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# Iconic Portland high-rise to become hotel with speakeasy in old bank vault

A development company behind several other hotels in the city plans to turn a historic bank building into a 92-room hotel with a restaurant.


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Fathom Companies is planning a 92-room boutique hotel at 465 Congress St., the former Fidelity Trust Building. Founder and president Jim Brady stands in the basement of the building near the old bank vault, which will become a speakeasy-style bar. *Derek Davis/Staff Photographer*

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Portland's "first skyscraper" is headed for a new life as a swanky bank-themed boutique hotel, complete with a speakeasy in the old vault.

Also known as the People's United Bank Building, or the Fidelity Trust Co. Building, the now-vacant 465 Congress St. has been tapped as the next project for Fathom Cos., the developer behind several other hotels in the city, including the Press Hotel.

Built in 1909 and for a time the tallest building in the city, the 10-story high-rise is a registered Portland historic landmark.

The building, which has changed hands numerous times over the years, features lavish details such as a marble-accented lobby with vaulted ceilings and pillars. Not to mention the original bank vault in the basement.

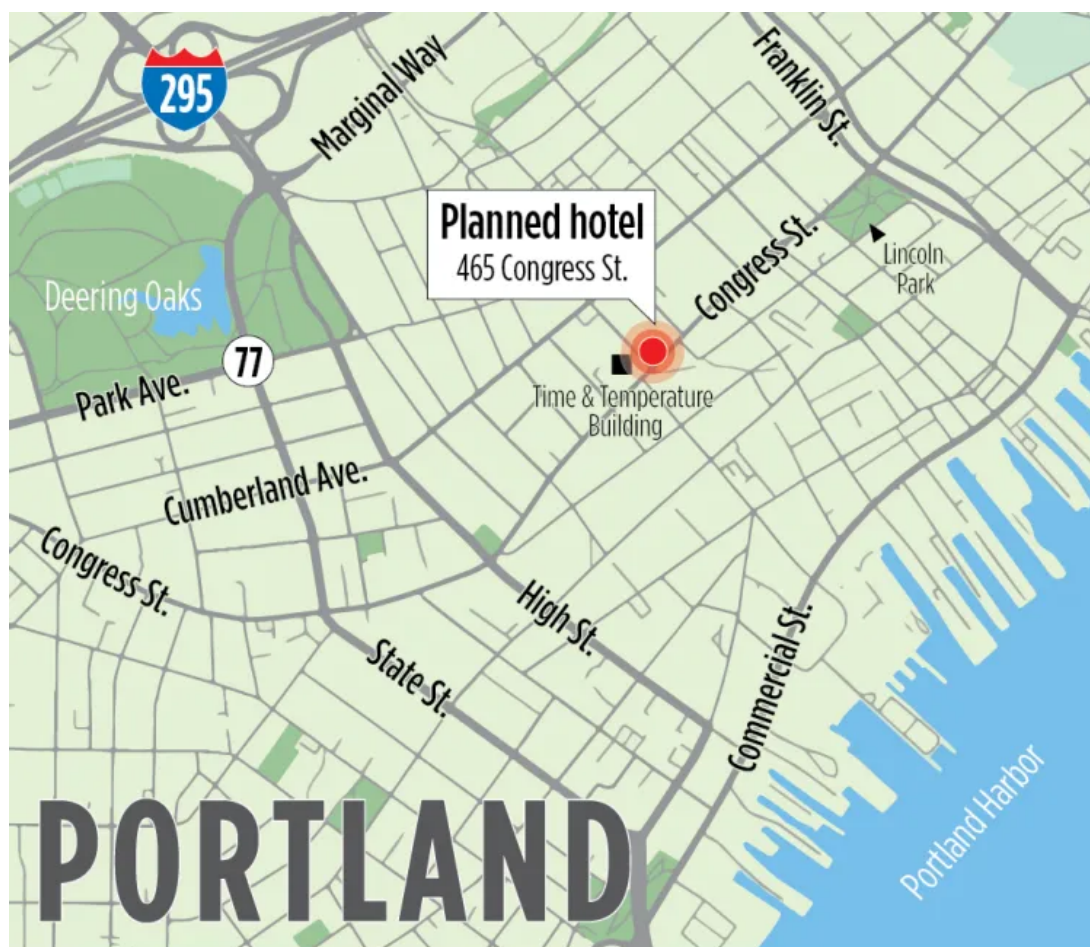
Jim Brady, president and director of Fathom Companies, hopes to highlight these features as the company tackles the historic preservation and subsequent redevelopment of the building into the 92-room hotel and full-service restaurant.

Fathom Cos. purchased the building for \$9.2 million in June.

“The building is in great shape structurally,” Brady said. The company will use state and federal historic tax credits.

Much of the ground floor has remained a bank retail space for the last 114 years, meaning that the building’s historic fabric is largely intact, even if several of the other floors were gutted by the previous owners.

“It gives us a great opportunity to make a really unique public space,” he said of the future lobby.



STAFF GRAPHIC | JAKE LAWS

Another of the building’s most striking features has been covered up for years, Brady said.

“It has a beautiful central staircase that goes from the second floor all the way up through to the roof with a skylight above it,” he said. “Many people who’ve been in this building haven’t actually seen the staircase because the way fire codes work today, it was all drywalled around to create the fire rating around that stair.”

Brady plans to open one side of the staircase with fire-rated glass so that guests exiting the elevator on any floor will see it.

“The bank lobby itself and the vault are obviously unique, but I think the staircase has the potential to be something that is a surprise for people.”

The hotel doesn’t have a name yet, but with the building’s history, the vault-turned-speakeasy and teller counter repurposed as a bar, Brady said it will likely lean heavily into the bank theme.

He hopes to open in 2026.

## **REVITALIZING CONGRESS STREET**

The building stands across Preble Street from another landmark, the Time & Temperature Building and is next door to the former Portland Public Market on Cumberland Avenue, both of which are scheduled for some needed TLC.

Maine Public Broadcasting Network announced plans last month to move its Portland studios downtown to the old Public Market, where it also will build a space to host events.

The Time & Temperature Building, on the other hand, was most recently slated to become 250 affordable apartments. Plans for the building’s redevelopment have shifted as a revolving door of developers have tried to put their stamp on the high-rise, with some plans calling for a luxury hotel or a housing-hotel combination.

Chris Rhoades, an owner of the Time & Temperature Building, declined to provide an update on the project but said he expects to have more information later this year.

Brady said his bank-themed hotel and the other nearby redevelopment efforts are a positive sign for Portland’s Arts District, which has been struggling with vacant storefronts.

“It’s an opportunity to ... revitalize and bring back the life and energy and economic vitality to

Congress Street and Monument Square,” he said.

In a statement, Kevin Kraft, Portland’s director of planning and urban development, echoed Brady’s sentiments and said the project will have ripple effects benefiting other Monument Square and Congress Street institutions like the Portland Museum of Art, the Maine Historical Society, the Wadsworth-Longfellow House and the Maine College of Art and Design.

“Alongside the substantial residential development that is occurring in downtown and nearby areas, this hotel will bolster Portland’s economy and significantly contribute to the street life and 24/7 energy of the city’s downtown,” he said.

## **A CHANGE OF PLANS**

Fathom is not the first company to try to redevelop 465 Congress St. The building sold in June 2019 for \$9.2 million to two out-of-state real estate investment groups that planned to make improvements and market the building to commercial tenants, in keeping with the property’s century-long use as offices and business space.

But after the pandemic dramatically changed the country’s office landscape, the owners – Alta Properties of Newton, Massachusetts, and Connecticut River Capital of Lebanon, New Hampshire – announced last year that they had pivoted and planned to convert the 10-story building into 63 one- and two-bedroom market-rate apartments.

Brady said they had already started demolition inside when, for unknown reasons, they decided to “punt” the project, leaving a mostly empty shell.



Developers are planning to renovate 465 Congress St. in Portland into a bank-themed hotel. The building, built in 1909, has been vacant for several years but was a bank for more than a century. *Derek Davis/Staff Photographer*

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The previous owners planned to pay about \$2.7 million instead of building the 16 workforce or affordable units that the city's inclusionary zoning ordinance required under their proposal. The money goes into a citywide affordable housing trust.

Hotels also are required to build housing into their plans or pay a much smaller fee of about \$4,700 per room. Brady said Fathom will pay the fee, which amounts to about \$432,000 rather than include the three housing units.

To date, no hotel developers have elected to build housing into their plans. All have paid the fee.

Brady said it's likely because the ordinance requires the housing units to be built into the hotel, rather than at a nearby location.

“The idea of building the affordable housing unit inside of the hotel that isn't even set up to be a

residential building, it doesn't really make sense," he said.

Greater Portland Landmarks signed off on the previous developers' plans and said at the time that it was excited to see the building repurposed as housing and the project showcased the ways historic preservation can play a role in solving some of the city's most pressing problems.

Wednesday, Kate Lemos McHale, executive director, said she was disappointed to hear that project would no longer include housing, but that she still supports the plan.

"The building does need some attention, so finding a new use for it is great," she said.

## **MORE HOTELS HEADED FOR PORTLAND**

The project is the latest in a string of hotel developments for Portland.

The city has added nearly 450 rooms in the last four years. Canopy Hotel on Center Street (also a Fathom project) and Aloft on Commercial Street opened in 2021, adding 135 and 157 rooms, respectively. Cambria Hotel on Hancock Street followed in 2022 with an additional 102 rooms, and The Longfellow Hotel on Congress Street added 48 rooms to the market when it opened in May.

And there are plenty more in the pipeline. Portland has more than 800 hotel rooms in various stages of the planning process, and there are more than 400 in the works in the surrounding area. One of those, another Fathom venture, includes 179 rooms and nine condominiums planned for the as-of-yet unnamed hotel at 385 Congress St.


Brady said recently that the company is hoping for more competitive pricing before moving forward with the project because high construction costs have made it difficult to develop ground-up projects, which don't qualify for historic tax credits.

Portland's busy season has extended further into the fall, and Visit Portland, the regional tourism bureau, is working to boost winter tourism while investments in the area by large companies like Wex, The Roux Institute and Covetrus have drummed up more business travel. As demand for hotel rooms has increased, so has supply.

"We've had a hotel opening nearly every year for the last 10 years," Brady said. "We're feeling good about the continued growth in the market to be able to absorb the new supply."

Upscale, boutique hotels are growing faster than limited service hotels, which don't have onsite restaurants, Brady added.

He expects the bank-themed hotel will stand out from the crowd as one of very few independently owned hotels in the city. Fathom's other ventures have all had corporate partnerships. The Press Hotel is part of Marriott's Autograph Collection and the Canopy Hotel is branded by Hilton

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