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MassDevelopment issues \$7.52m tax-exempt bond to Catalyst Housing LLC

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Lynn, MA MassDevelopment has issued a \$7.52 million tax-exempt bond on behalf of Catalyst Housing LLC, an affiliate of Harborlight Homes and The Haven Project. The organizations will use bond proceeds to buy the upper floors of 57-65 Munroe St. – a 12,983 s/f condo within a historic commercial building – and renovate them to create 24 affordable, service-enriched studio

apartments for formerly homeless young adults ages 18 to 24. All units will be rented to individuals earning up to 30% of the area median income (\$31,150 for a one-person household). Catalyst Housing will be staffed by an on-site caseworker and The Haven Project will offer additional supportive services from its existing service center on the second floor of the building. Harborlight Homes created a for-profit affiliate, Catalyst Housing LLC, for the purposes of facilitating this tax-exempt financing. The tax-exempt bond, purchased by Eastern Bank, helped Catalyst Housing LLC achieve a lower cost of capital.

In addition to the tax-exempt bond, MassDevelopment assisted the Massachusetts Executive Office of Housing and Livable Communities with the approval of federal low-income housing tax credits that will provide approximately \$6.4 million in equity for the project.

“These affordable studio units will place a roof over the head of housing-insecure young adults in Lynn, providing stability as they prepare for their futures,” said acting MassDevelopment president and CEO Dan O’Connell. “We are pleased to partner with Eastern Bank to help Harborlight Homes and The Haven Project make this project a reality.”

“Eastern Bank recognizes the critical importance of safe and stable housing in creating successful paths for the future, and we are very pleased to support this collaborative effort led by Harborlight Homes and MassDevelopment, which will help young adults who are prone to be home insecure, avoid homelessness and access onsite supportive services to achieve different outcomes,” said Eastern Bank senior vice president of community development lending Patricia Capalbo.

“We take pride in the vision embodied by the Catalyst Housing project, which aims to provide sanctuary and opportunity, especially for our young adults,” said mayor Jared Nicholson. “The City allocated ARPA funds to support this project in recognition of its commitment to prioritize affordable housing and empower our residents through supportive services.”

Harborlight Homes is a nonprofit, Massachusetts-certified community development corporation that develops, manages, and advocates for quality, service-enriched affordable housing with wrap-around services for low-earning families, vulnerable elders, essential workers, those who are disabled, or those who have experienced homelessness.

“This is a very special effort with The Haven Project, and we are grateful to see it come to fruition,” said Andrew DeFranza, executive director of Harborlight Homes. “Harborlight Homes’ mission is to not only develop affordable homes, but also provide services to residents to support their well-being and economic mobility. In this unique collaboration, Harborlight can bring our experience to bear on the creation of housing and its ongoing management, and The Haven Project will lean into their experience with youth at risk. We have been working for several years to advance this important housing, very much needed, and are thankful for the partnership of MassDevelopment and other critical funders.”

MassDevelopment has previously supported Harborlight Homes, including issuing a \$32.5 million tax-exempt bond in 2023 to help the Ipswich Housing Authority buy and, in partnership with

Harborlight Homes, renovate the Agawam Village affordable multifamily rental housing complex in Ipswich.

Founded in 2011, The Haven Project was established to address a gap in services to unaccompanied homeless young adults in Lynn and surrounding communities. The organization provides direct service to more than 300 housing unstable youth, ages 17-24, each year. Through collaborative efforts and community-wide support, The Haven Project strives to create an environment where youth and young adults are nurtured, valued, and given the resources and opportunities they need to thrive.

“For the past thirteen years, The Haven Project has been a beacon of hope for housing unstable young adults in Lynn and its neighboring communities,” said Tracey Friedman, executive director of The Haven Project. “Our new housing project, Catalyst, is a testament to our unwavering commitment to equip and empower our program participants so that they can be safe and self supporting. This initiative will not only offer them a stable place to live but also a foundation for youth and young adults to work towards a brighter future. We are so grateful to see this vision become a reality thanks to the support of our partner, Harborlight Homes, as well as MassDevelopment and numerous other funders and collaborating agencies.”

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