

Real Estate Journal

THE LARGEST WEEKLY COMMERCIAL/INVESTMENT NEWSPAPER COVERING THE STATE

Springfield is focused on development and growth with increased investor activity



John Dill

Over the past few years, when meeting colleagues from area codes to the east, who would ask about my adopted hometown, I would detect the same note of resigned concern as when one asks after a terminally ill relative, or dog: "...um...uh how are things in Springfield..." (Unspoken, but implied: "...you poor wretch...")

Well, at present, the short answer is "Pretty good - with a fair chance of getting better". The City of Homes has received its fair ration of negative publicity in the recent past regarding its fiscal troubles. The fact that, under the gubernatorial appointed Control Board and Mayor Charlie Ryan, a great work has been accomplished that has garnered little notice outside of the 413 area code. Recently, the city has balanced three budgets in a row, accomplished measurable improvements in crime statistics and MCAS scores, streamlined operations and improved customer service. From this increasingly stable platform the city has funded significant new investments in infrastructure and is now solidly focused on development and growth.

Just this week the city celebrated the opening of a new 236,000 s/f facility for Performance Food Group in the new Smith and Wesson Industrial Park. The former Basketball Hall of Fame Building (facing the new Hall of Fame museum and retail complex) is being expanded and transformed into a new recreational and fitness complex. These developments along the Connecticut Riverfront (which include successful restaurants and hotel) will soon find new space for complementary development. The city is about to start demolition of the long vacant jail complex, a 19th century monolith which has blocked not only a view of the river, but the natural extension of this very successful project.

In this same corridor along Rte. 91 in the city's South End, we are currently completing the sale of a major Roman Catholic Diocese property for construction of an

office-retail complex by a local developer. Interest in other sites has been brisk.

Baystate Medical is in the process of permitting a new \$250 million state of the art patient care facility on its main campus in Springfield's North End. The continuing success of Baystate Health, the areas largest employer, in achieving national recognition as a leading academic medical center (e.g. Leapfrog Top 40) is a key factor in the region's future prospect.

These developments have not escaped the notice of tenants and investors attracted by our advantageous access and comparatively low real estate prices. Several downtown properties have recently traded to out of market investors.

Tenants entering the market for whom Colebrook has filled requirements include: Babcock Power, Hatch, Mott, McDonald Engineering, Steffian, Bradley Architects, Hardigg Industries, Granite City Electric, and Beavix representing well in excess of 100,000 s/f of new demand. Taken with a representative sample of expanding and relocating tenants Colebrook has placed this year (including Monarch Life, the FBI, The Dennis Group LLC., as well as a number of law firms, financial and healthcare tenants) the indications are that our annual Survey of Office Space in the Greater Springfield Region will likely report gains in occupancy for the year.

There is certainly more work for Springfield to do to reach its potential. We face similar challenges of other New England cities, but there is a spirit of genuine involvement and commitment from many sectors of our community that strikes this somewhat cynical veteran of previous restorations as more realistic and focussed than some past efforts. Serious investment and success in the healthcare sector, increased attention and innovative solutions applied to our public schools will lead, along with more efficient and effective government attention, to conditions which justify the new investment initiatives we are beginning to see on the landscape. For the seasoned real estate investor, Springfield may well be worth a more serious look.

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