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## Offers sought on Philip Morris site

West Broadway property last assessed at \$1 million

**By Sheldon S. Shafer**

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Philip Morris USA is on the verge of accepting offers on the 11-acre site long occupied by its stem-processing plant just southeast of Dixie Highway and Broadway in western Louisville.

The property is just across Dixie from a 23-acre site it previously sold to the city that is being held for development.

The smaller tract contains three buildings with a total of nearly 500,000 square feet of space.

"It's rare to find a complete city block, where so much of the property is paved and ready for use," said Stephen Lannert, an industrial real estate broker with Colliers Harry K. Moore of Louisville, who is working to sell the 11-acre site.

Lannert said a confidentiality agreement prohibits him from discussing many matters related to a possible sale.

But he said that in the next day or two Philip Morris USA, based in Richmond, Va., will "contact the people and companies that have shown a genuine interest (in the site) and ask them to make an offer."

He said the schedule for any deal is uncertain. "There has been good interest in the property," he said.

Lannert said he is marketing the site "as is" and declined to speculate on whether a buyer will raze or renovate the three existing structures. He acknowledged that reusing the multistory buildings for industry will be challenging because most companies prefer operations on one level.

Philip Morris, Lannert said, has "protected the integrity" of the buildings. The recent windstorm caused some minor roof damage that will soon be repaired, he said.

The site was last assessed in 2007 at just over \$1 million.

Philip Morris sold the 23-acre site on the southwest corner of Dixie and Broadway to the city in 2001 for \$100. The cigarette plant closed in 2000 as the company consolidated cigarette-making in North Carolina.

After one minority-owned group was unable to develop the property, the city in 2006 sold it to NewBridge Development LLC, an affiliate of The Mardrian Group, owned by Teresa and Frank Bridgewater. The group, based in western Louisville, completed razing nine buildings on the property last spring.

Conceptual plans for the cleared site propose a \$40million project called NewBridge Crossing featuring restaurants, a branch bank or two, retail shops and perhaps condominiums.

Teresa Bridgewaters, president of the company, said TMG continues to pursue a "big box" anchor commercial tenant.

She said retail chains, including Target and Wal-Mart, aren't interested but talks with "lower tier" retailers continue. She said the economic climate is prompting many potential tenants to delay decisions on new ventures.

Despite the slow pace of leasing, Bridgewaters said TMG has "a commitment to this community" and will bid to acquire the remaining 11 acres to protect its current investment.

If the company does acquire the 11-acre site, Bridgewaters said she isn't sure whether the three existing buildings there would be razed or renovated, or how the land might be used. "The key will be to find a tenant willing to move into that area."

David Morris, the city's assistant economic-development director, said the city is not interested in buying the 11-acre tract. He noted that TMG's master plan for NewBridge Crossing could incorporate the site.

Development near Dixie and Broadway is something western Louisville needs, Morris said. "But it's a rough time for retailing everywhere. If things turn around, (NewBridge) could be a very viable project."

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