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GOVERNOR PATRICK TARGETS \$45.5 MILLION IN RECOVERY FUNDS TO MOVE HOUSING DEVELOPMENTS FORWARD

Federal tax credit assistance to revive eight projects, create hundreds of jobs

BOSTON – Tuesday, August 18, 2009 – As part of his Massachusetts Recovery Plan to secure the state’s economic future, Governor Deval Patrick today announced the state will target \$45.5 million in federal recovery funds to help jump start delayed affordable housing developments throughout Massachusetts and create hundreds of jobs.

Eight affordable housing developments in Beverly, Boston, Framingham, Greenfield, Holliston and Springfield that had been stalled due to the lack of equity available in the low-income housing tax credit market, will receive funds from the American Recovery and Reinvestment Act (ARRA) to fill the gaps in tax credit projects that were unable to raise sufficient equity to finance substantial project development costs.

“These funds will help to continue strengthening the Commonwealth’s regional economies by putting people back to work and getting affordable housing projects back on track,” said Governor Patrick.

“As we continue with our efforts to help homeless families and those at risk of becoming homeless transition to permanent and stable housing, funding and selecting these housing construction projects is a vital step forward because it will increase the number of affordable housing options for these families,” said Lt. Governor Tim Murray, who also serves as chairman of the Interagency Council for Housing and Homelessness.

The funds are issued by the U.S. Department of Housing and Urban Development (HUD) Tax Credit Assistance Program (TCAP), which is implemented by the Massachusetts

Department of Housing and Community Development (DHCD). TCAP awards are competitively determined with eligible applicants, as defined by HUD, being projects that have been awarded tax credits in 2007 or 2008 that have been delayed over time due to equity market conditions.

Readiness to get shovels in the ground was a top consideration for the awards. Housing development projects had to have all financing secured, have the construction permits in place, be able to close on the financing within 120 days and start construction 45 days after closing.

Last week, Massachusetts was ranked fourth in the nation in terms of spending federal stimulus funds, having used about \$1.5 billion of the \$3.3 billion awarded to Massachusetts.

The eight projects selected are the most viable and most ready to go forward (*see award details below*).

“The development of affordable housing in Beverly will not only provide badly needed housing, but will restore vitality to the neighborhoods,” said Congressman John F. Tierney. “The North Shore Y and the Beverly Affordable Housing Coalition (BAHC) have a laudable track record for successfully developing and managing projects such as these in the region.”

"As a senior member of the Ways and Means Committee, the panel that determines tax policy in Congress, I had a direct role in writing this portion of the Recovery Act. And making better use of these low-income housing tax credits was a top priority of mine. As a result, the City of Springfield will receive nearly \$8 million to address its homelessness and low-income housing needs. This much needed assistance will help complete the rehabilitation and expansion of Worthington House and also create nearly 100 new jobs in the process. It is another example of how the federal stimulus program is making a real difference in our local communities," said Congressman Richard E. Neal.

“Not only will these funds result in the creation of much needed jobs, they will help advance important affordable housing initiatives in Boston and elsewhere,” stated Congressman Mike Capuano.

“With Massachusetts receiving \$110 million in recovery funds from both HUD and the U.S. Treasury Department for tax credit exchange and assistance programs, we can continue to get some very important projects back up and running in short order ,” said Tina Brooks, DHCD Undersecretary.

Investments in housing and economic development are critical components of Governor Patrick’s [Massachusetts Recovery Plan](#), which combines state, federal and, where possible, private efforts to provide immediate and long-term relief and position the Commonwealth for recovery in the following ways:

- **Deliver immediate relief** by investing in the road, bridge and rail projects that put people to work today and providing safety net services that sustain people who are especially vulnerable during an economic crisis;
- **Build a better tomorrow** through education and infrastructure investments that strengthen our economic competitiveness, prepare workers for the jobs of the future, and support clean energy, broadband, and technology projects that cut costs while growing the economy; and
- **Reform state government** by eliminating the pension and ethics loopholes that discredit the work of government and revitalize the transportation networks that have suffered from decades of neglect and inaction.

For more information, please visit www.mass.gov/recovery.

AWARD LIST

Project: Cabot Street Homes

Location: Beverly

Award Amount: \$4,790,710

Developer: YMCA of the North Shore and Beverley affordable Housing Coalition

Description: The former Mayflower Hotel will be redeveloped as 43 single room occupancy units for individuals, including some with incomes below 30% of area median and some with special needs. The project has significant local support. The project is expected to generate approximately 40 jobs.

Project: Kasanof Bakery

Location: Roxbury/Boston

Award Amount: \$8,589,214

Developer: Nuestra Comunidad

Description: This green, LEED certifiable 48-unit family development will be constructed on Blue Hill Avenue with ground floor retail space and a community room. All units will be affordable to households with incomes at or below 60% of the area median income. Nine apartments will be affordable to households with half of that income level. The project is expected to generate 122 jobs.

Project: Centre Creighton Apartments

Location: Jamaica Plain/Boston

Award Amount: \$6,167,338

Developer: Jamaica Plain Neighborhood Development Corporation and New Atlantic Development

Description: Project is part of the redevelopment of the former Blessed Sacrament campus on Centre Street. Centre Creighton will feature 36 units affordable to families earning less than 60% of area median income – eight of which will be reserved for extremely low-income families, with some families making the transition from

homelessness. When the entire campus has been redeveloped, it will include a single room occupancy building operated by the Pine Street Inn, affordable condominiums, and market-rate condominiums, as well as the 36 affordable rental units. Centre Creighton is an excellent example of a sustainable development project: it is located on a major thoroughfare served by MBTA buses and is within walking distance of a subway station. The project is surrounded by commercial and retail opportunities. The project is expected to create approximately 75 jobs.

Project: 270 Centre Street

Location: Jamaica Plain/Boston

Developer: Jamaica Plain NDC

Award Amount: \$5,263,525

Description: Project involves the new construction of a mixed-use, four-story property with 30 units of affordable housing for families and individuals, with retail and office space on the ground floor. The apartments will be affordable to households with incomes at or below 60% of median income, with 10 units set aside for extremely low-income families and individuals (at or below 30% of median). The project will have seven Section 8 vouchers, allowing the residents of seven units to pay no more than 30% of their incomes for rent. The project is expected to generate 67 jobs.

Project: Shillman House

Location: Framingham

Award Amount: \$2,887,340

Developer: Jewish Community Housing for the Elderly

Description: This Edmonds Road project will consist of 150 total units of housing for elderly individuals and couples. Sixty units will be rented at market rates; ninety units will be reserved for individuals and households earning less than 60% of area median income. Twenty-five of the 90 units will be further restricted and affordable to individuals or households earning less than 30% of area median income. Community space within the building will include a computer center, a staffed fitness center, and a wellness center. Extensive support services will be available to residents who need such help. The project also will feature elements of green design, including water conservation measures and a photovoltaic system. The project is expected to generate approximately 390 jobs.

Project: The Winslow

Location: Greenfield

Award Amount: \$5,978,943

Developer: Greenfield Housing Associates

Description: This Main Street project is an existing lodging house, and will use both

historic renovation and new construction, to develop 55 single room occupancy rental units. There are numerous retail opportunities and services located near the property. Individuals with extremely low incomes will occupy many rooms. The project has attracted significant local support, including funds by the city of Greenfield and construction and permanent loans from the Greenfield Savings Bank. The Winslow is expected to generate 47 jobs.

Project: Cutler Heights

Location: Holliston

Developer: Neighborhood of Affordable Housing

Award Amount: \$3,929,910

Description: Project is a town-supported family development with 30 units with all affordable to households with incomes below 60% of median income, and three of the units affordable to households with extremely low incomes (at or below 30% of median). The project will have seven project-based rental vouchers from DHCD, allowing those households to pay only 30% of their incomes for rent. There also will be units for residents with disabilities. The Holliston Community Preservation Committee is providing \$909,600 of funding, and the Holliston Housing Authority, a member of the development team, is providing the land through a land swap with the town. The project is expected to generate 46 jobs.

Project: Worthington House

Location: Springfield

Award Amount: \$7,872,425

Developer: Friends of the Homeless

Description: Project is the rehab of an existing 60-unit single room occupancy (SRO) facility and the new construction of 32 units of enhanced SROs for homeless individuals. It will be sited on the campus of a new homeless resource center providing medical, dental, assessment and supportive services for men and women who are homeless or living in supportive housing. Ten of the 92 units will be formally set aside for extremely low-income households. In addition, 47 of the households will receive place-based Section 8 vouchers so that they only pay 30% of income toward rent. The project has attracted significant local support, including funds from the City of Springfield through general revenue funds and federally funded programs. The local business community has contributed over \$1 million in donations for the project. TD Banknorth will provide a construction loan. Using the Deloitte & Touche formula, Worthington House is expected to generate 97 jobs.

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