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Mercy Hospital sells its building in Portland's West End, will stay put for now



PHOTO / WILLIAM HALL

Mercy Hospital has sold its 77-year-old facility on State Street in Portland. But the hospital will continue operating there while it expands its other campus.

By William Hall

Northern Light Mercy Hospital on Thursday said it has completed a long-planned sale of its 77-year-old inpatient facility in Portland's West End, paving the way for a team of developers to bring much-needed housing to the city.

The hospital sold the building at 144 State St. to NewHeight Redfern, a joint venture between local development firms NewHeight Group and Redfern Properties, for an undisclosed price, according to a news release.

Mercy will use the sale proceeds to help pay for the expansion of its other Portland site, about a mile away at 175-195 Fore River Parkway, where it plans to consolidate operations. The hospital has 230 beds between the two locations.

A \$75 million build-out of the Fore River campus is expected to break ground this spring and be completed in 2022. The expansion features larger inpatient and emergency care space, a new outpatient surgery center, medical offices and parking.

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Until it can relocate all its services there, Mercy will remain at State Street, leasing the building back from NewHeight Redfern.

A Northern Light spokesman would not disclose terms of the lease or of the sale.

NewHeight Redfern has no specific plans for the 250,000-square-foot, seven-story brick building, which Mercy opened in 1943 after moving from a smaller facility on Congress Street. But the developers have received input from neighborhood groups and said there will be more discussions as a proposal for the building is mapped out.

“Our preliminary concept imagines a largely residential project, with new housing across the affordability spectrum, along with small commercial components,” said Erin Cooperrider, head of NewHeight Group, in the release. “We are excited about this project and the potential it holds for the West End and Portland as a whole.”

Mercy President Charlie Therrien said, “This local development group knows Portland well, and they are committed to engaging with the community in a meaningful way.”

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NewHeight Redfern said it has put together a project team that includes Community Housing of Maine and the Portland Housing Authority, with experience developing housing for rent and sale at all income levels.

NewHeight Group is currently at work on a luxury condominium building in Portland, Verdante at Lincoln Park, which broke ground last June and is the developer's third such project in the city. Redfern also has been active in Portland, with at least two apartment projects there in recent years.



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