

800 East Wash finally set for groundbreaking

8 hours ago • By [Mike Ivey](#) | [The Capital Times](#) (1) Comments



This is a view of the corner of 800 East Washington Avenue and North Livingston Street where a new Festival Foods will anchor the "Galaxie" -- a \$90 million mixed-use apartment project from Gebhardt Development that will break ground next week.

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Finally, a date is set for the much-anticipated groundbreaking of a major redevelopment on the [800 block of East Washington Avenue](#).

Gebhardt Development and Festival Foods will join with city officials and neighborhood leaders on Sept. 16 for a ribbon cutting for the Galaxie — a \$90 million, 14-story 670,000 square foot mix of apartments, 55,000 sq. foot grocery store, commercial space and underground parking.

The project is being helped with \$4 million in tax increment financing (TIF) and another \$440,000 in city funds for a rooftop garden space.

While some east siders might bemoan the loss of what's now a grassy open space, the project has been widely hailed as the next key step in developing the Capitol East corridor.

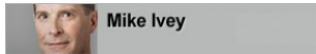
"It's been great working with the Tenney-Lapham Neighborhood Association, they have given us great guidance, and [the] Marquette neighborhood as well," said Gebhardt Development owner Otto Gebhardt told the [Willy St. Blog](#). "We've always envisioned this cap city corridor, being kind of split up by East Washington, hopefully this is kind of a bridge between the two neighborhoods."

The former site of the Don Miller auto dealership certainly has an interesting history.

About 10 years ago, [developer Gary Gorman](#) eyed the block across from Breese Stevens Field as "Avenue 800," initially proposing an \$85 million, mixed-use project with 309 condominium units in nine buildings, later downsizing it after the city balked at his request for \$7.8 million in TIF.

The two sides eventually parted ways over a \$1 million difference in TIF, leaving the high-profile parcel next to

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Breese Stevens Field vacant.

After that deal fell through and the recession put a damper on real estate investment, the city purchased the Don Miller properties under a land banking arrangement as it waited for the economy to recover and a new developer to come forward.

In 2011, the vacant lot became home to the [Occupy Madison](#) group which camped out for months as part of a national protest against Wall Street abuses and the widening wealth gap in the U.S.

Later that year after the protesters moved out, the city began looking for a developer. Urban Land Interests considered the site for a time but was unable to come up with a workable plan.

Finally, in 2013, the city reached a deal with Gebhardt Development, which was already finishing up work on the [Constellation mixed-use apartment tower](#) on the 700 block of East Washington.

The initial plan was to have a Metcalfe's Market anchor the project but [that deal also fell through](#) leaving the project in limbo. Eventually Gebhardt connected with [Onalaska-based Festival Foods](#) which was looking to make its first entry into the Madison market, and serious planning began.

"I actually remained confident that Gebhardt would pull it off," says District 2 Ald. Ledell Zellers. "I am thrilled to now be moving forward and look forward to be shopping there by this time next year."

The Galaxie is designed to complement the Constellation and will give East Wash two of the most visible high-rise apartment projects in the city. Both will tickle the [height restrictions](#) for buildings within the flight corridor of the Dane County Regional Airport.

Among those expected to attend the groundbreaking are Mayor Paul Soglin, Otto Gebhardt of Gebhardt Development and Festival Foods President Mark Skogen.

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Galaxie Groundbreaking Celebrates Robust Planning Process

Posted on **September 18, 2014** by **TheEastSider**

Enthusiasm reigned at event launching long anticipated Cap East development



/a> Key project proponents prepare to ceremoniously initiate the building of The Galaxie. (l to r) Festival Food CEO Mark Skogen, District Six Alder Marsha Rummel, WI DNR Administrator Patrick Stevens, former District Two Alder Bridget Maniaci, City of Madison Director of Planning, Community, and Economic

In 2013, Gebhardt development won the chance to start from scratch and transform an entire downtown city block; but there were lots of requirements.

The Tenney-Lapham and Marquette neighborhoods yearned for a full-service grocery store. The City of Madison has been clamoring to jump start redevelopment and create a gleaming gateway to downtown and developers have seen great potential for the area.

Tuesday's groundbreaking event (September 16) marked the beginning of The Galaxie development that will remake the 800 block of East Washington Avenue. The gathering was infused with a heightened energy level because many of the participants that worked on the planning of the project felt that they had finally gotten it right.



Madison Mayor Paul Soglin.

Mayor Paul Soglin in his remarks at the groundbreaking ceremony complimented all involved for understanding the city's vision when creating projects for the Capital East district.

"The architects, the designers, the urban planners once they were briefed, and I find this heartwarming as well as a bit humorous.

Took one look, that iconic symbol right behind which used to represent smog and soot. That's what represents the new technology, the industry, the new food economy, the new vibrance of being downtown." Soglin said.

"And who would have thought that some of the most exciting places to be would be two blocks from a heating plant. But that's Madison and that's the kind of adventuresome spirit that we see in all of you that made this possible," he added.

In moving this project forward from the failed attempt with Urban Land Interests to the restarted competitive process last year with new developers; it has been the neighborhoods and their alders at the forefront of the effort. District Two Alder Ledell Zellers and her predecessor Bridget Maniaci were both deeply involved in shaping the final design, making sure the project served the neighborhood's needs.

"It means more than a building and more than a grocery store although the grocery store means a lot. It represents a process that has included collaboration and partnership among the neighborhood, the alders, the City and the developer," Zellers said in her remarks before highlighting the personal benefits which she will soon be able to enjoy.

"I'm planning my 2015 Thanksgiving shopping at our new Festival Foods and I will be thankful for this great neighborhood and partnerships that make it and the City even better."

District Six Alder Marsha Rummel was happy to see the

project turn out quite close to what she had imagined it might become.

“We’ve talked about bringing mixed-used development to this formerly highway oriented street. We’re bringing people to live here, places to go like groceries stores and cool restaurants, medical facilities,” Rummel said.

“Its just a great day as far as stepping forward in the plan of like what the vision of moving it along, very excited.,” she added.

Otto Gebhardt III who grew up off Few Street on Florence Court, stressed how important the area is to him personally. He says they are seeking commercial tenants that will truly serve the surrounding neighborhoods.

We don’t believe this is the last, but only the first of many more developments to come in the Cap East district,” Gebhardt said. “The whole Tenney-Lapham neighborhood has been completely supportive and without your feedback we could not put together a program that works as efficiently and effectively as it does.”

First store of its kind



Festival Foods CEO Mark Skogen.

In bringing Festival Foods to the central city it will be new territory for the Onalaska-based grocery chain.

Of the 19 stores the company operates (a 20th opens next month), they all are approximately 80,000 square feet of space, have one specific layout (perishables on one side and dry goods on the other) and easier traffic access to the property and traditional grocery options.

Festival Foods President and CEO Mark Skogen explains that the 60,000 square foot Galaxie store will have an almost entirely different layout with many of the store departments in the middle, along with a food court with indoor/outdoor seating.

“We are very heavily focused on perishables, our deli, service deli, service meat department, seafood. We know that natural organic is a growing department for us and we’ll do a very good job in this store with that,” Skogen said at the ceremony. “We’re focused on local as well, I know that that matters to our shoppers more than it used to.”

When Willy Street Blog asked about the traffic patterns on the site, Skogen said he was not personally involved in the traffic discussions but said he has analysts examine each site’s potential traffic patterns and counts. He says that parking



District Two Alder Ledell Zellers (left) and District Six Alder Marsha Rummel.

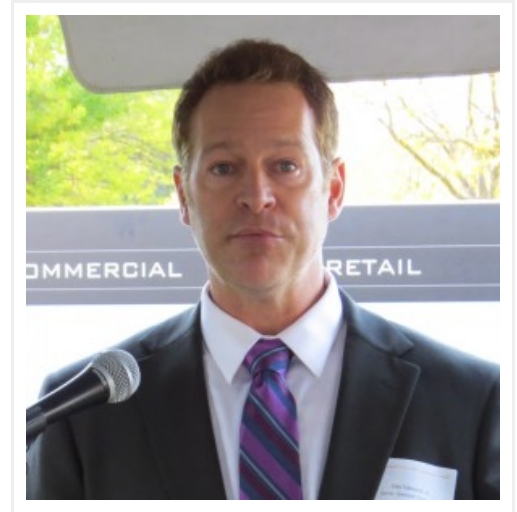
will be different that what they have done at any other store and marveled at the large volume of traffic on East Washington.

“While this might not be a perfect scenario it’s good, it will be safe.” Skogen said.

Additionally, we asked Skogen how Festival’s signage will appear on the building since this will be the company’s first urban store and in a place where chain store aesthetics matter deeply.

“The front of the building will have our sign, Festival Foods, but it won’t have the typical rainbow arches that are on the front of our stores, Skogen said.

“It will look like the building behind us (referring to The Constellation) and lot of glass, that’s again that urban look and feel, so it will be scaled down definitely as far as how much we have our name on the building.



Gebhardt Development President Otto Gebhardt III.

Leading with a local legacy

Mark Skogen is the third generation of his family to run their grocery business which was started in 1946 as Skogen’s IGO and changed to Festival Foods in the 1990s. Skogen says his parents still participate in the business and as it has grown the company now offers an Employee Stock Ownership Plan for all employees that want to participate.



Architect Chris Gosch.

Accidental or not, Skogen selected Paul Anderson as the Galaxie store’s first director. Anderson is very familiar with Madison and the very site where he will launch the store.

Paul is a graduate of Madison East high school and played in football games for the Purgolders at Breese Stevens Field. Paul Anderson said he also bought two cars from the Don Miller dealership that stood on the site which will now host this new development.

Patrick Stevens, an administrator of Wisconsin DNR waste remediation programs said during the ceremony that the Don Miller site had been a commercial and industrial site for decades. Stevens noted that the site was a great example of how the agency can provide technical assistance to assist

communities during cleanup projects. The DNR also provided a \$280,000 grant for the soil remediation.

The Galaxie and The Constellation were both designed by Architect Chris Gosch and Bark Design and will be similar in look, feel, and rhythm. In the coming days you will likely see a fence go up around Block 800 and the first test pilings

going in. Gebhardt says that the store and some commercial space will be completed sometime next summer. The apartment tower and other living spaces is slated to be completed in 2016.



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