

Rocky Mountain News

To print this page, select **File** then **Print** from your browser

URL: http://www.rockymountainnews.com/drmn/real_estate/article/0,1299,DRMN_414_5091362,00.html

A new chapter for Duffy's

Negotiations going on to buy landmark restaurant building

By John Rebchook, Rocky Mountain News
October 25, 2006

Duffy's Shamrock Restaurant and Bar, probably the only joint in Denver that has a copy of a never-cashed check for \$1 million at its cash register, is preparing for the next chapter of a history that stretches more than a half-century in downtown.

Brookfield Properties, owner of the adjacent 56-story Republic Plaza, is quietly negotiating to buy the landmark restaurant building at 1635 Court Place.

Brookfield, which has the building under contract for an undisclosed price, eventually could build a 1,000-space parking garage on the block with about 15,000 square feet of retail on the ground floor.

But Duffy's is not closing any time soon.

"We're in negotiations with Brookfield, but I can't say a word about it," said Ken Lombardi, 66, who owns the popular restaurant with his brother, Frank.

"But even if the deal goes through, we'll be here for a while," Lombardi emphasized. "We would simply be a tenant of Brookfield's."

Brookfield owns everything on the block bordered by the 16th Street Mall, 17th Street, and Tremont and Court places, except for the Lombardi's building of about 20,000 square feet. The building includes Pizzeria Colore, the Cutting Experience and a number of small retail and office tenants.

"We're going to honor all of the leases, written or nonwritten," if the deal goes through, said Bill Lucas, vice president of Brookfield Properties. The Lombardi family does many deals on a handshake.

If the Brookfield deal is consummated, "we're not going to raise anybody's rent or evict anyone," Lucas added.

Brookfield for years has wanted to buy the site to protect its prize asset in Denver, the 1.2 million-square-foot Republic Plaza, the tallest office tower in Colorado.

Nationally, Brookfield's portfolio includes more than 72 million square feet, including \$7.2 billion in assets it bought earlier this month from Trizec Properties, which includes about 26 million square feet in New York, Washington, D.C., Los Angeles, Houston and San Diego.

"We're very bullish on Denver," Lucas said.

Last year Brookfield sold its World Trade Center buildings and its 50 percent interest in the Colorado State Bank building. The company still owns land at 425 15th St. behind Denver Pavilions, where it could build an 800,000-square-foot development, and the Tremont Parking Garage, where it could build a 500,000-square-foot development.

The Lombardi family has a much better relationship with Brookfield than it did with Republic Plaza's original developer, Oxford-AnsCo.

In the early 1980s, Oxford-Ansco offered the Lombardi family \$3.5 million for the building. The family rejected the offer, forcing the partnership to design the building around Duffy's. That led to a front page *Wall Street Journal* article headlined "The Holdouts. Owners who stay put play a part in shaping the American Skyline." It's also why there is a copy of a \$1 million check, the earnest money for the deal, in the front of the restaurant.

In addition to turning down the \$3.5 million, the restaurant was best known as a rowdy bar on the day in March when everyone is Irish, said Denver historian Tom Noel.



Joe Mahoney ©
News

Terry Sullivan tends bar at Duffy's Shamrock Restaurant and Bar during the lunch rush on Tuesday. Brookfield Properties, owner of the adjacent 56-story Republic Plaza, is quietly negotiating to buy the landmark restaurant building at 1635 Court Place. Sullivan has worked at the bar since 1982.

"The St. Patrick's Day it is most famous for is when a streaker took off all his clothes and it took him 20 minutes to get to the door, because it was so crowded," Noel said. "And many in the crowd were so inebriated that they didn't even notice the guy was naked."

'An institution'

72 feet: The length of the bar

THEY SAID IT

"It is an institution. On any given day, you can find construction workers, bankers and federal regulators eating there."

Fred Joseph, Colorado's securities commissioner, a regular at Duffy's for the past "15 or 20 years."

DID YOU KNOW

- Bernard Duffy opened his namesake establishment on Jan. 1, 1950, at 1515 Champa St. and later moved it to 1645 Tremont Place.
- In 1963, Joseph Lombardi bought the restaurant and his sons, Ken and Frank, took it over in 1969.
- The Lombardi family moved the restaurant to its current location at 1635 Court Place in 1974.

Source: Historian Tom Noel and others

rebchookj@RockyMountainNews.com or 303-954-5207

Copyright 2006, Rocky Mountain News. All Rights Reserved.