



Related plans new office tower at CityPlace's north end

BUSINESS By [Alexandra Clough](#) - Palm Beach Post Staff Writer



Related Cos.' proposed new office tower for CityPlace. The 285,000-square foot tower, dubbed 360 Rosemary, is proposed for land across from Publix at 360 Rosemary Ave.

Posted: 10:25 a.m. Tuesday, March 27, 2018

WEST PALM BEACH — The Related Cos. plans to build an 18-story office building on the north end of CityPlace, a move that could boost efforts to link the West Palm Beach mixed-use center to the rest of downtown and further develop the city's core urban district.

360 Rosemary is slated to rise at the corner of Rosemary Avenue and Evernia Street, **the first in a series of steps** designed to expand and update CityPlace, a shopping, dining and residential center built by Related.

The 285,000-square-foot tower will be across from Publix. The supermarket was courted for the ground floor space, but a Related official said this week that Publix is staying put at CityPlace. The office tower instead will feature another retailer.

Related officials touted the modern tower's proximity to the new Brightline passenger train station. In keeping with the urban feel of the site, the lobby is being designed in an industrial style.

Targeted tenants include technology and creative start-ups as well as financial services firms, the company said. The tower will be heavy on amenities and will feature a fitness center, plus 10-foot-plus ceilings on every floor.

360 Rosemary, if built, would be the first new Class A office tower since 2008, when Related of New York and Crocker Partners of Boca Raton built the CityPlace Tower office building at 525 Okeechobee Blvd.

Brokers said the building could be appealing to potential tenants who like the amenities of CityPlace and want to be near the train. But the building's size, at nearly 300,000 square feet, is ambitious for a city that still is mostly a move-around market, with few large new tenants taking space.

"It's a big building for our market," said Neil Merin, chairman of NAI/Merin Hunter Codman in West Palm Beach.

Related tried to build another office tower next to CityPlace a few years ago, but it was unable to obtain enough tenants willing to pre-lease space in the project, dubbed Gateway Tower.

In 2014, Related pulled the Gateway Tower plan. The next year, it unveiled a different idea: The Restoration Hardware furniture gallery, which opened last year.

Merin said Related, at some point, will need to decide whether it's going to rely on pre-leasing to clinch a decision to build 360 Rosemary, "or if they're going to build it anyway."

A Related official said Monday he was enthusiastic about the tower's leasing prospects, which will be led by Jon Blunk of Tower Commercial Real Estate.

"We have had pre-leasing interest from a variety of companies representing a range of industries, both locally and out of state," said Gopal Rajegowda, Related senior vice president.

Rajegowda added that the company "is committed to building this office tower and are confident in the interest it will acquire."

A top Related official shared his upbeat outlook.

In December, Related Urban chief executive Ken Himmel told The Palm Beach Post that corporate tenants moving into the company's Hudson Yards project in New York have affiliate companies in the Southeast that are interested in 360 Rosemary.

Related's decision to build an office tower at CityPlace's north end puts in question a prior proposal to build a 25-story office tower along the city's waterfront, on land next to the First Church of Christ, Scientist, at Flagler Drive and Okeechobee Blvd.

That land is zoned for five stories. But Related pushed for the creation of a special business district that would have allowed the tower to be built. City commissioners voted against the district last year and the 25-story tower, at the moment, is dead.

Rajegowda said Related "right now" is focused on the CityPlace district, including the projects underway and an overall planned redo of the space. Himmel has talked about upgrading the AMC CityPlace 20 movie theater into a luxury cinema, adding more apartments and bringing in new retailers.

Rajegowda said 360 Rosemary is an important part of Related's vision for the future of the downtown, one that links all the elements of the city together.

He added that the tower will bring more jobs and full-time residents to the city, which is growing with new apartments and condominiums.

If approved by the city, construction on 360 Rosemary could start this year.

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