

23 apartments planned at former Indian Hill Elementary School in Worcester

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Posted Apr 30, 2018 at 3:46 PM

Updated Apr 30, 2018 at 11:49 PM

WORCESTER — A project that has been years in the making, to redevelop the former Indian Hill Elementary School building into housing, is finally coming to fruition.

MassDevelopment announced Monday it has partnered with Main Street Bank in Marlboro to provide a \$2.78 million commercial real estate mortgage loan to North Village Lofts LLC, a Worcester-based real estate development company, for the project.

Main Street Bank was the lead lender on the financing, and MassDevelopment contributed \$1.39 million to the loan.

North Village Lofts will use loan proceeds to buy and renovate the former Indian Hill School, at 155 Ararat St., into 23 market-rate rental housing units.

MassDevelopment also enhanced the financing with a guarantee.

“As a community lender, it is gratifying to be a part of the revitalization of a historic building and a partner with MassDevelopment on this project,” said Rick Bennett, chief executive officer of Main Street Bank. “The developers have such a great vision for the property and we’re excited to see this come to fruition.”

Lauren Liss, president and chief executive officer of MassDevelopment, said her agency is proud to partner on a project that will restore a long-vacant building to an active use and also preserve a historic Worcester property.

“We are pleased this project will add high-quality, market-rate housing in Worcester,” she said.

Local developers Timothy Adler and Daniel Stroe are the partners of North Village Lofts. The Indian Hill School project is their first real estate venture together.

In addition to re-activating the vacant property, the developers said they plan to preserve the school building’s brick, wood beam and stucco gothic exterior, and many interior architectural elements.

North Village Lofts expects the building to be ready for occupancy in early 2019.

The Indian Hill School was built in 1925. It was an elementary school until 1981, when the city closed it and declared it surplus property.

The school was one of several closed by the city during the early 1980s after the statewide tax-cutting measure known as Proposition 2½ became law.

The city sold the school building to The Salter School, a career training school, in 1981, and Salter remained there until 2007, when it moved to West Boylston.

The building has been vacant since then.

Efforts to redevelop the school building into housing took root in 2014 when the city administration brought forward a proposal to make it easier to convert former school buildings into housing.

A key component was an amendment to the city’s zoning ordinance that allows the conversion of former school buildings to residential uses in all zoning districts. Before that, multifamily residential uses were allowed by right in all business districts for buildings that are three stories or less, and in a limited number of business districts for buildings that are four stories or taller.

Multifamily residential uses were also allowed in residential-general and residential-limited zones by special permit, provided the buildings were three stories or less.

Only school buildings constructed before 1950 are eligible for special permit consideration for residential uses.

A year later, the Planning Board granted a special permit for the conversion of the school into housing. It was the first project to come under the new adaptive reuse ordinance, but nothing much has happened there since.

“MassDevelopment and Main Street Bank’s willingness to support this project is the key to rejuvenating this historic building,” Mr. Stroe said. “After a lengthy rezoning and permitting process, it’s exciting to be at this milestone of executing upon our plans for creating 23 high-end, loft-style apartments within this beautiful and historic building.”