



The Patriot-News

PROJECTS BY POWERS

MAKING A MARK

Powers helps cities reuse old buildings

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When the midtown campus of Harrisburg Area Community College opens on Aug. 20, the development firm leading the project will have just marked two years in business.

Since its Aug. 15, 2005, founding, Harrisburg-based Powers & Associates LLC has developed projects that have transformed the streetscapes of Carlisle and Steelton and, most dramatically, midtown Harrisburg. Powers specializes in transforming existing buildings in urban settings into new uses.

The company's first major project was its 2006 purchase of a former Woolworth store building on Hanover Street in downtown Carlisle. The store closed in 1997 and had been acquired in 1999 by the Cumberland County Redevelopment Authority.

The authority and a nonprofit developer renovated the first floor as part of a plan to convert the old five-and-dime into Business Central, a mixed-use hub for retailers, government offices and small high-tech firms. Powers & Associates is renovating the second and third floors into office spaces.

In Steelton, Powers has acquired the former Mellon Bank building, a key downtown property on the borough's main street, as part of the "The New Steelton" revitalization. Powers is spending about \$600,000 to renovate the two-story building and convert it into office space.

But midtown Harrisburg is where Powers is making its biggest mark. The project is anchored by the company's \$17 million conversion of the former Evangelical Press building at North Third and Reily streets into the HACC campus.

Powers bought the building and completed renovations. It is leasing the building back to HACC for the 130,000-square-foot campus. Nearly 2,000 students will start classes at the campus on Aug. 20.

Tom Powers is president of Powers & Associates and a founding partner of the company. Doug Neidich is chairman, and John Tierney is chief financial officer.

Powers previously had headed the Harrisburg office of developer Crossgates Inc., where he spent 12 years and worked on projects such as the TecPort Business Center in Swatara Twp., the WestPort Business Center in Lower Allen Twp., the Federal Express building along Fulling Mill Road and NorthPort Business Center in Lickdale, Lebanon County.

He became a developer after spending several years as a prison warden. He is a former deputy warden at Cumberland County Prison and was assistant superintendent of the Eckerd Youth Development Center in Okeechobee, Fla. In 1988, Powers was named warden of the North Dakota State Penitentiary in Bismarck.

Family issues led Powers to return to his native New Cumberland.

We asked Powers about his perspective on redevelopment and other issues. Here are his responses, edited for length:

Q: Powers & Associates focuses on adaptive reuse of buildings in urban settings. Why has the firm embraced this approach?

A: The focus was the mission and the dream of Doug Neidich. When Doug sold InterCon Systems (an electronic connector systems manufacturing firm) to Amphenol Corp., he obviously had some cash and wanted to do some things that would be good for the community. He believed that was not necessarily going out and building business parks on virgin land, but focusing on integrated urban development.

Q: How do you identify a building or area as a good redevelopment project?

A: I don't think you can just look at a building and say, great building. I think you have to look at an area, and midtown right now is obviously our hot area. You can identify specific corridors and specific neighborhoods that are ripe for development right now.

Q: What makes a successful redevelopment project?

A: The first thing you need is good quality people. You've got to make sure you have people that can implement, because the implementation of a project is a series of hand-offs.

Secondly, you have to have tenants who are interested in certain spaces. You can buy buildings all day long, and you can renovate buildings all day long, but you've got to have tenants who are interested in going into buildings, and that goes back to the marketing.

Number three, within an urban setting probably the critical path of any project is parking. In the master plan for the HACC campus in midtown, we had to create 500 surface parking places by Aug. 20. We have to create 700 for their full expansion in January.

After that, we have to work with the city to develop a parking garage to take on all the development we are doing. Community colleges are much like urban development. Community colleges are not about beds and dorms, they are about parking spaces because all of the students are transitional.

The fourth component is the public-private partnership aspect. The bottom line is you've got a situation where the private sector works with the public sector and too often people think that's just getting a check (or) getting a grant. It really isn't.

You've got to have Mayor (Stephen R.) Reed, (Rep.) Ron Buxton, (D-Harrisburg) and (Sen.) Jeff Piccola (R-Dauphin County) on the same page in order to do projects, and the way you do that is, number one you have the credibility that you've done it before, like TecPort, and number two you go out proactively to that group and to the county commissioners and others and you get them around the table and you get them excited about a project and then they participate. They help cut through the bureaucratic red tape, they bring dollars at times to the table, and everyone sees the mission and the ability to do a good project.

Q: Can you identify anything local governments can do to improve the development climate?

A: Pennsylvania is unique in that, in this business, each area has their own little municipality. I think we have more police and fire chiefs than all of England put together.

When you have to do development in a situation like that you are working with different sets of boards and different groups of people. We're working right now, either in development or consulting, with Carlisle; we're working with Upper Allen Twp., with Lemoyne; we're working with Steelton; we're working with Harrisburg; we're working with Lykens; we're working with a lot of different people.

A real trick is to make sure that while you are working with each of those separate municipalities you are making sure you are developing relationships that are allowing you to do the best projects for everyone.

Can I identify one thing? No, because development is a series of minefields. You navigate your way through a project and as you are navigating your way through, going back to the public-private partnership model, you really need the buy-in and the assistance of the political leaders and from the municipality. We've gotten that in Harrisburg, and that's what will lead us to do other projects in Harrisburg.

If we went in to a municipality and had a not-so-great experience, why would we go back and work there? We would go somewhere else.

Q: What about regionalism? Would the development climate be better here if things could be done more on a regional basis, instead of municipality by municipality or county by county?

A: It would be great. I have a strong opinion. Some folks at CREDC (Capitol Region Economic Development Corp.) may or may not like it.

I did a lot of big-box warehouse development in northern Lebanon County. One of the times when I was doing that I had a site representative who represented a large company in the car with me. I was driving in his car and his phone rang (and) it was the governor of West Virginia.

The governor said to him, "I want you in West Virginia. You don't have to deal with anybody but me. Here's the number where I'm going to be over the holiday weekend. You can call me. I want you here." I thought that's kind of cool.

Then (the site representative) said something very interesting to me. He said, "Tom, I've got to ask you something. I've been spending this day with you in central Pennsylvania and so far you've told me I've got to talk to CREDC, I've got to talk to Dauphin County Economic Development Corp. You've told me I've got to talk to the Cumberland County Economic Development Corp.; you told me I've got to talk to the mayor's office of economic development. Now there's four Tom, who do you want me to talk to, because there's the governor. Do you want me to talk to (Department of Community and Economic Development) on the state level or do you want me to talk to all these people?"

That rang volumes to me in regard to our region here.

We've got a great region, and we can sell this region. If you notice the one Achilles' heel that we've always had in this market, and I'm as guilty of it as anybody, is we have had difficulty attracting companies from out of the area.

I think that we're very good at getting companies like a HealthAmerica who at the time I was marketing them were looking at West Virginia for their headquarters. We won the competition through a lot of work with DCED and Gov. Tom Ridge's group to have HealthAmerica stay in Pennsylvania, locate here and do their headquarters at TecPort.

We're good at that. Companies expand, we keep them here, people know quality of life. However, when we go out and we market outside this area, we fall flat on our face in my opinion and we don't get a lot of help. We don't get a lot of help from the commonwealth, we don't get a lot of help from the local people, and we're not as good at telling our story as I'd like to see us be.

I did an experiment in marketing TecPort. I went out to the Research Triangle (in North Carolina), I went down to Washington, D.C., I went to Philadelphia and said things to people like, "I can cut your rent in half. If you're paying \$30 a square foot right now I can get you in central Pennsylvania for \$15 a square foot. I can put you in TecPort in a beautiful park. There's a mall, there's restaurants, there's amenities, there's a baseball team, there's culture; what a wonderful place."

Five times I was asked, "Are you sure Harrisburg is the capital? I think it's Philadelphia or Pittsburgh."

"No, I'm from Harrisburg. It truly is the capital and let me tell you about our region."

That's an area where I think long term we can eliminate some fragmentation. We can come together, and we can do a better job for central Pennsylvania.

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