

**Mission Bay Home Run
Burst of Building to Add More Than 1,500 Units**



EXCLUSIVE REPORTS

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Mission Bay is getting taller.

Three residential towers are under construction now at San Francisco's newest neighborhood, with another four scheduled to break ground this summer and five others on the way. By 2007, they will add 785 more units available for purchase, and another 745 for rent -- a massive transformation for the once-barren railroad yard.

"This time next year and especially two years from now, it will really feel like the next new neighborhood of San Francisco," said Mike Ghielmetti, president of Signature Properties which has completed one condo project, is building another, and is closing escrow this month on a third parcel slated for condo development, all in Mission Bay. "From an urban-planning standpoint, it's a very walkable and livable community," he said. "It seems so simple, but it's actually pretty rare."

Fresh residential development is significant not only because it adds critical mass to the burgeoning neighborhood -- anchored with retail, including Safeway, Borders Books and Amici's Pizza -- but also because it adds to the city's anemic stock of new housing.

Projects now under way:

- Signature Properties is driving piles at 235 Berry St. This 99-unit condo development at Fourth and Berry streets will be similar to Signature's first Mission Bay neighboring development at 255 Berry St., albeit slightly smaller. The 235 Berry project is slated for completion in summer or fall of 2006.
- Mercy Housing's Mission Creek Senior Community is under construction now at Fourth and Berry streets and should be completed by December. The 140-unit complex will be rented to low-income seniors and house a new branch of the San Francisco library on the ground floor. Residents will begin moving in January 2006.
- AvalonBay Communities recently completed the pile work for its Avalon Bay II market-rate rental community at Fourth and King streets. The 313-unit complex, which will have a 16-story tower and a seven-story midrise component, is slated for completion in early 2007, with some units becoming available in late 2006. The complex will have an indoor basketball court, rock climbing wall and other amenities.

"The two communities will be operated together, so we wanted to try something different," said AvalonBay's Senior Vice President of Development Steve Wilson, confirming mass excavation will begin in two weeks.

Added AvalonBay Construction Manager Duane Carlson: "This project will be another crown jewel for us."

This summer even more work is slated.

Urban Housing Corp., a division of Marcus & Millichap Companies, expects to break ground July 1 on a 194-unit rental complex. The property, located at 355 Berry Street, will be as tall as six stories and is slated for completion May 2007.

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Opus West Corp. expects to break ground on a seven-story building this summer at 325 Berry St. The 110-unit condo development will be market rate and is slated for completion in 2006, with occupancy slated just before the new year.

Signature Properties will close escrow on a third parcel this month and plans to break ground there this summer. The 16-story tower will have 260 units and should be completed during the spring of 2007.

Said Signature's Ghielmetti: "Once we close, we like to move pretty quickly."

Fall construction will include two Redevelopment Agency sites on Berry Street -- developers will be selected this June -- and the 236-unit rental project by the Related Companies.

Bosa Development Corp., which owns seven parcels south of the channel, will break ground on its first complex, with 98 condos, this fall. It will break ground on a neighboring 319-unit condo complex in 2007, and then develop one parcel a year.

IntraCorp is also progressing with its plans. The Canada-based company recently acquired a parcel across the street from Opus West on the 300 block of Berry Street. The group plans to break ground on its 275 condo project -- divided into 17. 7 and 6 story towers, this February.

The final residential parcel -- located between Mission Rock and China Basin Street on Fourth Street -- was recently acquired up by the Fingers Companies.

The surprise bid by the Houston-based luxury home developers jolted others already developing at Mission Bay who also aggressively pursued the parcel.

"We really wanted it. It's urban, it's infill, it's entitled," said Dan Deibel, director of development for Urban Housing. "We love the area. The future of S.F. is shaping up right there."

With Fingers grabbing the last parcel, allocation of sites for private-sector residential development is now complete. The San Francisco Redevelopment Agency controls an additional nine parcels south of the channel, but can't proceed with plans to develop affordable housing until neighboring market-rate projects, like those by Bosa, receive building permits.

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