

## This time, it's different: Bronx experts weigh in on borough's long-rumored boom

By: Eddie Small, The Real Deal, July 12, 2017

Every few years, there are proclamations that the Bronx is on the cusp of being the hottest borough in New York real estate. At a recent event on the borough's future, the moderator had a simple question for the panelists: is it for real this time?

"The Bronx always seems to be the next big thing. There are articles from 10 years ago to 15 years ago," said New York City Economic Development Corporation vice president Kate Van Tassel. "Does this time feel like it's different?"

The panelists at the **Urban Land Institute New York** event, which took place on Tuesday evening at the Bronx Museum of the Arts, responded with a similar variation on the same theme: yes, but...

"There is no straight line of success in any industry or any municipality," said H. Guy Leibler, president of Simone Healthcare Development. "I think this time does feel a little bit different than the last several. I think part of it is the land speculation, and that has not happened by accident."

Leibler, whose company spearheaded the Hutchinson Metro Center project in Pelham Bay, said Manhattan-based developers are now making inroads into the borough, and there is a large amount of land speculation taking place, something a **recent analysis** by *The Real Deal* also found. He framed the ultimate reason for the borough's popularity as simple: it's cheap, and young people are starting to move in.

"They're cool, they're hip, they're happening, they're interesting," he said, "and other people follow them."

Andrew Cohen, director of **BRP Development Corporation**, said that the Bronx was "getting there" in terms of achieving a real and lasting transformation. His company is helping develop the massive La Central project in Melrose, a 1.2 million-square-foot mixed use development that will contain 992 affordable housing units along with space for retail and a YMCA.

Although he said the market in the Bronx is largely geared toward affordable housing, making it difficult to obtain financing for market rate buildings, he was encouraged that the affordable housing projects were now starting to focus more on tenants toward the higher end of the Area Median Income scale.

"We're starting to see rents creep up," he said. "Still affordable but in the 80 to 100 percent of AMI range."

Brenda Rosen, president of **Breaking Ground**, which focuses on affordable and supportive housing in New York City, said that they used to have a fairly difficult time finding people from outside the Bronx who wanted to live in their projects in the borough. However, this now seems to be changing, as their Park House project in the west Bronx has received 55,000 applications for 248 units from people all over the city.

"Just a few years ago, we found that we had a harder time filling the units in our Bronx buildings," she said. "We are not going to have a difficult time filling this building, and I think that that is definitely a sign of what's going on."