98 14TH STREET

No progress visible on giant Midtown project

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S everal new residential towers are starting to rise in Midtown Atlanta, but the only thing going up on the high-profile "symphony center" site is the grass.

Last year, New York developers pitched one of the city's largest mixed-use projects for the four-acre 98 14th Street -- a $650 million plan to build a trio of twisting towers with up to 1,300 residential units, 90,000 square feet of retail and a 340-room hotel.

But, more than six months after the development team (which includes New York-based Ashkenazy Acquisition Corp., and Olympia Heights Management) purchased the property for $22 million, there's been no visible progress.

Olympia Heights said it was imme-
diately reached for comment. But, project attorney Kathryn Zickert of Smith, Gambrill & Russell LLP told Atlanta Business Chronicle on Dec. 29 that the company has had little or no involvement in the project since the city greenlighted the plans in late April.

"I don't have, right now, an idea of when the project will begin," Zickert said when asked if the development could break ground in 2015.

Robert Alchemy, an architect with international design firm Arquitectonica, which is working on the project, wrote in an e-mail to Atlanta Business Chronicle that "as far as our office is concerned, this project is still on hold for now."

But, that's not to say the project is in danger of falling apart. When it was presented to city planners last year, the goal was to build in phases with completion set for 2020.

According to one real estate insider, the project is still very much in planning. The development group has been shopping for potential partners, according to sources.

Wood Partners LLC considered acquiring part of the property. But, the developer in December presented plans for a 220-unit residential tower on 12th Street overlooking Piedmont Park.

Meanwhile, other apartment projects are kicking off in Midtown.

Developers Daniel Corp. and Selig Enterprises Inc. just broke ground on a new luxury apartment tower called 60 11th St., a twin to the existing 77 11th St.

At the end of October, Wood Partners broke ground on a $100 million mixed-use project near the Midtown MARTA station.

JLB Partners also kicked off an apartment project at Peachtree and 5th streets in Midtown late last year.

Novare Group could break ground on its latest Midtown tower at 1163 West Peachtree St. in January or February. It will have about 400 units and roughly 10,000 square feet of retail space.

The intown multifamily market remains red hot. In some cases, apartment developers have been asking up to $1,150 in monthly rent for studios as small as 460 feet.

But, the growing pipeline of apartments is potentially concerning, especially if too many of the units begin to hit the market at once, according to analysts such as Haddow & Co. That's because delivering too many units at once could begin to soften intown rents, which today are well above $2 a square foot per month at the newest projects.

That might suggest 98 14th St. ultimately could be a condo project.

One local leader shared his continued excitement for the development.

"This is a great site and the owners have put forward a bold proposal," said Kevin Green, president and CEO of the Midtown Alliance. "The timeline and any sense of urgency in moving forward is entirely up to them. I respect the fact that they are being deliberate to ensure that what gets developed is both economically successful and positive for our city."