

\$85M Downtown project unveiled

Development to include grocery, retail, 487 apartments

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Brisk demand for Downtown rental living will bring a new Marsh supermarket and a 487-unit apartment complex just one block from the Downtown Canal.

The \$85 million project, developed by Flaherty & Collins, is expected to bolster a Downtown that in the past year has withstood the departure of a Nordstrom department store but has seen the promise of the CityWay hotel-retail-apartment complex begin to take shape.

The new project will be built in a sea of parking lots north of One America Tower. At that site, Marsh plans a 40,000-square-foot, \$7.5 million grocery that will include extra space for produce, meats and a bakery. The design also includes a mezzanine-level food court.

Marsh will keep its current Downtown store at Vermont and Alabama streets, which ranks as one of the most successful stores in the 97-store chain, President Joe Kelley said.

The project will include an additional 15,000 square feet of space for smaller retailers and

restaurants and more than 600 parking spaces in two additional garages.

Jamie Richardson, a bartender at the nearby Bourbon Street Distillery restaurant, welcomed news of the new grocery and more Downtown retail.

"It'll be super-convenient," she said. "And it'll only make Downtown better. I think it's great."

To make up for the hundreds of parking spots OneAmerica will lose to the project, the city will build the insurer a 930-space parking garage paid with \$11 million in property tax money from Downtown's tax increment financing district.

Mayor Greg Ballard called the project, announced Tuesday in a heated tent pitched on the site, a win for the city. It will receive \$1.3 million in fresh property tax revenue from the project, he said, offsetting the city's investment over eight years.

Called Block 400, the project becomes the second new mixed-use development Downtown jump-started by city money. The other is CityWay, the \$150 million complex under construction at South and Delaware streets that received \$98 million in city bond financing.

Flaherty and Collins owns the Cosmopolitan apartments on the canal at Michigan Street and went through three years of work to put together the Block 400 project, President Jerry Collins said.

"We're just very bullish on Downtown Indianapolis," he said.

Across Downtown, apartments are virtually full, with vacancy rates running well under 10 percent.

The grocery will be integrated into 325 apartments that will be built on the block bordered by Michigan and Vermont streets and Senate and Capitol avenues. That section of the project, called The Axis @ Block 400, will open in summer 2013. OneAmerica is selling the ground to Flaherty & Collins.

An additional 162 apartments will be built on a triangular lot bordered by Indiana Avenue and Senate and Michigan. That portion, called The Point @ Block 400, won't open until 2015.

The apartments will be decidedly upscale, with monthly rents ranging from \$1,075 for studios to \$2,200 for two-bedroom units. Amenities will include a heated saltwater pool, fitness center and three courtyards.

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