

## Boca office developer focuses on small businesses

By **ALEXANDRA CLOUGH**

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Sometimes it pays to find a niche, and then stick with it.

That's the philosophy of Jamie Danburg, a real estate developer with a growing empire of office complexes in and around the coveted Congress Avenue corridor in Boca Raton, near the Arvida Park of Commerce.

Danburg remembers all too well how he got burned during the last recession of the late 1980s, when the economic downturn created big office vacancies in his Broward County properties. Since then, Danburg has focused on constructing office buildings consisting of modest spaces that can serve the small businesses and entrepreneurs who make up the bulk of the South Florida economy. Danburg's buildings consist of offices ranging from only 356 square feet up to 4,000 square feet.

Given the cyclical nature of the region, Danburg noted that even large corporate tenants seem to cycle in and out of town on a fairly rapid basis. In Boca Raton alone, W.R. Grace, Tyco and WorldCom have left, downsized and imploded, respectively.

With his emphasis on small business users, Danburg says his projects boast a vacancy rate much lower than most office buildings, which in some cases are as high as 25 percent or more. Thus, Danburg's 46,000-square foot Peninsula Corporate Center is 97 percent filled, while The Preserve complex, at 77,000 square feet, is about 90 percent occupied, he said.

Companies can start out in a small space and move up to a larger space. Or, as Danburg is seeing in this current recession, companies can downsize from other offices by taking smaller spaces in his projects. "During the last 12 months, we've seen tenants coming from 5,000 to 10,000 square feet of space now needing 2,000 square feet," Danburg said. Think mortgage and real estate brokerages, as well as lawyers leaving firms.

Looking ahead, Danburg sees more need for this office product. So next year, he'll start work on a 230,000-square-foot office and retail complex on the corner of Congress Avenue and Clint Moore Road. The 15-acre property will feature more smallish spaces for tenants, as well as retailers such as a coffee shop, a restaurant and two banks. The \$60 million project is expected to be completed by 2013.

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Two groups hoping to build the Palm Beach County Convention Center hotel could find out this week if they will get a shot at the long-awaited project.

The companies, Rose Development of Michigan and FRI Investors of West Palm Beach, submitted paperwork to Palm Beach County to build the hotel, which is considered crucial to the success of the convention center in West Palm Beach. (The two other groups that remain in contention to build the hotel are teams led by Related Cos. of New York and Acquest Realty Advisors of Michigan.)

In September, Rose and FRI learned they were disqualified by county staffers who deemed their paperwork was in error. Rose and FRI immediately filed protests to get back in the running. Their protests were presented this month before attorney Robert Rosillo, a special master for the county. The special master's decision could be out as soon as today.

Neil Schiller, an attorney for Rose Development, said the special master could decide to either rule for the county or rule against the county and allow one or both groups back in contention.

There is also a chance the special master could order the county to throw out the entire application process and

start anew. Schiller says this is a possibility, given the fact that the county allowed contenders to make changes to their submittals midstream.

"You can't make it up as you go along," Schiller said.

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A nasty legal battle between the homegrown TV production studio Five Star Entertainment and its partner has ended quietly.

In September, Boca Raton-based Five Star Productions and its founder, Scott Woolley, sued 02 Media of Pompano Beach, as well as 02 principals Gerald Czarnecki and Mark Alfieri. In 2008, the companies created a joint venture dubbed BrandStar Entertainment to expand the reach of Five Star's signature show, *The Balancing Act*, which airs on the Lifetime cable TV station.

But in his lawsuit, Woolley alleges that 02 and BrandStar subsequently stripped the Five Star studio of equipment and personnel, plus never paid Woolley money he claims he was owed. Woolley's Palm Beach County Circuit Court lawsuit alleged fraud, breach of contract and conversion.

Now the two sides say they've suddenly resolved their differences and have settled the litigation. Maybe it's the upcoming holiday season. Maybe money changed hands. Or maybe both sides just decided to sit down and talk.

Alas, we'll never know because both sides are keeping mum. "I can confirm the case has been amicably settled," said Ken Lipman, Woolley's attorney. Lipman didn't elaborate. In a November letter to Alfieri and Czarnecki, Woolley also struck a conciliatory note and attributed the dispute to "misunderstandings and differences of interpretation. ... I am gratified that we collectively resolved these issues."

Czarnecki confirmed the dispute has been settled and noted that 02 Media now owns 100 percent of BrandStar, with Woolley no longer a partner in the venture.

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