

CEO leaves Forest City New York to launch own development firm

MaryAnne Gilmartin and L&L Holding form new venture

By Daniel Geiger
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MaryAnne Gilmartin

Photo: Buck Ennis

MaryAnne Gilmartin has left Forest City New York and launched her own real estate development and investment firm with two other prominent real estate investors in the city.

Gilmartin, who had been the president and CEO of Forest City New York, will be the chief executive of the new venture, which she will co-own with David Levinson and Robert Lapidus. The new firm will be called L&L MAG.

Levinson and Lapidus have their own firm, L&L Holding Co., which owns a portfolio of office buildings in Manhattan and is in the midst of handling several large development projects, including a new ultra-luxury office spire at 425 Park Ave. and a gut renovation of 390 Madison Ave.

Gilmartin said that she first began talking with Levinson a year ago about a potential partnership and that the new venture made sense because of the complementary skill sets of the partners. While Levinson and Lapidus have recently focused on redeveloping commercial office buildings in Manhattan such as 390 Madison Ave., Gilmartin has experience building from the ground up in the boroughs, often in complex partnerships. At Forest City, Gilmartin helped spearhead the development of three buildings on Roosevelt Island that will be part of a new engineering campus for Cornell. At Pacific Park, the firm created infrastructure for the Metropolitan Transportation Authority, including a new train yard for the Long Island Rail Road as part of its work to deck over the tracks and build thousands of units of apartments, mixed-use development and Barclays Center.

The firm also built a new headquarters tower a decade ago for The New York Times Co. on Eighth Avenue.

“There’s a whole new avenue to take advantage of the partnerships whether they’re public-private partnerships or pairing with longtime land owners who need help to extract the value from their site,” Gilmartin said.

Another attraction of joining with Levinson and Lapidus was their access to capital, Gilmartin said. The firm just struck a deal to create a \$500 million investment fund with the large California pension fund CalSTRS, Gilmartin revealed. The identity of its institutional partner previously had not been reported.

“I have been capital-constrained in my work recently and getting away from large-scale development,” Gilmartin said. “It was super important that the capital will be there. CalSTRS has to opine on each and every opportunity, but I am confident in this partnership. Even if that money doesn’t have the appetite, I have raised money and this sponsorship is as good as anything else out there.”

Joining Gilmartin in the move are several colleagues of hers from Forest City, including Ashley Cotton, Adam Greene, Jeff Rosen and Susi Yu.

In a statement, Levinson, L&L Holding's chairman and CEO, indicated that Gilmartin had achieved a first in the city's real estate industry.

“New York City is long overdue for a woman to serve as co-founder and CEO of a major development company,” he said.

With Gilmartin’s exit, Forest City announced it had reached a deal to sell the bulk of its remaining stake in Pacific Park to its partner, Greenland USA. After offloading 70% of the project’s ownership to Greenland—a large China-based real estate development firm—in 2013, Forest City is now selling 25% of its remaining 30% interest to the firm, giving Greenland 95% of the 22-acre megaproject. Forest City will retain a 5% share.

Gilmartin said her new firm would help manage the project as control shifts in-house to Greenland.

“Pacific Park has been part of my everyday life—I live a half-mile from the project and I care a lot about it,” Gilmartin said. “The contract will keep us working on it and aligned so it gets built as expeditiously as possible.”

Forest City Realty Trust has stated publicly it is exploring options to liquidate its holdings. Last September the company sold a billion-dollar portfolio of New York City retail space it owned.