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remarried. He was an only child and his stepfather ran a hardware store in Dudley which was not successful. Lee graduated from Harvard and was then accepted into the graduate program in urban planning at M.I.T. In the summer in between schools, he served as an intern at the Urban League offices in Cambridge. A consultant in that office was Jim Keefe, who, after a change in administrations, had just been fired after a four-year stint in the state government.

"Pat was crazy about the secretary in that office, Alyce Jones," Keefe says. "But she wasn't crazy about him."

"That's true," Lee confirms without wincing.

"So after work Pat and I would go out for beers so he could cry in them," Keefe says. "And we got to be good friends."

Keefe spent four years in commercial banking where he learned "how capital flows, where it flows, why it flows," he says. Lee finished at MIT, spent some time in New York, then worked for Keefe's brother who was the Administration and Finance Secretary for Massachusetts Governor Michael Dukakis.

In 1987, following years of professional preparation, Keefe and Lee teamed up to form their own business.

And in 1989, following years of persistence, Lee and Alyce Jones teamed up to form a marriage.

The hanging of the Trinity shingle coincided with the passage of the act that established low-income housing tax credits by Congress. "No one knew quite what to do with these things," Keefe says. "But we thought we had it figured out." From the get-go Keefe and Lee were game about pursuing projects that would make more traditional developers cringe. Their first ventures were in partnership with the Pine Street Inn, Boston's premier homeless housing and advocacy organization. Pine Street was at the forefront of an effort to provide permanent housing for the homeless, getting them out of

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NH&RA 2012 VISION AWARD HONOREE

Pat Clancy

Mission-Driven Entrepreneurship

By Marty Bell

In the mid-'60s, as unrest began to spread virally through America's college campuses, Pat Clancy, a restless sophomore at Holy Cross College in Massachusetts, went searching for something socially useful to do and volunteered at a local Settlement House.



Patrick Clancy

Among the troubled children he worked with was a 14-year-old girl whose personality alternated between personable, smart, and showing great potential some weeks while angry, hostile, and dysfunctional other weeks. Over time, Clancy learned that the young woman's father visited her sporadically; at these times her stressed-out, darker side emerged.

Almost 50 years later, that experience hangs in the photo album of Clancy's mind. "It was transformational," he says. "I saw that you can have the potential to be very successful, but outside forces can lead to a difficult existence."

Around the same time, Michael Harrington, author of *The Other America*, the classic study of poverty, spoke at Clancy's college and Pat hosted him afterwards. "He came to my slum apartment and we sat on the floor and drank beer," Clancy notes. "He spoke about the underclass and people having to live without basic needs. There were a lot of movements going on on campuses in those days. And the one I got stuck on was the anti-poverty movement."

It's not a stretch to map a direct route from these formative experiences to the emergence of The Community Builders, Inc., the Boston-based nonprofit for which Clancy would work for over 40 years – running it for 35 – that became one of the most innovative developers of affordable housing and the largest developer of mixed-income housing in the U.S.

Utilizing their jobs to make a difference in the lives of the needy has been the driving force of the careers of Pat Clancy and his wife, Mary Jane, a distinguished educator whose accomplishments include establishing the Philadelphia Youth Network, a nationally recognized intermediary that manages school to career partnerships in the public school system and youth employment throughout the city, and replicating an innovative charter school in Rhode Island under the sponsorship of The Gates Foundation.

"The Clancy's are real children of the Sixties," says Peter Bell,

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the “revolving door” of shelters, and linking the housing with critically needed services.

“Pine Street was using their own limited capital to build this permanent housing,” Keefe recalls, “So we persuaded them that was a better – if more complicated – way of using LIHTC and historic tax credits and other subsidies. The Inn retained us and we went on to build five developments for them, which were all very successful. Our first deal was a \$1 million, 15 single-room residence located in Boston’s South End. Raising the money was difficult. We were partnering with a nonprofit, housing formerly homeless people many of whom were recovering alcoholics in a building right next to a bar – and we had to convince investors this was a good deal. We got 42 cents per dollar of tax credit – and we were thrilled.”

A Mutual Learning Experience

Keefe brought his banking experience to the table, Lee brought his urban planning training, and they learned from each other. “Pat is cerebral, analytical, has brilliant insight and his thought process is usually miles ahead of everyone in the room,” Keefe says. “I’m more visceral and intuitive.”

“What Jim means is that he was a fiery, stormy red-head, when he still had red hair,” Lee says. “And sometimes we needed that. And I have been the peacemaker.”

“It’s because he was an only child and I was the youngest of five,” Keefe says.

From the outset, the partners shared strong trust. For most of the past 25 years, they have had offices at opposite ends of the hall from each other, divvied up the projects, and consulted each other when needed. While Keefe oversaw development of Maverick Landing HOPE VI, Mass Pike Towers, and the Avenir, Lee concentrated on Orchard Gardens HOPE VI, Davenport Commons, and Mattapan Heights.

“How we do things is as important as what we do,” Lee says. “We believe cities and urban communities are important places and our job is to make them better. We believe the participants in our projects need to feel a strong sense of ownership. There is a lot of NIMBY-ism (“Not in my back yard”) even in Boston and we relish the chance to bring in neighbors and show them what we are planning to do.”

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President and CEO of the National Housing & Rehabilitation Association.

On October 29, Pat Clancy will receive the National Housing & Rehabilitation Association’s 2012 Affordable Housing Vision award in recognition of his career achievement. The ceremony at the Boston College Club in Boston is in conjunction with NH&RA’s Annual Fall Developers Forum.

All-American Roots

Clancy absorbed a strong sense of community growing up in the All-American city of Green Bay, Wisconsin, the middle child of five siblings whose father worked as a manager in the paper manufacturing business (“He put the first baby on the Charmin label.”)

After graduating from Holy Cross, he worked 30 hours a week at Legal Aid to pay his way through Harvard Law School. “But trying to convince judges to make landlords do things better didn’t fit me; there wasn’t enough control of the results,” recalls Clancy. So he took a job at Boston’s South End Community Development Corporation – “the one-man band of non-profit rehab” as Clancy calls it – and joined founder Bob Whittlesey, who became his mentor.

The two men shared a multidimensional perspective: although real estate developers, they didn’t focus on buildings but rather thought about neighborhoods, about how living conditions affect people’s lives. They didn’t try to fit their business into the existing framework for creating affordable housing. Instead, Clancy says, “We began projects by spotting a problem and looking at what resources were available to solve it, and shaping those resources to fit the project.”

This resource-shaping approach forced the pair to be innovative in how they financed new projects. Before Clancy’s graduation from law school, the renamed Greater Boston Community Development blazed a new trail syndicating tax benefits to help fund an affordable housing project in Boston for the Emergency Tenants Council of Parcel 19. Over time, financial pioneering became the reputation of the venture, which changed its name again in the mid-80s to The Community Builders (TCB), a moniker that defined the outfit’s focus.

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To visibly demonstrate their commitment, Keefe and Lee created the Trinity Financial Charitable Fund in 2006 to provide outreach and support to tenant groups and neighborhood organizations for programs that combat crime and neighborhood deterioration, for scholarships and other academic financial assistance to both children and adults, to encourage youth to participate in civic life including sports and cultural activities, and to educate local citizens on community issues. A headline on their corporate brochure asks, "What's Really Important?" And press coverage of many of their projects credit Trinity with developing projects such as the mammoth Hamilton Canal project in Lowell and the Regency in New Bedford that triggered the revitalization of entire downtowns.

In 2009, MassHousing foreclosed on the Regency, at 16 stories the tallest building in Southeastern Massachusetts, a distressed asset with crumbling walls, water damage, and just 20% occupancy. Necessary rehabilitation to make this structure livable was budgeted at \$32 million and would require the highest rents in New Bedford, a town that had seen better times. To fund the project, the Trinity team used a hybrid tax credit approach that required and eventually attracted the support of the Massachusetts Department of Housing and Community Development; the New Bedford Office of Housing & Community Development; MassHousing; the Massachusetts Housing Partnership; the New Bedford Economic Development Council; MetLife, Inc.; Alliant Capital; Clocktower Tax Credits, LLC; NGM Insurance Company; and Symetra Life Insurance Company.

By 2011, the 129-unit new Regency, including 33 affordable and 10 "workforce" units, was a fully-rented beautiful structure that incorporated the historic red brick style of the community with more modern design elements and that subsequently would lure more investors and lenders to bet on other buildings in the area.

"In the end," Keefe says, "it is a blessing to be able to be part of a business that can take something that is forlorn and distressed and turn it into something beautiful."

"Every single urban community requires something different," Lee says. "And the challenge and the joy comes from not just baking another donut, but figuring out just what is needed this time out that you've never attempted before." **TCA**

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Creating Solutions

During the mid-'80s, when federal Section 8 funding was curtailed and the state of Massachusetts had little to contribute to affordable housing, each of TCB's housing projects seemed to be a small 10-20 units with 4 or 5 funding sources. At this rate, not enough affordable housing was being developed quickly enough to satisfy Boston's needs. To remedy this, TCB worked with Boston Mayor Kevin White and State Street Bank CEO Bill Edgerly, to aggregate 35 separate funding sources and enable the newly established Boston Housing Partnership to construct 700 new units in 10 developments in 7 different neighborhoods.

In 1988, after a prolonged neighborhood protest of planned gentrification in Boston's South End, TCB in partnership with the neighborhood Tent City Corporation completed the innovative Tent City housing project (named after the protestors who had squatted there). TCB valued the fact that the neighborhood groups wouldn't settle for a project serving just high- and low-income renters; a large, moderate-income component was needed. But at the time there were no government subsidies available to help moderate-income renters afford apartments that would justify the Tent City project's construction costs. TCB, working with the Boston Redevelopment Authority, found the needed resources to make the deal work, corralling a UDAG repayment pledge from the adjacent Copley Place of \$1 million a year for 30 years. This income stream enabled the Tent City project to provide affordable apartments for middle-income families from the neighborhood.

"The Community Builders have always helped pave the way in setting large-scale, comprehensive change development projects," said Cynthia Parker, President and CEO of BRIDGE Housing. "TCB has helped define true public-private partnerships."

As TCB grew, its footprint expanded to neighborhoods beyond its hometown. In Pittsburgh, TCB worked for 10 years with HUD to develop a solution to the blighted East Mall, Penn Circle, and Liberty Park apartment buildings, which has resulted in the building of Penn Manor Apartments and multiple further developments in an amazing neighborhood rebirth. Construction

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is underway on additional phases and a total buildout of 3,000 units is on the drawing board.

In Chicago, TCB has been the driving force behind the redevelopment of three high-density older public housing complexes into a traditional low-rise Chicago neighborhood with 700 new mixed-income rental homes and 300 for-sale homes, an elementary school, and services for residents.

“For the over 40 years that Pat led The Community Builders, three things are noteworthy,” says Willie Jones, the company’s senior vice president of development. “First, he was incredibly passionate about the work and over the years that passion attracted some of the best talent in the country to work at TCB. This is the underlying reason that the organization has reinvented and sustained itself for 45 years. Second, Pat was way more than an affordable housing or a mixed income housing developer; he genuinely wanted to transform ‘place’ and the people who lived and worked in those places. He was at least as passionate about using neighborhood transformation as a tool for motivating and inspiring neighborhood residents as he was about creating great neighborhoods that could financially sustain themselves for generations to come. Third, Pat had a deep appreciation for the importance of rebuilding neighborhoods to city, state, and federal agencies. This significantly contributes to our ability to continually create partnerships for neighborhood transformation in multiple cities across the country.”

Policy Activist

Despite his workload, Clancy devoted substantial time to advocating for policy innovations to expand the affordable housing sector, both in Massachusetts and in Washington. He worked closely with Senator Ted Kennedy to encourage the creation of the low-income housing tax credit program in 1986, and was active in the establishment and implementation of the HOPE VI program in the 1990s, working with HUD Secretary Henry Cisneros during the Clinton Administration. More recently, as the Obama Administration tried to jump start a stalled economy, TCB wanted to apply for the newly available stimulus funds for new projects. “As

part of the stimulus it was urgent to spend that funding right away,” Clancy says. “But lining up funding usually takes a couple years, and spending the stimulus monies or any large amount without being sure you had the resources to finish a project is dangerous.”

So, once again, TCB searched outside the box for a solution and proposed an approach called Quick Start. “We offered to put together multifamily deals to help stabilize neighborhoods by using a disproportionate amount of stimulus funds up front,” Clancy says. “And then, once we attracted the balance of the financing, we would replace the stimulus funds in the current deal and use them for another deal so that the same money would have a multiplier effect.” TCB received a \$70 million grant of stimulus funds that is being recycled numerous times to seed multiple projects.

Retired in 2011, Pat and Mary Jane Clancy now split their time between Plymouth, Mass. and Palm Desert, Calif. He teaches part-time in Boston University’s graduate law program and, as he watches TCB develop its latest projects, prides himself on the fact that he built a sustainable organization that works in different dimensions and continues to improve the lives of those that it houses.

A Lasting Impression

Clancy’s dedication to the common good not only influenced the corporate culture of TCB, but has also touched many people that he has met in everyday life. In an interesting twist on family sagas, Clancy’s father, to whom Pat credits much of his values, retired as general manager of a paper mill and from private industry to become the business manager for the Roman Catholic Diocese of Green Bay. At the time, he told his son that the path Pat had chosen in the nonprofit, socially conscious world made him want to follow the same path. “When I got into the housing field it probably would have been more natural for me to work for a public housing organization,” Clancy now reflects. “But while I valued a sense of mission and purpose, I saw bureaucracy as unattractive. So I joined a small nonprofit and in our early years we were viewed as transient. Others expected us to just go away – that motivated me to keep on striving to convince the skeptics that the double bottom line of both mission and entrepreneurial success worked. I hope TCB has accomplished that.” **TCA**