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Austin Street Partners receives \$1.3 million financing from MassHousing for 68-unit 28 Austin St. project in Newton, MA

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Newton, MA MassHousing has closed on \$1.3 million in affordable workforce housing financing to Austin Street Partners LLC, for the new, 68-unit 28 Austin St., which offers 23 workforce housing apartments for lower and moderate-income households.

The recently completed 28 Austin St. development is a public-private partnership between Austin Street Partners, a joint venture of Dinosaur Capital Partners and Oaktree Development, and the city of Newton. The project transformed the former Austin Street municipal parking lot - by using the innovative GreenStaxx modular building technology - into a 68-unit mixed-income housing community with retail space, a new public plaza and playground, and reconstructed municipal parking.

MassHousing provided Austin Street Partners with \$1.3 million in affordable housing financing from the agency's Workforce Housing Initiative. The MassHousing funding was structured to close upon completion of the new housing. Eastern Bank provided \$25.7 million in construction and permanent financing for the project.

Twenty-three of the 68 new apartments are workforce housing units restricted to households earning at or below 80% of the area median income (AMI). The remaining 45 apartments are rented at market rates. The AMI for Newton is \$113,300 for a household of four. MassHousing's financing involved the development of 13 of the 23 workforce housing units, all 23 of which have been leased and are occupied.

There are 33 one-bedroom apartments and 35 two-bedroom apartments. The residential and retail building has a 90-space underground parking garage and the former parking lot was reconstructed with 124 public spaces.

“MassHousing was pleased to be a partner with the development team and the city of Newton in this transformative project that turned a city parking lot into a new community with 68 units of mixed-income rental housing with retail and public space,” said MassHousing executive director Chrystal Kornegay. “We applaud the city of Newton’s commitment to housing the Commonwealth’s workforce and congratulate Dinosaur Capital Partners and Oaktree Development on a job well done.”

“28 Austin St. was the first rental housing permitted in Newton, a city of 87,000, in over 12 years,” said Scott Oran, managing partner of Dinosaur Capital. “When, at the last minute, the Newton city council required 33% of the apartments be affordable or workforce housing, it threatened the financial viability of the project. While excited to increase the affordable and workforce housing stock, we worried about our ability to attract equity and debt financing. Governor Baker’s Workforce Housing Initiative was crucial in creating a viable project and increasing urgently needed workforce, affordable and market housing, in greater Boston.”

“This project offered Oaktree’s companion firm GreenStaxx the opportunity to demonstrate the potential quality, flexibility and speed of utilizing our modular system,” said Arthur Klipfel, president of GreenStaxx. “The units were constructed in Canada and trucked to the site and assembled in a matter of weeks. We hope the success of this project will encourage the use of this emerging technology to meet the demand for green and more affordable housing in our state and even nationally. We strongly support these efforts.”

28 Austin Str. 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 \$96.8 million, to 47 projects, located in 21 cities and towns. To date, the Workforce Housing Initiative has advanced the development of 3,933 housing units across a range of incomes, including 1,070 workforce housing units.

28 Austin St. was designed by Stantec and GreenStaxx and constructed by NEI General Contracting. It was built using GreenStaxx modular building technology, a patented design system that uses pre-engineered units that can be assembled like Lego blocks to fit any site. The management and marketing agent is the Nordblom Company.

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