



CELEBRATING
55 YEARS

revere

MassHousing commits \$7.9 million in affordable housing financing to The Neighborhood Developers

January 10, 2020 - Financial Digest

Revere, MA MassHousing has committed \$7.9 million in affordable housing financing to the non-profit The Neighborhood Developers (TND) for the construction of the 571 Revere St. The MassHousing financing will allow TND to construct 51 units of new affordable housing for households across a broad range of incomes, including 19 new workforce housing units.

“By transforming a vacant parcel into a new, modern community of affordable and workforce housing, The Neighborhood Developers will help ensure that a revitalized Revere Beach remains welcoming and accessible to residents of all means,” said MassHousing executive director Chrystal Kornegay. “TND is a strong, mission-based developer, and MassHousing is pleased to be part of the team making this important project a reality.”

“571 Revere St. is a transit-oriented development; the 51 new affordable homes will not only be steps away from the beach, but also within easy walking distance of the Wonderland MBTA Station and the MBTA 116 bus line,” said Rafael Mares, TND’s executive director. “This project wouldn’t be possible without MassHousing’s commitment of affordable housing financing and its partnership.”

MassHousing is providing TND with a \$6 million permanent loan and \$1.9 million in workforce housing financing from the Agency’s Workforce Housing Initiative.

In addition to the MassHousing financing, other funding sources include \$9.3 million in federal and state Low-Income Housing Tax Credit equity, \$1.3 million in direct financing from the Massachusetts Department of Housing and Community Development (DHCD), \$1.2 million in HOME financing from the North Suburban Consortium, a \$206,511 sponsor energy grant loan, \$1.1 in financing from the Community Economic Development Assistance Corporation (CEDAC) and \$1 million from the Affordable Housing Trust Fund, which MassHousing manages on behalf of DHCD. Santander Bank will be providing construction financing.

571 Revere St. 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 \$100 million Workforce Housing Initiative. Since the inception of the initiative in 2016, MassHousing has committed or closed workforce housing financing totaling \$92.4 million, to 40 projects, located in 19 cities and towns. To date, the Workforce Housing Initiative has advanced the development of 3,727

housing units across a range of incomes, including 1,006 workforce housing units.

The new, energy efficient housing will be constructed in a six-story building on a vacant site two blocks from Revere Beach and within walking distance to the MBTA's Wonderland subway station. The apartments will be on the top four floors of the building, with garage parking on the first two levels.

Thirty-two apartments will be affordable for households earning at or below 60% of the Area Median Income (AMI), with 6 of those units further restricted for vulnerable low-income households earning at or below 30% of AMI, and 5 of the affordable units further restricted for households earning at or below 50% of AMI. The remaining 19 apartments will be workforce housing units for households earning at or below 90 percent of AMI. The AMI for Revere is \$113,300 for a household of four.

Eight of the apartments will be subsidized by a federal Section 8 Project Based Housing Assistance Payment contract and 3 apartments will be subsidized through the Massachusetts Rental Voucher Program. There will be 26 one-bedroom apartments, 21 two-bedroom apartments, and 4 three-bedroom apartments.

The general contractor will be NEI General Contracting, the architect is Arrowstreet and the management agent is WinnCompanies.

MassHousing has financed 4 rental housing communities in Revere involving 290 housing units and \$17.4 million in financing. The Agency has additionally provided home mortgage loans to 721 Revere homebuyers and homeowners involving \$115.5 million in financing.