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East Providence: SeedAmerica helps under performing sites

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For many Rhode Island communities, vacancy of unutilized and underutilized commercial properties, particularly older industrial facilities is becoming all too familiar and a significant drain on the economies of local municipalities and the state. Properties that were once thriving and buzzing with industrial activity have grown silent, many the victims of corporate downsizing or facility investment in other states or in foreign countries, where operating costs are significantly lower. Nearly every Rhode Island community can identify a property that stands vacant, unutilized and providing no benefit to the community, save for the dwindling tax revenue that the property generates. The owners of these properties, are often faced with the prospect of disposing of the property, where demand is limited and its sale is unlikely given the current conditions of our industrial economy.

55 Pawtucket Ave. is one example of this type of building in our own community. The buildings at this site were once part of Fram Corp.'s East Providence manufacturing facility which included the industrial office building at 55 Pawtucket Ave. and a 330,000 s/f manufacturing building located on New Rd. Thankfully, the 330,000 s/f building is in productive use today and has been for a number of years. 55 Pawtucket Ave., however, has struggled to find a tenant and has remained vacant for some time.

Utilizing the federal governments 561 Exchange Program, an agency known as SeedAmerica has successfully worked with numerous corporations nationwide to acquire unutilized and underperforming sites under the 561 Exchange Program. The 561 Exchange program is an IRS sanctioned program that defines the rules and methods of valuing a property in exchange for tax deductions or tax credits, which is equivalent to cash for owners with a tax liability.

SeedAmerica's mission is to strengthen the economy and entrepreneurs through business education. SeedAmerica works with corporations that have empty buildings, usually because of a plant closure, and helps the local communities gain those jobs back by utilizing the empty property. SeedAmerica is a non-profit 501(c)3 561 compliant non-profit organization, specializing in the acquisition and transfer of underutilized real estate, while maximizing tax and income benefits for corporations. SeedAmerica has helped numerous small businesses expand, save jobs and purchase their own buildings. Using the 561 Exchange Program, companies receive greater cash values for empty industrial properties than if they would have sold it outright at list price.

As of the date of this editorial, SeedAmerica is in the process of acquiring the site at 55 Pawtucket Ave. under the 561 Exchange Program and will be working to promote its re-use by attracting tenants who will occupy the facility and return the property to productive use. Seed America plans to use the building as primarily a business incubator, fostering further business growth in East Providence.

For a more detailed description of SeedAmerica's program, visit their website <http://www.seedamerica.com/>

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