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## **Developer unveils plans for retail, residential mix But Isaac Group's Pineapple Square faces obstacles**

By [Kevin McQuaid](#)

SARASOTA -- Isaac Group Holdings LLC unveiled long-awaited plans to reinvigorate the city's downtown core Tuesday with an estimated \$150 million mix of residences, high-end stores and parking.

The Ohio-based company's Pineapple Square would transform Sarasota's shopping district with as many as 40 high-end, mainly fashion-oriented, stores.

Isaac Group hopes 60 percent of its retail tenants will be national merchants.

The centerpiece of the project, bounded by State Street and Pineapple Avenue, is a planned 11-story structure that would contain two levels of shops, a 600-space public parking garage and five floors of condominiums on what is now a parking lot for First United Methodist Church.

Isaac also wants to build a pedestrian-only breezeway where customers could shop, dine and stroll, requiring the city to vacate a portion of State Street, from Lemon to Pineapple avenues.

"Our goal is to create a project downtown that is complementary to existing offerings and retailing," said John Simon, Isaac Group's chief executive.

Pineapple Square would be roughly equivalent in size to the Westfield Sarasota mall.

Another 10-story building -- planned for a city-owned, 137-space parking lot nearby on State Street -- would contain condos and private parking for residential owners.

Several other retail-dominated structures, rising two and three stories, would complete Pineapple Square, designs by Sarasota's Hoyt Architects and JPRA Architects, of Michigan show.

In all, 210 condos, town houses and lofts priced from roughly \$300,000 to more than \$1 million are planned on land Isaac Group has spent the past two years and millions of dollars acquiring. More than 1,000 parking spaces also are planned.

Isaac Group officials said their proposal would ensure parking for both customers and retailers downtown.

"This would enable the potential user coming downtown to have a destination in mind," Simon said.

"The key to retailing is convenient parking and a certainty of parking," added Simon, who retired last year after a 27-year career with mall developer The Taubman Cos.

In keeping with the city's downtown master plan, adopted in January 2001, Pineapple Square's designs include architectural elements such as screened parking and sidewalk arcades.

But the Isaac Group proposal faces considerable competition from retail projects proposed at the Sarasota Quay and elsewhere.

It also faces a number of potential stumbling blocks from City Hall.

Most notably, Isaac Group is asking that the city forgo a planned request to developers in August and award their company the rights to the city-owned State Street lot.

In exchange, Isaac Group would "swap" the land that is now the church parking lot. Under an agreement with First United, Isaac Group now has rights to the property for the next 80 years.

Isaac Group also is asking the city to contribute an estimated \$9 million to build municipal parking that would be included in Pineapple Square.

The vacating of a portion of State Street also could be a tough sell to city officials.

Simon said the breezeway would be the only one of its kind in the country connected to a downtown retail project.

The last major Sarasota street vacation occurred a decade ago, when the city closed a portion of Links Avenue, between the Silver Cricket restaurant and the Club Envy nightclub.

The city will conduct a financial analysis of the Isaac Group plan when it receives a formal proposal from the developer, said Karin Murphy, a city downtown redevelopment specialist in Sarasota's Planning and Redevelopment Department.

"We're going to want to do a thorough analysis to determine the public interest in adding parking in that location and contributing (tax increment financing) or other public funds," Murphy said.

The cost-benefit analysis probably could be completed within 60 days of the submission of Isaac Group's plans, she added.

"We have a lot of work to do with them."

Without the city's cooperation -- both financially and in regards to timing -- Isaac Group officials said they would have to "reassess everything."

Timing might prove to be even more important than the city money.

If the city doesn't back away from its August timetable for its State Street lot, for instance, Isaac Group may abandon the project or drastically alter it.

"If the city moves forward with its (request for proposals), then we're out of it," Simon said. "Their timing would be inconsistent with delivering major retail to downtown. The window will have opened and closed."

Isaac Group also will battle the clock.

Under its admittedly "very ambitious schedule," the company would begin construction a year from now, and complete Pineapple Square's first phase in time for the 2007/2008 tourist season.

To accommodate that timetable, Isaac intends to proceed without First United church. Parishioners there have postponed a vote on a roughly \$18 million Isaac Group offer for the aging church, at 104 S. Pineapple Ave.

Isaac Group also has yet to cement tenants or lease rates it intends to charge. Retail rental rates are expected to be in excess of \$40 per square foot.

"Downtown Sarasota is an event," said Charles "Butch" Isaac, the holding company's president. "For this

to be successful, this has to be an event, too."

Staff Writer Lauren Mayk contributed to this article.

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