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SQUARE FEET

From Abandoned Brewery to Piazza, Philly-Style

By [TERRY PRISTIN](#)

PHILADELPHIA — When Bart Blatstein, a local strip-mall developer, acquired an abandoned brewery a few miles from Center City nearly a decade ago, the artists who had gravitated to the surrounding area in search of cheap housing feared he would plop an unwanted big-box shopping center into their gritty Northern Liberties neighborhood.

Instead, Mr. Blatstein, the president of Tower Investments, decided to build a public square inspired by the Piazza Navona in Rome, and then the residents worried that he would create a kitschy theme park, said Larry Freedman, the zoning chairman for the Northern Liberties Neighborhood Association.

But Mr. Blatstein wound up scrapping a colonial and then an Italian-style design in favor of something entirely different.

His Piazza at Schmidts, which opened in May at Second Street near Girard Avenue, consists of an 80,000-square-foot gathering place flanked by modern industrial-looking rental apartment buildings with 414 units and three dozen small ground-floor retail spaces. At the southern end, an 80-year-old rehabilitated warehouse, now an office building, serves as a backdrop for live performances. Attached to it is a 40-foot LED screen that draws fans during Phillies' games and other televised sports events.

At the opposite end, an egg-shaped new office building links the plaza to Liberties Walk, four blocks of three-story apartments buildings, also with retail spaces at their base.

Inga Saffron, the architecture critic for The Philadelphia Inquirer, said that Mr. Blatstein had managed to do something that had eluded most developers: create a public space that feels authentic.

"The architecture captures the spirit of the neighborhood — not by literally imitating the style of the surrounding buildings, but by using materials and forms that reflect the neighborhood's tough, enduring, unsentimental, working-class heritage," she said.

The piazza, which was designed by Erdy McHenry Architecture, a local firm, has also won praise from real estate specialists and community leaders as a focal point for the neighborhood. "It's been a surprising success on multiple levels," Mr. Freedman said.

Since he bought the decrepit brewery at a foreclosure auction in 2000 for \$1.8 million — without, he said,

ever walking on the site — Mr. Blatstein has accumulated a staggering amount of real estate in Northern Liberties, which is near the Delaware River and is bounded by Callowhill Street to the south and Girard Avenue to the north.

Altogether, he owns more than 100 parcels on 28 acres and has developed more than one million square feet, including 600 residential units, with an average monthly rent of \$2 a square foot. He said he had spent \$150 million and planned to invest an additional \$300 million.

Mr. Blatstein said he expected to complete a two-level shopping center adjacent to the piazza next year, which will bring the neighborhood a badly needed supermarket and other retail services.

A boyish 55, Mr. Blatstein was raised in northeast Philadelphia but now lives on the Main Line, in suburban Gladwyne. He made his fortune by building and selling shopping centers and by selling waterfront land that had been approved for a gambling casino. Unlike most large-scale developers, he has no partners or investors. “I knew that along the way I was going to make a lot of modifications on the fly and would drive my partners crazy,” he said.

Stephen P. Mullin, a senior vice president at the Econsult Corporation, a local consulting company, and a former city commerce director, said that working alone freed Mr. Blatstein from meeting other people’s benchmarks and allowed him to take the sort of risks that other developers avoid. “He is happy to get some part of his return in a nonpecuniary way,” Mr. Mullin said.

Though he is widely admired as a risk taker, Mr. Blatstein is also viewed as someone who can be difficult. “He whines a lot,” said Alan Greenberger, the executive director of the [City Planning Commission](#). “He makes people mad sometimes, both at the city level as well as in the neighborhoods. I’m willing to put up with all that because I see the end results, and I see that they’re good.”

Since Mr. Blatstein bought the brewery, housing values in Northern Liberties have increased from \$32 a square foot to \$140 a square foot, according to Econsult.

Mr. Blatstein was not the first to recognize the potential of Northern Liberties, which went into decline after it was cut off from Center City in the 1960s by Interstate 95. In the 1980s, as artists moved in, developers began rehabilitating houses where factory workers once lived. But the real estate collapse at the end of the decade halted development for 10 years, Mr. Mullin said.

When Mr. Blatstein bought the Schmidt’s Brewery, which had closed in 1987, he had no intention of creating a magnet for young people. The previous owner had rezoned the site for a shopping center, and Mr. Blatstein thought he would build one and then get out. “Then the midlife crisis hit,” he said, “and I thought, What do I do? Do I get the bright red Ferrari? And then I decided, Let me do the creative thing here. I have the opportunity to do something really cool here.”

Mr. Blatstein tore down abandoned buildings and gobbled up properties, sometimes using straw buyers to keep prices down. Some parcels were acquired through condemnation, but he said he has never displaced a

resident or business.

In building his piazza, Mr. Blatstein said he stuck to several principles. He limited the height of the surrounding buildings so that none were taller than seven stories. “The buildings can’t be too high because then they become overbearing,” he said. The piazza itself had to be just the right width — no more than 100 feet — so that people would feel safe there.

Recesses and cutouts in the buildings allow people to enter at different points, tying the piazza to the surrounding streets, said Scott Erdy, one of the architects.

Mr. Blatstein initially intended to lease his ground-floor space to established retailers, but was not able to attract any to an untested area with a bad image. Instead he divided the storefronts into tiny spaces for fledgling entrepreneurs selling clothing, art, jewelry and even magicians’ supplies. He says he has the flexibility to evict any retailer who fails to maintain a “cool space.”

Similarly, residential tenants, who tend to be young singles, must agree in writing to put up with noise from the piazza. Yet Mr. Blatstein said the apartments overlooking the piazza were fully rented.

With roots in the food business — his father was a caterer and Mr. Blatstein operated farmers’ markets in the 1980s — he knew the kind of restaurants he wanted: an Italian wine bar, a pub, a burger bar and a 1950s diner. He bought the liquor licenses himself, hired designers and recruited the restaurant operators.

“He created what he thought he would like,” said Steven H. Gartner, the president of Metro Commercial Real Estate, a Philadelphia company. The diner, called Darling’s, is in the egg-shaped building where Mr. Blatstein plans to have his office and has a Howard Johnson-like turquoise-and-orange décor.

Six weeks after the piazza opened, Mr. Blatstein got the kind of news that no developer wants. A man and a woman were killed in what appeared to be a drug-related attack outside the woman’s apartment at the piazza. “I wanted to go under the covers and cry,” Mr. Blatstein said.

But the killings were viewed as something that could have happened anywhere and merely made people curious to see the piazza, Mr. Blatstein said. “I couldn’t get front-page coverage when I opened,” he said. “This is what did it.”

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