

Permission to reprint or copy this article or photo, other than personal use, must be obtained from The Seattle Times. Call 206-464-3113 or e-mail [resale@seattletimes.com](mailto:resale@seattletimes.com) with your request.

## Factoria changing its lifestyle

By Amy Martinez  
Seattle Times business reporter

The Tinkertoys must go.

Bill Brown can see them from his fourth-floor office near Factoria Mall. Brown, who redevelops shopping centers nationwide, is talking about the slender green sign posts at each of the mall's entrances.

"They look like Tinkertoys," said Brown, a senior vice president at Kimco Realty. "I can't stand them. Who would?"

Kimco plans to spend about \$55 million redeveloping the mall into a contemporary "lifestyle center," with stores opening onto tree-lined streets, outdoor seating, pedestrian plazas — and chunky brick sign posts that Brown says will demonstrate its commitment to "quality materials."

Since 2005, the 31-year-old shopping center at Interstates 405 and 90 in Bellevue has lost two anchor tenants: Mervyns and Gottschalks.

Several specialty retailers and restaurants have recently closed their doors, including B. Dalton Booksellers and Orange Julius, giving the mall a vacant feel.

Some retailers left rather than face the hassles of trying to run a business during a major reconstruction project. Others left because Kimco chose to not renew their leases, Brown said.

Kimco, of New Hyde Park, N.Y., bought the mall three years ago for \$102 million from San Francisco-based WorldCo. Kimco is a publicly traded real-estate investment trust with nearly 1,000 shopping centers in the United States, Mexico and Canada.

Today, the 529,000-square-foot mall — which Kimco renamed the Marketplace @ Factoria — is anchored by Nordstrom Rack, Old Navy, Target, Safeway and Rite-Aid, while DSW Shoe Warehouse and TJ Maxx split the space previously occupied by Gottschalks.

Kimco plans to demolish one of the mall's interior corridors, near Old Country Buffet, and extend Southeast 40th Place from the front of the mall to the back. It also has paired with Fairfield Residential to put about 400 apartments behind Target; the old Mervyns will come down to make room for another type of store.

All told, the mall is set to gain an additional 150,000 square feet of retail space once the work is completed, likely in 2011, Brown said.

The purpose is to entice shoppers to stay a little longer — and spend more



JOSH NASH / THE SEATTLE TIMES

A shopper walks past a long vacant storefront at the Factoria Mall in Bellevue on Sunday. The mall will be enlarged and redeveloped into a "lifestyle center" with outdoor seating, shops opening onto tree-lined streets and pedestrian plazas.



JOSH NASH / THE SEATTLE TIMES

The mall's location at the intersections of I-90 and I-405 is a big draw for potential new tenants, real-estate brokers say.



JOSH NASH / THE SEATTLE TIMES

Owner Kimco Realty has changed the mall's name to the Marketplace @ Factoria. The mall is to gain an additional 150,000 square feet of retail space once all work is done, probably in 2011.

money.

"A lot of folks come, and they may hit the Nordstrom Rack and leave," Brown said. "They don't necessarily combine that into a bigger retail experience."

The mall is one of a handful of Seattle-area shopping centers to embrace the "lifestyle center" approach. Others include University Village, the Bravern project in Bellevue, The Landing in Renton and Redmond Town Center.

But not everyone agrees with the more-outdoorsy approach — especially in the rainy Northwest.

"I suppose if you're not going to linger and you know exactly what you're going to get, being outdoors wouldn't hurt," said Ray Surean, who lives in Renton and visited the mall recently to buy stamps at the post office.

Describing his age as "60 something," Surean said he also was there to walk the corridors for exercise. "We don't have good weather here most of the year."

Brown countered that many shoppers prefer to be outside. "How many people do you know in Seattle who own umbrellas?" he asked rhetorically. "People dress for the rain."

Kimco is working on a merchandising plan for the mall, meaning it's too soon to name targeted tenants, Brown said.

He did provide a few clues: "We're light on men's clothing, electronics and office supply."

And with the KidsQuest Children's Museum on site, it could use another retailer with a similar focus as OshKosh B'Gosh, such as Carter's or Stride Rite, Brown said.

As for the anchors, "all are doing very well and don't want to leave," he said. "They'll all be here."

About the biggest thing working in the mall's favor is its proximity to some of the area's most affluent suburbs, real-estate experts say.

Elizabeth Best, a real-estate broker who specializes in retail for Seattle Pacific Realty, said the mall is "for the smart shopper who wants great deals" — a description that fits the well-heeled, as well as the cash-strapped.

"The same person who shops at Nordstrom also shops at Target and TJ Maxx," Best said. "People with spending power want spending options."

Susie Detmer, a broker at Cushman & Wakefield in Seattle, said the mall "looks a little tired" but should have no trouble attracting new tenants after the redevelopment, "because it's such a great location."

*Amy Martinez: 206-464-2923 or [amartinez@seattletimes.com](mailto:amartinez@seattletimes.com)*

Copyright © 2008 The Seattle Times Company

Marketplace @ Factoria

**Also known as:** Factoria Square, Factoria Mall

**Built in:** Phases beginning in the 1970s and ending in the mid-1990s.

**Owned by:** Kimco Realty, a real-estate investment trust based in New Hyde Park, N.Y.

**The plan:** Turn the mall into a "lifestyle center" with stores opening onto sidewalks, pedestrian plazas and "market-rate" apartments. Demolition work is set to begin in mid-2008 on the old Mervyns store. Kimco expects to finish the redevelopment project sometime in 2011.

*Source: Kimco*