

# Boston Apartments Clear Hurdles to Create Housing for Adults with Disabilities

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Affordable housing is rarely simple to build and for Harmon Apartments in the Dorchester neighborhood of Boston, there were extra hurdles.

However, residents of the 36 accessible, mixed-income apartments—designed to promote independent living for adults with disabilities—are happy.

“[Residents] are incredibly thankful,” said Tara Mizrahi, vice president-principal of developer Affirmative Investments. “They feel respected and

cared for. Many are from the neighborhood and are finally in a place where they can move around and have friends

over. Some were literally on the third floor of walkups and trapped due to the lack of accessibility.”

The apartments, funded in part with low-income housing tax credit (LIHTC) equity, opened in May and were fully leased by the end of June.

For The Boston Home, the nonprofit partner that operates a nursing home for 96 residents on the property, this is the result of years of planning.

*Image: Courtesy of Robert Benson*  
**The Harmon Apartments in Boston will provide independent living for adults with disabilities. Funding included equity from low-income housing tax credits.**

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“It really started 15 years ago with a strategic plan that said we are experts in caring for adults with physical disabilities and we had the opportunity to expand our scope of services,” said Marva Serotkin, former president and CEO of The Boston Home. “We applied to HUD [for a grant] and were unsuccessful. They encouraged us to come back, but we didn’t resurrect the idea for more than a decade.”

### **Making Development Happen**

The Boston Home was founded in 1881 by Cordelia Harmon (the source of the apartments’ name) and Rev. Philips Brooks. Its original facility was called The Home for the Incurables and cared for chronically ill young people who didn’t have a place to live.

Over the decades, The Boston Home expanded its services and now cares for adults with advanced progressive neurological

*Image: Courtesy of Robert Benson*  
**The Harmon Apartments in Boston, funded with equity from low-income housing tax credits, will allow residents to entertain friends in an accessible home.**

diseases—primarily multiple sclerosis—with a specialized residential facility and outpatient services.

However, there remained a need for specialized housing.

“I think it became clear that The Boston Home was very passionate about the work,” said Mark Migliacci, capital officer at Capital One Community Finance, the investor in the tax credits, which in turn syndicated by the National Equity Fund Inc. (NEF). “This was for an underserved market—not only housing, but the supportive services side. They serve a variety of atypical nursing home clients and have created a special place to meet their unique needs.”

The Boston Home, however, isn’t a developer.

“The Boston Home had no experience in the development of housing, so they partnered with us,” Mizrahi said.

“We understood this opportunity, but we weren’t housing developers,” Serotkin said. “We were fortunate to connect with Affirmative Investments, who brought us to where we are today.”

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The result is a property that specializes in a target audience.

“The housing is meant for people with disabilities who need accessible housing to live independently,” Mizrahi said. “That includes people who are working and people who can’t work who have disabilities. It runs from someone who is deaf and blind with a neurological disorder who wants to live independently all the way to someone with [multiple sclerosis] who is very early in the disease and needs assistance for flareups.”

### **Safety, Underground Issues, Utility Lockout**

The development didn’t come without challenges—particularly during construction.

“We were constructing a building immediately adjacent to an occupied skilled-nursing facility, so it was critical to keep it accessible for people and to keep everyone safe,” said Mizrahi. “There were a lot of underground issues that we didn’t find during our pre-construction due diligence. There were contaminated old pipes from buildings that weren’t there anymore and old structures that required work-arounds.”

The complication was furthered by the fact that National Grid, the state’s private utility, went through a six-month lockout of gas workers, so all construction-related hookups stopped. That meant the Harmon Apartments developers had to find a way to use propane to heat the building.

“It was totally unanticipated,” Serotkin said. “We couldn’t get the building heated. We had a great team and they figured it out.”

### **High-Tech Apartments**

Harmon Apartments are built to accommodate people in wheelchairs, but are also high-tech: the apartments feature automatic door openers, wireless smart lighting control systems with integration to other smart home products and the ability to upgrade.

“This is definitely state of the art in terms of technology to accommodate a variety of needs,” said Tony Thesing, vice president of project management at NEF. “I think the partnership between Affirmative and The Boston Housing is a great partnership.”

The accessibility is crucial.

“The building accommodates all of our folks in wheelchairs,” Serotkin said. “[Residents] talk about accessible stoves, shelves and showers. They seem really pleased with the accommodations.”

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vice president of project management, NEF*

The apartments also feature services such as on-site wellness, fitness and social programs; caregiver training and coordination; counseling and support for accessing community services; access to wheelchair customization services; a case manager and more. Many residents have progressive neurological disorders, so there is programming in the building targeted toward what the service provider, Peabody Resident Services, sees as a need.

The fact that the apartments are adjacent to The Boston Home’s outpatient services are critical.

“I love the fact that it’s on the same campus as the [rest] home,” said Debbie Burkart, national vice president of supportive housing at NEF. “There is close proximity to care that can keep residents independent longer.”

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"I think access to the outpatient services is a great value," Serotkin said. "Residents of Harmon Apartments can go to the day program [at The Boston Home], but they don't have to. There is a unique wheelchair enhancement center that can be accessed, as well."

Additionally, they are close to local businesses, two blocks from the accessible transit line and adjacent to a bus stop.

While most of the apartments are income-restricted, Mizrahi said six apartments are market-rate.

### Financing

Capital One Bank invested \$9.4 million in federal and state LIHTC equity, syndicated by NEF. NEF's Burkart has a long relationship with Affirmative Investments, going back to the early 1990s.

"At Capital One, we go beyond checking the boxes to achieve our Community Reinvestment Act goals by investing in high-impact projects," said Migliacci. "Harmon is a unique project. It's seen as a bit challenging and unique, but it will have a profound impact on both the target residents and the broader community."

Other funding included a \$3.3 million contribution from The Boston Home, plus money from the city, the state department of housing and community development and a \$200,000 social purpose grant from Capital One to help pay for staffing.

"Capital One has a program where we work with a nonprofit developer—or owner in this case—and if they have properties that could benefit, we build that into the financing structure," Migliacci said. "Harmon had enough financing for a part-time service provider, but we gave them a \$200,000 grant that will pay out at \$20,000 a year for 10 years which makes that a full-time position, 24 hours a day."

### 'Tremendously Excited'

With the opening of the property, the reaction was strong.

"The Boston community is tremendously excited," Mizrahi said. "The city and state are huge supporters and hope this can act as a model."

Serotkin said residents love the building.

"So many people came from deplorable conditions—being homeless or living in inaccessible locations that are far from transportation," Serotkin said. "People have a chance for accommodations and the camaraderie of being around other people."

Ultimately, the property may be both a new home for residents and a model for what can work elsewhere.

"I think this is very significant," Serotkin said. "The Boston Home is a leader in both housing and long-term care. There are research opportunities to better understand how to care for this population." ♦

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Capital One Community Finance

### Harmon Apartments

#### FINANCING

- ♦ \$8.1 million in federal low-income housing tax credit (LIHTC) equity from Capital One, syndicated by National Equity Fund Inc. (NEF)
- ♦ \$3.3 million capital contribution/land from The Boston Home
- ♦ \$2.4 million in subordinate financing from City of Boston
- ♦ \$1.3 million in state LIHTC equity from Capital One, syndicated by NEF
- ♦ \$1.2 million in subordinate financing from the Massachusetts Department of Housing and Community Development
- ♦ \$1.2 million permanent loan from Capital One
- ♦ \$200,000 social purpose grant from Capital One