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MassDevelopment issues \$32.5m bond on behalf of Agawam Village LLC

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Ipswich, MA MassDevelopment has issued a \$32.5 million tax-exempt bond on behalf of Agawam Village LLC, an affiliate of Ipswich Housing Authority (IHA), which will use proceeds to buy and renovate the Agawam Village affordable multifamily rental housing complex. Built in the 1970s, Agawam Village is comprised of 80 one-bedroom units, four two-bedroom units, eight three-bedroom units, and two four-bedroom units across seven buildings. Renovations will be undertaken by the IHA in collaboration with its joint venture partner, Harborlight Homes. The renovations will include enhancements to individual units; door, roof, and window replacements; mechanical, electrical, and plumbing upgrades; and other site improvements. There will be no permanent relocation or displacement of existing residents associated with the rehabilitation of the property. Project sponsor Ipswich Housing Authority created a for-profit affiliate, Agawam Village LLC, for the purposes of facilitating this tax-exempt financing. The bond was sold through a public offering underwritten by Stifel, Nicolaus & Co.

“This significant investment by Ipswich Housing Authority and Harborlight Homes will modernize and preserve 94 affordable housing units, improving the quality of life for current and future residents of this community,” said MassDevelopment president and CEO Dan Rivera. “Just this year alone, MassDevelopment is pleased to have announced more than \$184 million in tax-exempt bonds to help public housing authorities renovate hundreds of units, preserving this much-needed housing in the face of our state’s ongoing housing crisis.”

In addition to the tax-exempt bonds, MassDevelopment assisted the Massachusetts Department of Housing and Community Development with the approval of federal low-income housing tax credits

that will provide approximately \$20.1 million in equity for the project.

“This project will make an enormous difference in the lives of our residents and will also help to preserve one of the most important resources in our community,” said Ipswich Housing Authority executive director Kate McGuire. “We are so grateful for the support we have received from our many community partners in this project, including MassDevelopment.”

“We are honored to be part of this innovative collaboration with the Ipswich Housing Authority to assist in the continuation of its long-standing, good work in the community,” said Harborlight Homes executive director Andrew DeFranza. “The investment of MassDevelopment is foundational to this effort.”

This deal marks the latest public housing authority improvement project financed by MassDevelopment. In March 2022, the agency announced a total of \$151.7 million in tax-exempt bonds issued on behalf of affiliates of public housing authorities in Brookline, Cambridge, Framingham, and Medford, which are using bond proceeds to renovate and preserve a total of 368 units of housing for families, seniors, individuals living with disabilities, and people experiencing chronic homelessness. Additionally, the bonds are being used to create 46 new affordable apartments and upgrade common areas, facilities and infrastructure, safety systems, and landscapes.

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