



nerej

Design-builder provides innovative service during challenging times

January 21, 2010 - Retail

While the current economic downturn has caused stores to close their doors, landlords to let their leases run out, and shopping centers to sit half vacant, there are also those forward-thinking people who are working together to revitalize and renovate these spaces and create mutually beneficial new business opportunities.

One proactive Connecticut firm that has been facilitating the process of bringing together the various players including developers, landlords, tenants, contractors, and town officials to execute successful retail projects in spite of the recession is Hylwa, Inc., a Meriden-based, design-build construction firm established in 1985 that serves clients in New England, New York, and New Jersey.

“We’re providing a lot of preconstruction and pre-contract services, which are helping landlords get leases and tenants,” said Ken Hylwa, the company’s president. “We go above and beyond what a standard general contractor or design-builder would do.”

Hylwa points out that his firm is very aware of how time sensitive this process is and the importance of executing on a timely and cost effective basis. This results in early rent commencements for the landlords, which, in turn gets the tenants’ customers in the door.

“At least 70% of our business is repeat business,” said Hylwa, “which speaks to the trust our clients have in our organization and our commitment to their success.”

Hylwa is quick to give credit to Don Riccio, VP of business development, for bringing his expertise in this area to the table. For seven years, prior to his return to Hylwa, Inc. in 2007, Riccio was a real estate manager for a New England-based retailer in charge of lease negotiations, site selection, design and construction.

“Don was a tenant representative,” Hylwa said. “He understands the whole process and brings to it his unique point of view and understanding. He makes sure there are no gray areas, no scopes of work left out, no loose ends, and that everyone is on the same page, is comfortable, and knows they’re getting exactly what they’re supposed to be getting.”

Riccio explains that Hylwa, Inc. works closely with developers during the initial leasing stages to come up with construction budgets and feasibility plans. The company also acts as a liaison

between town officials and landlords on tenant uses, upgrades to shopping centers, and permitting—and that Hylwa’s in-house architects and engineers provide façade rendering and floor plans for review.

“Everyone realizes we have to work together to fix what was broken and dealmakers are now making a cognizant effort to create strong, supportive relationships which benefits everyone involved” Riccio said.

Riccio points out that landlords with vision are purchasing centers in disrepair that have high vacancy rates and are creating a fresh, new look, which, in turn, brings in new tenants.

Paramount Realty Services of Lakewood, N.J. has done this in the Enfield Commons where, working with Hylwa, it transformed a Linens ‘n Things into an Aldi Supermarket, established Five Below’s first Connecticut location, and is also in the process of constructing the first of a series of regional T-Mobile stores.

“Don Riccio of Hylwa, Inc. has been a tremendous asset to our expansion into the Connecticut market,” said Maurice Zekaria, president of Paramount Realty. “Hylwa has provided a unique service that has been invaluable to Paramount in both maintaining and growing our business.”

Riccio also notes that landlords such as Centro Properties Group, based in Boston, have lured existing tenants out of shopping centers and malls that are not committed to the core principals of retail development and into those properties that do support their growth and success.

Hylwa budgeted and built out the 10,000 s/f Dress Barn that Centro Properties relocated into the 126,000 s/f Torrington Plaza. The project was completed within the original parameters set forth during lease negotiations.

“Hylwa delivers a product that often exceeds landlord expectations,” said Michael Walker, vice president of leasing, northeast region for Centro Properties. “The company’s knowledge of the retailer’s perspective consistently results in timely delivery of services, positively affecting rent commencement dates.”

In summary, Hylwa, Inc. has implemented creative solutions to unanticipated construction issues and appreciates the need for timely responses to landlord and tenant inquiries critical in this challenging deal-making environment.