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Joint venture to begin construction next year on \$350M Hoffman Town Center project

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A joint venture between StonebridgeCarras and Chicago-based Creek Lane Capital announced Wednesday it has purchased 5 acres in Alexandria for its Hoffman Town Center project, allowing the companies to move forward on construction on the 1 million-square-foot mixed-use development anchored by a Wegmans grocery store in early 2019.

Doug Firstenberg, a principal with Bethesda's StonebridgeCarras, declined to disclose the price that the joint venture paid for blocks 4 and 5 from the Hoffman family. But he said the companies have been under contract to buy the properties, which will encompass the northern-most point of retail activity for the project, for about two years. He said an undisclosed institutional investor client advised by MetLife Investment Management is helping to buy the land and finance the development.

Total project costs will reach about \$350 million, Firstenberg said.

The town center project is moving forward after getting final approvals from Alexandria in March for a development that Firstenberg says will transform the Carlyle and Eisenhower area of Alexandria into a "live-work-play area that is active at all times."

Located two blocks from the Eisenhower Avenue Metro station, Hoffman Town Center will include 210,000 square feet of retail and more than 750 residential units housed across three buildings for condominiums, a traditional multifamily facility and a "boutique" apartment complex with larger units targeted at empty nesters. Hoffman Town Center will include a Wegmans slated to open by early 2020, he said (the WBJ first reported the Wegmans lease in November). The project is also home to an AMC movie theater, an anchor for the development that's been in place for almost two decades.

"People are going to be active throughout the day," Firstenberg said. "We are talking to fitness, we are talking to day care, we are talking to restaurants. So you are going to have seven-day-a-week, relatively high-volume activity."



STONEBRIDGECARRAS

A joint venture between StonebridgeCarras/Creek Lane Capital announced that it has closed on five acres of land at its Hoffman Town Center project, marking a big step forward for the project with all of its entitlements completed in March.

Firstenberg said Stonebridge and Creek Lane will be working on securing retailers for the project over the next six to 12 months.

Firstenberg believes Hoffman Town Center will fill a huge need for a retail base in the Eisenhower-Carlyle area, which has a large employment base, plenty of housing and proximity to major interstates such as Interstate-495. Hoffman is located within walking distance of the U.S. Patent and Trademark Office and its 14,000 employees as well as the new headquarters of the National Science Foundation and its 4,000 employees.

"It hasn't reached its full potential because of the missing element, and the missing element was creating the hub activity center where people spend a lot of time," Firstenberg said. "It's the one place where you have everything so that's why Wegmans was really interested and why AMC does well. It's really a regional retail location, with an urban infill Metro location."

Once fully built out, Hoffman Town Center will allow that area of Alexandria to compete with other major urban centers such as Reston and Bethesda. "This is completely transformative to that area," he said. "We think it's a place that is going to attract other large office users."

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