

Health Center Stories:

Mattapan Community Health Center, MA

Mattapan Community Health Center, located in MA, completed financing in April, 2011 for a new 35,000 square foot facility that will more than double the size of the health center and allow for expanded services such as mammography and behavioral health.



A computer rendering of the new facility.

The Capital Project

The new center will dramatically increase the number of medical exam rooms and dental operatories and provide improved laboratory, phlebotomy and patient intake areas. Located in Mattapan Square within a half a mile from the current site, the new facility will be more conveniently located and allow for two retail tenants, a pharmacy/convenience store and a branch of a major bank. Besides improving the health center's capacity, patient flow and financial stability, this project is expected to increase access to care for a medically underserved area and enhance the local economy through the creation of 40+full-time jobs.

Health Center Background

Founded in 1972, MCHC is a non-profit, Federally Qualified Health Center, Section 330, primarily serving the low-income Boston neighborhoods of Mattapan, Dorchester, Roxbury and Hyde Park. The health center provides a broad range of services that includes family medicine, pediatrics, OB/GYN, dental, elder care, podiatry and dermatology. MCHC also provides nutrition services and laboratory services. MCHC has an excellent reputation among its target population because it is culturally and ethnically sensitive (many of the staff are bicultural or bilingual); and utilizes a service-delivery model that is similar to that found in private physicians' offices.

Project Funding/Financing

Because MCHC, like many community health centers, had limited debt capacity, the \$25 million capital project was predominantly funded from an \$11.5 million HRSA Facility Investment Program (FIP) grant and a successful capital campaign which included a contribution from the Boston Medical Center, a supportive partner. The project also leveraged grants and contributions with New Markets Tax Credits that resulted in favorably priced debt with equity-like features. The New Markets Tax Credits generated approximately \$4 million in funding for the project. Lease income from two retail tenants in the new building and some operating cash flow will service a \$4.8 million loan.

Capital Link assisted Mattapan Community Health Center with the development of a business plan, pro-forma financial forecasts and identification of the most advantageous financing structure. Capital Link then helped procure sources of project capital, including the New Markets Tax Credit transaction, long-term debt, and a loan guarantee from the Health Resources and Services Administration (HRSA). Capital Link planning assistance was also utilized by the health center in its application for Facilities Investment Program funding.