Section 1: Community or Constituencies to be served

The Region: The Quaboag Valley Community Development Corporation (QVCDC) represents fifteen (15) communities in a 440 square mile region in west-central Massachusetts (Belchertown, Brimfield, Brookfield, East Brookfield, Hardwick, Holland, Monson, New Braintree, North Brookfield, Palmer, Spencer, Wales, Ware, Warren and West Brookfield). These towns fall between the cities of Worcester and Springfield and are comprised of over 20 densely populated former mill villages surrounded by rural areas and developing commuter neighborhoods. Half of the region is in Worcester County and residents of these towns orient to the city of Worcester while the remaining towns in Hampden and Hampshire Counties are oriented to Springfield and Northampton. Despite these outward pulls, the towns have more in common with each other than with the cities in that most are small. 10 of our 15 towns have populations of less than 7,500 and all 15 of our towns meet the state definition of "rural", defined as "a municipality in which there are fewer than 500 people per square mile"(source: "Improving State-Sponsored Services in Massachusetts in Rural Communities – Rural Access Commission Report, EOHS, Aug 2013, pg. 5.)

The population is predominately white (96%) with small numbers of African Americans, Asians, and Hispanics[1]. The region has been characterized by chronic high unemployment – historically 1 to 2 points above the state average. As of December 2016, 11 of our 15 towns had unemployment rates above the state rate.[2] There is corresponding underemployment since there are few large employers. The major employers are the municipalities and one community hospital (recently downsized from two) with a satellite Emergency Room and Outpatient facility. Such employment conditions contribute to the overall low-income status of the region. Ware, Warren and Palmer, for example, with median household incomes of $46,992, $54,009, and $51,154 respectively, fall well below the state median household income of $66,658 (source: ACS 2008-2012). The result: high unemployment and few job opportunities in our region mean many cannot find work at a living wage.

Recognition of the lack of access to capital for small businesses in our region prompted the creation of our sister nonprofit, the Quaboag Valley Business Assistance Corporation (QVBAC) in 1995. QVBAC provides loans to small businesses and microenterprises unable to qualify for equivalent financing. Over the years, QVBAC has made over $4M in loans to support economic growth and create jobs. The creation of QVCDC in 1997 reflected the realization that loans were not enough; business development services and assistance with specific business issues were necessary to help our loan recipients succeed – and are offered to the broader small business community along with our other services. Other barriers to economic improvement including the lack of transportation in our region and access to education beyond high school, have been recognized as critical factors in our work on workforce and asset development.

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[1] US Census 2006-2010 ACS

[2] Massachusetts Department of Employment and Training

Property values, never high by Massachusetts's standards, dipped dramatically during the recession and have not come back in many of our communities, particularly the older buildings and housing units typically found in the mill villages. For example, the foreclosure rate in the Palmer village of Three Rivers is 1/520 properties. This rate is higher than the rate for Hampden County, 1/891, and Massachusetts 1/1491. The increase in foreclosures "are being driven by lenders pushing through their backlogs of delinquent loans after new rules governing repossessions were ironed out" according to a Boston Globe article from June 30, 2015. "They reflect a real estate market in which demand is soaring in Boston and its suburbs, and flagging in cities and towns that haven't benefitted from the region's surging life sciences and technology industries". Data from the Palmer Assessors' Office indicates that prior to the foreclosure crisis there were very few foreclosures in Three Rivers. In 2006 there were 2 foreclosures compared to data for 2016 indicating 12 completed foreclosures through November 30, 2016. Data from the Assessors' Office and the Hampden County Registry of Deeds indicates that the majority of foreclosures were by institutions from out of state, not local community banks. The average home value of $160,800 is only 60% of the average value in the contiguous more prosperous community of Wilbraham. This problem, also documented by PARP studies in Ware and Warren, results in eroded assets for LMI residents, hindering their access to capital (because of decreased home equity) and a shrunken tax base for the municipality.

Education levels are significantly lower than Massachusetts' norms. Where 37.2% of Massachusetts residents have college degrees, within the Quaboag region the average is 26.7% (Source: ACS, 2012). There has been no post-secondary educational facility in the region and little public transportation out of the region for school or work. (See attachments 1 and 2). As is the case across the country, unemployed or undereducated residents may turn to proprietary job training or educational programs that, in fact, have few or no job placements. As a result, these individuals are left with unpaid loans that will never be forgiven and damaged credit. According to the HUD Municipal LMI Income Percentage data 10 of the 15 communities score from 7 to 10 LMI points. (Attachment 5)

In the 2014 CIP we wrote, "In general our target population includes people suffering from a set of conditions that creates an atmosphere of minimal opportunity: low educational levels, low income, unemployment, weak personal assets, no-post-secondary facilities and non-existent public transportation useable for education or employment purposes. " The Community Investment Tax Credit awards in 2014- 2016 provided the fundraising catalyst needed to address these community needs. Significant steps have been taken to build on our core small business lending, support, and workforce training activities to provide solutions to the problems cited in 2014. These new programs include:

1. Establishment of the Quirk Financial Fitness Club, a financial skills-building and matched savings (IDA) program that supports saving for a business asset, first and last month's rent, an educational certificate or degree program, or a reliable used car. This is a partnership with MIDAS and Monson Savings Bank.
2. E2E, Education to Employment: Quaboag Region Workforce Training and Community College Center. A 3,000 sq. ft. facility in downtown Ware that will provide supported

online learning, and workforce training certificate courses with Holyoke Community College. This is a partnership with Holyoke Community College supported by Country Bank for Savings, Monson Savings, and the Urban Foundation.

3. The Quaboag Connector – an innovative transportation service primarily for work and education related travel in the Quaboag Region. This is a partnership with the Town of Ware with support from the Baystate-Wing Hospital Foundation.
4. TRACK, Three Rivers Arts, Community, Knowledge – A program to help revitalize the downtown Three Rivers village of Palmer through arts and cultural community building activities. This is a collaboration with PHCC, Palmer Redevelopment Authority, and the Three Rivers Chamber of Commerce with support of the local business community.
5. Sumer Jobs and Beyond – a youth employment project. This is a partnership with the town of Ware, Franklin Hampshire Community Action and Franklin Hampshire Regional Employment Board.
6. HSOP – The Hardwick Senior Outreach Program. This is a collaboration with the Hardwick Council on Aging.

Our region is on the eastern periphery of Pioneer Valley Transit Authority's service area and on the western periphery of Worcester Regional Transit Authority's service area. This has meant there are only two public transportation routes out of our region, each of which requires several transfers to reach metropolitan destinations. Accordingly, trips to Springfield, Holyoke, Northampton or Worcester are expensive and extremely time consuming. (See Attachment 3) There are no passenger rail or major bus line stops in the area.

QVCDC sees the lack of transportation as a significant barrier to individual and community economic development in our region.

Constituencies: Our target customers are the residents and business owners who are struggling to achieve a living wage by living and working in our region. These include:

1. **Microenterprise Businesses** owned by low-moderate income (LMI) persons. They are typically modestly educated natives of the region operating service businesses such as contracting, agriculture, health and beauty, etc. They correspond racially and economically to our regional demographic.
2. **Job-creating small businesses** whose employees are primarily LMI. They tend to be established businesses with "entrepreneurial" owners. That is, they are strategic in their planning and operations and often have more education. They may be natives or have moved from outside the region.
3. **Skill-seeking (LMI) individuals** wanting to obtain a job or advance in a job. These persons wish to improve their employment status by increasing their value as employees. They need new or improved skills, often because they were laid off or their employer closed. Our focus is on those with little education who live in our village areas. For example, 6.4% of adults in Massachusetts did not complete high school, but in the center of Ware the dropout rate is 12.7%. 12 of the 19 (63%) census tracts in the Quaboag region have dropout rates higher than the state, ranging up to 14.7% (source: ACS)

4. **Asset-deficient LMI individuals** struggle to reach a reasonable lifestyle but are restricted by a lack of personal resources. They are microenterprise businesses that need capital or equipment. They are adult students that need capital to go to college or other workforce training programs. They are adults of all ages who cannot get to college, work, or medical appointments for lack of reliable transportation. They come from all parts of the region and from households with low incomes and limited family assets.
5. **Municipalities** or member towns that need outside expertise to address specific town needs: Over time, QVCDC has been asked to address concerns that towns did not have the expertise to address themselves. Past projects include feasibility studies for an 110,000SF vacant mill complex in the Hardwick village of Gilbertville and a blighted town-owned property in the Palmer village of Three Rivers. Current projects include the TRACK project in Three Rivers, the Hardwick Senior Outreach Program, the Quaboag Connector, Summer Youth Employment Project, and loan fund services with the Town of Ware.
6. **The Quaboag Region:** because ours is a traditionally overlooked area, we identify the region itself as a constituent. Our regional efforts have included tourism development and our (QVBAC) regional loan fund for small businesses.

Section 2: Involvement of Community Residents and Stakeholders

As a CDC since 1997 (and as a nonprofit lender, QVBAC, since 1995), the unique nature of our governance structure has allowed for maximum participation from the various communities we serve. It facilitates our ability to represent a sparsely populated 15-community region that spans 3 counties. We have built strong relationships with businesses, municipalities, Regional Planning Commissions, nonprofit service providers, Chambers of Commerce, local banks, employers and community members from our 15 towns in the three counties. The QVCDC and QVBAC Boards are drawn from many of these groups (especially community members). Accordingly, we are in a unique position to facilitate the discussion with local and regional partners about solutions to regional economic development problems by addressing the factors that perpetuate them. It is our practice to continually engage residents and stakeholders in the community and at the Board level.

1. **Board:** The QVCDC Board consists of 13 members elected at the annual membership meeting. The QVBAC Board is comprised of 23 members, all of whom are appointed by our towns, banks, or nonprofits. The two boards represent our constituencies and our region. We have 4 current and/or former Selectpersons, an Assessor, a town Community Development Director, a former School Committee Chair, former agricultural commissioner, a Senior Center Director, and a Town Moderator. We include retired and current business owners. Two members represent our region's Chambers of Commerce. Some are themselves low income and others represent LMI through their work or other affiliations. QVCDC's Board meets monthly and the QVBAC Board meets quarterly with the QVCDC Board. Board members provide input on community and constituent needs. The Boards make all policy and long-term planning decisions. There is an active committee structure including the Loan Committee, the Executive Committee,

the Strategic Planning Committee, and an Audit Committee. Included on our Boards are 3 CPA's, an accountant, and an attorney who help to provide oversight. The Boards exercise strict financial control over both organizations with a Board member's signature required on all checks. Our QVCDC Board discussed and unanimously endorsed our 2017 Community Investment Plan at the Board meeting on January 31, 2017.

2. QVCDC staff interacts, collaborates and forges partnerships with other community nonprofits, agencies, and organizations in order to fulfill our mission as this chart illustrates:

Summary of Community Engagement

Organization	**Constituency**	**LMI, Small Business, Stakeholder Engagement with QVCDC**
	Non-profits	
Ware Adult Learning Center (regional)	LMI seeking GED and job skills	Identify barriers to education, employment
Hitchcock Free Academy	Small Business and business start-ups	Business computer classes and events for residents unable to travel to Ware
New England Small Farms Institute	Farms, wholesale and retail agricultural sector	Support for existing and start-up businesses.
Palmer Historical and Cultural Center	Nonprofit organization dedicated to making arts, historical and cultural activities affordable and available to regions' residents. Have provided leadership in Three Rivers revitalization.	Partners in TRACK, and anchor for revitalization activities in distressed and struggling village center of Three Rivers
Quaboag Hills Community Coalition	LMI residents through various service providers	Participate in regular meetings, took on leadership of the Transportation sub Committee.
Central Mass Grown	Farmer and farm product businesses in central Mass.	QuickBooks for Farmers classes and support for farmers with SB loans and loan packaging.
MIDAS Collaborative	LMI residents seeking financial capability and savings skills.	Partner and advisor in Quirk Financial Fitness Club activities.
Workshop 13	Nonprofit organization dedicated to making arts, historical and cultural activities affordable and available to regions' residents.	Collaborated on a Business Planning series for artists.
Behavioral Health Network	Target LMI's with range of services	Provide Program space, Financial Fitness Club grew from this collaboration.
Western Mass Food Bank	LMI residents	Access to free produce

Baystate Wing Hospital	Quaboag Region residents	Collaborate on programs, community coalition, education and transportation to increase health and well-being of community residents.
Quaboag Valley Chamber of Commerce	Businesses in 15 towns in Hampden, Hampshire and Worcester County	Jointly sponsor business-training events, and identify businesses eligible for assistance or funding.
Central Mass South Chamber of Commerce	Businesses in Hampden and Worcester Counties	Participate in Business training events and identify businesses eligible for assistance or funding.
Three Rivers Chamber of Commerce	Residents and business owners in Three Rivers village of Palmer	Partners in TRACK, an Adams Arts funded revitalization project.
Ware Civic and Business Association	Merchants in Ware's Central Business District	Participate in regular monthly meetings, Property Utilization Committee & events such as the Holiday Flair.
Municipalities and Public Entities		
Palmer Redevelopment Authority	Existing and potential business owners in Palmer	Partners in TRACK, and business planning classes for businesses potentially locating in Palmer.
Ware Community Development Department Small Business Loan Funds	Small Businesses located in Ware or Hardwick that provide employment to LMO's	Underwrite and service small business loan funds through QVBAC. Also worked on Economic Revitalization Committee and Master Plan.
Ware Property Assessment and Re-Use project	50 distressed Commercial and residential properties determined to be blighted	Serve on advisory committee to find solutions for blighted properties in Ware.
Three Rivers Revitalization Roundtable	Concerned residents, property owners, and small business owners	Monthly meeting participation to obtain stakeholder input on revitalization activities.
Palmer Community Development Department	Businesses in 13 towns owned by or employing LMI's	Provide technical assistance, training, business planning training, and loans. Recently completed 5th CDBG grant.
Holyoke Community College	Primarily LMI residents seeking job skills	Partners in E2E, workforce and degree bearing educational activities.
SCORE, Krosslink	Prospective and existing small business owners	Regular participation in monthly meetings to address needs of small businesses.
Central Mass Planning Commission	Central Mass Communities LMI residents	Collaboration on Quaboag Region transportation needs

Pioneer Valley Planning Commission	Western Mass Communities LMI residents	Participation on Valley Development Council and collaboration on transportation services.
Pioneer Valley Transit Authority	Western Mass Communities LMI residents	Collaboration on Quaboag Region transportation needs and services.
Worcester Regional Transit Authority	Central Mass Communities LMI residents	Collaboration on Quaboag Region transportation needs and services.
Mass DOT	Residents	Transportation services
Massachusetts Broadband Institute	Small business owners	Collaborated on Tech grants for small businesses
Mass Rehab	Disabled workers and small business owners	Computer training and business planning training
Franklin Hampshire Regional Employment Board	Job seekers and employers	Bring youth employment opportunities to Ware, collaborate to assist employers to find trained, qualified employees
Massachusetts Cultural Council	LMI artists and local residents	Use of the arts to revitalize economically distressed downtown Three Rivers
Southbridge Economic Development Dept.	Residents and business owners in Southbridge	Training and support services for small business prospects and owners
Sturbridge Economic Development Dept.	Residents and business owners in Sturbridge	Training and support services for small business prospects and owners
Mass Growth Capital Corp.	Small business borrowers and loan fund providers	Collaboration on providing technical assistance and loans

For example, working with the Ware Adult Learning Center and a supporting daycare program of the Behavioral Health Network on the design of the Financial Fitness Club brought emphasis to the lack of transportation that creates a major barrier to accessing secondary education, job training, and employment opportunities within and outside the region.

3. Engagement Activities: There has been significant community engagement with residents and business owners in the Quaboag Region. Current examples include 44 meetings with public school staff, business owners, municipal staff, and representatives from the REB's and human service providers that led to the E2E/Holyoke Community College partnership. Community engagement activities in Three Rivers led to the partnership and funding for the TRACK program. In FY 2016, 90 people participated in TRACK arts programs and 412 people participated in TRACK related events.
4. QVCDC works closely with area municipalities by participating in studies, leadership on projects that align with our mission and resources, reports to the Towns on our overall activities, and town representation on our Boards.
5. Strong working relationships with our community banks, all of which sit on our QVBAC Board and participate in a loan pool line of credit, have been in place for 20 years.

6. QVCDC engages stakeholders in the region with direct outreach through the media, via surveys, post-assistance follow-up questionnaires and significant personal contact. Staff regularly visit businesses throughout the region, asking about their needs and providing small business training and assistance.

Monitoring: Residents and other stakeholders monitor and participate in the implementation of our QVCDC activities through presentations to the Boards of the QVCDC and QVBAC, information in the media and on the website and social media, meetings with community members and continuing and expanding collaborations with area nonprofits, municipalities and businesses. Group insights are incorporated into process improvements. Surveys are used extensively.

Section 3: Plan Goals

GOAL 1, Strengthen the Local Economy by Fostering a Strong Small Business Community: These efforts are a natural extension of our work over the years: we provide computer training to businesses to increase their employees' proficiency in the workplace. We offer 1 to 1 and group trainings in our computer lab or at the business location and are a vendor for the Workforce Training Direct Access Program. We provide detailed technical assistance, business development services and consulting to small businesses and microenterprises. In addition to loans from $500-$100,000 made by the QVBAC to businesses than cannot qualify for equivalent financing, QVCDC offers a mini-grant program to startups and small businesses to pay consultants for accounting, legal, marketing and business planning assistance. For example, funding from the Mass Broadband Institute of the Mass Tech Collaborative to expand the use of broadband by small businesses in our region worked well, because QVCDC could leverage other funding sources to assist the businesses with additional business needs, such as basic computer training for a company about to adopt proprietary software, and consulting with a CPA for a company purchasing a more powerful and complex accounting software. Post assistance surveys showed impressive results including: increased efficiencies, increased sales and net revenue and increased competitiveness. Several companies were able to add jobs to the local economy. We have learned that our resources are used most effectively when we work with the business owner to assess the needs and goals of the business and match them to available resources. Follow up with the business to ensure that it remains on target to stabilize and grow is equally important.

GOAL 2, Workforce Development: We will assist small business to find employment -ready job candidates by working with our partner, Holyoke Community College, in *E2E, Education to Employment, The Quaboag Region Workforce Training and Community College Center*. This new QVCDC facility puts certificate and related training and degree bearing programs within reach of the region's LMI residents. This broad-based collaboration with the Regional Employment Boards, local municipalities, schools, and employers provides a respectful, supportive learning environment for education and job seeking people from the region. In addition QVCDC updated and expanded its equipment, technology and training staff in order to provide training on site at businesses in Central and Western Massachusetts. This training, provided for free to

qualified employers through the auspices of the Workforce Training Fund Regional Pilot Program, was provided to 300 employees in the first round of funding. QVCDC is proud to have been awarded a second grant and will have 191 additional training slots available over the next 18 months.

GOAL 3, Financial Skills-Building and Asset Development: The *Financial Fitness Club* was established in response to few low income individuals being able to afford to start a business, attend college or purchase reliable transportation, or a struggle with homelessness. QVCDC has worked with partners to address this problem through a collaborative financial capability training and asset development initiative. The increased fundraising capacity provided by CITC was a major factor in the launch of the first year pilot of the *Harrison and Diane Quirk Financial Fitness Club.* This 12-month program includes financial capability training and a matched savings (IDA) account for a targeted goal.
First year results were promising and the program has been expanded into an additional community. The private donations have leveraged public dollars to support the expanded program.

GOAL 4, Municipalities: We will continue to assist municipalities in our region by engaging in studies or consultation to address barriers to improved economic conditions by utilizing staff expertise when appropriate and bringing in consultants with specialized expertise when required. Our projects have included vacant mill projects, commercial or mixed- use development, a feasibility study of a blighted village center town-owned property, and *TRACK, Three Rivers Arts, Community Knowledge,* an Adams Arts funded project incorporating the arts as a revitalization catalyst. CITC has been key to acquiring the matching funds required for this successful program. These types of projects ameliorate potential tax burdens, improve the quality of life for town residents, and mitigate risk while fostering economic development that will benefit the towns.

GOAL 5, Bridging the Transportation Gap: QVCDC has been working with partners across the region to identify and implement solutions to a major systemic barrier to economic growth to our region: the transportation gap. Work has been done with the Regional Planning Commissions and Regional Transit Authorities as well as with local partners and residents on this problem. Our mission to assist low & middle income residents and business owners with job training and business assistance to promote economic development and to assist the region to reach economic self-sufficiency prompted QVCDC to devote resources to collaborative solutions to bridge the transportation gap across service areas and across counties. CITC donations have made this initiative possible and resulted in *The Quaboag Connector,* a van service that provides transport to work and employment related activities for residents of 8 communities. This service is a partnership with the Town of Ware and QVCDC.

How LMI households and other constituencies will benefit from achieving goals: Benefits will extend from the individual level to the regional level, affecting all sectors and reflecting our focus on LMI households. In particular, viable public transportation options (public and private) will allow residents to travel for work and education. Building financial capability and assets will

allow residents to acquire the resources to attend college or workforce training, which will improve their chances for employment. With a better–trained workforce and reliable transportation, small businesses will be more stable and will create more jobs – all of which complement each goal we are proposing.

How communities and our region will benefit from achieving goals: Increasing personal resources creates opportunities for individuals to increase their household income. Increasing personal resources related to transportation and education will raise the education levels of the region. A stronger small business community has the multiplier effect of keeping dollars within the region, thereby increasing commerce, which leads to additional entrepreneurial activity and more jobs. This results in reduced unemployment and underemployment.

"Research supports the assertion that improved transportation increases access to jobs and educational opportunities, supports community and economic development and improves quality of life." (Source: smartgrowthamerica.org)

Section 4: Activities to be undertaken

GOAL 1: STRENGTHEN THE LOCAL BUSINESS COMMUNITY

Years 1-3: We will continue to provide loans to businesses that cannot access equivalent financing as well as provide individual consultation in the areas of accounting, bookkeeping, financial management, sales and marketing, general management and business planning. We will continue to offer group training in business skills areas such as the use of QuickBooks, basic bookkeeping and computer skills. We will offer business-planning classes with subsidies for small business owners from LMI households.
We are planning to create a Maker space and a small business incubator/shared workspace in the downtown district of Ware. This will add vibrancy to the downtown and support jobs for LMI's.
Measurements and Benchmarks will be used throughout.
Note: All goals from 2014 CIP were achieved or exceeded including obtaining CDFI certification for the QVBAC.

GOAL 2: WORKFORCE DEVELOPMENT
Years 1-3: We will complete the establishment of *E2E, Education to Employment, the Quaboag Region Workforce Training and Community College Center* with our many community partners and stakeholders. We will continue to provide Workforce Direct Access training, and training to small business owners on business related software and skills.
Measurements and Benchmarks will be used throughout
Note: All goals from the 2014 CIP were achieved or exceeded including obtaining the E2E site, increasing training capacity and individuals trained, and establishing new community partnerships.

GOAL 3: FINANCIAL SKILLS-BUILDING & ASSET DEVELOPMENT
Years 1–3: We will continue to build and expand the *Harrison and Diane Quirk Financial Fitness Club* commensurate with resources and opportunities.
Measurements and Benchmarks will be used throughout.
Note: All goals from the 2014 CIP were achieved or exceeded, including the establishment and funding of the Quirk Financial Fitness Club, a successful first year pilot, and expansion into an additional community. First year participants saw a positive change in their financial status and met their asset development goals.

GOAL 4: MUNICIPALITIES
Years 1-3: We will continue to assist municipalities in our region by engaging in consultations or studies to address barriers to improved economic conditions such as revitalization, program development assistance, and transportation as opportunities and resources permit.
Measurements and Benchmarks will be used throughout.
Note: Goals from the 2014 CIP were achieved or exceeded.

GOAL 5: BRIDGING THE TRANSPORTATION GAP
Years 1-3: We will continue the establishment of the *Quaboag Connector* and other solutions to this problem. Operations and sustainability are ongoing challenges.
Measurements and Benchmarks will be used throughout.
Note: Goals from the 2014 CIP were achieved or exceeded.

Expected Impacts of Activities on Goals and Constituencies Served

1. Small and Microenterprise business assistance: jobs are created and retained through a) an increase in new businesses started, b) existing businesses become stronger through increased sales, increased net income, increased assets and the like, c) ancillary business opportunities develop in response to stronger economic conditions as evidenced by type and nature of business and customer base.
2. Workforce Development: initiatives will bring skills training and education to the region. This will help individuals obtain employment or a better job or they might use their new skills to enhance their existing business or start a new business. Small businesses will have a better-educated and skilled labor pool from which to draw employees.
3. Participation in financial capability building and asset development will assist individuals to meet their housing, business, education or transportation needs, leading them to financial independence and stability.
4. Municipal Assistance: towns are better able to respond to situations that affect their citizenry but are otherwise outside their scope.
5. We anticipate that the work on transportation will result in multiple solutions in the region that include the *Quaboag Connector*, other public and private transportation options, and ride-sharing programs. These solutions will help LMI resident access training and/or jobs and will make it easier for employers to find employees with reliable transportation.

Section 5: HOW SUCCESS WILL BE MEASURED +/OR EVALUATED

We will work with participants to:

1. Engage various stakeholders (LMI individuals, businesses, education providers, transportation providers, banks) regarding the plans goals,
2. Collect data and research best practices regarding the achievement of the Plan's goals,
3. Set priorities and identify possible solutions,
4. Develop pilot solutions to problems the Plan will address (with Metrics), test, evaluate and report to participants,
5. Make changes, test again and analyze results with participants,
6. Formalize successful models and prepare for implementation
7. Continue to involve participants in monitoring and on-going review of the models' performance always with an eye to improvements as they evolve.

Tools and Methodologies:

1. Use intake form to gather initial information and status of customer/client, update as needed to reflect changing demands for data
2. Use existing customized database and loan software to record intake and activity over time, update as needed to reflect changing demands for data
3. Develop alternative methods of data collection and recording in response to changing demands for data
4. Collect town-wide and regional statistics (where possible) to document overall economic conditions.

Evaluation Process and Role of Participants:
Businesses and Individuals:

1. At intake use intake form to collect as much information as possible, recognizing that inquirers have differing levels of interest in our programs and services. Always attempt to identify income status at intake.
2. Expand second tier intake process to include specific data relevant to the appropriate program. For loan applicants, complete a loan profile intake; for computer training, complete a loan/workforce student profile; for asset building applicants, complete an asset development profile.
3. Require that all program participants understand and agree (in advance) to periodic reporting over the life of the program as a condition of assistance. Report on outcomes as requested by Board members or funders as necessary to "tell our story".
4. Continue to adapt our website or other online mechanisms so that program participants can respond to requests for data online. Provide computer training, if necessary, to facilitate this process. Make the process as easy as possible to get high-level participation.
5. Use follow-up measures as necessary, including phone calls, correspondence and follow-up surveys via email, mail and fax. (See attachment 4)

Municipalities: Board(s) assess outcome of involvement with town, including feedback from QVBAC town representative or other officials. Determine if QVCDC has the capacity to replicate activity in other communities identifying necessary resources or funders.
Region: assess town-wide and regional statistics and compare to historical numbers to determine employment trends.

Section 6: Collaborative efforts to support implementation

1. We will continue to work with banks, especially our community banks, who participate on the QVBAC Loan Committee and refer businesses to our programs and services. Our banks have been major contributors of volunteer time and expertise on our Boards and Board Committees, have donated furniture, equipment, and improved space for E2E, and made generous financial contributions to QVCDC. A Loan Pool Line of Credit for $330,000 is established with 5 community banks. The local banks have been a major source of CITC donations. We have also received donations for programs that were initiated with CITC funding from large super regional banks that did not request CITC's for their donations.
2. We will continue to work with public and private funders, including expanded outreach to foundations, to understand their goals in making grants, seek grants that correspond to our mission, work cooperatively to design intake and data collection systems for reporting on outcomes, submit reports in a timely fashion, collaborate on promotion and/or publication of outcomes, and to make eligible contributions to secure Community Investment Tax Credits. We have a successful record of receiving repeat grant funding from many state- sponsored agencies including: Massachusetts Growth Capital Corporation, the Massachusetts Service Alliance, the Massachusetts Cultural Council, Commonwealth Corporation, the Massachusetts Tech Collaborative, and EDF funding through CDBG funding to the Town of Palmer. Our federal funding sources have included multiple grants and loan fund support for the Community Development Financial Institutions Fund, and USDA RMAP and RBEG programs.
3. We will continue to maintain and expand our group of professional consultants, who include CPA's, lawyers, marketing professionals and farm specialists, available to provide specific assistance to our clients when requested. We ensure that our consultants meet standards on credentialing (when relevant), and references, including satisfactory references from clients.
4. We will continue to maintain and expand our collaboration with area and regional nonprofits and municipalities in the delivery of programs and services including Behavioral Health Network, Ware Adult Learning Center, Palmer Historical and Cultural Center, Workshop 13, Baystate Health Systems, local Senior Centers, and the Planning/Community Development Offices in Spencer, Ware, Warren, Palmer, Belchertown and Monson, the Regional Transportation Authorities, Department of Transportation, the Regional Planning Commissions, and the Regional Employment Boards. Additionally we propose:
    a) Program co-sponsorships and promotions (e.g. Chambers of Commerce and libraries)

b) Hold meeting and provide trainings at other nonprofits (e.g. Hitchcock Academy)
c) Work collaboratively with regional non-profits on wider regional strategies (Central Mass and Pioneer Valley Regional Planning Commissions, Central Mass Grown, Worcester and Pioneer Valley Transit Authorities, Regional Employment Boards and others to continue to address employment, training and transportation issues.)
d) Participate in networks of nonprofits and in community meetings to inform us of community and LMI person' needs (e.g. Quaboag Hills Community Coalition, resident meetings) and to provide resources (e.g. MIDAS Collaborative for asset building)
e) We have and will continue to expand collaborations to deliver specific services that are outside our intended scope such as staff training, asset development education and servicing, housing-related counseling, financial capability training and workforce development services.
f) We will continue to work closely with other CDC's, particularly through MACDC's working groups, to ensure consistency of program standards and delivery.
g) With the help of MACDC, we will work with Mass Bay United Way.

5. Employers: as we continue to expand our collaborations on Workforce Development, with *E2E* as the focus, we will engage with additional area employers, Holyoke Community (and potentially the other community colleges,) and the Regional Employment Boards to better understand employers' needs, training opportunities and to identify possibilities for future job placement. We will continue to expand our relationships with businesses and encourage them to secure Community Investment Tax Credits.

Our overall financing strategy is to continue to apply for grants and bid on contracts that will help us further our mission, continue to develop and expand foundation support for our programs, strengthen our donor funding with targeted campaigns leveraging the CITC, and to continue our operations in a manner that is respectful of the values of our stakeholders.

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

QVCDC has been focused on assisting citizens, especially LMI citizens, to obtain a job or advance to a better job. This can be direct as in making a loan to a job-creating small business, or it can be indirect, as with workforce training that leads the participant to a new or better job. For clients whose goal is to make wise financial decisions, QVCDC offers the Financial Fitness Club. One individual may participate in many activities. For instance a prospective loan client with some credit issues might participate in the Financial Fitness Club, to acquire new skills, improve her credit score, and save for a business asset, while also taking a business-planning course. That same client might then participate in the MiniGrant program to have an attorney help review a lease or contract for the business, and take a QuickBooks class. Then, the client would be prepared to apply for and obtain a small business loan. As the business grows the employees of the business could obtain business software training from QVCDC. While the asset-building

program is relatively new to us, it has proved to be a logical addition to our portfolio of services and is consistent with our historic efforts to provide financial literacy. Moreover it expands upon that objective by offering opportunities to acquire business assets, a stable place to live, education and even transportation needed for a job or education. Resolving transportation issues will aid that effort significantly. In other words, this initiative augments all of our traditional strategies and is consistent with our strategy of reducing unemployment and underemployment in the region. In the case of municipal assistance, a project has the potential to address residents' social and environmental needs over a longer time frame.

There are no other plans that address the Quaboag Region as a whole. In their absence, we note that our plan is consistent with DHCD's strategic plan for "accelerated job creation" wherein the Department states that it will "create an environment that encourages sustainable business growth and job creation where MA residents can find steady employment at good wages and MA employers can find qualified employees at competitive wages".

Section 8: Financing Strategy

QVCDC had a long track record of successful fundraising, but the opportunity provided by the CITC's has been the critical factor in a major increase in donations. It has allowed QVCDC to stabilize its core programs across grant funding cycles, and expand services and programs that benefit LMI residents. Annual board donations have increased to $77,000 per year. Foundation donations have also increased in both number and dollars.

Our traditional funding streams have been heavily weighted toward grant funding from state and federal sources, a small amount of unrestricted income earned from our programs, and donations raised either for specific projects or to meet our operating expenses. The QVCDC has enjoyed a good relationship with our grant funders, resulting in invitations to apply for subsequent grants and repeat grant funding. We currently have funding in place from Commonwealth Corporation, Massachusetts Growth Capital Corporation, the Massachusetts Cultural Council, and CDBG through the Town of Palmer, USDA RMAP, Bank of America, TD Bank North, and Working on Wellness. Recently concluded grants include the Community Financial Institutions Fund, and CDBG funding through the town of Hardwick. Applications to USDA and CDFI are underway for future loan program funding. We will continue to research and apply for grants that support our Community Investment Plan activities.

Our community banks, especially Country Bank and Monson Savings, have been generous donors and financers of a portion of our loan capital, and have provided funding and support for the Financial Fitness Club. They have been true partners in fostering economic development in our region. Our Board members and 2 strong community volunteers have been advising and assisting staff in our robust fundraising activities. Donations have increased from $76,323 in FY 2013 to $208,658 in FY 2016. In the first half of FY 2017, $235,827 has been raised.

Our strategies for raising CITC donations have included dedicating tax credits to new initiatives such as *E2E, TRACK, and the Quaboag Connector*, outreach to accountants and financial

advisors, and increasing public awareness of the programs and the donations that support them. We are finding that as we add programs, our donor base is growing. Our CITC donation fundraising strategy going forward includes recruitment of additional community champions to assist with local donors, increased staff outreach to foundations (QVCDC is starting to receive invitations to explore partnerships with western and central Massachusetts foundations), a stronger partnership with the United Way of Mass Bay, and continuing outreach to our community banking partners.
The fundraising opportunity provided by CITC has and will continue to leverage additional funding from many grant sources that prefer to see community dollars augmenting their investment in a project. The funds raised will be used to support programs that will increase our capacity, sustain valuable existing programs through grant funding delays, leverage additional funding, and fully develop our new programs.

Section 9: History, Track Record and Sustainable Development

Assistance to small businesses and microenterprises:
Past practices & approaches include responding promptly to anyone who contacts us by doing an intake. Clients are strategically assessed in order to devote more significant resources to entities that show the most potential. Indicators of potential include initiative and follow through on the part of the client as well as traditional measures such as length of time in business. Our experience indicates that for every 20 individuals who contact us, about 7 (35%) receive a significant investment in services. Our focus is on the quality of service over quantity.

1. Loans: the QVBAC has disbursed over 4.5M to small businesses and microenterprises in the region that were unable to access equivalent private financing. The QVBAC has obtained loan capital from USDA, MGCC, and CDBG as well as a loan pool line of credit from the local banks. Bank of America provided a grant to fund the loan loss reserve for the USD RMAP program. Loan applicants are offered technical assistance based on need to strengthen their business.
2. Technical Assistance/Business Development Services: In the past three years individual consultation in the areas of accounting, bookkeeping, financial management, sales and marketing, general management and business planning has been provided to 144 businesses. During this time 27 new businesses were started and 71.05 jobs created.
3. Training: in the past 2 years training in business skills areas including the use of QuickBooks, other business-related computer software, business planning and basic bookkeeping have been provided to over 300 individuals. Our experience shows that individualized hands-on training (class size 2-6) is both efficient and effective in building proficiency.
4. Course evaluations and post-assistance surveys are collected from individuals and businesses served to improve our practices.

Assistance to Individuals by providing programs to increase personal assets: Past practice included working with students from Ware Adult Learning Center (WALC), a GED/Career Development nonprofit located in our building, as well as with individuals from the community.

We provided both individualized classroom training and 1-to-1 coaching in job readiness skills, computer literacy and software.

1. The Quirk Financial Fitness Club, a 12-month program including group training, 1-to-1 financial coaching, and a matched savings account (IDA) was launched as a pilot program last year. Four of the initial seven participants (3 dropped out early) participated fully in the program and reached their savings goals. Additional positive results included improved credit scores, improved financial skills and increased confidence in managing money. Savings goals achieved included: reliable used cars, first and last months' rent and security deposit for a formerly homeless veteran and his daughter, and a business asset for a new small business owner.

Workforce Training:

Past practices included providing both individualized classroom training and 1-to-1 coaching in job readiness skills, computer literacy and software. With the launch of *E2E,* certificate-bearing classes such as ServSafe have already been provided to 51 individuals. Weekly free workshops in Career Ready 101, Resume Writing, College Advising, and Interviewing Skills are being held as well as 1-to-1 assistance with navigating the Holyoke Community College online learning programs, admissions and financial aid assistance.

Assistance to Municipalities to address barriers to improved economic conditions:

Past practices have included utilizing staff where appropriate and bringing in consultants for specialized expertise when required. Our most recent projects include: a feasibility study for a blighted town-owned mixed-use property in the center of Three Rivers (a village of Palmer), *TRACK,* a Three Rivers arts-related revitalization project, development and initial staffing of the Hardwick Senior Outreach Program, and the *Quaboag Connector,* a regional transportation project partnership with the Town of Ware. Other assistance includes a grant application for a Palmer neighborhood revitalization project, and participation in PARP and Masterplan committees for the Town of Ware.

Assistance to the region by providing a unique cluster of programs and services from within the region:

As the only place-based provider of services focused on improving the economic lives of LMI small business owners and residents in our region, we are singularly positioned to directly observe and hear about the needs and problems faced by our constituencies. We are able to devote our full attention to providing an integrated array of resources and solutions. QVCDC has addressed tourism and the loan fund as regional activities. As a result of increased capacity afforded by CITC's, projects addressing the challenges of workforce development, financial capability and asset building, and meeting regional transportation needs have been launched and will continue to be developed.

As a small nonprofit business ourselves, QVCDC is directly familiar with both the challenges and opportunities faced by small businesses in our region.

Sustainable Development Principles

1. *Concentrate Development and Mix Uses:* QVCDC's efforts align closely with this Principle, particularly in its language to "encourage remediation and reuse of existing sites, structures and infrastructure", which we have done with local municipalities with work on brownfields, abandoned buildings, and commercial or mixed use development.

We recently completed a feasibility study for the Town of Palmer regarding the rehab and reuse of a property taken through tax title for a mixed-use building.

2. *Advance Equity:* Our participation in the CDBG planning process over the years has allowed us to keep the economic interests of the region's small businesses and its low and middle income residents as our focus. The Quirk Financial Fitness Club was established in response to this community need.
3. *Make Efficient Decisions:* We are not involved in permitting or regulatory compliance determinations, however, staff does participate in municipal masterplan committees and on the Valley Development Council of the Pioneer Valley Planning Commission.
4. *Protect Land and Ecosystems:* The relevant application of this Principle is to our work on brownfields and abandoned buildings.
5. *Use Natural Resources Wisely*: All QVBAC loans are scrutinized for the effects of that financing on the environment: mitigation measures are taken when necessary.
6. *Expand Housing Opportunities*: We do not currently (nor have we historically) been involved in housing, but there is a significant need in the region so QVCDC may address housing in the future.
7. *Provide transportation choice*: In our mostly rural region this is a major problem. QVCDC has taken a leadership role in improving transportation options in the region with the *Quaboag Connector.* Likewise, building financial capability and asset development provides an opportunity for LMI residents and small business owners to acquire reliable transportation and/or use expanded public transportation.
8. *Increase Jobs and Business Opportunities*: This organization has worked actively since 1995 to encourage such economic development in our region. We are deeply invested in providing three key supports: training individuals to be able to meet employers' workforce needs, providing business development services and expertise in small business operations, finances and related business concerns, and providing loans to viable small businesses to help them start, stabilize, grow, and provide jobs for local people.
9. *Promote Clean Energy*: Our interest in environmental sustainability and clean energy go hand-in-hand with our economic development initiatives. The region's growing adoption of solar and wind power generation will reduce our reliance on fossil fuels while presenting increasing opportunities for LMI persons to get green jobs.
10. *Plan Regionally*: We interact with the Pioneer Valley and Central Mass Regional Planning Commission on their planning activities. We work with three local chambers of Commerce to foster regional plans and business activities. We work with a variety of regional nonprofit service providers on access to education, jobs and transportation issues facing their clients.