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MaineHealth and PowerPay, LLC plan to redevelop older, obsolete properties into new facilities

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Bill Caron, president of MaineHealth, and Stephen Goodrich, president and CEO of PowerPay, LLC, have recently announced plans to redevelop what many would consider to be "white elephant" properties. They have plans to turn older, obsolete properties into new facilities equipped to handle the growth needs of their companies, while providing economic growth and jobs for their communities.

In 1996, Maine Medical Center, in conjunction with its parent entity, MaineHealth, acquired a former 104,992 s/f K-Mart on 14.7 acres at 100 US Route One in Scarborough. Today, the Maine Medical Scarborough Campus consists of five buildings totaling approximately 315,000 s/f on 45± acres, and employs in excess of 500 medical, office and research personnel. The campus is beautifully designed offering easy access to the highway system while providing top quality jobs to the community. The site also includes excess land for future development needs.

In January of 2009, MaineHealth acquired the Orion Center, another "white elephant" property in Scarborough consisting of 96,087 s/f on 15.78 acres. MaineHealth recently announced plans to renovate the former retail center into a medical and office campus for NorDx Labs and Maine Medical Partners. When complete, the revitalized Center will employ in excess of 400 medical and office personnel, and the site has the capacity to add another 50,000 to 60,000 s/f of medical and/or office space. There is no denying the economic boon that these jobs and developments will offer a town the size of Scarborough.

In the fall of 2008, while much of the country was feeling the pressures of a tightening economy, Stephen Goodrich, President and CEO of PowerPay, LLC, acquired the former Portland Public Market in downtown Portland. This 32,440 s/f former enclosed farmer's market facility sat abandoned as many in the community tried to figure out what to do with this beautifully designed structure. Goodrich purchased the building for \$2.1 million and has planned a renovation he hopes will meet Gold LEED* certified standards. When complete, the building will accommodate 230 employees in 46,000 s/f. PowerPay currently employs 125, a number that will likely rise to 140 by the fall of 2009. The city of Portland will enjoy the economic benefit of both retaining these jobs in downtown Portland as well as enhancing the city's tax base from real estate taxes paid by Goodrich's development.

Other examples of once obsolete facilities finding new life over the years include (and yes, I know I am dating my many years in the business with this list):

* The former Rainbow Mall at 901 Washington Avenue, Portland is now a multi-building office park containing approximately 129,325 s/f.

* The former Nissen Bakery building at the foot of Munjoy at 75 Washington Ave. in Portland has been transformed into a 154,000 s/f office, retail and flex space complex offering some of the most

interesting views of the city and Back Cove.

* The former Saunders Brothers Manufacturing plant in Westbrook today houses a mixture of 136,000 s/f of office and industrial tenants on 27± acres with excess acreage to expand.

* Atlantic Place, a 3-building, 72,490 s/f office complex near the Maine Mall was once a fitness and racquetball facility.

What do many of these facilities have in common? Location, Location, Location. As Bill Caron of MaineHealth said of the K-Mart purchase, "Location is key and affordable pricing drives the deal". Many of these properties also offer significant site improvements such as large parking areas, upgraded utility services and easy access to highway and transportation routes.

So, what will be the next "white elephant" to be hunted down? Could it be the former Jordan's Meat facility in Portland? The current Wal-Mart facility in Scarborough? The long-vacant Shaw's at the Falmouth Shopping Center?

As the economy tightens, it's developers like MaineHealth and Steve Goodrich, who we hope will continue to take advantage of these "white elephant" opportunities and turn them into economic engines for the new economy before us.

*The Maine Chapter of the U.S. Green Buildings Council can provide additional information on the steps and procedures for LEED Certification. The chapter also holds frequent educational programs and workshops. Visit their web site at www.maineusgbc.org.

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