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Is Kimco Back in the Game at Rheem?

By Sophie Braccini

On the morning of March 26th a meeting was held at the Hacienda de las Flores that many in town had been waiting for: Kimco Realty Corporation (Kimco), the property manager and part owner of the Rheem Center met with representatives from the town to discuss the future of the distressed center.

Mayor Ken Chew, Vice-Mayor Karen Mendonca, Town Manager Mike Segrest, and Chamber of Commerce Vice-President Larry Tessler sat with two Kimco representatives, one of them the Director of Real Estate, John Welter. According to Segrest and Chew, the meeting was positive.

"I am very encouraged by the new people in charge of the Rheem Center and their genuine interest in trying to get the Center occupied," commented Segrest, "They seem much more accessible; the new manager has relocated to the Bay Area, which helps to have a local view of the situation." Chew noted, "One of the reasons why we had difficulty reaching them is that, in fact, a majority of the center belongs to Prudential," said the Mayor, "but Kimco acts as the leasing agent, and manages the day-to-day operations." The Mayor believes that Kimco wants to do well and make the Center a vibrant shopping area; he added that the company has decided to join the Chamber of Commerce and that representatives will try to attend meetings.

The 2002 Moraga General Plan calls for the development of a specific plan for the Rheem area (LU3.2: Rheem Park Area Specific Plan), just like what was done for the Moraga Center, but the town does not seem to be in a hurry to launch such a project. "I do not expect that we will be working on a Rheem Specific Plan any time soon because there does not seem to be any interest in redevelopment of the Center, which would be the primary purpose of a Specific Plan," said Segrest, "There is not much vacant land in the area so any development proposals are likely to be very site specific and not comprehensive in nature." However, the revival of the Center will require cooperation. "The Town is open to new ideas if they are proposed for development," said Chew. "We have offered to work with Kimco on updating its sign plan and looking at expanded uses within the property to facilitate attracting new tenants, and I am hopeful that this can occur in the near future," added Segrest.

Contacted by phone, Kimco's John Welter declined to comment; Kimco does not allow its representatives to speak to the press.

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