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MassHousing closes on \$11.2m in affordable housing financing

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Rendering of Clippership Apartments and Clippership Condominiums

East Boston, MA MassHousing has closed on a total of \$11.2 million in affordable housing financing to WinnCompanies for the development of 22 new rental housing units and 30 new condominiums on the waterfront. The Clippership Apartments and Clippership Condominiums will create new homes for households across a broad range of incomes, including 14 new workforce homeownership units in the condominium development.

The Clippership projects involve the redevelopment of a portion of the Boston Housing Authority's (BHA) Heritage Apartments public housing community. WinnCos. will demolish four former Heritage Apartments buildings, which contain 20 units of family public housing, and construct 22 units of replacement affordable rental housing in the Clippership Apartments. The apartment building will include ground-floor retail space, community space and a bicycle storage room.

As part of the redevelopment plan, WinnCos. will also construct a 30-unit mixed-income home-ownership building, the Clippership Condominiums. The redevelopment project will improve public access to the waterfront from the surrounding Maverick Sq. neighborhood. MassHousing is providing a \$6.6 million permanent mortgage and \$3.6 million in bridge loan financing for the 22-unit rental development. MassHousing is providing \$1 million from the agency's Workforce Housing Initiative for the 14 homeownership condo. units.

The MassHousing financing will generate \$7.6 million in Low-Income Housing Tax Credit equity for the rental project. Additional financing sources include \$9 million in Inclusionary Development Program funding from the Boston Planning and Development Agency, contributed by Lendlease, Inc., from the company's adjacent Clippership Wharf project.

"MassHousing is pleased to partner with WinnCompanies and the city of Boston, to transform outdated public housing into a new, modern, mixed-income housing community," said MassHousing executive director Chrystal Kornegay. "This highly impactful redevelopment will expand affordable housing choices, and create new affordable homeownership opportunities, in a neighborhood that is

experiencing rapid change.”

“This is an important opportunity to protect and diversify housing options in the City of Boston,” said WinnCompanies CEO Gilbert Winn. “Support from MassHousing and the Boston Housing Authority was critical to making this project possible, enabling a true mixed-income development in a very desirable location.”

“One of our top priorities is to upgrade our city’s stock of affordable housing,” Boston Housing Authority administrator Bill McGonagle said. “This project preserves the Clippership property and offers permanent affordable housing for 22-low income families in East Boston.”

The development of the Clippership Condominiums advances the Baker-Polito Administration’s goal of creating up to 1,000 new workforce housing units affordable to middle-income households through MassHousing’s Workforce Housing Initiative. Since the inception of the initiative in 2016, MassHousing has committed or closed workforce housing financing totaling \$75.2 million to 33 projects, located in 18 cities and towns. To date, the Workforce Housing Initiative has advanced the development of 3,269 housing units across a range of incomes, including 834 workforce housing units.

The 22 rental units at the Clippership Apartments will be supported by federal Section 8 Housing Assistance Payment vouchers, with 3 of the units serving households earning at or below 30% of the Area Median Income (AMI) and 19 units for households earning at or below 60% of AMI. The AMI for Boston is \$113,300 for a family of four. There will be 1 one-bedroom apartment, 6 two-bedroom apartments, 10 three-bedroom apartments and 5 four-bedroom apartments.

Fourteen of the for-sale condominiums will be deed-restricted workforce housing units, with 6 units affordable to households earning up to 80% of AMI and 8 affordable to households earning up to 120% of AMI. The remaining 16 condominium units will be sold at market rates. There will be 15 one-bedroom condominium units, 12 two-bedroom units and 3 three-bedroom units.

The general contractor will be Cranshaw Construction, the architect is The Architectural Team and the property manager will be WinnResidential.

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