



Grand Opening of Grandview Medical Center

Seven questions with Daniel Corp.'s Jim Adams

Alabama Center for Real Estate (ACRE)
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by Bryan Davis

BIRMINGHAM, Alabama – The ribbon has been cut on Grandview Medical Center, and the much-anticipated arrival of the state-of-the-art hospital is just days away, as Community Health Systems prepares to open the U.S. 280 hospital on Oct. 10.

Birmingham's Daniel Corp., a member of ACRE's Corporate Cabinet, has worked in partnership with CHS to develop, not only the hospital, but also a 200,000-square-foot medical office building adjacent to the main building.

Birmingham-based Brasfield & Gorrie, another ACRE Corporate Cabinet member, served as the general contractor for the campus.

The new traffic that will come to the 280 corridor stands to not only impact real estate and development immediately surrounding the hospital, but it could bring new commercial, residential and office developments to nearby communities as well.

We recently caught up with Daniel Senior Vice President of Acquisitions Jim Adams, who talked about the importance of this weekend's grand opening and the possibility of new developments like multifamily, retail and hospitality in the area.

What's the feeling like at Daniel Corp. and in that 280 corridor?

It's the culmination of seven years of hard work by a lot of people...It's been a long, long process. Finally we can say we are opening the doors of the hospital and we're opening the medical office building next to it. We think that's going to bring a lot of excitement and a lot of opportunity for businesses in and around this campus.

How has Grandview opened up the area for future development opportunities?

We think this campus, because of its location, lends itself to a variety of different product types, including multifamily or other office, certainly medical office, first and foremost, but perhaps other office, which is going to be market driven. Obviously with hospitality, we are still hoping we will be able to have that product type on campus. We think that is important to have as a sort of an amenity here and support for the hospital itself, for those families who have patients in the hospital on a long-term basis...We've talked to a lot of different groups, talked to a lot of different developers and hotel flags. We haven't put that deal together yet, but we're still working on it and hope to have something reasonably soon.

How has Daniel prepared the Grandview campus for future development?

All of the infrastructure you see going on, all of the work you see going on the campus is related to infrastructure. We had to widen Grandview Parkway as a part of tying into the work ALDOT is doing on Highway 280. We widened the main road coming in at the main intersection coming up the hill...We also needed to move some utilities, electrical, sewer, water and those kinds of things. Since we were going to be doing all of that work anyway, we decided it would probably be a good time to grade a lot of that hill that used to be there. We graded that down some to make those sites more developable for the time when we do indeed have something we are ready to build there.

How will future development projects be determined?

Obviously, first and foremost, we want to make sure we work hand-in-hand with Grandview Medical Center to make sure that they have whatever they might need in terms of expanding their medical campus, whatever that might be. We view that as a partnership. It's been great working with them so far, and we want to continue that into the future. We too would hope to have the opportunity to do some commercial on the campus here, including some small retail. Again, we haven't finalized our master plan on the campus yet because we want to make sure that whatever we do, first and foremost, is compatible with what we're talking to the hospital about and their future plans as far as medical office needs. That being said, there also may be an opportunity for multifamily here.

How does Daniel's work at Patchwork Farms in Vestavia tie into the Grandview development?

As far as the multifamily component, obviously we're like everyone else. We hope the increased employment over here on this campus, as a direct result of the hospital and the POB, that we'll have a number of people who want to locate over here in our apartments, and I think that's what the other developers are thinking as well. And I think they're right. I think we'll have a pretty good absorption. I think all of us will because it's in close proximity to the hospital. There may be an opportunity to do a small medical office building down there. We've had good success leasing the medical office building immediately adjacent to the hospital, with various specialty groups, either affiliated with the hospital itself or those with whom our company has dealt directly...We're right now officially at 62 percent leased. Those are leases that are in place, signed and either the tenants have actually moved in or will be moving in in the next month or so. Within the next six months, we anticipate that we're going to be over 80 percent leased and occupied.

Has Daniel been involved in talks surrounding 280 traffic and solutions to problems new traffic might bring?

We have been involved in the traffic discussions since the very beginning, and we've worked very closely with the city, the county, ALDOT in trying to develop solutions to mitigate any additional traffic that's going to be created because of this hospital, the POB and any future developments. We think we've done a pretty good job. I guess the proof's in the pudding, and we'll see, but our analysis has shown that the improvements ALDOT is making, in conjunction with the improvements we've made on this campus, we hope will serve to basically make this development traffic neutral. It might not be any better. We're not going to solve the problem of traffic out here, but hopefully it won't be any worse, and that's been our goal and objective from day one is to have the increase in traffic be neutralized by the improvements on the campus and that ALDOT's making on Highway 280.

What's your favorite project to date that has come from the Grandview development?

My particular favorite is the POB, because it's a 200,000-square-foot brand new medical office building. Just like the hospital, we feel like it's got some pretty neat components to it, in terms of being state-of-the-art. We might not have all of the latest and greatest equipment like the hospital does, but the equipment that we do have and that the hospital has put in the POB, it's equal to the same state-of-the-art equipment they have in the hospital. If you look around, not just the city of Birmingham but the Southeast, and compare what's on other hospital campuses, Atlanta, Nashville or wherever, this is a very nice medical office building.

ABOUT DANIEL CORPORATION

Founded in 1964, Daniel Corporation (www.danielcorp.com) is an innovative, full-service real estate organization engaged in development, investment and management of office, multifamily, master-planned residential, retail, urban mixed-use, hospitality, medical and senior living properties. Headquartered in Birmingham, Alabama, with a regional office in Atlanta, Georgia, the firm currently focuses on markets in the Southeast and Mid-Atlantic states. Daniel's broad range of real estate experience and fiduciary tradition enables the company to respond with the flexibility and timeliness demanded by the real estate industry.

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