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MassDevelopment issues \$151.7 million in tax-exempt bonds on behalf of affiliates of public housing authorities

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Boston, MA MassDevelopment has issued \$151.7 million in tax-exempt bonds on behalf of affiliates of public housing authorities in Brookline, Cambridge, Framingham, and Medford, which will use bond proceeds to renovate and preserve 368 units of housing for families, seniors, individuals living with disabilities, and people experiencing chronic homelessness. Additionally, the bond proceeds will be used to create 46 new affordable apartments and upgrade common areas, facilities and infrastructure, safety systems, and landscapes.

“Massachusetts’ housing shortage demands that we do all we can to modernize and preserve existing affordable housing units for our most vulnerable neighbors,” said MassDevelopment president and CEO Dan Rivera. “That’s why MassDevelopment is pleased to collaborate with our banking partners to support public housing authorities like those in Brookline, Cambridge, Framingham, and Medford. This significant tax-exempt financing will advance major renovations and expansions to housing facilities for families, seniors, people living with disabilities, and those

experiencing chronic homelessness.”

Plans for each housing authority include:

Sussman House, 50 Pleasant Street - Brookline, MA

Brookline Housing Authority

50 Pleasant LLC, an affiliate of Brookline Housing Authority, will use \$40.625 million in bond proceeds to renovate Sussman House at 50 Pleasant St. Built in 1969, Sussman House is a 100-unit, nine-story affordable rental housing facility for seniors and individuals living with disabilities. Eastern Bank purchased the bond.

Renovations will include installation of a new roof, windows and exterior cladding system, elevators, trash room, and laundry room, and an updated central VRF heating and cooling system. All 100 units will be updated with new sinks, countertops, cabinetry, electric ranges, refrigerators, and aging-in-place features. The proposed renovations also include a new design layout and opportunities for resident programming in the attached one-story community room; this common space will include a new kitchen, library and computer space, and administrative offices. Exterior landscaping will include more walking paths, gardening beds, and a newly paved parking lot.

In addition to the tax-exempt bonds, MassDevelopment assisted the Massachusetts Department of Housing and Community Development (DHCD) with the approval of federal low-income housing tax credits that will provide approximately \$38.9 million in equity for the project.

“Safe and affordable housing solutions are fundamental to enable every community to thrive, and we thank MassDevelopment and our local public housing authorities for their leadership,” said Eastern Bank senior vice president and head of community development lending Pamela Feingold. “By collaborating with MassDevelopment and the public housing authorities, Eastern seeks to ensure these important community efforts receive the community development financing to succeed.”

“By reducing our cost of borrowing and providing tax credits, MassDevelopment’s bonds allowed us to substantially increase the amount and type of improvements we are able to make to Sussman House,” said Brookline Housing Authority director of redevelopment Maria Maffei. “That translates into a higher quality of life for our residents and lower cost of operations going forward.”

116 Norfolk Street - Cambridge, MA

Cambridge Housing Authority

116 Norfolk Apartments LLC, an affiliate of Cambridge Housing Authority (CHA), will use \$21.075

million in bond proceeds to renovate and expand its building at 116 Norfolk St. The property, built in 1920, will be converted from 38 single-room occupancy units into studio apartments with their own kitchens and full bathrooms. Bond proceeds will also be used to build a 25,000 s/f addition to house 24 new studio apartments. All 62 apartments will be affordable and will serve as permanent supportive housing for people who have experienced chronic homelessness and/or are elderly or living with disabilities. Cambridge Trust Company purchased the bond.

Renovations will include masonry restoration or replacement of the building's masonry cladding system; installation of a new central heating and cooling plant for the entire building; replacement of all domestic supply piping, sanitary waste, and vent piping; complete gut renovation of existing common rooms, as well as the addition of a new common kitchen and expanded laundry room; a new waste disposal system with new trash chutes from upper floors and rear exit to allow for dumpster access; and installation of at least one additional elevator accessing all floors.

In addition to the tax-exempt bonds, MassDevelopment assisted DHCD with the approval of federal low-income housing tax credits that will provide approximately \$21 million in equity for the project.

"We are delighted to support the expansion of affordable housing in the Commonwealth, notably alongside our partner the Cambridge Housing Authority," said Cambridge Trust chief commercial banking officer Steven Mead. "This effort signifies the continuation of our long commitment to eradicating homelessness among the elderly, disabled and underhoused individuals in the communities we serve."

"The renovation and expansion of 116 Norfolk will not only provide 62 deeply affordable homes in the heart of Cambridge, but also the permanent supportive housing that is critically needed to ensure that households who have previously experienced homelessness or who are elderly and/or disabled can thrive," said Cambridge Housing Authority executive director Michael Johnston. "CHA appreciates MassDevelopment's key support in making this important effort possible."

Carlson Crossing West - Framingham, MA

Framingham Housing Authority

Carlson Crossing West LLC, an affiliate of Framingham Housing Authority, will use \$22 million in bond proceeds to renovate 68 units of affordable multifamily housing. Constructed in the 1950s, Carlson Crossing West includes 17 buildings on eight acres of land. The units consist of 12 one-bedroom apartments, 20 two-bedroom apartments, 32 three-bedroom apartments, and four four-bedroom apartments. Citizens Bank purchased the bond.

The proposed renovations will focus on building and energy code issues and other critical upgrades to infrastructure. Improvements will also incorporate green, sustainable, and other climate-resilient elements.

In addition to the tax-exempt bonds, MassDevelopment assisted DHCD with the approval of federal low-income housing tax credits that will provide approximately \$19.7 million in equity for the project.

“Citizens is pleased to partner with MassDevelopment on these impactful affordable housing initiatives,” said Citizens executive vice president and head of community development Reza Aghamirzadeh. “At Citizens we are committed to working collaboratively with partners to help address critical needs in our communities and to help build a more equitable and sustainable future for all those we serve.”

Medford Housing Authority

MHA Saltonstall, LLC, an affiliate of Medford Housing Authority, will use \$68 million in bond proceeds to renovate the Saltonstall Building at 121 Riverside Ave. in Medford. Built in 1968, the Saltonstall Building is a 200-unit, 11-story affordable rental housing facility for seniors and individuals living with disabilities. Citizens Bank purchased the bond.

Renovations will include the replacement of existing plumbing, electrical, and ventilation systems; replacement of masonry façade and replacement/removal of balconies; correction of design deficiencies related to the façade; full modernization of all building interiors and apartment finishes; and remediation of materials throughout the development.

Bond proceeds will also be used to add 22 new one-bedroom units to the existing building.

In addition to the tax-exempt bonds, MassDevelopment assisted DHCD with the approval of federal low-income housing tax credits that will provide approximately \$55.7 million in equity for the project.

“It is thanks to the tremendous support of MassDevelopment that the Medford Housing Authority, in collaboration with the City of Medford and financing partners, is able to preserve Saltonstall’s 200 apartments as a crucial resource of deeply affordable housing for decades to come while also creating 22 new deeply affordable homes in the historic center of Medford,” said Medford Housing Authority Executive Director Jeffrey L. Driscoll.

MassDevelopment, the state’s development finance agency and land bank, works with businesses, nonprofits, banks, and communities to stimulate economic growth across the Commonwealth. During FY2022, MassDevelopment financed or managed 356 projects generating investment of more than \$1.69 billion in the Massachusetts economy. These projects are estimated to create or support 11,080 jobs and build or preserve 1,778 housing units.