

Associated Press



D.C. Warehouse to Be Redeveloped

Associated Press 12.17.07, 5:40 PM ET

Popular Videos

- [Wondrous Wish-List Gadgets](#)
- [Will Smith Is Legend](#)
- [Hollywood's Recyclables](#)
- [A Rough Season For Retailers](#)
- [America Gets Smart!](#)

Most Popular Stories

- [Best Cities For Savings](#)
- [America's Top School Districts](#)
- [Party Like a Billionaire](#)
- [Cell Phones of the Stars](#)
- [Forbes 15 Richest Fictional Characters](#)

WASHINGTON - A historic warehouse that belonged to department store chain Hecht Co. has been bought by a developer who plans to incorporate the art deco building into a new retail hub.

Patriot Equities, of Wayne, Pa., said it plans to preserve the six-story building off New York Avenue in northeast Washington as it knocks down a sprawling one-story warehouse next door to make way for a shopping center anchored by big-box retailers.

The company plans to renovate the 1937 Hecht's building to use it for additional retail or light manufacturing or storage, said Erik E. Kolar, president and chief executive of Patriot Equities. He did not disclose the terms of the deal.

"That property is a historic property, and we will retain its original facade," he said. "It was very pioneering in its original design."

The warehouse closed in 2006 after the former owner of the Hecht's chain, May Department Stores Co., was purchased by Federated Department Stores Inc.

The city has been pushing for retail in the area. New York Avenue is one of the main entrances to the city for Maryland commuters but has long been underdeveloped.

Kolar said he was in discussions with several national retail chains but did not name them.

"For economic development it means jobs, services and a tax base that the city will be able to capture," said Keith J. Sellars, senior vice president for real estate development and retail for the nonprofit Washington D.C. Economic Partnership. "Whether it is a **Target** (nyse: [TGT](#) - news - people), a **Best Buy** (nyse: [BBY](#) - news - people), a **Costco** (nasdaq: [COST](#) - news - people), or any one of those other big boxes, people won't have to leave the city."

The project could complement a \$1.1 billion plan by D.C. developer Jim Abdo to bring thousands of residential units and retail shops to the high-traffic area.

Although Hecht's built the structure as a warehouse, the retailer deliberately gave the building some art deco flair because it hoped to one day convert it into a department store, said Richard Striner, a history professor at Washington College and co-author of the book "Washington Deco."

The building was added to the National Register of Historic Places in 1994.

Meanwhile, D.C. officials announced Monday that they had closed on a deal for an \$850 million mixed-used development on the site of the former Washington Convention Center.

Mayor Adrian M. Fenty said the project would be D.C.'s "downtown retail anchor."

Developers Hines and Archstone-Smith expect to break ground at the 10-acre site by January 2009. The project is to include 250,000 square feet of retail and more than 670 residential units, including 134 affordable ones. There will also be office space, parks and entertainment areas.

The city is to receive more than \$200 million in consideration for the land as part of a long-term lease. If the project exceeds financial expectations, D.C. will receive 25 percent of the excess profit.

The development will strive to meet environmental standards set by the U.S. Green Building Council, officials said.

Copyright 2007 Associated Press. All rights reserved. This material may not be published broadcast, rewritten, or redistributed

Your Rating 

Overall Rating 

Reader Comments

Post A Comment

More On This Topic

Companies: [TGT](#) | [BBY](#) | [COST](#)

E-Mail Newsletters: [Sign Up Now To Stay Informed On A Range Of Topics](#)

Attaché: [Customize Forbes.com Now To Track This Author And Industry](#)

Article Controls

[E-Mail](#) | [E-Mail Newsletters](#)

 [del.icio.us](#) |  [Digg It!](#) |  [My Yahoo!](#) |  [Share](#) |  [RSS](#)

Related Sections

[Home](#) > [News & Analysis](#)

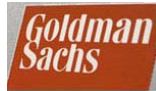
Today On Forbes.com

Goldman Shines

Liz Moyer

Subprime what? Profits for the year are expected to be 17% higher than last year's \$9.5 billion.

- [Video: Goldman On Deck](#)
- [Video: Week Ahead: Goldman Sachs](#)
- [Bonus Time](#)



[McClatchy's Fall From Grace](#)



[Adventurer: 'ROID Rage](#)



[Bulls And Bears, Fair And Balanced](#)



[Chinese Housing Prices On The Rise](#)

[News Headlines](#) | [More From Forbes.com](#) | [Special Reports](#)

[Subscriptions](#) >

[Subscribe To Newsletters](#) [Subscriber Customer Service](#)