

# ALL EYES ON THE GULCH

By MICHAEL ANTROBUS

Local developers recently have again begun eyeing the historic "Heart of Atlanta" with keen interest.

Largely ignored for decades, a 16-acre patch of downtown land owned by Norfolk Southern Corp. has been pinpointed by many as the likely site of downtown's next "big thing."

Popularly known in real estate circles as "The Gulch," the 15.7-acre site in question sits as the largest contiguous piece of property in downtown.

"There's gold in The Gulch," said District 2 City Councilman Kwanza Hall, who represents the area. "There's a huge, huge opportunity for it to serve as a re-connector for our [downtown] just as Atlantic Station has on the north side of our city."

The property is bordered on the north by Techwood Drive, on the east by Spring Street, on the south by Mitchell Street and on the west by the shared CSX/NS tracks that run north through the middle of the World Congress Center.

The renewed interest in The Gulch rests in its size and recent deals in the area.

Sam Holmes, vice chairman of CB Richard Ellis Inc., called it "very unusual for a city of Atlanta's size" to have 16 acres of contiguous undeveloped property downtown.

Although the downtown office market is not robust enough to attract speculative office space to the site, a sizable mixed-use is likely, he said.

Key deals include the decision by Cousins Properties Inc. to purchase and move into One Ninety One Peachtree and the decision by the American Cancer Society, the nation's largest voluntary health organization, to relocate its national headquarters to the Inforum building at 250 Williams St.

"I think downtown is hotter now than it has been [at any other time] in my 20-year career," Holmes said.

Various parties have attempted in the last few years to broker deals for The Gulch, but nothing has been inked.

Central Atlanta Progress (CAP) has targeted the site for a multimodal passenger terminal serving as a regional hub linking new commuter rail, inter-city rail, MARTA, Amtrak and regional express buses. The site lies a mere stone's throw from Atlanta's former main downtown train station that was demolished to make way for the Richard B. Russell Federal Building.

Hall estimated that success of the multimodal passenger terminal depended on increasing area residential density by 10,000. He added that any development that includes less than five land uses is "probably missing the mark."

Others are eyeing a portion of the property for a casino complex.

A study released in February by Atlanta hospitality experts PKF Consulting Inc. concluded that a downtown casino could generate up to \$1.7 billion in economic impact, create 10,800 direct jobs and contribute \$135 million in annual taxes.

Still others would build a significant mixed-use development at The Gulch.

"The Gulch is a tremendous opportunity to create new development in Atlanta, primarily residential, but also retail and office space," said redeveloper Emory Morsberger of The Morsberger Group, who sits both as chairman of the Georgia Brain Train Group and on the board of directors of The Livable Communities Coalition.

"There's a lot of air over the top of those railroad tracks that can be built on."

Morsberger is converting a 350,000-square-foot former bank building at 222 Mitchell St., half a block from The Gulch, into condos.

Renewed interest in The Gulch is befitting to the corridor northwest of Five Points through which the original Western & Atlantic Railroad line ran.

The Western & Atlantic in general, and The Gulch in particular, are central to Atlanta's history because the city of Terminus, which preceded Georgia's capital, took its name from the southeastern end of the rail line.