, community meetings, high school proms, wedding receptions and more.

Even with its menu of retail, dining and entertainment options, what has become CityPlace's signature is the spectacular "show" fountain located in the heart of the property's main plaza. It has 186 jets, including arching water jets, air jets and individually activated vertical clear stream jets. Approximately 200 lights of varying intensities illuminate the fully automated water feature that offers hourly shows choreographed to music. It serves as the backdrop for the plaza stage, which features free concerts every Friday and Saturday night and specialty programming throughout the year. The fountain has also become a Palm Beach County attraction, with millions of tourists and residents alike posing for pictures in front of its dazzling pools.

Residential Development

The residential component of CityPlace has always been key to the long-term success of the project by adding 24-hour life to its streets and plazas. When the complex opened, it introduced 51 private town homes; 33 garden condominiums; 128 luxury apartments in a high-

rise building on the southwest corner of the property; 264 mid-rise apartments in three buildings along the west perimeter; 54 rental flats; and 56 live/work lofts above the ground-level stores along Rosemary Avenue. In the Summer of 2004, CityPlace Partners, under the direction of The Related Group's Jorge Perez, converted the majority of the property's rental units to condominiums, fanning the county's real estate fire by selling out The Tower Condominiums at CityPlace and The Courtyards in CityPlace within a few days.

In September 2008, The Related Group opened **CityPlace South Tower**, a 20-story luxury residential tower on Okeechobee Blvd., located directly across the street from CityPlace. Designed by internationally renowned Hirsch-Bedner Associates (HBA), the building features a stunning, double-height lobby and porte-cochere entrance, and an amenity deck that spans nearly ¾ -of-an-acre with breathtaking panoramic city and water views; fully-equipped health club and spa; steam room and sauna; and summer kitchen area.

Commercial Leasing Success

CityPlace Office Tower, the 18-story, 300,000-square-foot commercial building opened at the south entrance of CityPlace on Okeechobee Blvd. in May 2008. Built by a joint venture of Related Companies and Crocker Partners LLC of Boca Raton, the \$110 million project is the first Class-A office tower built in Downtown West Palm Beach in almost 20 years.

With its striking, iconic architecture and unparalleled executive amenities, the building has become the new benchmark for premium office space in Florida. Its hurricane-resistant construction and advanced technology allows tenants to operate with minimal interruption when the area is hit by a major storm.

The building is currently 90 percent leased with nearly 1,000 employees working daily. Major tenants include **INTECH; Carlton Fields, P.A.; Shutts & Bowen; JBHanauer & Co.; Regions Financial Corporation; Goodrich, LLC;** and the **Cleveland Clinic Health and Wellness Center.**

In July 2009, CityPlace developers converted the live/work lofts on Rosemary Ave. to premium office space, called **The Offices at CityPlace North**. Tenants include WRMF Radio and Urban Design Kilday Studio.

Downtown Synergy

When CityPlace opened its doors 10 years ago, the commercial district downtown instantly doubled in size, and the property's synergy with the Clematis Street District is noted as a contributor to the City's success. Jointly funded by the DDA and CityPlace, the two areas are linked by a free, user-friendly trolley service which makes continuous loops, seven days a week. The service was an instant success with an average of 50,000 people riding the trolleys each month.

To further enhance Downtown connectivity, CityPlace Partners have several projects in the planning stages along the Rosemary Ave. corridor. Earlier this year, the Palm Beach County Board of County Commissioners approved the unanimous recommendation by a County Selection Committee to have Related Companies develop the 400-room Palm Beach County Convention Center Hotel using the Hilton Hotels brand. This project is crucial to the sustained economic success of CityPlace, the convention center and the Downtown West Palm Beach.

"There is no doubt that the hotel is a lynchpin to the success of the county's very significant investment in the convention center and will be a powerful tourism attractor and key amenity. The development will create over 600 much-needed jobs and give West Palm Beach an important edge in the very competitive meetings and hospitality sectors," said Ross.

CityPlace has become an integral part of the Palm Beach County landscape. In less than one year after opening, it achieved a 92 percent awareness rate among residents who live within 25 miles of the property. Today, it has close to 7.5 million visitors annually, proving that after 10 years, CityPlace continues to inspire.

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