

MassDevelopment issues \$10.5 million tax-exempt bond on behalf of Cabot Housing LLC

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Rendering of 245 Cabot Street in Beverly

Beverly, MA MassDevelopment has issued a \$10.5 million tax-exempt bond on behalf of Cabot Housing LLC, an affiliate of the YMCA of the North Shore, Inc. The organization will use bond proceeds to buy and renovate a three-story, 45-unit housing facility at 245 Cabot St. in downtown, including adding a fourth floor that will allow for a total of 67 studio units. The existing 45 units, previously single-room occupancy units, will also be converted to studio apartments with added private bathrooms and kitchenettes.

Built in 1911, 245 Cabot St. has maintained housing units since its inception; it was most recently updated in 1999 as part of a historic renovation by the Department of Housing and Community Development. Of the building's 67 total units, nine units will be rented to households earning no more than 60% of area median income (AMI) (\$56,400), 38 units will be rented to households

earning no more than 50% of AMI (\$47,000), and 20 units will be rented to households earning no more than 30% of AMI (\$28,200). Ten of the units will be rented to formerly homeless individuals, and a new full-time caseworker will be available for residents to help with accessing services. Eastern Bank purchased the bond.

“The expansion of affordable housing in our downtowns and urban areas is vital to building thriving communities and prosperous local economies, and the city of Beverly continues to lead by example on housing production of all types,” said Housing and Economic Development secretary Mike Kennealy, who serves as chair of MassDevelopment’s board of directors. “The Baker-Polito Administration was pleased to support this Cabot Street project with federal and state low-income housing tax credits as well as DHCD subsidy funds, and we commend the YMCA of the North Shore for taking on this important project, as well as MassDevelopment for providing the tax-exempt financing needed to make it a reality.”

“Downtown neighborhoods are at their most vibrant when they are accessible and inclusive, and that requires housing that’s affordable at all income levels,” said MassDevelopment president and CEO Dan Rivera. “MassDevelopment is proud to provide tax-exempt financing to help the YMCA of the North Shore improve and expand this affordable housing development in downtown Beverly.”

“Eastern’s roots in the North Shore go back more than 200 years, which is why it’s especially meaningful to help with the financing of this project in downtown Beverly,” said Pamela Feingold, senior vice president and head of community development lending at Eastern Bank. “Our team of colleagues have long partnered with the YMCA of the North Shore – including as Board Members, Trustees of its endowment, and providers of philanthropy through the Eastern Bank Charitable Foundation – and we thank the YMCA, MassDevelopment and all the supporters of this project for recognizing the importance of affordable housing and making it happen.”

In addition to the tax-exempt bond, MassDevelopment assisted the Massachusetts Department of Housing and Community Development with the approval of federal low income housing tax credits that will provide approximately \$5.3 million in equity for the project.

“This project to upgrade the 45 existing housing units at the downtown Cabot Street YMCA and add 22 new studio apartments in the heart of our downtown will help meet the critical need for affordable housing for individuals in Beverly,” said mayor Mike Cahill. “We are grateful to our partners in the Baker-Polito Administration, including at MassDevelopment and the Executive Office of Housing and Economic Development. Our downtown Y has provided so much for the people of Beverly for over 100 years, and this ensures they can continue to do so for many years to come.”

For more than 160 years, YMCA of the North Shore has strengthened the foundations of community with seven locations and more than 100,000 members and program participants across 25 cities and towns. YMCA of the North Shore is the 30th-largest YMCA nationwide. It nurtures the potential of children and teens, improves the region’s health and well-being, and provides opportunities to give back and support its neighbors, regardless of age, race, ethnicity, or socioeconomic background.

“Our long-standing relationship with MassDevelopment gives us the opportunity to support more individuals and families in our community and provide safe, affordable housing,” said YMCA of the North Shore president and CEO Chris Lovasco. “Now, more than ever, it is critical for us to find ways to expand our role as a vital resource for the communities we serve throughout Massachusetts. Our new Cabot Housing space will provide much needed increased and improved affordable housing for our Beverly residents. We are so grateful to MassDevelopment and their commitment to helping us continue to meet the needs of those who need us most.”

MassDevelopment has previously supported the YMCA of the North Shore. In 2019, the organization used a \$13 million tax-exempt bond to build and equip a two-story, 62,856-square-foot building at the site of the former Fuller School in Gloucester, which will be the new home of the Cape Ann YMCA. In 2017, the organization used a \$14.8 million tax-exempt bond to renovate, add to, and build an educational center at the Greater Beverly YMCA and refinance previously issued debt. In 2016, the organization used a \$6,150,000 tax-exempt bond to build a 5,000-square-foot addition to the Ipswich Family YMCA, which included space for programming, locker rooms, an outdoor pool, and a waterpark, and refinance previously issued debt.

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