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Where can developers and tenants look for sensible opportunities in this bleak economic climate?

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In 2006, Adam Winstanley, one of the principal owners of Winstanley Enterprises LLC, a Concord, Mass.-based real estate development company, drove through the Elmwood section of West Hartford, Connecticut and noticed something was missing. Winstanley wondered why such a vibrant and densely populated area lacked a "one stop" shopping center. So, after consulting with his partners and advisors, and reaching out to some of his contacts at the Stop & Shop Supermarket Company, he began to seek out the ideal site for such a center. The site he selected, however, initially certainly turned some heads. 176 Newington Road, aka the "Former Industrial Safety Site" was a parcel of approximately 14 acres that had been home to heavy industrial use for the last 70 years. The site suffered significant environmental contamination during that time and, when the Winstanley group first looked at it, was host to a dilapidated 150,000 sq. ft. +/- building falling down around its foundations and footings.

The fix was not an easy one: i) negotiate the purchase of the property from the current owner, Bonk Realty Associates; ii) abate the asbestos in the existing building and tear it down; iii) negotiate the responsibility for the clean up of the property with Jacobs Vehicle Systems, Inc. - Jacobs sold the property to Bonk in 1986 and hadn't had anything to do with it since then but was still primarily responsible for the environmental condition of the property as the "Certifying Party" under the Connecticut Transfer Act; iv) gain approval for the clean up process from the Connecticut DEP and Federal EPA; v) obtain the necessary approvals for the retail development from the Town of West Hartford Planning & Zoning Commission and Inland Wetland & Watercourses Agency; vi) obtain the necessary approvals from the State Traffic Commission and Department of Transportation for the development; vii) negotiate the purchase of two adjacent parcels for the purposes of securing access and visibility for the site; viii) negotiate a long term lease with the desired anchor tenant, The Stop & Shop Supermarket Company for a 37,000 s/f +/- "neighborhood store" and gas station; ix) negotiate solid junior anchor/ strip space leases with quality tenants for the balance of the center; and x) construct the center on a very aggressive schedule.

I have had the pleasure of working on this project since its inception and, I am happy to say, that after six years of difficult and rewarding work, all of the foregoing tasks have been accomplished. In fact, Elmwood Plaza is thriving, with the likes of Stop & Shop, Farmington Bank, and Crazy Bruce's Discount Liquors, heading up an impressive tenant list. While this project certainly presented some unique challenges with the environmental and timing/coordination issues, it is illustrative of a growing trend in our industry. Even as some big box retail centers continue to struggle, the "neighborhood center" as many are calling it, presents interesting and viable opportunities for tenants and developers alike. This seems evident with the success of centers like Elmwood Plaza and various others around the region that are anchored by traditional "big box" retailers utilizing a

smaller prototype. Companies like Stop & Shop, Best Buy, and even Wal Mart, are capitalizing on this trend and leading the way by shifting their focus away from their historical big box prototype to smaller boxes that are a better fit in these types of centers. Stop & Shop rolled out their "neighborhood store" concept several years ago and the reception has reportedly been favorable throughout New England. Similarly, Wal Mart and Best Buy have followed suit with reported success.

So, savvy developers have been seeking out these sites and, if the site can accommodate them, lining up these traditional big box tenants to anchor them using one of their revised neighborhood store prototypes; and, like most retail centers, once the anchor tenant is in place, the developer can then seek out smaller tenants to fill the remainder of the center. This is proving to be good business for both the landlord and the tenants. In addition, there is a great benefit to municipalities and their residents as they ultimately enjoy the convenience of a fully integrated, increasingly pedestrian friendly, "one stop" shopping center. These developments, like all others, are not without challenges; but, in a difficult economic climate which has featured the closure of numerous big box retail stores and developments, those who have been willing to adapt have realized success.

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