

Dadeland retail project to be 90% leased by mid-January

By LAURA IRWIN

Developer Jeffrey Berkowitz expects to sign leases for 90% of the retail space his group is building next to the Dadeland North Metrorail station by mid-January.

"We have executed one lease, and are approaching final drafts on another three spaces," Mr. Berkowitz said. "We expect to fill up the space by late spring."

The Green Companies, which reached an agreement with the Metro Commission last May to develop 11 acres Dade County owns near the transit station, has assigned phase one of the joint development project to Berkowitz Development Group.

Phase one includes 319,000

square feet of retail development on three levels, including 9,500 square feet of "transit" retail at ground level, catering to Metrorail passengers with businesses like newspaper stands, coffee shops or restaurants.

Mr. Berkowitz did not want to reveal who has signed a lease, or even who has expressed interest. He did say the stores would be different from those nearby.

"We are not competing with Dadeland Mall," he said. "Our stores will be more value-oriented."

Mr. Berkowitz says he plans to meet with Dadeland soon about building a pedestrian walk to link the mall with his project.

"I think our development will

help everybody," he said. "One of the ideas behind joint development is to promote ridership on Metrorail. If we make access to Dadeland easier from Metrorail, more people will be inclined to use Metrorail to shop. I think our development will do fabulously."

The Berkowitz Group will be building a six-level garage at the site. The development team is looking to finish the project by spring 1996.

Phase two of the joint development project calls for a 300-room hotel to be completed within 10 years.

The Green Companies, responsible for phase two, is looking to begin construction of the hotel soon, said company president George Brown Jr.

"Mr. Berkowitz is using our site as a staging area for his project. It will be a year before Mr. Berkowitz is complete enough for us to begin



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Miguel Diaz de la Portilla

development. We hope shortly thereafter to start something," he said.

If a large tenant comes along, the company could begin the third phase of the project before building the hotel, Mr. Brown said.

The third phase of the mixed-use project calls for two 100,000-200,000-square-foot office buildings.

Green Companies sold development rights to Mr. Berkowitz because he could start his project immediately, whereas the company will take a little longer getting the other projects off the ground.

The sale of the rights helped the company recoup some of the costs it is incurring as a result of signing the lease with Dade County.

Under the lease agreement, the county is to get a minimum of \$150,000 rent the first year. Eventually yearly rent will increase to a minimum of \$400,000.

"The joint development will over the life of the lease produce a significant profit for Dade County," said Metro Commissioner Miguel Diaz de la Portilla, who helped the county reach an agreement with the Green Companies after more than a decade of negotiation.

In addition to rent, the county will also gain property taxes in excess of \$1.2 million a year from tenants.

It is estimated that phase one alone will generate more than \$400,000 in impact fees and \$4.5 million in annual sales taxes.

It is also expected to provide 400-600 jobs in Dade and add more than 200,000 yearly Metrorail trips from the Dadeland North station.

The commission actually authorized staff to negotiate a lease with the Green Companies in May 1983. Last August the Green Companies turned down the county's final lease offer.

In January county staff began preparing a new request for proposals and advised Green it planned to terminate negotiations.

The company, however, decided to submit a new proposal, which the county finally accepted.