



Community Economic Development
Assistance Corporation

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CEDAC in Partnership with LISC Lends \$8.5 Million in Acquisition Financing to Maintain the Affordability of 32 Housing Units in Chelsea

BOSTON (February X, 2020) – The [Community Economic Development Assistance Corporation](#) (CEDAC) partnered with Local Initiatives Support Corporation (LISC) and its Equitable Transit-Oriented Development Accelerator Fund (ETODAF), to lend a total of \$8.5 million in acquisition financing to The Neighborhood Developers, Inc. (TND) for the 181 Chestnut Street project in Chelsea. In December of 2019, TND purchased the existing 32-unit rental property located in the former St. Stanislaus convent and school. TND's acquisition of the property will maintain affordable housing options in a neighborhood close to public transportation and convenient to a range of services and shopping.

“This project is an example of ‘naturally occurring affordable housing,’ or NOAH,” said CEDAC’s executive director Roger Herzog. “A sale to another owner could have resulted in increased rents and displacement of the existing residents – some of whom may be low-income – because there were no existing affordability restrictions. CEDAC is pleased to collaborate with LISC and TND to support this project, which will maintain affordability for residents in Chelsea for years to come.”

“With rapidly rising rents, Chelsea needs additional deed-restricted, affordable housing to reduce displacement and ensure equitable access to amenities,” said TND’s executive director Rafael Mares. “Based on prevailing rents, a household must earn \$69,000 to comfortably afford a one-bedroom unit in Chelsea, yet more than 50% of households in our city do not meet this income threshold.”

The \$8.5 million in acquisition financing includes \$1.3 million in low-cost capital from the Equitable Transit-Oriented Development Accelerator Fund (ETODAF). Created by LISC Boston, The Boston Foundation, and the Hyams Foundation, this Fund encourages development and preservation of equitable, mixed-use, affordable housing that revitalizes neighborhoods while keeping long-time residents in their communities.

“LISC is pleased to invest in the acquisition of 181 Chestnut Street with CEDAC, since TND’s stewardship will allow current residents to remain in their affordable homes in Chelsea, countering the intensifying trend of displacement in this and other communities, said Karen E. Kelleher of LISC. “This investment by LISC’s Equitable Transit-Oriented Development Accelerator Fund was possible because of a recent infusion of capital from Partners HealthCare. Massachusetts General Hospital, a founding member of Partners, operates a neighborhood health center within walking distance of the property. Partners’ investment showcases the ways health and housing partnerships can positively impact individual and community health outcomes.”//End

About CEDAC

CEDAC is a public-private community development finance institution that provides financial resources and technical expertise for community-based and other non-profit organizations engaged in effective community development in Massachusetts. CEDAC's work supports two key building blocks of community development: affordable housing and early care and education. CEDAC is also active in state and national housing preservation policy research and development and is widely recognized as a leader in the non-profit community development industry. For additional information on CEDAC and its current projects, please visit www.cedac.org.

About LISC Boston

Local Initiatives Support Corporation (LISC) provides funding, financing, and technical assistance to community development corporations (CDCs), nonprofit developers, grassroots organizations, as well as policy and advocacy organizations throughout Massachusetts. Working with local leaders, we invest in affordable housing, health, education, public safety and employment – all basic needs that must be tackled so that progress in one area is not undermined by neglect in another. As part of a national organization with deep local roots, LISC Boston is uniquely positioned to share resources, best practices, and innovations with the communities we serve. To learn more, visit www.lisc.org/boston/.

About TND

The Neighborhood Developers (TND) promotes economic diversity, opportunity and quality of life in struggling communities. TND's mission is to bring its core strengths—building homes, engaging neighbors, and fostering economic mobility—to community partnerships that create great neighborhoods where all people can thrive. Our work deepens the impact and scale our strengths through strategic growth, community leadership, strong partnerships, and refined programming. For additional information on TND, please visit [www.http://theneighborhooddevelopers.org/](http://theneighborhooddevelopers.org/).