

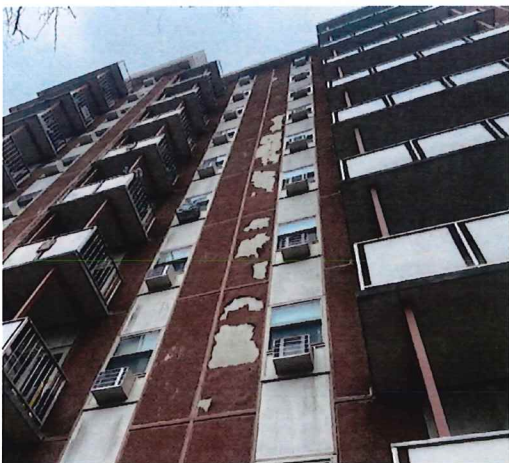
**The Redevelopment of Campello Highrise:
Brockton Housing Authority's strategy to preserve and expand deeply affordable housing.**

Problem

The Brockton Housing Authority (BHA) is recognized for its efficiency and competency in operating low-income residential units. The Authority was the first to use pooled bond financing, is a leader in energy leveraging programs and has maximized its capacity in State Solar programs all to fund capital needs. Despite BHA's out-of-the-box efforts, its portfolio is in need of significant capital repairs, due to insufficient capital and operating funding from the state and federal government. This issue is not unique to the BHA. According to the National Low-Income Housing Coalition, the country loses more than 10,000 public housing units each year due to chronic underfunding that makes these units uninhabitable overtime.

The BHA's most pressing need is the 398-unit Campello Highrise, two 10-story buildings serving elderly and disabled residents. Built in 1972, this complex is plagued with system failures and is at risk of being uninhabitable. Residents are aging-in-place, and the existing facilities pose hazards and inefficiencies given the buildings' structural deficiencies, undersized units, and failing building systems including non-existent ventilation. Despite best efforts by the Authority, it is anticipated that units will fall out of compliance with the state sanitary code in the near future. Furthermore, one of the high-rise buildings sits entirely within a 100-year flood plain and experiences frequent, threatening floods. This is especially problematic as the building's electrical components sit on the ground floor. **Another major flood or system failure could displace over 400 residents.**

The existing buildings cannot be salvaged. In Fall 2021, Campello was deemed "obsolete" by HUD and approved for conversion from federal public housing to Section 8 through the Section 18 Demolition program. As described on the following page, this presents significant opportunity for BHA and Brockton.



Building systems including the building exterior are failing. Across the entire façade, the granular surfacing and waterproof coating is peeling.



The redevelopment will demolish the two existing high rises (398 units) and replace them with three mid-rise buildings (400 units) to create a sustainable, livable campus and transform the Campello neighborhood of Brockton.

Solution

The redevelopment of Campello will demolish the two existing high-rises and replace all 398 failing public housing units with 400 new, Section 8 units in three mid-rise buildings. The site will be completely redesigned to transform the obsolete buildings into a functional, sustainable, and livable campus. All residential units and building systems will be removed from the flood plain. The redevelopment will be completed in three phases, one phase per building, to facilitate financing. 100% of units will be affordable to households at 30% AMI or below. There is a strong network of supportive services at Campello which will continue and be expanded after construction.

In addition to onsite improvements, the redevelopment will contribute to the City of Brockton's master plan by significantly improving the streetscape, integrating affordable housing with the surrounding community, and increasing pedestrian access to and from public transportation. Redevelopment plans are consistent with the 2019 Brockton Housing Strategy Plan and the 2016 DHCD-approved Downtown Brockton Urban Revitalization Plan and 2018 Campello & South Main Visioning Report.

Over \$12 million in soft sources have already been secured for Phase 1. This fall, BHA received \$2.78 million from the HousingWorks Infrastructure Program from the state for Campello and BHA has committed roughly \$9.5 million. In addition, as part of the Section 18 Demolition program, Campello will receive over \$7.5 million in additional operating subsidy from HUD annually. This is a unique resource and translates to an additional \$22 million in permanent financing available to Phase 1 of the project with similar funds available for phase 2 and 3 but time is of the essence.

Transformative Opportunity

In addition to the problem and solution outlined above, the redevelopment will unlock the opportunity to upgrade the BHA's entire portfolio and transform affordable housing options throughout the city of Brockton utilizing federal programs, such as BHA's Faircloth Authority. The redevelopment of Campello is *the* critical first step for BHA to convert its state public housing portfolio (357 units) to federal public housing. At long last, this will provide a pathway to fund the major capital backlog plaguing BHA's state public housing and relieve the state of the ongoing capital and operating burden associated with these 357 units — \$2 million annually in operating and capital funds, in addition to millions of dollars for emergency and safety issues. Finally, federalization will allow BHA to leverage public and private debt and equity to add new affordable apartments on underutilized land already owned by BHA.

The bottom line is that BHA remains the singular resource to provide housing for the 398 elder and disabled residents of Campello in Brockton. The urgent need for the redevelopment of Campello given the building's poor and failing condition should not be overlooked. BHA recognizes Massachusetts has an unprecedented need for affordable housing. The redevelopment of Campello sits at the top of the priority list due to the urgency of its disrepair, the unique federal resources available for Campello, and the transformative opportunity to elevate the condition of BHA's entire portfolio and thus elevate and expand the affordable housing stock in the Gateway City of Brockton.

The redevelopment received zoning approval in 2023. Phase 1 of the redevelopment will be ready to start construction in 2024 pending project financing.