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Urban Flats restaurant is now open at the Icon. PHOTOS BY SHELLEY MAYS / THE TENNESSEAN

# Gulch businesses remain cautious

### Urban Flats, Mai open as others close up shop

By Nancy DeVille THE TENNESSEAN

The Gulch has seen a mix of businesses coming and going in recent months, as some merchants ride the wave of the recession while others are forced to call it quits.

But despite recent closings in The Gulch, Henry Hillenmeyer doesn't believe it's a bad omen for Urban Flats Flatbread Co., which recently opened at 12th Avenue South and Division.

"It does bring concern when you see people close in the same neck of the woods," said Hillenmeyer, local restaurateur. "But we're concentrating on what we can do well, provide good food and great service. Our food is pretty healthy, and our concept will really appeal to the crowd in

The Gulch."

Urban Flats is the first of several new businesses scheduled to open in the 22-story Icon project. The Orlando-based eatery is known for offering a healthier alternative to pizza with its whole-wheat gourmet flatbread. An extensive wine selection is another draw.

"Casual dining is having difficulty because they all look alike with the same kind of menu. We will see a continuation of closures as long as the economy is the way it is, but I think we are postured good."

#### 400 apply for 65 jobs

Since its soft opening last month, Hillenmeyer said business has steadily increased.

A sign of the area's soaring unemployment rates was evident Hillenmeyer said, as over 400 applicants flocked to the restaurant aiming to fill 65 spots.

"You can see it's a tough time in the business, but one way that



Customers at Urban Flats restaurant eat lunch. The restaurant has an urban interior design and features gourmet flatbread pizzas baked in the stone-hearth oven.

it worked for us was in the hiring of our staff," he said.

Raj Srivastava, co-owner of the lounge Mai, says opening an

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Urban Flats' curved bar features several flat-screen TVs. The restaurant recently opened at the Icon in the Gulch and features gourmet flatbread pizzas baked in the stone-hearth oven. PHOTOS BY SHELLEY MAYS / THE TENNESSEAN

## Watermark's clientele grows

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entertainment venue was a better fit, especially during these tough financial times. The bar took over the space

formerly occupied by Lot 7.

"We feel entertainment is not that much affected by the recession," he said.

"When people go out, it's more expensive to pay for a meal than it is for cocktails. That's why they are much more affected than we are."

#### Watermark stays steady

Since Jerry Brown launched his restaurant in The Gulch a little over three years ago, he's watched the area undergo a transformation. When Watermark opened, there was no sign of high-rise condominium towers or even streetlights and paved sidewalks.



Urban Flats restaurant operations manager John Sotero cooks flatbread pizzas in the stone-hearth oven.

While Radius 10 and Agave Tequila Lounge recently shut down, nearby Watermark has built up a steady clientele, which Brown believes is allowing it to weather the economic decline.

"Like everyone in industry, we felt a downturn in the fourth quarter, but February has started off well," he said. "We are doing things to remain competitive and meet and exceed customer expectations."

And as some businesses move out, Brown's confident about the continued success of the area.

"We may be seeing a slowdown in the development process, but that hasn't in any way limited The Gulch," he said.

"It's just taking a bit more time to absorb all the space, but they are definitely on track. They're done a good job to create a lifestyle portion of The Gulch, and I think only better days are ahead."

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