CCDC/Commercial Lending Unit
380 Madison Avenue, 14th Floor
New York, NY 10017
Fax: 212-622-4046/4047

The Chase Manhattan Bank

Fax

To: Lisa Green	**From:** Ruth Salzman
Fax: 202-456-2227	**Date:** 6/16/98
Phone	**Pages:** 10
Re:	**CC:**

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

Comments:

PATHMARK STORES, INC.
200 Milik Street, Carteret, New Jersey 07008

FOR IMMEDIATE RELEASE

Contact: Rich Savner, Pathmark
732-499-3052
Darren Walker, Abyssinian
212-368-4471

MEDIA ADVISORY

HARLEM PATHMARK RIBBON CUTTING & GRAND OPENING FRIDAY, APRIL 30, 1999 AT 9:00AM

Governor Pataki, Mayor Guiliani, Congressman Rangel to Attend

WHAT:

- Ribbon Cutting and Grand Opening of Pathmark Stores in Harlem. The 50,000 square store will be the largest in New York City and will be open 24 hours a day, seven days a week. The supermarket will feature a Pathmark Pharmacy, Fresh Seafood, Deli Department, and will include a Chase Manhattan Bank mini-branch.

WHO:

- State and local political officials, including Governor Pataki, Mayor Guiliani and Congressman Rangel
- Project developer – East Harlem Abyssinian Triangle, L.P., a partnership with the Abyssinian Development Corp. and The Community Association of East Harlem Triangle, Inc.
- Financiers -- Chase's Community Development Corporation led the private sector in organizing the $15 million financing package. Chase provided a $8.8MM construction loan to finance the project and will participate in a $9.3 million permanent loan to be led by European American Bank. The Federal Home Loan Bank, Carver Federal Savings and Loan and LISC will also participate in the permanent loan.

WHERE:

- The new Pathmark, located on 125th Street and Lexington Avenue in Harlem

WHEN:

- Friday, April 30, 1999 at 9:00 am.

WHY:

- Harlem is in need of affordable, quality supermarkets and more jobs. In addition to providing competitive pricing for supermarket goods and services, the Harlem Pathmark supermarket will employ over 250 associates, fulfilling the Company's commitment when the project was initially approved. Over 75% of these associates reside in the Harlem community. In addition, this project created over 150 construction jobs, and represents the first major investment in the Harlem community in two decades.

BACK-GROUND

- Pathmark Stores is a leader in the supermarket industry and operates 132 stores in New York, New Jersey, and Philadelphia metropolitan area. The Company has a historical commitment to urban areas, as it operates successful stories in Bedford-Stuyvestant, downtown Brooklyn, Newark and Camden.

Additional financing was provided by the Empire State Development Corporation, a state economic development agency; New York City Economic Development Corporation, a municipal agency charged with economic development; and the Local Initiatives Support Corporation (LISC), the nation's largest community development intermediary. The Retail Initiative, Inc. and LISC-affiliated commercial real estate investment fund, whose objective is to spur retail development in America's inner cities, is the major equity investor in the project. Public grants to support the development came from the Empire State Development Corporation, and the U.S. Department of Health and Human Services, Office of Community Services.

PATHMARK STORES, INC.

200 Millik Street, Carteret, New Jersey, 07008-1194

FOR IMMEDIATE RELEASE

Contact: Rich Savner
Director of Public Affairs
(732) 499-3052

April 30, 1999

HARLEM PATHMARK RIBBON CUTTING AND GRAND OPENING FRIDAY, APRIL 30, 1999 AT 9:00 A.M.

Carteret, New Jersey - Pathmark Stores announced today, that its store in Harlem will celebrate its grand opening with a ribbon cutting ceremony on Friday, April 30, 1999, at 9:00 AM. The 50,000 square foot store is located on 125th Street, and Lexington Avenue, and will be open 24 hours a day, seven days a week.

Customers from the Harlem area will now have the opportunity to experience the convenience of one-stop shopping. The prototype Pathmark will include the company's extensive variety of grocery, frozen foods, meat and dairy products, including its unique line of Big Deal products, which are large economy size packages at everyday low prices. The store will also include Pathmark's state-of-the-art service deli and fresh service seafood departments, as well as its Farm Stand Produce section. A full size Pathmark pharmacy will handle all prescription needs, and at the "customer friendly" Service Desk, customers will be able to purchase postage stamps, or utilize the services of Western Union. A Chase Manhattan Bank branch will be open within the store, and the store's 18 scanning checkout lanes will facilitate the timely processing of customers' orders.

Pathmark will employ over 250 associates at the store, and fulfilling the company's commitment when the project was initially approved, over 75% of these associates reside within the Harlem community. In addition, this $16 million dollar development created over 150 construction jobs, and represents the first major investment in the Harlem community in over a generation.

As part of its ongoing commitment to the greater Harlem community, Pathmark has designated seven community-based non-profit organizations as the recipients of a customer checkout donation program to be conducted during the first week of the store's grand opening. Pathmark has pledged to match each day's contribution up to $1,000 per day.

Jim Donald, President and CEO of Pathmark noted, "Pathmark is proud to be an important part of the effort toward revitalizing the Harlem area. The opening of our store is the first step in achieving that objective. We thank all parties who made this vision a reality, and we look forward to a long and mutually beneficial relationship with the Harlem community. The customers of Harlem Pathmark will receive the same excellent service and quality food products which all Pathmark stores provide."

The Pathmark opening is the culmination of the cooperative efforts between the public and private sectors. The multi-million dollar project was developed by the East Harlem Abyssinian Triangle (EHAT), which is a limited partnership between the Abyssinian Development Corporation and the Community Association of the East Harlem Triangle. "This is a glorious day for Harlem! " commented Karen Phillips, CEO of Abyssinian Development Corporation. Vivian Clark, Executive Director for the Community Association of the East Harlem Triangle added, "This is an exciting and wonderful day for Harlem and all its residents. We are proud to have Pathmark providing a much needed service to our community and especially happy that over 250 jobs were created with the opening of this store, with over 75% of the Pathmark associates living in Harlem."

The significance of the day will be as underscored by the presence of several public officials from New York and Washington, D.C.

Governor Pataki said, "This Pathmark represents a major milestone in the economic renaissance now underway in Harlem. This project is serving as a catalyst for continued development of major retail and entertainment complexes throughout Harlem, which will provide Harlem residents with thousands of new jobs and quality places to shop and enjoy in their own neighborhood. I want to thank Pathmark for their vision and faith in New York that will be felt in Harlem for generations to come."

Congressman Charles Rangel noted, "Congratulations to Pathmark and all the organizations in the community who made this project a reality."

Charles A. Gargano, Chairman, Empire State Development Corporation, said "The new Pathmark on 125th Street is further evidence that New York has created an environment that is encouraging unprecedented private sector investment and job creation in this community. The continued development we're seeing throughout Harlem underscores the ongoing success of Governor Pataki's belief in public-private partnerships to achieve sustainable economic growth. Congratulations to Pathmark and the people of East Harlem on this historic day."

The land on which the supermarket is built was originally owned by the City of New York, with the acquisition of the property financed by a mortgage from the New York City Economic Development Corporation. Through its Economic Development Corporation, New York City retains a 49% interest in the project.

Mayor Guiliani commented, "Today is a great day for East Harlem and all of New York City. This new Pathmark is a shining example of how we can rebuild our neighborhoods and create jobs in local communities. I am proud that we were able to help bring this project to Harlem, transforming land that was once vacant for almost 30 years into a thriving shopping center that will provide food for thousands of Harlem residents. As the renaissance of 125th Street continues to move east, we can be confident that additional businesses will recognize the vitality of the East Harlem community and the opportunity for more private investment."

Funding for the project was provided by a combination of various financial institutions. Chase's Community Development Corporation led the private sector in organizing the $16 million financing package. Chase provided an $8.8 million construction loan to finance the project with Local Initiatives Support Corporation (LISC) providing $2 million. Chase will participate in a $9.3 million permanent loan to be led by European American Bank. The Federal Home Loan Bank, Carver Federal Savings and Loan and LISC will also participate in the permanent loan. In addition, Pathmark will receive employment tax credits from the Upper Manhattan Empowerment Zone.

"Until the Pathmark supermarket opened in Harlem, there was no large suburban-style grocery store available to residents of Harlem and upper Manhattan," said Carol Parry, Executive Vice President at Chase Manhattan Bank. "The development of this 50,000 square foot supermarket was really the catalyst for major commercial development on 125th Street in Harlem, and the Chase-Abyssinian partnership helped make it all happen. In addition to providing 150 construction jobs, we're proud to report that the supermarket also provides permanent positions for well over 250 people, over 75% of whom live in Harlem."

Edward Travagliante, Chairman and CEO of European American Bank stated, "EAB is proud to have provided funding to make this project possible, and we congratulate the community and Pathmark on making it a reality."

Also commenting at the ceremony, Alfred DelliBovi, President of the Federal Home Loan Bank of New York noted, "Pathmark is a dream come true, that will provide jobs and bring to Harlem the quality food shopping experience that has been missing. We are proud to join with EAB and Carver Federal in providing the permanent funding."

David Jones Esq., Chairman of the Board for Carver Bancorp Inc., noted "that as a financial institution deeply rooted in the Harlem community, Carver Bank is particularly excited to participate in this economic development project which brings Pathmark Stores to the Harlem market. We have long recognized Harlem's potential to provide profitable business opportunities. These opportunities have been recognized by others as evidenced by the recent increase in the number of recognizable store chains that have established operations in the area. We are proud to partner with East Harlem Abyssinian Triangle, Pathmark Stores, and the consortium of lenders, whose joint efforts have resulted in the eagerly anticipated opening of a state of the art food services facility ."

CHASE

IN THE COMMUNITY

HARLEM USA BREAKS NEW GROUND; CHASE IS LEAD PRIVATE LENDER

Thomas G. Labrecque, President of The Chase Manhattan Bank, addresses the crowd at the Harlem USA groundbreaking on July 27th.

Harlem USA, the $65 million 275,000 square foot retail and entertainment complex at West 125th Street and Frederick Douglass Boulevard in New York City, celebrated its groundbreaking on July 27, 1998. Governor George Pataki, Congressman Charles Rangel, Manhattan Borough President C. Virginia Fields and Deputy Mayor Rudy Washington were among the elected officials who attended this historic event. They were joined by the developers, lenders, tenants and entertainment celebrities that included Mary J. Blige, Dionne Warwick, Michael Stuart, and Brenda K. Starr. Richard Parsons, President of Time Warner, Inc. and Chairman of the Upper Manhattan Empowerment Zone (UMEZ) Board of Directors, was the Master of Ceremonies. The star studded line-up shared this momentous occasion in Harlem's history with local residents and community leaders.

Harlem USA is being developed by Grid Properties Inc. and the Gotham Organization in conjunction with Commonwealth Local Development Corp., a local not-for-profit community-based economic development corporation.

The project is being financed by a combination of public and private investment. Tom Labrecque, President of The Chase Manhattan Bank represented Chase, the lead private lender, at the groundbreaking. Chase provided a $47.7MM construction loan while an additional $11.2 million loan was from the Upper Manhattan Empowerment Zone Development Corp. Shortly after the closing of the construction loan, Chase sold participations to Fleet Bank, Citibank, Dime Savings Bank of New York, and Carver Federal Savings Bank.

The Empowerment Zone is a government initiative designed to revitalize distressed communities, utilizing tax incentives and public funds as catalysts for private investments. Through the New York Empowerment Zone Corporation, federal funds are matched equally by the State and City of New York. The Upper Manhattan Empowerment Zone's mission is to stimulate the revitalization of Central, East and West Harlem, Washington Heights and Inwood.

Harlem USA, the Upper Manhattan Empowerment Zone's largest single investment to date, is expected to generate significant additional commercial and economic development in Upper Manhattan. The complex's high-profile tenants will increase the area's visibility and enhance business activity in the community. The large number of shoppers and tourists who visit Harlem USA will benefit local small businesses and entrepreneurs through increased foot traffic.

(continued on next page)

AMR Corporation Commitment to Underserved Areas

American Airlines and its parent, the AMR Corporation, are dedicated to finding opportunities for employment and investment in economically disadvantaged areas of the country where we do business. Our objective is to train and hire more inner-city workers, provide job sites with access to public transportation, and offer a healthy mix of wages, health care, and long-term retirement benefits.

Our program began in 1993 when the AMR Travel Academy launched a travel career training program in Puerto Rico – a program that is now offered to economically disadvantaged students across the United States. Since 1996, AMR has hired over 1,200 welfare recipients for career jobs at its airports and reservations centers.

To achieve our goal, AMR has forged strong relationships with community and educational organizations in the cities we serve. For example:

- In New York, American is involved in a unique program that brings inner-city foster children to a suburban school for training in travel industry careers
- In Chicago, American works with the Chicago Jobs Council and Chicago City Colleges to train welfare recipients for job opportunities
- In California, American teamed with Santa Monica Community College to develop a travel industry curriculum geared toward training for low income students
- At our Dallas-Fort Worth headquarters, the Travel Academy program is gaining momentum and is now used widely in schools and communities in Texas and nationwide to prepare welfare recipients and others for travel industry careers
- American has partnered with SER-Jobs for Progress on a national project to create opportunities for unemployed and underemployed Hispanics. The project now operates travel industry training programs in Los Angeles, Miami, and Puerto Rico
- In Miami, American is a major corporate participant in the WAGES project which helps economically disadvantaged Floridians find jobs in the airline industry

Most recently, in January 1999, American opened a new reservations office in the southern sector of Dallas where economic development is sorely needed. The location of the center was selected because of its access to public transportation and in order to attract employees from the local community which has a predominantly minority population. With an annual payroll of $5 million, the office will employ about 350 people. About 95 percent of those hired initially were from the local community.

A MESSAGE FROM CAROL PARRY

Executive Vice President, Community Development Group

Chase's Growing Partnership with the Faith-Based Community

In a continuing effort to help build the communities it serves, The Chase Manhattan Bank provides various innovative grant and lending programs to non-for-profit organizations participating in community development. Chase is a major funder of community development and by year end will have provided $50 million in grants to not-for-profit organizations.

Chase's neighborhood grant and lending programs are initiated and created based on the needs and input of our local communities. For example, we recognized many years ago the enormous potential for faith-based institutions to become a major force in neighborhood revitalization. We started out with a lending program to assist Houses of Worship that are located in low- to moderate-income communities and involved in community development. We were excited by the progress of this program and began to think of additional ways to assist this sector.

The newest and perhaps most innovative approach for Chase is to assist faith-based institutions that have the desire to launch community development-related projects. *The Chase Nationwide Contributions Program for Faith-Based Community Development Initiatives* is designed to provide the funds that are often difficult for a first-time grant recipient to attain. Chase has committed $1.5 million to this fund, to be awarded in one-time only grants of up to $25,000 through 1999. Since the program was inaugurated in 1997, this nationwide program has awarded 30 grants totaling $627,500. These funds are a leg up for those faith-based organizations that see a need in their community and want to fill it. Projects may address such vital needs as housing, child care, economic development and employment training. To date Chase funded initiatives are located in Connecticut Florida, Delaware, New Jersey, New York and Texas – a few examples include:

- In New York, the Masjid Malcom Shabazz mosque is using the grant money to assist in the costs needed for equipment to start a fishery in its basement. The fish harvested will be sold in fish shops locally and will create up to ten new jobs for the community;
- In Delaware, the Cathedral Community Services in Wilmington will be converting an existing building into a community center and meeting place for community programs and events;
- In Connecticut, the Hazel Street Development Corporation of New Haven received grant dollars for the construction of 17 affordable single family homes;
- And in New Jersey, the Grace Chapel Baptist Church in Paterson will renovate its basement to create a child care center for over 30 children ages 2 - 5.

Also in New Jersey, Chase is partnering with The New Jersey Department of Community Affairs, Public Service Electric & Gas Company and Center for Non-Profit Corporations in a new faith-based initiative that will fund training programs to New Jersey non-profit, faith-based organizations that want to revitalize their communities (to read more about this initiative, please turn to page 11).

The majority of the dollars committed have gone directly to the faith-based institutions, but a part of that pool also leverages additional value by providing technical assistance grants to organizations that help further the work of faith-based institutions. Chase partners with various intermediaries including the National Congress for Community Economic Development, the Congress of Black Churches and the Faith-Based Center for Community Development.

Chase is committed to deepening its relationships with faith-based institutions and helping to strengthen this growing force in community development. ■

HARLEM USA BREAKS NEW GROUND

(continued from previous page)

Vice President Gore sent the following message, "I congratulate the Upper Manhattan Empowerment Zone and all of its many partners in breaking ground on the Harlem USA complex. This remarkable undertaking is what community empowerment is all about — bringing new business investment, jobs and opportunity to a neighborhood that is one of this nation's most deserving, untapped markets."

Governor George Pataki said, "I am extremely proud that New York State is helping to finance this important project that will mean 700 new jobs, provide Harlem with the retail opportunities it deserves and after years of talk, will finally make Harlem's economic renaissance a reality. This groundbreaking for Harlem USA is further proof that, working together, the State and the City can stimulate private sector investment, real opportunities and real jobs in all our neighborhoods."

"This project means jobs for local residents and increased commercial activity throughout the Empowerment Zone. And now the residents of Harlem will be able to enjoy the same shopping and entertainment amenities as residents throughout the rest of Manhattan," said Congressman Charles Rangel.

Richard Parsons, the Upper Manhattan Empowerment Zone's Chairman and President of Time Warner, said, "The Upper Manhattan Empowerment Zone is proud to join the private sector in financing this unprecedented investment in Harlem's future. Harlem USA is our largest project to date and one of which we are extremely proud. It is a perfect example of how the public and private sector can work together successfully to develop an untapped inner-city community and bring needed products, services, and jobs to its residents. I can't think of a more impactful way of kicking off our new strategy for expanding retail and entertainment business opportunities in Upper Manhattan."

"Chase has a proud history of serving Harlem for over 100 years and one of our five Harlem-based branches will be part of this new development," said Chase President Tom Labrecque, speaking at the groundbreaking ceremony. "The project is the most significant financing for community development ever done by the Chase Community Development Corporation" and noted that Chase is "the leading bank for community development projects in minority communities in the New York area."

(continued on next page)

Photo by Allan Morgan

Deborah Wright, UMEZ President (far right), joins dignitaries for Harlem USA groundbreaking as Mickey Mouse cheers them on.

Harlem USA tenants include: Old Navy; The Disney Store; HMV Records; a nine screen 2,700 seat multiplex operated by Magic Johnson Theatres; a Modell's Sporting Goods which will have a Harlem sports legend theme; New York Sports Clubs; Jeepers!, an indoor amusement park for ages 2 to 12; and a full service Chase Manhattan Bank. Occupancy is expected by the end of 1999.

Harlem USA will create 500 permanent jobs and 200 construction jobs, more than 75% of which are expected to go to community residents.

For more information on business or employment opportunities at Harlem USA, please call the Upper Manhattan Empowerment Zone's Harlem USA Information Hotline at (212) 410-0030 ext. 240 or visit their website at www.umez.org. ■

CHASE SMALL BUSINESS CENTER OPENS IN THE BRONX

The Chase Manhattan Bank recently announced the opening of a new Chase Business Development Center in the Bronx. The Chase Business Development Center provides small business owners and entrepreneurs with a wide array of useful information, research capabilities and advice pertaining to all stages of business planning — from launching, expanding, buying or selling a business.

Highly experienced Chase business advisors at the Center will provide personalized, one-on-one sessions offering management assistance services and general advice on gaining access to capital to the preparation of a business plan at no charge to small business entrepreneurs in the Bronx and surrounding areas. Presentations and seminars will also be provided by Chase experts, entrepreneurs, university professors and government agencies to reinforce clients' business and managerial skills. Other resources available at the Chase Business Development Center include the following:

- A multi-lingual business library, complete with books, magazines, brochures and free literature dealing with a wide range of small business topics.
- A video library of industry-specific videos.
- Computer access including software demonstrations, access to business planning software, and assisted Internet access.

"The Chase Business Development Center offers us another opportunity to show Chase's commitment to the Bronx community," said David Mooney, Chase regional executive in the boroughs. "As a complete financial resource, the Center will inform, educate and provide assistance to those who want to start or grow a small business, in turn helping to ensure the success of local small businesses which are vital to the health and prosperity of the neighborhoods we serve."

Photo by Michael Di Vito

(from left to right) John Imperiale of Chase's Community Development Group; Sam Brown, District Deputy of the SBA; Karen McGuinness, Director of the Chase Business Development Center; David Mooney, Chase Boroughs Regional Executive; Derek Broomes, CFO of the Bronx Overall Economic Development Center; Julian Simone, Chase Bronx North District Manager; Asa Cohen, Chase Bronx North District; and Betsy Murphy, Chase Business Advisor at the Center.

The Chase Business Development Center is the latest in a number of community initiatives for the borough of the Bronx. Last year, Chase opened a new branch in the South Bronx, which was the first bank branch opened in University Heights in 25 years (*In The Community*, Vol. 5, No. 2). Chase operates 30 branches throughout the Bronx, representing 30% of all bank branches in the borough.

Chase is also the largest lender by far to small businesses in the Bronx. In 1997 in the Bronx, Chase provided $21.3 million in small business loans and investments. For the past two years, Chase has been awarded the U.S. Small Business Administration's (SBA) highest lender award, the Pinnacle Award, which recognizes the lending institution that has made the greatest number of SBA loans in a given year. Additionally, Chase has

(continued on next page)