



CELEBRATING
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Once a project full of doubt, The Providence Place Mall has become the jewel of the city

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Eight years after it opened its doors, Providence Place Mall has become the jewel of the city hitting on all cylinders and is a resounding success on all levels. It wasn't always so. The largest private development in Rhode Island, at a cost of \$500 million, was a project full of doubt when it debuted in 1999.

Providence Place Mall's introduction came in 1985. More than two developers took a hard look at putting an urban mall on 13 acres up against Rtes. 95 and 195 at the second busiest intersection in New England. There were many starts and stops in the early years, but by the end of 1995, Commonwealth development had secured its place as developer and the state had passed the tax rebate plan that made the development a reality.

There were three things that stood out from a construction and site standpoint. First and foremost, the site had unique issues that had to be overcome. The building would be right up against Rte. 95 carrying almost 200,000 cars a day. They also had to cross the Woonasquatucket River with the building and deal with all the issues that go along with that. Coupled with the river, they needed to build over the Amtrak Northeast corridor line which created its own unique set of issues.

The third and last site issue with the subject property was the 4,500 car parking garage to be built on the west side of the project. How would the traffic flow? Who would pay for the parking and would the market accept this urban layout in Rhode Island?

There were many critics at the time who thought this would be another economic fiasco and Rhode Island would never see the financial or aesthetic benefits of what many were calling the last urban mall in America. The costs were going to be dramatic. No one outside the city would shop there. The market would not accept paying for parking. The mall would not attract the 15 million shoppers a year that the developer claimed it would.

With all this behind them, Commonwealth opened Providence Place Mall on August 20, 1999. It totaled 1.4 million s/f with 4+ levels of retail including a streetscape and 7 levels in total including the 4,500 car parking garage. There were three anchors and approximately 160 stores and restaurants in total.

With a slow but steady start, Providence Place Mall has come to be recognized as a very successful property within the industry, with per s/f sale figures reported to be well above \$400.

Shoppers who spent the first years getting comfortable in this urban setting have returned again and again. The biggest vote of confidence came in the form of a purchase by the venerable Rouse Companies who have been known for their ownership of many trophy retail properties including South Street Seaport, Faneuil Hall and Baltimore's Inner Harbor among others. They purchased the property and then sold a portfolio of retail properties shortly thereafter to General Growth Properties. General Growth is excited about the success of Providence Place Mall and feel that they can bring

this property to an even higher level. In speaking with them recently, they talked about the fact that they could lease another full floor if it was available.

Because it is not, they see the trend of retailers in Providence Place Mall going upscale. Recent additions include Sephora, Apple Store and the soon to open Tiffanys.

Eight short years later, it is hard to remember all the angst, doubt and suspicion surrounding this unique and groundbreaking development. For all Rhode Islanders, this project has been a spectacular success, returning on all its promises and acting as a wonderful foundation and amenity upon which to grow the city of Providence into the 21st century.

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