

## Pro Development: new uses for old buildings

by BILL SIMPSON

Where others see only reasons to call in the wrecking ball, W. Edwin and Quentin Miller envision homes, neighborhoods, and community centers. Where others see buildings whose best days have passed, the Millers find exciting new uses for those buildings.

The brothers, ages 34 and 27 respectively, are the principals in Lancaster's Pro Development Co. at 140-A S. Queen St. The firm specializes in rehabilitating homes and other structures, and in finding new uses for them. "It's our ideas, enthusiasm, and experience that people buy into," Edwin said.

Because of the Millers' efforts, many formerly neglected buildings across southeastern Pennsylvania, which might have become vacant lots, are now contributing to the viability of their neighborhoods.

One of Pro Development's current projects is the Nissly Chocolate Factory in Mount Joy.

Built in 1920 as a chocolate factory and used most recently as a manufacturing facility, the building will soon offer housing for senior citizens. The four-story building covers 22,000 square feet and will become apartments for senior citizens of low to moderate incomes. An adjacent building will serve as a community room.

The most striking aspect of the Chocolate Factory, as the development is called, is its windows — all 5,400 of them. Because of those windows, the apartments are sunny and warm. The upper floors provide a great view of nearby farms and railroad tracks, as well as the Three Mile Island nuclear power plant in the distance. Rentals for the units will range from \$285 to \$425 per month, depending on residents' income.

Handling the leasing and the maintenance of the new apartments will be Community Action Program of Lancaster County, the building's managing general partner. According to Executive Director MacDonald Stacks, CAP's purpose is to help low-income people to become self-sufficient.

CAP deals with people in all age groups, and about three years ago, CAP identified affordable housing for senior citizens as a serious need in Lancaster County. With 28 units, the Nissly Chocolate Factory will address that need for many couples and individuals. "One nice part is the low rents," Stacks said, "especially for people on very low incomes, people living mostly on Social Security."

The first tenants will probably move in in August, and their arrival will mark the completion of a long and difficult process. With a price tag of approximately \$2.5 million, the building carries seven different mortgages. According to Stacks, "The project could have fallen through four or five times. It was a very difficult process, and they (the Millers) hung in there with us.

As the Chocolate Factory project nears completion, two major projects brought to life by the Millers are about to start in Harrisburg.

Plans are currently finalizing for a metamorphosis of the McFarland Press building on Mulberry Street, where a \$4.9 million project will begin in



The many windows of Mount Joy's Chocolate Factory elderly housing facility provide a backdrop for Quentin L. Miller (left) and W. Edwin Miller, of Pro Development Co., Lancaster.

October and will transform the now vacant 68,000-square foot community room, which will also serve as a base of operation for Danzante, a nonprofit Spanish dance troupe serving the Hispanic community of Allison Hill.

On the surface, the challenge of converting the abandoned McFarland building into a useful building looks fairly simple, but W. Edwin Miller says that the entire process of reusing old buildings is quite complicated.

For example, in order to meet parking needs at McFarland, Miller originally wanted to knock down two buildings on adjacent Crescent Street. The Pennsylvania Historic and Museum Commission nixed that idea, however, saying that demolition would alter the character of the neighborhood and jeopardize the historic tax credits which are necessary for this sort of project. Faced with that obstacle, Miller negotiated with the owners of the buildings to purchase their back yards for conversion to parking spaces.

"The success of these deals is in the ability to negotiate with the variety of disciplines involved," he explained. "These deals are not like developing a green field."

One way in which such deals are not like developing from scratch is cost. New construction typically costs \$80 to \$90 per square foot. Rehabilitation work frequently costs between \$100 and \$110 per square foot, and if economics were the only consideration, no one would ever have the incentive to do this sort of development work.

Miller stresses that the benefits of his work extend to the community as a whole and make the

dollars spent good investments. "The psychological benefits are priceless. We're in the business of preserving memories."

Preserving those memories requires bricks and mortar, and old buildings frequently complicate the conversion process. The McFarland project, for instance, actually involves two different buildings — the McFarland building and the adjacent Penn Harris Taxi Co. Both structures are old and have already undergone significant alterations in their lifetimes. As a result, such a project actually requires more time and work than constructing a new building.

Rehabilitating the McFarland building will be a big job, but not nearly so big as Sylvan Heights, which is now in the blueprint stage with anticipation of a mid-July groundbreaking. The former Catholic orphanage, a once magnificent edifice, stands just a few blocks from McFarland Press. The huge building has been vacant for several decades, and it's in serious disrepair. Trees have grown tall around it, the swimming pool has filled with rainwater and aquatic plants have taken root there.

But a \$9.2 million renovation will convert it into the new headquarters of the Harrisburg YWCA. The Millers won't be acting as developers on that project, but they were the ones who saw the possibilities and started the entire process.

Randy King, spokesman for Harrisburg Mayor Stephen R. Reed, has great enthusiasm for these two projects, and he voiced the mayor's support for Miller's work, which includes the refurbishing of Harrisburg's Governor Hotel.

Asked if this sort of project can have a significant impact on the city's housing needs, King said, "Very much so. Downtown needs a good mix of residents to keep it first class."

For the Millers, 1996 looks bright, but 1995 was rather bleak. Financial difficulties occurred when the Millers overextended themselves by buying properties for which they could not assemble development teams. "I was too aggressive," Edwin said. "I made mistakes."

As a result, the Millers no longer acquire properties. Instead, they act as developers, consultants, and idea people, doing between \$3 million and \$6 million worth of development every year. Their revenue now comes from finder's and consulting fees and from bringing together sponsoring community groups and financing.

"(Edwin Miller) went in and saw the place and put in his time to convince parties that it will work," King said of the Sylvan Heights project.

The Millers' business had its beginnings in 1984, when they began to invest in buildings in Lancaster. Their first projects were city row houses which they rehabilitated. At that time, Edwin was working in agriculture and in the automobile business, and Quentin was still in high school.

In 1986, when the Lancaster Chamber of Commerce and Industry announced its move to the former Southern Market building at 100 S. Queen St., the Millers acquired many properties in that block. One of their most visible accomplishments in Lancaster is the King Theater Apartments on East King Street.