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FEATURED

City eyes new downtown investors

Growth of Harbor Place project stirs interest

By Mike LaBella mlabela@eagletribune.com Apr 10, 2016



Tim Jean

TIM JEAN/Staff photo An extension of Harbor Place, under construction on Merrimack Street, will have businesses on the ground floor and housing on upper floors. 4/6/16

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HAVERHILL — When the Harbor Place project kicked off downtown, business and city leaders said they expected it would be a catalyst for other development on Merrimack Street.

Now, as Harbor Place takes shape, several other properties farther down Merrimack Street are for sale or have recently been sold.

City officials said as the Harbor Place project gets closer to opening, chances improve that new projects will come to neighboring properties.

Several buildings on Merrimack Street are for sale or have been sold recently. That has the city expecting more development that will bring a greater variety of businesses to the area, create jobs and lure shoppers.

Officials said Merrimack Street is poised for the kind of rebirth it has long been waiting for. The possibilities include a smaller upscale hotel, retailers of men's and women's fashions, and new restaurants, they said.

The arrival of such businesses would resurrect the Merrimack Street of decades ago, a place that was booming with shoppers drawn to the variety of business there.

'A smart time to get in'

Harbor Place is being built at the eastern entrance to downtown, at the site of the old Woolworth building. The building will house a UMass Lowell satellite campus and several businesses. Other buildings being constructed next door will have businesses on the ground floor and housing on upper floors.

The complex is designed to bring new life to eastern downtown the way hundreds of new housing units in old shoe factories did in the western part of downtown in the last decade.

Recent real estate transactions in eastern downtown have included the sale of the Angel Care Kids property at 68 Merrimack St. to the group that is building Harbor Place, and the sale of two condominium units in the Casey Paper building at 200 Merrimack St. to the Be Imagine Music Studio.

Several other commercial buildings are for sale in the easterly stretch of downtown. They include a 3,000-square-foot commercial building at 109 Merrimack St., next to Haverhill Beef company, and a 20,000-square-foot building at 127 Merrimack St.. next to TD Bank. Both properties are being marketed by Coldwell Banker of Haverhill.

Real estate experts said this may be an opportune time to jump on those and other available properties.

Steven Desisto, senior commercial real estate broker with Coldwell Banker in Haverhill, said the 3,000-square-foot building next to Haverhill Beef company has drawn quite a bit of interest, although it has not yet sold.

"We think something like a luncheon spot or another office would fit there, but nothing too big because of the size," Desisto said. "I think it's a smart time to get in Once Harbor Place is finished, it (available downtown properties) may be all sold."

Desisto said Harbor Place is generating the kind of excitement that will ignite interest in development throughout the downtown.

Views of the Merrimack

"I really do think good things are going to happen and that Harbor Place will benefit everyone in the downtown area," Desisto said. "You not only have the benefit of the buildings, but the new boardwalk at Harbor Place, which we believe will be a real attraction."

The boardwalk will allow downtown visitors to stroll along the Merrimack River. Harbor Place will also have a public plaza where people can take in scenery along the river.

Desisto said the 20,000-square-foot building at 127 Merrimack St. currently has two retail shops on the first floor. The building is owned by Norman Newman, who operated Newman's Furniture store for decades.

"The rest of the building must be refurbished or torn down to start new," Desisto said. "It is an interesting building, but will either take a lot of money to renovate the upper floors into apartments or offices, or take it down and build new."

But the investment would be worth it, Desisto said, because the location would allow for a six-story building with views of the river.

"With UMass and students and all the apartments, Harbor Place will bring a new vibrancy to Merrimack Street and that's going to be great, DeSisto said. "There are some great opportunities and I'm looking forward to a mix of commercial space and housing, as there's quite a few apartments with Harbor Place, including additional residential and commercial in a planned third building."

City tries to lure investors

William Pillsbury, the city's economic development director, said his office is working aggressively to market available downtown properties to prospective developers.

In addition to the two condominiums in the Casey Paper building that were recently sold, additional office space is available in that building next to the post office, Pillsbury said.

"We're trying to use the momentum and excitement around Harbor Place to encourage perspective developers to get in touch with us to explore all the possibilities," Pillsbury said. "We have many opportunities that we'd love to talk about in the downtown We believe we have a tremendous product. The market is here and it's developing."

Pillsbury said Merrimack Street can transform with a blend of housing, office space, retail stores and even something like a small hotel.

"It's a tremendously cool and desirable place for people to be," Pillsbury said. "And we'll have a spectacular new boardwalk so businesses will be smart enough to see that and will want to be there. We created the zoning and environment and now we want to see the private sector making investments that will take us to another level."

Pillsbury said a study taking place for the downtown will yield additional opportunities. He said all aspects of the downtown are being looked at in this study. Called the Transformative Development Initiative, the study is focusing on the Merrimack Street and Bailey Boulevard areas.

"We're trying raise awareness and create opportunities for investment in the downtown," Pillsbury said.

City Councilor Joseph Bevilacqua, a former Haverhill economic development director who is now president and CEO of the Merrimack Valley Chamber of Commerce, said Merrimack Street was known as the commercial center of Haverhill's downtown for many years.

Then the focus shifted to the Washington Street area in western downtown.

"As we created the Washington Street Historic District, businesses started to grow in that area," Bevilacqua said. "Part of the reason was the creation of market-rate, upper-level residential units which enabled property owners to rehabilitate their buildings and make them attractive to commercial on the ground floor and residential on the upper floors."

Bevilacqua said what's happening now is the return of a Merrimack Street presence, which was the missing link for downtown over the last decade or more.

"The city built a boardwalk behind Haverhill Bank, but it didn't go anywhere," Bevilacqua said of the walkway that has been there for more than three decades. "With Harbor Place, and through the efforts of Rep. Brian Dempsey (who helped bring in millions in state money for the downtown), we now will have a new boardwalk needed to complete the effort. We also have new private investment, which will compliment the existing businesses and others that have survived for so many years."

Bevilacqua said the big message at this time, with Harbor Place set to open later this year, is that opportunities exist for developers and merchants in the eastern end of downtown. He said the new plan is a far cry from urban renewal, a government program from the 1960s that demolished older buildings on the side of Merrimack Street across from the river.

"What Mass Development is working on is a downtown master plan that will be the future of the Merrimack Street area," he said. "Urban renewal took the wrong side of the street down and turned its back on the river. What Dempsey and Mayor James Fiorentini have done is to open up the river, which I believe is the future."