

Old Colony Public Housing

South Boston

A Redevelopment Initiative



Darcy L. Jameson, Senior Development
Director
NH&RA, February 2019



Old Colony Public Housing Project

“[Old Colony] is the most physically distressed site in the Boston Housing Authority’s federal portfolio.” – BHA website

- Located on South Boston Waterfront – Moakley Park and Carson Beach
- Built in 1941 and operated by the Boston Housing Authority
- 22 barracks-style brick walk-ups, 16 acres, 850 units
- Annual energy & water cost of over \$4,000 per home



South Boston Waterfront

Financial District

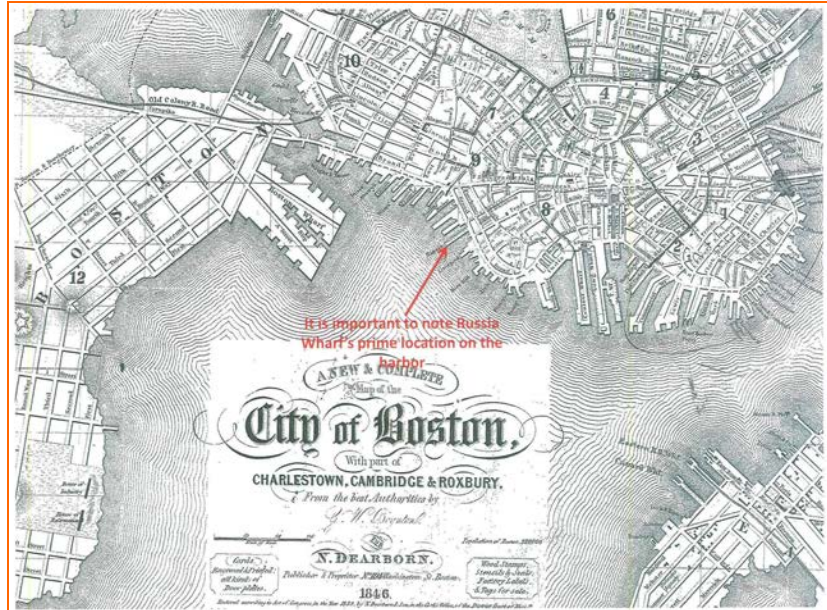


East Boston and Airport

South Boston Waterfront

Old Colony
Phases One & Two

Boston's Waterfront then

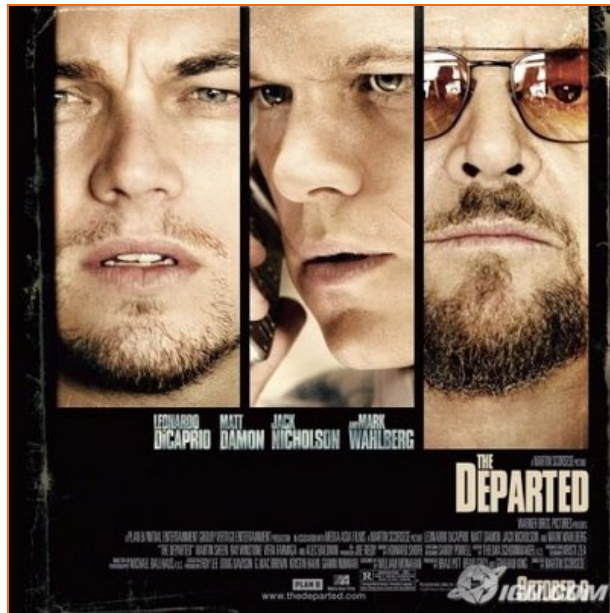
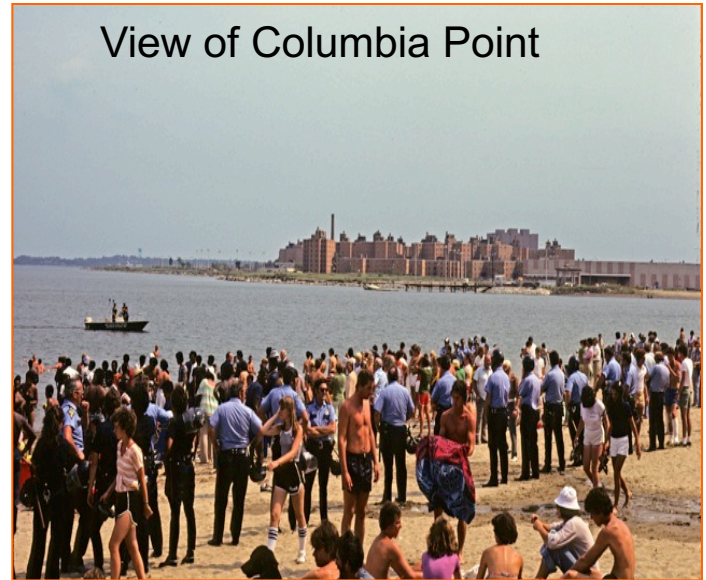
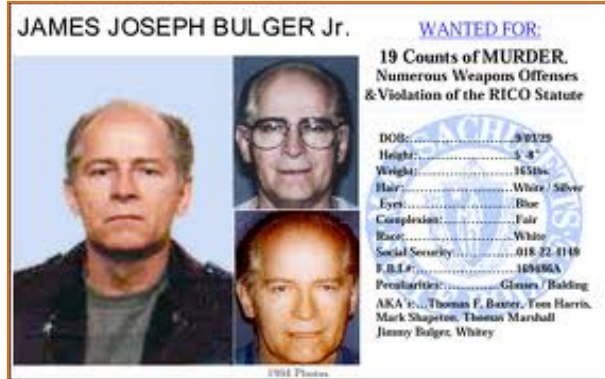


"...it's all about the docks"

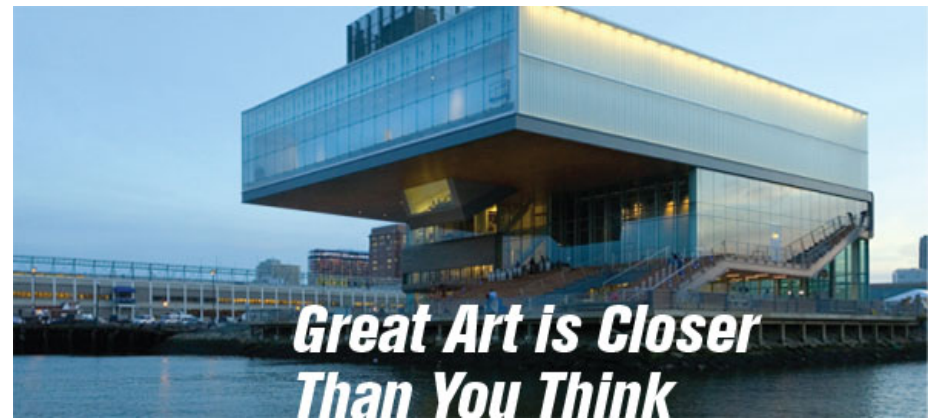


Compliments of Boston Properties, Inc.

"Southie" and Columbia Point



Boston's Waterfront Now: art, education, housing, innovation



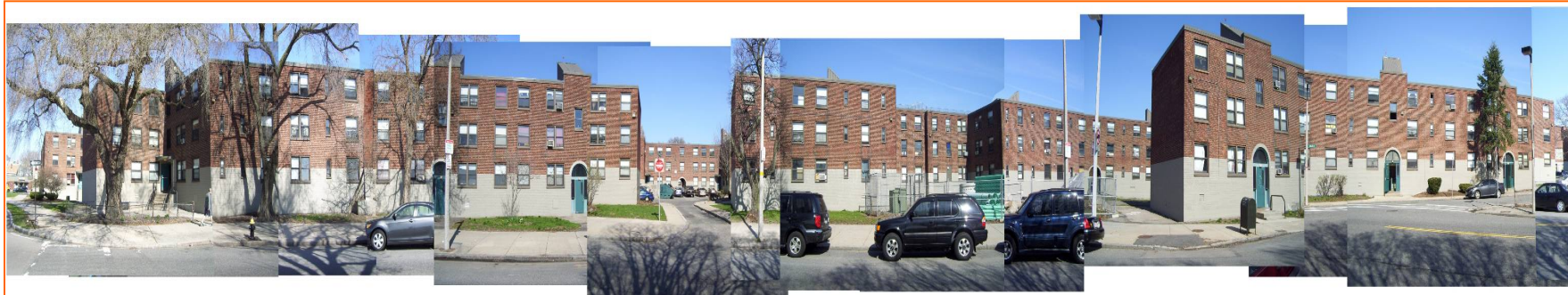
Mayor Menino / Mayor Walsh ... lead a major effort to
redevelop the Boston waterfront

Funding Created Opportunity

- ARRA and HOPE VI Funds – PH Redevelopment
- BHA competed for total of \$47m
- BHA and Funding Goals. The new metrics...
 - Neighborhood Redevelopment and Affordable Housing
 - Sustainable design and Healthy Homes
 - Community Education (Learning Ctr. and Perkins School)
 - Jobs Creation
 - Stimulate other local redevelopment

Old Colony

panoramic shot: pre-construction



site aerial pre-construction



master plan



Site Plan

Old Colony Phases One | South Boston, MA

Sources and Uses – Phase 1 & 2

Standard Capital Stack and Deal Structure

Sources

- ARRA / HOPE VI Stimulus
- City of Boston (HOME)
- Mass. Comm.-based Housing
- Mass. Affordable Housing Trust
- Tax Credit Equity
 - Federal 4% and 9%
 - State Credits

Uses

- Construction
(incl. owner cont. and FFE)
- Development Costs
- Beacon Fee / BHA Fee

Other

- City of Boston Chapter 121A agreement (zoning and real estate tax relief)
- Boston Public Works and Water and Sewer
- Operating: PH, PBV, TC Only units

Phase Three

- **opportunity:**
 - physical & social success of Phases 1&2
 - huge public and private investment in Boston
- **challenge:** HUD seed funding no longer available
- **opportunity:** \$25m commitment by the City from sale of an obsolete parking garage in high-value downtown location
- **challenge:** creative financing strategies to capitalize on finite LIHTCs / maximize resources and tackle high costs

Phase Three A - Twinning

- 135 apartments
- 4% and 9% units will be “checker boarded” throughout 2 buildings
 - 4% units – 108
 - 9% units - 27
- Two owner entities

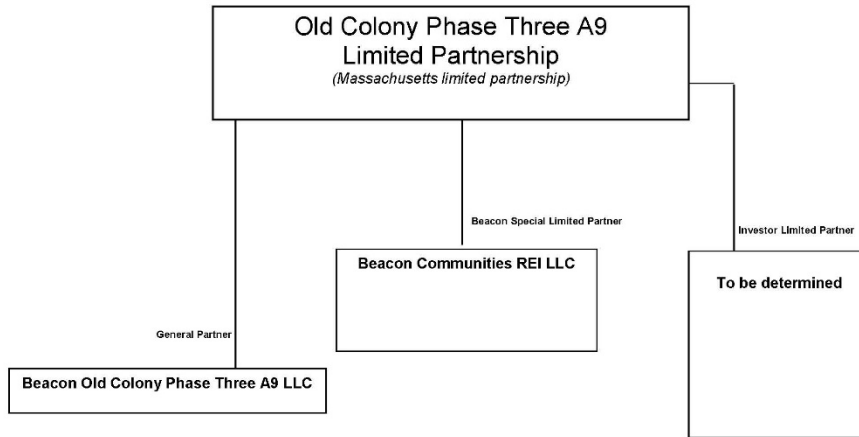


Old Colony Phase 3
Beacon Housing Authority, Boston, MA | Spring 2019 | Beacon Communities Services LLC | 2019 | © The Architectural Firm, Inc.

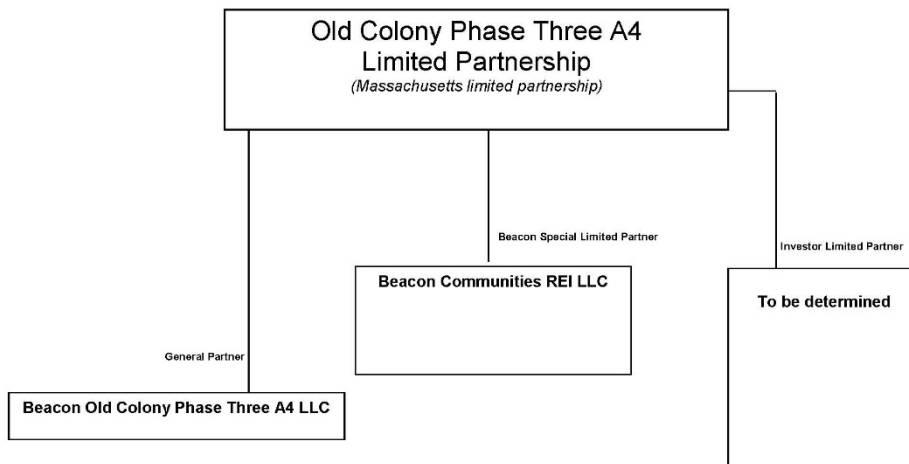
Rendered Perspective

tat

Old Colony Phase Three A9 Structure



Old Colony Phase Three A4 Structure



Phase Three A Structure

- Condominium
 - BHA will subject Three A site to the condominium form of ownership prior to the closing
 - 2 condos - sheds or some other temporary structure
- Ground Leases
 - BHA will ground lease one condominium to each owner entity
 - Each condo unit will include one of the sheds
- Financing
 - Each ground lessee will have separate financing (“suggest” use same lenders/investors!)

Phase Three A

- **Contracts:** Separate construction and other 3rd party contracts, costs pro rated
- **Security:** respective condo units
- **Condominium (Amended and restated):**
 - Once construction is close to completion and we have as built plans135 condos will be created with each entity ultimately owning its respective units

Is all of this brain damage worth it?

Yes

- maximize basis
- claim 4% and 9% credits on a deal
- Maximize other scarce resources
- More healthy, accessible homes for families and seniors

No...but ...we never say no, it's why we all do this for a living!

- more work / costs / complexity / management time
- technical considerations (condos, tainting, making sure lenders are on board with timing and type of funds, etc.)

Joseph M. Tierney Learning Center and Phase Two

