

Atlanta firm, which will pay \$46 million for Pier 550 site

Copyright New York Times Company Jul 21, 2005

CORRECTION: The following correction was published on July 27, 2005: Correction: A July 21 article about the Pier 550 condominium sale incorrectly identified a developer and his development: Gary D. Littlestar and his La Bellasara.

Wakefield Beasley & Associates, an Atlanta design firm with ties to the Georgia-based developer of the old Taylor Ranch, appears to be the winning bidder for the Pier 550 condominiums on Golden Gate Point.

Wakefield plans to clear the downtown Sarasota waterfront site after closing with the present owners next summer, then build a luxury condominium with 62 units. Prices would have to start at \$2.5 million or more per unit.

The 2.5-acre property is selling for \$46 million, which works out to \$18.4 million per acre. That figure would make the Pier 550 sale the highest per-acre price in Sarasota history.

Pier 550 has been the subject of a bidding skirmish since at least January. Taylor Woodrow Developments, a British company with a history of Southwest Florida projects, made one offer, was turned down, then came back with an early summer offer that provided the Pier 550 owners with a little less money than they have presently agreed to, but with a quicker closing.

The higher offer came from a dummy corporation based in Alpharetta, Ga., called Parker Capital LLC.

Even though it calls for a July 2006 closing, the Parker Capital offer has won wide acceptance, two Pier 550 owners say.

Neither Taylor Woodrow nor Wakefield responded to requests for interviews with the Herald-Tribune.

Because of the stretched-out terms, the deal essentially gives Wakefield a cheap \$1.5 million option on a very scarce and valuable piece of waterfront land until next July, when owners of the 51 old-timey units will move out and get paid most of their money.

So even if Wakefield does not admit to having a big-money partner at the moment, the right to clear the site, creating a waterfront opportunity where none existed, should make it easy to find one. It is also conceivable that the ownership could flip before next summer.

Wakefield Beasley, according to correspondence with owners, used Parker Capital to front its offer.

The Parker offer, which works out to from \$770,000 to more than \$1 million per unit, has owners of 47 out of 51 condos nodding their heads yes. The deal is not yet set in concrete, though.

In its original set of offers, Parker Capital offered only a \$20,000 earnest money deposit per unit, to hold the property until the June 2006 closing.

A number of owners, working with attorney Michael Belle or with attorney Sheryl Edwards, have held out for higher deposits, in the range of \$60,000 per unit, and for other changes in the terms.

Some owners are said to be seeking limits on the number of slips that could be added in front of the condos, and on the number of units that the new owner could build once he tears down their old units. It is considered likely that recalcitrant owners would receive more substantial deposits, but not likely that the developer would make design promises.

After the Herald-Tribune wrote articles describing the mystery surrounding the two bids, Wakefield Beasley and Associates revealed its participation in a July 2 note sent to prospective sellers along with proposed contracts for them to sign.

"At this point, I might as well let you know more about who we are and what our accomplishments are," wrote Mark Kercher, who is working the deal from Atlanta on behalf of Wakefield Beasley chief Lamar Wakefield.

Established in 1980, the firm is based in Atlanta but opened a Jacksonville office in 2004.

"We are licensed in 10 states and are currently working on numerous beach resort projects throughout the southeast in both design and complete redevelopment," Kercher wrote.

"We are the architect for the Thomas ranch, formerly the Taylor Ranch."

Last month, developers of the 11,000-acre Thomas Ranch said that they would file plans with Sarasota County in 2006 for an "urban village" that would be in the southern portion of its cattle ranch near Englewood.

Taylor Ranch was bought in 2002 by Fourth Quarter Properties of Smyrna, Ga., for \$73 million. It was renamed "Thomas Ranch" after Stanley E. Thomas, the company's chief executive.

His Thomas Enterprises is working with Wakefield to develop a sought-after, 65-acre mixed-use site in the Atlanta suburb of Alpharetta called Prospect Park.

Separately, Wakefield Beasley is the designer of a 3 million- square-foot project in Atlanta called Atlantic Station, and is co- developer with the Peachtree Group of a Golden Bear signature golf course community called Laurel Springs in Atlanta.

Meanwhile, the possibility of redeveloping Pier 550 as a new condominium has been floating around longer than some residents might realize.

"I did the analysis a year ago," said Gary Littlejohn, developer of Bellasara, a luxury high-rise being completed directly south of Pier 550. He said he "was approached by people there," but declined to say who.

Littlejohn said that he has four units remaining for sale out of 29 at Bellasara, priced at \$2.25 million to \$2.65 million.

The high price of buying the land next door "helps my pricing," Littlejohn said.

Whoever tears down Pier 550 faces stringent city zoning restrictions. The site is zoned for residential construction only, and at a maximum density of 25 units per acre. There is a height restriction as well, preventing a developer from building a high- rise tower.

How much would a new luxury unit there cost?

"If you looking at \$800,000 to \$1 million land costs, the number is going to pretty big," Littlejohn said. "I would consider \$2.5 million per condo as low."

The relatively basic condos now on the site provide views of Sarasota Bay, Marina Jack's and downtown Sarasota.

In recent years, owners paid \$200,000 to \$300,000 per unit to get into Pier 550. Going back to when the property first turned condominium in 1978, some paid as little as \$38,000.

They'll have the use of their residences until next summer, when the bulk of the money is to be paid.