



ULI Project of the Year

Condos ignited residential boom in Music City

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by [Tom Barry](#)

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Few buildings have the impact of a Viridian, the 31-story, 305-unit condominium building that opened in downtown Nashville in October.

The gleaming \$70 million tower -- named Project of the Year by the Urban Land Institute's Atlanta District Council -- ignited a condominium boom in the Music City's central business district (CBD), previously barren ground for condo development.

Built on a mere half-acre site that used to be a parking lot, the blue-green glass tower is the work of a pair of developers, Nashville-based Giarratana Development LLC and Atlanta-based Novare Group Inc.

Viridian beat out 16 other projects to win the ULI contest, which looked for premier examples of urban development across Georgia and in parts of Tennessee and Alabama.

"We picked Viridian because it's a great use of a very small downtown parcel," said ULI judge Vance White, a director in the Atlanta office of BECK, an architecture, construction and development firm. "Even more importantly, prior to this, there were only [a few] residential units in all of downtown Nashville."

White said ULI judges set out to find a project that transforms an area.

"Just another big high-rise built in an already established area is not nearly as impressive as the first one. Tony Giarratana took the risk and made residential [development] happen in downtown Nashville."

ULI judge Peter Curnyn, vice president of development for AIG Global Real Estate in Atlanta, said the Viridian project impressed him because it was forward-thinking.

He said Viridian has generated demand that's led to "several other intown high-rise projects that will help create a new market, the likes of which has not been seen in much larger Southeastern cities."

White said the Church Street tower embodies smart growth -- pedestrian-friendly, live-work-play -- principles.

Viridian has a full-service grocery store on the ground floor and is close to entertainment, cultural and sports venues.

Roughly two-thirds of the residents walk to work, thereby minimizing car use.

"It's truly a walking environment," said Giarratana, whose company will break ground later this year on the 70-story Signature Tower in downtown Nashville, Tenn.

When completed, the skyscraper will be the tallest building in the South at 1,030 feet, surpassing Atlanta's Bank of America Plaza, which is 1,023 feet tall.

"Most Viridian residents are what I call the 'hip-and-cool crowd:' 20- and 30-somethings who are well-educated and well-compensated and are either single or married without children," Giarratana said. "They [enjoy] the lifestyle of the urban area. Most of Nashville's cultural venues are downtown, and they can walk to Titans [pro football] and Predators [pro hockey] games."

Viridian could well be dubbed the shoe-horned building, as it was built between a 31-story tower and a three-story building on a lot with Manhattan-esque dimensions: 100 feet by 235 feet.

Typically, a tower that size would be on a lot at least twice as big. Viridian is only inches from both side property lines.

"Nobody thought anything of any significance could be built there," Giarratana said. "We truly sandwiched in the building with [little space] to spare."

The condominium units -- priced between \$130,000 and \$400,000, with penthouses at \$1 million-plus -- feature floor-to-ceiling windows, 10-foot-ceilings, spacious floor plans and 24-hour concierge service.

There are 430 parking spaces on the lower levels.

Until recently, downtown Nashville was scarcely populated.

"Residential was actually a prohibited zoning use downtown from 1963 to 1993," Giarratana said.

But a change in the law allowed the construction downtown of the 24-story, 289-unit Cumberland apartment building, with six levels of below-ground parking, a Giarratana project that opened in 1998.

When some tenants opted to go elsewhere when their lease expired, Giarratana asked them why.

Usually, it was to take advantage of the low interest rates to buy their own home and build equity.

The idea for Viridian grew from those conversations.

Giarratana used Metropolis, the sleek Midtown Atlanta condo tower developed by Novare Group and Wood Partners LLC, as a model.

"I took careful notes, and what those tenants described was Metropolis, a residential building on top of a garage," he said.

Giarratana liked Metropolis so much that he hired the architect, Atlanta-based Smallwood, Reynolds, Stewart, Stewart & Associates Inc., and general contractor, Atlanta-based R.J. Griffin & Co., for Viridian.

Eventually he asked Novare Group CEO Jim Borders to do a "peer review" on the plans.

"Jim studied the drawings and the pro forma for a couple of hours and told me he'd always dreamed of doing a project outside of Atlanta," Giarratana said. "Then he asked me what it would take for him to be my partner on it."

Borders said he was impressed by the financials, including a favorable land price (\$3.1 million) and that 61 condos (20 percent) were set aside as moderately priced units in exchange for tax-increment financing (\$6 million) from the metro Nashville government.

"We had had great success with a very similar project (Metropolis), and there was a very high likelihood of success with Viridian," Borders said. "The financial fundamentals were very good, which is a threshold question for us. Plus, it was an opportunity to partner with someone who was local to Nashville and had a great passion for the project. Viridian is true old urbanism -- high-rise living in the heart of the city."

Viridian broke ground in 2004 and was sold out nine months before its completion in October 2006, Giarratana said.

His mother, an artist who noted that the tower's blue-green glass matched her favorite paint pigment (viridian), suggested the name.

"Everyone liked the word, and the name stuck," he said.

Giarratana said Nashville is playing catch-up with other cities in downtown residential development.

"Before, there were only eight or 10 [condo] units in all of downtown Nashville," he said. "Today there are approximately 1,100 and about another 1,000 are under construction, for delivery in early to mid-2008."

"Most of our peer cities -- like Atlanta, Charlotte, Indianapolis and Memphis -- got started long before we did in building urban residential housing," he said. "Downtown housing has been on fire in cities across the country. We've just been a little bit late to the party."

Viridian has led to other Giarratana-Novare projects in downtown Nashville, including the redevelopment of the 12-story, 86-unit Bennie Dillon building, a historic high-rise that's also on Church Street, into loft residences and Encore, a 20-story, 333-unit condo tower under construction.

Other joint projects are in the planning stages.

"To be able to take what we had done with Metropolis to another market was very exciting for us," said Frank Reese, a Novare Group developer who focuses on Nashville. "There's been a huge influx of people into the downtown area, and obviously Viridian was a big part of that. Tony has been a real pioneer, first with Cumberland and then with Viridian."

Viridian was a daunting project.

"It was difficult for contractors and subcontractors because the lot was so small," Reese said. "They didn't have this huge lay-down area to store supplies and materials on-site."

Tom Raney, senior vice president for general contractor R.J. Griffin & Co., echoes those thoughts.

"It was frightening, the lot was so small. Viridian was one of the most difficult buildings we've ever built."

The lower-level parking floors were built mere inches from the tower next door, and constraints were similarly tight on the other side. A special crane had to be brought in that could ferry materials essentially straight up without damaging adjacent structures.

"There are only four such cranes in the United States, and it's the only one that's ever been used in Nashville," Raney said.

Then, too, the subsurface was heavily rock, but blasting couldn't be used in the excavation for fear of damaging the adjacent three-story building, a historic structure.

Given the vast difficulties, crews had to work early morning and evening hours to meet the 23-month construction schedule. Builders also had to work closely with city officials and neighbors in coordinating activities.

All in all, it was a case study in logistical challenges.

"Now that it's built, it's a whole lot easier to understand how it might have gotten built," Raney said. "But at the time, it was unbelievable."

Reese expects downtown Nashville to remain a strong residential market over the long term.

"Nashville as a whole continues to grow, and more and more people are looking to live in an intown location."

In winning Project of the Year, Viridian joins impressive company.

The list of winners includes such Atlanta-area developments as Glenwood Park (2006), Technology Square/Centergy (2004), East Lake Neighborhood (2002), the Biltmore Hotel (2001) and Centennial Place (2000).

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