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## Big property deal is indicator of interest in E.P. waterfront

BY CASSIUS SHUMAN | Shuman@PBN.com

### SPRAWLING

expanses of land along the East Providence waterfront that were once used for heavy industrial purposes are now presenting new opportunities for commercial use.

One large complex at the edge of the Seekonk River, symbolic of the industrial revolution that transformed the Phillipsdale section of the city in the 1800s, epitomizes the type of properties being sought by developers for commercial use these days.

Phillipsdale Landing, a 328,623-square-foot industrial complex, became a red-hot property when listed for \$9 million in August. The historic property, offering 25 rental units, is under a sales agreement with a California real estate development company, according to the brokerage firm involved in the transaction.

That out-of-state developer, which has not been named because the deal is pending, is not alone in its pursuit of prime real estate along the East Providence shoreline.

Seizing opportunities from Phillipsdale Landing to Kettle Point, developers are either eyeing or gobbling up existing properties, or land deserted by industry and restored to suit their needs.

That's according to Chris Martin,

executive director of the East Providence Waterfront Commission. Martin said the opportunity to develop property along the Seekonk River to the north and Providence River to the south presents many possibilities.

"There's opportunity to create better waterfront access for recreational purposes, environmental purposes, and for business and housing purposes," he said.

Providence developer **Churchill & Banks Co.**, which built apartment complexes, houses and office space at Kettle Point on the Providence River, is constructing a 392-unit residential development called East Point on vacant land along the Seekonk River and Omega Pond immediately south of Phillipsdale Landing.

This site was once the location of the former Ocean State Steel. Other spots along the waterfront were used for large oil tank farms.

"The companies that would store and transport oil from [this area] are no longer doing that," Martin said. "That opens huge opportunities to, one, remediate and, two, think about what the new use could be."

In the case of Phillipsdale Landing, the development of the property from an area polluted by steel dust to a booming commercial space has been extensive.

Eugene Francis Phillips was the entrepreneur who built a steel and copper wire manufacturing plant in the area in 1886. Phillips launched the business, which em-

ployed thousands of workers, after experimenting with the production of insulated electrical wire in a small backyard shed at his Providence home.

The 12.6-acre waterfront property sits a few miles north of the Henderson Bridge with approximately 650 feet of riverfront. Its close proximity to Providence, as well as easy highway access, makes it appealing to potential business tenants, according to real estate professionals.

For decades the property had been rundown, as it was underutilized under the ownership of Philip O'Brien, said William J. Fazioli, East Providence director of planning and economic development. The lone tenant, a mattress recycling company, went out of business.

Fazioli said there was a nice turnaround when the property was purchased in 2014 by **Bourne Holdings LLC**, an ownership group led by attorney Preston W. Halperin. The new owner instituted a strategic plan for it.

"The site was largely vacant at that time, and needed a lot of work," Fazioli said. "It was a big sprawling mill complex. Next door used to be Ocean State Steel, and the Washburn Wire Co."

Following the purchase, the city worked with the new owners to adjust the zoning variances for more amenable uses to bring more tenants into the property. "It was a win-win," he said.

Michael Giuttari, president of Providence-based **MG Commercial Real Estate Services Inc.**, said Bourne Holdings decided after seven years and extensive renovations and upgrades to the property that it was time to sell.

"This is a relatively large deal for Rhode Island," Giuttari said. "A typical Rhode Island industrial deal may be 20,000 to 40,000 square feet and sell for \$1 million to \$2 million."

Giuttari said, by comparison, MG Commercial was recently involved in a commercial property at 1280 Jefferson Blvd. in Warwick that was 60,000 square feet and sold for \$3.1 million.

"I've been in this business for 35 years - this is the most activity I have seen in this sector," he said. "It's a good time for this business."

Other development along the waterfront involves **R.I. Waterfront Enterprises LLC** turning a 45-acre vacant property known as South Quay near Bold Point Park, just south of the Washington Bridge, into a concert venue and port for the offshore wind industry. The company purchased the property for \$4.5 million in June 2019 from the **Providence & Worcester Railroad Co.** ■



**HOT PROPERTY:** Michael Giuttari, left, president of Providence-based MG Commercial Real Estate Services Inc., and MG Vice President Julie Freshman outside Phillipsdale Landing in East Providence, which was listed for sale in August at \$9 million.

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