

Massachusetts Historic Preservation Conference 2017



Session 3C

(3:00-4:30pm)

A Developer, Lawyer & Architect Walk Into a Historic Mill ... Lessons Learned from Historic Tax Credit Projects

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Download our conference app!

- (1) Go to the AppStore or Google Play.*
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AttendeeHub**

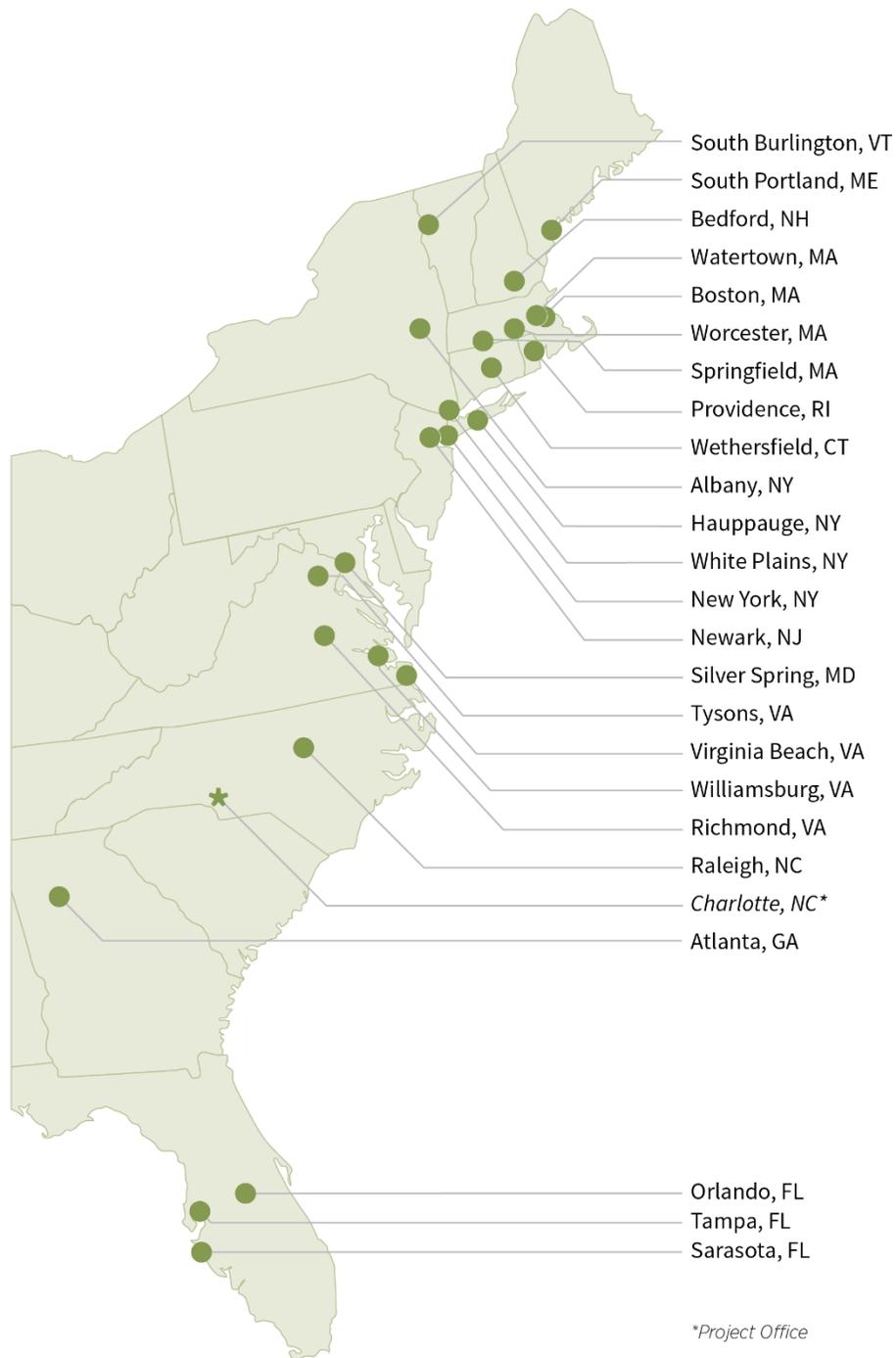
- (3) Open the app. (4) Search for our event:*

2017 MA Historic Preservation Conference



A DEVELOPER, LAWYER, ARCHITECT AND CONSULTANT WALK INTO A HISTORIC MILL... LESSONS LEARNED ON HISTORIC TAX CREDIT PROJECTS





1,300 passionate professionals
including engineers, scientists, planners,
and designers

Founded in 1979

24 offices on the east coast

Core services

Transportation Planning & Engineering
Land development
Planning & Design
Environmental & **Cultural Resources**

Markets

Transportation agencies
Real estate
County and local governments
Institutions
Federal government
Energy

*Project Office



Janis B Mamayek

MA Preservation Conference

22 September 2017

LIVE

LEARN

RENEW





MARKET-RATE



WORK FORCE & AFFORDABLE



SENIOR



CAMPUS Reconfiguration



Façade Upgrades



Infrastructure Upgrades



RE USE



RE PAIR



RE POSITION

WinnDevelopment

Affordable Housing



Brunswick Estates – Jersey City, NJ

Market Rate Housing



Sibley Square – Rochester, NY

Mixed-Income Housing



Brighton Marine – Brighton, MA

Office Buildings



Boott Mills – Lowell, MA

Hotels



The Bostonian Hotel – Boston, MA

Retail Buildings



Samuel Kelsey – Washington, DC

Medical Campuses



1 Brookline Place – Brookline, MA

Parking Garage Facilities



Oliver Lofts Garage – Boston, MA

Adaptive Reuse

WinnDevelopment



More than **25 years** of award-winning experience converting vacant historic properties into mixed income housing.

36+ properties transformed in Connecticut, Massachusetts, New York, Pennsylvania, Virginia, and Washington, D.C.

Nearly **4,000 units of housing** where none existed before



Small Project:
Upham's Corner Comfort Station



Concept 1



Concept 2



Concept 3



Upham's Corner Comfort Station

Boston |

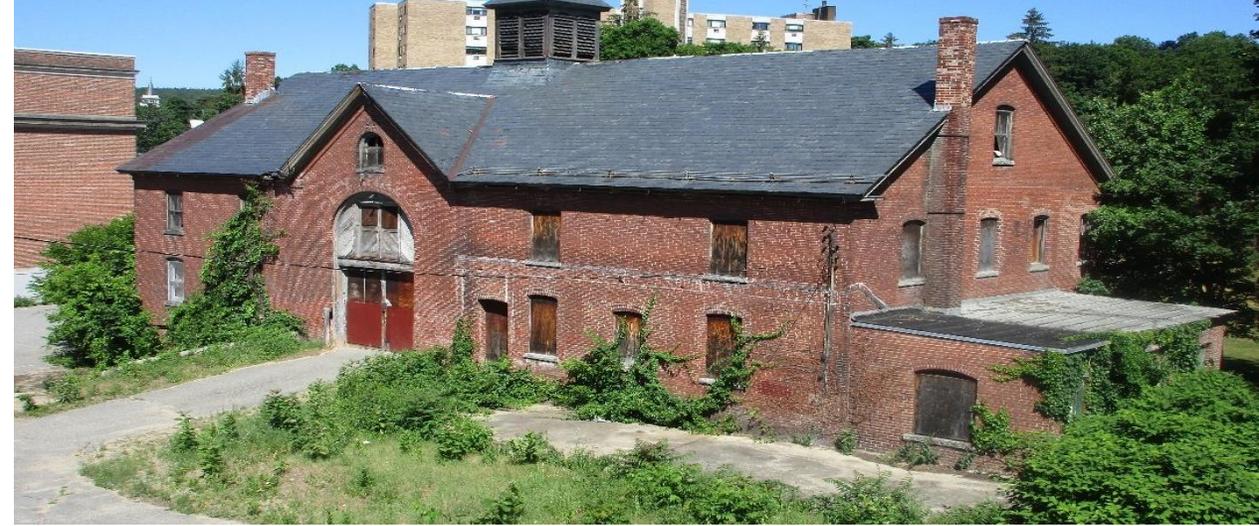


Upham's Corner Comfort Station
Boston |





Small Project:
Fitchburg City Stable



Fitchburg City Stable



AN ARCHITECT

.... Walks into a Historic Property

What do we see ?







GOOD BONES | SOLID STRUCTURE | OPEN SPACE



LARGE SPACES | HIGH CEILINGS | HISTORIC CHARACTER



LOTS OF DAYLIGHT | CONVENIENT "UNIT" SIZED SPACES

What do we ALSO see when balancing Development Goals?

- Openings: Windows & Doors
- What to do with the Large spaces?
- Environmental Issues



Windows:

- [size matters | location matters | frequency matters]
- operability



Windows:

- Functionality [what is the sill height, location]



Windows:

- Opening to Floor Area



Openings:

- Energy Performance
- Accessibility



Large Space –

Maintain Character giving elements – the large space conundrum!



SUBDIVIDE | INFILL SECOND LEVEL YET MAINTAIN CHARACTER



"CHARACTER GIVING ELEMENTS" – THE LARGE SPACE CONUNDRUM!

Environmental:



Environmental:

- Work with an Expert
- Know the extent and the regulations relative to use
- Know acceptable strategies to address





Appleton
Lowell, MA



NoPoint Lofts
Cambridge, MA



Historic Schools
Multiple, MA





APPLETON

LOWELL, MA



NO POINT LOFTS

CAMBRIDGE, MA



Fulton School Residences Weymouth, MA



School Street Residences Athol, MA



Simpkins School Residences Yarmouth, MA



Coady School Residences Bourne, MA



SCHOOL CONVERSIONS, MA

Agenda

Large Projects

Functionally Related Concerns

Case Study 1: Ludlow Mill

Project Phasing

Case Study 2: Counting House Lofts & Adden Lofts

Development & Legal Hurdles Posed by Large Mill Complexes

Case Study 3: Malden Mills (Phases 1 & 2)



Large Project Case Study: Ludlow Mill

Ludlow, MA



**IS YOUR BUILDING
FUNCTIONALLY
RELATED?**

Large Project Case Study: Ludlow Mill

Ludlow, MA



Ludlow Mill 10

75 mixed-income residences
TDC of \$28MM

Placed in Service July 2017

Large Project Case Study: Ludlow Mill

Ludlow, MA

IS YOUR BUILDING FUNCTIONALLY RELATED?

Challenge: Large site with Multiple Owners and Varying Development Goals

- Westmass acquired the site with the intent to facilitate redevelopment
- September 2016: WinnDevelopment acquired Mill 10 for the purpose of redeveloping into 75 residential units

How can WinnDevelopment and Westmass proceed, serving both organizations objectives for their respective buildings in the complex, **without jeopardizing the eligibility for Federal and State Historic Tax Credits...**

Large Project Case Study: Ludlow Mill

Ludlow, MA



Large Project Case Study: Counting House Lofts & Adden Lofts

Lowell, MA



**SHOULD YOU
PHASE YOUR
PROJECTS?**

Large Project Case Study: Counting House Lofts & Adden Lofts

Lowell, MA



Counting House Lofts and Adden Lofts are contributing resources within the Locks and Canals Historic District and a part of the Lowell National Historical Park

Counting House (Phase I)

Originally constructed between 1868 and 1879 as the Hamilton Manufacturing Company Storehouse and Counting House

Redeveloped into 52 mixed-income rental units

Placed in Service December 2014



Adden (Phase II)

Originally constructed in 1845-1847 with later additions in 1884-1893 as part of the Hamilton Manufacturing Company

Currently being redeveloped into 75 units of mixed-income housing

Placed in Service August 2017

Large Project Case Study: Counting House Lofts & Adden Lofts

Lowell, MA



Phase I

Phase II

Large Project Case Study: Counting House Lofts & Adden Lofts

Lowell, MA

SHOULD YOU PHASE YOUR PROJECT?

- Will the proposed project take more than 24 months to complete?
- Can the Project be logically divided by architectural drawings and specifications?
 - Has rehabilitation started?
- Part III awarded after completion of all Phases



Large Project Case Study: Malden Mills

Lawrence, MA

DEVELOPMENT & LEGAL CHALLENGES IN LARGE MILL COMPLEXES

Project 1

2 Buildings (29 & 30)

160K GSF

Completed in 2012

75 Units

TDC = \$34.5M

Placed in Service August 2012

Project 2

4 Buildings

130K GSF

Completed in 2015

62 Units

TDC = \$24M

Placed in Service Sep 2015



Large Project Case Study: Malden Mills

Lawrence, MA



Large Project Case Study: Malden Mills

Lawrence, MA

The Ideal Mill Building

- Building width of 60' to 70'
- Column grid spacing of 8' to 11'
- Large windows (i.e. 42"W x 84"H)
- Structurally sound
- Intact masonry / brick façade
- NOT in a flood zone
- Original architectural details
- Preferably in existing historic district
- Close to public transit
- Chance to revitalize the neighborhood
- Well-situated site
- Accumulated State HTC's (MA)

**BUT THEY ARE
NEVER IDEAL!**



Large Project Case Study: Malden Mills

Lawrence, MA

Typical Adaptive Reuse Challenges

- Green Building Criteria vs. Preservation
- No seismic or uplift ties on structure (Insurance Requirements)
- Existing space configurations required to be preserved
- Flood plain
- Environmental Remediation

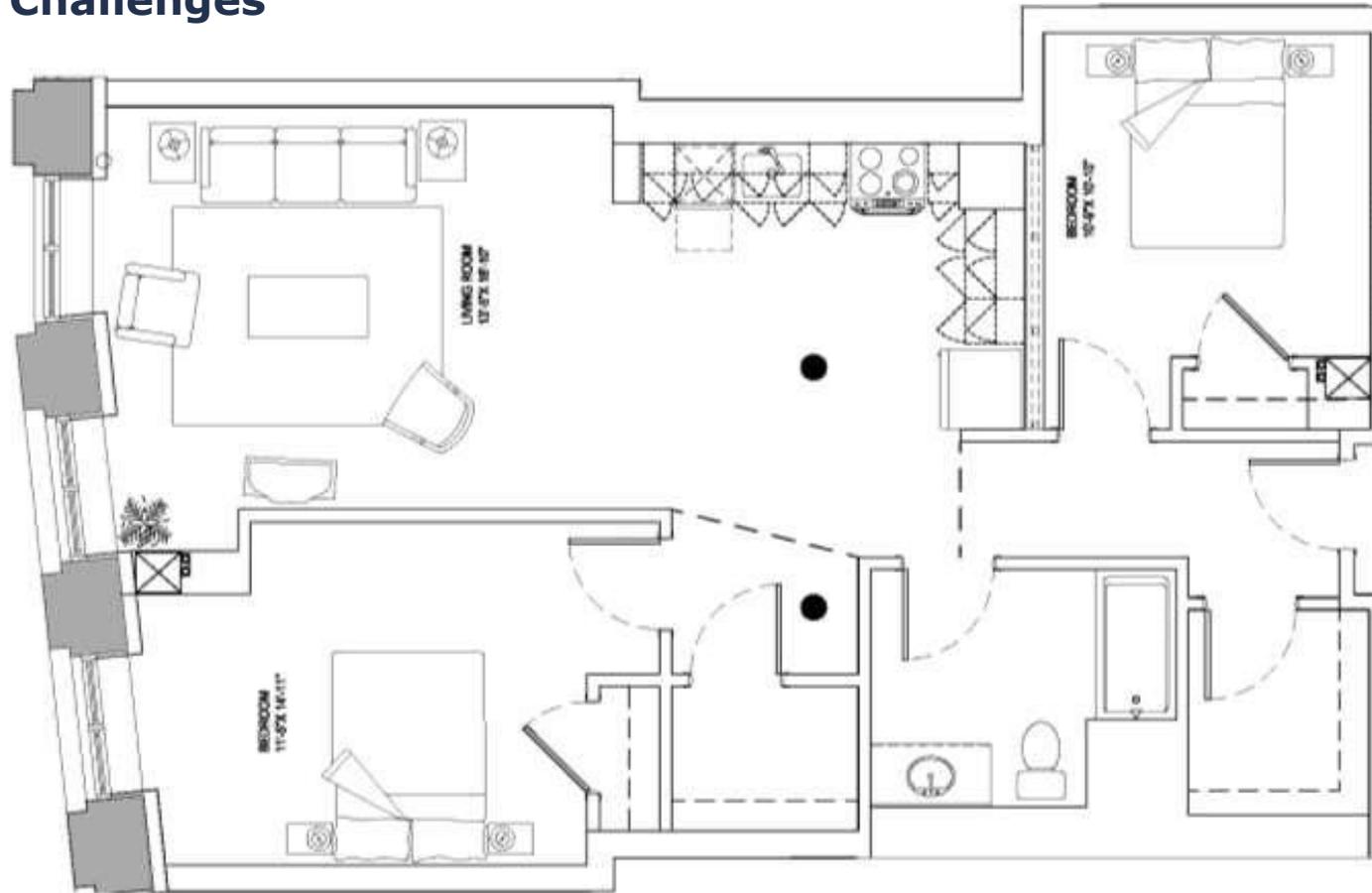
Large Project Case Study: Malden Mills

Lawrence, MA

Adaptive Reuse Challenges

Malden Mills had **extremely wide and deep buildings** – up to 101'

Solution:
Embedded Bedrooms



Large Project Case Study: Malden Mills

Lawrence, MA

Adaptive Reuse Challenges

Buildings located in the
100 year Flood Plain

Solution:
**Raise the floor, flood
gates, non-residential
1st Floor**



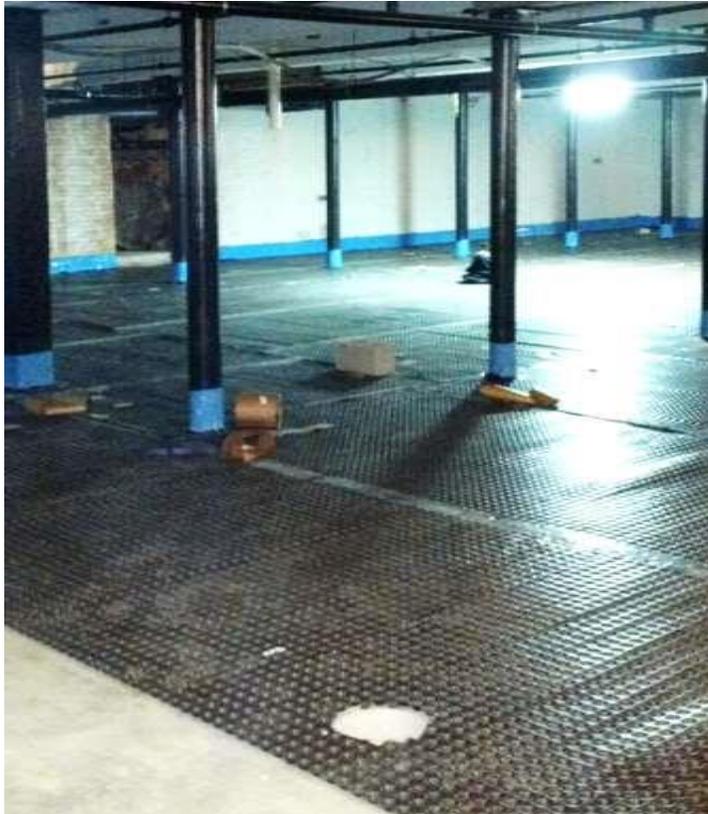
Large Project Case Study: Malden Mills

Lawrence, MA

Adaptive Reuse Challenges

Environmental Items (not Issues...)

Solution: **Vapor Mitigation Systems** (sealing, SSDS & AUL)



Large Project Case Study: Malden Mills

Lawrence, MA



Key Development Considerations

Deal Team:

Developer

General Contractor

Architect

Preservation Consultant

Accountant

Transaction & Tax Counsel

3rd Party Tax Credit Syndicator/Investor

Construction & Permanent Lender(s)

Combined LIHTC/HTC investment structure

Equity Pay-in: governed by LIHTC policy

Construction/Bridge loan repayment

Large Project Case Study: Malden Mills

Lawrence, MA



I HAVE NEIGHBORS?

Legal Hurdles Posed by Large Mill Complexes

- Access – During and after construction
- Competing Uses
- Historic Easements
- Utilities – How do they work for the project and larger complex
- Cost Sharing Agreement
- Historic Tax Credit Protections



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Thank You