

Downtown Renaissance

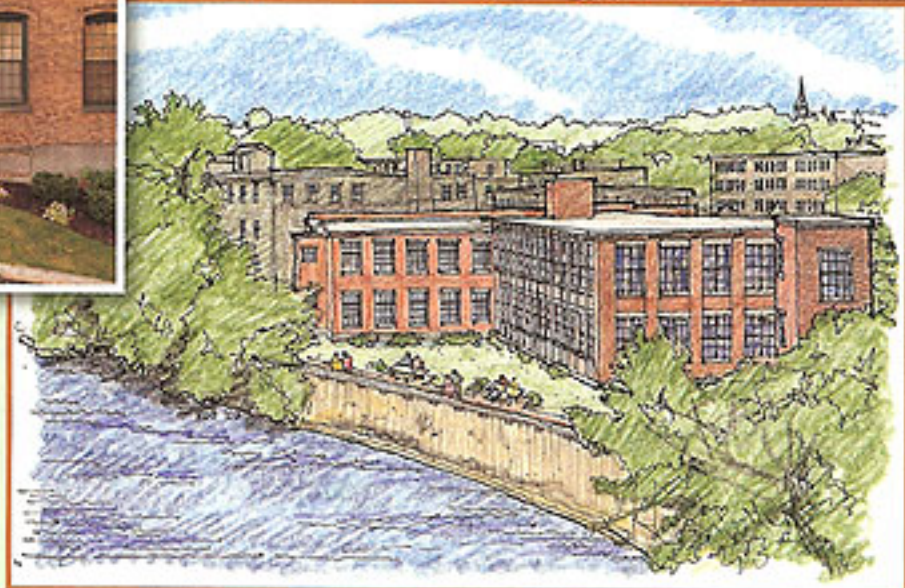
Condominiums Help Paint a New Picture of Success for New England's Small Cities

By Pat Gale

Call it urban renaissance, or smart growth, or just plain old common sense. No matter what you call it, the condominium conversion boom is in full swing in downtowns across New England. And it's fueling the renaissance of small cities from Woonsocket, Rhode Island, to Winooski, Vermont.

Boston, of course, is accustomed to the concept of condominiums—particularly luxury condos—in the heart of the city. But for communities like Fitchburg, Lynn, Salem, and Brockton in Massachusetts, upscale condominiums in the downtown district are marking the beginning of a new era. For decades, small cities throughout New England have struggled as retail outlets relocated to outlying strip malls and massive shopping centers, and city officials have worked tirelessly to attract businesses back to Main Street.





*Above: Building 15 Lofts, Waltham, Massachusetts;
Top and opposite page: Loft #102 at
Sloan Machinery Lofts, Lynn, Massachusetts;
Right: The Allen Lofts, Woonsocket, Rhode Island*

*Photos courtesy of RCG.
Artist rendering courtesy of HDS Architecture*



*Loft #207 at Derby Lofts,
Salem, Massachusetts*

Photo courtesy of RCG

RETOOLING MILLS IN CENTRAL MASSACHUSETTS

A similar movement is just getting underway in Fitchburg, a central Massachusetts city that built its reputation on the paper mills that once lined the banks of the Nashua River. Most of the mills left town in the 1970s and '80s, and when the sprawling General Electric Co. turbine plant, which was located just a block off Main Street, closed down in the 1990s, the already-bruised downtown was dealt another severe blow. The city immediately launched a massive 20-year urban revitalization plan that centered on the creation of a new business and industrial center in the GE complex and the construction of a delightful riverfront park designed to bring people downtown.

But downtown residents will be the key to breathing new life into the district. "Fitchburg changed its zoning a few years back to allow residential use, by right, in the upper floors above Main Street" in order to attract housing developers, said Planning Director David J. Streb. "We also offered \$5,000 per unit as an incentive to develop residential properties downtown."

Today, the incentive for residential development is coming not from the government, but from the growing market demand for housing—especially in locations like downtown Fitchburg, where a new commuter rail station anchors one end of the business district and a broad new avenue leads up the hill to the campus of Fitchburg State College.

Developer Christopher Iosua has launched plans to convert the Dickin-

And even when offices, banks, and non-profit organizations have filled in the street-level spaces left vacant by vanishing department stores—and the once-popular five-and-dimes—for years, downtowns have rolled up the sidewalks at 5 P.M. when workers headed back home to the suburbs or more outlying areas of the city.

THE TIDE IS TURNING

Over the past couple of years, though, the tide has turned for downtown districts.

In Lynn, a dozen industrial buildings have undergone conversion to condominiums, breathing new life into the business district. Buildings that once housed machinery manufacturers and even a city fire station are now being called home.

"All smaller cities located close to Boston have been thinking about what they can do with their downtowns, because to a great degree, they compete with Boston," noted Peter DeVeau, Executive Director of the Lynn Economic Development and Industrial Corporation. But as the pressure for housing within and around Boston has increased, cities like Lynn have found their niche. Looking at an abundance of empty

factory buildings in the heart of the city, Lynn officials opened the door to residential use of those long-vacant upper stories by changing the city's zoning laws.

Piggybacking onto Romney administration initiatives to encourage smart growth and fight sprawl, in 2002 the city decided to allow the conversion of 25 units by right—without requiring variances or special permits—into residential use. "Initially, there was some reluctance [by developers] to look at downtown, but then we had two developers that really made their presence known," DeVeau said. The Mayo Group and Resource Capital Group found Lynn to be an investment opportunity, he said, as properties closer to Boston escalated in price.

In the four years since the city endorsed this effort, about 250 units have been converted, sold, and occupied in the downtown—properties like the Boston Machine Lofts, Sloan Machinery Lofts, and the Franklin Street firehouse. Those developments, combined with the city's commitment to supporting the revitalization with amenities like brick sidewalks and antique-style lighting, are spawning other investments including restaurants and night spots, he said.

THE LOFTS at Allen Street



Artist rendering courtesy
of HDS Architecture

ing distance. In Salem, RCG converted a mill into a mixed-use building that includes a street-level bookstore, and residents of the upper-story condominiums participate in the shop's book club and conversational French league.

son Building, a former retail and office building, into a first-floor night spot and upper-floor condominiums. The Crescent Building, standing prominently at another Main Street corner, is being converted to a dozen condos. There are condominiums in the Johnsonia Building. And at the fringes of the downtown district, The Falls at Arden Mills condominium complex is under construction on the banks of the Nashua, on the former site of the Great American Chemical Company. Several other properties are now drawing "a lot of interest" as potential residential conversions, Streb added.

"We're getting close to the tipping point," he predicted, for downtown condominiums to blossom. "People are starting to see the [downtown] market turn around."

Matthew Picarsic, principal in RCG, LLC, a real estate, investment, and management firm based in Somerville, Massachusetts, has seen that happen in Lynn and other small cities. "We see the residential component as key to revitalizing the entire neighborhood," he said. "As people



move in, the retail follows, and the restaurants follow." In Lynn's Central Square, he noted, people moving into the condominiums saw a need for a café—and opened one across the street from their building. "People will either fill the need, or find someone to fill it."

Involved in many urban development projects over the years, RCG has found that timing is everything for communities like Lynn, Salem, and Waltham, Massachusetts. "Two or three years ago, it still took some convincing for people to move to these areas. Now we're seeing more demand to be close to the amenities that come with the urban lifestyle" including restaurants and night spots within walk-

CALCULATING THE PRICE POINT

A key attraction of the new condominiums, of course, is price.

A new condominium—brand-new space created within architecturally interesting old buildings—costs about half as much in a city like Salem as they do in Boston. Condos in one of RCG's Lynn developments run about \$200,000 to \$300,000—with air-conditioning, all new appliances, and more.

Developers have also found that, unlike suburban communities that often put up roadblocks to development, the region's small cities are welcoming their investment plans. Also attractive to developers is that the



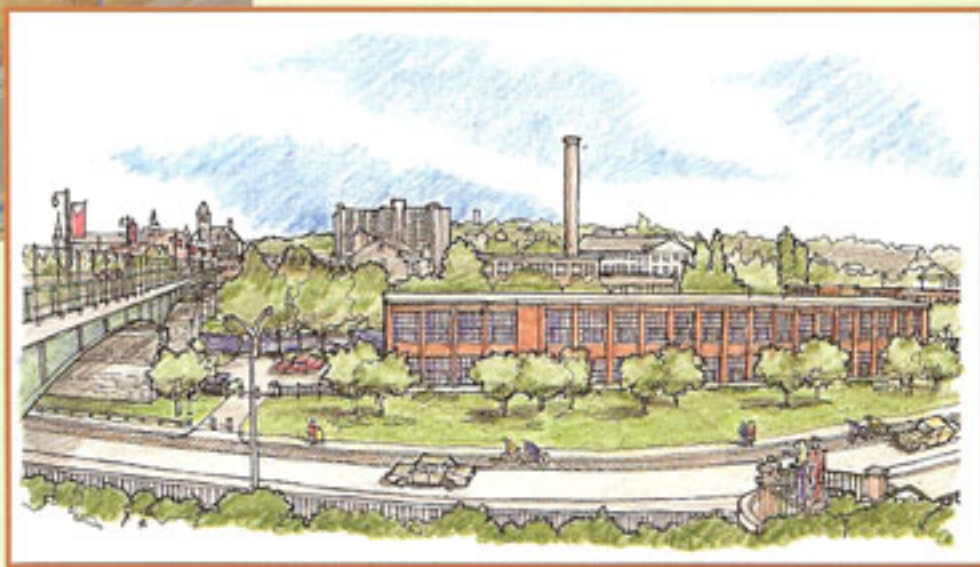
Left and below and on previous page:
The Allen Lofts, Woonsocket, Rhode Island: as the building exists today, and architect's rendering of the conversion.

If you build it, will they come?

cities have an infrastructure—municipal water, sewer, parks, and other ingredients—already in place. To further sweeten the pot, some communities are offering tax incentives for rehabilitation, which “makes the risk a little more palatable” for developers to tackle, because conversions can cost more than new construction.

“There are so many older facilities that are underutilized, that lend themselves to housing,” said Brian Kelleher, principal of The Aspen Group of North Reading, Massachusetts. “And you want to do business in a community that wants to do business with you.”

Among The Aspen Group's projects is the Allen Street Lofts in Woonsocket, Rhode Island, a mill building that is offering affordable home ownership to buyers. “Woonsocket is a kind of industrial town, but it's amazing what can happen in just a few years” when residents begin moving into the downtown area. “There's a new restaurant around the corner [from Allen Street Lofts], and a pub next door. A jazz club is opening up, [and] there's a coffee and pastry shop... It's interesting, [and] when you get enough critical mass, you see the impact spill over”



Artist rendering courtesy of HDS Architecture

in the neighborhood, Kelleher said.

It's part of the pattern of “smart growth,” which is often discussed in terms of “new urbanism”—or the concept of melding homes, stores, and services in a neighborhood that harkens back to an era before the automobile led people to live far from where they worked or shopped. Winoooski, Vermont, has embraced the concept through an extensive urban revitalization project known as Winoooski Falls, and communities from Salem to Woonsocket are seeing the pieces fall into place as condominium buyers—often young professionals who are first-time buyers—settle into their new homes.

Hans Strauch, AIA, president of HDS Architecture in Watertown, Massachusetts, who worked on the Allen Street Lofts project for The Aspen Group, said New England's older buildings offer great spaces for the creation of interesting new homes. “Everybody would agree that ground-up construction is less expensive than renovation, but the character of the

older buildings is terrific. You have high ceilings, large windows, great spaces. There's something special about them.”

The Allen Street building is registered as historic, requiring extra effort from the developers, but “at the end of the day, it's going to be a very exciting product. It's going to be valuable not only to its occupants, but also to the city,” said Hans Strauch.

The Allen Street Lofts offer a meeting room and atrium, along with riverfront walking trail, and, Strauch noted, there was no need to add amenities like workout spaces. “You can find all of the other things you need close by in the community,” he said, further enhancing the sense of neighborhood.

TRANSPORTATION IS KEY

And if you build it, will they come? They will if transportation systems are in place. In nearly every small city that is seeing this urban renaissance, transportation is playing a major role.



Photo by Jim Douglas

The new Intermodal Transportation Center, Fitchburg, MA

At an open house at the Mayo Group development in Lynn, DeVeau asked a young couple what attracted them to the city and the new condominium project. They liked the urban lifestyle concept, they said, and the fact that they could buy a condomini-

um in Lynn for the same money they were paying to rent in Cambridge. And, they noted, the young woman could hop on the commuter rail at the downtown Lynn station and get to her job at a Boston hospital in 25 minutes. "That really sealed the deal

for them," DeVeau said.

The story is repeated in city after city. As far away as Fitchburg, the Massachusetts Bay Transportation Authority's commuter trains to Boston are having an impact on these small-city revivals. Fitchburg's shiny new Intermodal Transportation Center is quiet at mid-day, but bursts into a beehive of activity during the morning and evening commuter hours. And Lynn officials are looking forward to the day when the MBTA expands its Blue Line to the city.

With gas prices climbing, that final piece of the puzzle—public transportation—may be just the ticket to success for the renaissance of New England's small cities. 🏠