



Andrew Kimball (inset), chief executive of privately owned Industry City, says the complex (left, with views inside the courtyard, top, and outside the yard, above) is more than 80 percent full, with new arrivals such as Porsche and Volvo.

Paul Marikari, NY Post; Brian Zak

# Full-speed ahead

## Industry City filling up despite council's diss

**STEVE CUOZZO**  
**REALTY CHECK**

**T**HE owners of Industry City in Brooklyn's Sunset Park suffered a setback last year when one progress-hating City Council member torpedoed a rezoning that would have allowed a few more buildings to rise at the 35-acre site.

But owners Belvedere Capital, Jamestown and Angelo Gordon Co. shrugged off the disrespect, at least for now. (The rezoning never came up for a vote but was withdrawn by the developers when they saw it would fail.)

"We're looking forward, not backward," said Industry City Chief Executive Andrew Kimball.

He preferred to focus on the enormous strides the 16-building, 6-million-square-foot waterfront com-

plex has made since opening in 2013. Industry City has leased an impressive 800,000 square feet of space — office, light manufacturing, studio and retail — since the pandemic first swept the city in March 2020.

**'An extraordinary incubator'**

Deals with scores of new tenants brought the complex to more than 80 percent leased. Recent and new arrivals include 60,000 square feet for Porsche and Volvo, which have showrooms as well as service centers, West Elm, a longtime tenant that added a 10,000-square-foot retail store, and production company The Garage, which specializes in commercials for brands such as Coca-Cola, Hershey's and Cadillac.

Kimball said, "It's truly astonishing. Of 4 million square feet we've leased since 2013, the 800,000 in the past 18 months are the most we did in any 18-month period. And this was during the global pandemic."

He attributed the success partly to \$450 million the partners invested in new infrastructure for the

historic, century-old buildings at the site, a former shipping and heavy-manufacturing center. Improvements included creation of five acres of open-air public space.

Another factor is that "we're finding that people want their offices next to their industrial and manufacturing spaces," Kimball said.

For example, Danny Meyer's Union Square Hospitality Group leases 20,000 square feet of offices within a 70,000-square-foot commissary facility, all in a single building.

Tenants have mushroomed from 150 in 2013 to 575 today.

"Of those, 400 have less than 2,500 square feet. We're an extraordinary incubator for small businesses," Kimball said.

Some 9,000 people now work at the complex, compared with 2,100 in 2013.

Industry City's success parallels that of Brooklyn's other great industrial park, the Brooklyn Navy Yard. But unlike the Navy Yard, which is city-owned and has enjoyed subsidies, Industry City is entirely privately owned and funded and is

more public-friendly.

Kimball's optimism extends to the new mayoral administration. "I feel very good about it," he said. "I've worked with [former Brooklyn Borough President] Eric Adams for many years, both at the Navy Yard and at Industry City," he said. Kimball previously was CEO of the Navy Yard Development Corp.

"He cares deeply about economic development," Kimball added. "I'm hopeful that Eric really sees the value of this kind of jobs creation."

**Zero Irving gets Melio**

Zero Irving, the 21-story tower on the long-ago Palladium disco site, has landed its first office tenant: fast-growing business-to-business payments platform Melio. The firm signed for 25,000 square feet on Floors 15 and 16.

The starting rent for the 10-year deal is in the low triple digits. Melio is relocating from a smaller WeWork space at 18 W. 18th St. The tower has 176,000 square feet of state-of-the-art offices

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## POST FOCUS ON COMMERCIAL REAL ESTATE

# New life at Elaine's old site

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on the 14 top floors.

Melio CEO Matan Barr said, "We look forward to establishing our New York headquarters at Zero Irving," a.k.a. 124 E. 14th St.

The firm's online platform allows small businesses to seamlessly transfer and receive payments. With offices here, in Tel Aviv and Denver, it recently announced an additional funding infusion that tripled its valuation to \$4 billion.

Zero Irving was developed by RAL Development Services and Junius Real Estate Partners. The tower grew out of negotiations for a 99-year ground lease from the city, which owns the land.

RAL managing director Josh Wein said the project aims to "create the optimal ecosystem for entrepreneurial companies to grow and thrive."

The ground floor is leased to a high-end food hall under the Urbanspace banner. Floors 2 through 14 are earmarked for an 80,000-

square-foot digital-skills training center.

Office leasing is handled by a JLL team headed by Mitchell Konsker with Benjamin Bass, Dan Turkevitz, Kristen Morgan and Carlee Palmer.

Konsker said, "Melio was drawn to the property due to the amazing rooftop garden and outdoor area with spectacular views, 23 feet of double-height space, a private terrace, a tenants-only gym and the quality of the new construction."

### The Upper 'Eat' Side

If you're in the restaurant business, it pays to have friends in real estate. Simon Oren, an owner or partner in a score of Manhattan eateries, knew two years ago that the building that was the 16-year home of his popular Café d'Alsace at 1695 Second Ave. faced demolition.

He started looking for a new location as the pandemic delayed the tear-down, but the bistro's fate remained in limbo. Then, in October 2020, Richard Fodera, the

landlord of the former Writing Room space one block north — once the site of legendary Elaine's — approached Oren to say his own tenants were vacating.

Might Oren want to move Café d'Alsace there? They shook hands and swiftly made a deal. The restaurant reopens with its gleaming zinc bar, terrazzo floors and multi-colored vintage bottles at 1703 Second Ave. on Wednesday.

The Silicon Valley-based venture capital firm founded by Marc Andreessen and Ben Horowitz, which is known as a16z, has signed a 10-year lease for 33,560 square feet of offices at 200 Lafayette St.

The new digs will serve as the firm's New York headquarters, replacing a much smaller footprint at 11 Madison Ave. (formerly the Metropolitan Life North Building).

The company boasts \$19.2 billion in assets under management, including a \$3.1 billion

crypto fund that will be run out of 200 Lafayette St.

The 1893-vintage, seven-story building recently underwent a \$36 million renovation. Swiss RE owns floors three to seven while Brookfield Properties owns the ground- and second-floor retail portion spaces.

JLL's Barbara Winter and Carlee Palmer represented the ownership.

Current Real Estate Advisors' Adam Henick and Brandon Charnas repped al6z.

Office asking rents are \$95 per square foot.

### Party time

It was a slightly shrunken but no less jolly Fried Frank real-estate holiday party at Cipriani 42nd Street last week. Despite a smaller guest list, the annual industry blowout — on hiatus last year — was a full-scale affair with tons of food and free-flowing booze.

The law firm's real-estate chair-

man, Jonathan Mechanic, effusively greeted arrivals as in the past.

Guests had to show proof of vaccination, as well as negative COVID-19 test results from not more than 72 hours before.

Among the unmasked attendees: Tishman Speyer's Rob Speyer, who's overseeing Rockefeller Center's restaurant revival, Empire State Realty Trust's Tony Malkin, and L&L Chairman David W. Levinson, the driving force behind the Times Square TSX Hotel project.

Also celebrating were MSD Capital's Jason Kollander, Cushman & Wakefield's Bruce Mosler, JMB Realty's Morris Bailey, Rudin Management's Michael Rudin, Eastdil's Roy March, KKR's Chris Lee, Vornado's Michael Franko, RXR's Scott Rechler, Rose Associates' Amy Rose, Silverstein Properties' Marty Burger, Morgan Stanley's John Klopp and Lauren Silverman, and CBRE leasing gods Mary Ann Tighe and Stephen Siegel.

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