

Wellington rehabs vacant building near Central Corridor

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The Sewall Gear Manufacturing Co. closed in 2009, and the building at 705 Raymond Ave. just off University Avenue has been sitting vacant since. (Staff photo: Bill Klotz)

The Sewall Gear Manufacturing Co. closed its doors in St. Paul in 2009, leaving behind an empty industrial building near the intersection of University and Raymond avenues.

But now there are fresh plans for reviving the structure, even amid the nearby disruption of the construction of the Central Corridor light rail transit line along University Avenue.

St. Paul-based Wellington Management Inc. closed on its purchase of the building at 705 Raymond Ave. on April 22, paying \$1 million. Wellington promptly began a \$2.7 million renovation of the property, where the St. Paul-based Avalon Charter School will move in as the anchor tenant.

"We're doing a complete renovation of it," said Judd Fenlon, director of real estate development for Wellington Management. "We've got a pretty tight deadline."

Wellington is putting in new windows, an elevator, and new mechanical and electrical systems. The project is slated to be finished by the beginning of August - in time for the start of the next school year.

Fenlon said Wellington knew the Avalon school was shopping for new space, and the vintage manufacturing building proved to be a perfect fit. The sturdy brick and concrete block building dates to 1925, according to Ramsey County property records.

"That was kind of exactly what they were looking for," Fenlon said.

The Avalon Charter School will lease about 23,000 square feet, or approximately two-thirds of the building. The school currently leases roughly the same amount of space at 1745 University Ave. W., near University Avenue and Wheeler Street.

"We're excited to move to the new location. It's going to meet our needs better," said

Carrie Bakken, program coordinator for the Avalon Charter School. "It was really important that we stayed on University or near University."

Bakken said that access to public transportation was an important factor in its site selection, adding that the new space will be more efficient for the school.

The Avalon Charter School opened in 2001 and has 185 students. Bakken described Avalon as a "teacher-run school."

Fenlon said there is still about 13,000 square feet of space available for lease in the building.

"We're negotiating on half of that right now with another prospective user," Fenlon said. "The remaining portion of the building has got glass on three sides. It would lend itself to some nice office space."

St. Paul-based Park Midway Bank is providing project financing. The project team includes Rogers-based Terra General Contractors and Pete Keely of Minneapolis-based Collage Architects.

"Wellington Management is a great local company that understands the community," said Kari Canfield, president of the Midway Area Chamber of Commerce. "It's nice to see a building that's been vacant since 2009 being redeveloped."

The St. Paul-based Update Co. redeveloped a formerly vacant property at 700 Raymond, across the street from the building that formerly housed Sewall Gear.

Sandy Jacobs, one of the partners with Update Co., said they are just wrapping up a lease deal that will bring the rehabbed 20,000-square-foot building to 100 percent occupancy.

"We'll be 100 percent leased, so we're pretty excited about that," Jacobs said. "University and Raymond is turning into a real creative corner where we've got a lot of interesting things going on, and I think the school fits in well with that."

Jacobs said she thinks that many tenants are trying to look beyond the current disruption of light rail construction.

"The construction is not fun. It's very hard to get around down here right now, but people are looking to the future and knowing that this will be a good thing when it's done," Jacobs said.

By the Numbers

\$3.7 million

Cost to buy and renovate building at 705 Raymond Ave.

86 years

Age of building

Sources: Wellington Management Inc.; Ramsey County

Complete URL: <http://finance-commerce.com/2011/05/wellington-rehabs-vacant-building-near-central-corridor/>