

The Placemakers

SOME OF THE MOST
IMPACTFUL PROJECTS
TO HIT THE MARKET
IN THE PAST TWO
YEARS, AND THE
DEVELOPMENT
TEAMS BEHIND
THEM

By Natalie Dolce

The act of real estate development is seldom as simple as putting up four walls and a roof. Building properties—particularly large, commercial assets— involves as much art and finesse as it does science and skill, especially when taking into account all the moving parts and interested parties. A development project can stand out for several reasons, not simply sheer size and cost. Some projects garner attention for their design and architectural elements. Others can revitalize forgotten neighborhoods or provide a much-needed service. Still others can even create new neighborhoods, luring both residents and businesses alike. Yet bringing any project to fruition takes a great deal of coordination, from city planners and developers, to investors and lenders, to architects, engineers and legal counsel. The hands and minds involved in building a new asset are many.

As part of our special focus on development and capital, *Real Estate Forum* has highlighted a dozen projects that have been brought to market in the past two years and, more importantly, the teams behind them. Below you will see the kind of teamwork and coordination that is involved in “placemaking” today.

Seaholm repurposed and (inset) as it was



An Iconic Structure, Saved and Repurposed Seaholm Power Plant, Austin

The rehabilitation of Seaholm, a 1950s-era power plant, sought to unite Austin's past with its vibrant future. It started with the community's desire to see the decommissioned plant, with its Art Deco architecture and lake-front location, saved. This was accomplished through a complex public-private partnership between the **City of Austin** and **Seaholm Power LLC**, and took years to solidify. Some \$13 million in environmental remediation was also necessary. And all of that had to be complete before any repurposing could begin.

The team then secured **athenahealth**, a long-term tenant, who had a proven track record of respecting historic structures in other markets. While there was market demand to make changes such as adding a lower level to maximize office space, the development team was sensitive to the historic nature of the site and refused changes that would materially alter the structure. The 1.7-acre site the plant sits on needed to be designed in a way that respected the plant, followed Capitol View Corridor restrictions and didn't lose money for the City of Austin. It was a tall order for a compact area rife with such inflexible restrictions. But perhaps architectural details and features were most impactful in the interior finish-out process of the power plant itself. **STG Design** worked with the development team and **athenahealth** to convert a vast, open concrete jungle into a cutting-edge, industrial chic work space that fosters innovation, collaboration and productivity.

The biggest winner of the redevelopment of the Seaholm Power Plant is the community. An iconic structure has been saved and repurposed, and has earned historic designations at the local, state and national levels. In 2006 Seaholm became the first facility in the nation to receive the "Ready for Reuse" designation by the US Environmental Protection Agency and the Texas Commission on Environmental Quality. Seaholm was awarded this designation under the federal Toxic Substance Control Act after a nine-year clean-up of hazardous materials. Seaholm was also awarded the Texas Rain Catcher Award by the Texas Water Development Board for the innovative reuse of the plant infrastructure to capture, store and utilize 300,000 gallons of rainwater to irrigate the site.

Matching the Character of a Neighborhood

The Joseph, Columbus, OH

The Joseph mixed-use development in the Short North Arts District in Columbus, OH was developed by the **Pizzuti Cos.** and includes a hotel, a six-story office building, an art exhibition space as well as retail and a 313-space public parking garage—all intended to match the character of the neighborhood. Said to be Columbus' first true boutique hotel, the Le Meridien Columbus, The Joseph features a variety of works of Ohio-based artists throughout its 135 guest rooms and common spaces that have become a must-see art destination for locals and visitors alike. Also at the site are the Offices at The Joseph, a 60,000-square-foot building that includes a two-story Anthropologie store. Reportedly the first newly constructed Short North office building in decades, it features views of the Short North and the city's skyline and was nearly 100% leased

prior to completion. The Pizzuti Collection exhibition space displays the private art collection of Ron and Ann Pizzuti, among the top collections in the world. The Pizzuti Collection building on Park Street is the adaptive re-use of an obsolete office building of architectural significance. The project team also included **Arquitectonica**; **Elness Swenson Graham Architects**; **Brasfield & Gorrie**; **Lupton Rausch**; **Pepper Construction**; **Desman Associates** (in design-build contract with **Dugan and Meyers**); **Glavan Feher Architects**; and **Miles-McClellan Construction**.



The Joseph

Highest Homes in the West

432 Park Ave., New York City

It was October 2014 when **CIM Group** and **Macklowe Properties** revealed the topping out of the iconic 432 Park Ave. at 1,396 feet. The \$1.3-billion tower between 56th and 57th streets had risen and taken its place among and above the icons of the Manhattan skyline, becoming the second-tallest tower in New York City and the highest solely residential tower in the Western Hemisphere. Designed by Rafael Vinoly of **SLCE Architects LLP**, the 85-story tower is a perfect square of architectural concrete featuring oversized 10-by-10-foot windows. The tower houses an offering of 104 lux-



432 Park Ave.



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ury condos that begin 356 feet above the ground. In addition to expansive layouts, the residences—designed by Deborah Berke—have 12.5-foot finished ceiling heights, solid oak flooring, Italian marble countertops and the fine interior finishes and appliances. Construction was overseen by general contractor **Lend Lease**.



A Collaborative, Adaptable and Playful WorkSpace

Element LA, Los Angeles

Located on a prime, 12-acre site in West Los Angeles, Element LA is a creative office campus redeveloped by **Hudson Pacific Properties**. The developer assembled the five mid-century office buildings through two separate transactions in late 2012, purchasing four buildings from **Merlone Geier Partners** in a competitive process and one in an off-market transaction with an individual seller. The buildings, which previously housed a combination of office and R&D uses, were dated and effectively vacant. Working with architectural firm **Gensler**, Hudson Pacific undertook a \$100-million program to convert the assets into 284,000 square feet of state-of-the-art offices with a new five-story, 832-space garage. With the help of general contractor **McCormick Builders**, the project was delivered in April 2015. Renovated interiors feature high, wooden bow-truss ceilings, saw-tooth skylights and industrial windows as well as high-tech building operating systems. Hudson Pacific took care to ensure the project was energy and water efficient, targeting LEED Gold certification and incorporating features such as new HVAC units, subterranean storm water storage and filtration, and glass and glazing to meet Title 24 requirements.

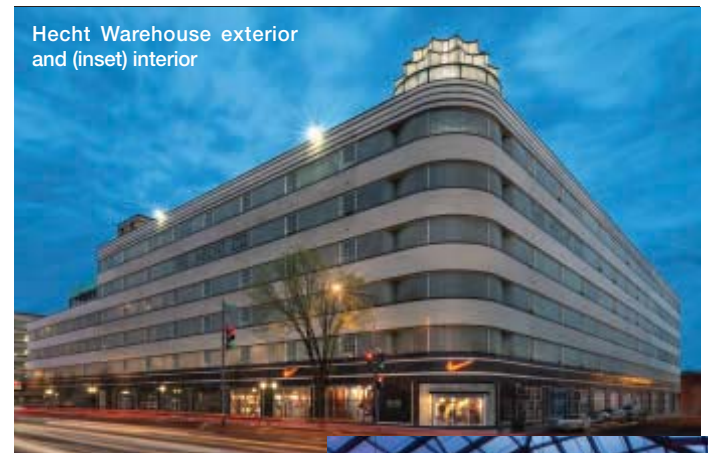
Development kicked up another notch in November 2013, nearly two years prior to completion, when Riot Games signed on to lease the entire project, consolidating over 1,000 employees from multiple Santa Monica locations. Hudson Pacific created tenant improvements that reflect the unique culture and vision of Riot Games, one of the world's largest online video game publishers and developers. The entryway is filled with screens displaying player-created art and cosplay, as well as life-size characters from Riot Games' billion-dollar franchise, League of Legends. Korean PC bang-inspired dedicated play spaces are complemented by nearly 100 breakout rooms and a variety of full-service dining options. Other amenities include movie theatres, a basketball court and laundry drop off. Buildings with garage-style doors, which allow for an injection of fresh air, surround the "quad" and feature walking paths, ample seating and drought-friendly flora. And this year, the planned Los Angeles Metro Expo Line is expected to open a stop directly across the street from the campus.

A 20th Century Landmark Becomes a 21st Century Destination

Hecht Warehouse, Washington, DC

Originally built in 1937, Hecht Warehouse at 1401 New York Ave. NE in Washington, DC, stands out as a showcase of the stylistic and engineering marvels of its day. In fact, the style of the building led to its listing on the National Register of Historic Places. The building was purchased in July 2011 by **Douglas Development Corp.** As part of the new development—which was delivered Spring 2016—a series of non-historic additions were removed, and replaced with a retail building with 1,000-plus parking spaces above the ground floor. The first-floor retail show windows that were covered up with masonry for over 50 years were restored, and 150,000 square feet of retail space is once again on display to the many passers-by along New York Avenue. Three new, grand courtyards provide additional daylighting to the 335 loft apartment units that were inserted throughout the building, including two rooftop additions.

An effort this significant takes a project team who is not only up for the challenge, but also incredibly skilled in the art of restoring historic structures. Douglas Development has extensive experience in adaptively reusing and renovating some of Washington DC's most valued historic structures. Collaborating with Douglas Development, **Antunovich Associates**, the master planner and architect, and **McCullough Construction Co.**, the general contractor, were at the nucleus of the design and construction effort. The District of Columbia's Office of Planning, Historic Preservation Review Board, Office of Zoning, Art Deco Society and the DC Preservation League also contributed



Hecht Warehouse exterior and (inset) interior

throughout the design and construction process. In direct support were the countless consultants and subcontractors, including **Holland & Knight LLP**, **McCullough Construction Co.**, **Tedjer-Cohen-Edelson Associates Inc.**, **SSA Engineering**, **MSA Interiors**, **EHT Traceries**, **Gorove/Slade Associates Inc.**, **Dewberry Consulting Engineers** and **Simpson Gumpertz & Heger**.





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A Much-Needed Urban Suburban Adaptive Reuse One Arlington, Arlington Heights, IL

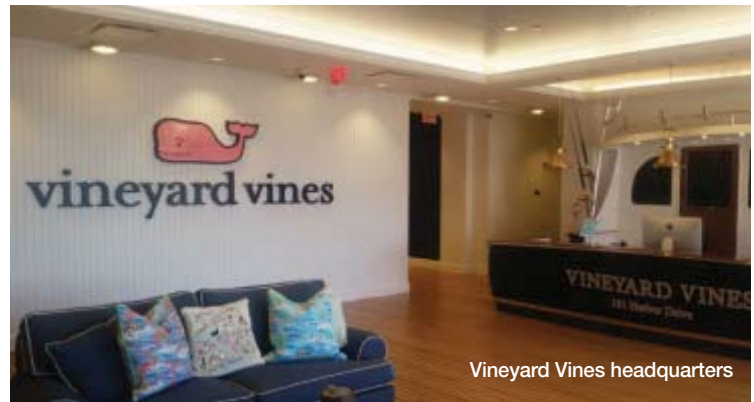
One Arlington brought an ultra-luxury rental residential complex to a suburban Chicago market that had little new product offered in over two decades. Developer **Stoneleigh Cos. LLC** worked with an existing 12-story cast-in-place concrete tower with a structural steel penthouse constructed in 1969 as the Arlington Park Hilton. The exterior included punched windows, epoxy stone façade, hotel mechanical systems and a banquet and conference center. The building had been vacant since 2009, when the Sheraton hotel and waterpark were foreclosed upon. The lender was selling the building and to try and maintain revenues, the Village of Arlington Heights primarily focused on its renovation as a hotel. However, the market would not support the capital investment needed to do so. The 200,000-square-foot midrise was completely gutted and re-constructed using all new materials and mechanical systems and the adaptation of the old hotel room layout into modern studio, one- and two-bedroom units while keeping the primary concrete structure in place. Designed by **Pappageorge Haymes Partners**, the work called for the partial removal of the second floor to create industry standard retail



space on the first floor. A leasing office and lobby was built and the original Otis first-generation elevators were refurbished. The roof was removed and a 13th floor was added for resident amenities. The project was fully leased in under 18 months, after a two-year construction process. When the balance of the adjacent Arlington Downs project is completed, it will include 80,000 square feet of retail, a 160-key Four Points Sheraton, 10-screen bistro movie theatre and 443 additional apartment units.

A Texas-Sized Home Furnishings Store Nebraska Furniture Mart, Dallas

Stretching across 100 acres is the Nebraska Furniture Mart, a two-story \$400-million home furnishings store with attached 1.3-million-square-foot warehouse. The 1.86-million-square-foot facility, which opened in May 2015, is located in the Colony in the DFW metro and is the fourth and largest store for the home goods giant **Nebraska Furniture Mart**, a **Berkshire Hathaway** company. In 2010, the NFM began the search for its next location, and while it had several good options, the company's decision boiled down to relationships. "The DFW metro was the right place, with the right values and where we could be most successful. The Colony made us feel like we were family," said COO Ron Blumkin at the grand opening. The store anchors Berkshire's \$1.5-billion, 433-acre Grandscape project, which, when completed, will include 3.9 million square feet of retail, entertainment and dining attractions.



Building Dream Offices on a Limited Budget Vineyard Vines Headquarters, Stamford, CT

Vineyard Vines came to **JLL**'s project and development services group with a very limited budget—and a very limited window of time—with which to build its “dream offices.” The effort was overseen by JLL VP Lawrence Root, managing director Don Bucci, SVP Peter Palmisano and associate project manager Stephen Gross, who worked closely with Vineyard Vines' president, Michael Gaumer, VP Jory Benerofe, and Patrick O'Keefe, manager of finance. **CPG Architects** and general contractor **Pavarini North East Construction Co. Inc.** were also on the development team. According to JLL's Bucci, “Company executives envisioned a space that would attract talented designers from New York, a building that was a lot of fun and offered great amenities. JLL worked very closely with the company and the architect to create the right look and ambience for Vineyard Vines' new headquarters.” The first floor of the building features a sailing motif, with the lobby including a reception desk designed to look like the stern of a motor yacht. In addition, each floor pays homage to some of the founders' favorite locations—a second floor that resembles a tiki bar in the Florida Keys, a Bahamas-themed third floor and a fourth floor that recreates the ambience of summer at Martha's Vineyard. Because of the extremely aggressive bidding process led by JLL, the project was able to incorporate all of Vineyard Vines' desired amenities, including extensive branding, increased audio-visual capability, extended outdoor seating, an extended executive suite and the like. In April 2015, the company moved in to its newly renovated headquarters at 181 Harbor Dr. at Shippan Landing in Stamford, CT. The class A, 91,040-square-foot building now reflects the image of the company and the background of its founders.

Old Public Housing Model Shifts to a Mixed-Income Strategy

Parkside of Old Town, Chicago

Led by **Holsten Real Estate Development Corp.** and the **Cabrini Green Local Advisory Council (CGLAC)**, Parkside of Old Town in Chicago is part of the redevelopment of the former Cabrini Extension North. The plan covers 18 acres on the city's Near North Side and provides over 700 homes on the ground of the infamous Cabrini Green housing project over several phases. The current stage, Phase IIB, contains 36 units of replacement housing for former Cabrini residents, 27 affordable and 43 market-rate units, all housed in a nine-story building with seven attached townhouses and an adjacent 12-unit, three-story building. The mixed-income model intends to nurture a sense of community and reveal the shared desire for a safe and secure neighborhood. The project began in 2010 with creating the scope and schematic design. Design development started in 2013, and construction documents were submitted in fall 2014. Construction is now almost complete and units are becoming occupied. As a part of the **Chicago Housing Authority's** Plan for Transformation, Parkside of Old Town shifts the old public housing model to a mixed-income strategy. At places like Cabrini Green, people were cut off; physically and psychologically, they were a city apart. The new community eliminates those barriers through lower-density development, greater income diversity and amenities that attract a broad range of residents. A representative body for the future resi-

dents of Parkside, CGLAC served as a development consultant to ensure the project met the needs of the people it intended to serve. For example, it includes more three-bedroom units and there's no distinction between market-rate, replacement and affordable units. Also significant was that **GC Linn-Mathes Inc.** was brought in early into the process, which kept costs on target and influenced design and material choices. **Landon Bone Baker Architects** added a pre-cast concrete consultant to the team and was able to focus design within these constraints. Other project members included **McKay Landscape Architects**, **C.E. Anderson & Anderson**, **Lehman Design Consultants Inc.**, **Prism Engineering** and **Spancrete**.



Parkside of Old Town

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After 10-Year Effort, Airport Goes Mixed-Use

Renaissance Rialto, Rialto, CA

After working on entitlements and planning for a decade, **Lewis Hillwood Rialto**, a JV of developers **Lewis Management** and **Hillwood**, completed the closure of the Rialto Airport and the relocation of all 180 tenants. The partnership worked with federal agencies to close the runways last year and moved on to construct nearly \$20 million of infrastructure, including roads, master drainage systems, water and sewer lines. The developer quickly signed two nationally recognized tenants, **Niagara** and **Medline**, to anchor the industrial portion of the project, dubbed "Renaissance Rialto." The team is expected to start construction on the retail portion of the master plan this summer. This next phase will feature a unique blend of retail uses in 500,000-plus square feet, a movie theatre and a hotel. Renaissance Rialto also includes a park and open space that will provide recreational opportunities and an interconnecting system of trails. The successful closure of the Rialto Airport and relocation of the tenants is one of the most dynamic redevelopment undertakings in the Inland Empire in recent years, according to local observers. The 535-acre project brought over 1.6 million square feet of new facilities and hundreds of new jobs to the area.



Maximizing 48 Acres to Meet All Tenant Needs

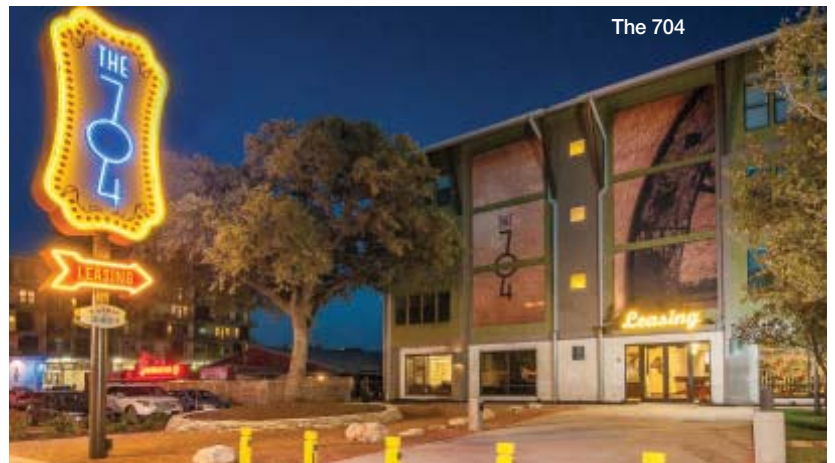
225 RailPort, Pasadena, TX

A 600,000-square-foot rail-served distribution facility that features a yard with 20,000 linear feet of rail with both **PTRA** and **Union Pacific** connectivity, 225 RailPort in Pasadena, TX was a project that certainly faced some significant challenges. Developed by Avera Development, the project dealt with the challenge of maximizing the 48-acre site to accommodate all tenant needs. That included developing a rail-served facility, negotiating existing easements with **ExxonMobil**, **Praxair**, **Silver Eagle Distributors** and **Oxy**, as well as executing tenant improvement needs that included raising two center bays to 60 feet. Perhaps the biggest challenge was working with Union Pacific and PTRA to access their tracks. There were also many innovative practices employed during the development, which took 30 months to complete. The building—1,350 feet in length and 450 feet in width, with 32-foot clear heights—is tilt wall construction, has 185-foot truck court/trailer storage, an ESFR sprinkler system and TPO roof system. The site offers long-term flexibility due to its unique design. Originally built with railroad access to the north, the rail can be removed to enable cross-dock usage. This allows versatility for both current and future tenants. Architect **Munson Kennedy Partnership** also designed the building to face southwest in order to efficiently utilize wind flow. Other members of the project team included engineer **Levinson Alcoser Associates** and **Avera Construction** as GC.

Preserving a Legendary Landmark

The 704, Austin

The 704, a core midrise asset just south of the Austin CBD, represents the ultimate in infill development, providing luxury apartments and retail and preserving one of Austin's legendary landmarks. Austin has developed what seem to be conflicting identities—Old Austin, filled with iconic landmarks and rustic charm and New Austin, a luxurious and high-tech sense of progression. The 704 proves that those two identities can not only coexist but can complement one another for an entirely new Austin. The project—developed by **Transwestern Development Co.** EVP Ty Puckett, VP Josh Delk, development coordinator Ashley Taylor and senior associate Tim Ryan—blends the old and



new and represents an opportunity for a generation of millennials to continue to be inspired by the music, creativity and spirit that is the essence of The Broken Spoke Dance Hall, an Austin institution since 1964. The 704 is comprised of 378 upscale apartments, a best-in-class amenity package, 20,079 square feet of ground-level retail and restaurant space in addition to the Broken Spoke, and 674 parking spaces in two garages. Construction began in December 2012 with the first units delivered in November 2013, and full completion in August 2014. Transwestern gave the owner of the Spoke a 10-year lease with renewal options and paid for valet parking to make up for lost space. Other key Transwestern Development project members include project manager John Langton and retail property managers Jenny Wheeler and Taylor Shingledecker. ♦