

The Providence Journal

Lowes's finds a fit in a tight North Providence spot

01:00 AM EST on Sunday, November 22, 2009

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Construction of a new Lowe's home improvement store in North Providence is expected to be completed next summer. Town officials, who were worried the recession would affect its construction, are expecting \$300,000 in tax revenue each year.

The Providence Journal / Kathy Borchers

NORTH PROVIDENCE — The drivers who pass through the intersection of Mineral Spring and Douglas avenues surely can't help noticing the construction project on the site of a former car dealership.

Excavation work and a 31-foot-tall concrete wall would be hard to miss from an airplane, let alone from an Escalade stopped at the congested crossroads.

A Lowe's store, now planned to open in the summer of 2010, is about half-complete.

The store replaces the car lot's low-slung buildings, occupied first by the Notorantonio and then the Rizzo dealerships.

"Something was going to go there," said Charles A. Lombardi, the town's mayor. "It wasn't going to stay vacant."

The North Carolina home-improvement chain will bring tax revenue along with the project, said town officials.

It also brought the din of construction — and complaints from neighbors unhappy about having a large-scale development take shape before their eyes.

"It was the blasting," said Mansuet J. Giusti, a Town Council member.

Residents along Rockwell Avenue, on the hillside above the construction site, and others nearby complained about the dust and noise that came with the removal of a rock ledge. Others are upset about the height of the building's sidewall along Mineral Spring Avenue.

Underground fuel tanks and contaminated soil, remnants of the dealerships, raised earlier concerns.

"It was absolutely terrible," said Lilo Federici, who's lived at 26 Rockwell Ave. since 1967. "I could always tell when they were blasting; all that ledge runs underneath the ground and comes out in my side yard."

"It wasn't very pleasant, but it's over."

Retailers have faced many such issues in recent years since they began chasing sales into the country's metropolitan areas, particularly in the Northeast.

"There's very little developable land" in New England, said Charles Francis, head of the Providence office of CB Richard Ellis New England, a commercial real estate firm. "In Rhode Island, you find a site and you rework it until it's blue in the face."

The North Providence store will be 102,000 square feet and have a 26,000-square-foot garden center. The building is the midsized store format put up by the home-improvement chain, which also uses 117,000- and 94,000-square-foot formats.

In the company's most-recent annual report, Robert A. Niblock, its chairman and chief executive, explains that Lowe's uses different store sizes to attract customers. "We are also testing prototypes to enable us to further penetrate metro markets that are often land-constrained. Our flexible formats, including multi-level store formats that feature rooftop parking, provide us the vehicles to better serve these markets."

The size of the North Providence store was limited by the 11-acre land parcel. The company also placed the store at the parcel's southwest corner, forcing the contractor to carve away a solid-rock hillside.

That forced Lowe's to build a "non-prototypical" second story for the store's offices and devise a "varying-width" layout for the garden center, a Lowe's spokesman said in an e-mail to The Journal.

"A lot of retailers had no experience doing these [elements]," said Adam Epstein, president of **Site Analytics Co.** in New York City. "They've learned how to adapt their concept to another footprint."

Lowe's will spend approximately \$12 million to build the store, according to Gerard D. Littlejohn.

That's about half the \$25 million it spends on its largest stores.

Lowe's has been slowing its store openings since the recession hit, something Niblock noted in its most-recent annual report.

The company planned 115 openings in 2008, down from the 153 it opened in 2007. Lowe's will open fewer than 70 stores in 2009.

Sales at home-improvement chains have tumbled for more than a year now as recession-weary consumers continue to put off big renovations. With consumers under continuing economic pressure, Niblock told Wall Street analysts in August that Lowe's will open no more than 45 stores in 2010 as the chain delays some openings and drops others altogether.

"I was very concerned," said Mayor Lombardi, when asked if he thought the economy would stall the Lowe's plan. "I'm elated and happy that this project did come to fruition."

"They're going to generate income for the town."

The town expects about \$300,000 in annual tax revenue from the Lowe's.

Lowe's is committed enough to Rhode Island that it featured a Central Falls charter school, where it donated \$110,000 for a playground, in its 2008 annual report.

The North Providence store is its sixth in the state.

http://www.projo.com/business/content/NP_LOWES_22_11-22-09_3QGGVJO_v30.345fd84.html