



Article

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New York City Pursues Biotechnology Dream City Hopes that East River Scienc Park will Attract Start-ups & Established Firms to NY

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New York City has plans to develop the metropolitan areas largest commercial bioscience park, to be built in two stages on 4.25 acres for \$700 million.

The East River Science Park will be constructed on the Bellevue Hospital campus. Mayor Michael Bloomberg says the facility will contain 870,000 ft² of lab and office space.

The hopes are that the park will energize the citys bioscience sector and enable a much-needed expansion within the metropolitan area where commercial and research space is limited and expensive.

A public-private partnership, the project is being privately financed and is expected to create over 2,000 permanent jobs and 4,000 construction jobs over the next decade.

This state-of-the-art facility will allow us to take advantage of our enormous scientific base and world-class research institutions to attract both start-up firms and established bioscience companies to New York City, notes Mayor Bloomberg.

Near Top Medical Institutions

The new science park will capitalize on its proximity to the citys 25 medical research institutions and over 70 hospitals, including Rockefeller University, Beth Israel Medical Center, Memorial Sloan-Kettering Cancer Center, Mount Sinai Hospital and School of Medicine, the Aaron Diamond AIDS Research Center, Weill-Cornell University School of Medicine, and New York University (NYU) Medical Center. The focus of the new center will be translational sciencebringing products to patients.

The idea behind the park is to grow a bioscience cluster within the larger NYC wealth of biomedical institutions that are spread out over the east side of Manhattan. The new planned center will house not only biotech companies and start-ups, but also pharmaceutical companies, venture capitalist firms, academic research, and medical device and nanotech companies. Added to the mix will be a conference center and convergence caf as places for the exchange of ideas, and atria and walkways by the river.

We see the East River Science Park as our flagship project, and we believe it will spur the commercial growth of New York Citys bioscience industry, explains Monique Salazar, assistant vp of the NYC Economic Development Corporation (EDC).

The non-profit agency is NYCs primary vehicle for promoting economic growth in the citys five boroughs.

Despite our tremendous scientific assets, New York City has never captured its fair share of the commercial bioscience industry, adds Andrew Alper, president of the EDC. The development of the East River Science Park will help us reverse this trend by offering companies room to expand right here in the city.

Developing a commercial biotech cluster will allow our institutions to forge stronger ties with he bioscience industry, help our academic institutions attract top talent, and create many new, high-paying jobs.

The EDCs bioscience group has already met with over 500 companies in the U.S. and overseas to encourage them to locate in or expand to NYC. The citys proximity to the nations economic markets, the fact that its biomedical

institutions train over 15% of the nations physicians, and its five top-ranked biology Ph.D. programs, are pluses.

The East River Science Park project will be built by Alexandria Real Estate Equities, to which the city will be leasing the site. First, Alexandria will build two labs and office towers of 542,000 ft², and the second phase will be a 330,00-ft² lab and office building located north of the construction site.

The Timing is Right

A lot of forces are operating which makes now an excellent time for New York City to take this step forward in bioscience, says Salazar.

Competition among states for scientists and funds made more pressing because of certain states liberalizing laws for stem cell research and concomitant fundraising efforts are contributing to a brain drain in this area, Salazar observes. The New York regional group, New York Biotechnology Association (NYBA), and others have long worked to keep companies in-state and in the city as well, says executive director Karin Duncker. We are always getting calls from companies about more space, she points out.

NYC's Perceptual Problem

It is paradoxical that while New York City's bioscience assets are significant, with the region awarded the second largest amount of research dollars by the NIH in 2004 after Boston, MA, it suffers from a number of disadvantages.

These include pricey and scarce real estate, a perceptual problem (i.e., NYC has simply not been on the radar screen for companies wishing to locate or relocate a business), and a lack of an entrepreneurial culture in the biotech realm, explains Salazar. However, an independent consortium of angel investors, New York Angels (www.newyorkangels.com), is considering launching a life science fund.

While home to over 90 bioscience companies, two biotech incubators, and 30 new biotech company launches each year, people still ask, is biotech really done here?

Because of the well-known scarcity and high cost of space in NY, the city has simply not been viewed as a bioscience brand, according to Salazar.

Some NYC-based biotech companies, such as Acorda Therapeutics, have moved to outer boroughs and counties, while other firms never seriously considered locating in the city and broke ground outside it. Some begun in NYC, like ImClone Systems and Antigenics, have expanded by situating manufacturing facilities outside the state. Eyetech, which started its life in NYC, was able to expand within the city in 2004.

But some start-ups spun out of local institutions have been forced out of the city either initially, or as they matured.

The East River Science Park represents an attempt to redress these pitfalls. It is hoped that the new bioscience park will help bring New York's profile up to that of Massachusetts and California, while stimulating further biotech development within the city.

Other Local Incubators

The city's two other biotech incubators are the Audubon Biomedical Science and Technology Park, located at Columbia University's Washington Heights medical school campus, open about a decade, and the State University of New York (SUNY) Downstate Incubator, located in Brooklyn. The Audubon incubator has 100,000 ft², is home to 19 biotech companies, is 100% occupied, and has a waiting list. The Downstate incubator, which consists of 12,000 ft², is currently constructing an additional 38,000 ft² of space. ImClone recently vacated its small molecule facility, freeing up significant (14,000 ft²) lab space.