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## WinnDevelopment breaks ground on \$55.3 million Appleton Mill project

December 15, 2023 - Front Section



Appleton Mill apartments rendering - Holyoke, MA

Holyoke, MA City officials and legislative leaders joined WinnDevelopment executives and Massachusetts housing lenders to break ground on a \$55.3 million adaptive reuse transformation of a long-vacant, historic mill complex that will be transformed into 88 affordable apartment homes for seniors ages 55 and older.

The redevelopment at the Appleton Mill property in downtown will create new loft-style apartments in three interconnected, 111-year-old industrial buildings that were once home to the Farr Alpaca Company and have been vacant for decades. In addition, WinnDevelopment will construct a new community building and connect it to the residential space via a closed skybridge spanning nearby railroad tracks.

“We’re excited to get to work on preserving this important feature of Holyoke’s proud industrial legacy and transform it into much-needed housing for seniors who want to stay in the community they love,” said WinnDevelopment president and managing partner Larry Curtis. “This project is the first part of a two-phase redevelopment effort that will revitalize this historic mill complex and provide an economic boost to Holyoke’s downtown.”

All 88 apartments will be reserved for low- and moderate-income seniors, with 12 units reserved for households below 30% of Area Median Income (AMI), 63 for those below 60% of AMI, and 13 for households below 80% of AMI. Eight of the units will be available to eligible households through the U.S. Department of Housing and Urban Development’s Project Based Voucher program. Five units will be set aside for Massachusetts Department of Mental Health clients through the Facilities Consolidation Fund.

#### Appleton Mills pre-renovation - Holyoke, MA

“This project represents our commitment to history, preservation, and housing. It also represents our commitment to senior living, affordability, compassion, and care,” said Holyoke mayor Joshua Garcia. “The renovation of the former 111-year-old Alpaca Mill building to achieve these commitments is another Holyoke thing we do. I am excited to witness this unfold at this time in our city’s history and even more excited to see the impact it will have for many years to come.”

The project was made possible with significant federal, state, local, and private financing. Bank of America is serving as the project construction lender and as the investor in the project’s state and federal Low Income Housing Tax Credits (LIHTC), authorized by the Massachusetts Executive Office of Housing and Livable Communities (EOHLC), and state and federal Historic Tax Credits, awarded by the Massachusetts Historic Commission and the U.S. National Park Service.

“We’re pleased to help finance much-needed affordable housing for seniors in Holyoke,” said Mary Thompson, senior vice president of community development banking at Bank of America. “We applaud Winn for their sustainable design that incorporates modern energy-efficient heating, cooling and appliances, while preserving the historic character of the Farr Alpaca Company complex.”

MassHousing provided tax-exempt bonds for the project financing, while the EOHLC provided soft financing, along with its partners the Community Economic Development Assistance Corporation and the MassHousing Affordable Housing Trust.

“This decades-long vacant, and blighted mill property in the heart of Holyoke will be transformed into new, vibrant housing for older residents who will be able to live affordably and comfortably in downtown Holyoke,” said MassHousing CEO Chrystal Kornegay. “WinnCompanies has the experience and expertise to make this abandoned eyesore into a new affordable housing

community that will serve city residents for many years to come. The city of Holyoke has provided strong support, and MassHousing is pleased to be among the many public and private partners working closely together to complete this important project.”

Enterprise Bank, a locally owned and managed full-service commercial bank based in Lowell, MA, played a key role in the redevelopment through the direct purchase of the bonds and the provision of bridge financing.

“We are pleased to have been able to partner with WinnDevelopment, a respected award-winning property manager and creator of high quality and exceptionally managed affordable housing, on this transformative project,” said Enterprise Bank CEO Jack Clancy. “We continue to remain committed to supporting affordable housing initiatives throughout our footprint.”

The Holyoke Redevelopment Authority (HRA) provided a ground lease for the mill structure for a discounted value and provided additional funds for structural stabilization of the mill complex. Additional local partners include the City of Holyoke and local non-profit OneHolyoke, who provided critical gap financing through local ARPA and CDBG funds. BlueHub Capital served as lender on the state credit loans.

“The HRA is proud of the partnership with WinnDevelopment and excited to see this project come to fruition,” said Holyoke Director of Planning and Economic Development Aaron Vega. “The whole team in our office worked on this project and we believe in its transformative impact for our downtown and in addressing the housing needs of our community.”

Once the largest alpaca wool mill in the world, the 168,000 s/f, brick mill complex features nine buildings on six acres and is one of the city’s most prominent historic properties. After the Farr Alpaca Company ceased production in the early 1940’s, the complex declined and has been largely vacant since the 1970s, with deteriorating conditions hindering efforts to revitalize the area.

Located across the street from a state park dedicated to showcasing Holyoke’s industrial and cultural heritage, the site has been a priority for redevelopment since the city of Holyoke took title to the property a decade ago.

WinnDevelopment’s work is focused on an 86,000 s/f section of the complex that includes three structures: Building 4, erected in 1880 and the oldest on the site; Building 5, a storage, washing and sorting facility erected in 1905; and Building 6, also built in 1905 and the largest structure on the property.

Designed to meet the sustainability criteria of Enterprise Green Communities, the new apartment community will be completely fossil fuel free and will feature LED lighting, Energy Star appliances, low-flow, water-conserving plumbing fixtures, and premium roof insulation.

Resident amenity spaces will include on-site management offices, a fitness center, a resident lounge, an outdoor recreation area along the adjacent canal, laundry facilities, and 109 parking

spaces.

Scheduled for completion in the spring of 2025, the project is being led by WinnDevelopment senior project director Matt Robayna, with support from senior project director Lauren Canepari and assistant project director Hagop Toghramadjian.

Keith Construction is serving as general contractor for the construction effort, with The Architectural Team serving as architect. VHB is providing civil engineering and permitting services through its office in Springfield, Robinson +Cole of Boston served as transaction counsel.

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