

NEWS

For Immediate Release

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BROOKLYN NAVY YARD DEVELOPMENT CORP. ANNOUNCES SELECTION OF DEVELOPER AND SUPERMARKET FOR SIX ACRE SITE

PA Developers LLC tapped to bring ShopRite to the neighborhood

500 long-term jobs to be created

Brooklyn, NY (April 27, 2010) – Brooklyn Navy Yard Development Corporation (BNYDC) today announced the designation of PA Developers and ShopRite supermarket for a six-acre site at the Brooklyn Navy Yard. The team will develop and operate the first full-sized neighborhood supermarket meeting the needs of communities surrounding the Navy Yard.

In addition to the 55,000-square-foot supermarket, PA Developers also will develop an additional 30,000 square feet of neighborhood retail space as well as 125,000 square feet of industrial space as part of the \$60 million development. The designation follows a request for proposals that was issued by BNYDC last year. The project is slated to break ground by 2012 following a sale of the property from the federal government through the National Guard Bureau to the City of New York, which owns the 300-acre Brooklyn Navy Yard property.

“Our goal for the development of the Admirals Row site was to facilitate a project that would address the needs of the community, create jobs and generate business for local and minority- and women-owned companies. With this plan, we’re doing just that,” said Deputy Mayor for Economic Development Robert C. Lieber. “The \$60 million project will bring a full-sized supermarket to a growing neighborhood, and it will add modern industrial space to what is already one of the nation’s most successful urban manufacturing districts.”

PA Developers will enter into a long-term lease for the site, known as Admirals Row, which now houses 11 dilapidated and unused structures. Two of the structures -- Building B and the Timber Shed -- will be restored and incorporated into the new development.

“This is a tremendous win for everyone in the community with a stake in the fate of the Admirals Row site,” said Alan Fishman, Chairman of the Brooklyn Navy Yard Development Corporation. “The tireless effort of elected officials and community advocates has resulted in the best possible use of this site and will have a direct, long-lasting impact on families that live in this area.”

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BNYDC has established aggressive community participation goals for the redevelopment of Admirals Row, including 30 percent of the overall contract values awarded to certified minority/women-owned businesses and an additional 10 percent of contracts targeted to local businesses (within designated zip codes). Workforce goals for the construction phase of the project include 45 percent of jobs to be held by minority and/or women and a local workforce goal of 25 percent. 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.

U.S. Senator Charles Schumer said, “From DUMBO to Vinegar Hill to Fort Greene, having a new food shopping option is great news for all the communities in and around the Brooklyn Navy Yard. Not only will the addition of this supermarket boost the local economy and create much needed jobs in the area, it will provide better nutritional choices for children, families and seniors.”

U.S. Senator Kirsten Gillibrand said, “I want to thank the Brooklyn Navy Yard for their tireless efforts in securing a plan that will create good-paying jobs and greatly benefit the community. 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.”

Congresswoman Nydia Velázquez said, “This proposal will mean better access to fresh food and produce for the surrounding community, while creating local jobs. I am also pleased to see that minority, woman-owned and local businesses have been made a priority for this project, further boosting economic development.”

Congressman Edolphus Towns said, “This announcement is a huge victory for the residents of Farragut Houses and the surrounding community. For years, they have suffered without a quality supermarket that provided fresh produce and food products at reasonable prices. Not only am pleased to see the ShopRite chain tapped as the supermarket to serve the needs of these residents, I applaud the efforts of the Brooklyn Navy Yard Development Corporation in providing the opportunity for 500 long-term jobs as a result this \$60 million dollar project, that in addition will create much needed retail and industrial space on this 6 acre site. For years my staff and I have help spearhead numerous efforts to put a much needed facelift on an area in need of commercial development that will soon be offered. As a result a long-awaited dream by thousands will now be realized.”

Borough President Marty Markowitz said, “I want to commend the BNYDC, the community and my fellow public officials for moving forward with a plan that appropriately balances the need for economic development, food justice and historic preservation of the former Admirals Row. We welcome PA Developers’ new retail and much-needed ShopRite supermarket, which will not only bring fresh food to a neighborhood in need, but hundreds of the kind of long-term jobs Brooklynites in this area so richly deserve. Now we just need the federal government to move quickly and allow the City to make all of this a reality.”

State Senate Velmanette Montgomery said, "These days it's really hard to come by good news, and this is good news! The team and the plan have come together just the right way. The area will get the supermarket they have needed for so long, and the Brooklyn Navy Yard will get our thanks for making it happen."

State Senator Daniel Squadron said, "I appreciate that the Brooklyn Navy Yard has worked so hard to address a tough issue and arrive at a plan that produces real, positive results for the community. This plan will bring much-needed fresh, affordable food to an underserved community. As it moves forward, I look forward to continuing to work collaboratively with the Navy Yard, along with Brooklyn Borough President Markowitz, Senator Montgomery, Assembly Members Lentol and Jeffries, and Council Members James and Levin."

State Assemblyman Joseph Lentol said, "I am excited that we are closer than ever to opening a new supermarket at the Admirals Row site. The people of Fort Greene, especially the many public housing residents at Whitman, Ingersoll and Farragut, deserve to have access to fresh produce at affordable prices. This has been and will remain our goal as we move forward."

City Council Speaker Christine Quinn said, "I commend the Navy Yard for moving forward on this important project. As we know from our FRESH initiative, too many neighborhoods lack supermarkets or access to fresh fruits and vegetables. The Admirals Row project will not only bring a full service supermarket, but other retail to serve the community. The 500 jobs created by these new stores and the new manufacturing space will be an important addition to our local economy."

City Council Member Letitia James said, "The people living in the communities that surround the Brooklyn Navy Yard have waited far too long for a supermarket that will provide fresh fruits and vegetables. It's time for the federal government to end the years of delayed action and quickly transfer this property to the City."

City Council Member Stephen Levin said, "I am thrilled that the Brooklyn Navy Yard has chosen a developer that will build a supermarket to serve the community while maintaining the historic character of the Navy Yard, by preserving the Timber Shed and an Admirals Row building. I have always maintained that this community needs a supermarket with fresh, healthy, affordable food and I am pleased that the community will benefit from the development of the Brooklyn Navy Yard."

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 Avenue 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.

"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 Brooklyn Navy Yard Development Corporation. "Our goal is to put this property back to productive use and proceed as soon as possible. We are looking forward to continuing to work with the community and the federal government to complete site acquisition so that construction can begin."

PA Developers was selected through a competitive bidding process that yielded eight responses. Among the criteria in BNYDC's request for proposals was a retail center that includes a large format supermarket of no less than 40,000 square feet, as well as an additional 20,000 square feet of neighborhood retail space and renovation of the two historic structures. Respondents were encouraged to include a minimum of 40,000 square feet on an upper floor to accommodate light industrial uses. BNYDC was advised in its selection process by Timothy D. King, Principal at CPEX Real Estate.

"We are thrilled to have been designated to undertake this unique project," said PA Principal Aaron Malinsky. "We are committed to working hand in hand with BNYDC and the community to ensuring that this site finally fulfills its potential to bring a quality supermarket and hundreds of new jobs to the neighborhoods surrounding the Navy Yard."

"ShopRite is known for its quality supermarkets that provide a broad range of fresh, affordable, groceries to the communities it serves," said Dennis Bachman, Senior Real Estate Representative for Wakefern Food Corporation, ShopRite's owner. "Our store on Admirals Row will provide the variety of goods and employment opportunities to meet the needs of the community."

The development of Admirals Row will continue the expansion underway at the Brooklyn Navy Yard -- its largest growth since WWII adding over 1.5 million square feet of new space and 2,000 jobs. BNYDC's commitment to sustainable infrastructure investments and new green buildings has made it a national model for industrial parks. The development of Admirals Row will build on this track record of sustainability and success.

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 \$15 million capital commitment from the NYS Senate to build out more space for green manufacturers in the Yard. Public investments have helped leverage over \$300 million in private investment for new buildings in the Navy Yard. The Yard's existing four million square feet of space -- currently consisting of 40 rentable buildings with more than 240 tenants -- is 99 percent occupied.

About the Brooklyn Navy Yard

The Brooklyn Navy Yard is owned by the City of New York and 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. BNYDC has grown increasingly accessible to the public in recent years and now offers regularly scheduled guided public tours. Visit www.brooklynnavyyard.org for more information.

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