

HALL OF FAME

The Atlanta Convention & Visitors Bureau honors its 2011 inductees, including Nancy Oswald. **HOSPITALITY QUARTERLY INDUSTRY FOCUS SECTION C**

ATLANTA BUSINESS CHRONICLE



Shaky stability

Metro housing market shows signs of equilibrium. **HOME QUARTERLY • INDUSTRY FOCUS • SECTION D**

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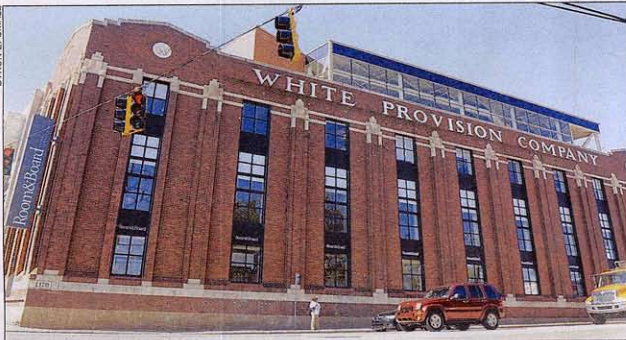
CLASSIFIED 11B



Hiring hurdles

Workforce unprepared for future jobs.

STRATEGIES • SECTION B



BYRON E. SMALL

West Midtown: The Westside Provisions District, at Howell Mill Road and 14th Street, is the site of a planned apartment and retail project.

New apartments for the west side

By Douglas Sams
STAFF WRITER

Developers are planning a 195-unit apartment building and shops along Howell Mill Road in West Midtown — the latest intown multifamily project to enter the development pipeline. **Westbridge Realty Partners LLC** filed for a special administrative permit from the city of Atlanta Oct. 19 for a more than 250,000-square-foot project at Howell Mill Road and 14th Street, next to the Room & Board and showroom building. It was a necessary step in the process to obtain a building permit.

The project, known as 691 14th Street, will likely be closer to 180,000 square feet, excluding the

parking deck, said Chris Faussemagne, a Westbridge founding partner. It could break ground next year.

The proposed apartment site is part of Westside Provisions District, a redeveloped industrial area within West Midtown stretching along Howell Mill toward Marietta Street and downtown. For the past decade, developers have turned the area into the Virginia-Highland of West Atlanta, drawing affluent intown residents from Buckhead and Midtown to some of the city's best-known restaurants, including Bacchanalia, and trendy clothing stores, such as Anthropologie.

Some 3,000 apartment units have been planned
➤ See **WEST SIDE, 28A**

Colony Square may be headed back to lender

By Douglas Sams
STAFF WRITER

Colony Square, one of Atlanta's most prominent developments for almost 40 years, is probably headed back to the lender.

New York-based **Tishman Speyer** is negotiating with CWCapital Asset Management LLC to restructure \$116 million in commercial mortgage backed securities (CMBS) debt that helped finance the acquisition of the two Colony Square office towers at Peachtree and 14th streets. Tishman Speyer bought the towers at the height of the commercial real estate boom in 2006.

Tishman faces big hurdles to restructure the loan, though, real estate observers say.

The company is trying to avoid default on the Colony Square loan and another \$65 million loan that financed the purchase of Midtown Plaza, according to Fitch Ratings.

Colony Square is, by far, the more well-known project — the first mixed-use development in the South in the 1970s, and a catalyst for the Midtown towers that

➤ See **COLONY SQUARE, 28A**

Road, rail fixes needed to smooth flow of freight

By Dave Williams
STAFF WRITER

Atlanta's status as the nation's fifth-largest freight center may be in jeopardy in the coming decades without stepped-up investment to unclog highway and rail bottlenecks across Georgia.

Although **Hartsfield-Jackson Atlanta International Airport** and the **Port of Savannah** are world-class freight hubs, both rely on interstate highway and rail systems that are stressed beyond capacity at choke points leading into and out of the metro region, according to a statewide study nearing completion.

"We want to make sure Georgia doesn't have bottlenecks that freight wants to get away from," said Todd Long, director of planning for the state **Department of Transportation**. "We don't want to be in that position."

The DOT has been working for two years to develop a statewide freight and logistics plan to identify the best projects for improving the flow of goods into and out of Georgia.

A Massachusetts-based consultant hired to conduct the study surveyed some of the biggest companies headquartered in Georgia, including **The Home Depot Inc.**,

➤ See **FREIGHT FLOW, 29A**



2011 top five in Philanthropy 400 in Georgia*

Organization	Contribution	Change
1 Task Force for Global Health	\$1,144,189,191	14.8%
2 American Cancer Society	\$903,200,000	0.6%
3 Habitat for Humanity International	\$744,000,000	11.5%
4 Boys & Girls Clubs of America	\$616,542,447	-1.3%
5 National Christian Foundation	\$608,416,000	61.5%

*See complete list on page 24A • Source: *The Chronicle of Philanthropy*

Atlanta makes statement with 5 groups in 'Philanthropy 400'

By Maria Saporta
CONTRIBUTING WRITER

Move over Fortune 500. The **Philanthropy 400** gives metro Atlanta and Georgia solid bragging rights as a leading center for the headquarters of the country's major nonprofit organizations.

The 2011 **Philanthropy 400** list, compiled by the **Chronicle of Philanthropy**, shows that five of the largest 20 nonprofits in the country are based in metro Atlanta. The only other metro area with the headquarters of five of the top 20 is the Greater Washington, D.C., area.

The list ranks the 400 charities that raised the most donations from private sources in 2010. The top three nonprofits in the country were: **United Way Worldwide**; the **Salvation Army** and the **Fidelity Charitable Gift Fund**.

Surprisingly, the highest ranking nonprofit in the state is the **Task Force for Global Health**, which

came in at No. 4 — the first time the nonprofit had made the list.

"To go from not being on the list to being No.4 is still stunning to us," said Mark Rosenberg, president and CEO of the Task Force for Global Health, which is based in Decatur. "It's not something we ever thought would happen."

The Task Force, founded in 1983, works collaboratively with other nonprofits and pharmaceutical companies to provide medicine and vaccines to treat, and possibly eliminate, diseases throughout the world, primarily in developing countries.

In all, the Task Force received \$1.14 billion in donations from the private sector in its last fiscal year — with 97.9 percent being the donation of products and services. The Task Force values those in-kind contributions conservatively, calculating the lowest wholesale price available for donated medicines. Last year, the Task Force

➤ See **PHILANTHROPY 400, 24A**

Many parts of old homes can be reused

By Doug DeLoach
CONTRIBUTING WRITER

The familiar adage "waste not, want not," lies at the heart of a homebuilding industry trend, which places an emphasis on reclaiming material, fixtures and other components utilized in residential construction, and applying those materials when renovating or remodeling a house or reconstructing on the same lot.

According to an article on ArchitectureWeek.com, nearly half of the energy consumed in the U.S. is attributable in some way to the construction, use, maintenance and disposal of houses. In 1996, the U.S. Environmental Protection Agency (EPA) estimated that 250,000 houses a year are torn down across the country, representing more than 1 billion board-feet of lumber or about 3 percent of America's annual softwood timber harvest.

Estimates vary, depending on the builder or developer doing the estimating, but somewhere around 60 percent to 80 percent of the materials in a house — from bricks, siding and electrical fixtures to concrete, roofing and window frames — can either be recycled, reclaimed or repurposed.

"It's definitely a growing trend in Atlanta, where you have areas that are gentrifying and you have a lot of old stock to work with," said Jim LaVallee, vice president of Epic Development, a construction and development company.

Epic Development handles both new construction and renovations with a focus on homes inside Interstate 285 and just outside the Perimeter on the northern arc of Atlanta. In 2010, Epic garnered five OBIE awards in recognition of various projects from the Atlanta Sales and Marketing Council of the Greater Atlanta Home Builders Association (GAHBA).

Recycling resources

- The National Association of Home Builders (www.nahb.org) provides contractors with Green Home Building Guidelines, which include instructions on reducing, reusing and recycling construction waste.
- Builders of Hope (www.buildersofhope.org/index.php) is a Raleigh, N.C.-based nonprofit that rehabs houses into environmentally conscious affordable housing.
- The National Demolition Association (www.demolitionassociation.com) actively promotes recycling and reuse of materials generated during a demolition.
- The Building Materials Reuse Association (www.buildingreuse.org) facilitates building deconstruction and the reuse and recycling of recovered building materials.

An unusual combination of factors is fueling the house recycling trend. The sluggish economy and persistently dismal market in the metro area are partly responsible. LaVallee also cited a generally higher state of awareness about the environmental impact caused by home destruction, which has led builders and developers to rethink their approach. Since 2009, redevelopment and renovation has accounted for "about 70 to 75 percent"



Historic homes: These two Victorian homes, located across the street from each other in what is now the Candler Park neighborhood, were both built in 1893. They were occupied by the original landowner's children before Candler Park even existed as a neighborhood. Heirloom Design Build renovated both homes using recycled materials and sustainable practices.

of the revenue at Epic Development.

"All of these layers offer us an opportunity to take assets that have been deeply discounted or that have gone into foreclosure and create a compelling reason to buy if you have the skill set to turn them around," LaVallee said.

Recycling houses is one aspect of a general movement within the industry, which is approaching the point where green building techniques and incorporating environmentally friendlier materials are considered standard operating procedure. The extent to which a house can be "recycled" depends on what a builder-developer is trying to achieve based on the homeowner's desired outcome.

"As far as adaptive reuse of the house, when we have a client who says they want to tear down a house and build a new one, the first thing we do is look at what's there and determine whether we can use the footprint," said Matt Hoots, CEO of SawHorse Inc.

"We ask questions, such as, 'Can we use the landscaping? How is the foundation dug into the hill? Is there part of the foundation that we can add to?'" Hoots said.

From an energy usage perspective, renovating is much greener than tearing a house down, reusing as many parts as possible, and building a new green house on top of it.

"We have the resources and the technology these days to take an existing house and bring it up to current energy code and also make it more energy efficient," Hoots said.

In renovating a house in Lake Clare, an intown neighborhood between Atlanta and Decatur, the SawHorse crew was able to utilize almost 75 percent of the existing siding by pulling off the original siding, insulating the house, and reinstalling the salvaged material.

"We preserved the look of the house while giving it a freshly renovated look and a new paint job," said Hoots.

For his son's school, Hoots constructed a playhouse out of decking material obtained from a client whose deck had collapsed. The playhouse was donated to a charity, which auctioned off the building for a tidy sum.

"Recycling can mean a lot of different things," Hoots said.

At Heirloom Design Build, CEO David F. Radlmann offered a definition of house recycling as "a way of bridging the gap between what the older house looks like and the type of house that a modern family would want to live in."

Especially during a major renovation, keeping track of materials, such as outside surface components (brick, stone, textural treatments) and preserving specific design

and interior features, such as a mantel-piece or staircase, are essential tasks. Successfully managing the process is the key to increasing the value of a house without altering its character and disrupting its compatibility within the neighborhood environs.

"It takes dedication to create and maintain different piles and then cleaning up the materials you've gathered," Radlmann said.

"One of the challenges comes when you make part of the house look new, it makes the rest of the house look really old; when things haven't aged the same way, it can look pretty awkward," he said.

The goal is to preserve the sense of the era in which the house was built while introducing functional and aesthetic components that make the house more comfortable and energy efficient.

"In some cases, when you get rid of some of the original materials, you end up depreciating the home," Radlmann said.

Heirloom Design Build recently renovated and restored a Candler Park home built in 1893 before the Asa Candler family bought the land, which was subsequently transformed into the landmark Atlanta park that has defined the neighborhood ever since.

"It was a labor of love to make the home more environmentally sustainable and at the same time retain its original architectural character," Radlmann said.



Radlmann
Heirloom
Design Build

Top Agent in the Company
Debbie Sonenshine



For over 25 years, Debbie Sonenshine has successfully helped buyers and sellers in metro Atlanta.

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Direct: 404.252.5311 • Office 404.252.4908

Debbie.Sonenshine@ColdwellBankerAtlanta.com • www.SonenshineTeam.com



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