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Pelham Bay project heralds office space boom

BY BILL EGBERT

WHILE DOWNTOWN BRONX is getting a lot of attention for all the major development projects underway there, a corner of the East Bronx is booming as well, even as it's Wall Street's turn to burn.

Hutchinson Metro Center, a 42-acre office park in Pelham Bay, officially opened Tower One last week — the first of two planned office blocks, with 280,000 square feet of Class A space each.

According to the developer, Joseph Simone, 45% of Tower One's 10 floors of office space is already leased, with several more deals near conclusion.

The completion of Tower One is the second phase of the office park development, on the site of the old Bronx Psychiatric Hospital, just west of the Hutchinson River Parkway.

The first phase, a low-rise building with 460,000 square feet of space, was fully leased less than two years after it opened. Major tenants include Mercy College, Visiting Nurse Service of New York, University Diagnostic Medical Imaging and the New York City Housing Authority.

"We're very bullish on the Bronx economy," said Simone. "This borough has everything you need to succeed in business — an excellent highway sys-



Patients get in the swim of things at Westchester Square Physical Therapy, a tenant at Hutchinson Metro Center. Photo by Mayita Mendez

tem, convenient access to public transportation and a large and skilled labor pool."

In addition, the area near the office park is set to get its own skyscraper as well — a controversial 37-story glass tower the city hopes to build nearby to house a backup 911 call center.

One factor contributing to Hutchinson Metro Center's success is the recent downzoning of adjacent Morris Park, which restricts the scale of new construction for commercial space, forcing some expanding businesses to decamp to the new office park.

The busiest development area at the moment is the lower Grand Concourse area, with the new Yankee Stadium, the Gateway Center Mall and rezoning of a 34-block largely industrial area for commercial development.

But commercial real estate is booming across the borough, from Hutchinson Metro Center to Fordham Plaza.

"Office space in the Bronx is cheaper than Manhattan," said real estate broker Kathy Zamachansky. "Fordham Plaza, Fordham Place and Metro Center are doing very well."

While it's "too early to tell" whether the woes on Wall Street will drive more commercial tenants from pricey Manhattan to the Bronx, Zamachansky said that the borough's proximity to Westchester County makes the Bronx a particularly attractive location for back-office functions.

"There's definitely an opportunity for office real estate in the Bronx," she said.

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