

THE WALL STREET JOURNAL.

Stem-Cell Leader Expands in New York

Foundation's move enhances city's reputation as a biotech center

November 29, 2015 | By Emily Nonko



One of the country's leaders in stem-cell research and education is expanding its operations in Manhattan, the latest sign of the city's growth as a biotechnology center.

The New York Stem Cell Foundation, a 10-year-old nonprofit that now occupies about 20,000 square feet in two locations, has signed a 20-year lease for about 42,000 square feet at 619 West 54th St. The new space—which will include a laboratory, offices and common areas—will expand the foundation's technological capacity and accommodate more than double the current staff, which today includes 45 full-time scientists, according to Susan Solomon, the foundation's chief executive.

Medical researchers throughout the world are studying stem cells, which can transform into any type of tissue. The New York foundation has been working on robotic technology to automate the process of creating stem cells using patients' skin or blood samples.

The foundation's growth comes as the city is trying to develop its biotech industry. In March, the city's Economic Development Corp. announced \$150 million in funding for life-science companies, as well as plans to redevelop a city-owned building on First Avenue and East 26th Street as a bioscience research center.

Ms. Solomon called the foundation's rapid growth “a little like building the plane while flying it.” It had outgrown its current facilities and needed “a giant, open space” with high ceilings, appropriate lighting for both an office and a laboratory, and large freight elevators, she said.

“Our robots are big, so we needed the elevators,” said Ms. Solomon. Affordable rent was also a concern. “I almost

despaired about finding all this in Manhattan,” she said.

Stephen Ross, chairman of Related Cos., helped navigate the transition. Mr. Ross connected with Ms. Solomon when she started the organization 10 years ago, and has since been a big supporter. Both have children with Type 1 diabetes, a disease that could be treated through stem-cell research.

“I saw all the good things and possibilities of stem-cell research, and I knew that this move had to happen,” said Mr. Ross.

Stephen Siegel and Gary Kamenetsky of CBRE Group represented the foundation on lease negotiations with the building owner, Taconic Investment Partners LLC. “We helped negotiate some concessions, and the building owners were really cooperative,” Mr. Ross said.



The 10-story building is home to other medical tenants, including the Roosevelt Surgery Center and the Rogosin Institute. Paul Pariser, Co-CEO of Taconic, called it “a mixed bag of a building” with a variety of tenants. Annual asking rents go into the high \$60s a square foot, he said.

“We were fascinated by this company, and we worked out a fair economic deal,” said Mr. Pariser. “The building offers a great amount of space for the foundation to grow into the future.”