

CityPlace Planning 400 Apartments, New Eateries

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The Related Cos., the national real estate company behind downtown West Palm Beach's renaissance, will continue to invest money in the city by adding to its signature project, CityPlace, with more residences, shops and restaurants.

"When people ask the question: 'What in the world is Related, with everything we're doing all over the world, why do we continue to spend all this time to West Palm Beach?' Because we're committed to it," Himmel said in a recent interview. "We made a

commitment, and we know how important the work we do is to this community. You don't walk away from that."

The area near the intersection of Rosemary Avenue and Hibiscus Street in CityPlace was calm on Jan. 5, 2015. CityPlace developer.

Brimming with enthusiasm, Himmel said Related plans to expand CityPlace north by adding 450,000-square-feet of new store space and residences where the Publix supermarket is now.



In addition, some 400 apartments, 800 parking spaces and 50,000 square-feet of new retail space will be built on the existing site and vacant land just north of it, which also is owned by Related.

Negotiations to bring a top national retailer to the site already are underway. The apartment-retail-garage complex would likely rise eight stories above the retail store. CityPlace developer Related Cos. is planning a big addition to the popular shopping and entertainment area. Talks still are underway with Publix about the proposed move. Related wants to build Publix a 45,000-square-foot building on land Related owns across the street, on the east side of Rosemary Avenue.



Significantly, the north end development finally will link CityPlace with Clematis Street, the city's urban entertainment district that is expanding to the west with the All Aboard Florida train station, and numerous apartment projects planned around it.

Since CityPlace opened in 2000, the center has undergone many changes. It was designed as a large retail destination, with a number

of high-end stores. Then it focused on home furnishings during the real estate boom. It then switched heavily to entertainment and dining when the recession hit.

Now Related believes it has a right balance of shopping, dining and entertainment. The retail component at CityPlace always has been a challenge, with Himmel acknowledging that projects such as CityPlace are not able to compete with the one-stop-shopping offered by suburban malls.

But Himmel shrugged off the ups-and-downs. "The key to this whole business is you have to be nimble, you have to be forward-thinking and you have to be somewhat of a risk-taker. Not everything works," he said bluntly. Plus, Himmel believes the tide has turned against shopping centers and their reliable, if predictable, offerings of clothes and accessories.

"That's not how people live today," Himmel said. "They're looking for more specialized experiences, and to be honest, thank God our whole philosophy in this business is, we built our business around restaurants, entertainment and retail. Not just retail. Socializing ... that's what CityPlace has always offered and is going to continue to reinforce." But getting the retail right remains important.

Himmel said CityPlace now will focus on two major categories: home furnishings and younger, fashion-forward clothing retailers. The home furnishings category gets a big boost with Restoration Hard-

ware's decision to build its stand-alone gallery store in the Okeechobee Boulevard median, on land owned by Related.

Restoration Hardware will move from existing space at CityPlace, where it does more than \$1,000 per square feet in sales in 12,000-square-feet right now — the most successful large-store format in CityPlace, Himmel said.

Related is talking to several other home furnishings stores that want to be at CityPlace now that Restoration Hardware is building the three-story gallery, set to open in the fall of 2016. Himmel said CityPlace beat out Palm Beach Gardens for the Restoration Hardware gallery store, a concept being rolled out in major urban markets across the country.

Restoration Hardware was lured to West Palm Beach “by the appeal of what we’re doing here at CityPlace, the growth here in West Palm Beach, the (convention center) hotel being built across the street, and the commitment we’ve made as a company to continuing to build CityPlace.”

Related is building the convention center hotel across Okeechobee Boulevard from CityPlace. The hotel is expected to be open by Feb. 1.

When Restoration Hardware moves to the gallery store, another retailer will fill its space at CityPlace. Himmel did not divulge the name.

In addition to home furnishings, Himmel said Related also wants to enhance the center's retail offerings by having more “fashion-forward” clothing stores. For instance, H&M is doing very well at CityPlace, and Himmel hinted other top brand stores could be coming soon.

On the dining front, Related also is working to fill empty space with hot new restaurants. A deal to bring a national operator to the vacant Brewzzispace is expected to be finalized within the month.

In addition, talks are underway with two leading Palm Beach County restaurant companies vying to lease space in the now-shuttered Pampas Grille space along Okeechobee Boulevard, on the south side of CityPlace.

Why the heated interest? Himmel said the soon-to-open convention center hotel, and Restoration Hardware gallery store, have caught everyone's attention. “All of a sudden, people are looking, and saying, ‘This thing's coming to life.’ “