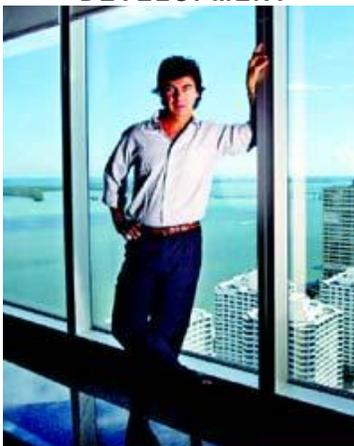


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BUSINESS

DEVELOPMENT

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BIG PLANS: Ugo Colombo is developing the old Dupont Plaza site at the mouth of the Miami River. Epic will have two towers: a 55-story one with condos and a hotel, and a 51-story condo.

EPIC ENDEAVOR ON THE RIVER

UGO COLOMBO IS READY TO START BUILDING EPIC, A TWIN-TOWER CONDO AND HOTEL

BY MATTHEW HAGGMAN

For those dreaming the city of Miami would pay millions to turn the open site of the former Dupont Plaza into an urban riverfront park, developer Ugo Colombo has an answer: "It's not going to happen."

Colombo now says he and business partner Diego Lowenstein are ready to begin construction in January on the first of two towers on the downtown parcel along the Miami River.

The development, called Epic, is to include a 55-story tower with 350 condominium units and a 450-room hotel. A second tower, 51 floors devoted to condos, is slated for construction in 2007, Colombo said. Ground-floor shops and restaurants are planned for both high-rises, which he expects will cost more than \$400 million to build.

The much-anticipated project along Biscayne Boulevard Way is considered a key piece in the transformation of downtown Miami's core from a seedy business district that shuts at dusk to a vibrant, 24-hour urban center.

But in recent months, some locals had hoped for something else.

Since Colombo knocked down the Dupont Plaza to make way for his new project -- revealing a three-acre swath of open, downtown land with views of the mouth of the Miami River, Brickell Key and Biscayne Bay -- some civic activists pushed city leaders to buy the land and make it into a park.

Some compared such a move to the Florida Department of Transportation's \$78-million purchase earlier this year of land near the under-construction Miami Performing Arts Center and Interstate 395. But Miami Mayor Manny Diaz and Miami Commissioner Johnny Winton dismissed the idea, citing a lack of funds.

DASHED HOPES

Such hopes -- while always a long shot -- now seem dashed. "We tried," said Skip Van Cel, publisher of the Biscayne Boulevard Times, who led an effort that included Miami Neighborhood Parks committee chairman Steven Hagen, historian Paul George, architecture critic and Herald columnist Beth Dunlop, and Greg Bush, a University of Miami professor and founder of the Urban Environment League.

The announcement by Colombo -- who is currently finishing a Coconut Grove high-rise called The Grovenor -- ends months of speculation about whether the project would include an office component or a W Hotel.

It turns out he's doing neither: There will be zero office space. And the hotel, rather than operate under a known brand, will try to establish a new name, Epic.

"We wanted our own identity, like the Hotel Danieli in Venice or the Delano on Miami Beach," explained Colombo, who is from Italy.

Lowenstein, CEO of Miami Beach-based Lionstone Development Group, couldn't be reached for comment.

Also, unlike many recent South Florida hotel ventures, Epic won't have a hotel-condo component, which involves selling individual units to buyers who can use them or make them available for hotel inventory.

"I've never believed in hotel condos," said Colombo, 44, whose previous projects include the Santa Maria condo towers on Brickell Avenue. "It's a great system for developers, but not a great system for buyers. And I don't want to fool buyers."

Colombo, who heads Miami-based CMC Group, also said he waited to begin selling units until he nailed down construction costs. Many developers

have run into trouble by selling units before calculating their building costs only later to discover construction would cost far more than originally expected.

NOVEMBER SALES

"We will start sales in November," Colombo said. He predicted that many of the record number of projects in the planning won't get out of the ground and that quality developments will find buyers regardless of how many units are for sale.

Colombo expressed confidence about lining up financing. "I am not concerned," he said.

Plans for the construction of Epic come as an unprecedented spate of building activity is underway in downtown Miami's urban core and along Brickell Avenue on the opposite side of the Miami River.

OTHER PLANS

Besides the Epic, new development inside the downtown area bordered by Southeast First Avenue, Southeast Second Street and the water is slated to include:

- The two-tower One Miami condominium located at the mouth of the Miami River. It is to include two waterfront restaurants and be completed this fall by the Related Group of Florida.

- Met One, a 40-story, 447-unit condo by Miami-based MDM Development, is under construction with completion targeted for 2007. By November 2007, MDM hopes to complete Met Square, which is slated to include a 13-screen movie theater, shops and restaurants. By late 2008, the same developer hopes to complete Met 3, a 75-story condo with a Whole Foods grocery store on its ground floor.

- Lastly, MDM hopes to build an office high-rise tower by 2009.