

REAL ESTATE WEEKLY

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Brokers deliver LIC site for new FedEx hub

FedEx is rolling into Long Island City.

The package delivery behemoth's ground shipping arm, FedEx Ground, is building a new 140,000 s/f distribution center at 29-01 and 28-20 Borden Avenues in Long Island City, Queens.

"The new facility is part of a nationwide network expansion to boost daily package volume capacity and further enhance the speed and service capabilities of the FedEx Ground network," said David Westrick, a company spokesman.

"The site was chosen because of its ease of access to major highways, its proximity to customers' distribution centers and a strong local community workforce for recruiting."

Construction work on the facility, which will ultimately replace an existing compound at 5590 48th Street in Queens, is expected to begin in February. It is set to open in the spring of 2013 and will cost roughly \$56 million, including land, construction and "material-handling equipment."

Positions will be transferred from the existing station once the new facility opens and FedEx will "add to the workforce as necessary to support increased demand for services in the area."

The owner of the property at 29-01 Borden Avenue, Richard Zirinsky Associates, was represented by Greiner-Maltz Realty, who did not return calls seeking comment.

FedEx signed a long-term ground lease with developer SunCap Property Group, who paid \$8.1 million for 28-20 Borden Avenue, which is located across from 29-01 Borden Avenue on the flipside of an elevated portion of the Long Island and Queens-Midtown Expressways. The 80,000 s/f building at 28-20 was formerly occupied by Spring Scaffolding, one of the largest scaffolding companies in the city.

"This type of expansion and investment in logistics services is a great economic indicator for the city," said Justin DiMare, a broker at Newmark Knight Frank, who represented SunCap in the deal.

The announcement comes more than three years after the company's plan to lease a space in Astoria, Queens, was put down by a consortium of community and environmental groups.

FedEx has opened 11 new hubs and relocated more than 500 local facilities since 2005 and the new facility will be the latest step towards further accelerating ground service, the company said in a statement.



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