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55 YEARS

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Mission Main Tenant Task Force becomes majority owner of prop.

April 07, 2023 - Owners Developers & Managers



Boston, MA The Tenant Task Force for Mission Main public housing community will become majority owners of the community under a series of public and private transactions that ensure the permanent affordability of the site, fuel a \$66 million renovation and deliver comprehensive social services and high-speed internet for every household.

First built in 1940, the 15-acre property had become one of the city's most troubled public housing communities when it was demolished and replaced in 1998 with a 535-unit complex as part of a HOPE VI redevelopment partnership between the U.S. Department of Housing and Urban Development (HUD), WinnCompanies, the Mission Main Tenant Task Force, and the Boston Housing Authority (BHA).

Twenty-five years later, the community will now benefit from upgrades and quality of life improvements thanks to a complex recapitalization executed by HUD, the BHA, WinnCompanies, the Massachusetts Department of Housing and Community Development (DHCD), MassHousing, Boston Financial Investment Management and Citizens Bank.

“Mission Main has been a shining example for 25 years of what residents and owners can accomplish by working together, united behind the cause of quality, affordable housing,” said WinnCos. CEO Gilbert Winn. “We are so proud that our longtime partners at the Tenant Task Force, led by Willie Pearl Clark, continue to be our partners, now as majority owners. I am confident that, together with the BHA, we will ensure that this beautiful urban community will continue to serve as a national housing model.”

The 31-month renovation project will provide high-efficiency heating and cooling systems; replace kitchens, bathrooms, appliances, and windows in all apartments; upgrade the site’s community room and family resource center; build 10 new playgrounds and install new outdoor seating; repair and repave sidewalks and parking lots; install a security system and controls; extend high-speed broadband service; renovate all laundry rooms; and create new handicapped accessibility in 29 apartments while improving accessibility in common areas.

“Mission Main was one of the very first Hope VI revival stories here in Boston, and since the 1990s, hundreds of Mission Main families have enjoyed a monumentally better quality of life on Mission Hill,” BHA administrator Kate Bennett said.

“This project will help secure those gains and ensure that Mission Main remains a successful and vital community for current and future residents.”

As majority owner, the Task Force will benefit from stronger financial support to adopt and expand tenant programs and services as needed.

“We are excited for the future of Mission Main,” said Tenant Task Force co-chair Willie Pearl Clark. “Our partnership with Winn and BHA has brought about incredible improvements for the residents. We look forward to continuing our partnership with Winn and BHA.”

The recapitalization of Mission Main was accomplished through HUD’s Rental Assistance Demonstration program (RAD), using 4% Federal and State Low Income Housing Tax Credits allocated by DHCD. RAD is a HUD program that allows public housing agencies to leverage public and private debt and equity to reinvest in the public housing stock.

“The RAD Program is the most powerful tool HUD provides to communities to be able to preserve and improve affordable properties and address the backlog of deferred maintenance,” said HUD New England regional administrator Juana Matias. “HUD’s participation in this important and innovative project ensures continued availability of affordable units in Boston and that Mission Main remains a thriving affordable community for many decades to come.”

Guaranteeing long-term affordability for current and future residents, HUD and the BHA utilized Section 18 in combination with the RAD program to achieve higher subsidy at the same level of deep affordability to residents as they enjoyed under conventional public housing in order to preserve and rehabilitate the affordable public housing rental homes. Without this innovative blend, the undertaking would not have been financially feasible. As part of the RAD Conversion, the BHA entered a 99-year ground lease of the site, further ensuring long-term affordability.

The 32-building complex is comprised of 30 two and three-story walk-up townhome buildings, one seven-story midrise building and a two-story community building housing the management offices of WinnResidential and the Tenant Task Force, a daycare provider, and a non-profit education center for the community's teens and adults.

The property provides 445 income and rent-restricted apartments, affordable to residents earning up to 60% of Area Median Income who pay 30% of their household income as rent, as well as 90 market rate units.

The financing plan also allows WinnCompanies' social impact arm, known as Connected Communities, to work closely with the Tenant Task Force and the residents of Mission Main to plan and execute a multi-year program of outcome-focused services and programs to improve the health, education, economic mobility, career placement and housing stability of Mission Main residents and their families.

"Realizing the vision of Mission Main means more than just stable, mixed-income housing. This collaboration has outlined a long-term plan to systematically change the opportunities and outcomes of all community members, both now and in the future," said Trevor Samios, senior vice president of Connected Communities.

A \$1 million investment from Citizens Bank's Economic Opportunity Fund will deliver first-of-its-kind free, in-home high-speed broadband connectivity to all Mission Main residents; provide training, support, and personal technology; and update the technology in the community's learning lab. The bank's investment will be syndicated by Boston Financial Investment Management, which is also a tax credit investor.

"Boston Financial is proud to work with the Tenant Task Force, WinnCompanies, the DHCD, the BHA, and Citizens Bank on the revitalization of Mission Main," said Boston Financial Senior Vice President Rob Charest. "This renovation will preserve much-needed affordable housing in the Mission Hill neighborhood. Boston Financial has been invested in the success of this property since it was first constructed almost two decades ago, and we are looking forward to seeing it given new life with updated interiors and playgrounds – as well as high speed Wi-Fi throughout thanks to our partner, Citizens Bank."

MassHousing, the independent, quasi-public agency responsible for financing affordable housing

in?Massachusetts, is providing WinnCompanies with construction and permanent loans and a tax credit bridge loan.

“Mission Main is an important affordable housing resource for hundreds of Boston residents across a range of incomes and this transaction will allow for a major renovation of the property so that Mission Main will serve those residents long into the future,” said MassHousing Executive Director Chrystal Kornegay. “MassHousing is pleased to be working with WinnCompanies, the Boston Housing Authority, the city, and our state, federal and private partners to help provide Mission Main’s residents with continued housing stability and economic opportunity along with the planned property improvements.”

WinnDevelopment Executive Vice President Adam Stein, Senior Project Director Neisha Colon and Assistant Project Director Adam Giordano oversaw the deal. Ms. Colon will lead the day-to-day project, which will be accomplished as an occupied rehabilitation coordinated by WinnResidential, the property manager. All tenants will remain residents at the property during the work.

Keith Construction is the general contractor with The Architectural Team serving architect for the project in collaboration with Reisen Design, the Tenant Task Force’s architectural consultant. Robinson+Cole, Holland & Knight and Reno & Cavanaugh provided legal services. Jay Rose of Jay Rose Consulting, and Joseph Donnellan of Rogal & Donnellan, P.C., served as consultants to the Tenant Task Force.

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