

## Developer aims to restart condo project

By Peter Corbett

The Arizona Republic

A Dallas-based developer wants to revive a condominium project north of Scottsdale Fashion Square to build hundreds of high-end apartments.

JLB Partners is requesting city approval of its plan to build 369 apartments at what had been called Portales Place, a project that was to include 126 condos priced from \$800,000 to \$4.5 million.

Scottsdale-based Grace Communities

started excavation of the project in December 2005 but did not get far. The failed development left behind a dust bowl and a vacant 10-acre site at Goldwater Boulevard and Highland Avenue.

JLB Partners would build apartments of up to four stories and two-story carriage-house apartments with attached garages, said Kevin Ransil, JLB's Arizona regional partner.

"It's an eyesore for the city of Scottsdale in a prominent location," Ransil said of the site. "We can get that hole filled up

that's a reminder of a failed project."

Luxury-apartment projects have replaced condos as the housing choice of Scottsdale developers. The city has approved or is considering plans for 4,900 apartment units, including 700 units for Gray Development's Blue Sky project northeast of Camelback and Scottsdale roads.

The Portales apartments would give residents access to the same lifestyle

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## Condos

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amenities that downtown condo owners enjoy without having to invest a half-million dollars for a condo, Ransil said.

There is strong demand for apartments downtown since no Class A units have been built in the area in more than a decade, he said.

The apartment site is west of a pair of 65-foot-tall office buildings in the Portales Corporate Center and the 65-foot Optima Camelview condos.

JLB's carriage-house apartments would run along the northern and western edges of the property, adjacent to the Rancho Vista neighborhood to the west and Camelback Park Estates to the north. Both are single-family residential neighborhoods.

Access to the apartments would be on the northeastern edge of the property at Chaparral Road and on Goldwater Boulevard just north of Highland Avenue.

The four-story apartment buildings would include an underground parking garage.

The apartments would range in size from about 600 to 1,300 square feet, Ransil said.

It's too early to project the rental costs, but JLB expects that residents will have an average income of more than \$100,000.

With 500 residents expected to live in the apartments, that will bring a lot of purchasing power to downtown, Ransil said.

JLB has developed about 20,000 apartment units in Texas, Florida, Georgia, North Carolina, Nevada, Arizona, New England and suburban Washington, D.C.

That includes Block 1949, a student-housing apartment building with 225 units at 1949 W. University Drive in Tempe that was completed in 2010. JLB has since sold that complex.

ML Manager LLC, the successor of Mortgages Ltd., is the owner of the Portales site. JLB has the property under contract with a scheduled closing in mid-December, said Mark Winkelman, ML Manager chief operating officer.

He declined to disclose the price until the deal closes. A previous Portales deal in the spring that did not close had a sale price of \$14.6 million.

Zoning attorney John Berry, who is representing JLB, said the Portales apartment project is below the site's 65-foot height limit and includes more open space than previously planned.

JLB's site-plan amendment must be reviewed by the Scottsdale Development Review Board, Planning Commission and City Council.

The plans were submitted Nov. 3. No dates have been set for public hearings on the project.