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Could the end be near for Alexandria's former Victory Center? A new plan opens that door.

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Alexandria's former Victory Center is proposed for new development.

Bethesda developer Stonebridge applied Friday to turn Alexandria's former Victory Center and its surrounding sea of parking into multifamily and townhouses.

The project would mark the end of a yearslong attempt to get a tenant for the 11-story tower at 5001 Eisenhower Ave. The vacant office building accounts for roughly 18% of Alexandria's total office vacancy, Colliers previously reported.

That's not to say that Stonebridge isn't still trying to fill it. In an interview, Principal Doug Firstenberg said the company would still like to land a federal tenant there. "This building is perfectly suited for the federal government," he said. "That part of Alexandria has never had robust private sector demand."

But he's equal parts realistic, given that the big federal requests for lease proposals that Stonebridge had expected when it bought the site haven't materialized, he said. So the company had to come up with an alternative, resulting in this redevelopment proposal.

The early drawings submitted by Stonebridge would see the office building torn down and replaced with a seven-story, 400-unit multifamily building atop a parking garage. The existing structure "does not lend itself to a conversion," Firstenberg said.

What remains of the existing surface parking would be developed with 134 townhomes.

If this newly filed Plan B comes to fruition, Stonebridge would likely develop the multifamily building itself, but sell the townhouse portion of the site to a homebuilder, Firstenberg said.

The current building has a long history. Previous owner PGIM Real Estate, formerly Prudential Real Estate Investors, completed a \$60 million overhaul of the 600,000-plus-square-foot building in 2009, with the goal of luring a new federal tenant after the Army Materiel Command relocated. PGIM would then lose out on two big federal leases — for the Transportation Security Administration in 2015 and the Drug Enforcement Administration in 2018 — before moving to sell the property.

A Stonebridge affiliate bought the 16-acre property — the office building and parking lots — in 2019 for \$43 million. It sold the

parking lot on the eastern third of the property, totaling about 6 acres, to California-based Hearthstone Inc. last year for \$23.5 million. That portion has already been approved for more than 130 townhomes.

Stonebridge is no stranger to the Eisenhower Avenue corridor. It is putting the finishing touches now on another megaproject, the Wegmans-anchored Carlyle Crossing by the Eisenhower Avenue Metro station.



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