

**Minutes of the Regular Meeting
of the Members of MassHousing
held on
August 8, 2023**

The regular meeting of the Massachusetts Housing Finance Agency – doing business as MassHousing was held on August 8, 2023. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the Members (by roll call):

Members Jeanne Pinado, Chair
 Carolina Avellaneda, Vice Chair
 Jerald Feldman
 Patricia McArdle
 Kaitlyn Connors, Designee of Matthew Gorzkowicz, ex officio
 Michael Dirrane
 Edward Augustus, ex officio

**Members
Not
Participating** Carmen Panacopoulos
 Tom Flynn

Staff *Due to the remote convening, a list of MassHousing staff participating or observing the meeting was not available*

Guests *Due to the remote convening, a list of guests observing the meeting was not collected*

Chair Pinado convened the meeting to order at 2:00 p.m. Chair Pinado then indicated that the first order of business was the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, by roll call vote, of all the present, it was:

VOTED: That the minutes of the Regular Meeting of the Members held on July 11, 2023 are hereby approved and placed on record.

Executive Director's Report

Chrystal Kornegay began her report by giving an update on the Housing Solutions Summit recently held at MassHousing. Governor Healey, Lieutenant Governor Driscoll and EOHLIC Secretary Augustus were joined by over 40 developers and participated in three breakout sessions covering access to capital, zoning and permitting and addressing the high cost of housing in Massachusetts.

Ms. Kornegay next gave an update on the future of work at MassHousing. We are beginning to consider methods for working in the office together at the same time. In addition, we will begin having our monthly All Staff Meeting in the office beginning September 28, 2023.

Chair Pinado commented that moving toward a more in-office environment is the right thing to do in order to foster better connection and collaboration.

Massachusetts Climate Chief Melissa Hoffer Presentation

Melissa Hoffer, Massachusetts's first ever Climate Chief, gave a presentation on the Massachusetts Community Climate Bank, the nation's first green bank dedicated to affordable housing. Ms. Hoffer noted the contributions Jonathan Schrag, Deputy Climate Chief and Director of Investment for Decarbonization and Resilience and Colin McNiece and Mark Attia of MassHousing in advancing the Climate Bank initiative. This initiative will be seeded with \$50 million in state funds from the Department of Environmental Protection to maximize investment in the reduction of greenhouse gas emissions from the building sector.

This is the first bank of its kind in the country and MassHousing was selected to lead the initiative based on its decades of financial expertise. MassHousing will partner with MassDevelopment and Massachusetts Clean Energy Center (MassCEC).

Chrystal Kornegay added that in addition to the \$50 million from the DEP trust, The Climate Bank will also pursue funds from the Greenhouse Gas Reduction Fund, created under the Inflation Reduction Act of 2022.

Chair Pinado thanked Ms. Hoffer and commented this is a terrific new initiative.

Loan Committee

Elm Place 4% Swampscott

Mike Carthas presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, Commitment of a Workforce Housing Loan and approval for the use of Low-Income Housing tax credits for Elm Place 4% in Swampscott.

The proposed financing will support the new construction of Elm Place 4% (the Development"), a proposed 57-unit development in Swampscott.

The Development is part of a larger project which has been separated into two transactions - the 57-unit tax-exempt 4% LIHTC transaction, which is the subject of this commitment proposal, and a 57-unit taxable 9% LIHTC transaction (the "9% Development"). The combined development will contain a new construction five-story elevator building providing 114 mixed-income residential units within two condominium components.

Elm Place 4% and 9% will be comprised of one new-construction five-story elevator building. The site is currently an accumulation of four underutilized, contiguous parcels that serves as rented storage for contractors' building materials and equipment and its associated parking. The proposal is a transit-oriented development, within walking distance (0.3 miles) of the Swampscott MBTA Commuter Rail Station as well as being served by MBTA bus service along Essex Street.

The combined development will contain a newly constructed building which provides 114 mixed-income residential units (within two condominium components), with 57 units in each project. The 4% portion will consist of one (1) studio unit, thirty-nine (39) one-bedroom units, twelve (12) two-bedroom units, and five (5) three-bedroom units. There will be 131 surface parking spaces and 60 bicycle parking spaces shared by both projects. Common area amenities will include an indoor recreation area / resident lounge, an outdoor courtyard, and a roof deck with views of downtown Swampscott and the ocean.

Of the fifty-seven (57) units, four (4) units will be restricted at 30% of the Area Median Income ("AMI") and will have project-based MRVP subsidy. Four (4) units will be restricted at 30% of AMI and will have Section 8 project-based vouchers. Forty-five (45) units will be restricted at 60% of AMI, and four (4) Workforce Housing units will be restricted at 100% of AMI.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED:

To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "Elm Place 4%" (the "Development") at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$20,740,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. WinnDevelopment Company Limited Partnership ("Developer") has acceptable multifamily housing development experience and acceptable credit history.

2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

VOTED:

To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$5,400,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$11,192,000, in each case to be made Swampscott Housing Four Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership (the "Borrower") as owner of the multifamily residential development known as "Elm Place 4%" (the "Development") and located in Swampscott, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$400,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing's Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTHER VOTED: That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the Development will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

- (a) the sources and uses of funds and the total financing planned for the Development;
- (b) any proceeds or receipts expected to be generated by reason of

tax benefits;

- (c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
- (d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Management, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

53 units (93%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects the information available to A&M staff as of the date of collection June 27, 2023. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (756 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 97.6 % and ranged between 94% and 100%. One of the comparables was offering a rental concession of \$500.00 off the first month's rent.

2nd Qtr. 2023 CoStar data for the subject's North Shore Multi-Family Submarket (13,279 units) has an overall vacancy rate at 3.7% YTD, which is an increase of .41% from one year ago. CoStar data for the Boston market (264,683 units) has an overall vacancy rate of 5.1% YTD, which is an increase of .79 % from one year ago. The North Shore Multi-Family Submarket vacancy rate is projected to increase to 4.0% over the next five years, while the Boston market is projected to increase to 5.3%.

CoStar, submarket data for the 4-5 Star building type (4,670 units) indicates a 2nd Qtr. 2023 vacancy rate of 3.3% and an average asking rent of \$2,785, while submarket data for the subject's 3 Star building type (4,984 units) indicates a 2nd Qtr. vacancy rate of 4.9% at an average asking rent of \$2,280 and 1-2 Star buildings (3,625 units) indicates a 2nd Qtr. 2023 vacancy rate of 2.7% at an average asking rent of \$1,567. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the Town of Swampscott has 5795 year-round housing units, 212 (3.7%) of which are subsidized for low/moderate income households.

Further, the Swampscott Housing Authority (SHA) owns and /or operates 36 units of state funded family housing and 2 state funded public housing developments for elderly/disabled which have a total of 84 rental units. Per the representative of HHA, there are 12,162 applicants on the Waiting list (family and elderly combined). SHA does not administer any Section 8 Housing Choice Vouchers.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 6,093 households in the Town of Swampscott, approximately 73.9% earned less than the HUD published 2023 AMI (149,300), approximately 35.2% earned less than 50% of 2023 AMI, approximately 42.8% earned less than 60% of the 2023 AMI and approximately 58% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it provides housing to a variety of household incomes.

Also, it is located in an area that includes a mix of residential and retail uses.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	1	39	12	5
Net SF/Unit	568	710	1003	1265
Elev./Non-Elev.	Y	Y	Y	Y
Market Rate Rent	\$4,444	\$4,660	\$4,979	\$5,569
MHFA Below Market Rent (Cost-Based Rent)	\$3,041	\$3,257	\$3,576	\$4,166
MHFA Adjusted Rent	30% of 60% of AMI			
Underwriting Rents				
MRVP 30% AMI		\$2,136	\$2,552	\$3,103
PBV 30% AMI		\$2,325	\$2,778	\$3,388
LIHTC 60% AMI	\$1,479	\$1,577	\$1,883	\$2,175
Workforce 100% AMI		\$2,074		

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

Elm Place 9%, Swampscott

Mike Carthas presented a proposal for Commitment of a Permanent Taxable Loan and Commitment of a Workforce Housing Loan for Elm Place 9%, Swampscott.

The proposed financing will support the new construction of Elm Place 9% (the “Development”), a proposed 57-unit development in Swampscott. The Development is part of a larger project which has been separated into two transactions - the 57-unit taxable 9% LIHTC transaction, which is the subject of this commitment proposal, and a 57-unit tax-exempt 4% LIHTC transaction (the “4% Development”). The combined development will contain a new construction five-story elevator building providing 114 mixed-income residential units within two condominium components.

Elm Place 4% and 9% will be comprised of one new-construction five-story elevator building. The site is currently an accumulation of four underutilized, contiguous parcels that serves as rented storage for contractors’ building materials and equipment and its associated parking. The proposal is a transit-oriented development, within walking distance (0.3 miles) of the Swampscott MBTA Commuter Rail Station as well as being served by MBTA bus service along Essex Street.

The combined development will contain a newly constructed building which provides 114 mixed-income residential units (within two condominium components), with 57 units in each project. The 9% portion will consist of two (2) studio units, thirty-two (32) one-bedroom units, sixteen (16) two-bedroom units, and seven (7) three-bedroom units. There will be 131 surface parking spaces and 60 bicycle parking spaces shared by both projects. Common area amenities will include an indoor recreation area / resident lounge, an outdoor courtyard, and a roof deck with views of downtown Swampscott and the ocean.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent first mortgage loan in a principal amount of up to \$8,325,000, such first loan to be insured under the HUD HFA Risk Sharing Program, to be made to Swampscott Housing Nine Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership (the “Borrower”) as owner of the multifamily residential development known as “Elm Place 9%” (the “Development”) and located in Swampscott, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$1,600,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing’s Workforce Program Guidelines adopted by the Members

on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

25 units (44%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects the information available to A&M staff as of the date of collection June 27, 2023. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the indicated collection date.

In-house data for larger market and mixed-income complexes (756 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 97.6 % and ranged between 94% and 100%. One of the comparables was offering a rental concession of \$500.00 off the first month's rent.

2nd Qtr. 2023 CoStar data for the subject's North Shore Multi-Family Submarket (13,279 units) has an overall vacancy rate at 3.7% YTD, which is an increase of .41% from one year ago. CoStar data for the Boston market (264,683 units) has an overall vacancy rate of 5.1% YTD, which is an increase of .79 % from one year ago. The North Shore Multi-Family Submarket vacancy rate is projected to increase to 4.0% over the next five years, while the Boston market is projected to increase to 5.3%.

CoStar, submarket data for the 4-5 Star building type (4,670 units) indicates a 2nd Qtr. 2023 vacancy rate of 3.3% and an average asking rent of \$2,785, while submarket data for the subject's 3 Star building type (4,984 units) indicates a 2nd Qtr. vacancy rate of 4.9% at an average asking

rent of \$2,280 and 1-2 Star buildings(3,625 units) indicates a 2nd Qtr. 2023 vacancy rate of 2.7% at an average asking rent of \$1,567. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (12/21/20), the Town of Swampscott has 5795 year-round housing units, 212 (3.7%) of which are subsidized for low/moderate income households.

Further, the Swampscott Housing Authority (SHA) owns and /or operates 36 units of state funded family housing and 2 state funded public housing developments for elderly/disabled which have a total of 84 rental units. Per the representative of HHA, there are 12,162 applicants on the Waiting list (family and elderly combined). SHA does not administer any Section 8 Housing Choice Vouchers.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 6,093 households in the Town of Swampscott, approximately 73.9% earned less than the HUD published 2023 AMI (149,300), approximately 35.2% earned less than 50% of 2023 AMI, approximately 42.8% earned less than 60% of the 2023 AMI and approximately 58% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it provides housing to a variety of household incomes. Also, it is located in an area that includes a mix of residential and retail uses.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	2	32	16	7
Net SF/Unit	568	710	1003	1265
Elev./Non-Elev.	Y	Y	Y	Y
Market Rate Rent	\$4,444	\$4,660	\$4,979	\$5,569
MHFA Below Market Rent (Cost-Based Rent)	\$3,041	\$3,257	\$3,576	\$4,166
MHFA Adjusted Rent	30% of 60% of AMI			
Underwriting Rents				
PBV 30% AMI	\$2,149	\$2,325	\$2,778	\$3,388
LIHTC 60% AMI		\$1,577	\$1,883	\$2,175
Workforce 100% AMI		\$2,074	\$2,572	
Market	\$2,034	\$2,408	\$2,993	\$3,690

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

The Pointe at Hills Farms 4%, Shrewsbury

Mike Carthas presented a proposal for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, Commitment of a Workforce Housing Loan and Approval for the Use of Low-Income Housing Tax Credits.

The proposed financing will support The Pointe at Hills Farm 4% (the "Development"), a 30-unit development to be constructed in Shrewsbury.

The Development is part of a larger project which has been separated into two transactions - the 30-unit tax-exempt 4% LIHTC development which is the subject of this commitment proposal and a 63-unit taxable 9% LIHTC development (the "9% Development", collectively with the Development are hereinafter referred to as the "Developments"). The Developments will be constructed concurrently on the same site and will share common outdoor areas, roadways, and parking. The condominium documents and/or easement agreements will address shared costs, access, easements, maintenance, and repairs.

The Development will be constructed on a portion of a currently vacant 8.93-acre site in Shrewsbury. It is in a mixed-use location with highways, light industrial and single-family homes. The Development is located near supermarkets, post office, retail stores, pharmacies, restaurants, convenience stores, outdoor recreational areas, and other amenities. An MBTA Commuter Rail station is located less than two miles from the Development.

The Development will include a single three-story elevated building with 30 units consisting of six one-bedroom, nineteen two-bedroom, and five three-bedroom units. Residents of the Development will have access to the amenities provided at the 9% Development building which will include a lobby, club lounge with a community kitchen, work and gathering space, conference room, fitness center, yoga studio, indoor theater, game room, two work-from-home rooms, a package room, mail area, and an on-site management office. Furthermore, there will also be an outdoor amenity space connecting the Developments, which will include an outdoor kitchen/family area with grills, a lawn space for activities, a fire pit, walking trails, a tot lot, and dog park. Residents of the Development will have access to all amenities provided by the 9% Development. There will be 161 surface parking spaces on the site for the residents of the two developments.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "The Pointe at Hills Farm 4% (the "Development") at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$13,757,500 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. WinnDevelopment (“Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$3,170,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$7,836,000, in each case to be made to Hills Farm Four Limited Partnership or another single-purpose entity controlled by WinnDevelopment (the “Borrower”) as owner of the multifamily residential development known as “The Pointe at Hills Farm 4%” (the “Development”) and located in Shrewsbury, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$600,000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing’s Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTHER VOTED: That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the Development will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

- (a) the sources and uses of funds and the total financing planned for the Development;
- (b) any proceeds or receipts expected to be generated by reason of tax benefits;
- (c) the percentage of the tax credit amount used for Development costs

other than the cost of intermediaries; and

- (d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Management, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

24 units (80%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects market conditions as of the date of collection on July 11, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, or Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (1,095 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years.

Current occupancy rates of the five developments reviewed averaged approximately 98.0% and ranged between 96% and 100%. None of the comparables were offering concessions.

3rd Qtr. 2023 CoStar data for the subject's Route 9 Corridor Multi-Family Submarket (4,451 units) has an overall vacancy rate at 3.8% YTD, which is an increase of .03% from one year ago. CoStar data for the Worcester market (29,879 units) has an overall vacancy rate of 3.5% YTD, which is an increase of .33 % from one year ago. The Route 9 Corridor Multi-Family Submarket vacancy rate is projected to stay the same at 3.8 % over the next five years, while the Worcester market is projected to slightly increase at 3.7%.

CoStar, submarket data for the 4-5 Star building type (2,411 units) indicates a 3rd Qtr. 2023 vacancy rate of 4.2% and an average asking rent of \$2,671, while submarket data for the subject's 3 Star building type (1,689 units) indicates a 3rd Qtr. vacancy rate of 3.8% at an average asking rent of \$2,306 and 1-2 Star buildings (351 units) indicates a 3rd Qtr. 2023 vacancy rate of 1.6 % at an average asking rent of \$1,639. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (formerly known as the Department of Housing and Community Development's) Chapter 40B Subsidized Housing Inventory (12/21/20), the Town of Shrewsbury has 13,919 year-round housing units, 891 (6.4%) of which are subsidized for low/moderate income households.

Further, the Shrewsbury Housing Authority (SHA) owns and /operates one Federally funded Public Housing developments for elderly/ disabled which have a total of 99 one-bedroom units. Per the information available, there are 123 applicants on the Federal Waiting list. Regarding State funded public housing, they also own and/or operate 25 units of state funded family housing scattered throughout the town, consisting of 2 one bedrooms, 7 two bedrooms, 13 three bedrooms, and three five-bedrooms. Regarding elderly/disabled housing, they own/manage 136 one-bedroom units. Per the representative of SHA, they participate in the CHAMP (Common Housing Application for Massachusetts) and the representative could not provide me with an exact number but said there are thousands of applicants on the waiting list and the wait time is approximately 5-10 years.

SHA also administers 173 Section 8 Housing Vouchers, Per the representative of SHA, they participate in the Centralized Section 8 waiting list and per the latest information available there are approximately 194,590 applicants are on the centralized waiting list.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 13,808 households in the Town of Shrewsbury, approximately 55.8% earned less than the HUD published 2023 AMI (\$122,000), approximately 22.9% earned less than 50% of 2023 AMI, approximately 28.1% earned less than 60% of the 2023 AMI and approximately 39.7% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents

(shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it provides housing to a variety of household incomes. Also, it is located in an area that includes a mix of residential and retail uses.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	6	19	5
Net SF/Unit	710	1003	1,265
Elev./Non-Elev.	Elev.	Elev.	Elev.
Market Rate Rent	\$3,639	\$3,929	\$4,449
MHFA Below Market Rent (Cost-Based Rent)	\$2,485	\$2,775	\$3,295
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
MRVP 30% AMI	\$1,210	\$1,552	-
LIHTC 60% AMI	\$1,271	\$1,517	\$1,751
Workforce 110% AMI	\$1,930	\$2,338	\$2,799

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low- income persons or adversely impact other housing in the area.

The Pointe at Hills Farms 9%, Shrewsbury

Mike Carthas presented a proposal for Commitment of a Permanent Taxable Loan and Commitment of a Workforce Housing Loan for The Pointe at Hills Farms 9% in Shrewsbury.

The proposed financing will support The Pointe at Hills Farm 9% (the “Development”), a 63- unit development to be constructed in Shrewsbury.

The Development is part of a larger project which has been separated into two transactions - the 63-unit taxable 9% LIHTC development which is the subject of this commitment proposal and a 30-unit tax-exempt 4% LIHTC development (the “4% Development”, collectively with the Development is hereinafter referred to as the “Developments”). The Developments will be constructed concurrently on the same site and will share common outdoor areas, roadways, and parking. The condominium documents and/or easement agreement(s) will address shared costs, access, easements, maintenance, and repairs.

The Development will be constructed on a portion of a currently vacant 8.93-acre site in Shrewsbury. It is in a mixed-use location with highways, light industrial and single-family homes. The Development provides easy highway access to State Routes 140 and 9, and Interstates 90 and 290. The site is located near supermarkets, post office, retail stores, pharmacies, restaurants, convenience stores, outdoor recreational areas, and other amenities. An MBTA Commuter Rail station is located less than two miles from the Development.

The Development will include a single three- story elevated building with 63 units consisting of three studio, 38 one-bedroom, 17 two- bedroom, and 5 three-bedroom units. Amenities on the first floor of the Development will be shared with residents of the 4% Development and include a lobby, club lounge with a community kitchen, work and gathering space, conference room, fitness center, yoga studio, indoor theater, game room, two work from home rooms, a package room, mail area, and an on- site management office. Furthermore, there will also be an outdoor amenity space connecting the Developments, which will include an outdoor kitchen/family area with grills, a lawn space for activities, a fire pit, walking trails, a tot lot, and dog park. Residents of the 4% Development will have access to all amenities provided in the Development. There will be 161 surface parking spaces on the site for the residents of the two developments.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: To approve the findings and determinations set forth below and to authorize a permanent first mortgage loan in a principal amount of up to \$7,100,000, such first loan to be insured under the HUD HFA Risk Sharing Program, to be made to Hills Farm

Nine Limited Partnership or another single-purpose entity controlled by WinnDevelopment (the “Borrower”) as owner of the multifamily residential development known as “The Pointe at Hills Farm 9%” (the “Development”) and located in Shrewsbury, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$1,500,0000 (1) to be funded from that portion of the Opportunity Fund approved by the Members of MassHousing on March 8, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing’s Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegations of authority previously approved by the Members of MassHousing.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing’s requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing’s General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing’s enabling act, Chapter 708 of the Acts of 1966, as amended (the “Act”). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

32 units (51%) in the Development will be affordable to low-income persons and

families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects market conditions as of the date of collection on July 11, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, or Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (1,095 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 98.0% and ranged between 96% and 100%. None of the comparables were offering concessions.

3rd Qtr. 2023 CoStar data for the subject's Route 9 Corridor Multi-Family Submarket (4,451 units) has an overall vacancy rate at 3.8% YTD, which is an increase of .03% from one year ago. CoStar data for the Worcester market (29,879 units) has an overall vacancy rate of 3.5% YTD, which is an increase of .33 % from one year ago. The Route 9 Corridor Multi-Family Submarket vacancy rate is projected to stay the same at 3.8 % over the next five years, while the Worcester market is projected to slightly increase at 3.7%.

CoStar, submarket data for the 4-5 Star building type (2,411 units) indicates a 3rd Qtr. 2023 vacancy rate of 4.2% and an average asking rent of \$2,671, while submarket data for the subject's 3 Star building type (1,689 units) indicates a 3rd Qtr. vacancy rate of 3.8% at an average asking rent of \$2,306 and 1-2 Star buildings (351 units) indicates a 3rd Qtr. 2023 vacancy rate of 1.6 % at an average asking rent of \$1,639. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (formerly known as Department of Housing and Community Development's) Chapter 40B Subsidized Housing Inventory (12/21/20), the Town of Shrewsbury has 13,919 year-round housing units, 891 (6.4%) of which are subsidized for low/moderate income households. Further, the Shrewsbury Housing Authority (SHA) owns and /operates one Federally funded Public Housing developments for elderly/ disabled which have a total of 99 one-bedroom units. Per the information available, there are 123 applicants on the Federal Waiting list. Regarding State funded public housing, they also own and/or operate 25 units of state funded family housing scattered throughout the town, consisting of 2 one bedrooms, 7 two bedrooms, 13 three bedrooms, and three five-bedrooms. Regarding elderly/disabled housing, they own/manage 136 one-bedroom units. Per the representative of SHA, they participate in the CHAMP (Common Housing Application for Massachusetts) and the representative could not provide me with an exact number but said there are thousands of applicants on the waiting list and the wait time is approximately 5- 10 years.

SHA also administers 173 Section 8 Housing Vouchers, Per the representative of SHA, they participate in the Centralized Section 8 waiting list and per the latest information available there are approximately 194,590 applicants are on the centralized waiting list.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 13,808 households in the Town of Shrewsbury, approximately 55.8% earned less than the HUD published 2023 AMI (\$122,000), approximately 22.9% earned less than 50% of 2023 AMI, approximately 28.1% earned less than 60% of the 2023 AMI and approximately 39.7% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will not lead to the undue concentration of low-income households. Although it is a low-income development, it provides housing to a variety of household incomes. Also, it is located in an area that includes a mix of residential and retail uses.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	3	38	17	5
Net SF/Unit	568	710	1003	1265
Elev./Non-Elev.	Elev.	Elev.	Elev.	Elev.
Market Rate Rent (insert)	\$3,501	\$2,553	\$3,958	\$4,013
MHFA Below Market Rent (Cost-Based Rent)	\$2,651	\$2,703	\$3,108	\$3,163
MHFA Adjusted Rent	30% of 60% of AMI Income			
Underwriting Rents				
MRVP	-	-	\$1,552	-
Section 8	-	\$1,354	\$1,737	\$2,115
LIHTC 60%	\$1,186	\$1,271	\$1,517	\$1,751
Workforce 110%	\$1,710	\$1,904	\$2,338	-
Market	\$1,890	\$2,096	\$2,592	\$3,169

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low- income persons or adversely impact other housing in the area.

Appleton Mill, Phase I – Holyoke

Mike Carthas presented a proposal for Official Action Status, Approval of the Use of Low-Income Housing Tax Credits and Commitment of a Tax-Exempt Conduit Loan for Appleton Mill, Phase I in Holyoke.

WinnDevelopment Company Limited Partnership (the “Sponsor” or “WinnDevelopment”) has requested that MassHousing act as the nominal lender of tax-exempt bond proceeds under the Conduit Loan Program to allow the Sponsor to access 4% LIHTC equity for the proposed financing of Appleton Mill (the “Development”). The Development consists of the adaptive reuse of the former Farr Alpaca Company building complex located in downtown Holyoke. The proposed financing of the Development

will support the creation of 88 new units, all of which will be affordable, in a Qualified Census Tract (“QCT”) and Opportunity Zone within the Gateway City of Holyoke.

The proposed redevelopment effort will consist of the adaptive reuse of the Farr Alpaca Company building complex in downtown Holyoke. The six buildings on site contain over 168,000 square feet of interior space and are currently vacant. There will be 91 surface parking spaces for tenants.

The Sponsor proposes to convert buildings six, five and a portion of four into 88 units of rental housing for individuals 55 and older, with a mix of studio, one, and two-bedroom units. On-site amenities will include various community spaces and common areas on each floor, a fitness center, laundry facilities, and a resident lounge.

The project also includes the addition of a new community building and pedestrian connector bridge. At 5 Essex Street (directly across the train tracks adjacent to the site) the Sponsor will create a new building that will provide a drop-off for residents, additional amenity and office space, and a place for tenants to move into the building. This new 5,000 square-foot two-story building will be connected to the 216 Appleton Mill building via a pedestrian bridge over the railroad tracks. 191 Appleton Street will be used as the parking lot for residents.

Chair Pinado noted that the market comparison in the unit mix is still “To be Determined” and inquired whether there is any concern regarding the market rents and tax-credit rents. Mr. Carthas noted that there is some concern but that in a conduit structure such as the participating bank is responsible for the underwriting and associated risk.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “Appleton Mill” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax- exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of tax-exempt debt by the Agency not be in excess of \$35,937,500 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. WinnDevelopment Company Limited Partnership (the “Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

VOTED:

To approve the findings and determinations set forth below and to authorize the issuance of multifamily tax-exempt obligations in an estimated principal amount of \$28,750,000, in one or more series pursuant to one or more indentures and/or financing agreements with such terms, interest rates, redemption provisions and maturity schedules as shall be approved by any of the Executive Director, General Counsel, Financial Director, Comptroller, or Manager of Finance and Bond Compliance, acting singly, and any officer or employee of MassHousing acting in such capacity or otherwise authorized to perform specific acts or duties by resolution of MassHousing (each an “Authorized Officer”), each Authorized Officer, acting singly, being authorized to execute and deliver such agreements and any other documents, instruments, and agreements necessary to effectuate the purposes of a conduit financing, with the proceeds of such issuance to be lent to Appleton Redevelopment Limited Partnership or another single-purpose entity controlled by WinnDevelopment Company Limited Partnership (the “Borrower”) as owner of the multifamily residential development known as “Appleton Mill” (the “Development”) and located in Holyoke, Massachusetts, and in accordance with the applicable Conduit Loan Closing Standards approved by the Members of MassHousing on September 12, 2017 and delegations of authority previously approved by the Members of MassHousing, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED:

That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business

Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, prior to loan closing, to be used in connection with the multifamily development located in Boston, Massachusetts and known as “Appleton Mill” (the “Development”) will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

(a) the sources and uses of funds and the total financing planned for the Development;

(b) any proceeds or receipts expected to be generated by reason of tax benefits;

(c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and

(d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing’s requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing’s General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

88 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects market conditions as of the date of collection on June 28, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, or Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (713 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 98.6% and ranged between 95% and 100%. None of the comparables were offering concessions.

2nd Qtr. 2023 CoStar data for the subject's Holyoke (4,245 units) has an overall vacancy rate at 4.22% YTD, which is an increase of 1.2% from one year ago. CoStar data for the Springfield market (23,436 units) has an overall vacancy rate of 2.4% YTD, which is an increase of .60% from one year ago. The Holyoke submarket vacancy rate is projected to increase to 4.48% over the next five years, while the Springfield market is projected to increase to 2.69%.

CoStar, submarket data for submarket data for the subject's 3 Star building type (1,678 units) indicates a 2nd Qtr. vacancy rate of 1.8% at an average asking rent of \$1,213 and 1-2 Star buildings (2,567 units) indicates a 2nd Qtr. 2023 vacancy rate of 5.8% at an average asking rent of \$1,112. According to the CoStar data there are no 4&5 Star properties in Holyoke. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Holyoke has 16,320 year-round housing units, 3,189 (19.5%) of which are subsidized for low/moderate income households.

Further, the Holyoke Housing Authority (HHA) owns and /or operates 4 Federally funded Public Housing developments for families which have a total of 557 rental units and 3 Federally funded Public Housing developments for elderly/ disabled which have a total of 247 rental units. Per the representative of HHA, the Federal Waiting list (family and elderly combined) is as follows; 1BR-265, 2BR-179, 3BR-169, 4BR-25, and 6BR-1.

Regarding State funded public housing, they also own and/or operate 12 state funded family scattered site housing units located in South Holyoke, 3 state funded public housing units for elderly/disabled which have a total of 128 rental units. Per the representative of HHA, the State Waiting list (family and elderly combined) is as follows; 1BR-364, 2BR-275, and 3BR-326. Finally, they own/manage and one state funded development of congregate housing for elderly with 20 units.

HHA also administers 1,380 Section 8 Housing Vouchers. Per the representative of HHA, there are 194,590 applicants are on the centralized waiting list and of those applicants there are 5,030 local applicants.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 15,062 households in the City of Holyoke, approximately 63.9% earned less than the HUD published 2023 AMI (\$93,70), approximately 54.7% earned less than 50% of 2023 AMI, approximately 61.2% earned less than 60% of the 2023 AMI and approximately 72% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determination:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2
Number of Units	4	75	9
Net SF/Unit	547	653	860
Elev./Non-Elev.	E	E	E
Market Rate Rent (10% Rate 20 Year Term)	\$910	\$1,001	\$1,199
MHFA Below Market Rent (Cost-Based Rent)	\$910	\$1,001	\$1,199
MHFA Adjusted Rent	30% of Income		
Underwriting Rents			
DHCD PBV 110% FMR	-	\$1,086	\$1,378
LIHTC 30% AMI	-	\$532	-
LIHTC 60% AMI	\$995	\$1,065	\$1,278
LIHTC 80% AMI	-	\$1,420	\$1,704

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low- income persons or adversely impact other housing in the area.

Prospect Estates, Webster

Jeff Geller presented a proposal for Official Action Status, Commitment of Taxable Construction to Permanent Loan, Commitment of Tax-Exempt Construction Equity Bridge Loan and Approval of a 4% Tax Credit for Prospect Estates in Webster.

Prospect Estates (the “Development”) involves the rehabilitation of two existing buildings at 10 and 41 Prospect Street in Webster. The Sponsor acquired an interest in the Development from the Women’s Institute of Housing and Economic Development in 2021 after that organization ceased operations. The buildings are in need of immediate repairs, and four units at 10 Prospect Street are vacant due to water damage resulting from a leak in the roof. The Sponsor plans to complete interior and exterior renovations to ensure the Development’s long-term stability. The scope of work includes renovating the kitchens and bathrooms, adding hot water heaters to each unit, installing mini splits for heating and cooling, electrical upgrades, roof replacement, historic elements such as windows and wood flooring, updating the laundry rooms, and the creation of a management office.

The Development is located two blocks from Main Street in the center of Webster. Main Street offers a wide range of retail and institutional uses along with bus service to Worcester via the Worcester Regional Transit Authority.

The Development consists of two former historic school buildings on opposite sides of Prospect Street that were converted to housing in the late 1990s. 10 Prospect Street was built in 1900 and contains 14 units and 15 parking spaces, while 41 Prospect Street was built in 1875 and contains 11 units and 12 parking spaces.

The Development includes ten units that benefit from Project Based Section 8 rental assistance administered by the Worcester Housing Authority and restricted at 50% of AMI. The Development will also include eight units that will benefit from Project Based Section 8 rental assistance administered by the Executive Office of Housing and Livable Communities (EOHLC). Four of those units will be restricted at 30% of AMI and four will be restricted at 50% of AMI. In addition, seven "High" HOME units are restricted at 60% of AMI.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as "Prospect Estates" (the "Development") at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$8,040,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. Affordable Housing and Services Collaborative, Inc. ("Developer") has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

VOTED: To approve the findings and determinations set forth below and to authorize (a) a taxable construction/permanent first mortgage loan in a principal amount of up to \$650,000; and (b) a tax-exempt subordinate equity bridge mortgage loan in a principal amount of up to \$6,700,000, in each case to be made to AHSC Prospect Estates LLC or another single- purpose entity controlled by Affordable Housing and Services Collaborative, Inc. (the "Borrower") as owner of the

multifamily residential development known as “Prospect Estates” (the “Development”) and located in Webster, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

VOTED: That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Webster, Massachusetts and known as “Prospect Estates” (the “Development”) will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

- (a) the sources and uses of funds and the total financing planned for the Development;
- (b) any proceeds or receipts expected to be generated by reason of tax benefits;
- (c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
- (d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Management, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing’s

requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

25 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects market conditions as of the date of collection on July 13, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, or Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date. In-house data for larger market and mixed-income complexes (775 approximate units) in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 97.2% and ranged between 92% and 100%. One of the comparables was offering a rental concession of one month's rent.

3rd Qtr. 2023 CoStar data for the subject's Outlying Worcester County Multi-Family Submarket (13,984 units) has an overall vacancy rate at 3.2% YTD, which is an increase of .72% from one year ago. CoStar data for the Worcester market 29,873 units has an overall vacancy rate of 3.5% YTD, which is an increase of .36% from one year ago. The Outlying Worcester County Multi-Family Submarket vacancy rate is projected to increase to 3.8 % over the next five years, while the Worcester market is projected to slightly increase at 3.7%.

CoStar submarket data for the 4-5 Star building type (960 units) indicates a 3rd Qtr. 2023 vacancy rate of 12.2% and an average asking rent of \$2,292, while submarket data for the subject's 3 Star building type (5,195 units) indicates a 3rd Qtr. vacancy rate of 2.0 % at an average asking rent of \$1,680 and 1-2 Star buildings (7,739 units) indicates a 3rd Qtr. 2023 vacancy rate of 2.9 % at an average asking rent of \$1,451. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (EOHLC, formerly the Department of Housing and Community Development (DHCD)) Chapter 40B

Subsidized Housing Inventory (12/21/20), the Town of Webster has 7,788 year-round housing units, 707 (9.1%) of which are subsidized for low/moderate income households.

Further, the Webster Housing Authority (WHA) owns and /operates five public housing developments, two developments are for elderly/disabled, one is for families and two are group homes. According to the most recent information available there are 1,680 applicants on the elderly/disabled waiting list and 7,180 applicants on the family waiting list.

WHA also administers 46 Section 8 Housing Vouchers and WHA participates in the Centralized Section 8 waiting list and per the latest information available there are approximately 194,590 applicants are on the centralized waiting list.

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 5,069 households in the Town of Webster, approximately 79.4% earned less than the HUD published 2023 AMI (\$122,000), approximately 54.2% earned less than 50% of 2023 AMI, approximately 64.8% earned less than 60% of the 2023 AMI and approximately 71.8% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	0	1	2	3
Number of Units	1	2	15	7
Net SF/Unit	416	545	820	1,073
Elev./Non-Elev.	Non-Elev.	Non-Elev.	Non-Elev.	Non-Elev.
Market Rate Rent (10% Rate 20 Yr Term)	\$1,173	\$1,178	\$1,442	\$1,680
MHFA Below Market Rent (Cost-Based Rent)	\$1,105	\$1,110	\$1,375	\$1,613
MHFA Adjusted Rent		30% of Income		
Underwriting Rents				
EOHLC Section 8	\$0	\$0	\$1,424	\$1,667
Worcester HA Section 8	\$1,105	\$1,110	\$1,423	\$0
High HOME	\$0	\$0	\$1,359	\$1,667

*Rents are net of utility allowances.

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low-income persons or adversely impact other housing in the area.

Orleans Cape Cod Five Redevelopment, Orleans

Bill Dunn gave a presentation for Official Action Status, Commitment of a Permanent Tax-Exempt Loan, Commitment of a Tax-Exempt Bridge Loan, Commitment of a Workforce Housing Loan and Approval for the Use of Low-Income Housing Tax Credits for Orleans Cape Code Five Redevelopment in Orleans.

Cape Cod Five Redevelopment (the "Development") is the adaptive reuse of a former bank operations center with the construction of an additional wing to the existing building and construction of two detached townhouse style buildings in Orleans. The Development will include 62-units of affordable housing with a mix of one-, two-, and three-bedroom units.

The former Cape Cod Five operations center is a 34,302 square foot building sited on a 3.02-acre parcel

of land (the “Site”). The Site currently includes a parking lot and other undeveloped land. The Site is near Route 6 with nearby bus stops on multiple Cape Cod Regional Transit Authority bus lines. Area amenities include a grocery store and pharmacy located a quarter mile south of the Site and the Cape Cod Rail Trail for walking and biking located a quarter mile north.

The former bank operations building was constructed in 1977 and will be adapted to create 20 housing units plus a management office, fitness room, community room, resident services office and package room. The development plan includes the construction of a new wing adjoining the existing building. The new wing will include 34 units. The Development will include two elevators, one in the existing building and one in the addition. There will also be the new construction of two free-standing townhouse-style buildings, with four units each. The Site will include 74 parking spaces.

All 62 units will be subject to affordability restrictions. Nine (9) of the units will be set-aside for households earning up to 30% of Area Median Income (“AMI”) and will benefit from project-based rental subsidy. Of the remaining units, 43 will be set-aside for households earning up to 60% of AMI and 10 units will be set-aside as Workforce Housing units for households earning up to 80% of AMI.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “Cape Cod Five Redevelopment” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and fund the Development; (iii) that the issuance of debt by the Agency not be in excess of \$22,000,000 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. Pennrose LLC (“Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. The Developer has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$4,838,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$12,500,000, in each case to be made to West and Skaket LLC or another single-purpose entity controlled by Pennrose LLC (the “Borrower”) as owner of the multifamily residential development known as “Cape Cod Five Redevelopment” (the “Development”) and located in Orleans, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: To approve a subordinate mortgage loan to the Borrower for the Development in an amount not to exceed \$1,000,000 (1) to be funded from a portion of the Opportunity Fund approved by the Members of MassHousing on March 28, 2016, designated and reserved for workforce housing programs and (2) subject to the terms and conditions of MassHousing’s Workforce Program Guidelines adopted by the Members on July 12, 2016, as amended, and to any applicable delegation of authority previously approved by the Members of MassHousing.

FURTHER VOTED: That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the Development will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing

project throughout the credit period, having taken into consideration:

- (a) the sources and uses of funds and the total financing planned for the Development;
- (b) any proceeds or receipts expected to be generated by reason of tax benefits;
- (c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
- (d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Management, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing's first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing's requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing's General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

62 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects market conditions as of the date of collection on July 17, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, or Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (613 approximate units in the area revealed a strong market, with increasing rental and occupancy rates over the past three years. Current occupancy rates of the five developments reviewed averaged approximately 99.8% and ranged between 99% and 100%. None of the comparables were offering concessions.

3rd Qtr. 2023 CoStar data for the subject's South Plymouth County (8,950 units) has an overall vacancy rate at 4.64% YTD, which is an increase of 2.25% from one year ago. CoStar data for the Boston market 265,351 units) has an overall vacancy rate of 5.3% YTD, which is an increase of .88% from one year ago. The South Plymouth County submarket vacancy rate is projected to decrease to 4.1% over the next five years, while the Boston market is projected to increase to 5.5%.

CoStar, submarket data for the 4-5 Star building type (2,421 units) indicates a 3rd Qtr. 2023 vacancy rate of 4.7% and an average asking rent of \$2,628, while submarket data for the subject's 3 Star building type (3,099 units) indicates a 3rd Qtr. vacancy rate of 8.3% at an average asking rent of \$2,150 and 1-2 Star buildings(3,430 units) indicates a 3rd Qtr. 2023 vacancy rate of 1.3% at an average asking rent of \$1,715. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Department of Housing and Community Development's (DHCD) Chapter 40B Subsidized Housing Inventory (12/21/20), the town of Orleans has 3,290 year-round housing units, 296 (9.0%) of which are subsidized for low/moderate income households.

The Orleans Housing Authority (OHA) owns/operates 111 units of State public housing (11 family and 100 elderly/disabled). They also have three group homes. Per the OHA representative, there are 5,772 applicants on the family waiting lists, 2,572 applicants on the elderly waiting lists broken down as follows, 1,151 elderly applicants and 1,452 disabled applicants. Per the OHA representative, the groups homes have a closed referral system and applicants are picked by the service provider, Cape Abilities. Per the OHA representative they do not administer a tenant-based assistance program (e.g., Housing Choice Vouchers).

U.S. Census data from the 2017-2021 American Community Survey (ACS) indicates that of the 2,989 households in the Town of Orleans approximately 64.2% earned less than the HUD published 2023 AMI (\$124,300), approximately 35.8% earned less than 50% of 2023 AMI, approximately 43.2% earned less than 60% of the 2023 AMI and approximately 55.2% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Rent Schedule:

Number of Bedrooms	1BR	2BR	3BR
Number of Units	28	26	8
Net SF/Unit	716	1,087	1,222
Elev./Non-Elev.	E	E	E
Market Rate Rent	\$2,000	\$2,530	\$3,060
MHFA Below Market Rent (Cost-Based Rent)	\$1,230	\$1,531	\$1,893
MHFA Adjusted Rent	30% of Income		
Underwriting Rents			
Section 8 HAP	\$1,596	\$2,104	\$2,578
MRVP	\$1,553	N/A	N/A
LIHTC 60%	\$1,158	\$1,368	\$1,560
LIHTC/80%	\$1,431	\$1,886	\$2,159
LIHTC/50%	\$967	\$1,151	N/A

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low- income persons or adversely impact other housing in the area.

Clarendon Hill Towers, Somerville

Bill Dunn presented a proposal for Approval to Accept Assignment of a HUD-issued Firm Commitment for FHA, Commitment of a First Mortgage Loan and Approval to Finance the New Loan through the Issuance of a Ginnie Mae MBS for Clarendon Hill Towers, Somerville. Clarendon Hill Towers (the “Development”) consists of 501 units for families in three buildings in Somerville. The proposed loan will provide funds to repay the existing MassHousing debt, repay a portion of other existing debt, complete repairs, replenish the operating reserve, pay transaction costs and capitalize replacement reserves.

The Development is located on a 5.5 acre site in Somerville. Surrounding uses include a mix of older multifamily developments and single family homes. The site is within walking distance to shopping, grocery stores, schools, parks, government services, hospitals and public transportation.

The Development consists of three (3) twelve- story high-rise apartment buildings, one (1) single story administration building, and one (1) concrete parking structure. Located within the apartment structures are laundry facilities, a computer learning center, a library, a café, a fitness center, and a maintenance office. The administrative building houses management offices and a conference room. There are 487 parking spaces available for use by staff and residents of the Development.

Over \$3 million in improvements have been completed over the last two years, including elevator rebuilds in two of the three buildings, replacement of the roof on one of the buildings and repairs to balconies.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present:

VOTED:

To approve the findings and determinations set forth below and to authorize the Massachusetts Housing Finance Agency (“MassHousing”) (1) to accept the assignment, from Rockport Mortgage Corporation of a HUD Firm Commitment to provide mortgage insurance through the Federal Housing Administration pursuant to Section 223(f) of the National Housing Act for a first mortgage loan in the approximate amount of \$50,869,400, or such other amount as evidenced in the HUD Firm Commitment, subject to the limitation that the final amount of such loan shall not be more than \$68,673,690 nor less than \$33,065,110, to Clarendon Hill Somerville Limited Partnership (the “Borrower”) for Clarendon Hill Towers and (2) to make the FHA-insured first mortgage loan to the Borrower in the approximate amount of \$50,869,400 (the “New Loan”), subject to the limitation that the final amount of such loan shall not be more than \$68,673,690 nor less than \$33,065,110 on terms acceptable to MassHousing, and subject to MassHousing’s General Closing Conditions for loans made under MassHousing’s MAP/Ginnie Mae Multifamily Joint Venture Lending Initiative

approved by the Board on November 12, 2014.

FURTHER VOTED: That the Massachusetts Housing Finance Agency, acting through its officers duly authorized pursuant to the Government National Mortgage Association Resolution of Board of Directors and Certificate of Authorized Signatories approved by the Agency, is hereby authorized and directed to do all acts and things, and to execute and deliver any and all documents, certificates, securities and instruments necessary or desirable to effectuate the funding of a first mortgage loan insured by the U.S. Department of Housing and Urban Development, acting through the Federal Housing Commissioner, under Section 223(f) of the National Housing Act, to the Borrower for Clarendon Hill Towers.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

All 501 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects market conditions as of the date of collection on July 10, 2023. The data is not subject to unanticipated events and circumstances that may occur after this date. Specifically, the subject's market area remains susceptible to the impacts of local, national, and international events that may include, but are not limited to, the effects of COVID-19, rising interest rates, and Russia's invasion of Ukraine. Further, the reader is cautioned and reminded that the conclusions presented apply only as of the collection date.

In-house data for larger market and mixed-income complexes (approximately 1,219 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 94.4%, and range between 85% and 100%. One of the comparables was offering a rental concession of a half month free rent.

3rd Qtr. 2023 CoStar data for the subject's Somerville/Charlestown Submarket (5,958 units) has an overall vacancy rate at 4.68% YTD, which is a decrease of 4.0% from one year ago. CoStar data for the Boston market (265,223 units) has an overall vacancy rate of 5.2% YTD, which is an increase of 0.84% from one year ago. The Somerville/Charlestown Submarket vacancy rate is projected to increase to 6.7% over the next five years, while the Boston market is projected to increase to 5.4%.

CoStar, submarket data for the Somerville/Charlestown 4-5 Star building type (3,036 units) indicates a 3rd Qtr. 2023 vacancy rate of 6.3% and an average asking rent of \$3,450 while submarket data for the subject's 3 Star building type (1,711 units) indicates a 3rd Qtr. 2023 vacancy rate of 3.0% at an average asking rent

of \$3,117 and 1-2 Star buildings (1,211 units) indicates a 3rd Qtr. 2023 vacancy rate of 3.7% at an average asking rent of \$1,970. The Development with its amenities, more closely reflects the 3 Star building type, as is reflected in both the vacancy rate and market rent potential.

Per the representative of the SHA, they own and/or manage, 215 units of Federal Family housing consisting of 22 one-bedrooms, 94 two-bedrooms, 71 three-bedrooms, 24 four bedrooms and 4 five-bedrooms. There are 1,108 applicants on the Federal family waiting list, broken down as follows; 368 one-bedrooms, 253 two-bedrooms, 407 three-bedrooms, 65 four-bedrooms and 15 five-bedrooms. They also have 369 one-bedroom units of Federal Elderly housing and there are 2,526 applicants on that waiting list. Regarding State funded housing, SHA owns/manages 459 State Family housing consisting of 33 one-bedrooms, 247 two-bedroom, 177 three-bedrooms, 1 4-bedroom and 1 five-bedrooms. There are 1,121 applicants on the State Family waiting lists broken down as follows; 344 one-bedrooms, 454 two-bedrooms, 231 three-bedrooms, 80 four- bedrooms and 12 -five bedrooms. They also have 274 State Elderly Units consisting of 261 one- bedrooms, 4 two-bedrooms and 3 three-bedrooms. There are 1,110 applicants on that waiting list consisting of 1,024 one- bedroom, 85 two- bedrooms and 1 three-bedroom. They also administer 1197 HCV vouchers and 112 Mainstream vouchers and per the representative there are 219,211 applicants on the centralized Section 8 waitlist. This list is a state-wide list.

According to the Executive Office of Housing and Livable Communities's Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Somerville has 33,362 year round housing units, 3,250 (9.7%) of which are subsidized for low/moderate income households.

U.S. Census data from the 2017-2021 American Community Survey indicates that of the 34,523 households in the City of Somerville approximately 73.2% earned less than the HUD published 2023 AMI, approximately 33.3% earned less than 50% of 2023 AMI, approximately 41.2% earned less than 60% of the 2023 AMI, and approximately 56.8% earned less than 80% of the 2023 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed will change neither the current income mix of the Development nor that of the surrounding community.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will

reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:

Rent Schedule:

Number of Bedrooms	1	2	3
Number of Units	249	216	36
Net SF/Unit	565	815	1055
Elev./Non-Elev.	Elev.	Elev.	Elev.
Market Rate Rent	\$2,270	\$2,806	\$3,856
MHFA Below Market Rent (Cost-Based Rent)	\$1,856	\$2,392	\$3,441
MHFA Adjusted Rent	30% of 80% of AMI		
Underwriting Rents			
Section 8 HAP	\$2,285	\$2,866	\$3,584
Plan of Action	\$1,325	\$1,460	\$1,870
Somerville Housing Authority	\$434	\$448	-

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low- income persons or adversely impact other housing in the area.

52 New Street, Cambridge

Kathleen Evans presented a proposal for Official Action Status, Commitment of a Tax-Exempt Permanent Loan, Commitment of a Tax-Exempt Equity Bridge Loan, Approval for the Use of Low-Income Housing Tax Credits and Commitment of a Workforce Housing Loan for 52 New Street in Cambridge.

The proposed financing will support the creation of a 106-unit mixed-use development known as 52 New Street (the “Development”) in North Cambridge. Just-A-Start Corporation (the “Sponsor”) proposes to create 106 income-restricted units and first floor commercial space on a one-acre site currently occupied by a vacant building and asphalt parking lot.

The Development will be constructed on a one-acre parcel (the “Site”) in North Cambridge immediately adjacent to the soccer fields at Daney Park. The Site is close to Route 2, the Alewife MBTA station, and bus routes as well as retail, commercial, and educational opportunities. A portion of the Site sits atop a former landfill, which was capped off in the 1970s. The scope of work includes demolition of existing site uses and remediation of site conditions.

The Development will have six stories and will include 106 new mixed-income units. There will be a mix of one-, two-, and three-bedroom units. Residents will also have access to a lobby, community room, on-site business and fitness facilities, roof decks, 43 parking spaces, and 1:1 covered bike parking spaces.

The first floor will include approximately 3,500 sq ft commercial space facing New Street. The Sponsor anticipates renting the space as an office use.

Mark Teden then summarized the additional diligence performed by staff since last month’s meeting. At the Board’s last meeting July 11, 2023, several questions were raised in connection with the general contractor selected by the project sponsor, particularly in regard to the implications of the general contractor’s involvement in on-going litigation at another project not associated with MassHousing. As follow up to the questions raised, staff undertook additional due diligence and has concluded that the choice of general contractor selected by the borrower is a reasonable one. Several Members thanked the staff for addressing the questions and expressed their appreciation for the additional diligence.

Upon a motion duly made and seconded, by roll call vote, it was, by all Members present, with Michael Dirrane voting against,:

VOTED: To approve the findings and determinations set forth immediately following this vote and to authorize (i) the Agency to grant Official Action Status and consider the application for a loan commitment for the multifamily development known as “52 New Street” (the “Development”) at such time as it is submitted; (ii) this vote to serve as a declaration of official intent under Treasury Regulations Section 1.150-2 to fund all or a portion of costs paid or incurred after this date from the proceeds of a tax-exempt debt issue of the Agency if the Agency shall approve and

fund the Development; (iii) that the issuance of tax-exempt debt by the Agency not be in excess of \$51,062,500 in principal amount for the Development; and (iv) that the issuance of debt occur not later than 18 months after the latest of (a) the date on which the earliest expenditure subject to Treasury Regulations Section 1.150-2 is paid, (b) the date on which the property is placed in service or abandoned, but in no event more than three years after the earliest expenditure is paid, or (c) the date otherwise permitted by the Internal Revenue Code or Treasury Regulations promulgated thereunder.

VOTED: To accept ownership of the Development by an affiliate of the proposed borrower controlled by the same sponsor as appropriate evidence of site control for purposes of the grant of the Official Action Status, and waive the requirement for the Official Action Status finding (2).

Official Action Status Findings

In accordance with the vote of the Members of MassHousing dated June 11, 1996, staff makes the following Official Action Status findings for the proposed project:

1. Just-A-Start Corporation (the “Developer”) has acceptable multifamily housing development experience and acceptable credit history.
2. [See below]
3. The proposed site of the Development is acceptable for the intended housing.
4. There is a need for the proposed housing in the community.

Staff has not been able to make the following Official Action Status finding for the proposed project (see Votes):

2. The mortgagor has demonstrated an arms'-length evidence of site control either by an option agreement, a purchase and sale agreement, a deed, a contract of sale for the site, and/or other legal evidence of site control, with the land price and/or ground lease rent evident.

VOTED: To approve the findings and determinations set forth below and to authorize (a) a permanent first mortgage loan in a principal amount of up to \$17,300,000, such first loan to be insured under the HUD HFA Risk Sharing Program; and (b) a subordinate equity bridge mortgage loan in a principal amount of up to \$24,700,000, in each case to be made to 52 New Street Owner LLC or another single-purpose entity controlled by Just-A- Start Corporation (the “Borrower”) as owner of the multifamily residential development to be known as “52 New Street” (the “Development”) and located in Cambridge, Massachusetts, and in accordance with the applicable general closing standards and delegations of authority previously approved, and further subject to (1) compliance with all applicable laws and all regulations and requirements of applicable financing programs, and (2) the following special conditions: None.

FURTHER VOTED: That the amount of 4% Credits, as set by the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Underwriting, the General Counsel or the designee of any of the foregoing, prior to loan closing, to be used in connection with the multifamily development located in Cambridge, Massachusetts and to be known as “52 New Street” (the “Development”) will not exceed the amount which is necessary for the financial feasibility of the Development and its viability as a qualified low-income housing project throughout the credit period, having taken into consideration:

- (a) the sources and uses of funds and the total financing planned for the Development;
- (b) any proceeds or receipts expected to be generated by reason of tax benefits;
- (c) the percentage of the tax credit amount used for Development costs other than the cost of intermediaries; and
- (d) the reasonableness of the developmental and operational costs of the Development, provided, however, that such determination shall not be construed to be a representation or warranty as to the feasibility or viability of the Development.

FURTHER VOTED: To authorize the Executive Director, the Vice President of Multifamily Programs, the Director of Rental Business Development, the Director of Rental Lending, the Director of Rental Operations, the General Counsel or the designee of any of the foregoing, each acting singly, to set the amount of 4% Credits to be used in connection with the Development applying the standards set forth in the immediately preceding vote.

FURTHER VOTED: To authorize the Executive Director and the Vice President of Multifamily Programs, and their respective designees, each acting singly, to permit the Borrower to enter into, or assume, mortgage loans with third parties with respect to the Development, provided that (1) any such mortgage loans shall be subordinated to MassHousing’s first mortgage loan, and other MassHousing debt as determined by the Executive Director or the Vice President of Multifamily Programs, and (2) such subordinate mortgage loans shall be subject to MassHousing’s requirements pertaining to subordinate mortgages, in a manner acceptable to MassHousing’s General Counsel or his designee.

STATUTORY FINDINGS AND DETERMINATIONS

Statutory Findings:

The Loan(s) will be financed under the provisions of Section 5 of MassHousing's enabling act, Chapter 708 of the Acts of 1966, as amended (the "Act"). Pursuant to Section 5(g) of the Act, staff makes the following findings for the proposed Development:

1. The affordability of rents for 20% of the units:

106 units (100%) in the Development will be affordable to low-income persons and families, as specified in the Act, at the adjusted rentals shown in the rent schedule below.

2. Shortage of Affordable Housing Units in the Market Area

The market needs data reflects the information available to A&M staff as of the date of collection March 2, 2023. Further, the reader is cautioned and reminded that any observations, comparisons, and/or conclusions are based on the data as of the aforementioned collection date.

In-house data for larger market and mixed-income complexes (approximately 1,152 units) in the area revealed a strong rental market. Current occupancy rates of the comparable properties reviewed averaged approximately 96.4%, and range between 93.4% and 98%.

CoStar data for the subject's Alewife Multi-Family submarket (4,863 units) has an overall vacancy rate at 7.5% YTD, which is an increase of 2.92% from one year ago. CoStar data for the Boston market (259,943 units) has an overall vacancy rate of 4.9% YTD, which is an increase of .81% from one year ago. The rate is projected to increase to 7.6% over the next five years, while the Boston Market is projected to increase to 6.2%. CoStar, submarket data for the 4-5 Star building type (3,125 units) indicates a 1st Qtr. 2023 vacancy rate of 9.2% and an average asking rent of \$3,314, while submarket data for the subject's 3 Star building type (987 units) indicates a 1st Qtr. 2023 vacancy rate of 3.7% at an average asking rent of \$2,721. 1-2 Star buildings (751 units) indicate a 1st Qtr. 2023 vacancy rate of 5.6% at an average asking rent of \$2,476. The development with its amenities, more closely reflects the 3 Star building type, and is reflected in both the vacancy rate and market rent potential.

According to the Executive Office of Housing and Livable Communities (EOHLC) Chapter 40B Subsidized Housing Inventory (12/21/20), the City of Cambridge has 46,690 year-round housing units, 6,898 (14.8%) of which are subsidized for low/moderate income households.

Per a representative of Cambridge Housing Authority (CHA) they manage the following types of public housing; 532 state and federal public housing units, 1,226 Rental Assistance Demonstration (RAD) housing units, 802 Section 8 Demonstration/ Disposition units, and 110 State assisted units that are new construction. Per the representative of CHA there are 9,200 on the waiting list and they do not currently have separate waiting list for state assisted units. CHA also administers tenant-based assistance which includes 4,179 Housing Choice vouchers, 554 Non-Moving To Work vouchers, 150 state vouchers and 120 Moderate Rehab vouchers. Per the

CHA representative, there are 13,874 applicants on the waiting list for these vouchers. The CHA representative also stated that the number of unique applicant households across all lists are 11,641 applicants for CHA housing units, 1,217 applicants for Single Room Occupancy units and 16,994 applicants for CHA vouchers.

U. S. Census data from the 2016-2020 American Community Survey (ACS) indicates that of the 47,447 households in the City of Cambridge, approximately 69.5% earned less than the HUD published 2022 AMI (\$140,200), approximately 34.1% earned less than 50% of 2022 AMI, approximately 40.9% earned less than 60% of the 2022 AMI and approximately 55.0% earned less than 80% of the 2022 AMI.

3. Inability of Private Enterprise Alone to Supply Affordable Housing

MassHousing staff has completed an analysis of the market rate rents, as defined by Agency statute, which absent MassHousing financing, would be required to support the development and operations of the Development. Based on the substantial difference between these market rents (shown in the Rent Schedule below) and the rents for this project, MassHousing staff finds that private enterprise alone cannot supply such housing.

4. No Undue Concentration of Low-income Households

The financing herein proposed does not lead to the undue concentration of low-income households.

5. Elimination or Repair of Unsafe or Unsanitary Dwelling Units

As evidenced by data cited in Finding No. 2 above, there is an acute shortage of decent, safe, and sanitary housing available to low-income persons and families in the general housing market area of the Development. Although staff is not aware of units within the same market area that require demolition or compulsory repair, by preserving the affordable housing proposed here, those in need of affordable housing will not be forced to accept residence in substandard units. So long as the acute shortage of affordable housing persists, actions of public agencies to increase the supply of affordable housing will reduce the market forces that allow unsafe and unsanitary units to persist. In addition, MassHousing, through its administration of housing programs, and other public agencies (e.g., local enforcement of building codes), continue to require repair of substandard units as such units are identified.

Rental Determinations:

Pursuant to Section 6(a) of the Act, MassHousing makes the following rental determinations for units within the proposed Development:**Rent Schedule:**

Number of Bedrooms	1	2	3
Number of Units	22	62	22
Net SF/Unit	642	872	1064
Elev./Non-Elev.	Y	Y	Y
Market Rate Rent (10% Rate 20 Year Term)	\$5,729	\$5,872	\$6,283
MHFA Below Market Rent (Cost-Based Rent)	\$3,882	\$4,025	\$4,436
MHFA Adjusted Rent	30% of 60% of AMI		
Underwriting Rents			
PB-Section 8	\$2,348	\$2,815	\$3,430
PB-MRVP	\$2,198	\$2,635	\$3,207
LIHTC 60% AMI	\$1,601	\$1,921	\$2,218
WFH 80% AMI	\$2,152	\$2,583	--

Based on this information, MassHousing staff finds that a significant need exists for the type of development proposed here, that private enterprise alone cannot supply such housing, and that the financing of the Development will not create or contribute to an undue concentration of low- income persons or adversely impact other housing in the area.

Chair Pinado asked if there was any other old or new business for the Members’ consideration.

There being no other old or new business, the meeting adjourned at 2:49 p.m.

A true record.

Attest.

Colin M. McNiece
Secretary