

MIAMI TODAY



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SOUTH FLORIDA'S MOST IMPORTANT AUDIENCE

While still in his early 20s, Italy native Ugo Colombo began his career in real estate in Miami managing the properties of absentee owners at the Imperial on Brickell Avenue. He went on to buy foreclosed units there and spearheaded a successful sellout of the property.

He added to his success by taking part in a joint venture on Villa Regina, a Brickell property, with Trammell Crow. Then, in 1992, the year Miami Today first featured him in its Profile series, he began constructing a series of high-end residential buildings, the first being Bristol Tower, an \$80 million, 147-unit property that was the first new luxury condominium tower in the Brickell corridor in 10 years.

Since then, Mr. Colombo, 43, has put his stamp of style and quality on a number of projects he has developed – among them the 54-story Santa Maria on Brickell, the tallest building south of New York when it was topped off; the \$400 million Porto Vita complex, a joint venture in Aventura with Don and Jeff Soffer of Turnberry Associates; and 4000 Ponce, a Mediterranean-style 750,000-square-foot mixed-use building that houses the Collection, an upmarket auto dealership he owns

Last year, he became a partner in Glasswall LLC, a Miami glass-and window-manufacturing company that produces impact-resistant window systems.

Mr. Colombo now is developing a twin-tower hotel and residential complex in downtown Miami's historic Dupont Plaza and Grovenor House, a 32-story,

THE NEWSMAKER



Ugo Colombo

President, CMC Group Inc.
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Age: 43

Born: Milan, Italy

Higher education: University of Miami (BBA)

Personal philosophy: "Hold true to your word."

\$68 million condominium tower on the site of the former Naval Reserve Center on South Bayshore Drive in Coconut Grove.

He was interviewed at his Brickell Avenue offices by Miami Today international editor Michael Hayes.

Q: One of your latest ventures is in Dupont Plaza?

A: I was looking for a project following Santa Maria in the downtown-Brickell corridor. I pride myself in trying to do the best project in the best location, and I saw the Dupont Plaza location as the intersection between Brickell Avenue, a very well-established residential area, and Biscayne Boulevard downtown at the mouth of the Miami River. I thought it was an exceptional location.

I've been struggling with myself to do something a little bit different, something that was not exactly just another building. So we partnered up with W Hotels, a division of Starwood, which is a major hotel chain. They own Sheraton, they own a number of luxury-type collections and No. 1 brands, the youngest brand being W. It's a younger, trendier, fresher look.

They are expanding at a substantial rate and right now worldwide. I was looking for that South Beach trendy look and bring it to the downtown area.

I've also partnered with the original landowners, the Lowenstein family, to develop the project. I can use their hotel expertise, and I have the condo expertise, so there is good synergy, a good match.

Developer Ugo Colombo strives to give his buyers...

Q: *You are looking to the younger people, those of your own generation?*

A: Yes, people like myself. I prefer that W look and lifestyle over some other names, and I think a lot of people in my age group are probably the same. It's a new world, it's targeted to a new generation. There are some properties in South Beach that have a little bit of that feeling. I think this accomplishes the same but with a major nationwide chain behind it.

Q: *The project is not only hotel?*

A: Exactly. There are two towers – one is going to be residential, to be called W Residences, and it's going to have amenities and services. The W philosophy is that you have a button on the phone that says W, and you can really call and get everything you want – within the boundaries of legality, of course.

Q: *One tower will be the hotel, the other will be residences?*

A: One tower is going to be all residences, the other is going to be a mix of hotel and residences. So there will be residences with additional services that you normally do not see in a regular residence.

Q: *How many units will there be altogether?*

A: There are 500 residences in the first tower. And the second tower, a combination of hotel and residences, will be of the same size, but we have not 100% decided what the ratio will be.

There are going to be two or three restaurants and retail.

Q: *Will parking be an integral part of it?*

A: Oh yes, there will be about 1,500 parking spaces.

Q: *Where does the project stand now?*

A: The old Dupont Plaza Hotel has been demolished and cleared. We have as we speak pulled the foundation of the old building out and are doing site preparations.

We are going to start to completely rebuild the seawall. We figured rather than trying to patch it up, we are just going to do a new seawall that is good



Ugo Colombo says he likes to work on only a couple of projects at a time.

for the next 50 years, and we will not have issues on that. Then we're going to start pre-sales in the spring and hopefully start construction around year-end.

Q: *What completion date are you looking at?*

A: About 24 to 26 months of construction from the end of the year. There is not a 100% schedule yet.

Q: *How much will the residences sell for?*

A: We're going to range from \$500,000 up. We will have some penthouses that are going to be in the millions.

Q: *Entry into and exit out of Dupont Plaza has been a major topic in the past. Does that figure in your plans?*

A: We've spent endless hours with the FDOT (Florida Department of Transportation). There will be a number of entrances, service entrances, garage entrances, but the main difference that you are going to see from the old building is that whereas the old building was a wall that was covering the whole side when you were driving along Biscayne, we are interrupting the property.

We're going to have an 80-foot plaza

in the middle of the property that is going to look over to the water, and then there is another opening at the other end. So you are going to have two buildings and an opening in the middle. Previously, the pedestal of the building was continuous along the whole side. It's going to be taller, but at eye level, it's not going to have that massive look.

We're trying to leave open spaces and create transparencies throughout the building to not have that mass of concrete that was there before.

Q: *Will it have your characteristic glass-fronted appearance?*

A: Yes, we are going to use substantial glass.

Q: *Who is the architect?*

A: Luis Ruvuelta. I have done every project with him.

Q: *Do you have permitting problems or construction issues?*

A: We don't have any problems. We've worked with the city, we've worked with FEMA (the Federal Emergency Management Agency), with all the agencies. There seem to be no problems, and we don't anticipate any.

Q: *What is FEMA's role in this?*

A: They revise the shorelines and

...something the likes of which they've never seen

map elevation points where the water level could potentially rise during hurricanes.

Q: There are plans to extend the river walk alongside your property?

A: Yes, the river walk is going to connect from the Dupont or W to Bayside. We are doing our piece, One Miami is doing another piece, and some parts will be done by the city. It's a joint effort.

Q: Will your project keep the Dupont name?

A: We have not decided 100% yet. We're trying to incorporate some elements of the old site, the Royal Palm Hotel and the Dupont, into the architecture and into some elements of the building. We saved some tiles from the old building when we demolished the building and are going to re-use some.

Q: Meanwhile, you are busy in Coconut Grove with your Grovenor House project. Where does that stand?

A: We're scheduled to top it off at the end of May and to complete it before year-end. It is actually sold out. It's already more than half built. By year-end we will deliver the units. That building has been a great success.

Q: To what do you ascribe that success?

A: I always try to deliver more than what people expect, so I really went one extra step in making the nicest kitchen I could find, the nicest bathroom, the nicest fixtures.

I went to Florence to hire a designer for the lobby, to deliver what people expected and more, not to disappoint the buyers by the time they had to close on their units. That has always been my philosophy. I think some buyers expect that from the product that I'm developing, and I'm trying to deliver that.

Q: Some residential developers, faced with higher-than-anticipated construction costs, have returned deposits and renegotiated sales contracts. Has that been the case with your projects?

A: My philosophy is that I do not want to become a huge company. I want to do two projects at a time,

handpick what I'm doing, projects that I'm happy to work with and am proud of. It's a relatively small company, and I have the benefit of building the projects myself. I have my own construction company.

So I have very good control of the construction process and the pricing. There's no BS, there's nobody trying to tell me I can do it for this and then it turns out to be something different. I know what it's going to cost before I get in.

I don't want to sound smart, but it doesn't surprise me what happens. In construction costs, there is no magic. You have some variation. Once you start construction, you lock in the prices. As long as you have reliable subcontractors, you should be able to complete within your budget. And the rest is a function of the market.

There is a lot of demand, a lot of construction going on in Miami. Prices went up, materials went up. If you are well in touch with what is going on in the construction industry, you know what to expect as far as construction costs. In Coconut Grove, we are so far exactly on budget.

Q: What are some of your earlier projects?

A: I started with the Imperial on Brickell Avenue, which I bought and resold.

Q: Your father had a penthouse at the Imperial?

A: Yes, and the FDIC back then took over the building, and I ended up buying it from them and reselling the units. That was really my first endeavor.

Q: You were still at school at that time?

A: At the time I bought the Imperial, I was done with school.

Q: Is your family involved in real estate development?

A: No. My family is in the chemicals business.

Q: You had no thought of going into that business yourself?

A: Actually, I did. I worked there for a couple of years, and then I went back to school – that's how I came to Miami. I started college when I was

22.

Q: You decided you wanted to try something else?

A: Yes. I figured that it was always good to go and get a college degree, and Miami sounded very attractive. My family had a place they owned that was being built, and they came here, bought an apartment, and I ended up coming here. They had a number of apartments actually – not just one. They had bought them as an investment back then. I was managing them when I was in school.

Q: What was the first thing you did when you graduated?

A: I started buying and selling units, and then this opportunity came with the Imperial, then the Villa Regina, and then I bought the land for my first construction business, the Bristol Tower.

Q: That has been the highlight of your career so far?

A: Bristol Tower was I think a very novel building when it was built. It was kind of historic, somewhat of a trend, a unique project. That's where I still live, as a matter of fact. My Santa Maria project was an evolution of Bristol Tower.

Then I got involved in South Beach and built the Casa Grande Hotel, and I had the Waldorf Tower Hotel for a little while. Then together with Santa Maria, we started with the Soffers the Porto Vita project in Aventura, which was close to a 10-year project. We closed on the last units just a few months ago.

Q: Are now you looking ahead beyond the Dupont Plaza and Grovenor House projects?

A: Yes, I'm looking at a couple of different projects – but just looking. I don't have anything concrete. I'm looking in this area. I like to be local for the time being.

Q: When you contemplate a project, what are the key elements for you?

A: Style, trends, innovation. I try to be in the forefront instead of trailing behind. Rather than say, "Oh, someone else did it and it worked. Let me do the same thing," I say, "Let me try to do something that has not been done before."

I'm looking at something that is different, at the same time is attractive. The architect or the interior designer has to create something that when people see it, they perceive it as something they are comfortable in and gets to their senses.

It's subjective. Some people like certain things, and other people like other things. My goal is to create something that people will look at and say, "I like it. It looks unique, and it's pleasant," and not say, "I like it. It looks just like that other one."

Q: How do you view the commercial market here currently?

A: I think that eventually the office market is going to come back in Miami. But it seems still to be too early.

Q: Even for condo offices, which seems to be the rage now?

A: I'm not fond of the idea of condo offices. I'm not convinced that that's a winning formula. I've not made up my mind yet on condo hotels, but regarding condo offices, I'm not sold on the idea. I don't think it's going to be a very widespread phenomenon. Big corporations are not going to look at condo offices – at least, that's my opinion.

Q: Among your community and professional activities is membership in the Association of Women in Construction?

A: Yes, we support that organization. Some people working for me asked to support them. But I'm not involved with that personally. There are other organizations that I'm involved with, including the Performing Arts Center, the Children's Home Society.

Q: Also the March of Dimes and the Society for Abused Children. How come that interest in children?

A: My favorite charities have always been regarding children. I like to support the Humane Society also. I just feel like children and animals are innocent bystanders, and I'd rather support that than other causes.

You can't support everything. I'm not saying that the other causes are not worthy ones. Medical research, too, to some extent could be falling under the same assumption, but I also feel there are a lot of other elements in play with medical research, so I picked those two.

Q: What is the Talmudic University, which you also support?

A: It's a Jewish university here in Miami.

Q: What is it that you derive from supporting these organizations and entities?

A: Knowing that you share some of your wealth and you have helped in a little way make some of the things better. I guess that's the philosophy behind charity.

Q: Friends and acquaintances describe you as a shy man. Would that be a fair description?

A: Yes. I don't like to take anything for granted. I don't think that because you have, you have to be pretentious or it gives you the right to be mean or arrogant. I don't like to abuse my position.

Q: How would you define your outlook on life in general and your work in particular?

A: First of all, there are two main types of people in the business world – people who live to work and people who work to live. I enjoy my work, but I don't live to work. Work is part of my life, and I do it not just for the money. I do it for the pleasure of it. I like to do something that I am proud of, something that I enjoy doing. That is why I like to do a couple of buildings at a time.

I like to be directly involved and not deceive people by the time I deliver what I promise. I hold to my promises, and I think that ultimately pays off because when you are shortsighted and being a smart ass, it backfires in the long run versus when you are honest, in the long run it pays you back. So my philosophy has always been to look far ahead and try to not to be shortsighted. I'm always very careful that if I say I am going to do something, I make sure that I do it. 🌴