Sunday News

Copyright© 1998 Lancaster Newspapers, Inc. All Rights Reserved

REAL ESTATE**

LANCASTER, PA., SUNDAY, OCTOBER 28, 1990

Offices proposed for vacant warehouse

I think it hurts when you drive through areas of a city, any city, and see good old strong structures being unused and on their way down...We not only want to renovate the building for a profit but we also want to give a little back to the community that's been so good to us. Elam G. Stoltzfus Builder

Renovation target: former General Cigar Co. facility



Sunday News/Jack Leonard

By Lisa Christopher

Sunday News Staff Writer

For more than 20 years, Elam G. Stoltzfus has built a reputation in Lancaster County as a custom home builder.

But now Stoltzfus wants to diversify his Witmerbased company by dabbling in a commercial venture that, he hopes, will repay his good fortune.

"For years we've been wanting to branch out and expand our horizons," Stoltzfus said. "But more important, we've had a desire to do something for the community and underprivileged people. We want to give a little back."

Stoltzfus is the investor in a joint venture, with project developer W. Edwin Miller of Progressive Investments, to convert the aging General Cigar Co. brick tobacco warehouse, at 453 S. Lime St., into commercial office space.

The warehouse sits in the middle of an area earmarked for commercial and business revitalization by the city's Pride and Promise plan released earlier this month. The building, which is about 50 years old, has been vacant for six years, Miller said.

"The goal, from my point of view, is to make the project work by renovating the building, creating new jobs and increasing the city's tax base," said Charles Maneval, Lancaster economic development director.

Miller and Stoltzfus want to create 40,000 square feet of office space in the four-level building. An attached one-story, 10,000-square foot building would be demolished to enlarge the parking area. An estimated 100 spaces would be provided on site.

Maneval said the building project would be eligible for tax abatements in the Local Economic Revitalization Tax Assistance, or LERTA, program. LERTA provides for three years of city and school district tax abatement on the increased assessment created by renovation. And, because the building lies within a city enterprise zone, it is eligible for a low-interest loan of up to 30 percent, or almost \$1 million, of the \$3 million renovation costs. Maneval said

For Stoltzfus, the reconstruction project represents a new beginning for his building company.

Elam Stoltzfus, left, and W. Edwin Miller discuss proposed renovation plans for the General Cigar warehouse on South Lime Street.

"I've always envied people who have done that type of redevelopment in places like Old Town," Stoltzfus said. "For some reason, center city work was something we stayed away from but we always wanted to get into it."

Stoltzfus said he started his home-building operation 22 years ago with a 15-year old Amish boy.

"We built one house and from there, we built another and another," he said. "A few years later, we did a lot of barn remodeling, then we did custom homes on scattered lots until about 1981. Then we started doing communities and now we keep about eight or 10 of those communities going in York, Lancaster, and Chester counties."

Today, Stoltzfus has about 60 people on the payroll. Earlier this year, his company ranked 316th on a list of the top 400 builders in the country, by the National Association of Home Builders, for the number of units produced.

Among his projects, Stoltzfus said he wants to expand home building into Berks and Dauphin counties. Although he has done new commercial construction in the past, at the Eden Resort and Oregon Commons, the General Cigar warehouse represents a first for the company in the category of adaptable re-use renovation.

"I think it hurts when you drive through areas of a city, any city, and see good old strong structures being unused an on their way down," he said.

"We not only want to renovate the building for a profit but we also want to give a little back to the community that's been so good to us," Stoltzfus said.

"So we're doing this for two reasons. One is strictly business and the other is to get into commercial rehabilitation. It's not only for the looks of the city but also for the people in the southeast sector," he said.

Miller goes before the city's zoning board Nov. 5 for variance requests to allow medical and governmental services and other types of offices in the building.

Although Miller wouldn't confirm who prospective tenants might be, Frances Jones, operations and personnel director for Southeast Lancaster Health Services on Rockland Street, said officials are considering moving to the former tobacco warehouse when it is scheduled to be completed, probably in the fall of 1991.

"The place where we're at is extremely small. We need space like you wouldn't believe," Jones said. "We've been looking for some time for a new office and I know the warehouse is one of the properties we are looking at."

A recent newspaper article said the building was being considered a possible site for District Justice Louise Williams' office when the five district justices leave the Consolidated Court building on West King Street. Miller would not confirm that.

City officials said Miller had proposed two floors of commercial office for the building while the remainder would be used for senior citizen housing but, Maneval said, the city insisted on 100 percent commercial office for the area.

"We don't support a residential use because we believe commercial re-use of the building will provide an increase of available jobs for residents in the neighborhood," Maneval said.

Stoltzfus, who paid \$187,500 for the building in August, said he is trying to give the low-income neighborhood a friendly shove.

"It's like an old car, if you get out and give it a push, it might get it on its way."



is L Eberly



Sketch shows proposed renovations that would turn the General Cigar warehouse into an office building.