

Board Briefing: What is BELLA and Why Was It Created?

Brightwood Elderly Living Loving Assistance LLC ("**BELLA**") is a wholly-owned real estate development subsidiary of New North Citizens Council, Inc. ("**NNCC**") for the specific purpose of redeveloping the former Brightwood School into affordable senior housing.

NNCC, through BELLA, has partnered with MPZ Development LLC, an experienced affordable housing developer, to advance the project. BELLA and an MPZ affiliate formed a separate joint venture entity, MPZ NNCC Plainfield Street LLC, which is expected to develop, finance, construct, own, and operate the project.

Board-Level Takeaway

BELLA is NNCC's wholly owned real estate subsidiary and serves as NNCC's ownership and governance vehicle for the Brightwood School redevelopment.

BELLA has partnered with an affiliate of MPZ Development LLC through MPZ NNCC Plainfield Street LLC, a project-specific joint venture. That joint venture is expected to develop, finance, construct, own, and operate the Brightwood School Apartments.

Through BELLA, NNCC retains an ownership interest and significant approval rights over major project decisions. MPZ provides the affordable housing development expertise and day-to-day project management necessary to move the redevelopment from planning through financing, construction, and occupancy.

The structure is therefore intended to combine NNCC's community mission and governance role with MPZ's technical development experience, while keeping the project's assets, liabilities, financing, and operations legally separate from NNCC's other charitable activities.

No individual board member or officer of NNCC nor any Manager of BELLA will receive any financial benefit from BELLA. It is anticipated that NNCC will generate positive cash income from the project, once it is completed. It is also anticipated that all of the costs incurred by NNCC/BELLA will be covered by grants and donations from third-parties, including the City of Springfield. Therefore, if the project is successful as expected, NNCC will benefit from years of unrestricted funding from BELLA.

Detailed Description of BELLA and the Brightwood real estate project

1. What is BELLA?

BELLA is a Massachusetts limited liability company formed on March 15, 2024. Its stated business purpose is:

- "To own, develop and manage real estate investment properties including but not limited to housing for the elderly and others in the community."

BELLA was organized to acquire, lease, own and manage real estate and related property. The Operating Agreement similarly states that the company exists to acquire, own, lease, manage real estate and engage in related lawful business activities.

2. Who Owns BELLA?

New North Citizens Council, Inc. is the sole member of BELLA. In LLC terminology, the member is the owner.

Accordingly:

- NNCC owns 100% of BELLA.
- BELLA has no other members.
- NNCC can appoint and remove managers.
- NNCC ultimately controls the LLC.
- NNCC participates in the Brightwood School project through BELLA's interest in the joint venture entity.

3. Who Runs BELLA?

Under the current Operating Agreement, BELLA is manager-managed. The managers are Gladys Oyola-Lopez and Vanessa Otero. NNCC has the right to replace either or both of them at any time.

NNCC, as BELLA's sole member, retains ownership and oversight authority. BELLA's managers are responsible for conducting BELLA's business and affairs, including exercising BELLA's rights and responsibilities as a member of MPZ NNCC Plainfield Street LLC.

4. Why Would a Nonprofit Create an LLC?

This is actually very common. Nonprofits frequently create single-member LLCs to hold and develop real estate projects. The LLC provides several advantages:

- Liability Protection
 - o If there are construction issues, lender claims, contract disputes, environmental liabilities, tenant matters, or project-related lawsuits, those claims generally remain at the LLC level rather than directly against the nonprofit parent organization.
- Separate Financing Structure
 - o Affordable housing developments commonly require:
 - Low-income housing tax credits
 - State housing subsidies
 - Historic tax credits

- Construction loans
 - Permanent financing
 - Lenders and funding agencies often prefer to deal with a project-specific ownership entity rather than the nonprofit's entire organization.
- Easier Project Management
 - Having the property in a dedicated LLC allows NNCC to:
 - Maintain separate accounting
 - Track project performance separately
 - Enter project contracts directly through BELLA
 - Potentially admit future tax-credit or investment partners if needed
- Asset Segregation
 - The redevelopment project becomes its own legal entity, isolated from NNCC's other community programs and operations.

5. How Is the Project Structured?

The Brightwood School redevelopment involves three principal entities:

- New North Citizens Council, Inc.
 - NNCC is the nonprofit parent organization. It provides community leadership, mission oversight, and local involvement.
- Brightwood Elderly Living Loving Assistance LLC
 - BELLA is wholly owned by NNCC. It serves as NNCC's ownership and governance vehicle for the project.
- MPZ NNCC Plainfield Street LLC
 - MPZ NNCC Plainfield Street LLC is the joint venture and project entity formed by:
 - BELLA; and
 - MPZ Plainfield Street LLC, an affiliate of MPZ Development LLC.

BELLA and the MPZ affiliate each have one vote under the joint venture operating agreement. Significant decisions require the approval of both parties. This structure allows NNCC, through BELLA, to retain an active role in ownership and major project decisions while partnering with an experienced affordable housing developer.

6. What Property Is BELLA Redeveloping?

BELLA is redeveloping the former Brightwood School property located at 471 Plainfield Street, Springfield, Massachusetts.

- The property includes:
 - o Approximate lot size: 76,429 square feet (1.75 acres).
 - o Originally built in 1898.
 - o Vacant school building located in the Brightwood neighborhood

The City of Springfield selected MPZ Development LLC, in partnership with NNCC, as the preferred development team for the property. The City subsequently extended that preferred developer designation through December 31, 2026.

The City has identified MPZ NNCC Plainfield Street LLC as the development entity that will advance the project and ultimately receive ownership of the property pursuant to a land disposition agreement.

7. What Is MPZ NNCC Plainfield Street LLC Planning to Build?

The zoning decision describes the project as: "Brightwood School Apartments." The approved redevelopment consists of:

- Adaptive reuse of the historic school building
- New building addition
- Total of 55 rental apartments
- All units restricted to affordable housing for seniors aged 55 and older
- More specifically:
 - o 32 units within the rehabilitated school building
 - o 23 units within the new addition
 - o 53 one-bedroom units
 - o 2 two-bedroom units
- The project will also include:
 - o Community rooms
 - o Fitness center
 - o Laundry facilities
 - o Resident storage
 - o Playground
 - o On-site management space
 - o Parking facilities
 - o Approximately 650 square feet of ground-floor commercial/retail space

8. How Is the Project Being Financed?

The project is anticipated to utilize various affordable housing financing sources, including:

- Low Income Housing Tax Credits (LIHTC)
- State housing programs
- Federal housing subsidy programs
- Historic tax credits
- Housing stabilization funds and related housing financing programs

The project was found eligible by the Massachusetts Executive Office of Housing and Livable Communities (EOHLC) for a Chapter 40B Comprehensive Permit.

9. What Approvals Has BELLA Obtained?

The Springfield Zoning Board of Appeals approved BELLA's Chapter 40B Comprehensive Permit application in November 2025. The permit:

- Authorized the affordable housing redevelopment
- Granted various dimensional and parking waivers
- Allowed conversion of the former school property into the proposed senior housing development

The City Clerk subsequently certified that the appeal period had expired and that no appeal had been filed. These approvals allow the development team to continue advancing the project, subject to satisfaction of the permit conditions, completion of the property disposition process, final financing, construction documentation, and other required governmental and lender approvals.

10. Who Are MPZ Development LLC and MPZ NNCC Plainfield Street LLC?

MPZ Development LLC is a private real estate development company specializing in affordable housing and community development projects.

The City of Springfield selected MPZ Development LLC, in partnership with New North Citizens Council, Inc., as the preferred development team for the redevelopment of the former Brightwood School property.

MPZ brings affordable housing development expertise to the project, including experience with project planning, financing applications, tax credit programs, design coordination, construction oversight, and development management. While NNCC provides community leadership and mission oversight, MPZ serves as the development partner responsible for advancing the project from concept through construction and occupancy.

11. What is MPZ NNCC Plainfield Street LLC

MPZ NNCC Plainfield Street LLC is a separate limited liability company created by BELLA and MPZ as the joint venture entity for the Brightwood School redevelopment project. The members of MPZ NNCC Plainfield Street LLC are:

- Brightwood Elderly Living Loving Assistance LLC (BELLA)
- MPZ Plainfield Street LLC (an affiliate of MPZ Development LLC)

Under the operating agreement, BELLA and MPZ each have one vote, and significant decisions require the approval of both parties. This structure allows NNCC, through BELLA, to maintain an active ownership and governance role while partnering with an experienced affordable housing developer.

- On a practical day-to-day basis, MPZ NNCC Plainfield Street LLC will serve as the project entity responsible for:
 - o Advancing the redevelopment project;
 - o Coordinating financing applications and funding sources;
 - o Entering into development, construction, and professional service contracts;
 - o Overseeing design and construction activities;
 - o Managing project development and implementation; and
 - o Ultimately owning and operating the affordable housing project.

NNCC's involvement will occur through BELLA's ownership interest and governance rights in MPZ NNCC Plainfield Street LLC, allowing NNCC to participate in major decisions while relying on MPZ's development expertise for the day-to-day execution of the project

12. What Does This Mean for NNCC?

From a governance perspective, NNCC has created BELLA as a project-specific subsidiary through which NNCC participates in the Brightwood School redevelopment.

BELLA does not conduct the project entirely by itself. Instead, BELLA holds NNCC's interest in MPZ NNCC Plainfield Street LLC, the project-specific joint venture formed with an affiliate of MPZ Development LLC. This means:

- NNCC owns and controls BELLA.
- BELLA represents NNCC in the joint venture.
- BELLA and the MPZ affiliate share governance authority over major project decisions.
- MPZ leads much of the day-to-day development process.
- MPZ NNCC Plainfield Street LLC is expected to own, finance, develop, construct, and operate the project.

The project remains legally and financially separate from NNCC's other nonprofit programs and operations.

NNCC's board retains responsibility for overseeing NNCC's ownership and control of BELLA. BELLA's managers are responsible for acting on BELLA's behalf, including exercising BELLA's rights under the joint venture operating agreement.