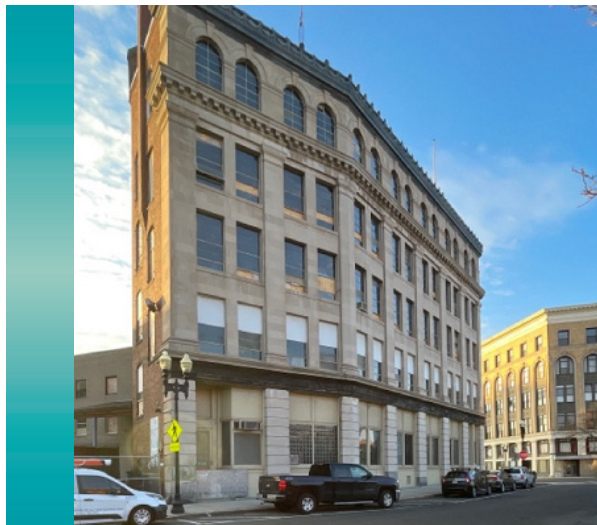




Brownfields Redevelopment Fund

FY2021 Annual Report



Brownfields Advisory Group
(As of June 2021)

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of Community Development Corporations

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Michele S.W. Paul, LSP
Director of Environmental Stewardship,
City of New Bedford

Commissioner Martin Suuberg
Massachusetts Department of
Environmental Protection

About the Brownfields Redevelopment Fund

MassDevelopment and the Brownfields Advisory Group are pleased to submit the FY2021 annual report for the Brownfields Redevelopment Fund (“the Fund”). Since 1998, the Fund has contributed to the revitalization of hundreds of contaminated sites by providing early-stage financing for environmental site assessments and cleanup activities. Through FY2021, MassDevelopment has made 765 awards totaling \$112,010,252 since the Fund’s inception. This funding leverages additional public and private investment, allowing development projects to advance to completion. The 18 projects funded in FY2021 (see page 8) are projected to reclaim 60 acres of contaminated land while creating 614 housing units and 742 full-time jobs. The featured case studies from each region within the report (either funded in FY2021 or achieving a significant development milestone this fiscal year) highlight examples of the Fund’s ability to serve as critical early-stage funding in a project’s capital stack to help pave the way for creative solutions to solve the Commonwealth’s housing crisis. The five projects featured will, or have, created a total of 192 units of housing and complementary commercial spaces, while reclaiming 11 acres and leveraging over \$75 million in investment.

Looking forward to FY2022, the municipal competitive round which MassDevelopment has conducted over the previous three fiscal years, has been integrated into the Commonwealth’s Community One Stop for Growth initiative which provides a single application portal and collaborative review process of grant programs that make targeted investments based on a Development Continuum.

NeighborWorks Housing Solutions

121 Main Street, Brockton

HIGHLIGHTS

- \$21 million development project on .4-acre vacant parcel
- \$26,000 Brownfields Site Assessment
- 48-units of housing
- Ground-floor commercial space and underground parking



Sycamore on Main Apartments



Construction of Sycamore on Main Apartments

NeighborWorks Housing Solutions (formerly NeighborWorks of Southern Mass), a nonprofit community development corporation and housing developer based in Quincy, received a \$26,000 site assessment award from the Brownfields Redevelopment Fund to perform environmental due diligence prior to acquiring a .4-acre site in Brockton, and the site of the former Kresge Five-and-Dime department store. After a Phase I site assessment identified four recognized environmental conditions at the site (including an underground storage tank on-site and off-site concerns associated with a former dry cleaner and other oil spills), NeighborWorks conducted a Phase II site assessment to further investigate and perform any necessary remediation. NeighborWorks redeveloped the vacant site into 48 units of housing, ground floor retail, and underground parking with a total development cost of approximately \$21 million. The property is located in Brockton's Downtown Gateway Transformative Development Initiative (TDI) district, Brockton's Downtown 40R Smart Growth Overlay district, and a Housing Development Incentive Program (HDIP) district. Prior to undertaking the new construction, with MassDevelopment's assistance through TDI, the site temporarily hosted PROVA!, a pop-up multicultural arts and performance venue showcasing local food vendors, craft beer selections, and live performances. Today, construction is complete with full residential occupancy expected by the fall. Brockton Beer Company, assisted by a MassDevelopment loan, will serve as the ground floor anchor tenant with its brewery and taproom – the feasibility of which was proven through PROVA!

Main South CDC

92 Grand Street, Worcester

HIGHLIGHTS

- \$18 million development project on 2-acre vacant parcel
- \$386,887 from the Brownfields Redevelopment Fund
- 48 units of mixed-income rental housing
- Ground-floor commercial and retail space



Rendering of Grand Street Commons



Construction of Grand Street Commons

MassDevelopment awarded a total of \$386,887 from the Brownfields Redevelopment Fund to the Main South Community Development Corporation (CDC) to assess and remediate a 2-acre vacant lot at 92 Grand Street in Worcester's Main South neighborhood. Main South CDC plans to build a mixed-use facility at the site, the Grand Street Commons, which will feature 48 units of mixed-income rental housing and ground-floor commercial and retail space. Forty-six of the new facility's units will be rented to households earning no more than 60% of the area median income. 92 Grand Street was once part of the industrial-era Crompton Knowles and Standard Foundry mill complex that lined the Grand Street area. Soil samples were collected from the property during prior environmental assessment, showing contaminants such as arsenic, barium, lead and naphthalene, which will need to be managed and removed during the construction.

Madison Park Neighborhood Development Corporation

75 Dudley Street, Roxbury

HIGHLIGHTS

- \$10 million development project on .19-acre vacant parcel
- \$500,000 from the Brownfields Redevelopment Fund
- 20-unit affordable and workforce housing project
- Ground-floor commercial space



MassDevelopment awarded \$500,000 from the Brownfields Redevelopment Fund to Madison Park Development Corporation (MPDC) for the investigation and cleanup of 75 Dudley Street in the Nubian Square section of Boston's Roxbury neighborhood. MassDevelopment and MPDC (one of the longest serving CDCs in the nation) have worked together on a number of transformative developments in the area over the last twenty years. This relationship has resulted in a number of vacant neighborhood parcels being developed into over 110 affordable rental and homeownership opportunities for neighborhood residents with the assistance of the Fund. The funding provided to this vacant site will address environmental soil issues impacting the .19-acre vacant parcel in advance of a 20-unit affordable and workforce housing project. Initial testing results indicate the site is impacted by elevated reportable levels of toxic metals, petroleum hydrocarbons (PHCs), poly-aromatic hydrocarbons (PAHs) and semi-volatile organic compounds (SVOCs) in the soil. The development will consist of a four-story mid-rise building providing homeownership opportunities and a small ground-floor commercial space. It will be located on the highly visible corner of Dudley Street, Guild Row, and Washington Street.

ARC Realty Management LLC

38-54 Exchange Street, Lynn

HIGHLIGHTS

- \$9.8 million renovation of the building on .36-acre vacant parcel
- \$2.8 million real estate loan, \$920,000 bridge loan, and \$130,000 Brownfields Remediation Loan
- 31 units of new market rate rental housing
- 7 commercial spaces



Lynn Item Building



Sub-slab system in the basement

The historic Lynn Item Building is located on a .36-acre site at 38-54 Exchange Street. Constructed circa 1900, with a later addition added in the early 1970s, the building housed the Lynn Item daily newspaper reporters and printing services until 2014. The building sat vacant until ARC Realty Management LLC purchased the property in December 2018. The \$9.8 million renovation of the building will create 31 units of new market rate rental housing, 7 commercial spaces on the first floor and in the basement, and 48 construction jobs. This is a Transit Oriented Development in close proximity to MassDevelopment's Transformative Development Initiative (TDI) district and is across the street from an MBTA commuter rail station, which provides direct access to North Station in Boston in just 15 minutes. MassDevelopment provided a \$2.8 million construction to permanent real estate loan, a \$920,000 loan to bridge historic tax credits, and a \$130,000 Brownfields remediation loan for additional testing and remediation of indoor air quality issues associated with the presence of sub-slab volatile organic compounds.

CDC of South Berkshire

100 Bridge Street, Great Barrington

HIGHLIGHTS

- \$18 million development project on 8-acre vacant parcel
- \$2 million from the Brownfields Redevelopment Fund
- 45-unit affordable apartment complex
- 2-acre public Riverfront Park



Bentley Apartments



Construction of Bentley Apartments

MassDevelopment provided the CDC of South Berkshire (CDCSB) with a Priority Project designation and \$2 million from the Brownfields Redevelopment Fund to fund assessment and remediation costs at the former New England Log Homes site. The 100 Bridge Street location was used by New England Log Homes as a treatment and manufacturing facility, which used chemicals to treat wood for log cabins and homes. Soil and groundwater have been impacted primarily by dioxins and pentachlorophenol, with secondary impacts from extractable petroleum hydrocarbons, polycyclic aromatic hydrocarbons and metals such as arsenic, lead, and thallium. The company closed in 1994 and site structures were destroyed in a 2001 fire, further complicating the cleanup. The CDC purchased the property in 2007 and the remaining structures were demolished and removed in 2011. A decade later, CDCSB has unveiled the Bentley Apartments, a part of the CDCSB's 100 Bridge Street redevelopment of the 8-acre brownfield site. Included in the nearly \$18 million project is a 2-acre public Riverfront Park on the Housatonic River, together with a new 45-unit affordable apartment complex. The apartments are conveniently located in downtown Great Barrington and just a short walk to shopping, services, entertainment, restaurants, and transportation.

FY2021 Project Listing

BROWNFIELDS REMEDIATION

BROCKTON

City of Brockton

308 Montello Street
\$250,000

FITCHBURG

FSU Foundation Supporting Organization

15 Central Street
\$500,000

FITCHBURG

IVJ Group

87-91 River Street
\$275,000

LAWRENCE

Lawrence CommunityWorks

50 Island Street
\$100,500

LYNN

ARC Realty Management

38-54 Exchange Street
\$130,000

LYNN

Economic Development & Industrial Corporation of Lynn

83 Willow Street
\$250,000

SALEM

North Shore Community Development Coalition

47 Leavitt Street
\$170,000

SEEKONK

Town of Seekonk

36 Maple Street
\$250,000

BROWNFIELDS SITE ASSESSMENT

BROCKTON

Lynch's Towing

790 West Chestnut Street
\$61,000

LAWRENCE

Lawrence CommunityWorks

610 Broadway
\$88,940

SALEM

North Shore Community Development Coalition

9 Peabody Street; 73,75 & 83-85 Lafayette Street
\$80,500

TEMPLETON

CC MPZ School Street LLC

16 School Street
\$50,036

BROWNFIELDS SITE ASSESSMENT/ REMEDATION

BOSTON

Codman Square Neighborhood Development Corporation

270 Talbot Avenue
\$88,000

BOSTON

Madison Park Development Corporation

75 Dudley Street
\$500,000

PITTSFIELD

William Stanley Business Park

Site 9
\$264,000

SPRINGFIELD

City of Springfield

846 & 876 Bay Street
\$250,000

WINCHENDON

Town of Winchendon

4 Summer Drive
\$150,200

WORCESTER

Main South Community Development Corporation

92 Grand Street
\$257,800

Geographic Distribution



**Boston, Brockton, Fitchburg,
Lawrence, Lynn, Pittsfield,
Salem, Seekonk, Springfield,
Templeton, Winchendon, and Worcester**

Total Funding - June 30, 2021

Beginning fund balance, FY1999	\$20,024,000
Fund recapitalization, FY2001	9,975,084
Fund recapitalization, FY2007	30,000,000
Fund recapitalization, FY2014	15,000,000
Funding recapitalization, Capital Bond FY2017	1,608,361
Funding recapitalization, Capital Bond FY2018	2,650,000
Funding recapitalization, Capital Bond FY2019	2,500,000
Funding recapitalization, Capital Bond FY2020	2,500,000
Funding recapitalization, Capital Bond FY2021	1,890,625
Investment in joint ventures - Repayment from Village Hill	50,000
Total funding	86,198,070
Fund activity (accumulated):	
Net loans	(37,371,893)
Operating income	3,458,630
Operating expenses	(14,442,315)
Investment income	11,521,448
Grant awards	(40,271,369)
Accounts receivable and other assets	(46,364)
Post charge-off recoveries	74,389
Accrued expenses	300
Prepaid expenses	(6,667)
Sub-total	(77,083,840)
Undisbursed grants/loans	(4,340,966)
Approved grants-recoverable	(250,000)
Sub-total	(4,590,966)
Uncommitted funds at June 30, 2021	\$4,523,265



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