



HOME CITY DEVELOPMENT, INC.

261 Oak Grove Avenue, Springfield, Massachusetts 01109

Community Investment Plan 2023-2026

The Board of Directors engaged in the development of this Community Investment Plan, discussed and approved it on February 7, 2023.

HCDI is a mission driven, non-profit developer of affordable multi-family and mixed-use properties in Western Massachusetts. The goals of HCDI's community development work fall within three primary areas: the physical development of affordable housing, equitable economic development, and asset development to build the economic capacity, mobility, and stability of low-income persons. The organization seeks opportunities to acquire and develop properties, including the adaptive re-use of historical buildings, that can enhance the lives of those who live there. HCDI works together with residents, community leaders, organizations and local businesses to develop and maintain affordable housing and create vibrant communities. From award-winning historic renovations of 4-story brick walk-ups, to major rehabilitation of 2 and 3-family Victorian homes scattered over 25 blocks, to reconfiguration of a 104 unit single-room occupancy high rise, HCDI finds ways to build better neighborhoods.

The Resident Engagement team at HCDI advances economic capacity, mobility and stability of HCDI residents through their mission to "work together with residents to build on their strengths, reach their goals and build healthy futures", by providing variety of programs to promote education, skills, career development opportunities as well as overall health and well-being, for HCDI residents and other residents the neighborhoods where HCDI properties are located.

SECTION I COMMUNITY OR CONSTITUENCIES SERVED BY THE ORGANIZATION

I. SPRINGFIELD

At present 96% of the population served by HCDI (444/462 units) is in Springfield, Massachusetts, a Gateway City whose population faces significant challenges. Prior to COVID-19 the median income was \$42,498 compared to the State median income of \$84,385. The City's poverty rate of 25.5% is more than double the state poverty rate of 10.4% (2020 Census).

The residents served by HCDI in Springfield are among the most challenged in the state. HCDI's Springfield rental units are in economically disadvantaged neighborhoods in the city, within and adjacent to the urban core of Springfield, including: Lower Liberty Hill, Bay, Upper Hill, South End, and Six Corners. The median income in these census tracts ranges from \$19,874 to \$36,089, averaging lower than 60% of Springfield's overall MI and lower than 30% of the State's MI (see

Table 1) The income level of the HCIDI residents is even lower than the median for the census tracts and is well below the city's MI; 99% are below 80% of MI, with 90% of the households below 50% of MI.

Table 1 : Tracts: Income Level & Median Income

Based on 2020 Census

Property	Tract	Tract Income Level	Est. Median Family Income in Tract
Liberty Hill	8009	Low	\$23,647
Chestnut	8009	Low	\$23,647
Tapley Court	8013	Low	\$36,089
Twiggs 1	8017 / 8014	Low	\$32,721 / \$34,897
Twiggs 2	8017	Low	\$32,721
Crosstown	8019	Low	\$18,325
Brookings Apts	8019	Low	\$18,325

Springfield is a racially diverse city: 45.7% Latino, 20.9% Black, and 30.4% White (non-Latino), compared to state averages of 12.8% Latino, 9.3% Black, and 79.8% White (2020 Census). HCIDI properties are in the most diverse census tracts of the city (see Table 1). The HCIDI resident population identifies as 92% Hispanic or Black.

Table 2: Tract Population, Race / HCIDI Residents' Race

Based on 2020 Census

Property	Tract	% Black in Tract	% Hispanic in Tract		HCIDI Residents % Black	HCIDI Residents % Hispanic
Liberty Hill	8009	0.8%	82%		18%	72%
Chestnut	8009	0.8%	82%		30%	34%
Tapley Ct.	8013	37%	44%		27%	63%
Twiggs 1	8014	40%	45%		28%	70%
Twiggs 2	8017	40%	26%		25%	75%
Crosstown	8019	19%	68%		17%	80%
Brookings	8019	19%	68%		27%	72%

Springfield Housing

Affordable housing is a major challenge for residents. A 2022 report by the UMass Donahue Institute determined that 17,300 rental units under \$500 are currently needed in the Pioneer Valley (the region within which HCIDI serves). In addition, it was determined that there is a cost mismatch between earnings and cost of housing. The report highlighted several points regarding the mismatch including four that HCIDI works to address:

- Households of all income levels are having trouble finding housing in the Pioneer Valley due to a lack of homes that meet their needs in terms of size, cost, or location.
- More than half of renter households in the Pioneer Valley are housing cost burdened, (spending more than 30% of their income on housing) a larger proportion than in Massachusetts overall.
- There is a critical need across the Pioneer Valley for about 17,300 apartments or other rental units of all sizes which cost less than \$500. This represents roughly 15 percent of all need for housing at this price across Massachusetts.
- Households earning the median income are typically facing house prices two to four times their income, for homes at the median price in the city or town, and more than half of municipalities have median prices that are even higher.

Springfield Opportunity Indicators

Reviewing the HUD Opportunity Indicators for Springfield several major challenges corresponding to HCIDI's work are apparent. The Poverty Index is 25 for the city, 24 for Black and 16 for Hispanic residents. The Labor Market Engagement Index is 24 for the city, 21 for Black and 15 for Hispanic residents. The School Proficiency Index is similarly low at 26 for the city, 26 for Black and 24 for Hispanic residents. The Job Proximity and Low Transportation Cost indicators are somewhat more positive ranging from 62 –73.

Springfield Employment

HCIDI residents are challenged regarding employment. Further compounding an already precarious situation for residents, the COVID-19 pandemic is known to have had a major, negative impact on the economy (locally and globally) and thus the poverty rate is undoubtedly significantly higher than the 2020 Census indicates. BIPOC residents of the Pioneer Valley are said to be among the hardest hit in terms of employment. In Sept 2022 the state unemployment rate was 3.1 but Springfield's rate was double that, at 6.2%.

Springfield Food and Health

In Springfield it's estimated that 16,000 people live in a food desert without access to affordable, healthy food. HCIDI's Springfield properties are in densely populated, urban sections of the city identified as "food deserts" or "food swamps" (where there's inadequate access to healthy food but there is plentiful access to unhealthy food outlets). In addition, public health and access to health care are major concerns. On measures for both Health Outcomes and Health Factors Hampden County ranks as one of the lowest in the state. Furthermore, food insecurity and hunger have been exacerbated by the pandemic, especially among low income, BIPOC residents, who were food insecure prior to the pandemic.

II. NORTHAMPTON

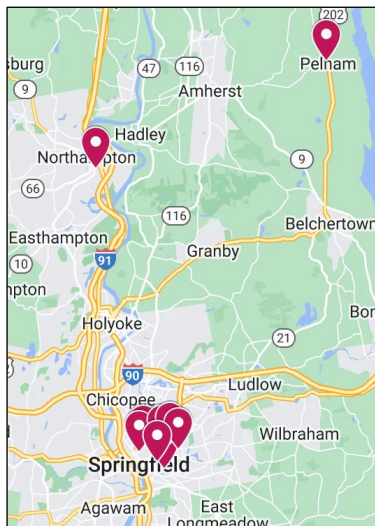
HCIDI owns an 18-apartment affordable rental property in Northampton, a city of 29,571 with a median income of \$71,866. The poverty rate was 11% as of 2020. The city is primarily White (78%) though the BIPOC population has increased, especially the Latino population which increased from 6.8% to 9.1% over the past 10 years. The HCIDI households in Northampton are 17% Black and 83% Latinx. All 18 households are under MI; 83% are below 50% MI, 94% are below 80% MI. As reported by the UMass Donahue Institute study Northampton, as part of the Pioneer Valley, has extensive need for rental units under \$500 (17,300 units for the region). Affordable housing is an increasing challenge in Northampton as price increases outpace income increases. The most recent Northampton Housing Study indicated that "37 percent and 15 percent of households are cost

burdened and severely cost burdened, respectively, compared to 29 percent and 14 percent of households statewide.” In addition, “cost burden among elderly family households and non-elderly, non-family households is 20% and 45%, respectively”.

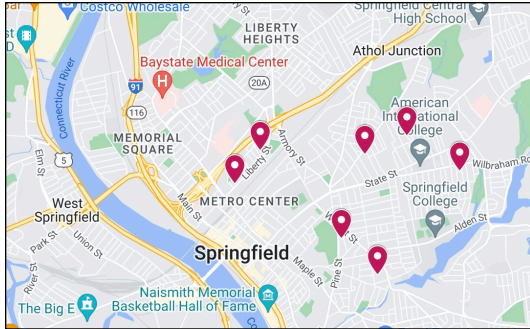
III. PELHAM

HCDI is in the process of developing Pelham’s first affordable housing property with 34-apartments. Affordable housing in Pelham is almost nonexistent. In the most recent housing study (2014) only 4 such apartments existed and were for people with disabilities. No additional rental apartments have been added since the 2014 study. To reach the 10% benchmark the town needed to add 56 affordable apartments. In 2020 the percentage of households that were cost burdened was 53%. Pelham is a rural town with a population of 1,280, whose long-term residents are being priced out of the increasingly high-priced market. The 2020 MI in Pelham was \$61,339. The residents are primarily White (86%) though the Black and Latino populations have risen in the past decade (Black 1.7% to 2.5% and Latino 3.1% to 4.5%, Census 2020).

It is also notable that the region has an inequitable distribution of residents, both by income and by race, due in large part to the unavailability of affordable rental units outside of the urban portions of the area. The 2022 housing study by the UMass Donahue Institute noted that “Equally shared, each municipality needs to increase its amount of rental housing which costs under \$500 by 18 percent to add to what exists in each city and town today. Housing units built outside the Pioneer Valley’s urban core creates positive change in more expensive communities by preventing community decline in rural areas and economic stagnation of suburbs, meanwhile improving access to opportunity.” Building affordable apartments in Pelham helps to redress this inequity.



HCDI Properties in Hampshire and Hampden Counties 2023



HCDI Properties in Springfield 2023

SECTION 2 INVOLVEMENT OF COMMUNITY RESIDENTS AND STAKEHOLDERS

HCDI gathers input and feedback from residents about their needs and interests and HCDI's efforts formally through surveys and resident meetings, and informally through regular interactions of Resident Engagement and Property Management staff with residents. Communication with residents is accomplished through a combination of coffee hours, monthly resident meetings, monthly newsletters, surveys, emails, phone calls, texts, and door-to-door outreach. In-person community meetings will be held quarterly at the properties to formally share updates and gather resident input and feedback on the CIP.

Annual surveys are conducted by the property managers and resident input is taken into consideration in decision making about property management and resident services. Specific resident engagement surveys are also done annually. In the most recent survey (2022) conducted by HCDI for its residents, the results indicated need for children's programs, programs and jobs for teens, computer classes for all ages, ESL classes, job readiness opportunities, community gardening, financial health workshops, first-time home buyer workshops and help with finding or improving employment opportunities. CIP Goal 3 and resident engagement activities are focused on the areas of identified need. In October 2022 the organization's by-laws were revised to include a dedicated resident seat on the board. A resident board member from Elias Brookings Apartments was voted onto the Board and has been involved as a Board member in CIP development. HCDI gathers community input more broadly through neighborhood and city engagement, participating in Community Policing meetings, Neighborhood Council activities, a city-wide task force, community coalitions, and through communication with elected representatives of the City Council and Neighborhood Councils.

Through these various means HCDI gathers resident and stakeholder input to inform the goals of the organization and to gather feedback.

HCDI has a reputation for fully engaging the community and collaborating with others in its development projects. A few examples are listed below.

Town of Pelham

For the first time in its history, the Town of Pelham was presented with a low-income rental housing development. Although there was some initial resistance, through dozens of meetings with neighbors, community groups and Town officials, HCDI was able to win approval of not only the necessary permitting by the Zoning Board of Appeals, but also the allocation of a large portion of the Town's Community Preservation Act funding by Town Meeting. Then local State Representative, Mindy Domb wrote, "I have repeatedly said this is the project that can be a model not only because of what it provides, but I think the level of town engagement, respectful discussion, and commitment to the project is really cause to celebrate."

Bay Area Neighborhood, Springfield

In all its projects, HCDI tries to include community space to encourage connections between members of the community. In 2018, HCDI renovated 75 units of affordable housing in the Bay Area Neighborhood in Springfield. The Bay Area Neighborhood Council, a strong supporter of the project expressed the need for an office. HCDI acquired a building that provides 4,000sf of meeting space, as well as an office for the Council, rent free. The Council has used the space to host dozens of events in addition to its monthly meetings.

South End Neighborhood, Springfield

The City of Springfield awarded HCDI several vacant parcels in the City's South End neighborhood for the development of 40 townhouse condominium apartments. In preparation of the plans for the development, HCDI met with the South End Neighborhood Association, several city councilors, and legislative representatives to review plans and obtain input on its design.

Old Hill Neighborhood, Springfield

Recently, the City of Springfield invited HCDI to build 11 single-family homes in the Old Hill neighborhood. In preparation for this undertaking, HCDI surveyed residents and collected data to create a comprehensive map of the neighborhood. HCDI has begun planning meetings with stakeholders in the Old Hill Neighborhood to discuss new development plans there. Representatives of HOPE CDC, Revitalize CDC, Hill Homes Co-op, Old Hill Neighborhood Council, Wayfinders, Gardening the Community, the City of Springfield, local church leaders and individual members of the neighborhood attended. As HCDI begins to design the 11 single-family homes that the City of Springfield contracted HCDI to produce, there will be more meetings for Old Hill residents to provide input.

Lower Liberty Hill Neighborhood, Springfield

In the last year, residents of the 88-unit Liberty Hill Townhomes have met with HCDI's development staff on plans for the redevelopment of the property. These meetings included: information gathering at a community event; individual meetings with tenant representatives; and a community-wide meeting where the residents provided valuable input that was incorporated into the preliminary plans.

HCDI also meets regularly with the Lower Liberty Heights Council to discuss issues that affect that community, participating in semi-annual neighborhood cleanups, for example. Most recently, the combined efforts of HCDI and LLHC resulted in a proposal by the City Parks and Recreation to make major improvements to the park that lies immediately across the street from the property.

SECTION 3 PLAN GOALS (2023-2026)

Goal 1

HCDI will advance the development and provision of an additional 75 affordable rental units, 51 affordable home ownership units and renovate 88 affordable rental units, fostering vibrant community development in Hampden and Hampshire Counties.

Goal 2

HCDI will leverage funds to advance economic equity in the Pioneer Valley by supporting Women-owned and Minority-owned Business Enterprises (WMBE) in awarding 20% of HCDI development and maintenance contracts and will foster professional development for BIPOC individuals in its internal employment of affordable housing professionals.

Goal 3

HCDI will support the stabilization and empowerment of 200 households through resident engagement programs and opportunities in collaboration with a wide range of community partners.

SECTION 4 ACTIVITIES 2023-2026

Goal 1A - To Advance the Development and Provision of Affordable Housing HCDI will

- Develop 40 affordable home ownership units in the South End of Springfield at the former Gemini site (affordable 80-100% MI)
- Develop 10 affordable home ownership units in the Old Hill neighborhood (affordable to 80-100% MI).
- Renovate 88 units and add 12 more apartments (total 100) to HCDI's HUD Section 8 family property in Lower Liberty Hill.
- Develop 29 SRO units in downtown Springfield, with 20 apartments for chronically homeless individuals.
- Develop 34 low-income rental apartments in Pelham
- Actively pursue green options in their development endeavors, to avoid the use of fossil fuel burning equipment. All projects will use electric heat pumps for the primary source of heat.

Goal 1B - To Create and Support Vibrant Neighborhoods

At each property HCDI work in collaboration with residents, community partners and community leaders to foster vibrant neighborhoods:

- Lower Liberty- HCDI will work with the neighborhood council and others to meet community identified needs such as: splash pads at Gurdon Bill Park, bus shelters and new

crosswalks. Provide space and staff support for semi-monthly Food Bank distribution. Create and support community gardening spaces on HCDI land.

- 275 Chestnut St.- HCDI will plan, secure funding and demolish an asbestos filled building.
- Bay Area Neighborhood- HCDI will provide free office and meeting space to the neighborhood council and work with them on community identified needs. Resident programs and opportunities will be hosted the 437 Bay St. Community building. HCDI will provide space, water and other support for 1200 sq. foot community garden at 221 Bay St.
- Old Hill – HCDI will work with the Hope CDC, including residents and religious leaders, to improve safety and meet other needs identified through a 2022 resident survey. Space will be made available at the Brookings Apts. gym/auditorium for community activities.
- Pelham- HCDI will work with residents and the town to improve safety through the creation of sidewalks on public streets/highways and other community needs as identified.
- HCDI staff will meet semiannually with community leaders in Springfield, Northampton and Pelham to discuss community needs and goals, and will participate in Springfield community policing meetings, to support healthy, safe neighborhoods.

Goal 2A - Leverage Funds to Advance Economic Equity in Awarding of Contracts

- HCDI will use a minority-owned general contractor for the Gemini project (described above).
HCDI will require general contractors to achieve a minimum of 20% WMBE participation.
- HCDI will use minority general contractor(s) on the Old Hill project (described above). To the extent possible, multiple, smaller minority general contractors will be used providing maximum opportunities to smaller contractors.
- HCDI will require its property managers to achieve a minimum of 20% WMBE participation among its contractors.
- Explore opportunities to work with the Coalition for an Equitable Economy, which works to direct resources to Black, Latinx, immigrant and low-income small business owners in Massachusetts.

Goal 2B - To Foster the Professional Development of BIPOC Employees

HCDI will expand opportunities and support for minority individuals seeking to become affordable housing professionals.

- All hiring will include extensive recruitment in BIPOC communities, using recruiting firms with expertise in identifying diverse candidates.
- Provide a minimum of 5 hours per week of guidance and supervision by experienced housing professionals to each junior staff person, including BIPOC employees.
- Foster a culture that encourages collaboration, flexibility and fairness to enable all employees to contribute to their potential and increase retention.

- Embed diversity and inclusion in policies and practices and equipping leaders with the ability to manage diversity in order to break down systemic barriers to full inclusion:
 - HCIDI will build upon current policy statement to develop and implement a Diversity & Inclusion plan for HCIDI
 - HCIDI will provide BIPOC mentoring opportunities
 - HCIDI will continue to prioritize hiring staff who reflect the resident population served by the organization. As of January 2023, the Development Team is 40% BIPOC and the Property Management team is 92% BIPOC/bi-lingual.
 - All new hires will attend 2-day Healing Racism workshop
 - All staff will participate in an annual diversity and inclusion training.

Goal 3 - HCIDI Resident Stabilization and Empowerment

In addition to the primary focus of providing high quality, affordable housing, HCIDI's Resident Engagement staff works together with community partners and residents to address the multi-faceted needs of residents by providing opportunities to promote Job Readiness/Career Development, Educational Success, and Health & Food Security. Specific goals include:

- 40 HCIDI households will participate in the HUD Financial Self Sufficiency program to support their job readiness and career development goals toward financial self-sufficiency.
- 10% of HCIDI's K-8 youth will participate in one or more educational or enrichment activity provided at HCIDI's properties.
- 60% of the 811 and HPSTF program residents will participate in case management support.
- 300 residents/year will participate in stabilization opportunities such as food assistance, community gardening opportunities, homeless transition support, emergency rental assistance, and Information & Referral services.

Activities will include:

- Job Readiness initiatives- ongoing
- Job Skills development opportunities- ongoing
- Computer Skills opportunities 4 X/year
- Parenting Training & Support sessions 1X/year
- Financial Health Workshops 2x/year
- First-time Homebuyers Workshops 3X/year
- Entrepreneurship Referral – ongoing
- Host testing and vaccination clinics – ongoing as available
- Provide space and staff support for Community Gardens -ongoing
- Host health related programs and activities- quarterly
- Projects at 2 or more HCIDI properties, in partnership with NOFA/Mass, to address food security and food autonomy, and to develop hard and soft employment skills among participants - ongoing
- Participate in Springfield Works' Community Empowerment and Revitalization Projects (CERP) to determine and address barriers to employment for formerly incarcerated residents and their families- ongoing
- Provide HPSTF/SHI Resident Case Management for residents coming out of homelessness – ongoing

- Provide a Youth Leadership Development and Employment Program with support from MassHousing – ongoing
- Collaborate with partners to offer children’s programs to support Out-of-School Time Learning and Enrichment at each HCIDI community space – ongoing
- The Neighborhood Resource Center at 437 Bay St. will host activities organized by the Bay Area Neighborhood Association –monthly
- The Elias Brookings Apartments will host youth activities provided by the Boys and Girls Club Family Center – weekly
- The Chestnut Crossing Apartments will host mobile doctor’s office visit, Alcoholics Anonymous meeting and other programs- weekly

SECTION 5 HOW SUCCESS WILL BE MEASURED AND/OR EVALUATED

Goals 1 & 2

Related data will be collected and, where relevant, interviews will be held to gather qualitative data. The HCIDI board will receive quarterly updates and will formally assess progress at its annual meeting to celebrate progress and identify areas where progress is insufficient. The Board will suggest possible methods for making greater progress where needed.

Goal 3

Success and impact of resident engagement programs are measured both quantitatively and qualitatively by tracking participation, through formalized staff observations of participating residents' level of engagement, pre/post self-assessments by participants, and exit interviews with program participants. Family Metrics is used to collect and track data on resident engagement activities. Assessment tools such as participant pre/post assessments and staff observation of resident participation have been developed with professional program evaluators, as part of grant supported programs, and are used to track impact. The Youth Leadership & Employment Program utilizes multiple tools and approaches including pre/post self-assessments, staff observation of participant engagement over time, group feedback and input session with participants and random exit interviews with participants. Other programs, such as the HUD Family Self Sufficiency program, have built-in assessment and reporting tools to meet HUD requirements. Programs that are funded by sub-grants, such as the CERP grant with the Springfield Works collaborative are assessed as part of the collaborative, as per grant guidelines, in conjunction with professional program assessment consultants. Reports are created according to requirements of the various programs, such as annual grants or program reports.

Impact and progress toward meeting the specific goals will be charted and reported to the community in annual reports.

SECTION 6 COLLABORATIVE EFFORTS TO SUPPORT IMPLEMENTATION

On property development work HCDI collaborates with town/city governments, neighborhood initiatives, resident councils, related committees and local organizations. Examples of such collaborations are highlighted in Section 2. Additionally, collaboration with the City Springfield has resulted in an ARPA funding award of \$1MM for the Gemini project and a contract for 10-11 single family homes to be constructed during this CIP, 2023-2026.

Mason Square Neighborhood

HCDI is on the Transformative Development Initiative working group, where HCDI has joined over a dozen local community stakeholders, including “community-based organizations, businesses, and residents who are motivated to support equitable, sustainable, and economic growth in Mason Square with a focus on supporting small businesses, residents, and community-minded property owners.” Mason Square is prime for economic development and this partnership is helping to make that process more equitable and sustainable for the community.

Lower Liberty Hill Neighborhood

Staff works with the LLH Neighborhood Council on semi-annual clean-ups and to address community needs including safe green space, covered bus stops, splash pads at a neighborhood park, as well as in the planning for the upcoming renovation and expansion of Liberty Hill Townhouses.

Elias Brookings Apartments, Six Corners Neighborhood

Many neighborhood groups and public officials were involved prior to purchase of the property (2017), and through the planning, development and opening (2019-2022). Ongoing collaboration is planned. Key neighborhood supporters of the project include Maple High/Six Corners Neighborhood Council; Old Hill Neighborhood Council; JC Williams Community Center, City Councilor Melvin Edwards, and State Representative Bud Williams. In addition, HCDI advised and/or sought assistance from the following during its planning for the re-use of the former Elias Brookings School: Springfield Historical Commission; Springfield Office of Housing and Neighborhood Services; Springfield Police Department; Hampden County Sheriff and Springfield Department of Planning and Development. The former gym/auditorium has been preserved for community use with community input. Planning for its use is underway with community groups including the Boys and Girls Club Family Center, Girls Inc, Springfield College’s Office of Community Engagement, Enchanted Circle, The Performance Project, MLK Center.

Amethyst Brook Apartments, Pelham, MA

Currently in property development, HCDI collaborates extensively with residents, town boards, and elected and appointed officials in the planning to develop of the Amethyst Brook Apartments project in alignment with community needs and goals. Collaborations include abutters, the Historical Commission, the Historical Society, Community Preservation Committee, the

Conservation Commission, the Housing Committee, the Zoning Board the Planning Board. HCDI has also presented at and interacted with residents and community leaders at multiple Town Meetings.

HCDI's effort to advance economic justice has included hiring recruiting consultants to increase minority participation in the construction trades. See Attachments for newsletter regarding our most recent project working with the Minority Construction Council at Brookings Apartments.

Collaborations to support resident stabilization and empowerment are extensive as HCDI partners with many other community organizations to provide resident programs and activities. For *Job Readiness, Employment, and Family Self-Sufficiency* activities HCDI partners with the Springfield Works Collaborative with 12+ organizations including: Springfield Technical Community College, Holyoke Community College, MassHire, Springfield Partners for Community Action, Families First, Springfield Public Schools, New Homes, EforAll, and United Way. For *Educational Success* initiatives partnerships include UMass Extension 4H, Girls Inc., Springfield Public Schools, Springfield Libraries, and Enchanted Circle. For *Health and Food Access* opportunities partnerships include, Food Bank of Western Mass, Rachel's Table, Northeast Organic Farming Association of Massachusetts, Gardening the Community, Bay State Medical Center, Center for Human Development, Behavioral Health Network and Curative.

SECTION 7 ALIGNMENT WITH COMMUNITY STRATEGIES AND VISION

HCDI's housing development work aligns with the strategic housing plans in each city/community as well as with other regional strategies such as those laid out by Pioneer Valley Planning and the UMass Donahue Institute both in terms of the need for affordable housing in the region, and considerations around equitable housing distribution in the region.

The City of Springfield states "The goals for the 2020-2024 Consolidated Plan focus on three main priorities – fostering an inclusive economy, strengthening neighborhoods, and providing healthy and affordable housing." Toward the goal of providing housing, the Plan states, "To provide healthy and affordable housing, the City will fund the entire continuum of housing, from addressing the needs of homeless neighbors to helping families buy their first homes. This "spectrum" of housing development almost exactly aligns with HCDI's efforts in the City, with 50 homeownership units 20 units for the chronically homeless simultaneously in development.

Another example of how HCDI is aligning its efforts with those of the communities it serves is in Pelham.

The Pelham Housing Needs study recommended that the Town:

"work with local and regional affordable housing developers to collaborate on ways to increase new development that meets Pelham's needs and character. Engaging with housing developers will help inform the Town's process and may lead to new zoning initiatives or a town sanctioned use of chapter 40B to increase density without the need for a major change to a zoning district. This strategy may have the greatest potential to actually create new Community Housing.A friendly 40B development where there is a true

collaboration between the town and the developer would provide the flexible zoning necessary for this to be feasible.”

As described above, this is exactly what has occurred, with HCDI working closely with Town officials to help realize their goals.

HCDI's work to advance economic justice aligns with work being done by the city of Springfield's Office of Diversity, Equity and Inclusion as they work to “provide a range of resources and tools towards the goals of creating positive and systemic change in the workplace and our city”. Additionally, HCDI seeks to align its strategy with the Diversity, Equity and Inclusion Policy put forth by the Pioneer Valley Planning Commission particularly in the areas of recruitment and development of a strategic diversity plan to move the organization from diversity to inclusion to equity.

HCDI's work to support resident stabilization and empowerment aligns with the goals of the HUD Family Self Sufficiency program to support residents in enhancing their job readiness and employment skills to increase their income and attain the goal of self-sufficiency. This further aligns with the goals of Springfield Works, of which HCDI has been an active member since its inception in 2016 “working together to create pathways to opportunity.” The vision of this collaborative work is *“for Springfield to have thriving communities, where economic opportunity, growth, and resilience is possible for all.* Achieving that vision requires ongoing, collaborative work to remove systemic and racial barriers and create pathways to economic opportunity and well-being.” HCDI's work with residents and partners to alleviate hunger, overcome food insecurity and work towards food self-sufficiency aligns with the Hampden County Health Improvement Plan, Live Well Springfield, the Public Health Initiative of Western Mass. and the Transforming Communities Initiative. These groups and others work to mitigate the impacts of food insecurity, instigate change and create healthier communities for the generations to come. HCDI works with Northeast Organic Farming Association of Mass., Rachel's Table, the Food Bank of Western Mass. and others to realize the goals of the Hampden County Health Improvement Plan: “(1) **No one goes hungry** • Further integrate emergency food systems and programs into the overall regional food system. • Expand consumer outreach, education and advocacy to enhance use of healthy, local and culturally appropriate food. • Increase access to healthy food. • Make sure that as many people as possible who are eligible for food assistance receive it (Supplemental Nutrition Assistance Program) and (2) **We grow our own food** • Collaborate with organizations across New England and within our region to work toward the goal of producing 50% of all food that is consumed in the region. • Provide training and resources to build the capacity of people growing the regional food system.”

SECTION 8 FINANCING STRATEGY

Goal 1A

Housing Development Projects

HCDI has over 25 years of experience successfully developing affordable housing. The five projects listed in the goals--Gemini, Old Hill, Amethyst, 275 Chestnut and Liberty—are in various stages of predevelopment with most of the funding sources identified and committed.

- The Gemini project has received preliminary commitments for most of the funding but still needs to close the gap with a combination of construction savings and additional funding. Pending imminent construction pricing, HCDI will pursue funding of this gap through state funding sources.
- The Old Hill project has also received preliminary commitments and is ready to advance toward a closing later this year, pending pricing confirmation and gap financing.
- The Amethyst project in Pelham was recently awarded full funding and will be working toward closing Summer 2023.
- 275 Chestnut project in Springfield was also recently awarded funding and is expected to close Summer 2023.
- The Liberty redevelopment/expansion project has only just begun and no funding applications have been sought. It is expected that the project will require multiple phases, utilizing both 4% and 9% LIHTC, together with other affordable housing soft debt and energy efficiency incentives. There are no specific plans or budget in place, as yet. However, this project has been discussed with predevelopment funders who have encouraged us to pursue it.

See detailed budgets for each goal in Attachments.

Goal 1B

Create and Support Vibrant Neighborhoods

Activities will be funded through a combination of operating income from the properties and, with the anticipated CITC credits, private donations. For the last 8 years HCDI has spent property income and surplus cash to successfully perform these activities. Currently, there is no full-time person actively pursuing neighborhood improvement projects such as those outlined in Goal 1B. Rather, they are pursued only as staff time can be borrowed from real estate development, property management, or resident services at the properties. This is why the availability of CITC funding will be so important to the fulfilment of this goal. (See budget breakout in Attachments.)

Goal 2

Advance Economic Justice

Activities related to this goal will be funded by committed construction funding and operating income along with support from a new FTE staff person funded by CITC donations.

Goal 3

Stabilize and Empower Residents

HCDI has been engaged in this aspect of community development for the past 8 years, expanding resident engagement efforts as funds allow. The 2023-2026 work will be funded by operating income, contracts, grants and funding from CITC donations. Committed grants at present include MassHousing for youth employment (\$20,000 committed and another \$30,000 expected for 2023), Northeast Grassroots Education Fund for food access work (\$4000), and a Community Empowerment & Reinvestment Project subgrant from Springfield Works for job readiness and employment work (\$25,000). Pending grants include Springfield ARPA (\$100,000). We also plan to apply for a Community Enterprise Grant, a HUD grant for 2024 to support FSS program staffing and other grants as they become available.

Since 2016, HCDI has been able to access over \$2MM for its community and resident programs, primarily relying on grants, rental income and developer fees. Seeking donations from private businesses and individuals has been limited, however. In 2017 a HCDI redevelopment contractor donated \$20,000 to supply water, fencing and a storage shed for the Tapley Court Community Garden. To celebrate its 50th Anniversary in 2019, HCDI solicited donations totaling over \$60,000 from local businesses toward its Resident Engagement Program. Although limited, these are examples of the kinds of donations HCDI can attract even more powerfully with a CITC award. HCDI's reputation for reliability and community engagement is widely acknowledged. Potential donors, including major institutions in the Springfield area have indicated their commitment to the creation of affordable housing and as key to the success of the region's most vulnerable residents. HCDI has connections with local businesses including "anchor businesses" in education and health through their work with Springfield Works. HCDI plans to approach business partners, local hospitals, educational institutions, insurers, casino, banks and businesses large and small who have a vested interest in the success of HCDI and HCDI residents. HCDI will also connect with foundations, in particular ones that have funded HCDI programs in the past such as the Beveridge Foundation and the Davis Family Foundation, and work with Community Foundation of Western Mass to identify others, who are likely to donate to HCDI, especially with the added leverage of a CITC allocation. HCDI is prepared to launch a fund-raising campaign to utilize all awarded CITCs.

SECTION 9 HISTORY, TRACK RECORD, AND SUSTAINABLE DEVELOPMENT

Property Development

HCDI has over 25 years of experience syndicating LIHTC and HTC projects, with 5 projects in the last 8 years. Recently, HCDI has expanded its housing development activities into homeownership, as well. In recent years HCDI renovated 30 units in a converted school in the McKnight neighborhood, 136 scattered site units in the Bay and Upper Hill neighborhoods, renovated 101 units of Single Resident Occupancy units in the former YMCA building on Chestnut Street and converted the tornado damaged Brookings School into 42 family housing units. HCDI has successfully maintained 464 units of housing in Hampden and Hampshire Counties. HCDI has long been committed to creating safe, vibrant neighborhoods, engaging with the community and supporting local neighborhood associations.

Advancing Economic Equity

HCDI's work to advance economic equity has included hiring minority contractors for its development work, hiring a 95% BIPOC property management and resident engagement staff team, and hiring minority construction consultants to advance the work. HCDI recently facilitated the creation of a shared database of minority and women construction contractors with other non-profit housing developers in Western Mass. Since it was first offered in 2014, HCDI has required all staff attend the two-day Healing Racism training. HCDI seeks to expand and deepen this work in the coming years.

Resident Stabilization and Empowerment

HCDI has been providing resident services for over 15 years and for the past 9 years has expanded the work to encompass resident empowerment. The mission of the program is to “work together with residents to build upon their strengths, reach their goals and create healthy futures”. In 2021, amidst the pandemic, HCDI launched a HUD Family Self Sufficiency program which has 25 households enrolled at present. For the past 7 years HCDI has had a Youth Leadership development and Employment Program providing training, mentorship and jobs to 16 HCDI teens each year. For 8 years HCDI has run after school and summer programs for HCDI children to support their learning and provide enrichment opportunities. In the past 5 years HCDI has been awarded over \$600,000 in grants from Community Foundation of Western Mass, the Davis Foundation, the Beveridge Family Foundation, United Way, Northeast Grassroots Education Fund, Springfield Community Block Development Grant, and the Carlos Vega Fund to support various educational, workforce development, employment, health and other advancement opportunities for residents. Three other grants (\$200,000+) have been received from the Community Foundation of Western Mass to provide direct COVID-19 Relief to Underserved Populations. In addition, multiple large collaborative grants have been awarded, including (1) 3-year Mass. Department of Elementary and Secondary Education grants to Girls' Inc. of the Valley to provide high caliber, educational co-ed summer programming at HCDI, (2) a Mass. Urban Agenda Grant, partnering with Springfield Works to support workforce readiness and skills development at Liberty Hill Townhouses, (3) two Mass. Community Empowerment and Reinvestment Project (CERP) grants (2022 and 2023) through Springfield Works, with 8 other community partners, to identify and address barriers to employment for previously incarcerated individuals.

Alignment with the Commonwealth's Sustainable Development Principles

1. Concentrate Development and Mix Uses

Most of HCDI's development activity has been in the City of Springfield's urban core, reusing existing buildings near commercial centers with minimal parking, EV parking spaces, bicycle stands and playgrounds. Most importantly, the projects include, wherever possible, multi-purpose public spaces capable of hosting an array of programs for residents and others in the community, as described elsewhere in this CIP.

2. Advance Equity

HCDI staff meet regularly with stakeholders in the community. One result of these meetings was the decision to invest in homeownership development. The need for homeowner opportunities for low-income households is frequently described in public meetings and city planning documents.

HCDI works to advance economic equity in the awarding of contracts, hiring of subcontractors and internal staff hires

3. *Make Efficient Decisions*

HCDI works closely with local regulatory bodies to ensure clear communication on priorities and procedures for permitting our projects.

4. *Protect Land and Ecosystems*

As part of its development of the Amethyst Brook Apartments, HCDI has been working with the Kestrel Trust and will deed over to them several acres of woodland and streams for permanent preservation as open space.

5. *Use Natural Resources Wisely*

All HCDI construction contracts require recycling of waste materials. The most recent project included 48KW's of solar panels, 4 EV charging stations, and high-efficiency ERV ventilation systems. Current designs for Gemini and Amethyst do not include fossil fuel burning equipment and do include the installation of solar panels.

6. *Expand Housing Opportunities*

The core of HCDI's work is expanding housing opportunities. HCDI's plans for new housing production are detailed above. They are high-quality, energy-efficient construction.

7. *Provide Transportation Choice*

Except for Amethyst Brook Apartments in rural Pelham, where the closest bus stop is a little over 1/4 mile away, all HCDI projects are located on or within a couple of blocks of a bus stop.

8. *Increase Job and Business Opportunities*

Between 2017 and 2021, HCDI spent \$65MM on construction projects in Springfield's economically distressed neighborhoods with over 280,000 hours of construction labor. In the most recent construction project, completed in 2022, construction workers spent over 6,000 hours on the job, of which 44% were spent by minority workers and 40% by local Springfield workers. Nineteen percent of the contract dollars (\$2,688,833) were spent on minority contractors.

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