

Freedom Plaza: Celebrating American Liberty

An Interview with Michael J. Hershman, Chief Executive Officer, Soloviev Group

EDITORS' NOTE Michael Hershman is Chief Executive Officer of the Soloviev Group (solovievgroup.com), a privately held, multi-billion-dollar company that encompasses Realty and Development, Hospitality, Transportation and Railroad and Agriculture. Hershman is also the founder of the Fairfax Group, a globally recognized advisor on corporate and public governance transparency and accountability.



Michael J. Hershman

As LEADERS went to press, the local Community Advisory Council voted against a casino for the site. The plans are now being reevaluated, given the decision. Hershman noted, "Manhattan is the undisputed capital of the world, and it deserved a fully integrated resort that would have attracted visitors while serving the needs of its community. We will be announcing our revised plans in the near future."

Will you discuss Freedom Plaza, your new planned development?

Freedom Plaza, on the largest undeveloped site in Manhattan, will be a major entertainment, hospitality and residential district on the East Side of Midtown, adjacent to the United Nations. On almost seven acres along the East River, it will feature two world-class hotels, premier restaurants, more than 1,100 new homes in two residential towers, five acres of publicly accessible green space and a museum dedicated to freedom and democracy. There will also be a casino, below grade and unobtrusive.

Will you highlight the museum of freedom and democracy?

Next year will be the 250th anniversary of the signing of the Declaration of Independence. We believe nothing could be more fitting than to celebrate this country's freedoms with a museum. It is a spiraling shape that also pays homage to ancient theaters of Greece, where democracy was founded. It will trace the history of democracy from the time of ancient Greece and will contain a number of important objects related to freedom and democracy, such as portions of the old Berlin Wall. In addition, we are planning major programming around the themes of democracy and freedom. The museum will also serve as a community center for the local residents.

What is going on in the space right now?

We currently have a major art exhibition and immersive film experience, "Path of Liberty:

That Which Unites Us." It highlights the ideas that led a founding generation to declare its independence and beckons all Americans to continue to pursue democratic ideals as we move along the path of liberty. Soloviev Group is partnering with the Museum of the American Revolution in Philadelphia, next to Independence Hall, where the Declaration of Independence was signed on July 4, 1776. Guests interact with more than 40 large-scale screens showcasing individuals as they recount their personal experiences and reflections of life in America. It is free and open to the public on Thursday, Friday and Saturday evenings.

We understand there was an essay contest as part of the exhibition.

New York high school students were asked to write an essay on the theme of what it means to be an American. There was a \$5,000 prize. The winner was a 15-year-old student from Brooklyn who wrote about coming from a family of immigrants emigrating from Russia to the U.S. to seek a better future. He said his essay was "about embracing and honoring my parents'

journey for a better future in America. Because of their sacrifices and hardships, I am here today living the American Dream and embracing the opportunities that this country provides. I am proud to be an American, because this country gave my family a second chance to live freely." The award was presented by four-time Grammy award winner Lenny Kravitz. Actually, we had two \$5,000 prize winners -- one from Brooklyn and one from Queens. Both were from immigrant families.

What else is planned for Freedom Plaza?

With an investment of more than \$11 billion, there will be a variety of public benefits.

- There will be almost five acres of badly needed publicly accessible open space in an area of Manhattan lacking the most open space city-wide. The open space includes a main lawn with a stunning view of the East River.

- More than 500 permanently affordable homes.

- Retail, a neighborhood food market, and daycare center.

- A five-star hotel, conference center and event space, and a state-of-the-art casino in partnership with Mohegan, a leading national gaming company.



Rendering of the luxury hotel lobby



Rendering of Freedom Plaza Park

What has been the public reaction to the plans?

It has been extremely positive. In a recent poll, nearly two-thirds of Manhattan voters expressed support for the plan, including Midtown East, where 57 percent of voters support the project planned for the neighborhood. The project is also supported by a coalition of 26 key labor organizations and workforce development partners ranging from the Building and Construction Trades Council of Greater New York to SEIU, the largest union of property service workers in the U.S., to the painters' and operating engineers' unions. Most recently, we received the support of the Retail, Wholesale and Department Store Union in New York. We also have the support of the Urban League and its president, Marc Morial, who has said: "beyond jobs and housing, Freedom Plaza will become a vibrant cultural destination anchored by power arts programming, a museum and community center." We also have the support of a coalition of 22 faith leaders from across New York City for its positive economic impact and addressing the city's persistent shortage of sustainable housing.

What will be the economic impact?

The mixed-use development will be built entirely with union labor and directly support the creation of 17,000 high-paying jobs during construction and operation. It will generate nearly \$3.2 billion in overall economic impact annually, including more than \$1 billion in tax revenue for the city and state. In addition, we are establishing a community reinvestment fund with a local governing board that will receive two percent of gaming profits, which are expected to generate \$200 million over the next 20 years. The

funds will be invested in initiatives that directly serve New Yorkers, including housing programs, workforce development, arts and culture, youth

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services, and other priorities identified by neighborhood residents. Finally, ownership in the gaming facility will be opened to New York City residents enabling broader public participation in the economic upside of the development.

Who are your partners in the project?

We have a number of outstanding partners. Freedom Plaza is being designed by award-winning BIG-Bjarke Ingels Group, which has won major commissions around the world. The five acres of open space, including the main lawn with a wonderful vista of the East River, is designed by OJB Landscape Architecture, which also has won numerous international awards for its work. Banyan Tree Hotels and Resorts, a major international luxury hotel brand, will operate one hotel. Mohegan, a leading international gaming company that also operates the Mohegan Sun gaming facility in Connecticut, will operate the other hotel, conference center and casino.

When will construction start?

It will depend on the New York State Gaming Commission awarding us one of three new gaming licenses authorized by the legislature for downstate New York, expected by the end of the year. We would look at groundbreaking sometime next year. And while there are other applicants for the three licenses, we believe our proposal is far superior. It promises Manhattan's largest number of affordable housing units and the only project that offers five acres of publicly available green space. It will be a world-class entertainment district that provides more than \$11 billion in economic investment, thousands upon thousands of union jobs, a major museum, billions in economic output, reinvestment in the community through gaming revenues and the opportunity to be a part owner of the project's success. ●