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Major Renovation of the 52-Unit Burbank Gardens in Boston is Underway, Resulting from \$14.3 Million in MassHousing Financing

Refinancing preserves affordability while creating a new tier of workforce housing units for moderate-income residents

BOSTON - February 7, 2018 – MassHousing has provided a total of \$14.3 million in financing to the nonprofit [Fenway Community Development Corporation](#), for the renovation and preservation of 52 affordable housing units at the Fenway CDC’s Burbank Gardens community in Boston’s Fenway Neighborhood. The MassHousing financing package will enable major renovations at the four-story development, and will resolve expiring affordability challenges at the property by extending affordability in perpetuity.

MassHousing provided Fenway CDC with a \$3.8 million construction and permanent loan, a \$5.5 million bridge loan, and \$5 million from the Agency’s Opportunity Fund, which provides financing for MassHousing’s Workforce Housing Initiative and 13A Preservation Initiative. Twenty-eight of the 52 units preserved at Burbank Gardens were originally financed under the state’s Section 13A housing affordability program, making them high preservation risks.

“With this refinancing, Burbank Gardens will remain a true mixed-income community, preserving a critical housing affordability resource in Boston,” **said MassHousing Acting Executive Director Tom Lyons**. “The scope of Massachusetts’s 13A preservation challenge is significant, with roughly 2,800 affordable units set to lose their affordability protections over the next three years, and no federal resources available for their preservation. The successful preservation of Burbank Gardens shows that, with committed partners like the Fenway CDC, the Department of Housing and Community Development, and the City of Boston, we can overcome the preservation challenges we face, and protect tenants at risk of displacement.”

The Commonwealth’s Section 13A program was created by the Massachusetts Legislature in the 1970s to provide low-interest mortgage financing to affordable housing communities. Today, 13A communities serve some of the lowest-income and most vulnerable populations in Massachusetts, including many elderly residents. The mortgages on these 13A housing communities are nearing maturity. In response, MassHousing and the [Department of Housing and Community Development](#) (DHCD) have committed a total of \$100 million in capital to help preserve affordable 13A units that otherwise would convert to market rates.

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The Burbank Gardens refinancing transaction resolves the expiring Section 13A rental subsidy on 28 of the 52 affordable units. Thirteen currently unrestricted units will convert to workforce housing apartments that will be affordable to moderate-income households earning up to \$93,100 a year for a family of four. The remaining 39 units will be for low-income households earning between \$31,000 and \$62,040 a year for a family of four.

Fenway CDC acquired and preserved Burbank Gardens under Chapter 40T, a state law designed to help prevent affordable housing from being sold and converted to market-rate rents. DHCD administers Chapter 40T.

DHCD provided \$3 million in financing and allocated Low-Income Housing Tax Credits that generated \$4.8 million in financing for the \$20.8 million transaction. The [Community Economic Development Assistance Corporation](#) (CEDAC) provided an \$8.6 million acquisition loan, and the City of Boston contributed a total of \$3.5 million in acquisition and preservation financing.

“We had been working with the management and residents at Burbank Gardens for a couple of years, laying the groundwork for preserving affordability for the residents,” said **Leah Camhi**, Fenway CDC’s Executive Director. “When the property came on the market, we dropped everything else to make sure that the tenants would be protected. Unlike most affordable housing deals, this was a sprint to the finish. We’re thrilled to be able to preserve the affordability in perpetuity as well as do much-needed updates to the building.”

Fenway CDC is undertaking approximately \$4 million in property renovations at Burbank Gardens, including:

- Construction of an accessible entry ramp and installation of a groundwater recharge system;
- Repair and replacement of exterior balconies, windows, and doors;
- Repair and replacement (including accessibility upgrades) of interior stairs, walkways, elevators and common areas, including the trash room, laundry room, mail room, and kitchen;
- Repair and replacement (including accessibility upgrades) of unit kitchens, bathrooms, and flooring;
- Life and safety improvements including fully-compliant fire alarm and sprinkler systems; and
- Plumbing, electrical, and mechanical improvements.

Burbank Gardens is located at 31 Burbank St. in Boston and has 28 studio units, 22 one-bedroom apartments and 2 two-bedroom apartments in a four-story, brick building.

MassHousing has financed 6 affordable rental housing communities in the Fenway/Kenmore neighborhood totaling 766 units with \$135.5 million in financing and has provided \$1.1 billion in home mortgage financing for 8,217 homeowners in Boston.

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About Fenway Community Development Corporation

Fenway CDC was incorporated in 1973 with a vision to both preserve and develop affordable housing and affirmatively advance the community's vision. Since their founding, Fenway CDC has expanded to provide programs and services to improve the quality of life of residents and build a healthier community by providing mixed-income housing, social support services, workforce development, and civic engagement programs. On their own and in partnership, Fenway CDC has developed nearly 500 affordable homes, housing about 1,500 people, including people with AIDS and mental illness, seniors, and families. For more information please visit www.Fenwaycdc.org.

About MassHousing

MassHousing (The Massachusetts Housing Finance Agency) is an independent, quasi-public agency created in 1966 and charged with providing financing for affordable housing in Massachusetts. The Agency raises capital by selling bonds and lends the proceeds to low- and moderate-income homebuyers and homeowners, and to developers who build or preserve affordable and/or mixed-income rental housing. MassHousing does not use taxpayer dollars to sustain its operations, although it administers some publicly funded programs on behalf of the Commonwealth. Since its inception, MassHousing has provided more than \$22 billion for affordable housing. For more information, visit the MassHousing website at www.masshousing.com, follow us on Twitter [@MassHousing](https://twitter.com/MassHousing), subscribe to our [blog](#) and Like us on [Facebook](#).

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