

# High life on Allen Parkway

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## 33-story project set for former site of Gulf Publishing

By RALPH BIVINS  
Houston Chronicle

The Simmons Vedder & Co. development firm, undeterred by a conflict with preservationists and the upheaval in the nation's economy, has begun construction on a 33-story apartment tower along Allen Parkway.

The project, valued in excess of \$50 million, will be on the site of the Gulf Publishing Co. Building, which was constructed in 1928.

To make way for the new tower, Simmons Vedder flattened the Gulf Publishing structure, a Spanish and Mediterranean-influenced building with a red tile roof, a stucco exterior, and heavy ornamentation and pediments.

In its place, Simmons Vedder will erect a 252-unit apartment tower with a contemporary design of beige concrete and grayish glass. It was designed by two local architecture firms: Steinberg Collaborative along with Ambrose, McEnany and House Architects.

Ramona Davis, executive director of the Greater Houston Preservation Alliance, said the demolition of the Gulf Publishing building "was a major mistake."

Preservationists had encouraged Simmons Vedder to incorporate the old building into the apartment development on a 2.7-acre site, Davis said.

However, Rick Craig, an executive with the Austin real estate company, said saving the old building was too costly. Simmons Vedder paid about \$6 million to purchase the property about a year ago from Gulf Publishing.

After paying that much, the development firm had no choice but to tear down the old building and construct a high-rise tower, said Tom Simmons, a principal with the firm.

"You had to build a project of this scale to justify the land cost," Simmons said.

Simmons Vedder will make a nod to the history of the old building. An architectural frieze of concrete ornaments and spirals was taken off the Gulf Publishing building, and it will be reassembled and attached onto an exterior wall near the entry of the new apartment tower.

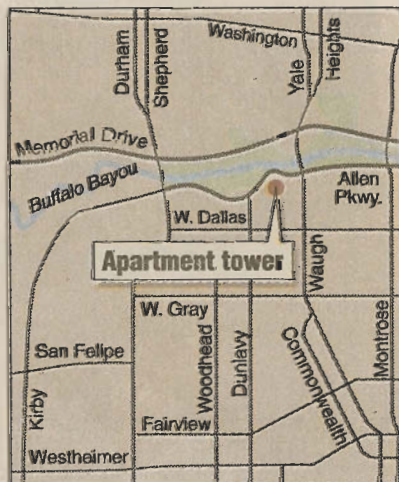
The project, called 3333 Allen Parkway, will be ready for its initial tenants to move in before the end of 2002, Craig said.

The smallest units will rent for about \$1,600 per month, but the typical unit will cost about \$3,000 monthly.

The project will be part of a trend



An artist's rendering shows the 33-story apartment tower being built on Allen Parkway where the Gulf Publishing Co. building stood. The contemporary building will have 252 apartment units.



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that has reflected a growing demand for living near the urban core. The Finger Co. is developing a 19-story apartment tower on Montrose Boulevard, and Hanover is building a 33-story apartment on Post Oak Boulevard near the Galleria.

In addition, a number of midrise apartment projects and condominiums are being constructed downtown and the Inner Loop area.

Simmons Vedder completed the financing on the project about two weeks ago in a complex deal arranged by Houston investment banker Tom Fish of L.J. Melody Co.

Corus Bank of Chicago is the lender. And the Peabody Group, an investment fund co-sponsored by the O'Connor Group and J.P. Morgan, will own a stake.

Simmons Vedder, which has been working on the project for 15 months, would not disclose the price, other than to say it is "in excess of \$50 million."

Simmons said the investors did not tremble after the terrorists attacks. The Houston economy's strength and the city's healthy apartment market encouraged them to proceed, despite the economic slowdown since Sept. 11.

The high occupancy rates in the

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## Tower

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Houston apartment market have made multifamily projects a favored sector for large, sophisticated realty investors this fall.

Inner Loop housing projects have done well for several reasons. Houston's traffic problems encourage people to move close in. Many people in the huge and aging baby boomer generation

as their children move away. Some are electing to move to high-rise towers to simplify their lifestyles.

The Simmons Vedder project will not be participating in the loft trend. It will have 10-foot ceilings, crown molding trim and some carpeted floors.

The lofts built in Houston recently have an "industrial-chic" look with unfinished ceilings and exposed air-conditioning ducts.

Simmons Vedder builds office buildings, apartments, warehouses and residential land devel-