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Carter, Cousins teams vie for Fort McPherson

Premium content from Atlanta Business Chronicle by Martin Sinderman, Contributing Writer

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Atlanta-based Carter and **Cousins Properties Inc.** each lead development teams contending to become master developer for the first phase of redevelopment of the 488-acre Fort McPherson, a former U.S. Army base located about midway between downtown and Hartsfield-Jackson Atlanta International Airport.

Plans call for Fort McPherson to become a mixed-use development of office, medical, research and hotel space, with nearly 1,800 homes.

"We think this location has some very compelling attributes, being in the city of Atlanta, and close to the airport and two MARTA stations," said Carter President [Scott Taylor](#). "It presents some very interesting opportunities for the local community, the city and the state — and we have some thoughts about it that we look forward to sharing."

Carter, a real estate development, investment and advisory firm, partnered with [H.J. Russell & Co.](#), a construction contractor, developer, development manager and property manager also based in Atlanta, on its response to the Request for Qualifications (RFQ) issued in November by the McPherson Implementing Local Redevelopment Authority (MILRA), the agency overseeing the base's redevelopment.

Cousins (NYSE: CUZ) is partnering with The Integral Group LLC, a multifaceted real estate firm, also based in Atlanta, whose development portfolio includes local infill projects such as Centennial Walk and Renaissance Walk; and Cleveland-based owner/manager/developer Forest City Enterprises Inc. (NYSE: FCEA and FCEB). This group was recently awarded a contract by the Georgia Department of Transportation to be master developer for the Multi-Modal Passenger Terminal (MMPT), a long-talked-about facility that will bring together various ground and rail transit services in a centralized location in downtown Atlanta.

In the early 2000s, Carter served as developer for **BellSouth Corp.** to implement the telecommunications giant's "metro plan," which consolidated more than 10,000 employees

from scattered metro-area offices into three locations along the MARTA rapid rail system. Its experience also includes serving as one of three master developers for The Bluffs, an 18-acre mixed-use development currently under construction on the Ohio River in Cincinnati. Meanwhile, Russell's flagship development project is The Legacy at Castleberry Hill, a \$13.2 million, multi-use complex in downtown Atlanta.

The MILRA board of directors met Jan. 17 to put together a selection committee to interview Cousins/Integral/Forest City and Carter/[H.J. Russell](#). These interviews are slated to take place Jan. 25. Based on the recommendation of the committee, the board will select a winner in February.

Then, according to MILRA Executive Director [Jack Sprott](#), "We will negotiate with them to enter into a master development agreement."

Fort McPherson, a 123-year-old facility, was closed by the U.S. Army last September under the Base Realignment and Closure Act (BRAC) of 2005. Shortly thereafter, the state of Georgia established MILRA.

Since then, MILRA has coordinated several planning studies regarding redevelopment of the property, the most recent being the 2010 "Fort McPherson Research Park Masterplan and District Conceptual Plan." Incorporating input from MILRA, its board of directors, community stakeholders and multiple consultants, the plan focuses on coming up with a redevelopment strategy "that would generate long-term growth and positive development for Fort McPherson and the surrounding community."

The plan calls for phased redevelopment featuring approximately 3.6 million square feet of office, medical, research, and hotel space; and 1,787 single and multifamily residential units.

The RFQ issued by MILRA in November seeks a master developer for the project's first phase, the redevelopment of a 104-acre "EDC Parcel." Plans for the parcel, to be conveyed by the Army through an eventual "economic development conveyance (EDC)," are for the development of the tract as a science and technology center, eventually becoming a hub for bioscience and technology activities in Georgia.

"We have a business plan and some numbers put together," but cost estimates for redevelopment of McPherson's EDC parcel await the input of the master developer, according to Sprott.

A variety of sources of public funding may be available for the project, according to the RFQ, with the master developer charged with securing these as well as additional funds.

Fort McPherson is located in one of Georgia's "opportunity zones," where redevelopment and revitalization efforts can qualify for a maximum state job tax credit of \$3,500 per job. Gov. [Nathan Deal](#) has recommended \$4 million be spent to retrofit the former Forces Command building, a component of the EDC project, as part of a \$700 million bond package.

MILRA cites 2010 estimates that within the first 10 years of redevelopment, 5,000 jobs will be created generating approximately \$12 million in annual state income tax revenues.