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## 'Detroit is the new Detroit' — and real estate developers talk about why that's good

By [Daniel Duggan](#)

Tony Goldman, CEO of New York-based Goldman Properties Co., sees a world of potential in Detroit. But only those willing to overlook what they see and who are committed to the outcome will be able to realize the dream. Goldman is known for resuscitating high-profile areas such as South Beach and SoHo by turning dilapidated buildings into four-star hotels and art galleries.

Is Detroit the new Brooklyn?

"No," David Blaszkiewicz told a real estate conference Wednesday. "It's not the new Brooklyn at all. Detroit is the new Detroit."

Blaszkiewicz, president of **Invest Detroit** and CEO of the **Downtown Detroit Partnership**, was one of dozens of speakers who addressed Detroit as part of a two-day real estate conference titled "Detroit: Forged by Innovation."

It marks the 25th anniversary of the real estate forum, hosted by the **Urban Land Institute** and the **University of Michigan**. *Crain's* is a sponsor of the event.

"We're always comparing ourselves to other cities, but we are unique," Blaszkiewicz told a crowd of 440 people. "But I see this as a city that is coming into its own, and we're creating a framework now for a new Detroit."

The real estate forum is held in a different city in Michigan each year, putting a spotlight on how the city is developing and how it is perceived by people in the particular city and outside it.

Bringing an outside perspective to Detroit was Tony Goldman, CEO of New York City-based **Goldman Properties**. He made his name by redeveloping decayed buildings in the South Beach section of Miami and the SoHo neighborhood in New York.

Goldman told the local developers to "think big" and not be limited by goals that seem unattainable. He called for the city of Detroit to give away vacant homes to teachers, artists and police officers and for public parks such as the Dequindre Cut to be turned into "world-class public spaces."

Goldman was emotional when he talked about the Heidelberg Project in Detroit.

"To see something so beautiful, literally created from nothing, very much moved me," he said.

With the wealth of historic buildings in Detroit, he said, the city needs to create the environment that will excite people and make them want to live, work and invest in the city.

"Detroit can be like Berlin and be a new frontier for artists and creative people to live," he said.

In other cities, Goldman has jumped in by purchasing as many as 20 buildings at a time. Asked whether he'll make such a move in Detroit, he didn't say yes — but didn't say no, either.

"When you're smitten, you're a mark," he said. "There's a lot of opportunity here and a lot that interests me."

The real estate team working with **Quicken Loans Inc.** founder Dan Gilbert gave a presentation on the group's acquisitions in the city this year.

The **Madison Theatre Building**, **Chase Tower**, **First National Building** and **Dime Building** comprise roughly 1.7 million square feet and are paired with 3,500 parking space now controlled by the group.

"Apparently, Dan heard there was a skyscraper sale going on in Detroit, so he picked up a few of them," joked Matt Cullen, COO of Gilbert's Detroit-based **Rock Ventures LLC**.

Cullen likened Detroit to a stock — one that's undervalued.

"He had a chance to buy when it was undervalued," Cullen said. "And he thinks he can affect the outcome, driving up the value of the stock."

Jim Ketai, managing partner of **Bedrock Management LLC**, the real estate entity co-founded by Ketai and Gilbert, said the downtown real estate is part of a recruiting strategy as well.

"The average age at Quicken is 28 years old," he said. "Those are the folks who want to live in an urban environment. And what we're creating here, right now, is a setting that they want to be in, and they don't have to go to Chicago or New York."

Ketai was one of the winners of the **Real Estate Excellence Awards**, presented by *Crain's Detroit Business* and the *Grand Rapids Business Journal*. He was honored for his role in acquiring buildings and building out the spaces.

Also honored was Paul Glantz, founder and chairman of Emagine Entertainment. He won Development of the Year for **Emagine Royal Oak**, a \$20 million entertainment complex in Royal Oak.

Sue Mosey, president of **Midtown Detroit Inc.**, won the overall Real Estate Excellence award for her 24-year career in working behind the scenes to develop Detroit's Midtown neighborhood.

"With 95 percent of the residential space in Midtown occupied right now, residential development is our priority," she said. "With that level of occupancy, there is no question about demand in the rental market."

Tom Wackerman, chairman of the Real Estate Forum, said it was interesting to compare the comments about Detroit during this year's 25th annual event to those from the last time the forum was in Detroit.

"At that time, five years ago, we were talking about a lot of concepts and a lot of things that might happen," said Wackerman, also president of Brighton-based **ASTI Environmental**.

"What's great is that right now, we're seeing it; the things that were just talk are happening, and everyone should be proud of the progress we've seen."