

Washington Business Journal - May 21, 2007

<http://washington.bizjournals.com/washington/stories/2007/05/21/story5.html>

WASHINGTON BUSINESS JOURNAL

Business Pulse Survey: [How are the Redskins looking this year?](#)

Economic development

Parking plan puts O St. Market team in good spot

Washington Business Journal - May 18, 2007

by [Erin Killian](#)

Staff Reporter

Nearly six years after Roadside Development LLC took over the two city blocks where the 126-year-old crumbling red walls of the original O Street Market stand, the D.C. company has completed plans for a \$260 million mixed-use project.

The plans call for a Giant Food, a 180-room hotel, 300 condominiums, 300 apartments, including senior affordable housing and 7,500 square feet of locally owned retail. The project also has what Shaw residents have been asking for: 700 parking spots, most underground.

Roadside "made it clear they'd like to extend the parking opportunity to church-goers on Sundays, so little by little they got most of the major stakeholders on board," said Alexander Padro, executive director of Shaw Main Streets Inc., a nonprofit community association.

Stakeholders include convention center operators, 12 churches within a four-block radius of the market and longtime residents who fear development will drive up rents.

While Roadside has not received all approvals to build, it did get initial approval in March from the review board of the D.C. Historic Preservation Office to incorporate the grocery store into the historic facade.

The company goes to the board again May 24 to get the go-ahead for the density of the project and the materials for the exterior. By May 25, Roadside would like to submit its planned unit development to the city.

As soon as that happens, the company has to go in front of a mayor's agent, most likely this summer, for approval to take down and rebuild the west wall of the structure. Roadside expects to



Joanne S. Lawton

O's Go Time: It's been a long road for O Street Market, but a recent plan has the support of neighbors — good news for Roadside Development's Armond Spikell, left, Susan Linsky, Todd Weiss and Richard Lake.

[View Larger](#)

break ground next fall and finish by the end of 2011.

The project has taken so long because Roadside's original \$100 million mixed-use plan was stalled in the historic preservation office for two years. Once the original plan finally passed, a 2003 winter storm dumped 22 inches of snow on O Street Market's roof, causing it to collapse. Roadside had to excavate the site to remove the roof's remains.

Last fall, the D.C. Office of Planning noticed bricks falling from the facade and brought Roadside before the city's condemnation board. Under pressure from D.C., Roadside and Quincy, Mass.-based Stop & Shop Supermarket Co., which manages the real estate for Giant Food LLC, created an engineering plan to stabilize the walls.

In the latest plan, Roadside will reopen Eighth Street NW, which separates the project's two blocks and has been closed for more than 30 years. It also will move the 65,000-square-foot Giant Food, which is twice the size of the old one, from the west block to the east block and incorporate it into the original historic facade.

"A grocery store is a little like a Swiss watch, everything has to be in the right place," said Armond Spikell, a Roadside Development principal. "The whole idea is to make it efficient."

Roadside will look for service businesses, such as hardware stores or dry cleaners, to go into 7,500 square feet along O Street NW.

It wants to open a Starbucks Coffee in the 40-foot tower on the corner of Seventh and O streets that won't connect to the grocery store.

Roadside expects to construct a hotel with luxury suites on the west block.

Two apartment buildings are planned above the grocery store with 200 market-priced rents and 100 senior affordable rooms. The senior affordable housing will allow residents 55 and older with tax vouchers under Section 8 housing to move in.

Aside from getting approvals, Roadside is still looking for financing help, including contributions from the city. Spikell said the company will apply for at least \$40 million in tax increment financing from the city.

"This will be an economic engine for the entire corridor," he said.

E-MAIL: EKILLIAN@BIZJOURNALS.COM PHONE: 703/258-0833

[Contact the Editor](#) [Need Assistance?](#) [More Latest News](#) →

Entrepreneur Case Studies

[From Beginners to Bigshots](#)

- [How to write a business plan](#)
- [SBA loan program details](#)

Sponsored
by

- [Profile: Tech startup uses SBA loan](#)

- [Profile: Restaurateurs tap most-popular loan](#)



All contents of this site © American City Business Journals Inc. All rights reserved.