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Cushman & Wakefield leases 220,000 s/f to Nuvance Health Systems at The Summit at Danbury

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The Summit at Danbury- 39 Old Ridgebury Road - Danbury, CT

Danbury, CT Continuing the turnaround of the one-time Union Carbide world headquarters, Summit Development and Crestline Investors in partnership with the Rizzo Companies, have signed a lease with Nuvance Health Systems for 220,000 s/f at The Summit at Danbury. The deal, the largest office lease in the state this year, will allow Nuvance to consolidate offices in Connecticut and bring 500 jobs from locations in New York.

A team of Gerry Leeds, Maureen O'Boyle , Jim Fagan , Brian Scruton , Adam Klemick and Kathleen Fazio at Cushman & Wakefield assisted with the transaction.

The lease with Nuvance, formerly Western Connecticut Medical, is for 12 years and includes an option to expand up to 300,000 s/f. Nuvance operates seven hospitals in Connecticut and New York, including Danbury Hospital and Norwalk Hospital, and Putnam Hospital and Vassar Brothers Medical Center in New York. Its executive headquarters, back offices, labs and clinical facilities will be consolidated at The Summit.

Just two years ago, Summit Development president Felix Charney joined by Crestline and the Rizzo Cos., acquired the property in foreclosure and just 15% occupied, for \$17 million. Renamed The Summit at Danbury, Charney implemented a reimagining and rebranding program to right size the

building to include a mix of office, residential and educational uses. Numerous amenities including a restaurant, a new road for improved access and other capital improvements have already been made to the 40-year-old building.

“The turnaround of this property that had been a beacon in Danbury for nearly 40 years has gone beyond what we could have imagined,” Michael Basile project manager said. “We have invested \$20 million in improvements, and we have been blessed with robust commercial activity that has brought 12 new leases since our October 2018 acquisition, increasing occupancy from 20% to 41%. The Nuvance lease will bring office space occupancy to 80% and with their proposed further expansion we will be at 100%.”

Charney said, “This is not only a success for us, but it allows Nuvance to have a unified, centralized headquarters, and obviously, it is a major economic boost for the City of Danbury and the State of Connecticut. We could not be happier with this outcome.”

Crestline’s James Delaune said, “We are delighted that Nuvance has chosen The Summit as its new home. Our team has worked hard to restore visibility of this iconic Danbury property. Having Nuvance as the new anchor tenant will assure The Summit’s prominence as Danbury’s premier office and medical address.”

“The announcement of the agreement between The Summit and Nuvance Health is some of the best economic news we have seen this year. As Connecticut enters the holiday season, this is great news that we should all be celebrating,” said governor Ned Lamont. “Summit Development has made a lasting commitment to Danbury and to the State of Connecticut through their investment in this property, and their new partnership with Nuvance Health, a healthcare institution which provides world-class care. This announcement is only the beginning, as I know it will serve as a catalyst for additional growth and development in Danbury.”

Charney has made a specialty of turning around underperforming commercial properties in the Connecticut-New York area including repositioning the Norden Systems plant on I-95 in Norwalk to a mixed-use residential and office complex; converting the Handy & Harmon factory site in Fairfield to a retail center anchored by Whole Foods; and renovating the Yale Lock Building and The Maritime buildings on the waterfront in South Norwalk into stylish offices and apartments.

Charney noted that there is much more still to come at The Summit at Danbury. “We have the zoning in place that in December will allow us to begin creating 200 apartments in the building,” he said. “This is a creative approach could not have occurred without the cooperation of the city and its planning and zoning commissions and staff.

“The Summit at Danbury is positioned to be our city’s biggest asset,” said mayor Mark Boughton, who is leaving office to become the commissioner of the State Department of Revenue Resources. “Nuvance Health’s decision to move its regional and New York-based offices to the Summit is great news for our entire city. In this highly challenging time, the success of The Summit is a bright spot and an encouraging sign for the future. The Summit is progressing quickly not only in attracting

office tenants, but adding residential apartments, a variety of retail and restaurant spaces and the first of its kind public school career academy to teach career skills. The Summit will have it all. Our city is excited to welcome Nuvance and all of the new workers, residents, students and visitors that the campus is attracting.”

Anthony Rizzo Jr., president and CEO of The Rizzo Companies, said that the collaboration between private sector and the city is enabling the creation of a dynamic live-work-play environment under one roof – essentially a city within a city -- that will be unique to the region and demonstrate the possibilities underutilized commercial spaces offer, while reestablishing the building as a major taxpayer for years to come.

“The pending agreement with the state and the city to build a new school funded 80% by the state, is a tremendously exciting opportunity,” Rizzo said. “The \$75 million Danbury Career Academy for middle and high school students has been approved by the State and could serve as a model for others.” He said the new school would address enrollment growth and allow students to study career fields.

“Assuming the final bonding for the academy is approved in January,” Charney said, “we will have filled all but 120,000 s/f of the 1.2 million s/f we acquired in foreclosure. To accomplish this required a shared vision of all involved and a willingness to, quite literally, think outside the box. I am proud to have been a part of a true team effort.”

Designed by the architectural firm of Kevin Roche John Dinkeloo, the building was constructed as Union Carbide’s corporate headquarters in the early 1980s at a cost of \$450 million. In 2002, Dow Chemical acquired Union Carbide and sold the building in 2006. In 2009, a new owner purchased the 1.2 million s/f hilltop building at 39 Old Ridgebury Rd. off I-84 Exit 1 just east of the New York State line in 2009. Converting it to multi-tenant office space and renaming it The Matrix, it enjoyed some leasing success. However, following the death of the owner six years later, the complex began losing tenants and eventually slipped into foreclosure.

When completed, The Summit at Danbury will have 600,000 s/f of Class A office space; 75,000 s/f of conference and event space; and 30,000 s/f of core services and amenities including Market Place Kitchen & Bar, Platinum Fitness, conference space and pool; 400 residential apartments; and a public school.

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