



Framingham, Springfield affordable housing developments to be renovated thanks to \$70.8 million in tax-exempt MassDevelopment bonds

colonial-estates-springfield.jpg

The Colonial Estates complex in Springfield has 430 two-bedroom units and 70 three-bedroom townhouse units. *(Photo courtesy Colonial Estates)*

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SPRINGFIELD — **MassDevelopment** has issued more than \$70.8 million in tax-exempt bonds on behalf of real estate developer Beacon Communities LLC for two projects that will preserve 621 units of affordable housing in Massachusetts. Beacon Communities is using the tax-exempt bond proceeds to acquire and renovate Edmands House in Framingham and Colonial Estates in Springfield.

Beacon was involved in development of the 500-unit Colonial Estates in 1971, according to **Mass Development**. The complex is in the Sixteen Acres section of the city.

This transaction will preserve 450 units as affordable for 45 years. Here as well, Beacon renewed the rental assistance contract for the property, serving 349 units. This contract will remain in place for an additional 23-plus years. The property has 430 two-bedroom units and 70 three-bedroom townhouse units. Citi Community Capital purchased the bonds related to this project directly.

Beacon Communities purchased the Edmands House property through the state's affordable housing preservation law and will keep 171 units affordable at the 190-unit, mixed-income apartment community. Of these, 132 units will remain affordable for 45 years. As part of the transaction, Beacon Communities renewed the rental assistance contract serving 112 units for an additional 20 years. Beacon obtained a commitment of rental assistance for an additional 59 units for a term of 15 years.

Renovations at Edmands House and Colonial Estates include improvements to kitchens, bathrooms, building envelopes, lighting and common amenities; new high-efficiency heating and hot water systems; security and accessibility improvements. MassDevelopment also worked with Beacon Communities in 2008, when the agency issued a \$14.1 million tax-exempt bond on behalf of the Wilber School Apartments project in Sharon, transforming the former Charles R. Wilber School into a 75-unit, mixed-income apartment complex.

"MassDevelopment's role in the preservation of these important affordable community resources was critical," said Pamela Goodman, President of Beacon Communities LLC. "These deals are very complex, but

MassDevelopment was an agile partner, able to provide the necessary financing within the necessary timeframes.”

MassDevelopment, the state’s finance and development agency, works with businesses, nonprofits, financial institutions, and communities to stimulate economic growth across the Commonwealth. During FY2013, MassDevelopment financed or managed 350 projects generating investment of more than \$2.4 billion in the Massachusetts economy. These projects are projected to create more than 7,000 jobs and build or rehabilitate 800 residential units.

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