

PRESS RELEASE

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Cambridge Housing Authority Celebrates the Completion of the Financing for Phase 1 of its Public Housing Preservation Program using HUD's Rental Assistance Demonstration Program



Rendering by Bargmann Hendrie + Archtype, Boston, MA

Cambridge, MA --- June 9, 2016.

On Thursday, June 9, 2016, Cambridge Housing Authority (CHA) gathered with its partners, employees and residents to celebrate the financing of \$153 million of improvements at five properties as part of its Phase 1 Public Housing Preservation Program. The CHA has been able to fund these improvements by converting its public housing to project-based assistance under HUD's Rental Assistance Demonstration (RAD).

A celebration of this milestone accomplishment, which is funding the most capital improvements underway at one time in CHA's eighty year history, was held at Washington

Elms, one of the five sites where construction is underway. Speakers included Cambridge Mayor E. Denise Simmons and City Manager Richard Rossi as well as its financial partners from Wells Fargo Community Lending and Investment and Citi Community Capital. Residents from several properties also spoke.

The \$153 millions of improvements are funding significant upgrades to 837 deeply affordable housing units at Washington Elms, Newtowne Court, Manning Apartments, Putnam Gardens and Woodrow Wilson Court. For most units, work includes new kitchens and bathrooms, life safety upgrades, energy efficiency improvements, and site enhancements. The work will provide residents with high quality housing for generations to come. The on-going construction activity at CHA's developments is creating approximately 897 direct jobs and 1,040 indirect jobs through indirect and induced activities. An additional \$150 million of output through indirect and induced activities is also being generated.

CHA's use of RAD was made possible by the long-term cooperation and support from the City of Cambridge as well as participation in HUD's Moving to Work (MTW) program. MTW provides on-going operating support and is being used as a vehicle to secure enhanced tenant protections, similar to those currently in place under the public housing program.

"I am grateful for the tireless cooperation and efforts from CHA residents, staff and the many partners, whose collaboration made this unprecedented work possible. The conversion to RAD and the resultant rehabilitation work is allowing us to continue to provide deeply affordable housing in one of the highest cost housing markets in the country" said Gregory Russ, Executive Director of Cambridge Housing Authority. "We are extremely fortunate to have this opportunity to improve CHA's housing and stabilize its operating income" Russ added.

"Citi is thrilled to see this project coming to fruition. The financing and development has been a complex process, one that required significant coordination, dedication and expertise," said Tricia Yarger, Director at Citi. "The improvements to these properties will have a positive impact on Cambridge and the residents for many years to come."

Jennifer Crampton, Senior Vice President at Wells Fargo, added, "CHA and all the RAD Phase I financing partners should be proud of assembling significant resources to preserve long term affordability in more than 830 units of housing, and to make significant physical improvements to the assets at the same time."

CHA is also extremely proud of the sustainable and energy goals achieved with the RAD Phase 1 modernization, and the \$1.6 million in funds provided by Action for Boston Community Development (Boston ABCD). All projects are designed and certified under the Enterprise Green Communities program. When completed, these projects will result in annual cost savings in excess of \$1M and will enable CHA to meet its goal of creating 20% of its electricity onsite by 2020.

In addition to HUD, CHA joined with a number of financial partners to make this transformation possible: Massachusetts Department of Housing and Community Development,

MassDevelopment, Action for Boston Community Development (Boston ABCD), Wells Fargo and Citi.

About Cambridge Housing Authority: Cambridge Housing Authority (CHA) is a national leader in the development, management and administration of subsidized affordable housing for low-income elderly, family and disabled households. Established under state law on December 9, 1935, by the City of Cambridge, CHA's mission is to develop and manage safe, good quality, affordable housing for low-income individuals and families in a manner which promotes citizenship, community and self-reliance.