





OCEANLAND
392-UNIT
RESIDENTIAL
BUILDING

Trains of Endearment

The Fort Lauderdale station on Brightline's intercity passenger rail line is driving transit-oriented development downtown. **by MIKE SEEMUTH**

JEAN FRANCOIS ROY has made a career out of creating water views. Among other projects, his property development firm OceanLand Investments Inc. has built a series of boutique waterfront condos bearing the Aqua brand in the residential islands just east of downtown Fort Lauderdale. More recently, OceanLand broke ground for Sixth & Rio, a 100-unit condo under construction across from downtown on the south bank of the New River. So, Roy admits he felt hesitant before launching his first-ever development on an inland site in Florida – next to a train station, no less. “Because it was not on the water,” he said, “I was a little bit nervous.”

Nevertheless, in early 2023, locally based OceanLand paid \$13.2 million for a vacant one-acre lot directly adjacent to the Brightline train station in Fort Lauderdale. There, Roy and his team plan to build a 392-unit residential building with ground-floor retail space just steps from the station. “Of all the properties [planned] around the Brightline, we are the only one where you can go in our building [from the station] and not get wet if it’s raining,” Roy said. “That, for us, is as good as an oceanfront property.”

Roy is hardly alone in that upbeat assessment. Other real estate developers also see profits in proximity to the Brightline station. Six years after

Brightline started operating in 2018, the Fort Lauderdale station is now the centerpiece in a cluster of real estate developments in and around Flagler Village that could put a new wave of apartments and retail space within a couple of blocks of the station.

The buildout of properties close to the train station could be slow, though, because despite strong demand for rental housing with easy access to mass transit, inflated construction costs and elevated interest rates have slowed the pace of new apartment production. Then again, that’s just the latest drag on the trend toward transit-oriented development downtown, which is grinding forward anyway.

Trains of Endearment



Brightline's intercity passenger train service was barely two years old when the COVID-19 pandemic suspended operations for 20 months. But the pandemic pause hasn't derailed developers determined to build projects near train stations, especially as they increased in number. The Brightline passenger train service started in 2018 with three downtown stations in Miami,

Fort Lauderdale and West Palm Beach. After suspending its service from March 2020 to November 2021 due to the pandemic, Brightline opened two more South Florida stations in Aventura and Boca Raton in 2022 and extended its service to Orlando last September 22.

Among other residential projects near the Brightline station in downtown Fort Lauderdale is one guided by a developer

from the Buffalo, New York, area. William Huntress and his Williamsville, New York-based company, Acquest Development, are planning to residentially redevelop a small city block occupied by a single structure, an old two-story commercial building at 199 NW Fifth St. Richard Mercede said he and his family sold the block for \$12.5 million to Huntress and his team, who plan to build hundreds of apartments there. "We're one block away from the train station, and that was very, very important to him," Mercede said. "They're in for plans for 400 units. It is happening. That parcel is going to be developed."

Several major apartment buildings are planned along North Andrews Avenue, just east of the Brightline train station at 101 NW Second Ave. For example, two firms last year paid \$8 million for the Goodyear Auto Service store at 11 N. Andrews Ave., about a block and a half east of the Brightline station, and they plan to replace the store with a 37-story tower. The developers are entitled to construct a mixed-use building with 316 residential units on the site, but they plan to seek city approval for denser development with about 400 residential units, said Noah Bachow, who runs Miami Beach-based Bachow Ventures, which acquired the site in a joint venture with New York-based Infinity Real Estate. "We're moving forward on everything, despite the [high cost] climate," Bachow said.

A little farther north, a 30-story building with 289 apartments, called ArtsPark Lofts, is coming to a multi-parcel site at 407, 413 and 421 N. Andrews Ave. The company behind the ArtsPark

RENDERINGS: COURTESY OF OCEANLAND INVESTMENTS INC.





RENDERINGS (LEFT TO RIGHT) COURTESY OF INFINITY COLLECTIVE, COURTESY OF OCEANLAND INVESTMENTS INC.

development is Fort Lauderdale-based Merrimac Ventures, managed by brothers Dev and Nitin Motwani. A company affiliated with Merrimac bought the site last year for \$8 million, according to Broward County property records.

On North Andrews Avenue west to the railroad, between Fourth Street and Sixth Street, a sprawling, 5.6-acre development called FATVillage is under construction. Late last year, Bank OZK provided a \$220 million loan to finance construction of the first phase of the 835,000-square-foot mixed-use development. That phase will include 180,000 square feet of office space, 70,000 square feet of retail space and 601 apartments. The developers are Houston-based Hines and Fort Lauderdale-based Urban Street Development.

Nearby, Miami-based Related Group is developing Gallery at Flagler Village, a 12-story, 263-unit apartment building at 600 N. Andrews Ave., where more



FORT
LAUDERDALE
moderne

ARTSPARK
LOFTS



Trains of Endearment



than half of the apartments will be reserved for people with moderate or very low income relative to median household income in Broward County.

Several development sites on Third Avenue are also within walking distance of the Brightline station. For example, Brightline's parent company, Florida East Coast Industries, sold the three-parcel site next to the train station at 105, 113 and 117 NW Third Ave. where OceanLand Investments plans to develop 392 apartments.

A few blocks away, a 12-story building with 252 apartments, Advantis Station, is under construction at 600-618 NE Third Ave. The developers, Prospect Real Estate Group and Midtown Capital Partners, have doubled down on the neighborhood. Just north of the Advantis site, they plan to build a 12-story building with 173 apartments at 4 NW Seventh Ave., an industrial site on the west side of the railroad that has served as an automotive junkyard.



RENDERINGS: COURTESY OF HERRIMAC VENTURES

Trains of Endearment

A former bank building at 200 NE Third Ave. is one of several potential development sites near the Brightline station listed for sale at brokerage firm Native Realty. “We’re still seeing a lot of demand to be close to a Brightline station. Fort Lauderdale is a great example of that,” said Jaime Sturgis, founder and CEO of Fort Lauderdale-based Native Realty. “We’re working on several things that are off-market that I can’t publicize. They are a combination of approved projects as well as projects that will be delivered subject to site plan approval.”

On the south side of Broward Boulevard, several big-name developers are planning high-rises across the street from the Brightline station. In 2021, New York-based Kushner Companies, led by founder Charles Kushner, successfully proposed rezoning a trio of properties – 200, 300 and 520 Broward Blvd. – to allow a 48-story development there with as many as 1,300 residential units along with offices and retail space. Denver-based Alenco (the company redeveloping the old Searstown plaza at 901 N. Federal Hwy.) later joined Kushner as a partner in the mixed-use project.

“

“We’re still seeing a lot of demand to be close to a Brightline station. Fort Lauderdale is a great example of that.”

Even owners of lesser properties near the train station are optimistic about their potential. Consider a graffiti-covered, one-story commercial building at 430 Flagler Ave. The 0.6-acre property straddles the east side of the Florida East Coast railroad and is separated by an alley from a green, single-story commercial building on a 0.4-acre lot at 429 NW First Ave. Both properties have the same owner. “Ideally, a developer would connect the two,” said Michelle DiMarco, an agent of One Sotheby’s International Realty, which got the listings for both for-sale properties. “The owner had a lot of foresight into what that area would

become. So, that’s why he bought the two parcels kind of connected, because he thought, in the future, a developer would come and develop it into a condo ... You can build up to 30 stories in this area.”

But some apartment developers have put projects on pause because they cost too much, and banks resist financing them, according to a statewide general contractor. “That is the number-one factor we are seeing why [apartment

construction] starts are being delayed or they’re simply not moving forward at all,” said Michael Neal, CEO of West Palm Beach-based general contractor Kast Construction. “We’re probably the largest multifamily builder in the state of Florida. It has been our largest market. But with multifamily, there’s a lot of pinch points. Either it’s cost or revenue – and right now, rents are not necessarily keeping up with the increase in the costs.”

Thai Spice
Exotic Thai • Fresh Seafood • Prime Steaks

ZAGAT 2023
Top 10 Restaurants in South Florida

HAPPY HOUR!
Monday-Friday • 5pm-7pm
2 for 1 and 1/2 priced appetizers

Lunch weekdays, 11 a.m. to 3 p.m.
Dinner nightly, from 5 p.m.
Reservations recommended

1514 E. Commercial Blvd. • Fort Lauderdale
954.771.4535 • ThaiSpiceFla.com

Dining Lounge • Live Entertainment • Full Bar