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MassDevelopment issues \$18.7 million tax-exempt bond on behalf of Truman Apartments, LLC

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Cambridge, MA MassDevelopment has issued an \$18.7 million tax-exempt bond on behalf of Truman Apartments, LLC, an affiliate of the Cambridge Housing Authority, which will use bond proceeds to buy, renovate, and equip the Harry S. Truman Apartments, a 59-unit affordable rental housing facility at 25 8th St. serving seniors and disabled individuals. In addition to the bond, MassDevelopment assisted the Mass. Department of Housing and Community Development with the approval of federal low-income housing tax credits, which will provide approximately \$13.8 million in equity for the project. Boston Private Bank purchased the bond.

“In the wake of the COVID-19 pandemic in particular, it’s clear that preserving and expanding affordable housing across the Commonwealth is essential to combatting housing insecurity for our residents,” said secretary of Housing and Economic Development Mike Kennealy, who serves as chair of MassDevelopment’s board of directors. “MassDevelopment’s tax-exempt financing coupled with Department of Housing and Community Development tax credits are key tools for helping

affordable housing operators update their facilities and support their communities.”

“MassDevelopment is proud to help the Cambridge Housing Authority preserve 59 critical units of affordable housing for its most vulnerable residents,” said MassDevelopment President and CEO Dan Rivera. “This project represents the continuation of a longstanding partnership with the Cambridge Housing Authority as it works to create and preserve affordable housing options in an increasingly expensive city, demonstrating how MassDevelopment’s tax-exempt financing opportunities can create real impacts and outcomes for communities in the Commonwealth.”

The Harry S. Truman Apartments is part of the U.S. Department of Housing and Urban Development’s (HUD) Section 18 Disposition program. This program helps public housing authorities preserve housing facilities by converting units from their original sources of HUD financing to project-based Section 8 contracts, thereby allowing them to secure private and alternative public sources of capital financing for maintenance and improvements. The Harry S. Truman Apartments includes 59 one-bedroom apartments, community space, a common kitchen, common laundry, and office and maintenance spaces. Planned renovations to the facility include updating mechanical, electrical, plumbing, and envelope systems.

MassDevelopment has previously provided financing for numerous Cambridge Housing Authority facilities, including an \$8.1 million tax-exempt bond in September 2020 to buy and renovate 78-80 Porter Road Apartments, a 26-unit affordable multifamily rental housing facility; a \$30.5 million tax-exempt bond in June 2020 to renovate and preserve Roosevelt Towers Low Rise, a 112-unit affordable multifamily rental housing facility; a \$42 million tax-exempt bond in April 2016 to buy and renovate the Frank J. Manning Apartments, a 204-unit affordable rental housing facility primarily serving the elderly and disabled; a \$30.8 million tax-exempt bond in March 2016 to demolish and reconstruct Jefferson Park, a 108-unit affordable multifamily housing development; \$104 million in tax-exempt bonds in April 2015 to preserve 511 affordable housing units at three affordable multifamily housing developments; and a \$30 million tax-exempt bond in September 2010 to renovate Jackson Gardens, a 45-unit affordable housing facility, and demolish and reconstruct Lincoln Way, a 70-unit affordable housing facility.

“The Cambridge Housing Authority is grateful to once again be partnering with MassDevelopment,” said Cambridge Housing Authority Executive Director Michael Johnston. “2020 was a very challenging year for all, but working with longstanding partners such as MassDevelopment allowed this project to move forward on schedule to preserve affordable housing in one of the most expensive cities in the country.”

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