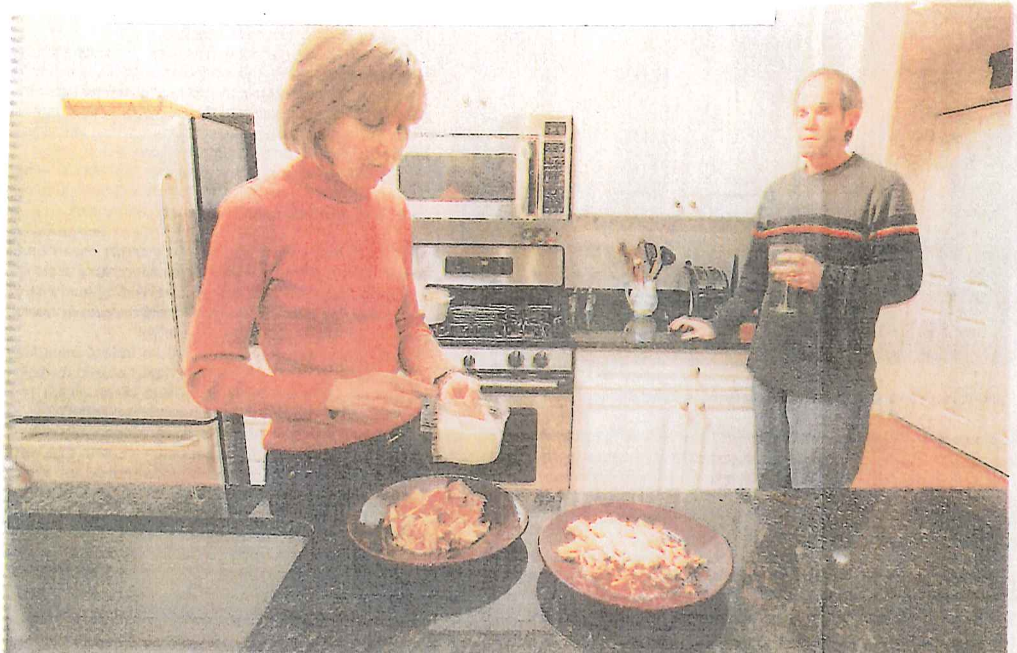
Real Estate

BOSTON SUNDAY GLOBE JANUARY 2, 2005



GLOBE PHOTO/MICHAEL DWYER

Mixed but not matched

The South End's Rollins Square has become a model for providin[g] quality housing to everyone from professionals to those on subsidi[es]

By Chris Reidy
GLOBE STAFF

Nancy Sousa had long urged her husband to sell their Norton home and move to Boston. In 2002, Jack Sousa agreed — in a sneaky sort of way. If she could find the perfect condo in the $500,000 range, he'd do it. But figuring he had given her the house-hunting equivalent of "Mission Impossible," he felt his suburban lifestyle was safe.

"I asked her to find something that was brand new with indoor parking — I like sports cars," said Jack Sousa, 53, a nurse who works in Brockton. "It needed to have easy access to the highway and it had to be dog-friendly."

GLOBE STAFF PHOTO/DAVID L. RYAN

To his surprise, Nancy Sousa, also a nurse, found a two-bedroom condo in the South End that met all specifications. It's in Rollins Square, a two-year-old mixed-income complex of 184 units whose residents include everyone from professionals to blue-collar workers and families on rent subsidies. Rollins was developed by the Planning Office for Urban Affairs, a nonprofit affiliate of the Archdiocese of Boston with a long history of developing affordable housing.

True or not, a perception of subsidized housing is of run-down, crime-ridden buildings. That stigma is hardly reassuring to someone checking out $500,000 condos.

In various forms, mixed-income housing has been increasingly common since the 1980s, when federal subsidies for affordable housing started shrinking, said Tom Gleason, executive director of MassHousing, the state's affordable housing bank. Forced to make do with smaller subsidies, developers included market-rate

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GLOBE STAFF PHOTO/DINA RUD

The South End's Rollins Square (bottom left) is home to a wide range of individuals, from Nancy and Jack Sousa (top left), who bought their condo at market rate, to Raquel Almonte (above), who rents her two-bedroom unit.

Mixed but not matched

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units in their affordable-housing projects to generate additional revenue. A typical mix is 75 percent market-rate housing and 25 percent for people who meet affordable housing guidelines set by the federal government. Most affordable housing goes to people earning the median income or less for Greater Boston. That median is $82,600 for a family of four.

At Rollins, which is bounded by Harrison Avenue and Washington, Waltham, and Savoy streets, the mix is 60 percent affordable condos and rental apartments and 40 percent market-rate condos. Rollins has both home ownership and rental units. One other development in the city that takes this approach is the Metropolitan, which just opened in Chinatown and was helped with financing by MassHousing.

"Rental and home ownership — you don't see that in many places in Massachusetts," Gleason said. That could change. Lisa B. Alberghini, the planning office's executive director, is scouting parish properties that the Boston Archdiocese has put up for sale to see if they would be suitable for a version of the Rollins model.

At Rollins, a doctor can live next door to a bus driver, and their units would be virtually identical in design and quality. Only some finishes are different. In Raquel Almonte's two-bedroom rental, the kitchen has Formica countertops and white appliances. One floor above her, the Sousas' condo has granite countertops and stainless-steel appliances. Alberghini felt such amenities were needed to make Rollins competitive with other market-rate condos in the South End.

In theory, market-rate condos subsidize low-income rental apartments, but the planning office worked to make that invisible to residents. Normally, a developer would make profits and fees of $8 million to $12 million on a $68 million development such as Rollins, Alberghini said; in this case, that money was spent on the affordable units to make them comparable to market-rate condos.

When the Sousas went house-hunting, they didn't learn immediately that Rollins was a mixed-income development.

Even after finding out, "it was never really a factor" in their decision, Jack Sousa said. "It was almost a selling point. We didn't want to be in someplace exclusive. And I thought, 'A few years ago, I could be one of those people in the moderate range.' "

As Nancy Sousa sees it, having neighbors from different income groups comes with the territory. "That's living in the city," she said.

The Sousas bought one of 74 market-rate condos initially priced at $260,000 to $750,000. There are also 73 moderate-income condos. Originally priced at $140,000 to $260,000, they were for first-time buyers with incomes of under $90,000. Alberghini describes this component as "work-force housing" — condos for folks of modest means, a vanishing breed in the South End. Finally, there are 37 apartments for people with federal rental subsidies. Most pay rent equal to 30 percent of income.

> 'I thought if I stayed in the city, I'd be a renter forever.'
>
> MARK DONOHOE
> *Rollins Square resident*

In developing Rollins, the planning office got help from FleetBoston Financial Corp. (now Bank of America Corp.) and the City of Boston, which sold the two-acre site to the office for the discounted price of $1.5 million, Alberghini said. Affordable housing is a priority of Mayor Thomas M. Menino. He asks large residential developers to allocate 13 percent of their units for low- and moderate-income consumers. According to the latest city estimate, 2,832 affordable units have been built or permitted since mid 2000.

Including market-rate condos at Rollins wasn't just about making financing easier. As Alberghini sees it, economic diversity makes for healthy communities.

To lure people like the Sousas, Alberghini priced Rollins's market-rate condos below the South End's prevailing rates. That attracted Marc LaCasse, an attorney. He and his partner, Todd Katzman, an accountant, wanted to live together, but LaCasse's nearby loft was too small. LaCasse said he initially had misgivings about Rollins because he was unfamiliar with the workings of mixed-income housing.

"The newness of it was a little unsettling," said LaCasse, 42. "I wasn't sure how it was going to work. Would everyone be mixed together or would they be kept apart?" From his loft window, LaCasse could see the first big wave of Rollins residents arrive in early 2003. That prompted him to investigate. Impressed by the quality of Rollins' workmanship and the friendliness of prospective neighbors, LaCasse and Katzman paid $651,000 for a three-bedroom townhouse and two parking spaces.

"It's brand-new construction," LaCasse said. "And it's affordable by South End standards. I'm amazed at the number of condos in the South End with prices from the mid $800,000s to $1 million."

According to the planning office, a two-bedroom market-rate condo that sold in 2002 at the pre-construction price of $440,000 was resold in November for $690,000. It's trickier to sell a Rollins condo allocated to people with moderate incomes.

Mark Donohoe, an office administrator, won an affordable-housing lottery that allowed him to buy a two-bedroom condo at Rollins for $235,000. If Donohoe, 53, wanted to move, he couldn't sell at a market rate. Typically, owners of such condos are allowed an annual appreciation rate of 5 percent above purchase price. And they're required to sell to buyers who also meet affordable-income guidelines. Donohoe, however, has no plans to leave Rollins.

"This was the chance of a lifetime," he said. "I thought if I stayed in the city, I'd be a renter forever. They're going to have to cart me out of here in a box."

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