

WinnCo Breaks Ground on Mixed Income Housing

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(l-r) Clark Ziegler, Mass. Housing Partnership; Dori Conlon, Bank of America; Robert Charest, Boston Financial Investment Mgmt.; Gilbert Winn, WinnCompanies; Steve DiNatale, state representative; Lisa Wong, Fitchburg mayor; Chrystal Kornegay, Mass. undersecretary of housing and community development; Fran Colantonio, Colantonio Construction; Thomas Gleason, MassHousing; and Michael Putziger, WinnCompanies

Fitchburg, MA – WinnDevelopment, the development arm of WinnCompanies, recently celebrated the ceremonial groundbreaking for \$24.2 million in construction to transform the 110-year-old Fitchburg Yarn Mill into 96 units of mixed-income housing.

Located on 7.4 acres along the Nashua River, the three-story 190,000sf brick mill building will be transformed into 57 market-rate units and 39 affordable units, of which 29 will be reserved for residents earning 60% or below of the area median income (AMI) and 10 units will be reserved for residents earning 30% or below.

The Architectural Team, of Chelsea, serves as architect on the project, and Colantonio, Inc., of Holliston, is the general contractor.

“The rebirth of Fitchburg Yarn will become an outstanding example of the public-private cooperation required to transform a once-proud historic property like this into modern community asset,” said Larry Curtis, president and managing partner of

WinnDevelopment.”

In conjunction with the groundbreaking ceremony, Massachusetts Gov. Charlie Baker toured the mill property and announced that the city of Fitchburg will receive a \$3 million MassWorks award to improve infrastructure in the area with a special focus on the reconstruction of Main and River streets.

“We are always happy to work in Gateway cities such as Fitchburg, and to work with the mayor and a highly experienced developer — WinnCompanies — to bring these historic mills back into service as mixed-income housing,” said Massachusetts undersecretary of housing and community development Chrystal Kornegay.

Work will commence in December 2015 and is expected to be completed by May 2017. The effort is expected to create approximately 150 construction jobs.

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“Fitchburg is pleased to be partnering with WinnDevelopment again on an economic development project that will breathe life into a long vacant building,” said Fitchburg Mayor Lisa Wong.

The Massachusetts Housing Partnership (MHP) is providing a \$2.8 million long-term loan commitment to the project from its bank-funded loan pool. MHP has now provided WinnDevelopment more than \$50 million in loans and commitments for the financing of more than 1,200 apartments.

“Congratulations to the City of Fitchburg and WinnDevelopment for finding a way to transform a mill that’s a symbol of the city’s



Governor Charlie Baker (left) tours interior of Fitchburg Yarn Mill with (l-r) Fran Colantonio, CEO of Colantonio Construction,

rich industrial history into new market rate and affordable housing that's downtown and close to commuter rail," said Clark Ziegler, MHP's executive director. "Cities like Fitchburg

are on the rebound and having a developer like WinnCompanies that is well-known for its ability for turning historic mills into housing is a big step forward for the city, its residents and the Commonwealth."

Gilbert CEO of WinnCompanies, and LeAnn Hanfield, Vice President of WinnDevelopment

The new housing will be located less than one mile from the city's commuter rail station and from Fitchburg State College. Once completed, the property will be managed by WinnResidential, the property management arm of WinnCompanies, which currently manages Fitchburg Place, a 96-unit community on Pritchard Street for residents aged 62 or older.

"WinnDevelopment is one of our top borrowers and has a stellar reputation for creating and preserving high-quality affordable housing and, in particular, housing that helps to revitalize mill buildings," said MassHousing Executive Director Thomas Gleason. "MassHousing is pleased to be a financing partner in this exciting and transformative development project."

Public financing partners for the Fitchburg Yarn development include the Massachusetts Executive Office of Housing & Community Development, MassHousing, and the City of Fitchburg. Private financing partners are Boston Financial Investment Management (tax credit syndicator), Cherrytree Group, LLC, Bank of America (construction lender), Boston Community Loan Fund, and Massachusetts Housing Partnership (permanent financing).

Numerous housing resources will support construction including Federal and State Low-Income Housing Tax Credits from the Baker-Polito administration, Federal and State Historic Tax Credits from the National Park Service and Massachusetts Historical Commission, Affordable Housing Trust, Housing Stabilization Funds, HOME funds, Community-Based Housing, Facilities Consolidation Funds, and City of Fitchburg HOME funds.

The original mill building was constructed in just five months around the start of the 20th century, according to historical reports.

It was the home of the Fitchburg Yarn Company, creating cotton yarns as one of 16 textile manufacturers in the city. "All told, Fitchburg makes eight miles of cotton yarn a minute and a mile of cloth every eight minutes," according to a February 1909 article in the monthly *New England Magazine*. During the 1960s, the company claimed in advertisements that the mill was the first in the world to produce spun rayon.

To date, WinnDevelopment has completed 28 adaptive reuse projects in five states and the District of Columbia, transforming historic properties into more than 3,100 units of mixed-income housing with an assessed value of \$500 million.