

First commercial buildings in new town center win approval in Scarborough; three buildings totaling 144,000 s/f

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Scarborough, ME The Downs, one of Maine's largest mixed-use developments, made known that the Scarborough Planning Board has approved three new retail buildings in Maine's first new Town Center, paving the way for construction to begin. The first building will be Maine's fourth Market Basket, which is expected to create 300 new jobs and open in 2026. The second building will offer 46,000 s/f of commercial space for four retail and restaurant tenants, which have not yet been announced. The third building will be a five-story mixed-use structure, with 15,000 s/f of ground-floor space dedicated to restaurant, business, and retail opportunities for smaller, local tenants. The upper four floors will offer 76 one- and two-bedroom housing units.

Jon Anderson said, "This is an exciting step for Scarborough. As a member of the Downtown Committee and the Scarborough Town Council, I am pleased that the project is moving forward as planned and will begin delivering the amenities residents want."

Since the first shovel was turned in 2018, the 577-acre project has generated extraordinary interest. In the residential phase, 622 housing units have been sold or rented. The diverse mix of housing addresses all demographics and provides a critical supply to Maine's housing crisis, which requires the creation of 76,000 new homes by 2030. A majority share of the housing at The Downs consists

of small one- and two-bedroom units, which are needed for young professionals, empty nesters and seniors. Smaller housing types have low demand on municipal services and school enrollment. The Innovation District, the light-industrial area of the project, sold out five times faster than projected, and is home to over 50 businesses, including IDEXX, Costco, and InterMed. Due to the demand in both the residential and commercial sectors, the highly anticipated Town Center is advancing three years ahead of schedule.

“The Downs has delivered on their promise to build a mixed-use project that balances residential and commercial square footage, minimizing service demands on the town,” said Karen Martin, executive director, Scarborough Economic Development Corp. “Further, the economic impact of The Downs is historic by creating jobs and minimizing increases in the property tax rate. I am so excited about this next phase of development which will make The Downs a true destination for Scarborough residents,” Martin said.

Valued at \$70 million, this new retail and mixed-use development will be a focal point of the new Town Center, neighboring the InterMed building, which will be centered around a green space and offer tree-lined sidewalks and trails connecting the entire property. Walkability has been prioritized to unify the ‘boroughs’ of the aptly named community.

Also under construction, are two buildings on Market St., off Haigis Pkwy. 10 Market St. will house Allagash Scarborough and Bite into Maine on the ground-level, with second and third floor office condominium space for sale. A neighboring Market St. building is being designed for a small restaurant or a coffee shop. This current phase of Town Center also offers new residential units for sale, which will deliver 96 high-end, highly-amenitized units, starting just under \$400,000.

“Our team is proud of our progress and remains committed to delivering a project that follows Scarborough’s Comprehensive Plan, meets all zoning requirements, and delivers the benefits that the community wants and needs,” said Dan Bacon, director of development, M&R Development, The Downs parent company.

Honoring its commitment to delivering community-wide public benefits, The Downs has donated 25 acres to the Scarborough Land Trust and will build two public trailheads in 2025 connecting to Warren Woods Preserve. Developers have invested \$85 million in private funding for public infrastructure by building public roads and providing utilities to previously unserved areas. Additionally, The Downs closed a critical gap in the public transit route from Falmouth to Biddeford by adding stops at the Route 1 end of the project. It is collaborating with the town and the regional transit agencies to expand service. The state’s most comprehensive traffic improvement project is also being led by The Downs, addressing longstanding traffic issues at 37 intersections across Scarborough, Gorham, and South Portland. The \$18 million project is expected to be completed in 2026.

When the land at the former Scarborough Downs was purchased in 2018, it was valued at less than \$8 million and generated only \$146,000 in tax revenue for Scarborough. Over the years, it had been under contract 17 times and fell through each time – nearly all previous development plans centered

around large-scale casino and hotel projects. At full build-out, The Downs is expected to create over \$615 million in new value, generate more than \$10 million in new tax revenue per year, and deliver a Town Center, which has been a desired addition to Scarborough since 2006.

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