

Worcester East Side Community Development Corporation

CITC NOFA 2019

CIP and Progress Report

The **Worcester East Side Community Development Corporation (WESCDC)** proposes to utilize a CITC allocation of \$150,000 to establish a WESCDC enterprise investment fund to make equity investments that will significantly strengthen the impact of WESCDC programming. Our CIP outlines our integrated neighborhood affordable housing model. Our steadfast global goals: (1) Leverage CITC funding to provide an opportunity to build WESCDC's equity required for real estate development; (2) Leverage CITC support to assist WESCDC in aligning new avenues for the acquisition of real estate and rental properties to rehab blighted properties in the East Side neighborhoods.

Section 1: Community or constituency(ies) to be served by the organization: The WESCDC has been serving Worcester since 1987 focusing all of its resources, on sustaining affordability and livability for the low-income population of the East Side neighborhoods. These are heavily populated by the recently arrived immigrants and generational descendants of the earlier immigrants. Worcester is an extremely diverse city. Worcester's emerging new population is mostly recent immigrants – but this time, as opposed to the earlier decades, are mostly people of color coming from Central and South America, the Caribbean, South Asia, Africa and most recently an influx from Cape Verde and India – generally, with much lower incomes and levels of education. The most current ethnic breakup for Worcester, is as follows, Worcester, MA is home to a population of 183,677 people, from which 88.5% are citizens. The ethnic composition of the population of Worcester, MA is composed of 105,392 White residents (57.4%), 38,188 Hispanic residents (20.8%), 22,317 Black residents (12.2%), 12,965 Asian residents (7.06%), and 3,568 Two+ residents (1.94%). The most common foreign languages in Worcester, MA are Spanish (28,346 speakers), African Languages (6,419 speakers), and Vietnamese (5,499 speakers), but compared to other places, Worcester, MA has a relative high number of Other Indo-European (3,280 speakers), African Languages (6,419 speakers), and Portuguese (2,946 speakers).

Recent reports utilizing American Community Surveys data show that 43% of Worcester residents are classified as cost burdened, as they pay more than 35% of their income on housing (1/6 of the population is considered severely cost burdened, paying over 50% of their income on housing). The lack of affordable housing has led to high rent burdens, overcrowding, substandard housing and housing insecurity for many local families. 10.5% of all residents live below the federal poverty level. Worcester's population is 31% people of color, compared to 25% regionally, and 26.8% of the population is foreign born. In the schools, 51% of the students speak a language other than English at home, compared to 16.7% statewide. Immigrants earn 29.8% less than native-born residents. The high school dropout rate is 18.6%, compared to 8.2% statewide. In summary, with low income and immigrant workers either under-employed, or working in low paying jobs, makes for a severe drain on neighborhood resources. This is exacerbated by the lack of available jobs resulting in even poorer outcomes for those in these economically distressed neighborhoods.

The East Side has several distressed neighborhoods. This further intensifies the effects of family poverty on individual educational achievement, economic prospects, health and other measures of wellbeing. Neighborhoods of concentrated poverty deprive the larger community of needed human and financial capital while also isolating residents from the resources and networks they need to reach their economic potential. Many impoverished communities are also racially segregated. Segregation magnifies other issues, such as crime, the movement of the middle class to better neighborhoods, and a perpetual shortage of finance capital, employment opportunities, local businesses and other opportunities. This creates a climate in which crime, health and economic problems continue to restrict opportunities for those living in these communities. Residential instability is also associated with stress and adverse health outcomes. Studies show that homeless children are much more prone to mental health problems, developmental delays and depression than stably housed children. In contrast, a stable and affordable home is linked with improving health, economics and education outcomes for children and families. Stable housing in a good neighborhood, gives people the opportunity to connect to resources such as, quality health centers, schools, grocery stores and libraries. When housing is stable and affordable families can spend more on food, and other essential resources. WESCDC works in collaboration with other area agencies to create a network of support systems for impoverished families.

Section 2: Involvement of community residents and stakeholders: Worcester East Side Community Development Corporation's strategy is mission focused, based on existing strengths and resources, and rooted in the current and emerging needs of the communities served. As such we serve over 3,000 constituents. WESCDC is most proud of its community engagement and involvement. Through the decades WESCDC has been a community development corporation strongly rooted in grassroots community organizing practice, resulting in a number of successful campaigns over the years to influence affordable housing policy and neighborhood quality of life improvements. WESCDC has also built a strong practice of participatory community planning.

Thus, the agency engages constituents; (1) By originating and participating in community development partnerships and/or collaboration; (2) Maintaining a Board comprised of a least 51% area residents and or CDC clients; (3) Involvement in the four neighborhood associations that serve our target area.

As a result of our reputation of being a community catalyst the WESCDC enjoys the robust participation of members in a range of issue-based committees, community planning steering committees, and neighborhood land use planning groups. Last year alone, WESCDC's annual meetings was attended by, approximately 100 constituents/community members; our summer bar-b-que social was over 60 constituent-strong; and the neighborhood association meeting was over 100 member strong, each time we held it. This is just proof positive that our capacity to quickly mobilize members, constituents and local officials on important issues in Worcester around affordable housing and various neighborhood concerns, only strengthens as the years go

by. Our engagement efforts are honest and focused on basic needs: affordable housing for those that cannot access them. Our plans are always sustainable, transparent and goal oriented. As a result our community partners like the Greenhill Neighborhood Association, Central Mass Housing Alliance and Genesis Club House have all been long-term strong supporters. All who come to partner are mission focused and live or work in our service area. Our most recent Strategic Plan posited yet again that we exist to support our community and our neighborhood for the greater good.

Section 3: Plan goals: WESCDC has stood side by side with the City of Worcester to continue to propel forward the affordable housing agenda so that we can capably continue to develop initiatives marginalized families so desperately need assistance daily. WESCDC's mission driven organizational goals work to provide positive solutions to this question. WESCDC organizational goals remain as they were: **Goal #1:** Increase and stabilize affordable housing stock for, low-income, marginalized families; **Goal #2:** Create and support initiatives that enhance the economic well-being of low-income Worcester residents; **Goal #3:** Enhance these opportunities especially on the East Side neighborhoods specifically to result in positive outcomes for residents; **Goal #4:** Sustain WESCDC internal efforts to ensure external efforts.

Section 4: Activities to be undertaken

Goal #1: Increase and stabilize affordable housing stock for, low-income, marginalized families: Actions: (1) Enhance production of and acquisition of affordable housing stock; (2) Raise, or borrow, working capital to develop properties; (3) Acquire expiring use properties, or work with tenants to encourage landlords to renew expiring use contracts; (4) Focus on family-sized units, and deeper affordability.

Outcomes: (1) 8 units (rental + ownership) of new production, mixed income affordable housing plus commercial; (2) 5 units of protected affordable housing through acquisition and recycling of small properties; (3) Raised \$100,000 for real estate reserve fund; (3) 100% of the anticipated new units will be affordable.

Goal #2: Create and support initiatives that enhance the economic well-being of low-income Worcester residents: Actions: (1) Organize to establish partnerships with local employers for "good" jobs; (2) Support small businesses, particularly those run by or providing decent jobs for our target constituents, by adding to our small business loan fund; (3) Support Worcester East Side residents who are at financial risk of displacement.

Outcomes: (1) Increasing our existing Small Business Loan Pool by \$5,000/year; (2) Partnerships with SBA, the SBDC, and local banks to offer counseling and loans to small

businesses in our target area: (3) Increased loan pool to \$50,000.

Goal #3: Enhance these opportunities especially on the East Side neighborhoods specifically to result in positive outcomes for residents: Actions: (1) Work with a local resident task force to set a vision for WESCDC's work in at least 2 East Side neighborhoods next year; (2) Engage neighbors in targeted areas in participatory land use planning.

Outcomes: (1) WESCDC works with community members to create, approve, and begin implementing a vision and plan for WESCDC's work in 2 areas prone to change; (2) WESCDC leads process to evaluate and decide whether or not to pursue a strategy of commercial development with local businesses in these target area

Goal #4: Sustain WESCDC internal efforts to ensure external efforts: Actions: (1) Establish clear pathways for volunteers to lend their skills and help and engage additional community members on boards; (2) Encourage more WESCDC tenants to become active leaders; Design and carry out a financial plan for both revenues and expenses that allows WESCDC to carry out these goals and objectives; (3) Expand WESCDC's public profile and visibility by developing a communications strategy that results in the creation of a universal message, image, and materials as well as a plan for delivering these to our targeted audiences; (4) Create an organizational diversity and cultural competency analysis and action for all levels of the organization; (5) Develop a system of criteria to be used to guide organizational decisions, such as real estate development, new program work, and general equity standards.

Outcomes: (1) Increase active leadership base (leaders who are actively involved in campaigns and committees) to 60 people per year; (2) 20% of WESCDC tenants participate in WESCDC activities; (3) Development of at least \$250,000.00 in a working capital fund

Section 5: How success will be measured and/or evaluated: WESCDC's board is responsible to approve all tracking data. Our, organizational performance criteria, includes: *Efficiency:* Tracks the issue of how much capital and capacity are required to launch and implement community development initiatives. There is a cost benefit and return on investment. *Client service:* How effective are the services for the client and how much do they cost? *Data management:* Data is essential for being able to determine the viability of a project, its effectiveness in terms of who is served, benefits, jobs, cost, and the sustainability of the initiative. *Community building:* Community development is a dynamic process that engages residents and stakeholders and marshals the skills and resources of residents. Community development organizations that are strongly connected to their community have the potential to

be more effective in building community. We have a list of factors we track, including: (1) Number of housing units produced and the level of affordability of that housing; (2) Number of applicants for existing housing; (3) Amount of money raised dedicated to our priority issues; (4) Number of people who participate in our programs and activities, as well as who take part in city public hearings and meetings as a result of their participation with WESCDC; (5) Number of participants who go on to take leadership roles; (6) Number of people who reach asset building goals, such as buying a home, increasing savings, reducing debt and improving credit scores.

Section 6: Collaborative efforts to support implementation: *Historical Overview* - In 2006 with the completion of the development of 149 Belmont Street WESCDC entered into a long-term agreement with Genesis Club House. The successful management of the project is a collaborative effort. While WESCDC manages the building, Genesis provides the supportive services necessary for the clients to continue to live an independent and to avoid homelessness. The success of this collaboration was one of the motivating factors in, WESCDC's effort to develop the Forbes Street Project; which will be similar in both scope and nature to the 149 Belmont Street Project.

In 2015, Worcester East Side entered into a long-term lease with The Guild of St. Agnes, a local daycare provider. WESCDC, in collaboration with The Guild of St. Agnes applied for and obtained grants that helped transform a former dance studio into a building suited for after school programs.

WESCDC is part of the Continuum of Care Coalition sponsored by Central Mass Housing Alliance. Annually, the members of the coalition, working through Central Mass Housing Alliance apply for Federal funds to help support various homelessness initiatives. For WESCDC, that means funds to help support the operations and the supportive services provided to the residents of 149 Belmont Street.

The organization also tries to work with local neighborhood associations. The organization has offered its grant writing services to any of the neighborhood associations serving its service area. The association is urged to bring forward an initiative and WESCDC will help them seek funding to bring that initiative to life. Our first initiative will be the conversion of one of our vacant lots into a community Garden. We will work with the Greenhill Neighborhood Association to seek funding for raised beds, soil plants and fencing. We hope other neighborhood associations will join us in our offer to help seek the funds for new neighborhood initiatives.

In 2016, WESCDC entered into a partnership with Axuda, which is a non-profit 501 (c) (3) created in conjunction with Digital Federal Credit Union. The non-profit corporation was created to provide financial resources to individuals who are struggling to meet short-term

financial needs. The web-based corporation provides Borrowers a forum to tell their stories and crowd-fund loans from a variety of donors and lenders. WESCDC feels that this is a much needed, tool for the population it serves and has pledge an annual donation to their general fund.

WESCDC has a deserved reputation as a collaborative organization, as well as a leader of collaborative efforts in the community. As an organization we work hard to (a) find those areas related to our impact of combating displacement pressures and working to sustain a vibrant, economically diverse community. The areas of (1) affordable housing development and policy; (2) advocating for jobs and access to jobs for low and moderate income people; and (3) advocating for equitable outcomes in all physical and economic development, programs and policies in Worcester, and (4) grassroots organizing, participatory planning.

WESCDC's helps us to form, lead, and participate in a range of collaborative efforts where the collaborators share a common goal and can divide up roles appropriately. WESCDC is not seeking to replicate the career counseling and job development services, or the adult education, ESOL and GED preparation provided by other worthy community agencies. Instead, WESCDC's model is to collaborate with agencies already providing these services and provide the coordination needed to provide the services they are better equipped to provide.

Other current and past collaborative efforts include:

- The Guild of St Agnes
- Central Mass Housing Alliance
- City of Worcester
- Department of Mental Health
- Genesis Club House
- Alternatives/The Bridge of CM (now merged and know as Open Sky)
- Worcester Youth Build

WESCDC is always working collaboratively to move projects forward, some of these are:

1. Worcester Youth Build: This is a program of the Department of Labor that teaches at risk youth construction skills that they can use for life. We have worked with them on the new construction for 12 Forbes St. (a 2-bedroom 900 sq.ft building located at 12 Forbes St.). We have also had them paint the hallways at 149 Belmont St. They installed a new fence at our property on Hamilton St. that houses an after school program run by the Guild of St. Agnes. We hope to have them do the rehab work on our property at 40 Harold St, as well as the rehab or Units 1&2 on Belmont Street; **2. The Bridge of Central Mass:** (merged with Alternatives now known as Open Sky) is the Supportive Service provider for the completed project a 7 Forbes St;

3. **New American Community Development Corporation:** A new CDC affiliated with Centros Las Americas to better serve the Latin American population.

Old Partnerships: CMHA - In addition to working with the Continuum of Care that is administered through Central Mass Housing we also on an annually basis support their Youth homelessness program by donating, at Christmas, \$50 gift card. Although many donors remember the younger children at the holidays, many forget about the teens; **Colony Retirement Homes** - We have reached out to them in regard to opportunities to develop elder housing in Central Mass; **The Franklin Elder Housing** - Entered into a partnership agreement to become the non-profit sponsor for the development of 40 units of elder housing; **Greenhill Neighborhood Association** - We continue to support the association with funds to help defray the cost of the neighborhood picnic (we paid for the food) and to help with the Concert in the parks series which was held for the first time this year at Grant Park which the organization helped develop back in 2009; **Genesis Club House** - Genesis is the supportive service provider for the tenants at 149 Belmont. We continue to work with them to help make 149 Belmont a successful permanent housing project for adults with mental and/or emotional disabilities; **7 Forbes Street** - In March of 2018 we completed the development of 7 Forbes St. in Worcester. The development was completed in conjunction with DMH and houses 8 adults with mental and/or emotional disabilities. The project consists of 8 1-bedroom units. Each unit has a fully equipped kitchen and laundry. Each unit has its own parking and courtyard; **149 Belmont Street** - Completed in 2006, 149 Belmont is 12 years old and has started to show signs of age. The project, as originally structured had become fiscally non-viable. Working with DHCD, we have secured housing vouchers for the project. These will increase our rental revenue and allow us to continue to do the improvement necessary to make safe, affordable housing for the potentially homeless population that it serves. Working with Worcester Youth Build we have been able to complete delayed maintenance and will continue to work with them to rehab units; **43 Huntington Street** - In 2013 we had purchased the property located at 43 Huntington. We rehabbed the property and held it for a number of years. In 2017 we sold the property to a single mother who was a first-time homebuyer; **12 Forbes Street** - WESCDC is currently working with Worcester Youth Build, the City of Worcester and Federal Home Loan Bank to complete construction of a 2-bedroom home to be sold to a first-time home buyer; **UMASS Memorial:** Moving forward we are strengthening our longtime partnership with UMass Memorial. After several meeting we have targeted several issues that we can work together on: (i) Preserving affordable housing; (ii) Continuing education for homeowners (workshops on small home repairs and maintenance); (iii) Organized holiday celebrations. Working with neighborhood organization to organize events around Halloween, Easter, Thanksgiving and Christmas that will keep neighborhood children safe; **12 Forbes Street:** WESCDC is currently working with Worcester Youth Build, the City of Worcester and Federal Home Loan Bank to complete construction of a 2-bedroom home to be sold to a first time home buyer; **Other:** (1) To develop or acquire at least 75 new rental units; (2) To work towards developing the lots at 45 & 47

Westminster and 17 Perkins, preferable with homeownership opportunities; (3) To continue our work in the Lincoln St and Belmont St areas where we can make a neighborhood wide impact. This will involve the development of the lots that we have as well as seeking other opportunities to improve these neighborhoods through housing.

Section 7: Integration of activities/consistency with community strategy and vision:

WESCDC has a collective vision of making sure Worcester grows and thrives in a way that is consistent with community values of environmental justice, diversity, affordability, access to good jobs, transportation, and open space. Because no single entity can tackle all of these priorities, we understand the value of sharing a collective agenda that each of the partners can reinforce. While each organization takes a leadership role in specific issue areas, partnering organizations support the work by engaging their own constituents and Board members to attend important public meetings, hearings or rallies, join in letter writing campaigns to public entities, sharing resources, and keeping our organizations and constituencies informed. In some cases, partnering organizations have opportunities to work together on specific projects, such as building affordable housing with a plan for green space programming. This collective work also feeds well into the City of Worcester's approach to comprehensive planning. We continue to work together and with the City to push for implementation of practices and policies that move the City closer to realizing affordable housing goals.

Section 8: Financing strategy: WESCDC seeks a mix of revenues to support its annual and ongoing operations. Our mix of funding support includes (a) private grants; (b) earned income, principally from real estate development and asset management fees; (c) public contracts and grants; and (d) corporate and individual contributions.

- Implementing a rigorous and closely managed monthly cash flow projection going out 2- 3 years;
- Implementing a board-adopted measure to dedicate 10% of all earned developers fees, into a reserve fund;
- Revising our tracking and staff assignments for grant fund raising; and

As a result of these measures, and our ongoing efforts to implement them, WESCDC's financial condition has steadily improved, and our financial performance has increasingly matched projections. WESCDC has been able to successfully achieve a regular enough pipeline of real estate development activity over the past several years that we can rely on a regular, specific level of revenue from that business line.

Section 9: History, track record and Sustainable Development: Founded in 1987, Worcester East Side Community Development Corporation is a mission driven organization that works to develop and preserve affordable housing and builds a collective voice through community organizing and planning in order to realize a **stable, diverse, and affordable community.**

WESCDC has: (1) Completed over 50 affordable housing projects, and 3 commercial offices, resulting in more than 75 ownership units and 15 rental units owned by WESCDC. We have done this through the preservation of housing stock, reclamation of vacant lots, and aesthetic improvements of the East Side neighborhoods; (2) Mobilized hundreds of residents to win policy campaigns around affordable housing, jobs, neighborhood equity, and access to city amenities; (3) Created a neighborhood garden; (4) Provided first-time homebuyer & foreclosure prevention counseling; (5) Served as a catalyst for low-income families to access to health insurance & health care services for school children & families; (5) Partnered with community agencies to deliver employment training programs with entry level positions for neighborhood residents; (6) Created after school & summer programming for local youth; and (7) Fostered individual empowerment & community spirit.

WESCDC has 'returned' \$6 million worth of property to the tax rolls, generating \$81,000 in tax revenue annually while our initial project was only the acquisition of four properties (121 Eastern Ave, 116 Eastern Ave, 57 Catherine Street and 22-24 Northampton St.) known as Bell Hill Phase I. This project consisted of the rehab of four properties 13 units of affordable housing. Rehab of these properties started in 1999 and the last house was finished and put on the market in 2002.

As Bell Hill Phase I was being completed WESCDC started Bell Hill Phase II (2000-2003) with the purchase of four additional properties. Three were scheduled for rehab with the fourth building being demolished and a new multi-unit property built in its place. The subsequent rehab and development resulted in 9 units of safe and affordable housing being brought on line.

Bell Hill Phase III (2004-2007) included 7 building (14 units). Four of the buildings were new construction of multi-unit buildings. These building included a 3-bedroom owner occupied unit and a one-bedroom income producing unit. The three remaining buildings were all rehabbed to fit the model of a 2-3, bedroom owner-occupied unit with a smaller one-bedroom income-producing unit.

WESCDC completed the Bell 4 Homeownership Project in March 2010. The project consisted of four-(4) newly constructed two-family homes at 10 Hooper Street, 22 Catharine Street, 30 Catharine Street and 119 Eastern Avenue. Each property was sold to qualified first-time homebuyers. The project was a great success for WESCDC and the community.

WESCDC completed the full renovation of a three-family property at 67 Catharine Street in February 2011. The property was sold to a first-time homebuyer in June 2011. WESCDC utilized funding from the NSP program for this project in addition to City of Worcester HOME and Lead Paint Abatement funds.

In 2013, WESCDC began to purchase blighted properties and rehabilitate them into vibrant homes either to be sold or managed and rented by WESCDC. WESCDC purchased, rehabilitated and sold four (4) of the properties: 7 Gloucester Street, 39 Edward Street, 216 Holden Street and 14 Lawnfair Street. Additionally, we purchased and rehabilitated 43 Huntington Avenue and 40 Harold Street and 336 Hamilton Street and added these properties to our rental portfolio allowing us to increase our monthly rental earnings.

WESCDC also owns six (6) parcels of land 45 and 47 Westminster Street, 17 Perkins Street, 12 Forbes Street and two contiguous lots at 5 and 7 Forbes Street.

Rental Projects: In 1999 WESCDC acquired the property located at 21-23 Rodney St. a duplex each with three bedrooms. Using monies from the City and State the organization rehabbed the property and placed it into our rental portfolio. In 2013, WESCDC sold the property.

The properties at 409 and 413 Shrewsbury were acquired in 2005 and 2007 respectively. The property at 409 Shrewsbury St served as the organization's headquarters until 2014 at which time it was sold to a local business that was looking to expand. The property at 413 Shrewsbury St. is still owned by the organization and the two units are rented to low-income families.

In 2006 Worcester East Side CDC completed the renovation of a three family property into 10 studio apartments. The property located at 149 Belmont St. is home to 9 homeless adults with mental and/or emotional disabilities. Working with DHCD, MassHousing, the City of Worcester, the Department of Mental Health and CEDAC, the CDC obtained the \$1.2MM in funding needed to complete the renovations. WESCDC continues to manage this property and supportive services are provided to the residents by Genesis Club House. This project allows individuals to take their first steps towards independent living.

In fiscal 2014-2015 Worcester East Side, using its own capital purchased 7 properties. The original plan had been to rehab all seven properties and to sell them to First Time Homebuyers. In the end the organization sold four of the properties and placing the remaining three into the organization's rental portfolio increasing rental revenue by 40%.

7 Forbes Street: In March of 2018 we completed the development of 7 Forbes St. in Worcester. The development was completed in conjunction with DMH and houses 8 adults with mental and/or emotional disabilities. The project consists of 8 1-bedroom units. Each unit has a fully equipped kitchen and laundry. Each unit has its own parking and courtyard.

Worcester East Side Community Development Corporation
Statement of Progress

Global Statement: WESCDC is committed to foster community ‘ownership’ in the neighborhoods served. Given the area’s challenges with mobility, diversity, disconnection and neighborhood infrastructure such as sidewalks, crime and traffic, WESCDC had to play a central role in gathering the community and providing strategies to help empower the community. It was CITC/NOFA funding that we were able to achieve these projects.

The organization has gone through a period of having to make difficult decision regarding programing and staffing, but those decisions have paid off and the mission of the organization has crystalized. It is important that this plan be viewed as the second step, that is the continued stabilization and growth of the organization. We have come out of survival model and have entered growth mode. The board has worked hard to make concrete recommendations on difficult tasks to strategic issues that emerged. This process will help position the organization for greater organizational health and stronger neighborhoods. This will result in the organization’s survival and readiness to face the future as a financially secure and independent organization.

Goals	Actions	Completed By
<p>Goal #1: Increase the amount and stabilize the stock of affordable, family sized rental and homeownership housing in Worcester.</p>	<p>Project Focus: 7 Forbes St. In March of 2018 we completed the development of 7 Forbes St. in Worcester. The development was completed in conjunction with DMH and houses 8 adults with mental and/or emotional disabilities. The project consists of 8 1-bedroom units. Each unit has a fully equipped kitchen and laundry. Each unit has its own parking and courtyard.</p> <p>149 Belmont St. Completed in 2006, 149 Belmont is 12 years old and has started to show signs of age. The project, as originally structured had become fiscally non-viable. Working with DHCD, we have secured housing vouchers for the project. These will increase our rental revenue and allow us to continue to do the improvement necessary to make safe, affordable housing for the potentially homeless population that it serves. Working with Worcester Youth Build we have been able to complete delayed maintenance and will continue to work with them to rehab units.</p>	<p>Forbes St was completed and rented up by March, 2018.</p> <p>In September, 2018 WESCDC received 9 MRVP’s from the State to help support the viability and continuation of this supportive service rental project</p>

<p>WESCDC's impact on the East Side neighborhoods specifically to result in positive outcomes for residents.</p>	<p>Last year alone we mobilized 150 residents, through a community bar-b-que, and through 8 community meetings solidly established our continued presence in various neighborhood associations. We actively recruit and engage community members to serve on our boards. Their voices have been respected and heard for the first time, and as result attendance is at an all, time high. This strategic approach has been remarkable because we now hear their concerns first hand. They too are more passionate about the legalities of an organization, trust is built and many have become housing activists calling on local and state governments for the cause. Given the area's challenges with mobility, diversity, disconnection and neighborhood infrastructure such as sidewalks, crime and traffic, WESCDC will play a central role in gathering the community and providing strategies to help empower the community.</p>	
<p>Goal #4: Broaden and strengthen WESCDC's operations, internal policies and financial position in order to support and facilitate WESCDC's achievement of its intended impact.</p>	<p>Realigning Funding: The external environment continued to quickly change last year and recognizing that traditional funding sources were no longer a sure thing we aggressively began to research new funding source. Targeted strategies helped us ensure that we would remain a viable organization committed to community development and the creation of affordable housing. As we highlight here our financial output against our CITC/NOFA.</p> <p>Started satellite organization: In 2016 WESCDC formed a new organization called Central Massachusetts Development Corporation. The purpose of this organization was to allow the organization to continue to grow by seeking development opportunities outside of the City of Worcester. This organization will enable us to seek opportunities, outside of the City of</p>	

	<p>Worcester, to develop affordable housing units. These can be either rental or homeownership opportunities.</p>	
<p>Financial Update</p>	<p>The Board of Worcester East Side CDC in conjunction with the Executive Director have developed a financial strategy that will help insure the continued sustainability of the organization. Previously, the organization had relied heavily on the development and sale of State financed homeownership projects. Although this provided the organization with enough cash to sustain operations, it left the organization ill prepared for both the State's decision to stop funding homeownership projects and the City's unfavorable HUD audit. To avoid this dilemma in the future, the organization has developed a strategy that will insure the continuation of development of rental projects and add the aspect on growing our rental portfolio. The object is to grow our affordable rental portfolio to the point that it supports the fixed costs of the operations. The development of our Forbes St. Project added 8 new supportive service rentals to our portfolio and our successful request for housing vouchers to help support our supportive service housing at 149 Belmont St will add approximately \$180,000 in new revenues to our income statement.</p>	

**Additional Information
Forbes St Sustainable Development
And Pictures**

SUSTAINABLE DEVELOPMENT PRINCIPALS

1. Concentrate Development and Mix Uses

The development of the Forbes Street project meets all of the elements of this category in that its development enhances the surrounding neighborhood, while building on compact site, conserving land and protecting the value of surrounding properties in this neighborhood of Worcester. The Forbes Street project focused on the redevelopment of two vacant parcels of land that formerly had three family buildings on each parcel. Unfortunately, as a result of the economic downturn, these deteriorated buildings were foreclosed upon by the City. Worcester East Side CDC's purchase of the properties and ultimate razing of the buildings positively impacted the neighborhood, which was suffering from a number of properties being in a similar condition. Worcester East Side CDC's redevelopment of the 5-7 Forbes Street sites provided new housing for a special population, thereby meeting the objective of reusing of existing sites and infrastructure, while providing the first infusion of housing into a neighborhood that needs housing development, thereby beginning the process of stabilizing what was once a viable neighborhood.

2. Advance Equity

The Forbes Street development promotes and benefits and while undertaking the burden of development. The Forbes Street development team has worked closely with Worcester City Officials and the Lincoln Street community and neighborhood on the development of the Forbes Street project. As a result, the Forbes Street project benefits by creating a more viable project that will ensure social, economic and environmental justice for the culturally-mixed resident population that occupies this project. As an affordable housing development with a proposed local preference requirement of up to 70% for Worcester residents, the Forbes Street project outreaches to low income individuals and families within the Worcester community with special needs, especially those who are clients of the Massachusetts Department of Mental Health, thereby striving to meet the social and economic and environmental justice specified.

3. Make Efficient Decisions

The Worcester East Side CDC Development team sought and secured approval through the City of Worcester's Planning Board and in accordance with smart growth requirements. The Forbes Street site, which had been made up of two parcels of land with deteriorated three-decker buildings that ultimately had to be razed, was undertaken with the idea of creating special needs affordable housing that incorporated review and comments from city officials as well as the Worcester community as a whole. This decision enabled the project to meet smart growth requirements, while making for a

better overall project that will have a long-lasting positive impact for Worcester. As a result, the Worcester Planning Board approval was granted in March of 2015, with minimal issues and opposition.

4. Protect Land and Ecosystems

The development of the Forbes Street project meets the goal of protecting and restoring existing landscapes, which were negatively impacted by having, up until the last five years, deteriorated vacant buildings on these sites. The City of Worcester has been hit hard by the economic downturn that resulted in a large number of foreclosures and property abandonment from 2007 to 2013. Caught in this downward real estate spiral were two parcels of land containing existing three family buildings that were abandoned and ultimately foreclosed upon by the City. The condition of the buildings was such that they needed to be demolished and the land cleared leaving an eye of vacant lots in this area off Lincoln Street. The redevelopment of these lots into eight units of special needs housing, infuses economic life back into this struggling neighborhood, while providing important affordable special needs housing. This property will once again become a viable part of the Lincoln Street community and protect the site from future erosion, vegetative over-growth and instead provide a well maintained, landscaped site that will encourage additional development within this neighborhood.

5. Use of Natural Resources Wisely

The redevelopment of the existing Forbes Street site saves natural resources by creating affordable housing special needs housing, where only two vacant lots existed. Once a viable City neighborhood, Forbes Street suffered from the economic downturn and abandonment that plagued a number of Worcester neighborhoods in recent years. Re-using the existing site that once housed three family homes and creating special needs housing uses the existing natural resources wisely and helps re-establish what was once a viable neighborhood near Worcester's downtown. In addition, natural resources were conserved through the development of a new building that is energy efficient with high-efficient appliances and meeting or exceeding current building and energy codes, while also conserving water through the incorporation of water-saving devices and materials.

6. Expand Housing Opportunities

The redevelopment of the Forbes Street site into affordable one-bedroom special needs units expands Worcester's rental housing opportunities for low income special needs population. The need for this type of housing remains significant throughout Massachusetts and in Worcester in particular. Working with the Massachusetts Department of Mental Health and its clients will help address the need to permanently house the homeless and special needs population in particular.

7. Provide Transportation Choice

The Forbes Street site is in central location off Lincoln Street, one of Worcester's main routes via Lincoln Street and close to Worcester's downtown commercial district. Bus service is available along Lincoln Street and a bus shelter is within a short walking distance of the site. In addition, there is taxi service available and through local social service provider, specialize bus transportation for the special needs population that will be served by this building. In addition, there will be parking for up to 8 automobiles for residents, social service staff or visitors.

8. Increase Job and Business Opportunities

The development of the Forbes Street project provided construction and permanent jobs for this over \$2.4 million project. Local businesses and City-wide businesses will benefit from material purchases for construction-related materials; outright fast food and other purchases by construction personnel who will make purchases close proximity of the Lincoln Street Business District. In addition, future residents of Forbes Street will result in increased business for a variety of local businesses in the Lincoln Street Business District as well as the Worcester downtown businesses that cater to the needs of this special needs population.

9. Promote Clean Energy

The development of the Forbes Street maximizes energy efficiency as a result of the building being rehabilitated to the latest building and energy code requirements. As part of this effort, Worcester East Side CDC worked with the local gas and electric companies on Energy Star programs and LEED requirements that will promote the maximum energy efficiency within this building. This included but not limited to providing high-efficiency appliances; maximizing of insulation to ceilings and walls; low flow toilets and shower heads; energy efficient doors and windows; and other recommended energy efficiency measures. Worcester East Side CDC will also work with MassSave and other rebate programs offered by Utility companies, particularly as it relates to providing high-efficiency electrical fixtures and lighting. To the extent feasible, Worcester East Side CDC will also consider other energy technologies that reduce greenhouse gas emissions as well as reduce fossil fuel consumption.

10. Plan Regionally

The redevelopment of the Forbes Street site focused on providing affordable housing opportunities for Worcester residents, particularly those with special needs. We worked closely with the Massachusetts Department of Mental Health to address the needs of its special needs clients, and received affordable housing project-based Section 8 vouchers as well as the social services dollars necessary to allow the residents to live independent and productive lives. This project helps to address the need for special needs affordable housing by providing (8) one-bedroom units and adding to the

Region's overall goal of providing long-term affordable housing for this unique population. In addition, Worcester East Side Community Development Corporation and its development team will continue to work with Worcester City Officials in any aspects of regional planning that the Forbes Street project would benefit from, while working with the neighborhood to ensure the residents of Forbes Street continue to be well received and become an integral part of its neighborhood mix.







