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MassDevelopment issues \$25.978m tax-exempt bond for affordable housing facility

May 12, 2023 - Financial Digest



Boston, MA MassDevelopment has issued a \$25.978 million tax-exempt bond on behalf of Harrison Affordable LLC, an affiliate of Beacon Communities and the Chinese Consolidated Benevolent Association of New England (CCBA), which will use proceeds to build an 85-unit affordable rental housing facility at 288 Harrison Ave. in the Chinatown neighborhood. The building, dubbed 288 Harrison Residences, will be constructed on what is currently a surface parking lot serving the Tai Tung Village affordable housing community, also owned by CCBA. The organization recognized the development potential of the property and chose Beacon Communities as its development partner in 2019. Construction started in December 2022 and will be complete in fall 2024. Citizens purchased the bond, which helped the developers achieve a lower cost of capital.

The project will consist of 30 one-bedroom units, 40 two-bedroom units, and 15 three-bedroom units. Twenty-two units will be reserved for households earning up to 80% of the area median income (AMI) (\$111,850 for a four-person household), 18 units will be reserved for households earning up to 60% of AMI (\$84,120 for a four-person household), 28 units will be reserved for households earning up to 50% of AMI (\$70,100 for a four-person household), and 17 units will be

reserved for households earning up to 30% of AMI (\$42,060 for a four-person household).

Beacon Communities LLC is a privately owned real estate firm that develops, acquires, invests in, and manages a wide range of multifamily housing. The company also invests in and purchases affordable housing companies and portfolios of multifamily developments. Beacon owns and manages 19,000 apartments including affordable housing, market-rate housing, and mixed-income housing. Beacon developments range from new construction to historic adaptive reuse to the renovation of existing housing.

MassDevelopment has supported Beacon Communities, including issuing \$39 million in bonds in 2021 to help the firm buy and renovate the 346-unit mixed-income Baystate Place housing community in Springfield; a \$40 million tax-exempt bond in 2015 to help Beacon buy and renovate the 276-unit affordable housing community Mandela Homes in Boston's South End; more than \$70.8 million in tax-exempt bonds in 2013 to help Beacon preserve 621 units of affordable housing by buying and renovating Edmands House in Framingham and Colonial Estates in Springfield; and a \$10.17 million tax-exempt bond in 2009 to help Beacon to buy and renovate the 90-unit affordable housing community Tammy Brook Apartments in Weymouth.

"288 Harrison represents the opportunity to create 85 units of affordable housing on one of the few remaining developable parcels in Chinatown, a neighborhood with rapidly rising rents," said Beacon Communities CEO Dara Kovel. "Beacon is grateful for our longstanding relationship with MassDevelopment, and thrilled to be partnering with CCBA on this affordable housing resource."

The Chinese Consolidated Benevolent Association of New England is a 501(c)(3) organization established in 1923. Currently with 35 member organizations, consisting of family associations and community organizations, CCBA serves as the umbrella organization for the Chinese communities of New England. CCBA is also home to a federal credit union, Chinese and English classes, and the Chinatown Crime Watch Program. CCBA also manages Tai Tung Village and Waterford Place, apartment complexes that provide affordable housing to the Chinese community.

"A key piece to solving the state's housing crisis is re-imagining underutilized spaces and recognizing the development potential of such properties," said MassDevelopment president and CEO Dan Rivera. "Beacon Communities and the Chinese Consolidated Benevolent Association of New England are doing just that to deliver 85 affordable apartments in Boston's Chinatown neighborhood. MassDevelopment is proud to partner with Citizens to provide nearly \$26 million in tax-exempt financing to help bring this project to fruition."

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 \$22.7 million in equity for the project.

"Citizens has a mission to foster equity in communities and our support of quality affordable housing is one way we're showing our commitment to Boston," said Citizens Massachusetts president Lisa Murray. "Creative projects such as 288 Harrison Residences will provide needed affordable housing

and support families.”

“Preserving housing in the Chinatown neighborhood is of the utmost importance,” said Boston mayor Michelle Wu. “The transformation of a parking lot into affordable housing is critical to ensuring that future generations of residents can continue to call this neighborhood home. Chinatown is part of the fabric of Boston, and we must do everything in our power to protect it. This means not just preserving existing buildings, but also creating new, affordable housing options for those who need it most. We are thankful to the Chinese Consolidated Benevolent Association for choosing to make the land available for this project. By working together, we can ensure that Chinatown remains a thriving, vibrant neighborhood for generations to come.”

“CCBA looks forward to partnering with MassDevelopment, Citizens Bank, and Beacon Communities in creating 85 additional affordable apartments that are much needed in Boston’s Chinatown with the 288 Harrison Residence project,” said Chinese Consolidated Benevolent Association of New England president Felix Lui. “The provision of tax-exempt financing is crucial in bringing the project to life and capturing even greater use out of Tai Tung Village’s parking lot.”

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