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## Reinventing Historic Assets

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*Dating from the 1700s, the Boston-area Baker Chocolate Factory has been adapted for use as housing, including the conversion of three historic mills into a 143-unit residential complex.*



West

Warwick, Rhode Island, saw a transformation recently in the renovation and adaptive use of Royal Mills, a 500,000-square-foot (46,500-sq-m) project that now houses 244 residential units and 50,000 square feet (4,650 sq m) of commercial and retail space.

Former state mental hospitals and turn-of-the-century manufacturing buildings seem unlikely catalysts for master-planned community development and economic growth. Yet, these idle historic assets and the land they occupy have often become the linchpin for upgrading and stabilizing areas and neighborhoods. Recent examples of large-scale historic reuse—many with new mixed-use, affordable housing, and seniors' living components—highlight the valuable role such structures can play in creating master-planned communities. Some are made possible by tax credits for historic preservation or affordable housing—or both.

However, before looking at tax incentives, developers involved in these projects first discover a way to unlock hidden underlying value. The fact is, urban revitalization not only carries a hefty price tag, but also strikes an emotional chord with the community. For example, an urban project with a defunct factory—once the proud center of a vibrant industrial community—becomes a lightning rod of community sentiment and local pride. A proposal to level an old mill, for instance, and replace it with a sports arena, mall, or mixed-use village will meet with surprising resistance, setting the community at odds with the developer. The community asks, can't we save our city without radically altering its character and potentially vacating low-income families and seniors who struggle to survive? And the developer wonders why the community will not get on board with saving itself from a steep decline in quality of life and real estate values.

There is a win-win outcome for this scenario, however. Consider the same urban site, but with a master plan that retains most—if not all—of the old mill's structure, repurposing the plant as the centerpiece of a revitalization strategy.

The mill is converted into mixed-income multifamily housing, designed and constructed sustainably while retaining and even celebrating the area's heritage. In time, live/work lofts for artists, an assisted-living facility, and even luxury condominiums are added to the mix.

That process describes what happened at the 14-acre (5.6-ha) Baker Chocolate Factory site in Dorchester, Massachusetts, described on the National Register of Historic Places as the first chocolate factory in America. Over the span of more than two decades, a series of incremental adaptive use projects has thoughtfully preserved, restored, and transformed eight mill buildings into a vibrant new residential community. Tax credits did come into play for affordable housing and historic preservation, but the unlocked value for the once-depressed Dorchester neighborhood—now with nearby boutiques and cafés to serve its young transplants—far exceeds the cost of those credits.

"It's common to hear stories from residents about how 30 or 40 years ago a family member used to labor in the space where they now live, work, or shop," says Larry Curtis, president of WinnDevelopment, one of the project's lead firms.

Historic reinvention is never easy. But this working model of turning a derelict, turn-of-the-century eyesore into the catalyst and cornerstone of a large-scale, master-planned community has seen many successful results. In addition to the movement to transform historic mills, the successful adaptive use of shuttered state mental hospitals and similar institutions is instructive.

AvalonBay Communities, a real estate investment trust established in 1993 to focus on acquisitions and development of U.S. apartment communities, took aim at two defunct state asylum sites that had good access to employment hubs, transportation, shopping, and entertainment. In Danvers, Massachusetts, an 1878 sanitarium was converted after sitting idle for at least ten years, and opened in 2007 with its iconic Victorian-Gothic facades preserved and 433 new apartments on a 77-acre (31-ha) swath of land.

A second suburban project—Avalon at Lexington Hills—was built on the former Metropolitan State Hospital site in Lexington, Massachusetts. It generates about \$53 million from 390 apartments, about 25 percent of which are affordable units.

Both projects have injected vitality into their local communities. Ten miles from Boston, the Lexington site added 166 students to town schools and about \$5 million in annual retail sales, according to development consultant Connery Associates. Though it feels like a remote oasis, the Danvers hospital project lies just a mile (1.6 km) from Interstate 95 and a large shopping center.

In a more urban setting less than five miles (8 km) from downtown Boston, the redevelopment of Admirals Hill in Chelsea, Massachusetts, overlooking the Mystic River from a waterfront boardwalk, transformed a former naval hospital and barracks as well as historic officers' homes into a gated, mixed-income community. More than 1,000 residences share access to a riverfront park, a yacht club, and one of New England's largest supermarkets. Of greater importance, it changed what was formerly a disjointed neighborhood of underused buildings into a diverse, integrated, self-contained, and thriving community.

Another example is St. John of God, a development by Boston's Planning Office of Urban Affairs and EA Fish Associates centered on an abandoned hospital campus on a prestigious tract on the border of Brookline and Brighton, Massachusetts. The project created a targeted, 5.52-acre (2.23-ha) continuum-of-care seniors' campus out of new and existing buildings. Among the new facilities are a large hospice, 83 independent-living apartments for seniors

(market rate), 102 affordable assisted-living units, a skilled-nursing facility with 78 beds, and 24 hospice apartments. The resulting development revitalized an entire neighborhood from a single, abandoned hospital.



An 1878 sanitarium sitting idle for at least ten years was converted in 2007 into 433 apartments with the original structures's iconic Victorian-Gothic facades preserved on a 77-acre swath of land in Danvers, Massachusetts.

These developments created self-sustaining communities in both suburban and urban-edge locations through the revitalization and expansion of local historic assets. Similar results have been achieved through conversions of historic mills, as shown by work by Beacon Communities and WinnDevelopment on the former Baker Chocolate Factory complex.

West Warwick, Rhode Island, saw a similar transformation recently in the renovation and adaptive use of Royal Mills, a 500,000-square-foot (46,500-sq-m) project with a checkered history of success as a facility for textile milling and other manufacturing that finally closed to industry in 1993. Listed on the National Register of Historic Places, the formerly vacant five-building complex now houses 244 residential units and 50,000 square feet (4,650 sq m) of commercial and retail space. In addition, the surrounding public acreage has been improved through the addition of a riverwalk and an observation deck on the Pawtuxet River, as well as a museum devoted to local history. The facility's existing dam was restored and incorporated as a sustainability strategy, providing hydroelectric power to the new development.

EA Fish Associates converted another Rhode Island mill property located in Tiverton, creating the award-winning Bourne Mills Apartments.

By creating affordable or market-rate housing and by stabilizing and upgrading neighborhoods while simultaneously preserving a piece of local history, development teams can often realize a raft of tax incentives to make startup viable. But beyond the startup phase, the project itself often proves to be the only incentive needed: Recapturing value from historic assets engages a community's history, people, and institutional memory.

Opportunities to embrace this redevelopment model present themselves more often than might at first seem possible. Generally speaking, consider "building on history" by master planning a new community with the following characteristics:

- An urban or urban-edge area, often with significant water features, is in need of revitalization yet retains a significantly dense population nearby. Historically, these developments have served as town cores or hubs around which neighborhoods and workforces have been developed.

- Existing older or historic facilities with potential for rehabilitation are now defunct or underused, especially those with architectural and local significance.
- Tracts of usable, available land surround the site.
- A master plan can be drafted that both unlocks the site's full development potential and achieves the community's urban planning vision.

Large-scale, mixed-use adaptive-use projects that include residential, retail, and office space wake up bedroom communities and restore vitality to former factory towns and abandoned asylum tracts. The changes stimulate environmental benefits as residents are able to find goods, services, work, and leisure closer to home, and when well-crafted master plans for renewal projects bring less obvious benefits such as renewed community pride.



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