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Whole Foods to anchor new Galleria neighbor

21 acres of choices to live, work, shop Whole Foods will anchor a new Galleria-area mixed-use project

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The Galleria, queen of all retail, is getting a neighbor who could soon have her own commanding presence.

Local developer Wulfe & Co. announced Thursday that 21 acres of prime Galleria-area land will become a major mixed-use site for retail, office, hotel and condominiums, anchored by Houston's flagship Whole Foods Market.

Located at Post Oak Boulevard and San Felipe, it will be called BLVD Place (pronounced "Boulevard Place").

The project is set to break ground at the end of this year and open in 2009, with parts opening much sooner.

The project's plan boasts 600,000 square feet of retail, restaurant and boutique office space, as well as 800 residential high-rise units and a luxury hotel/condominium with 300 hotel rooms and 80 condos.

In comparison, the Galleria contains 2.4 million square feet of retail. The Galleria also is a mixed-use development, containing retail, hotel and office space.

The lead architect of BLVD Place is **Jose Palacios** of DMJM Design in Los Angeles and the contractor is Tellepsen Builders.

In recent years, the U.S. has seen an increase in "pedestrian-friendly" mixeduse developments where people live, work, eat and shop. Several are planned for Houston, including at Kirby and Westheimer; downtown; Memorial City; and the former Central Ford site on Westheimer. "Several are on the drawing board, but this could be one of the first ones out of the gate," said **Kent Dussair**, president of **CDS Market Research**, a real estate market consulting firm in Houston, referring to the proposed mixed-use projects.

Major mixed-use urban projects like BLVD Place are being built in competing cities across the country, Dussair said.

"Dallas, for example, is ahead of us. We're anxious to see a quality development like this in Houston," he said.

John Breeding, president of the Uptown Houston District, a tax authority and improvement group for the Galleria area, also supports the project.

"BLVD Place is perhaps the most significant new development in the area since the Galleria, and 21 acres is about as big as the original Galleria," Breeding said.

David Crossley, president of the Gulf Coast Institute, a nonprofit group promoting quality of life issues, thinks the project's impact will be significant.

"As a very large urban mixed-use project, it may become a model for future developments in Houston," he said. "It will add more urbanity to the western part of Houston, which should be interesting."

Landing Whole Foods as the anchor is a coup, said Howard Davidowitz, chairman of Davidowitz & Associates, a national retail consulting and investment banking firm in New York City.

Getting a 80,000-square-foot Whole Foods flagship store is "gigantic," Davidowitz said. "It almost guarantees the success of the entire project."

At the Whole Foods flagship in Austin, customers eat at six mini-restaurants and shop 800 varieties of beer, 600 cheeses and a seafood counter offering shucking, cooking, smoking, slicing and frying to order.

Ed Wulfe and principals **Bob Sellingsloh** and **Elise Weatherall** have been laboring over the project for two years in an effort to get it right. Wulfe said:

"We've been through more than a hundred conceptual plans and consulted with many architects."

Among the properties acquired to create BLVD Place are Fashion Square and the Pavilion.

BLVD Place will include seven or eight restaurants and have its own parking — one level underground encompassing the entire site and an above ground parking garage.

Wulfe would not divulge the cost of the project.

The goal, Wulfe said, is to retain existing retailers, including Cafe Annie, Americas, Eatzi's and Hermes. The project will be phased in to accommodate existing businesses and they will have no down time, he said.

The growth includes the increasing number of people who want to live in luxury high-rise condos and are making the Galleria/Uptown area home, Wulfe noted.

All that growth means more traffic in an area that was already fairly congested.

To accommodate the traffic, several road projects are either under way or being considered.

For example, Breeding said San Felipe is going to be widened.

Also a street extension would allow motorists on McCue to drive from Westheimer north through BLVD Place to Woodway, Breeding said. And Post Oak Lane will connect to Post Oak Boulevard and McCue.

Major mixed-use urban developments are on the rise across the United States, noted **Anita Kramer**, director of retail development at the **Urban Land Institute** in Washington, D.C.

"They've captured the imaginations of developers and users. Developers are looking for ways to get the most value out of their land and often it's a mix of uses," she said.

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