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'Midtown Mile' project angling for big-name retailers

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Midtown boosters said Wednesday they're courting dozens of high-end national and international retailers for their vaunted "Midtown Mile" project.

A 14-block strip of Peachtree Street, stretching from the Fox Theatre north to the Woodruff Arts Center, has emerged in the past 18 months as Atlanta's next big thing when it comes to retail. Midtown officials envision an urban, street-style hub of upscale shops akin to Chicago's Michigan Ave.

Although the district is taking shape with several large building projects that have ample room for flagship stores on the ground level, developers haven't yet signed any blockbuster tenants.

Apparently, they're turning up the heat. Several new projects are expected to open around fall 2008, giving developers some momentum, they say, for the critical mass they'll need in order to win over big-name retailers.

"One of the biggest challenges is just getting the message out. ... Atlanta retail has forever been associated with Lenox Square and Phipps Plaza, and a lot of the retailers we're talking to just have no idea what Midtown offers," said Shirley Gouffon, senior vice president of Selig Enterprises, which is developing 12th & Midtown, a massive twin-tower complex that includes an office skyscraper and a hotel and condo high-rise. The first phase of that project, at 1080 Peachtree St., includes about 50,000 square feet of retail space and is scheduled to open next year.

On Wednesday, Gouffon and fellow developers discussed the challenges of making Midtown Mile a reality at a conference sponsored by the Urban Land Institute and the Midtown Alliance.

The vision has started to take shape in recent months with several major building projects.

ViewPoint, the Novare Group's condo tower at Peachtree and Sixth streets, plans to open in fall 2008 with 71,500 square feet of retail.

Jamestown Properties is adding 50,000 square feet of retail to 999 Peachtree, the office building it purchased earlier this year.

And Colony Square is undergoing a retail renovation under new owner Tishman Speyer, a major New York real estate player and owner of Rockefeller Center.

Developers will be under pressure to announce their flagship retail tenants either late this year or early next year. They typically try to announce their biggest catch early on and use it to woo other retailers.

In the meantime, several other major residential and retail projects are in the works. By 2010, Midtown will add more than 3 million square feet of office space, 4,000 residential units and more than 700,000 square feet of retail in new developments, according to the Midtown Alliance.

Within the next three years, developers say they'll have 1 million square feet of retail, the equivalent of a major mall.

"That figure is important because it's hard to get the attention of the more significant national retailers," Gouffon said. "Some of the retailers we're talking to only do five or six deals a year, so they're looking for something really big."

The new construction, with retail in the blueprint from the start, will help Midtown overcome one of the biggest barriers that car-happy Atlanta has had with trying to bring other street-front retail here, said Matt Bronfman, managing director of Jamestown Properties.

"A lot of buildings in Atlanta were designed for how they would look from the highway, in the skyline, and therefore they're not approachable from the street," Bronfman said. "You've got to think about what it looks like from 10 feet away."

Parking also is another perennial challenge in Atlanta, something that hasn't yet been resolved for the Midtown Mile project, admits George Mori, senior vice president of Novare Group.

Developers aren't eager to foot the bill for costly parking within their own projects, so they're looking at sharing parking with surrounding office decks and new third-party parking lots, he said.

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