

Waterfront Living: River rebirth draws residents downtown

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BY MARCIA DANNER – CRAIN'S DETROIT BUSINESS

DETROIT - A few years ago, there was no way Sergio Pujols, 29, a senior design engineer for Southfield-based Denso International America Inc., wanted to live in downtown Detroit.

He would attend the North American International Auto Show at Cobo Center and be disheartened by the urban decay and dismal surroundings he encountered en route. But now, he and his fiancée, Maria Rodriguez, 37, who just finished a two-year contract teaching biology and microbiology at Wayne State University, live practically next door to Joe Louis Arena and Cobo in a riverfront high-rise.

What changed his mind were signs that the area was beginning to turn around; he thought buying might be a good investment. In early 2006, he and Rodriguez made an offer on one of the smaller units in the 29-story condominium building at Riverfront Towers.

"Our one-bedroom condo is only 621 square feet," Pujols said, "but it's on the top floor, so the view is great. We plan to expand the space by buying an adjacent second unit and tearing down a wall."

The three-tower complex just beyond Joe Louis Arena at the west end of the downtown riverfront was built in phases in the 1980s and '90s and situated to give every apartment a water view. Tower 300 recently was renovated for conversion to condominiums.

"Living at Riverfront Towers is like being at a resort," Pujols said. "It's very relaxing to be around the water and marina. We have a pool, beach volleyball, a fitness center, even our own restaurant that has a buffet, live music and karaoke bar. The interior walkway to the Joe Louis People Mover station makes it easy to go to a Tiger game, the opera, restaurants or just about anywhere downtown."

Pujols keeps a car in the parking structure for his commute to Southfield and a motorcycle for cruising. "We take the Harley out to explore the city. On the way to Belle Isle, we might stop to see nice areas like Indian Village. We look for what's being remodeled, what's new and where the developers are putting their money."

According to Brienne Balliet, sales associate for Riverfront Towers, Pujols' and Rodriguez' unit "is the 'starter' model that enables first-time buyers to own a little piece of the water. Buyers can start small and then upgrade or add an adjoining unit," she said.

While large, combined luxury units run as high as \$500,000 to \$600,000 at Riverfront Towers, the recently renovated condominium tower also has one-bedroom units starting at \$135,000 and two-bedroom units ranging from \$215,000 to \$290,000. Rentals in the other two towers range from \$750 to \$2,800 a month.

Developers anticipate a more upscale market for the new residential properties that will transform the riverfront east of downtown.

"The new condominiums going up where cement company silos once stood will have larger square footages, more amenities and will be higher priced at \$275 to \$350 per square foot," said Jon Grabowski, president of Esquire Properties.

The Watermark, Detroit industrialist and former Detroit Pistons basketball player Dave Bing's project, and @water Lofts, the Belmar Development Group project by Dwight Belyue, will have million dollar-plus penthouses. Both developers expect to break ground later this year and are taking orders for units that will be ready for occupancy in 2009.

Also in the area: Chene East, a project by former NFL player Jerome Bettis and Pittsburgh developer C.J. Betters; the Globe Trading Co. condo project by Mark Wilcox; and the Detroit Elevator Co. renovation by the Detroitist Group are in the planning stages.

Wes Wyatt, 59, chairman and CEO of Cintron Beverage Group in Philadelphia, was among the first in line at The Watermark's presale event in May. He reserved a 2,800-square-foot space on the sixth floor facing the Ambassador Bridge that will cost upwards of \$800,000. He already has hired Roxane Whitter Thomas of Whitter Interiors in Detroit to design an open floor plan and create a contemporary-style, elegant and soothing atmosphere accented by the water.

Wyatt, who spent 30 years in the commercial construction business, co-founded the beverage company in 2006 that makes a line of energy drinks and flavored iced teas. He wants to make Detroit his base for marketing its products nationwide and in Latin America. He has a boat at the Jefferson Beach Marina in St. Clair Shores, but looks forward to docking it at his doorstep when he moves into The Watermark.

Wyatt expects a thriving residential community to evolve like the affluent Rittenhouse Square area of Philadelphia's Center City, where he and his wife currently live.

"It wasn't too long ago that I would see the abandoned silos when I stayed downtown at Renaissance Center. I wondered why Detroit's waterfront wasn't developed like other cities. Now I see progress. With the RiverWalk and developments like Dave Bing's Watermark, the whole area is going to be spectacular," he said.

The new residential and mixed-use developments for the riverfront between Renaissance Center and Stroh River Place will fill in the area that includes the RiverWalk pavilion at Rivard, the marina at Tri-Centennial State Park and Chene Park amphitheater. The new entries extend the redevelopment of Rivertown industrial and warehouse sites that started in the 1980s with the creation of River Place and Harbortown residential properties.

Further east, seekers of waterfront living have the "Gold Coast" to consider. This strip of apartment buildings on the waterfront off East Jefferson stretches from Belle Isle to the Berry subdivision where the Manoogian Mansion is located. It includes elegant residences of the early 20th century such as Detroit Towers and Indian Village Manor as well as modern high rises such as Shoreline East and The Jeffersonian.

Scott Allen, president of Fourmidable, the Farmington Hills-based management company for several Detroit riverfront properties, sees a wide demographic interested in urban waterfront living.

"At Harbortown, our gated high-rise resort community, we have a mix of singles and couples, young professionals, families and retirees. The Lofts at Rivertown tends to attract creatives and entrepreneurs, whereas Grayhaven Marina Village, which is almost all the way out to Grosse Pointe, appeals to upwardly mobile professionals who want to rent a town home with a boat slip in front or apartment with access to a private marina," Allen said.

At the 30-story-high Jeffersonian apartments east of Belle Isle, one of the main selling points for renters is the unobstructed view of the water from all of the balconies, said Beverly Silk, director of operations for the management company, Saperstein Associates.

"The residential mix here is diverse with young people in their first job, graduate and professional students, empty-nesters who have sold their Indian Village or Sherwood Forest homes, and retirees."

Grabowski, who specializes in marketing and sales for downtown Detroit and riverfront residential properties, sees young professionals who start out in Ann Arbor, Royal Oak and Troy, as well as empty-nesters and retirees from Birmingham, Grosse Pointe and out-of-state moving to Detroit.

"In fact, out-of-staters are the easiest people to convince to buy here, because most have had such great 'urban experiences' in other cities that they appreciate the amenities Detroit has to offer.

"There will always be demand for property close to the water," he said, citing perceived value in the serenity, enjoyment of views and opportunity for recreation. "Detroit is no exception. The newest trend here is the 'urban cottage' buyer - second-home owners who are selling their places 'Up North' and purchasing a condo in Detroit, typically moving their boat to one of our marinas in the city."

Grabowski thinks trends like this will grow as suburban buyers learn to appreciate Detroit's amenities - the most theater seats in the Midwest, professional sports teams, restaurants and nightlife - in their own neighborhood.

"It's just remarkable the beautiful piece of waterfront real estate we have," Grabowski said. "In the coming years, we'll see this underdeveloped land mass along the Detroit River become more densely populated. Once the residents are here, the retail development will follow."