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Portland developers think small to meet demand for housing

By David Harry on December 1, 2015@DavidHarry8

PORTLAND — Former City Councilor John Anton sees huge potential for the five-story home of Schlotterbeck & Foss Co. at 117 Preble St.

But he sees it in small pieces.

Anton intends to convert the building that for decades produced specialty foods, sauces, and condiments into 55 one-bedroom and studio apartments.

“I went through it largely out of curiosity, and I really fell in love with the building,” Anton said Nov. 25, a day after his renovation plans were reviewed in a Planning Board workshop.

Tom Landry, of Benchmark Real Estate, sees the same potential at 273 Congress St., where he is marketing East End Lofts in the former Angela Adams showroom that has moved to Middle Street.

“It is something where you see a need in the marketplace and ask, ‘How do you fill it?’” Landry said Monday about renovation work that will create 10 condominiums in the building. Eight are studios and two are one-bedroom units.

The need Anton and Landry see is for market-rate housing for renters and buyers with scaled-down needs and a desire to live a sustainable urban lifestyle.

“I don’t think it is as much empirical as more a feel,” Landry said.

Anton has a purchase agreement for the Schlotterbeck building with owner J.B. Brown & Sons. His application for the site plan review notes Schlotterbeck & Foss’ lease with J.B. Brown ends Dec. 15. The company has shifted operations to Ledgeview Drive in Westbrook and Canco Road, according to its website.

“The economics don’t support larger (dwelling) units, and it is not where we see the demand,” Anton said.

Anton declined to disclose what he agreed to pay for the building, which was also redacted in Planning Board documents, saying only it was less than the \$3.35 million asking price.

“We are spending at least \$5 million on the construction,” Anton said. He expects apartments to be occupied by Sept. 1, 2016, with an average rent will of \$1,300 per month.

The building, designed by architect John Calvin Stevens in 1925, was completed in 1927. It has been initially certified by the U.S. National Park Service as eligible for placement on the National Register of Historic Places; Anton said federal and state officials have received the site plan to review whether the alterations conform with historic preservation guidelines.

Anton said he expects approval at state and federal levels by the end of the year, and will seek a place on the

National Register to capture available tax credits to help fund the project.

A marketing point for the 43,000-square-foot building will be the natural light coming into the apartments, which will have ceilings more than 10 feet high and windows 7 feet high.

Anton is seeking some waivers from the Planning Board, including smaller parking spaces, and expects to modify some of the design to reduce the amount of impervious space.

Smaller parking spaces allow more parking, and although the space would technically accommodate any size vehicle, Anton does not expect his target tenants – singles and childless couples – to be parking family-size vehicles.

“They are not going to be driving mini-vans,” he said.

There will be first-floor commercial space in both buildings, and Landry said he expects to have complete sales information online next week.

East End Lofts are in a building that is part of the history of the India Street neighborhood. It dates to the 1860s, with the storefront added on more than 90 years ago. The commercial space was home to the forerunner of the A&P grocery store chain, according to the East End Lofts website.

The history of the building and India Street neighborhood are marketing points for Landry and his partners, as well as design elements that can be customized.

“House sizes are shrinking, people are becoming more urbanized,” he said. “This has a little bit of character instead of cookie-cutter design.”

Landry also expects the resale value to be strong, so buyers who eventually have changes in lifestyles will still find a ready market of buyers as they move on.

“I think the trend is there,” he said. “I think it is going to continue.”



The former home of Angela Adams at 273 Congress St. is being converted to 10 condominiums, including eight studios, to meet a growing market for smaller housing.



The former Schlotterbeck & Foss building at 117 Preble St. in Portland will be converted to 55 one-bedroom and studio apartments in a partnership led by former City Councilor John Anton.