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## \$600M project for Gwinnett

Wayne Mason buys tract by Gwinnett Place

Atlanta Business Chronicle - June 16, 2006 by [Jill Lerner](#) Staff Writer

Land investor Wayne Mason is proposing a \$600 million mixed-use redevelopment adjacent to Gwinnett Place, metro Atlanta's eighth-largest shopping center. The project, whose working title is "Global Station," evokes Midtown's Atlantic Station with its vision of an office, retail and residential community.

Coupled with new zoning laws passed in December that allow 25-story high-rise residential towers, as well as other planned mixed-use developments in the area, the project could go a long way toward revitalizing the aging, underperforming commercial district.

"I think this is going to be the first, true major redevelopment in Gwinnett," said Mason, who is working with a group of investors to develop actual proposals for the project, which is in the "concept" phase.

Rezoning application pending

In addition to the Gwinnett project, Mason also has a rezoning application pending before the city of Atlanta for development of a portion of 80 acres he controls along the Beltline -- which is a 22-mile loop of former rail line that city planners hope to turn into parks, trails and transit.

"We're definitely workaholics, there's no doubt about that," the 66-year-old investor said.

Mason closed April 27 on the purchase of 38 acres at the Gwinnett site from the estate of mall developer Scott Hudgens. He paid \$20.5 million for the property, or roughly \$540,000 per acre.

Mason, who in the late 1990s put the land together for another large Gwinnett development -- nearby Discover Mills -- has an agreement to add another 4 acres in coming weeks, when he purchases additional land from The Kroger Co., bringing the total property to 42 acres.

The site is currently occupied by two largely empty shopping centers -- Gwinnett Prado and Gwinnett Station.

The property is bordered by Old Norcross Road, Satellite Boulevard and Pleasant Hill Road and was under contract to another developer this fall, but that deal fell through.

The number and mix of retail office and residential buildings have not been decided and the \$600 million price tag is based on the square footage of development that could fit on the land, according to Mason's team.

A rendering showing 10 towers is only "conceptual" and meant to show what the project could look like under one scenario.

Mason's team expects to submit a rezoning application by the end of the year and, at the earliest, developers could break ground in 2007.

The Gwinnett property would have to be rezoned for mixed-use.

The county has signaled support of such redevelopment projects in the Gwinnett Place mall area.

Redevelopment highly anticipated

At the end of 2004, a study of the mall area prepared for the Gwinnett Revitalization Task Force recommended "the redevelopment of underperforming retail sites into higher performing office and mixed-use centers."

The report singled out Gwinnett Prado as a "prime candidate" for redevelopment.

"I'm excited about [Mason's] project. I think it says a lot about the positives of the Gwinnett Place area," said Gwinnett County Commissioner Lorraine Green, whose district includes the Gwinnett Place area.

"I think it's going to bring back a lot of enthusiasm."

The buzz is already starting to return in anticipation of other planned developments in the area, said Andrew Ackerman, a retail investment specialist with real estate firm Marcus & Millichap, who focuses on Gwinnett.

"It's as red hot as it could be," Ackerman said of the retail market around Gwinnett Place.

He said the area boasts retail occupancy rates of more than 90 percent, despite what many consider an undesirable retail mix and despite the near-empty status of Gwinnett Prado and Gwinnett Station.

He said the buzz is also evident in land prices, which are increasing from about \$400,000 to \$600,000 per acre to \$600,000 to \$800,000 per acre.

Redevelopment sites such as Mason's -- because the buildings will have to be knocked down and the property will have to be rezoned for mixed-use -- can be purchased toward the lower end of the price spectrum.

The office market within a two-mile radius of the mall is softer, at about 78 percent occupancy, but has strong fundamentals, according to Jay Dowlen, an office broker with CB Richard Ellis.

The perception of traffic problems in the area has made it difficult to attract tenants but a strong infrastructure of secondary roads and a good housing mix are pluses, Dowlen said.

Mason's group is one of several planning projects in the area.

At least two other entities have expressed interest in building 25-story residential towers in the area, spurred in part by the county's December decision to allow 25-story residential high-rises within mixed-use developments, in certain areas of Gwinnett.

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