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Hathaway Center sets new standard for mixed-use rehab and pioneered the revamp of Maine's historic tax credit law

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Since its dedication earlier this year, the Hathaway Creative Center in Central Maine has come to redefine the standard for luxury office, residential and retail space in the state. Situated on the banks of the Kennebec River, the former Hathaway Shirt Factory, a downtown landmark, was redeveloped into apartments, office suites and retail.

In less than a year the project has won several awards and all of the 67 loft apartments are full with a waiting list for the few units that become available. The office spaces are substantially built out and anchored by MaineGeneral Hospital, HealthReach Network and TD Banknorth Insurance. Unique Designs and Maynard's Chocolates are the first tenants in what is shaping up to be a lively and eclectic retail component.

"We have plans for a brewpub and interest from several prospective tenants in spaces which have commanding views of the Kennebec River" said Paul Boghossian, one of the developers. "The fact that we've been able to fill the apartments in challenging economic times has given commercial tenants the confidence that they can prosper here." Matt Cardente, the commercial broker handling the project, relayed that interest in the Hathaway is very high because of the rehab job that has created spaces that are beautiful and authentic. "If we can get a prospective tenant to visit, we can sign them," said Cardente.

"I love coming to work here," said Melissa Quirion of TD Insurance. "The building is incredibly beautiful and I see bald eagles over the river from my window."

That sentiment was echoed by Lisa Hallee of Maine General, "The Hathaway is an icon in this region and to have it brought back into productive, creative use is wonderful."

Tom Frederic, vice president of operations for GC Wright-Ryan, underscored the quality of the rehab, "the Hathaway, in my opinion, is the finest mixed adaptive reuse project in Maine by a long measure."

Pete Sherr, of Ransom Environmental, was quick to note the benefits and challenges of working on such a prominent project. "We know that there is extra scrutiny when working on such a venerable building. I see a lot of rehabs, this one deserves the accolades that have been awarded and we look forward to continuing our work on the next phases of the project."

With the creative economy theme as a backdrop, artists have stepped forward to lease work studios in an Artisan Marketplace about to be launched in the retail area. "We aim to have the Hathaway be a real destination" said Boghossian. "There are two more buildings on site for a total of 450,000 s/f so the potential is enormous. Phase 2 likely will incorporate a hotel and conference center as well as more luxury apartments" he said.

A Colby College alum, Boghossian returned to his college town, to do this project. "It has been gratifying to get such great community support" he said. "Colby was an early supporter and later lent

us \$1 million to put our financing over the top. And Maine General and TD Insurance saw the importance of reviving this landmark and keeping jobs downtown. It has been a real economic engine for the region," Boghossian said.

The project received a critical economic boost when the Maine State Legislature passed a special bill lifting a historic tax credit tax cap just for the Hathaway. State representative Pam Trinward offered that the legislature saw this effort as a pilot to prove the effectiveness of the historic tax credit in creating sustainable downtown development. "As a result of the success of the Hathaway, the legislature subsequently lifted the cap statewide, a real economic boost at an important time," Trinward said.

Shannon Haines, executive director of Waterville Main Street, emphasized the new energy the development has brought to downtown, "All the new residents have added to the vitality of the community and the Hathaway is a wonderful venue to hold events," she said.

Boghossian offered that most of the money for the \$35 million project was spent locally. "It was important to us that we keep the expenditures close to home where they have the most impact. At the peak there were 150 tradespeople on site daily. We hope to repeat that economic impact and success as we roll into Phase 2. Creating beautiful spaces that people love which fosters economic activity and builds communities in the process; that's why we love this work," he said.

Project team included:

General Contractor: Wright Ryan Construction, Inc.;

Property Manager: CBRE | The Boulos Co.

Miscellaneous Concrete: Hascall & Hall

Leasing Broker: Cardente Real Estate

Environmental: Ransom Environmental Consultants, Inc.

Developers: Hathaway Holdings, LLC and Niemann Capital, LLC

Legal Counsel: Curtis Thaxter, Attorneys at Law

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