

Belk Hudson Lofts aims to bring affordable housing to downtown Huntsville

Published: Friday, April 15, 2011, 6:37 AM
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HUNTSVILLE, Alabama -- Huntsville's elusive quest for affordable downtown housing may have finally been answered.

On Thursday night, the City Council approved a development deal with a local couple who plans to convert the vacant Belk Hudson building on Washington Street into 75 loft apartments.

Charlie Sealy III and his wife, Sasha, aim to break ground on the \$11.5 million Belk Hudson Lofts in July. It's the largest residential construction project downtown in well over a decade -- and the first that young professionals can realistically afford.

Most of the one- and two-bedroom lofts will rent for \$850-\$1,350 a month. "We're trying to make this accessible," Charlie Sealy said.

The only current non-government housing downtown -- the swanky 301 East and Terry-Hutchens Building condos -- starts at about \$300,000.

"The one complaint we've always gotten is the affordability factor," Mayor Tommy Battle told The Times' editorial board Thursday. Rent prices on Sealy's project "fall within what we've been looking for."

Sealy approached city leaders several months ago with the idea of redeveloping the historic Belk Hudson building, a smaller office building next door and the former Olde Towne Brewing Co. site on Holmes Avenue.

Built in 1923, the old Belk Hudson building at the corner of Washington Street and Holmes Avenue has been vacant for about two years. The brewery was destroyed in a 2007 fire.

Sealy, whose family owns and manages about 8,000 apartment units across the Southeast including Highland Pointe and Emerald Ridge in west Huntsville, said he had a tough time figuring out how to build urban lofts in a way that made financial sense. Huntsville's cooperation tipped the scales.

The city will pay Sealy's development company, BH Huntsville, \$450,000 over five years to purchase a permanent "facade easement" on the Belk Hudson building.

The easement -- a common development tool in larger cities -- prohibits Sealy from tearing down the 88-year-old brick facade and gives the city control over the exterior look of the apartments.

While the outside walls will stay, the interior will be gutted. The basement and much of the ground floor will become private parking for apartment tenants, Sealy said.

Meanwhile, the lofts will rise six stories above Washington Street and Holmes Avenue, dramatically altering a corner that's been deserted since Sentinel Environmental Services moved out two years ago.

Sealy estimates the apartment building will have 100-150 residents when it opens in mid-2012.

"We really want the downtown to be vibrant and fun," said Sealy, 32, who lives nearby on Eustis Avenue. "It just takes one little step, and I hope this will be that step and spark a trend."

More people downtown is a surefire draw for new restaurants, bars, music clubs, boutique stores and more. Battle pointed out the Belk Hudson Lofts will be just a few steps from J.F. Drake State Technical College's busy downtown campus in the old Times Building.

"This will really help make it a live, work and play downtown," said Mary Jane Caylor, executive director of the Big Spring Partners downtown redevelopment agency.

Sealy said he expects the city to quickly recoup its investment in his apartment project. Sales taxes on construction materials alone should generate at least \$150,000, he said.

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