



BNYDC selects BDG as developer of six-acre site at the Brooklyn Navy Yard

February 12, 2013 - Design / Build

Brooklyn Navy Yard Development Corp. (BNYDC) has designated Blumenfeld Development Group, Ltd (BDG) as developer for a six-acre site at the Brooklyn Navy Yard. The team will develop the first full-sized neighborhood supermarket meeting the needs of communities surrounding the Navy Yard. In addition to the 74,000 s/f supermarket, BDG will also develop 86,000 s/f of neighborhood retail space and 125,000 s/f of industrial space as part of the \$100 million development. The development will create 500 permanent jobs. The designation follows a request for proposals that was issued by BNYDC last year after having the property transferred from the federal government to the city. The project is slated to break ground this year. Upon securing a supermarket operator, BDG will enter into a long-term lease for the site, known as Admirals Row, which now houses 12 dilapidated and unused structures. Two of the structures - Building B and the Timber Shed - will be restored and incorporated into the new development. BNYDC has already begun stabilization work on both buildings.

BNYDC has established aggressive community participation goals for the redevelopment of Admirals Row, including 30% of the overall contract values awarded to certified minority/women-owned businesses and an additional 10% of contracts targeted to local businesses (within designated zip codes). Workforce goals for the construction phase of the project include 45% of jobs to be held by minority and/or women and a local workforce goal of 25%. A local hiring plan for the supermarket will be developed collaboratively by the developer, supermarket, BNYDC, local elected officials, community leaders - particularly from the local NYCHA Houses - and job training entities. In addition to the rapidly growing surrounding communities, nearly 40,000 residents live within a ten-minute walk of the site.

"The selection of a developer to build a new modern supermarket and industrial space in the heart of Brooklyn is great news for New York City - bringing jobs, private investment and important services to one of the fastest-growing neighborhoods in our City," deputy mayor for economic development Robert Steel said. "This announcement is also another step in the progress of mayor Bloomberg's transformation of the Brooklyn Navy Yard into a powerful economic engine, with more than 6,000 private sector jobs."

"This takes us a step closer to fulfilling our promise to the community to not only bring a major supermarket with fresh produce and groceries to the area but also add new industrial space and hundreds of permanent jobs," said Andrew Kimball, president and CEO of the BNYDC. "Our goal is to put this property back to productive use and proceed as soon as possible."

"Brooklyn is a giant step closer to a job-creating construction project that will both add a much-needed supermarket to this community and preserve the Navy Yard's unique history," said senator Chuck Schumer. "Brooklyn Navy Yard will soon be home to a major supermarket and retail

space, creating hundreds of jobs for residents in Farragut, Whitman, Ingersoll, Fort Greene Houses and beyond. I am hopeful that this effort will transform this side of the thriving Brooklyn Navy Yard into a dynamic and functional space for all members of this great community."

"We are one step closer to carrying out Brooklyn Navy Yard's vision to create good-paying jobs and meet community needs," said senator Kirsten Gillibrand. "Creating a supermarket in this neighborhood will mean that more New Yorkers will have reliable access to the fresh and nutritious food they need to live longer and healthier lives."

"Upon completion, this project will mean another source of healthy food for Brooklyn residents, additional retail and industrial space that contributes to greater economic activity and well paying local jobs," said representative Nydia Velázquez.

"The redevelopment of Admirals Row with the construction of a supermarket and retail space is exactly what this community needs," said rep.-elect Hakeem Jeffries. "Access to fresh produce, and the revitalization of retail and industrial space are some of the most pressing issues in urban America today. Blumenfeld Development Group has promised hundreds of new jobs for our working families and an investment in the residents that will support these new businesses. Local reinvestment will create a healthy and sustainable community our future."

"The council approved the rezoning of Admiral's Row Plaza in November 2011 with the goal of revitalizing an unoccupied, overgrown and deteriorated area of our city," said city council speaker Christine Quinn. "Now, with the selection of Blumenfeld as developer, we will soon see not only an influx of more jobs and retail and industrial space into the community, but also a sorely needed supermarket in a neighborhood currently under served by fresh food retail."

"I applaud the BNYDC and its president and CEO, Andrew Kimball, and the BDG for taking this huge step forward in fulfilling the promise and potential of Admirals Row and the revitalization of the Navy Yard," said Brooklyn borough president Marty Markowitz. "With the selection of a developer, we are moving forward with providing surrounding Brooklyn neighborhoods with more than 500 much-needed jobs and convenient access to affordable, healthy produce that a world-class supermarket provides. Admirals Row is a perfect example of 'smart growth' in Brooklyn—the preservation of historic structures, the creation of a thriving and sustainable retail and industrial center with guaranteed employment opportunities for Brooklynites, and fresh food options for an underserved community."

"The Brooklyn Navy Yard has proven that success stories exist even in the most difficult times," said senator Daniel Squadron. "Moving Admirals Row forward means preserving two of our historic buildings and ensuring that new buildings help preserve our environment -- all while filling major needs of the surrounding communities. Now, our neighborhood will have much-needed access to fresh food, and all of Brooklyn will see new businesses, new jobs, and even greater revitalization."

"I am very happy that the outstanding development of the Brooklyn Navy Yard is continuing with the designation of the Blumenthal Development Group as the redeveloper of the Admirals Row area," said Senator Velmanette Montgomery. "The plans for a much needed supermarket and more light industrial space continue the visionary and practical plans we have come to expect under the directorship of Andrew Kimball. Congratulations and thank you to all involved!"

"The Brooklyn Navy Yard has proved to be an all around benefit for Brooklyn. The positive impacts it has had on the community will undoubtedly continue for years to come," said Assemblyman Joseph R. Lentol. "The selection of the firm who will develop the retail and industrial space and the first full-size neighborhood supermarket is another positive step to bringing additional jobs to the

local community. The BNYDC has also committed to providing jobs and contracts to minorities and women, proving that this project is yet another example of how the Brooklyn Navy Yard has benefited the community of Brooklyn."

"This is an exciting time for our community, local residents in Farragut, Whitman and Ingersoll Houses and parts of nearby Fort Greene will now have access to quality fresh food located in the historic Navy Yard," said New York City council member Letitia James. "The re-development of Admirals Row will be an inclusive process from the beginning, 25 percent of the work force will come from the local community. Once the project is complete there will be approximately 500 permanent jobs and training opportunities. This great for our local economy and the City of New York."

"Today's announcement marks another exciting step forward for the Brooklyn Navy Yard," said New York City council member Stephen Levin. "Thanks to the leadership and stewardship of Andrew Kimball and Alan Fishman, the Navy Yard remains a beacon of innovation, providing the community with a much-needed supermarket and a commitment to local hiring, while still preserving many of the unique industrial buildings of Brooklyn's past."

Keeping with BNYDC's commitment to sustainable development, the new buildings on the site will be built to the US Green Building Council' LEED Silver standards. Other sustainable elements of the project include preserving as many trees as possible, including the mature trees along Flushing Ave., optimizing green space and landscaping opportunities and incorporating the Brooklyn Waterfront Greenway. In addition to the renovation of the dilapidated Timber Shed and Building B, the project will include a commemoration plan to celebrate the site's rich history.

BNYDC was advised on the RFP selection and negotiation by Timothy King of CPEX Real Estate. The development of Admirals Row will continue the expansion underway at the Brooklyn Navy Yard and build on BNYDC's track record of sustainability and creating local jobs. BNYDC's commitment to sustainable infrastructure investments and local job creation has made it a national model for urban industrial parks.

The 300-acre Brooklyn Navy Yard, the leading industrial park in New York City with 4.5 million square feet of leasable space - consisting of 40 rentable buildings with more than 275 tenants - is 99 percent occupied. The city-owned Navy Yard is currently undergoing an expansion - its largest since WWII - that will create more than 1.8 million square feet of new space and 2,500 jobs over the next two years. This expansion has been driven in large measure by over \$200 million in basic infrastructure investments from the Bloomberg Administration and increasing levels of investment from the State and federal governments, including a recent \$6 million capital commitment from New York State to build out more space for green manufacturers in the Yard. Public investments have helped leverage over \$500 million in private investment for new buildings in the Navy Yard.

About the Brooklyn Navy Yard

The Brooklyn Navy Yard is owned by the City of New York and is managed by the not-for-profit Brooklyn Navy Yard Development Corporation. BNYDC leases space in the Yard, promotes local economic development, develops underutilized areas and oversees modernization of the Yard's infrastructure. The corporation's board of directors is comprised of leaders of Brooklyn's economic development community. Established in 1801, the Brooklyn Navy Yard served as one of America's preeminent military facilities for more than 150 years. Closed by the federal government in 1966, the City of New York subsequently assumed ownership and re-opened the Yard as an industrial park.

Visit www.BrooklynNavyYard.com for more information.

New York Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540