

# HEALTHY NEIGHBORHOODS EQUITY FUND II: Theory of Change

HEALTHY  
NEIGHBORHOODS  
EQUITY FUND II LP



## PROBLEM

**In greater Boston**, the lack of safe, stable, and affordable housing near public transit, coupled with an increase in concentrated poverty, is impacting the health of families and communities.

**Over the past twenty years, the number of Massachusetts residents living in high poverty neighborhoods has more than doubled.**<sup>i</sup> Stagnant wages and increased housing costs are impacting low- and moderate-income households across the region.<sup>ii</sup> These challenges are compounded by the growing risk of displacement, as long-time residents are pushed further away from the urban core.

Acute differences in neighborhood- and community-level conditions are contributing to dramatic differences in health outcomes. For example, in Newton, an affluent suburb west of Boston with excellent schools, high rates of homeownership, and access to transportation and jobs, life expectancy is 94.2 years. In New Bedford, a small industrial city south of Boston with older housing stock, lower homeownership rates, and limited access to transportation and jobs, life expectancy is just 68.1 years – a difference of more than 26 years.<sup>iii</sup>

Over the long term, these patterns of concentrated disadvantage will be further magnified by the climate crisis. Neighborhoods with poor quality housing, lack of reliable public transit, and limited access to green space and food will be most at risk from increased heat, flooding, and power outages. Increased exposure to climate-related hazards will further threaten the health and well-being of historically disinvested communities.

Where people live, work, play, and learn – including the natural environment around them, available community resources, economic opportunities, and access to public transportation – dramatically shapes health and life expectancy.

## **i** FOR MORE INFORMATION

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## ACTIVITIES

Through Healthy Neighborhoods Equity Fund II (HNEF II), Massachusetts Housing Investment Corporation (MHIC) and Conservation Law Foundation (CLF) will address these challenges by providing low-cost, long-term investments that enable the development of mixed-income, mixed-use, transit-oriented real estate projects in walkable urban and suburban neighborhoods. These developments will protect environmental and community health by:

- **Responding to community-defined needs, opportunities, and priorities for growth;**
- **Catalyzing the creation of walkable, transit-oriented neighborhoods** with quality housing, jobs, schools, green space, and healthy food, and increasing access to these neighborhoods for low- and moderate-income households; and
- **Supporting the development of low-carbon, climate-resilient buildings.**



## OUTCOMES

In combination with other public and private investment, HNEF II will:

- **Catalyze neighborhood transformation** through the creation of over 1,000 units of new energy-efficient, climate-resilient housing – affordable to a range of incomes – and neighborhood retail close to transit, jobs, green space, and healthy food;
- **Advance long-term housing stability** through deed restrictions and lower-cost homeownership opportunities;
- **Increase economic opportunity for low- and moderate-income people and communities of color** through improved access to the regional job market and the creation of new jobs in historically disinvested communities;
- **Increase the share of affordable and moderately priced housing** in transit-oriented communities with high-performing school districts;
- **Demonstrate the potential to leverage private capital for new mixed-income housing;** and
- **Accelerate the shift in regional development patterns** towards walkable, low-carbon, and resilient neighborhoods.

Over the ten-year life of the fund, HNEF II investments will contribute to the following outcomes:

- Health and economic disparities will be reduced across the region.
- Historically disinvested communities will become more equitable, healthy, and resilient.
- Neighborhoods will become more cohesive and socially connected.
- Neighborhood residents' health and well-being will improve.
- Greenhouse gas emissions from buildings and transportation will be reduced.

## ENDNOTES

<sup>1</sup>Sasser Modestino, Alicia, Clark Ziegler, Tom Hopper, Calandra Clark, Lucas Munson, Mark Melnik, Carrie Bernstein, and Abby Raisz. "The Greater Boston Housing Report Card 2019: Supply, Demand and the Challenge of Local Control." Edited by Rose Corcoran, Soni Gupta, Sandy Kendall, and Luc Schuster. The Boston Foundation, The Kitty and Michael Dukakis Center for Urban and Regional Policy, The MHP Center for Housing Data, and The University of Massachusetts Donahue Institute, June 2019. <https://www.tbf.org/-/media/tbf/reports-and-covers/2019/gbhrc2019.pdf>.

<sup>2</sup>Schuster, Luc, and Peter Ciurczak. "Boston's Booming, But for Whom? Building Shared Prosperity in a Time of Growth." Edited by Stephen Chan and Sandy Kendall. Boston Indicators, October 2018. <https://www.tbf.org/-/media/tbf/reports-and-covers/2018/bostonisbooming20181010.pdf?la=en&la=en>.

<sup>3</sup>Arias, Elizabeth, Loraine A. Escobedo, Jocelyn Kennedy, and Jodi Cisewski. "U.S. Small-Area Life Expectancy Estimates Project: Methodology and Results Summary." *Vital and Health Statistics*, no. 181 (September 2018). [https://www.cdc.gov/nchs/data/series/sr\\_02/sr02\\_181.pdf](https://www.cdc.gov/nchs/data/series/sr_02/sr02_181.pdf).