A home run of a deal; the inside story of Regions Field

Birmingham’s biggest development in decades began beside a swimming pool.

About five or six years back, Robert Simon, president of real estate firm Corporate Realty, was sitting poolside chatting with brother-in-law Richard Pizitz about an idea: Build a ballpark by the recently finished Railroad Park to bring the Birmingham Barons baseball team back downtown from Hoover.

Fast forward to today. After years of work, years of setbacks, years of waiting, Regions Field opened April 10 after a quick 16-month design-build. The project – Simon’s biggest to date at a whopping cost of $64 million – has pulled in new developments valued at millions more. The surrounding area, previously known for its ugly, dilapidated warehouses, is being reborn.

And it started by a pool, when Simon’s brother-in-law asked him if he wanted an introduction to Stan Logan, who bought the Barons in 2005 with father Don Logan and brother Jeff Logan.

Over breakfast at Vestavia Country Club, Don Logan, the owner of fishing media empire BASS LLC watched Simon eat his over-easy eggs, his crisp, dry bacon and his whole-wheat toast.

He’d heard it all before. The Barons needed to be in downtown Birmingham. Baseball thrives in city centers. Birmingham needs this. Your team needs this. Now is the time to act.

“We’d had people come to us almost since the time we bought the team,” Logan said.

And each time, he’d said “absolutely not.”

“We had too much to learn about the business of baseball,” he said.
But this time was different. Logan and his sons had settled into their roles at the Barons and were asking themselves where they wanted the team to be in 15 years.

“It was purely a business decision,” Logan said. “How do we get some energy back into baseball? ... It’s easier with a new stadium.”

The stars aligned. Simon got the OK to try and fit the pieces together for the ballpark.

“Mr. Logan, being the way he is, said, ‘You know, you think you can get it done, we’ll do it,’” Simon recalled.

Now, looking over Regions Field from the suite he shares with Schaeffer Eye Center owner Dr. Jack Schaeffer, Simon smiles. The ballpark is almost done – just a few minor additions left. Work on the planned Negro League Museum on 16th Street South should start in about three months, according to Mayor William Bell. The first game was sold out, all of the boxes are taken.

But that’s just the beginning.

The economic impact of the stadium will eventually top $3.8 billion, according to a 2009 feasibility study by Auburn University economics professor Keivan Deravi. That would mean an extra $100 million in tax revenue for Birmingham.

The study also predicts the development of some 800,000 square feet of office space, 800 housing units and 200,000 square feet of retail space.

“I think you’re going to see a transition in that area from warehouses to more upscale residential and office space,” Bell said.

Development around the ballpark hasn’t taken off, but it’s starting to.

Most recently, startup brewery Beer Engineers and an investor bought the building at 112 14th St. S., next to Good People Brewing Co., for $1.3 million from a group of investors organized by Southpace Properties Inc.

So far, two apartment complexes have been announced, the biggest of which is Inland American Communities’ 245-unit, $33 million complex at Third Avenue South and 16th Street.

The other is another Simon project, the $21 million, 237-unit Parkside Apartments in the 1700 block of First Avenue South. Simon, along with three investors, has owned that lot for more than eight years.

In addition to those projects, Alabama Power Co. is planning a to-be-announced development in the 1800 block of First Avenue South. It bought the property for $2.95 million, and another nearby for $600,000.

Also, Duffy’s Garage LLC bought a building at 1209 First Ave. S. for $280,000 and has relocated from the Pepper Place area.

Simon has a lot to smile about.

“As a father of two young children, they got to see me have the vision and work with people to get
it done,” Simon said. “I can’t think of a more gratifying experience as a businessman or as a father than seeing the first pitch here.”

But in 2009, the picture was more bleak. The project, which had slowly taken shape over the past couple of years, was dead in the water.

Former Mayor Larry Langford, a key member of the coalition to get the ballpark, was found guilty of 60 counts of bribery for accepting money, clothes and jewelry while serving as a Jefferson County commissioner in exchange for lucrative county business.

He got 15 years in federal prison in April 2010, the fifth former commissioner convicted of corruption charges related to the county’s sewer debt debacle.

That debt would lead the county to file for Chapter 9 bankruptcy protection Nov. 9, 2011 – the largest municipal bankruptcy in U.S. history.

Up until Langford was charged, the project had moved forward at a good clip. The city was on board and developers had settled on the Merita Bakery buildings across 14th Street South from Railroad Park as the project site. The big question was, who would pay for the feasibility study?

“We kept going back and forth, back and forth, on the city doing a feasibility study, and the project kept getting delayed, kept getting delayed,” Simon said.

Eventually, Corporate Realty decided to circumvent the political debate and ponied up the $65,000 needed for the study.

“Then, all of a sudden, the circumstances with Mayor Langford came up and overshadowed the process,” Simon said.

The team decided to temporarily table the ballpark proposal.

“These types of projects have to have very strong leadership,” he said.

The project got that leadership in January 2010, when William Bell won the city’s mayoral election.

Bell had emphasized the city’s need for an economic development leader during his election campaign. And one of his first stops after the election was Simon’s office on the top floor of a First Avenue North complex to find out what Corporate Realty was up to.

Corporate Realty had made its name in downtown redevelopment work, perhaps most notably with the $33 million, 255-unit apartment complex Cityville Block 121 at 2000 Second Ave. S.

The Birmingham Business Journal honored that project, which got more than $1 million in city incentives, in its 2009 Deals of the Year.

After meeting with Simon, Bell began lining up the financing, including the 3.5 percent lodging tax increase the City Council approved Oct. 19, 2010.

Meanwhile, the Logans broke the news to Hoover that the Barons were moving.

“It took us a long time to get comfortable with the plan,” Don Logan said. “It took a long time to
get comfortable with the funding.”

With Bell’s support, Simon brought on Brasfield & Gorrie LLC in September 2010 and began designing plans for the original site, the Merita Bakery properties.

Simon jokes that he’s having withdrawals because he’s not talking to his development team every day now that the project’s done.

The team – which included Brasfield & Gorrie Vice President and Division Manager Stephen Franklin and Robins & Morton Senior Vice President Robert Gambrell – worked constantly for months on the deal.

“From day one, this thing was going to be built on a very aggressive timeline,” Franklin said.

The project, like any major one involving a host of players, had its challenges. But one of the biggest challenges was the site.

Franklin said his company learned over the first few months that the Merita site wasn’t “ideal.”

The property was too small, he said. Plus, there were environmental, utility and acquisition issues. The timing was all wrong.

But, Mayor Bell said, everyone involved was convinced the project needed to be in the Railroad Park area, which “was going through a metamorphosis.”

That left seven other potential sites in the area, but the clear choice was the four-square-block area between First Avenue South and Third Avenue South and between 14th Street South and 16th Street South.

Much of the property there was owned by the University of Alabama at Birmingham, led by then-President Carol Garrison. Without UAB’s support, Bell said the site wouldn’t have worked.

“Both UAB and the city recognized the positive impact the project would have on the city,” Bell said.

With UAB on board, the acquisition process was simpler and the location – between Railroad Park and UAB – better, Franklin said. “You have the best of both worlds there.”

By August 2011, officials had secured 80 percent of the new site in the blocks through land swaps between the city and UAB and with cooperation from the area’s property owners. Those properties are now owned by the specially formed Public Athletic, Cultural and Entertainment facilities board.

With so many players involved – PACE, UAB, Birmingham, property owners, Alabama Power and Alagasco, among others – that the ballpark was built is close to a miracle, Robins & Morton’s Gambrell said.

“It wasn’t like a normal development because you had so many parties that had to come together,” he said. “There were a lot of fingers in that pie.”

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