

Bellevue Center cleared for purchase, renovation

By Amy Griffith, agriffith@nashvillecitypaper.com



Metro Planning Commission gave the green light Thursday for a major redevelopment of Bellevue Center that will include razing most of the current structure and developing an open-air lifestyle center in its place. *Josh Anderson/File/The City Paper*

Now all they have to do is buy it, and build it.

Nashville's Metro Planning Commission on Thursday approved revisions to the plan for Bellevue Center Mall, meaning that developers have cleared the last major legal hurdle to razing most of the mall and building an open-air lifestyle center in its place.

Attorney James Weaver — who is representing both the buyer, Foursquare Development, and the seller, Oaktree Capital, in aspects of the deal — said parties involved expect the sale of the mall to close by the end of this year. Once the transaction is complete, Foursquare can begin construction.

“This is a significant hurdle, and one of the last remaining significant hurdles,” Weaver said after the MPC meeting.

Foursquare and Oaktree are both based in California. Weaver is a Nashville-based attorney with Waller Lansden Dortch & Davis.

The mall and its 103-acre site have been for sale with an asking price of about \$21 million. The redevelopment would mean an investment from Foursquare to the tune of at least \$100 million.

Before the deal can be complete, he said, Foursquare must flesh out the original plans submitted to the MPC, a costly project that can be undertaken now that Metro government has given its green light. Also, leases of certain existing retailers are still being negotiated, he said, and other legal matters associated with the deal must be resolved.

Foursquare will complete in the next two weeks an economic development study to submit to Metro's Industrial Development Board (IDB), which is the authority that could facilitate tax increment financing

(TIF) for a portion of the project.

TIF — as permitted by state law — allows developers to secure a loan for a portion of a project that can be repaid when the project is finished, using what would have been newly generated tax revenue the city would otherwise have collected. For TIF to contribute to Bellevue Center redevelopment financing, the IDB must designate the area an “economic development zone.”

Weaver said any secured TIF money would fund public amenities including the mall’s central community area, pedestrian access and premium streetlights.

“In the overall scheme of the project, it is a very, very small percentage,” Weaver said. “[But] it’s really important for the community.”

Thursday’s MPC approval is sufficient governmental clearance for construction to begin, once Foursquare has secured the property. Officials say Metro Council clearance won’t be needed, as plans for the proposed redevelopment are closely aligned with the use of the space already approved by the Council in the 1970s.

“Although the enclosed mall is to be demolished, the new development plan retains some pedestrian and public space amenities that characterized the original mall,” according to the MPC’s staff recommendations. “Since the uses and general characteristics of the shopping center are the same, staff recommends that this proposal be treated as a revision to the Preliminary PUD plan, not an amendment which would require Metro Council approval.”

The plans call for six new restaurants with a total of 27,526 square feet, 96,031 square feet of office uses, and about 1 million square feet of retail space. Most of the existing mall is slated for demolition, with the exception of the existing 146,000-square-foot Sears store, the Sears Service Center, and the existing 147,245-square-foot Macy’s store.

Keith Miles, a spokesperson for Foursquare, said no leasing deals can be inked until the property is sold. The largest structure identified in the redevelopment plans is a 184,000-square-foot retail building, which industry sources say indicates Foursquare is working to secure a contract with a “superstore” like Target or Wal-Mart. The second largest building, which is a little more than half that size, is big enough to accommodate what some speculators hope will be a Cabela’s store. The plans also include six “restaurant pads,” which Foursquare has confirmed are intended to be devoted primarily to “sit-down” establishments.

Conditions of the approval include stipulation that signage-related applications must be submitted in a separate proposal, and that adequate vehicular and water service access be installed for fire safety.

An appeal of the MPC’s decision must be submitted within 60 days of yesterday’s meeting.