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The Bronx Is Burning—With New Development

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NEW YORK CITY—The Bronx has scored two major homeruns in the development game this morning, securing a deal for the borough's first luxury hotel and a major loan for the city's largest retail complex.

Simone Development, a Bronx-based investor/developer, unveiled it will construct a 370,000-square-foot mixed-use office/hotel/retail complex at its 42-acre Hutchinson Metro Center Campus in the Pelham Bay section of the borough. Further east, Manhattan-based **Prestige Properties & Development** has refinanced Bay Plaza Community Center, a 517,000-square-foot retail complex that is part of the 1.3 million-square-foot Bay Plaza Shopping Center, for \$210 million based on a loan from **MetLife**.

The new Marriott at Metro Center Atrium, expected to open in 2014, will include 125 rooms and will operate under the Residence Inn flag. The atrium will also feature three floors of class A office and medical space, as well as retail and restaurant opportunities, according to Simone.

In addition to the refinancing at Bay Plaza, Prestige Properties has made other notable progress at the complex, recently breaking ground on the \$300 million, 780,000-square-foot **Mall at Bay Plaza**, which will be anchored by Macy's and JCPenney. Upon completion, the entire shopping center will total more than two million square feet.

Both deals come at a time when the Bronx is experiencing a period of revitalization and reinvestment. Earlier in the year, Mayor Michael Bloomberg delivered his annual "**State of the City**" address at Morris High School in the borough and used the Bronx as a backdrop for the city's entire economic redevelopment agenda. Since then, the borough has seen a slew of new projects, including a new 90,000-square-foot assembly plant for **Smith Electric Vehicles** in Port Morris, as well as the opening of the Sunshine Bronx Business Incubator, a facility that will accommodate up to 400 entrepreneurs and start-up companies inside the former BankNote building here. Additionally, the city has stepped up efforts to

keep some 3,600 jobs at **Hunts Point produce market** from going to New Jersey, and redevelopment efforts are currently being considered for **Kingsbridge Armory**.

The new hotel, in particular, is being viewed by many in the community as a “signal” for things to come. City council member **James Vacca** (D-13th District), says in a statement that “clearly Marriott has recognized that the Bronx is a destination for New Yorkers and tourists alike.” “We already have the beautiful parks, the best zoo in the nation, the Yankees and a PGA tour worth golf course under construction in Ferry Point Park,” he says.