



CELEBRATING  
55 YEARS

# nerej

## **BHA and WinnCos. secure financing to start \$62m redevelopment of Mary Ellen McCormack complex**

April 11, 2025 - Financial Digest



South Boston, MA WinnCompanies and the Boston Housing Authority (BHA) have closed on financing for the construction of a new \$62 million apartment building and \$8 million in major infrastructure work for the redevelopment of the Mary Ellen McCormack public housing complex, kicking off the first phase of the long-awaited 3,300-unit, mixed-income and mixed-use project.

When completed in the fall of 2026, the first 112,000 s/f building will provide 94 modern apartments for low-income families currently living at the Mary Ellen McCormack community, offering 37 one-bedroom units, 44 two-bedroom units, 12 three-bedroom units and one four-bedroom unit.

“Winn has involved the residents and Tenant Task Force in every step of the development process. Input from residents has touched every aspect of Building A, from the playground equipment in

Veterans Park to the layout of units and interior finishes. I am very proud of this partnership and cannot wait to see the smiles on the residents' faces when they move into their new, affordable homes," said Carol Sullivan, executive director of the Mary Ellen McCormack Task Force.

In addition to the critically needed affordable housing, the Building A project will promote connections between Mary Ellen McCormack and the surrounding neighborhoods. It will also deliver important public benefits, including a new Veterans Park with an accessible tot lot and splash pad, two-way separated bike lane, reconfigured public streets and associated intersections with pedestrian enhancements, new street trees, planting areas and pedestrian zones.

"For almost nine decades, Mary Ellen McCormack has been a cornerstone of Boston's commitment to affordable housing," said mayor Michelle Wu. "Today, we take a major step forward in ensuring that this historic community remains a vibrant, inclusive home for generations to come. This first phase of redevelopment will deliver modern, sustainable housing while strengthening connections to the surrounding neighborhood, enhancing public spaces, and building a more resilient future for South Boston."

WinnCompanies CEO Gilbert Winn, said, "This first building jumpstarts an ambitious and inspired undertaking many years in the making that will ultimately give rise to a new mixed-income and mixed-use neighborhood. This community of opportunity will serve as a national model in how it thoughtfully fosters economic social and environmental success over the long term for its 9,000 residents and surrounding Boston neighborhoods. We are excited to start work on transforming this 30-acre site, standing alongside our federal, state and city supporters, our nonprofit allies, and our partners at the Boston Housing Authority and the tenant-led Task Force."

Funding for the construction of Building A is being provided in the form of a construction loan from the Bank of America; federal Low Income Housing Tax Credit and Energy Tax Credit equity from Bank of America, a tax-exempt bridge loan and tax-exempt first mortgage loan from MassHousing; a subordinate loan from the Affordable Housing Trust Fund maintained by the Massachusetts Executive Office of Housing & Livable Communities; a subordinate loan from the BHA; and state Low Income Housing Tax Credit equity from Bank of America with a loan from BlueHub Capital. Robinson+Cole served as transaction counsel. The city has also committed significant funding toward future buildings in the redevelopment.

"This milestone represents our unwavering commitment to the families of Mary Ellen McCormack," BHA administrator Kenzie Bok said. "We are not only preserving deeply affordable homes but also creating a new, thriving mixed-income community to which current residents will have the right to return. With this first building, we are laying the foundation for a neighborhood that will be greener, more connected, and full of opportunity for all."

Massachusetts congressman Stephen Lynch said, "I am so proud that we are beginning the redevelopment of the Mary Ellen McCormack Housing Complex. At long last, the first phase of the project will provide current residents with more modern and spacious apartments, replacing the crumbling infrastructure of the existing buildings and improving access to the surrounding

neighborhood. I look forward to seeing this long-anticipated redevelopment finally come to fruition.”

In addition to Lynch, the project has the strong support of state sen. Nick Collins, state rep. David Biele, and many other state and city officials.

Built during the Great Depression and opened in 1938, the Mary Ellen McCormack is one of the largest public housing developments in New England, consisting of 1,016 deeply subsidized apartments across 35 buildings. Under the revitalization plan approved in December 2023, a new 3,300-unit mixed-income and mixed-use community, including more than 70,000 s/f of retail and a new Community Center, will be built over the next two decades. The Community Center will be named after former BHA administrator Bill McGonagle and operated in partnership with the Greater Boston YMCA.

Existing buildings will be demolished in phases as part of a complex relocation strategy choreographed to allow most existing households to move directly into new apartments. The BHA will retain ownership of the land to preserve permanent affordability for low-income families while management, ownership and maintenance of the buildings will be assumed by WinnCompanies. All 1,016 public housing units will be replaced on site, and all current residents have a right to return to new apartments.

The tenant-paid portion of the rent will not change. Winn will pay for basic utilities for affordable households.

Building A will be built at the corner of Logan Way and the new Veterans Way, about 600 feet from the Andrew Square MBTA Red Line subway station, using an efficient U-shaped design with heights that step down from six to four stories. It will be Passive House certified and utilize all-electric systems and Winn and BHA’s first joint geothermal system with ground source pumps for heating and cooling.

The construction of Building A will be done under a Project Labor Agreement with significant goals for participation from local residents, known as Section 3 labor, and Minority and Women-Owned Business Enterprises (MWBES). Targets are set to direct 40 percent of construction work hours to people of color, 25 percent of work hours for Section 3 laborers and 12 percent of hours for women. Minority Business Enterprises are expected to receive 25 percent of the work and Women Business Enterprises 15 percent.

Preliminary site work is underway. WinnDevelopment Vice President Andrew Colbert is leading permitting and overseeing the construction effort – the largest in the company’s 54-year history. Lee Kennedy Company, of Quincy, MA, is serving as general contractor for the construction in a joint venture with H. J. Russell & Company (MBE), of Atlanta. The Architectural Team of Chelsea, MA, is the architect for the project.

Once Building A is completed, financing will be secured for, and construction will begin on, Building B, which will offer 300 mixed-income apartments, and Building C, which will offer 196 mixed-income apartments, with 172 units reserved for seniors who are 62 or older and on-site enhanced supportive services.

In all, eight new residential buildings will be built over the course of a decade during Phase One of the redevelopment plan. There will be 1,310 apartments built during Phase One, replacing 529 aging public housing apartments for BHA households and creating 781 additional apartment homes for middle income and market rate renters.

Phase One construction will redevelop the northern 18 acres of the property, increasing open space by 73 percent with new pedestrian walking paths, bike infrastructure and gathering spaces. In addition, 33,000 square feet of ground-floor retail space will be created for local small businesses, including a grocery retailer. Twenty-five (25) percent of retail space will be offered at below-market leases.

Because the site is susceptible to current and future flooding from nearby Boston Harbor, construction work will raise the grades of the property by 5 to 7 feet. All new buildings will be constructed above the 2070 projected flooding scenario projected by Climate Ready Boston. WinnCompanies expects to begin seeking permits for Phase Two in 2026 so that the remaining 2,000 apartments and open spaces can be developed as soon as Phase One is completed.

#### Statements of Support:

Congressman Stephen F. Lynch

I am so proud that we are beginning the redevelopment of the Mary Ellen McCormack Housing Complex. This process began many years ago in a meeting with my friends and colleagues, U.S. Rep. Joe Moakley, City Councilor Jim Kelly, Mayor Tom Menino, Rep. Jack Hart, Housing Director Sandra Henriquez, and members of the MEM Tenant Task Force. At long last, the first phase of the project will provide current residents with more modern and spacious apartments, replacing the crumbling infrastructure of the existing buildings and improving access to the surrounding neighborhood.

In addition to millions in critical climate-change resistance funding, last year, I was happy to help secure \$850,000 in federal Community Project Funding for the Bill McGonagle Community Center that, in a later phase of the redevelopment, will be built directly on the Mary Ellen McCormack site. Through the collaboration of WinnCompanies, the Mary Ellen McCormack Tenant Task Force, and my current colleagues in government – Governor Maura Healey, Secretary of Housing and Livable Communities Ed Augustus, Mayor Michelle Wu, BHA Administrator Kenzie Bok, State Senator Nick Collins, State Representative David Biele, City Councilor Ed Flynn, and City Councilor Erin Murphy, we will more than double the number of units at the complex, adding 100% affordable senior housing with the potential for added workforce housing. I look forward to seeing this long-anticipated redevelopment finally come to fruition.

Massachusetts State Sen. Nick Collins

This milestone brings the community one step closer to realizing the renovation and revitalization of New England's oldest housing development. My team and I have been proud to work with the residents, Winn, and our colleagues in government to make this a priority. While important work remains, this moment is certainly cause for celebration.

Massachusetts State Rep. David Biele

This undertaking at Mary Ellen McCormack represents an important investment in affordable housing and, equally important, an investment in our residents and our families. I am grateful for the partnership and collaboration between Boston Housing Authority residents, WinnCompanies, elected officials and government agencies to preserve and enhance affordable housing in the South Boston community while addressing needs in the neighborhood and around Mary Ellen McCormack as identified by residents.

Boston City Councilor Ed Flynn

The much-needed redevelopment of Mary Ellen McCormack is critical to providing stable homes and improving the quality of life for all neighbors in public housing - including our seniors, persons with disabilities, veterans and young families - for generations to come. With infrastructure upgrades like the Bill McGonagle Community Center and a new Veterans Park, the new Mary Ellen McCormack community will be an anchor neighborhood and accessible to all of South Boston. I couldn't be more excited to see it through to completion in 2026.

Ed Augustus, Secretary, Massachusetts Executive Office of Housing & Livable Communities

Massachusetts is proud to have the largest state-supported public housing system in the country, but many units are now outdated due to decades of underfunding. We can do better. Developments like Mary Ellen McCormack, which will increase housing while incorporating mixed-income and mixed-use designs, not only improve the lives of our public housing residents but make our communities and neighborhoods stronger. The Executive Office of Housing and Livable Communities is proud to support the important first phase of this transformative development.

MassHousing CEO Chrystal Kornegay

MassHousing is excited to see the start of the first phase of the redevelopment of the Mary Ellen McCormack public housing community that is going to replace hundreds of obsolete and distressed units with brand new apartment homes for the residents there. This redevelopment effort by the BHA and WinnCompanies is not only going to replace the existing housing, but will add more than 2,200 additional new, mixed-income rental homes and revitalize this entire South Boston neighborhood.

Miceal Chamberlain, President of Bank of America Massachusetts

Bank of America is pleased to help finance this critical multi-phased development that will create much-needed housing opportunities while contributing to the vitality of South Boston. Working with our partners at Winn, MEM is a demonstration of the power of public-private partnerships to restore historic sites, revitalize retail and support residents in the communities where we work and live.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540