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Retail war heats up

Colonie Center expansion challenged

By Michael McKeon
Staff writer

COLONIE — A partner in the firm that owns Crossgates Mall has asked a state Supreme Court justice to stop the expansion of the company's chief rival, Colonie Center.

The suit, which comes at a time when Crossgates is trying to win approval for its own expansion plans, mirrors in many sections — right down to spelling errors — a lawsuit filed in July by two residents of Sand Creek road and dropped days later.

Robert Ungerer, along with John Monteiro, filed suit on Jan. 19 against the town of Colonie, the Planning Board and Building Department Superintendent Ralph Hildenbrandt. Monteiro, an employee of the state Department of Social Services, resigned last week as the Colonie Democratic Committee treasurer, a party official confirmed Monday.

The pair asked Justice Edward Conway to overturn the Planning Board's decision granting concept and final approval for Colonie Center's expansion last year, to require the board to complete a new state environmental quality review for the project, to revoke building permits for the expansion and to block Hildenbrandt from issuing additional permits.

Colonie Center in December won approval for construction of a new 360,000-square-foot Macy's and another anchor store of 100,584 square feet, increasing the mall space by more than 468,000 square feet to 1,177,869 square feet.

Crossgates has asked the Guilderland Zoning Board of Appeals for permission to build two large anchor stores and between 40 to 60 smaller shops, increasing the nearly 900,000-square-foot mall by about 418,000 square feet. The board will consider the request on Feb. 15.

Colonie Town Attorney Susan Tatro, in court papers responding to the suit, said Ungerer was motivated by financial gain and alleged that Monteiro was trying to make political hay with the action.

She contended that Ungerer and Monteiro misrepresented themselves in their legal papers, and if true, she said she will ask the court to sanction those involved with bringing a "frivolous" suit. Ungerer and Monteiro are represented by the Albany law firm of Harvey, Harvey, Harvey and Mumford.

Ungerer, Monteiro and their attorney were not available for comment.

A secretary for Pyramid Co. of Syracuse, the parent firm
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Crossgates, Bonwit Teller negotiating

By Bill Schackner
Staff writer

GUILDERLAND — A chain of upscale clothing stores is considering a move to Crossgates Mall as part of a major building expansion there.

Bonwit Teller has been talking for the past few months with the Pyramid Crossgates Co., owners of the mall, an official with the Manhattan-based retailer told *The Times Union* on Monday.

Both sides are "in serious negotiations," said the official, who asked not to be named. "Nothing has occurred. We're just negotiating."

Gary Dower, a spokesman for Pyramid Crossgates, would not say if the parties were near an agreement. However, he said Bonwit Teller is looking at between 40,000 and 80,000

square feet of space and could become one of two new anchor stores in the expanded mall.

"Whether we're near an agreement or not is something we'd never comment on," Dower said. "We are taking."

Dower described Bonwit Teller as "an excellent store" and added, "They would be a real complement to our project."

Already the largest retail center in the Capital District with approximately 160 stores, Crossgates would gain another 418,000 square feet of leasable space under an expansion proposal submitted to the town of Guilderland this month.

Bonwit Teller's flagship store in Manhattan is in the Trump Tower on East 57th Street. The chain specializes in

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of the Pyramid Crossgates Co., confirmed that Ungerer is a partner in the firm but said he was traveling to Buffalo and could not be reached. She said other partners in Crossgates also were not available.

Representatives from Colonie Center also could not be reached for comment on Monday.

Tatro said she has asked Conway to dismiss the suit because Ungerer and Monteiro do not have the legal standing to challenge the Planning Board decisions. In addition, she said the statute of limitations has run out on several of the board's decisions. Conway will hear the case on Feb. 3. Ungerer and Monteiro contend in court papers they will be "adversely and materially affected by the expansion" because they live near Colonie Center.

They argue the addition of about 460,000 square feet to the mall will diminish the value of their property and the quality of their lives by adding to noise and water pollution and increasing traffic by more than 1,000 cars per hour.

The Planning Board "completely and utterly" failed to require Kravco Co., owner of Colonie Center, to comply with the state environmental quality review, environmental conser-

vation laws and the town zoning law, Ungerer and Monteiro charged.

They said the planning board failed to take a "hard look" at the environmental implications of the expansion, alleging the board "chose to ignore" many of the impacts. The suit also charges the board with relying on a traffic study that did not follow standard engineering practices.

Tatro, in her response to the suit, said Ungerer and Monteiro live "outside the zone one might expect to be affected by the expansion."

Ungerer owns a house at 2 Loudon Heights, which is 5.4 miles from Colonie Center, according to Albany County records cited by Tatro. She contended that Ungerer purchased the house on Oct. 22 and, as of last week, had not yet moved into it.

In addition, Tatro cited amended business certificates on file with the county clerk which indicated that Ungerer is a general partner with Crossgates. In exhibits filed along with her response, Tatro included news stories from *The Times Union* in which Ungerer was identified as the "managing partner" of Crossgates.

If the suit is successful, Tatro said it "could be enough to grant the Crossgates people a tremendous edge when negotiating for new tenants and marketing share in the Capital District."

As a result, Tatro said Ungerer stands to make a "substantial econom-

ic gain" if the lawsuit is successful because he has a "direct financial interest in Crossgates."

Monteiro, who lives 2.2 miles away from the mall at 2 Kings Court, may be using the suit "to assist his political agenda" because of his association with the Democratic Party in Colonie, Tatro said.

Ungerer and Monteiro are not interested in forcing the town to take a "hard look" at the expansion plans, and are only interested in "harassing the town of Colonie and Colonie Center," Tatro charged.

Tatro also pointed out in the court papers the similarities between Ungerer's and Monteiro's suit and the one brought last July by the two residents under the banner of "CRAMT" — Colonie Residents Against More Traffic. That suit was withdrawn several days later when the residents said they were tricked into signing legal papers by a mystery woman who identified herself Mary Ellen Adams.

In both sets of court papers, Tatro noted that the name of Planning Board member William Herman is spelled "Heiman." In addition, she said a number of paragraphs in the two suits use exactly the same wording.

Tatro said Kravco has already spent more than \$2 million on the project, in addition to contributing to the \$400,000 worth of improvements made to Sand Creek Road.

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women's fashions but also carries men's sportswear and furnishings, according to spokeswoman Cindy Miller.

The Australian-owned chain operates 14 stores nationwide and plans to open two more this spring, one in Buffalo and the other in Cincinnati.

Bonwit Teller does business in a number of major metropolitan areas including Philadelphia, the Detroit area, Boston and Kansas City. But Miller said the company also is eyeing smaller cities, where it hopes to create a market while facing less strident industry competition.

"We've done a lot of marketing research and have found that there are voids in some of these markets," Miller said. "We know there are some very good lifestyles in some of the cities... there's a need."

In New York City, Bonwit Teller

competes chiefly with Saks Fifth Avenue and Bergdorf Goodman Inc., Miller said.

"Our management feels there is a resurgence in the Northeast," especially in Buffalo, she added.

Bonwit Teller's parent company, L.J. Hooker Retail Group, had no comment Monday on the Crossgates talks.

Under the expansion plan submitted to the town 12 days ago, Crossgates would grow to nearly 1.3 million square feet, with construction occurring on land already owned by the mall. In addition to the two larger stores, there would be space for between 40 and 60 smaller shops. Dower said he had no estimate of what the two-story addition would cost.

Parking for upward of 2,000 additional cars would be created as part of the plan, he said.

The Zoning Board of Appeals is expected to review the Crossgates proposal beginning Feb. 15. Traffic

congestion in the area will likely be a major focus.

Supervisor Kevin A. Moss and other officials, worried what mall expansion will mean along already-congested Route 20, have insisted that Crossgates' owners build a new link between the mall and the Northway and pay for realignment of Rapp Road.

The 1.1-mile stretch of Route 20 near the mall has been rated the most accident-prone stretch of state highway anywhere in the Capital District, according to the state Department of Transportation.

DOT is conducting a study of the proposed Northway connector but is not expected to submit its findings to the town for nearly a month. Dower said Pyramid is receptive to the town's desire to have a new road and is sensitive to traffic problems in the area, but he said Pyramid has reached no formal agreement on how the new road or the Rapp Road realignment would be funded.