

Business

The Residences at PortWalk, phase two of the three-phase Northern Tier Redevelopment Project, is under way. The building will feature 36 luxury apartments and more than 9,000 square feet of available retail space on the ground floor, with occupancy planned for the fall. Behind the construction is phase one of the project, which brought a Residence Inn by Marriott and the Portsmouth Harbor Events Conference Center to the city.

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PortWalk moves into phase two

◆ **Portsmouth development:** Occupancy expected in the fall at downtown complex.

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PORTSMOUTH — The Residences at Portwalk are beginning to take shape as phase two of the three-phase North End redevelopment project moves slowly forward.

Construction on the 51,000-square-foot apartment building began in early February and will be available for occupancy as early as fall, officials said.

The Residences at Portwalk will feature 36 luxury apartments — and more than 9,000 square feet of retail space on the ground level.

When first proposed, the PortWalk project was permitted for three buildings to go up at once. Initial planning board approval in the summer of 2007 was accompanied by developers' hopes that the entire project would be complete within 20 months.

But just as Cathartes Private Investments was finalizing the permit-

ting process, the economy tanked and the Great Recession made financing for such a large, speculative project virtually impossible.

Now, nearly four years later, the city has leased parking spaces instead of new downtown retail tenants, a half-finished apartment building, and mixed ideas of how additional commercial space will develop.

Smaller chunks

As financing stalled, developers re-permitted the overall project in three phases.

Phase one brought the Residence Inn by Marriot and the Portsmouth Harbor Events Conference Center to the city last fall.

"We had to be creative, resourceful, and determined to keep PortWalk moving forward during this difficult economy," Cathartes Private Investments principal Jeff Johnston said in a press release.

Phase two, the residential project, offers "unique appeal" for prospective retailers and people looking for "the ultimate downtown living experience," Johnston said.

Phase three in the total redevelopment of the old Parade Mall office building and parking lot is in the

process of "master planning" by Cathartes, said Scott Tranchemontagne, spokesman for the project.

The timeline on completion of the rest of the project is up in the air.

"We are exploring all different types of uses including, perhaps, additional residences," Tranchemontagne said. "Everything is market driven."

Original plans for the Parade Mall building proposed strictly commercial office and retail space.

Now, developers are "taking another look at the building and seeing what the most appropriate use is," Tranchemontagne said. "We still want to have retail on the street level, but there may be a real mix of uses above that."

In the meantime, space not being used for phases one and two is being leased to the city for parking.

Ground floor

The ground floor retail space at the hotel, conference center and residences is being offered by Jody Skaff at the Kane Co. and features large windows, high ceilings and lack of columns, allowing for flexible and creative layouts.

"The city is pleased that, in this economy, the next phase of the

PortWalk project is moving ahead," Nancy Carmer, Portsmouth's economic development program manager said.

"From an economic development perspective, the project further implements the Northern Tier plan and adds to the city's tax base."

Apartments

The luxury one- and two-bedroom apartments will feature natural light filled open floor plans with one-floor living, oversized windows, French doors and Juliet balconies, Cathartes says.

Also, residents can have views of Portsmouth, Portsmouth Harbor and the North Mill Pond from select units, gourmet kitchens and onsite parking.

Carthartes' Johnston said the hotel and conference center "are off to a tremendous start, and we expect the Residences at PortWalk to be equally successful."

The project is expected to create more than 100 jobs during construction, and this phase of PortWalk is expected to contribute more than \$80,000 in new, annual tax revenue for the city.

For more information on the project, go to portwalknh.com.