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Cover Story

Not in my downtown: Living with the crane next door

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R esidents of downtown's Encore condo tower better soak up the sun while it lasts.

In two years, the Encore's seventh-floor pool deck will be overshadowed by a skyscraper more than four times that tall, housing the new corporate headquarters of Bridgestone Americas. Another tower, under construction on the other side of Encore, will eventually block riverfront views and already has disrupted the lives of some residents — with middle-of-the-night jackhammering rousting them out of bed.



NATHAN MORGAN | NASHVILLE BUSINESS JOURNAL

Nashville banned that kind of overnight construction as of last month. Those rules offer proof that, for the first time, downtown residents are starting to influence the way development happens in Music City. You can bet those downtown residents will demand developers' attention again.

Their ranks have swelled 60 percent in the past five years, with more than 8,300 residents projected by year's end. The influx revitalized the city's center, and it's far from over. More than 3,500 additional apartments and condos fill the pipeline, one reason why the Nashville Downtown Partnership projects downtown's population will expand by nearly 75 percent before the end of 2018.

Add it all up, and downtown residents have become a factor that urban developers and builders now must take into account. The new dynamic already has sparked the kind of friction that suburban developers have navigated for decades.

For now, there are no signs that the construction will curb how quickly downtown's population grows. But this is new territory for residents and builders alike.

Noisy neighbors

Take those noise concerns: Nashville never had noise rules for downtown construction, because the city didn't need them. It was only 20 years ago that the city began allowing residential development in most of downtown.

At the beginning of this year, a raft of complaints spurred Metro to restrict what construction companies can do between 8 p.m. and 6 a.m., similar to rules that cities from Seattle to Boston to Dallas adopted years ago.

"It means we're on the right track. Other cities have been dealing with this; Nashville is maturing," said Tony Giarratana, who developed the first apartment and condo buildings downtown. He also developed the Encore, as well as the 32-story apartment tower underway next door, named SoBro.

Giarratana was something less than thrilled one winter morning, when he awoke before dawn to 12 cellphone voicemails from Encore residents. The next morning, it was 14 voicemails, Giarratana said. He ordered his contractor to stop the overnight activity.

"I'm very sensitive to those concerns," he said. "But you can't build these buildings without noise."

Changing views

Christa Cruikshank was hearing those same complaints, as president of the Encore's homeowners association. She's lived in the Encore since it opened seven years ago. Change began arriving in 2011, when construction started on the Hyatt Place hotel. Its neon sign shines directly into Cruikshank's bedroom windows, she said.

"Even though my view was kind of crap, and I always knew it would change, I just didn't know it would change right across the alley," she said.

Cruikshank recognizes that all this development will deliver more retail, restaurants and entertainment within a quick

walk — exactly what she sought in 2008, when she moved from the suburbs.

But now she's pursuing a daylight study that will demonstrate to what extent the Bridgestone tower will block sunlight on the building's amenity deck, including that swimming pool. If it's bad enough, residents might have to spend money to heat the pool, even in the summer, she said.

"I'm very proud of the city. We've come a long way in the 25 years I've been here. But I don't want to [become] Atlanta," Cruikshank said. "To me, Atlanta is a bunch of one-way streets. It's a canyon, kind of like some big city on the East Coast."

Such concerns about tightly packed development lie at the heart of the conflicts facing a few Nashville developers in suburban areas.

For instance, the Green Hills Neighborhood Association is objecting to at least two mixed-use developments proposed in their affluent area. Notably, the group has sued Southern Land Co. over the company's \$125 million project that includes a 17-story apartment building.

Separately, in 12South, Bristol Development Group is trying to win the backing of Metro Planning Commission, and also a larger number of area residents, for a planned apartment building.

In both cases, the developers have downsized their plans. Bristol originally intended to build 220 apartments, but the figure now is 30 percent smaller. The height of Southern Land's building has changed a few times. Southern Land executives have said delays associated with the court case have totaled in the millions of dollars, stemming in part from the company's decision to halt work for five months as it awaited the outcome of a court hearing.

New restrictions

Downtown, the situation hasn't escalated that much just yet. Negotiations between residents and builders produced rules forbidding overnight blasting, jackhammering and hoe ramming (basically, a big jackhammer on wheels).

That's common-sense stuff, really. The final rules turned out much more lenient than previous proposals — preserving the ability of contractors to pour massive concrete loads overnight, which is crucial to avoiding the daytime heat and traffic nightmares. Developers and builders say they don't expect the new regulations to delay their projects very much or add that much to overhead costs.

The construction isn't going anywhere: Metro approved a record \$1.9 billion of building permits in its most recent fiscal year. According to a global survey by the real estate firm CBRE Inc., Nashville ranks among the 12 most desirable metro areas for investment.

It seems only a matter of time before issues between residents and builders surface again.

"All the construction slows some people down. More and more, I'm getting view questions," said Michelle Maldonado, a broker with The Lipman Group Sotheby's International Realty, who sells urban condos. "You can't hide from the cranes these days in Nashville. Ultimately, it bodes well if you can live through the noise and dust, because you're getting more of the things that are the reasons you moved downtown."

Grant Hammond, founder of Metropolitan Brokers, said the much larger threats to downtown's growth are surging land prices and escalating construction costs. Those two factors are conspiring to drive up the price tags for the finished product, he said.

"The temporary pain of rock-crushing for three months will be far outweighed by all the benefits," he said.

City living

It was only two decades ago when Metro dropped its ban on residential development in most of downtown. Here are highlights of the activity since then:

Cumberland

Opened: 1998

Units: 289 units, mostly apartments

Viridian

Opened: 2006

Units: 305 condos

Stahlman

Renovated: 2006

Units: 142 apartments

Encore

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Opened: 2008

Units: 333 condos

Icon

Opened: 2008

Units: 418 condos

Velocity

Opened: 2009

Units: 263 apartments

Terrazzo

Opened: 2009

Units: 117 condos

Eleven North

Opened: 2012

Units: 301 apartments

Pine Street Flats

Opened: 2012

Units: 296 apartments

Twelve | Twelve

Opened: 2014

Units: 286 condos

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