

Principal,
downtown
in two
projects in
are real,
now," he
e of the
on hold
arket di-
erge in
ment.
yn proj-
on
ade Plaza,
in city
ed-use
ynetech
Lincoln
s de-
e condo/
t. Baker
eative vil-
to have "a

of Florida
North
argest
in the
down-
ed the
s respon-
proper-
er, Beale
n the de-
than 2
of office
ments ex-
Next up:
pital Pla-
wntown
ould get
e compa-
project
a condo
ale said,

perform-
Citrus
from the
town,
my."

HARRY RICHEY
AL MANAGER,
& WAKEFIELD

Metro area
27.3%
20.8%
22.4%
22.4%
36.2 years



VINCE HOBBS FOR THE ORLANDO SENTINEL

The \$60 million Dynetech Centre, a 32-story mixed-use tower, is under construction at Magnolia Avenue and Washington Street.

Orlando's skyline will keep rising with 'a steady flow of new projects'

By **JACK SNYDER**
SENTINEL STAFF WRITER

As retail expert John Crossman sees it, downtown Orlando lacked a viable residential base for decades. But that started changing in the late 1990s, as people flocked to apartments and condos constructed in the city center.

The full effect of all that residential development downtown "should be huge," said Crossman, managing partner of **Crossman & Co.**, a local brokerage. And as downtown's population grows, so will the retail, he added. "Look for more unique and upscale tenants to come to downtown."

The pace of residential development slowed noticeably in 2006, but some developers are still pushing hard to get condominium projects under way this year.

Eola Place, The Monarch and Tradition Towers are among those trying to generate enough sales to trigger financing and then actual construction.

Bill Shallcross, an executive with Eola Place developer **JLJ Properties LLC** of Lake Mary, said the housing market has certainly slowed, "but we're optimistic we'll get going." JLJ recently started clearing its site

on Mariposa Street for a 16-story tower with 196 condos, though no construction date has been set.

Among the big projects under construction in 2007: Mills Park, a mixed-use development on the site of the former Mills & Nebraska lumberyard. The project, which will start coming out of the ground in the first quarter, includes hundreds of condominiums as well as office and retail space.

Frank Billingsley, the city of Orlando's economic development director, doesn't see much of a pause for downtown amid the slowdown in construction elsewhere.

"I see the momentum continuing," he said. "We see a steady flow of new projects coming through the planning pipeline."

Several high-profile projects will be finished in 2007, Billingsley noted, including the Vue condominiums — now the second-tallest building on the downtown skyline — and Premiere Trade Plaza, the biggest redevelopment project in the city center's history. The office/retail/residential plaza complex, in the heart of downtown, includes a movie theater that, if it opens this year on schedule, should make downtown more of an entertainment destination, Billingsley said.

Mayor Buddy Dyer noted that the current move to develop a new arena, a new performing arts center and a renovated Citrus Bowl should energize the city center for years to come.

Those venues "will make us proud, and show the world that Orlando is no longer a second-tier city," Dyer said.

But the first big downtown project to break ground this year may be the \$100 million Capital Plaza III complex, which will include a hotel and separate office and residential towers near Lake Eola.

Mike Beale, senior vice president of **Highwoods Properties Inc.**, the developer, has started applying for permits and said construction could be under way as soon as the first quarter.

Lincoln Property Co. is already at work on the \$60 million, 32-story Dynetech Centre, a mixed-use tower on Rosalind Avenue at Washington Street. Scott Stahley, Lincoln senior vice president, said rents in the new tower will be below \$30 a square foot — a rate that's not likely to be duplicated in future office towers because of rising costs.

"We'll see some sticker shock on rents going forward," he predicted.

Jack Snyder can be reached at 407-420-5094 or jsnyder@orlandosentinel.com.