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Long-awaited Park Avenue skyscraper nears completion amid office space pivot

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Park Avenue's newest skyscraper is almost complete amid talks of converting Midtown's empty office buildings into affordable housing.

With [office](#) properties reporting dismal occupancy rates—about 10%—landlords and elected officials are concerned about their viability until the pandemic blows over. Still, construction on the 47-story 425 Park Ave. is nearly done, making it the first full-block skyscraper to be built on the storied avenue in nearly 50 years. There is still work to be done, though.

The developers, L&L Holding and the Tokyu Land Corp., have secured a temporary certificate of occupancy for the billion-dollar property, which has already leased 16 floors across 331,800 square feet to its anchor tenant, [Citadel Enterprises](#), representing nearly half of the 670,000-square-foot tower's total area. The hedge fund can now go in and begin retrofitting its offices.

A date for the building's grand opening has not yet been set.

The building had its fair share of construction delays before the Covid-19 pandemic—and more during it—but its major tenant now has something to hold on to.

“From the moment we first proposed the idea of replacing a nondescript and antiquated office tower with what would be Park Avenue's first 21st-century office tower, we viewed it as our obligation to create a best-in-class environment in every respect,” L&L Chairman David Levinson said.

The news comes as plans to convert empty Midtown office buildings to affordable housing have been proposed by local officials. Last week Gov. Andrew Cuomo announced a citywide plan to provide flexibility to developers and encourage them to transform office buildings that aren't in use into much-needed housing. Experts agree that will be no easy feat, however.

Billionaire Ken Griffin's Citadel signed its massive lease in the building in 2016, and was reportedly the most expensive deal inked in the city at the time. However, construction delays spurred rumors that Citadel would begin looking for office space elsewhere.

The project has been in the works for almost two decades. L&L purchased a ground lease on the property from its owners along with Lehman Brothers in 2006. After the bank went belly-up on the heels of the financial crisis, it held on to its stake in 425 Park Ave. while going through bankruptcy proceedings. By 2013, other investors including L&L bought out the bank and assumed control of the property.

In May 2012, L&L invited 11 architects to submit proposals for the newly imagined building. By October, it chose Lord Norman Foster's Foster+Partners to design it.

The building "will set new standards for workplace design and provide an enduring landmark that is both of its time and timeless," Foster said.

The property comes loaded with amenities. An upper floor is dedicated to an outdoor gathering space, an art installation, meditation space and dining by Eleven Madison Park's chef, Daniel Humm, who is also planning to transform a plaza space in the building into an eatery.

To account for virus safety measures, the building features energy-efficient mechanical and ventilation systems to keep the air inside clean and fresh.