W03, Business and financial writing Brian Brehm The Winchester Star

Ward Plaza sold, to be replaced with housing, businesses June 1

WINCHESTER — Ward Plaza has been sold to a private investor who plans on tearing it down and replacing it with a mix of homes, retail stores and offices.

"The city has been encouraging the redevelopment of Ward Plaza for a long time, and being able to partner with a developer to bring more housing and retail opportunities to the area will be a massive benefit for all of our residents," City Manager Dan Hoffman said after the \$10 million sale was finalized on Thursday afternoon.

H. Paige Manuel, who works with <u>OakCrest Commercial Real Estate</u> at 126 N. Kent St. and represented Ward Plaza's owner in the sale, said the deal was closed in McLean and paperwork will be filed today in the Winchester Circuit Court Clerk's Office.

Ward Plaza, located on a 19.6-acre parcel in the 2400 block of Valley Avenue, was Winchester's first shopping center when it opened in 1964, but it has been in a steady decline for more than 20 years. That's because its highly popular anchor store, Montgomery Ward, closed in December 2000 after its corporate parent declared bankruptcy.

The shell of the former department store, which comprises about a fourth of the shopping center, has remained empty for two decades, save for some automotive repair businesses that located in Montgomery Ward's former service garage. With no anchor store, the shopping center as a whole had difficulty attracting tenants and shoppers.

In 2013, an economic development report commissioned by Rouss City Hall referred to Ward Plaza as "an outdated facility that is no longer fully competitive for market area retail sales" and noted "the shopping center is well located but poorly maintained and managed."

Since the city of Winchester is just 9.3 square miles in size and prohibited by Virginia's General Assembly from expanding, city officials for the past decade have actively encouraged a sale of Ward Plaza so its nearly 20 acres could be used for something more beneficial to Winchester and its residents.

In January, the Winchester Economic Development Authority (EDA) was contacted by a group called Winchester Acquisition Partners LLC, headed by private investor John Wesley Gray Jr. of McLean, that was interested in buying Ward Plaza, tearing down the shopping center and replacing it with homes and businesses.

To help the limited liability corporation purchase the property, which the city of Winchester has valued at \$8,374,000, the EDA agreed to obtain a bank loan for \$4 million and give the money

to Gray as an economic incentive. The EDA is an independent, self-governing body, and no tax dollars were used to generate or manage the loan.

Gray has agreed to repay the \$4 million loan to the EDA over time at an interest rate higher than the 5.07% the EDA is paying to the bank. However, if Winchester Acquisition Partners defaults on the debt, City Council has agreed to cover the amount due using taxpayer revenues.

"The acquisition of a property like this, for revitalization in the heart of our city, presents a great promise for the future of the city of Winchester," interim Economic Development Director Jeff Buettner said on Thursday. "The EDA is very excited to be a key partner in this project."

According to a media release from Rouss City Hall, the redeveloped Ward Plaza will include "a 40,000-square-foot anchor tenant and a mix of homes and retail space." The names of the anchor tenant and potential stores have not been disclosed, but there is an indication that one of them may be a grocery store.

At City Council's meeting on May 23, it approved a resolution backing the EDA's \$4 million loan to Winchester Acquisition Partners. Language in the resolution stated the redevelopment of Ward Plaza would "provide housing, retail and grocery opportunities."

Bringing a grocery store to southern Winchester would be a boon to residents of that area of the city, which has been deemed a food desert because there are currently no places within walking distance to buy fresh meat or produce.

Until Thursday, Ward Plaza had been owned by Walter Enterprises LC of Woodstock, whose founder, Richard R. Walter, purchased the shopping center on April 8, 1985. Walter died on April 17, 2018, and his corporation was passed down to his two daughters.

Over the past 12 years, Manuel said there were four unsuccessful attempts to sell Ward Plaza. Each deal fell through after the prospective buyers completed six-month property studies and determined the potential profit margin was too low.

The problem with those deals, Manuel has said, boiled down to the potential buyers wanting to use the site as is, or with minor improvements, and then discovering they couldn't turn a profit with that business practice.

Winchester Acquisition Partners took a different approach by saying it wanted to tear down Ward Plaza and replace it with a mix of homes and businesses. Manuel has said demolition could begin as early as October.

The only two buildings that will be left standing at the shopping center are two businesses at the front of Ward Plaza — <u>Manolete's Taqueria Gourmet</u> restaurant and a Tobacco Hut vape store — that are locked into five-year leases that Winchester Acquisition Partners must honor.

2 popular downtown businesses abruptly cease operations

Sept. 20

WINCHESTER — Two popular destinations on the Loudoun Street Mall — <u>The Monument</u> entertainment venue and <u>Ellie's Irish Pub</u> — stunned area residents Tuesday morning by announcing their immediate closures.

Also shut down Tuesday were Know Concessions, which served sandwiches and street food, and 18th Rebellion, a 1920s-themed speakeasy bar that never made it to its grand opening.

The four businesses are part of Monument Entertainment, a venture established by investor Ron McGehee of Winchester after he purchased the former Virginia National Bank Building at 186 N. Loudoun St. for \$1.2 million in 2019. The bank building was repurposed to house The Monument, Know Concessions and 18th Rebellion.

McGehee also bought the building next door at 168 N. Loudoun St. in 2021 for \$940,000. The former home of Brewbaker's Restaurant was renovated to become Ellie's Irish Pub later that year, and its kitchen prepared dishes for event attendees at The Monument.

A visibly distraught McGehee visited The Monument on Tuesday morning, shortly after word began circulating about the closures of the businesses. When asked why he chose to shut down Monument Entertainment, McGehee said he didn't want to go into detail but attributed it to a family situation that requires his immediate, full-time attention.

"All of this stuff was done with love," McGehee said of his Monument Entertainment holdings. "I wanted to make this the coolest place in Winchester."

The Monument was certainly a contender for that distinction. Since opening in the fall of last year, the entertainment venue has hosted numerous concerts, late-night dance parties, weddings, special events and fundraisers.

"Justin did a fantastic job," McGehee said of The Monument's director of operations, Justin Tenpenny. "Loyal people have backed us."

When reached by phone Tuesday morning, Tenpenny said he had already accepted a new job with <u>2 Silos Brewing Co.</u> of Manassas but was saddened by the Monument Entertainment shutdowns.

While Ellie's Irish Pub and Know Concessions will not reopen, and 18th Rebellion won't get its grand opening, Tenpenny said The Monument still has four events it has committed to hosting: Three private weddings and a fundraising concert for Blue Ridge Hospice called "One More Song." Tenpenny said "One More Song" will be The Monument's swan song in terms of events open to the public.

All other upcoming events and concerts at The Monument have been canceled. McGehee said anyone who bought advance tickets for any of the shows will receive a refund.

The former Virginia National Bank Building also includes rented apartments and a branch of the loan company PrimeLending. McGehee said they will not be affected by his decision to close Monument Entertainment.

McGehee became choked up Tuesday when talking about the 63 staff and subcontracted employees of Monument Entertainment who are now out of work.

"I love everybody here," he said while crediting his employees for making his ventures a success.

McGehee said he planned on clearing out all the food in the kitchen of Ellie's Irish Pub and dividing it among his former workers. He also said he gave everyone on his payroll some extra money in their final checks that, in some cases, was the equivalent of several weeks' worth of income.

McGehee was reluctant to talk about the amount of money he put into creating Monument Entertainment and repurposing the two downtown buildings, but he eventually estimated it was in the neighborhood of \$4.5 million to \$5 million.

While he said he was more bothered about closing the businesses than he was about the loss of money, McGehee's investments in the buildings will be key to what he hopes comes next. He said his goal is to sell the Monument Entertainment properties to someone who will step in and resume operations of The Monument, Ellie's Irish Pub and Know Concessions.

Tenpenny said the Monument Entertainment holdings are "a turnkey project" that could quickly pay great dividends for a buyer.

"We'd love to see it get full again," Tenpenny said, noting that McGehee's extensive renovations were both ergonomic and highly functional.

A new buyer could also ensure the brand-new 18th Rebellion has a grand opening.

On Tuesday morning, McGehee walked through the basement of the former Virginia National Bank Building to show off the 18th Rebellion bar and restaurant. Everything the business needs to operate, including decor, tables and chairs, is already set up because he initially planned to open it to the public this month. There's even a new kitchen to support the establishment that has never been used except for cooking a single steak.

McGehee said he is grieving the loss of Monument Entertainment but hopes another investor will see the value of the businesses and keep the ball rolling for the sake of the community.

"Loyal people have backed us," he said before returning his attention to clearing out the buildings' food and closing the curtain on Monument Entertainment.

Cives Steel celebrates 50 years in Frederick County Oct. 4

WINCHESTER — One of Frederick County's top fabrication facilities celebrated its 50th anniversary on Tuesday, but there's a better-than-average chance you haven't heard of it or know what it does.

Even if you do know which company we're talking about, there's an even bigger chance you mispronounced its name.

The facility in question is the <u>Cives Steel</u> fabrication plant at 210 Cives Lane near Winchester.

Cives, which is Latin for "citizens" or "the people," is pronounced "siv-ays." Adam Lease, assistant general manager of the Cives plant in Frederick County, said he's heard all kinds of mispronunciations of his company's name over the years, but his favorite so far has been "chives."

"We learned to stop getting our feelings hurt about it a long time ago," Lease said with a laugh on Tuesday as he walked through the structural steel fabrication facility and explained what happens there.

Cives Steel is hard to miss if you're driving on Valley Pike or Va. 37 north of Winchester. The facility's 40-acre campus is filled with stacks of steel beams that are moved around the yard using yellow cranes and wheeled platforms. The extra-heavy-duty equipment is necessary because steel weighs about 489 pounds per cubic foot.

The beams that Cives uses as raw material, Lease said, are shipped in via road and rail from steel manufacturers in Arkansas, Indiana and elsewhere and cut to specific lengths. They are then customized with bolts, plates and screw holes so each one can be used in buildings with designs that specify how much steel is needed, how it should be arranged and how the beams should be attached to each other. In effect, the finished beams are like puzzle pieces that fit together perfectly.

"We're basically prefabricating the structural steel skeleton of high rises, stadiums, hospitals, manufacturing facilities," Lease said, noting that Cives Steel only works with customers who are building a structure at least five stories tall. "When it goes to the field, the contractor can just put it up like an old-fashioned erector set with a minimal amount of work."

Steel beams of various widths are used to create the customized beams. Lease said they cut each one to length and finish them in accordance with designs unique to each construction project. The work requires Cives Steel's approximately 140 Frederick County employees to do a lot of torch cutting, welding, drilling, bending and finishing, mostly using hand-operated equipment.

Customized beams are then shipped to customers in Virginia, Maryland, West Virginia, Pennsylvania, North Carolina and New Jersey — the territory served by Cives Steel's Mid-Atlantic plant in Frederick County — using a combination of train and truck transportation.

You've almost certainly seen some of the structures that utilized the customized beams from the Cives Steel plant near Winchester. Lease said his company's products formed the skeletons of the North and South towers at Winchester Medical Center, a terminal at Reagan National Airport in Washington, D.C., the Prudential Center stadium near New York City, the Comcast Center skyscraper in Philadelphia and many more.

"Driving up to Philadelphia, even on the interstate, you can point out different buildings that we were a part of," Lease said.

The Mid-Atlantic fabrication facility is one of seven operated nationally by Cives Steel, with the others being in New York, Indiana, Arizona, Maine, Mississippi and Idaho. The company also operates <u>Viking-Cives</u>, which makes snow-removal equipment at facilities in Missouri, Tennessee, Utah and Ontario, Canada.

Cives Steel, which employs 900 to 1,000 people nationally, was founded in 1952 by John Rouse in Gouverneur, New York. The Frederick County plant was the third one launched by the company when it opened in 1973.

"Somebody asked me the other day, 'How many tons of steel have you fabricated in this facility?" Craig Alderman, general manager of the Mid-Atlantic plant, said on Tuesday.
"Conservatively, I estimated over 650,000 tons of steel. That's over 29,000 trailer loads of steel."

On Tuesday, the national Cives Steel corporation celebrated the 50th anniversary of its Mid-Atlantic facility. All current employees and retirees were invited to a special luncheon in the afternoon, while the second shift got its own luncheon on Tuesday night.

"You don't stay in business for 50 years without having good people in every single position," Alderman said to the employees who gathered for Tuesday afternoon's lunch provided by <u>Fresh</u> <u>Connections Catering</u> in Winchester. "We're successful because of you."

Greg Orff, president and general manager of Cives' Southern Division, came up from Georgia to congratulate the crew.

"This business, this equipment would not be a company without its people," Orff said. "You guys made this happen."

For more information about Cives Steel, visit cives.com.