

KENNETH BROCK



GETTING STARTED: Rogers O'Brien construction team members on the Park Lane project, from left, are Ricky Speigel, superintendent; Gary Steele, senior project manager; Mark Reese, senior superintendent; and Preston McAfee, president and CEO.

Cranes flocking to Park Lane project

33-acre development among the nation's largest under way

BY BILL HETHCOCK | STAFF WRITER

The crane count will quadruple by year's end at the Park Lane mixed-use complex east of North Central Expressway as construction on the complicated project shifts to high gear.

Two tower cranes are at the 33-acre site now. Eight or nine will set up by December, said Eliot Barnett, managing partner of Dallas-based Harvest Partners, the project's master developer.

"It's going to be quite a scene," he said. "It's big and it's complicated."

When complete, Park Lane will have 3 million square feet, including more than 700,000 square feet of retail, restaurant and entertainment space, 340,000 square feet of office space, 325 multifamily units and a 230-room luxury hotel with 88 condominiums in two towers over the hotel. The \$650 million project across the expressway from NorthPark Center will cover five city blocks, making it one of the biggest mixed-use developments being built in the country this year.

Anchor tenants include a 90,000-square-foot Whole Foods Market, a 78,000-square-foot Sports Club/LA and the 230-room Valencia Hotel, plus about 50 smaller, upscale shops and restaurants such as a Nordstrom Rack and a Bailey's Prime steak house.

The project kicked off in January 2006 with the implosion of a 10-story office building to make way for site preparation, including grading and installation of utilities. Now that those less visible tasks are done, vertical construction is getting under way.

Contractor partnership

Two Dallas general contractors — the Beck Group and Rogers-O'Brien Construction Co. — have formed a joint venture called RO-Beck to build most of the retail, office, parking and some residential components.

Rogers O'Brien President and CEO Preston McAfee said this is the first time the two have worked together.

"We've been longtime friends and friendly competitors," he said. "The cultures of the companies are very aligned, which makes our people in the field very compatible."

Adam Van Daele, Rogers O'Brien vice president of business development, said the size and complexity of the project made it important to co-bid the project with Beck.

Gary Steele, senior project manager, said Beck and Rogers O'Brien teams are working together on each building rather than having Rogers-O'Brien work one building and Beck work another. "The idea is to build a little bit of competition between the teams and learn from each other," he said.

RO-Beck started construction June 1 on Block C of the project, which has 1 million square feet of retail, office, restaurants and structured parking and includes the Whole Foods space, Steele said. Shell construction cost on that block is \$46 million.

RO-Beck will begin construction on Block D/F in mid-July, Steele said. That block includes an 800,000-square-foot mix of retail and structured parking, with a shell construction cost of about \$30 million. Dick's Sporting Goods will be a tenant in that phase.

RO-Beck plans to start construction by November on the project's largest phase, Block E, which will include the Valencia Hotel, a condominium high-rise, the Sports Club/LA, parking garage and restaurants. No square footage has been set for the phase yet, but shell construction costs are pegged at about \$110 million.

A third construction company, Cadence McShane Corp., is building Block B, which includes 590,000 square feet of residential space in a 20-story high-rise, a 15-story mid-rise and a four-story loft. The high-rise will have 62 residences, the mid-rise will have 218 homes and an adjoining building will have 45 loft apartments. The first homes will be delivered by summer 2008. Cadence McShane was selected by Houston-based PM Realty Group, the B-block developer. The block also includes 45,000 square feet of retail space and a 505-space parking garage.

Retail occupancy will begin in fall 2008 and continue into spring 2009, Barnett said. The retail space is 73% preleased, he said. The office space under construction will be ready for occupancy in spring 2009, and leasing is just beginning for that space, he said.