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Wallabout Refloats Next to the Navy Yard

By LANA BORTOLOTT

It is a small irony that life looks sweet these days on Washington Avenue in the Wallabout neighborhood.

Anchored by the Brooklyn Navy Yard and Brooklyn-Queens Expressway, the block once produced the most chocolate in America after Hershey Co. The last candy factory, the maker of Tootsie Rolls, closed in 1967. That, coupled with the 1966 decommissioning of the Navy yard, caused Wallabout to slip into a slow decline.



Mark Abramson for The Wall Street Journal
Buildings at the Brooklyn Navy Yard

Now, the erstwhile neighborhood is finding its sweet spot once again, bolstered by industry in the reactivated Navy yard, a thriving incubator of some 300 businesses including Steiner Studios, and Navy Green, a 2.34-acre mixed-used complex with affordable housing on the site of the former Navy brig. The recent \$26.25 million contract to purchase a warehouse at 29 Ryerson St., possibly as the site of a 200-room hotel, brings an additional sheen to the gritty neighborhood.



Mark Abramson for The Wall Street Journal

A view from the yard looking toward Flushing Avenue near Washington Avenue.

"We've now come full circle," said Richard Perris, district manager of Community Board 2, which serves Wallabout. The name derives from the original Dutch, "Waal-bogt," meaning bend in the harbor.

Despite the new attention to the neighborhood, Mr. Perris noted local initiatives have helped preserve Wallabout's industrial heritage and stave off a "potential beachhead of gentrification."

Last August, for example, the National Register of Historic Places listed an area between Grand and Clinton avenues as an industrial historic district—a relatively rare designation—including some 40 manufacturing buildings such as those for the Rockwood Chocolate and Mergenthaler Linotype companies.



Mark Abramson for The Wall Street Journal

A patron with coffee bought at Fresh Fanatic, an organic grocer

While large endeavors such as these put the neighborhood on the map, it is the smaller activities, especially along Washington Avenue, that prove "if you build it they will come."

Where the former J.J.'s Navy Yard Cocktail Lounge, a local legend since 1907, once offered cheap drinks and lap dances on the corner of Flushing and Washington avenues, Brooklyn Roasting Co. soon will be serving fair-trade coffee.

IF YOU'RE BROWSING FOR A HOME IN THE WALLABOUT AREA...

\$840,000

66-68 Washington Ave., No. 7R

A one-bedroom open-loft conversion in a 19th-century warehouse and original details.

- ◆ **Property Plus:** High ceilings, nine windows and three skylights.
- ◆ **Property Minus:** The floors are unfinished.
- ◆ **Listing Agent:** Michael Ettelson of Douglas Elliman, 718-780-8157



\$1 million

14 Clermont Ave.

A three-story mixed-use building with two commercial spaces on ground floor, and four one-bedroom walkup apartments

- ◆ **Property Plus:** The boiler and electrical systems are updated.
- ◆ **Property Minus:** The kitchens and baths could use updating.
- ◆ **Listing Agent:** Tamir Shemesh of Corcoran, 212-323-3245



\$1.95 million

147 Vanderbilt Ave.

A three-family detached brownstone with 11 bedrooms and three baths in Clinton Hill.

- ◆ **Property Plus:** The building retains original details.
- ◆ **Property Minus:** The house is across from a busy gas station.
- ◆ **Listing Agent:** Micheal Feldman of Bedford Brownstone Realty, 917-450-4341



"The location was unbelievable, the space was fantastic and we took a look into the future," said Michael Pollack, one of the cafe owners. "It was close to the Navy Yard, which is continuing to grow, develop and change."

Mehrdad Shariati, who bought the building to be used by Brooklyn Roasting in 2010 and lives in an apartment above, plans to bring a florist and kitchen-design store in the adjacent retail space. And he's looking for another property to buy.

"Our thinking is that it will change; I'm sure in 10 years it will be a high-class area," Mr. Shariati said.



He joins other businesses such as Fresh Fanatic, a 3,500-square-foot organic grocer, and the Body by Brooklyn day spa that regard Wallabout as an area emerging, yet connected to established neighborhoods such as Fort Greene and Clinton Hill.

Two buildings on Washington Avenue are in the process of loft conversions, each including street-level retail. At No. 66, two lofts are for sale above a 3,600-square-foot retail space that is now in contract to a South American coffee purveyor and importer.

Next door at No. 64, the space formerly occupied by Presents gallery will soon be a wine shop, and the building's owner, who has now moved to Bedford Stuyvesant, plans to convert and rent the five apartments above.

"The wine store approached me and I couldn't say no—it's economics," said George Spencer, the former gallerist who owns the building. "There's a squeeze between Williamsburg and Dumbo and we're getting it now."

Across the street at No. 73, a four-story building with unconverted apartments is for sale with the owner asking \$2.2 million. It was previously listed for \$1.5 million.

And it isn't just the loft buildings that are selling. Historic 19th-century wood frame houses, the backbone of Wallabout's working-class housing stock, are getting scooped up. Doug Bowen, executive vice president at CORE, who has lived in the neighborhood for 14 years, estimated 18 townhouses changed hands in Wallabout last year.

"Myrtle Avenue has become such a desirable and friendly commercial corridor, the housing stock on either side has really risen and come onto the map," Mr. Bowen said, noting that townhouses in Fort Greene and Clinton Hill can sell for as much as \$3 million.

"In Wallabout you're not seeing those prices, but you're seeing people attracted to that housing because of its access to services," he said.

Wallabout may be having its "it" moment, but Michael Blaise Backer, executive director of the Myrtle Avenue Brooklyn Partnership, believes the neighborhood will evolve from its core fabric.

"We've hesitated doing anything too flashy or speculative or some kind of branding campaign, for fear that things would evolve unnaturally," he said.

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