

## **For Immediate Release**

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### **CEDAC and Valley Community Development Corporation announce closing on \$4.1 million acquisition of the Econo Lodge in Hadley.**

*The 63-room hotel will be transformed into 50 units of affordable housing for residents needing supportive services, access to care and other resources where they live, as well as low-income workers.*

**BOSTON (January 12, 2023)** – The [Community Economic Development Assistance Corporation](#) (CEDAC) and Valley Community Development Corporation (Valley CDC) today announced that Valley CDC has completed the closing on its acquisition of the 63-room Econo Lodge in Hadley for conversion into 50 Permanent Supportive Housing apartments. The \$4.1 million acquisition will enable Valley CDC to build 39 studio apartments and 11 one-bedroom units, as well as an additional one-bedroom apartment for a live-in resident manager. The project represents the newest chapter in an ongoing success story of converting old hotels and motels, often having shut down during the COVID-19 pandemic, into functional studios and one-bedrooms via efficient and cost-effective renovations.

“These conversions have become an effective strategy for addressing immediate housing needs,” said CEDAC’s Executive Director, Roger Herzog. “People experiencing homelessness often require supportive services and access to care or other resources. The Econo Lodge project is an excellent example of how innovative approaches to the homelessness and housing crises can work in any setting.”

This will be Valley CDC’s first affordable housing development in Hadley. The financing for Econo Lodge represents CEDAC’s first project that leverages funding provided through the American Rescue Plan Act (ARPA).

“Valley Community Development is grateful to partner with CEDAC on acquiring the Econo Lodge in Hadley. We are excited to serve more people in our community and take advantage of the incredible opportunity to convert a hotel into permanent supportive affordable housing,” said Alexis Breiteneicher, Valley CDC’s Executive Director. “The 50 apartments will help address the critical shortage of affordable housing in Hampshire County.”

The Econo Lodge was built in 2003, with recent renovations in 2021 to install new flooring, new furnishings, a new roof, new heating/cooling units, and an upgrade to the elevator. The hotel is located on a major bus line and adjacent to a bike trail, shopping, and employment opportunities. “This hotel conversion is a new space for Valley and adds to our existing robust real estate development pipeline of affordable housing, which totals approximately 180 units over the next five years,” said Laura Baker, Valley CDC’s Real Estate Development Director.

**About CEDAC**

CEDAC is a public-private community development financial institution that provides project financing and technical expertise for community-based and other non-profit organizations engaged in effective community development in Massachusetts. CEDAC's work supports two key building blocks of community development: affordable housing and early care and education. CEDAC is also active in state and national housing preservation policy research and development and is widely recognized as a leader in the non-profit community development industry. For additional information on CEDAC and its current projects, please visit [www.cedac.org](http://www.cedac.org).