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## Major apartment project planned for downtown Norfolk tower

By Sarah Kleiner  
The Virginian-Pilot  
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Stephen M. Katz | The Virginian-Pilot

The Bank of America building in downtown Norfolk and the skybridge that connects it to a neighboring building on Tuesday, Dec. 15, 2015. The two buildings are at the center of a deal Buddy Gadamis is weeks away from closing.

what would be his biggest project to date downtown, Gadams plans to spend \$100 million turning one bui high-end apartments and the other into Class A office space.

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## NORFOLK

Temperature-controlled wine lockers, a glass climbing wall and a rooftop pool 308 feet above a bustling city on the water.

Such luxuries are commonplace among the chichi resorts of Miami, but a local developer wants to bring them to Norfolk.

Buddy Gadams, owner of Marathon Development, is weeks away from closing a deal to buy the 24-story Bank of America building and its smaller sister property at 1 and 2 Commercial Place, respectively, which occupies the block between Waterside Drive and Main Street.

Redeveloping the bank tower into 300 luxury apartments and the smaller building into high-end office space will cost more than \$100 million – Gadams' biggest project to date in downtown.

He has invested \$200 million in Norfolk residential projects in the past two years, most of which has gone into downtown. Between renovation projects at the Wainwright, the James and the Rockefeller buildings and the construction of the Metro on Granby, among others, Gadams has brought 720 apartments to market in downtown, and 212 more will be available next summer.

Each of the projects has its own style and character, but they have all contributed to an influx of apartments with high-end accoutrements.

Still, Gadams is aiming higher with the Bank of America building, a 350,000-square-foot structure he plans to call Icon at City Walk.

A restaurant on the ground floor will offer seating in the plaza outside the building, and it will provide room service to the estimated 500 tenants who will live in the tower, Gadams said.

The second floor, which has 25-foot ceilings, will have a spa with massage beds and tanning booths, an indoor pool, a 20-foot rock-climbing wall made of glass, a yoga room and fitness equipment. The bank's former vaults will be converted into a movie room and wine lockers.

The apartments above, many with views of the Elizabeth River, will be larger than the ones Gadams has been building downtown. He said his management offices frequently get calls from empty-nesters and retirees who want to downsize and move into the city, but most of the apartments he's been developing are smaller and more attractive to millennials.

Monthly rents will range from \$1,000 to \$2,500, he said.

An architecture firm based in New York City is designing a banquet hall on the 24th floor and a club with a pool and other amenities on the roof.

Perry Frazer, senior vice president of CB Richard Ellis, the firm that has handled leasing for the tower, said it was last at full capacity in the mid-2000s. Several tenants have moved to newer properties in downtown over the years, and only four companies remain.



The second building that Gadams plans to buy, on an 8-acre parcel, is vacant office space, Frazer said. It used to house a Bank of America call center, but the employees moved out earlier this year; some relocated to Chesapeake.

Gadams said the smaller building, which he plans to call Atlantic at City Walk, could house 2,000 corporate employees once it has been rebuilt.

“I think that downtown has made a tremendous comeback,” Frazer said. “The residential units that have been added to downtown over the last 24 to 36 months have helped transform downtown into a 24/7 city, and I think this project, when it occurs, will continue that trend.”

He said companies looking for office space consider downtown “a more attractive alternative.”

Gadams was named “Downtownner of the Year” in 2014 for building up a neighborhood in Norfolk’s central business district.

It was a significant honor for the developer, who once planned to build a \$180 million condominium tower from the ground up on Granby Street and Brambleton Avenue. It would have been the city’s tallest building, but plans fell through after the federal government expressed interest in taking the property.

The Bank of America building was one of the first high-rises in downtown, and its redevelopment will be one of the largest undertakings of its kind in the region.

“Like a lot of our projects kind of remade Granby Street, I think this project will remake Main Street,” Gadams said. “It’s a big enough chunk to where it’s going to turn it into more or less a 24/7 Main Street.”

Gadams expects to close on the property early next year. He said a confidentiality agreement prohibits him from discussing how much he plans to pay for the buildings.

The southern part of the parcel, which fronts Waterside Drive, is about 2.5 acres of green space. Gadams plans to turn it into a dog park, fitness park and possibly a playground.

The City Council voted Tuesday night to pay Gadams \$10 million for a parking garage he owns across from the buildings.

Mayor Paul Fraim said the purchase is a “strategic investment” that will be paid for by the people who park in downtown garages. It will help the city ensure there are enough spots for people visiting the Slover Library and, when they open up, Waterside District and the city’s new hotel and conference center.

Fraim said Gadams' project is a sign that developers continue to have confidence in downtown.

"It's certainly going to be a much more upscale residential apartment development than we've seen before," Fraim said. "The building is in real need of the sort of attention and expertise Buddy can bring to it."

Sarah Kleiner, 757-446-2318, sarah.kleiner@pilotonline.com, Follow @sarahkleiner9 on Twitter.

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## Sarah Kleiner

Sarah Kleiner covers real estate, financial services, economic development and sometimes beer. She joined The Pilot in 2012.

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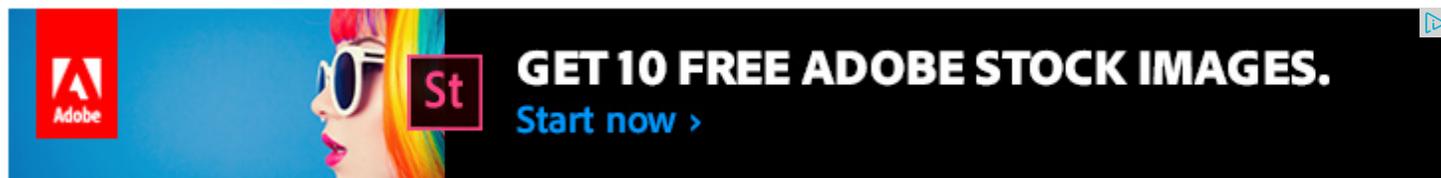
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