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Fallon eyeing high-end hotel on Fan Pier

BY SCOTT VAN VOORHIS

Will a grand new luxury hotel provide the spark needed to get Boston's long-stalled Fan Pier waterfront building plan into construction?

Just a few years ago, that question would have been absurd.

New hotels looked to be an endangered species in Boston.

The double shock of 9/11 and a nasty recession was enough to send bankers fleeing the room anytime a would-be-hotel developer came knocking.

But with the economy finally perking up again, new hotels are once again a hot property in Boston, with an array of glossy new high-rise properties taking shape.

And veteran Hub developer Joseph Fallon, one of the city's best-connected and well-respected builders, is clearing taking notice.

Fallon bought Fan Pier, that prime but long vacant parking lot on South Boston's emerging waterfront, last year for \$115 million.

With the land, he also got permits and plans for a \$1.2 billion harborside neighborhood that would fill in the gap between the new federal courthouse and Anthony's Pier 4.

Now Fallon has begun focusing some extra attention on plans for a centerpiece hotel, one that would likely include luxury condos.

Ironically, Fan Pier's previous owners, Chicago's billionaire Pritzker family, owners of the Hyatt empire, had scaled back hotel plans in the teeth of an unfriendly market.

Fallon has had some initial discussions with luxury hotel operators, though no deal is in the offing yet.

Meanwhile, getting the project into construction may take somewhat longer than what Fallon first predicted.

The developer talked of a 2006 groundbreaking when he first bought Fan Pier last year.

It now looks like 2007 is more realistic.

Having hired one of Boston's top commercial real estate firms, it's been no secret that Fallon has been hunting for a big corporate tenant.

But salvation can come in many forms, including in the skin of a sleek new hotel and condo high-rise.

"It's an extremely desirable location that five-star luxury operators are expressing some keen interest in," said Steve Pellegrino, a spokesman for Fallon.