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As hammers hit nails, urban area 'still under-built'

Demand for homes in trendy neighborhoods keep construction humming despite economy

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Congested roadways, detour signs, orange construction barrels and red cranes are becoming a mainstay in West End/Vandy neighborhoods as multimillion-dollar projects are in the works.

With more buyers seeking to live in urban trendy neighborhoods such as Hillsboro Village, 12South and The Gulch, developers are eager to offer more options. From rehabbing historic buildings in downtown and SoBro, to construction of single-family homes in Sylvan Park and mixed-use projects in The Gulch, investors are hoping to create more walkable and livable neighborhoods.

Although more rooftops are on the way, Mark Deutshmann, chief executive of Village Real Estate, believes it's not enough. Currently there are 4,141 people who call downtown home, and 48% of those residents work downtown, per the Nashville Downtown Partnership. By the end of the year, the number will increase to 4,896 people.

We are far behind, Deutshmann says, especially if Nashville wants to be comparable with cities such as Charlotte, Indianapolis and Atlanta.

"We are still under-built," he said. "It was 2003 before we starting building housing downtown and we are far behind. The revival is just getting started."

The demand continues to remain, he said, despite the current state of the economy. Women are becoming the biggest demographic of downtown buyers, along with an increasing number of empty nesters.

Rolling Mill Hill: Key to SoBro growth

The redevelopment of Rolling Mill Hill, formerly home to Metro's General Hospital and several city-owned facilities, will bring more than 1,000 homes to SoBro, the area south of Broadway Avenue.

After nearly a decade of planning, construction on the first phase began earlier this year and will include renovations of the art deco and Victorian buildings, retail amenities as well as walking paths and courtyards.

Some homes should be ready for occupancy this November, said Joe Cain, director of development with the Metro Development Housing Agency. MDHA is the master developer of the 34-acre site development. The project's second phase will include the rehab of the set of 1930s-era trolley barns that will bring retail to the site. The entire project is expected to take about 10 years to complete.

"This project folds into the development of downtown," he said. "It's become a key component in how SoBro will be developed."

The Gulch: Continues full-steam ahead

The Gulch continues to unfold into the vibrant, pedestrian-friendly, mixed-use community investors predicted. While construction is wrapping up at the Icon urban condos, nearby Velocity and Terrazzo towers are still being built.

Along with rooftops, retail is following. Urban Flats Flatbread Co., Cantina Laredo gourmet Mexican restaurant and Casablanca Coffee are all headed to Icon. By May 2009, Velocity will sit north of Icon, bringing 17,000 more square feet of retail space and 264 condos to the area.

Despite a deeply competitive market, developers don't predict there will be difficulty selling the units, many of which are considered affordable. Seventy percent of the condos are below \$250,000, while 40 percent are under \$200,000.

"Timing will be right for those units going on the market," said Jay Turner with Marketstreet Enterprises. "Given the state of the economy, Icon sales are going great; we are selling units as we complete them."

Terrazzo, a \$65 million, 14-story mixed-use development is rising on the southeast corner of 12th and Division. The project combines four floors of retail and office space topped by 10 stories of residential. It will be early 2009 before the entire project is complete.

Bill Barkley, president of Tennessee Crosland the developer of Terrazzo, said the sluggish economy hasn't slowed down construction or affected pre-sales.

"We're actually ahead of schedule," he said. "We should be totally complete by spring '09 and over 50% of the units are been pre-sold."

YMCA: Expands for growth in downtown dwellers

Improvements at the Downtown YMCA are on track as the facility undergoes a multimillion-dollar expansion and renovation.

While the Y remains open, the project will more than double the current building and include a new wellness center, indoor track, chapel and three-level parking deck.

The expanded center will be fourth major update since the Nashville YMCA was founded in 1875.
