

Release prepared by Harborlight Community Partners

## **FOR IMMEDIATE RELEASE**

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### **Unprecedented \$18.3 Million Collaboration Secures Senior Affordable Housing for Decades to Come**

One of the boldest housing transactions in New England (and nationally) has taken place on the North Shore. Beverly-based Harborlight Community Partners (HCP) has announced that a unique collaboration among the nonprofit housing owner/manager and state, federal, and corporate entities has resulted in a groundbreaking transaction ensuring not only that 109 units of affordable senior housing remain affordable for decades to come, but also that the 30-year old facility will undergo extensive upgrades.

Incoming HCP President of the Board of Directors, Robert Gillis, states, "The financial restructuring of this housing is exemplary of the incredible good that comes from collaboration in its highest form. The work done by the agencies and financial experts who came together on behalf of Turtle Creek is outstanding."

Turtle Creek, a 109 unit senior affordable housing facility, was first developed by First Baptist Church in Beverly 30 years ago. Turtle Creek houses 120 seniors and is currently managed by HCP. This financial restructuring to extend the length of affordability will also vastly improve the facility.

This incredible transaction for the benefit of seniors in need has been made possible thanks to several partners. At the heart of the project is a HUD financing structure pilot program, which combines the strength of two federal programs that previously had not come together on housing projects: HUD insured loans and housing tax credits. This new financing model paves the way for these resources to work together for the long term benefit of those in need of affordable housing. This is only the 12<sup>th</sup> deal of its kind closing nation-wide with this new program, and the 4<sup>th</sup> in New England.

"Here at Turtle Creek we see just how powerful partnerships between and among federal, state and local agencies can be when we link our investments with community organizations to offer much needed housing and energy efficient improvements," said Barbara Fields, HUD New England Regional Administrator.

*Turtle Creek, Beverly:  
Construction underway*



*Turtle Creek Resident, Rachel, is  
pleased with her new low-weight  
windows*



Linda Pellegrino, a HUD lender with Rockport Mortgage Corporation, a first position lender in the project, adds, "The incredible flexibility and partnership shown by the Boston HUD Office in addressing the unique complexities of this deal was pivotal in achieving a successful outcome, as was the collaboration and tenacity of so many key players." In partnership with Rockport Mortgage is Red Mortgage Capital, LLC, who also has an interest in the Turtle Creek project. Molly Andrioff of Red Mortgage Capital adds, "We are proud to have a small role in this unique transaction, and look forward to our ongoing service to HCP."

The goals of this groundbreaking transaction will result in Turtle Creek's affordability and sustainability for a very long time to come. The building will be much more energy efficient and improvements will lead to a better quality of life. Boston Private Bank and Trust, another key player in the transaction, is acting as a bond purchaser in the project. "Harborlight is an innovative and effective developer and owner of affordable housing on the North Shore, and we are very proud to have been able to work with them on this and other important and much-needed projects" said Mark D. Thompson, CEO and President, Boston Private Bank & Trust Company.

Both rehabilitation and green energy features are part of this plan. Rehabilitation includes new elevators, new windows with the lowest lift weight possible for ease of use by seniors, upgraded paint, new carpeting and refrigerators, low flow toilets and faucets, and new exterior lighting. HCP will add new insulation and siding to improve the appearance and energy efficiency (siding is a green recycled cement board material), replace old exterior sheathing that has rotted, will convert to gas heat and new heating systems, add a cooling system for the common areas and new ventilation systems. HCP is also incorporating a cogeneration system to create electricity on site while heating water for the heat system. This makes power for use on site and reduces the need to buy power.

Marty Jones, President and CEO of MassDevelopment, which issued the \$9.2 million bond on behalf of Turtle Creek, adds, "Preserving affordable housing is critical in providing housing options for seniors across Massachusetts. We're pleased to take part in this innovative approach and leverage low-cost financing on behalf of Turtle Creek, ensuring the units' sustainability both environmentally and economically." The Massachusetts Housing Investment Corporation (MHIC) also partnered in the extraordinary housing package as a Housing Tax Credit Syndicator. MHIC President Joe Flatley said, "We are proud to have played an integral part in this complex financing as the syndicator of the low-income housing tax credits. It has been a privilege to partner with Harborlight Community Partners as sponsor, and with Institution for Savings as our investor."

Local investors in the Turtle Creek project include the Massachusetts Department of Housing and Community Development, which provided an allocation of 4% housing tax credits that were purchased by the Institution for Savings, headquartered in Newburyport. The Institution for Savings will be an equity investor for

approximately fifteen years in exchange for these tax credits. "The Institution for Savings is proud to enhance the quality of life for each person residing at Turtle Creek," said Michael J. Jones, President and CEO of the Institution for Savings.

The City of Beverly (HOME funds) is also part of the project. Beverly Mayor William Scanlon is pleased to be a part of this effort. "The City of Beverly is an inclusive and caring one," says Mayor Scanlon, "and the assurance that Turtle Creek remains available for our seniors is of paramount importance."

Likewise, the original project developer, First Baptist Beverly Housing for the Elderly Inc., a subsidiary of First Baptist Church in Beverly, is grateful for the skilled transaction in support of Turtle Creek's longevity and viability. Says Paul Lanzikos, President of the subsidiary, "Over 30 years ago, First Baptist Church in Beverly took a courageous step, establishing Turtle Creek to ensure North Shore seniors had access to an affordable, dignified place to live. This financing restructure and rehab ensures Turtle Creek will remain in place a very long time."

Finally, grants from both the North Shore United Way and The Boston Foundation provided support to Harborlight Community Partners to ensure that the proper staffing was in place to bring this complex housing financing transaction together.

Andrew DeFranza, Executive Director of HCP, emphasizes the importance of the precedent-setting transaction for the benefit of those most vulnerable in our communities. "After all is said and done," says DeFranza, "what matters most is that we offer quality, care-based and dignified housing to our seniors. All of these agencies and investors coming to the table is an extraordinary effort to do just that. We are grateful to each of them."

HCP provides affordable housing for working families, elders, and those with disabilities. By focusing on the housing needs of the region's increasing underserved population and creating, preserving and operating safe, affordable housing units and supportive services, Harborlight Community Partners strives to make homes available to all North Shore citizens, regardless of means. For more information, visit [www.harborlightcp.org](http://www.harborlightcp.org).

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