

Section 1 – Community or Constituency to be served by the organization

The North Shore of Boston

North Shore CDC (NSCDC) is based in Salem but works throughout the North Shore of Boston. Although Essex County is one of the wealthiest counties in the country, the dichotomy is that it is a region with three Gateway Cities and several other small cities with formerly-industrial employment centers and struggling downtown economies surrounded by wealthier Towns and enclaves. We are one of only two certified-CDC's working within the context of this region, and our work is concentrated predominantly on the urban cores of the most urban cities within the region. Our home base continues to be in Salem's Point neighborhood, a deeply low-income neighborhood historically home to immigrants. Here, our full community development model comes together, while in other communities we operate one or more programs. For example, our YouthBuild program serves the entire region, but more than half the people in the program are from Lynn. In Peabody, our work thus far has been in community engagement and planning. In Gloucester and Merrimac, we have advanced affordable housing developments and invested in related community engagement.

Massachusetts continues to have some of the highest housing prices in the nation, and the North Shore is no different:

- 11.5% of Essex County residents live under the poverty level (<https://datausa.io/profile/geo/essex-county-ma/#wages>)
- 50.1% of Essex County renters are paying more than 30% of their income (Data derived from 2010 Census and 2014 5- Year Community Survey.)
- Unemployment on the North Shore has improved alongside Massachusetts' unemployment rate, currently at 2.8% (see WIB)

Salem's Point Neighborhood

NSCDC has been based in the Point neighborhood since 1978. We have developed 286 units of affordable rental and homeownership housing in the neighborhood, 246 of which are rental units still a part of our real estate portfolio. We have deep neighborhood ties, having been involved in numerous community campaigns over the past 40 years, and with many neighborhood leaders having served on our board of directors over the course of the organization's history. Currently, 1/3 of our staff live in the neighborhood or grew up in the neighborhood. Officially home to approximately 4,300 people (10% of Salem's total population), it is estimated that it is home to closer to 6,000 and is less than 1% of Salem's overall landmass. It is directly adjacent to Salem's thriving downtown and characterized by its density, unique architectural heritage and high concentration of immigrants. According to the 2010 census, the Point is 63% non-white, consisting mostly of Latino immigrants. The green space in the neighborhood is found in a small number of urban parks, one of which NSCDC developed and maintains privately. Rental rates in the Point are, on average, 10-15% lower than rents in the adjacent downtown but remain comparable to those in South Salem, a more suburban neighborhood also adjacent to the Point.

The City of Lynn

Over the past eighteen months, NSCDC has become actively engaged in Lynn through our YouthBuild program. Over half the young people in our program in 2016-2017 are Lynn residents, we have developed key relationships with other providers, youth programs and civic leaders to advance the knowledge of the availability of our program as a resource for underserved youth. We are also currently under agreement on a 75-unit housing portfolio in a historically low-income residential neighborhood directly adjacent to downtown Lynn and within 4/10 of a mile of the commuter rail T station.

Beverly's Gloucester Crossing Neighborhood

NSCDC maintains 67 units of affordable housing in Gloucester Crossing which were the catalyst for a major neighborhood revitalization over the course of the past fifteen years. We continue to be involved at a community engagement-level, providing capacity building for community leaders, conducting various resident-driven community improvement programs and partnering with residents to draw attention to neighborhood priorities within city government. We also consistently have young people from the neighborhood entering our YouthBuild program and summer youth program.

Downtown Peabody

NSCDC continues to be one of three core partners in the City of Peabody's TDI/Gateway City District program. The partnership, which also includes the Peabody Planning & Community Development Department and the Peabody Chamber of Commerce, has worked together for the past four years to advance the city's downtown, promote economic vitality and creatively think about ways to attract further private investment. NSCDC's role continues to be as a development advisor and potential developer within the district, as well as to promote resident and small business owner engagement.

Downtown Gloucester

NSCDC began seriously pursuing investment opportunities in Gloucester in 2015. Following our strategic plan's goal to expand into additional North Shore communities, Gloucester was identified as a key target given it's deep need for affordable housing, both because of a significant low-income population but also because of a shortage of affordable housing options. We partnered with a Gloucester-based non-profit partner, Action, Inc., once we found a potential development site for an affordable housing project. NSCDC is the developer of a 30-unit family affordable housing development, and we worked together on an extensive, year-long community engagement and education program surrounding the project.

Downtown Merrimac

NSCDC has been working with the Town of Merrimac since 2012 on the revitalization of a major brownfields site within a downtown residential neighborhood. Originally brought into the early stage planning by MassDevelopment, we have stayed involved, providing free technical assistance on redeveloping the site and community engagement. We

have participated in dozens of meetings with local officials over the past five years, as well as four public meetings with abutters and other town stakeholders. In 2016, the town issued an RFP for the redevelopment of the site, and we are now the designated developer with the intent to create ~35 units of family affordable housing following the completion of a major environmental cleanup.

Section 2 – Involvement of community residents and stakeholders

NSCDC's roots as a CDC founded in 1978 in Salem's Point neighborhood still influence our culture of engaging our community in setting priorities, strategic planning and executing the work that we do. Now that we work in multiple communities, this has forced us to think through community engagement in an even more thorough manner on the projects and programs we run. At a governance level, we continue to be a certified CHDO, maintaining 1/3 of our Board of Directors as either low-income or living in a low-income census tract. An updated list of our Board of Directors is attached.

At a staff level, a core piece of our strategic plan was to improve upon our staff's representation of the diverse communities we serve as we grew as an organization. As of early 2017:

- 1/3 of our staff was either raised or currently live in the Point neighborhood.
- Our staff is 60% female & 40% male; 60% non-white (44% Hispanic; 13% black; 3% Asian)
- Our senior staff team of 9 is 56% female and 45% non-white

We have also expanded our community engagement department as our organization has grown overall. Through a strong partnership with Merrimack College's graduate program in Community Engagement, we now have a robust Community Engagement Fellowship program which provides significant capacity that we otherwise would not be able to afford. This remains the core work of our organization, informing both our real estate development strategy as well as the strategic direction of our other programming. Our community engagement staff currently consists of:

- 3 full-time staff (Chief Program Officer; Community Engagement Coordinator; Youth Outreach Coordinator)
- 5 Community Engagement Fellows (25 hours/week, 10.5 months/year)
 - 1 position focused on the Point neighborhood in Salem
 - 1 position focused on Beverly & Peabody
 - 1 position focused on youth outreach
 - 1 position focused on outreach for our English-as-a-Second-Language program
 - 1 position focused on outreach for our other basic needs programs (financial literacy, Free Tax Prep, First-time Homebuyer's Education, etc.)

The basis of our work remains in developing long-term revitalization strategies alongside community stakeholders, particularly focused on ensuring that low-income people are engaged in the processes. As our work has spread, the level of our involvement varies by community but continues to coincide with all of work.

Youth engagement has been transformed over the past three years as our YouthBuild program has grown and is now central to our community development strategy as a whole. We are fortunate to have both the staff capacity to focus on engaging young people who are from the neighborhoods we serve, as well as to have a steady pipeline of young people going through our YouthBuild program, which as its core is a leadership development program. Within our YouthBuild program, there is a Youth Leadership Council which consists of current students and graduates. They have direct involvement in the governance of the program. Other NSCDC campaigns and initiatives regularly engage our YouthBuild program in community engagement activities. As they are in our offices every day, they are often involved in a range of activities and conversations on a very regular basis.

In Salem, we utilize all of the tools in our community engagement toolkit, ranging from long-term neighborhood strategic planning facilitated by our staff to working on ad hoc campaigns affecting low-income people in Salem to one-on-one engagement with individual residents and small business owners.

- The **2013 Point Neighborhood Vision & Action Plan (2013-2020)** continues to be the strategic basis of our work in the Point neighborhood. This process was co-led by NSCDC, the City and the Point Neighborhood Association and engaged hundreds of residents in various planning exercises to set forth an action-oriented agenda of investment and neighborhood change. NSCDC continues to lead a Vision & Action Steering Committee with representatives from the core groups involved which meets monthly at our offices. We track expenditures from all stakeholders – NSCDC, the City, other private and non-profit entities, etc. which are related to the plan.
 - This process also led to additional planning work in 2014, 2015, 2016 and 2017:
 - 2014 – Point Neighborhood Commercial Corridor Revitalization Plan
 - 2015 – Salem's Open Space Master Plan
 - 2016 – Mary Jane Lee Park Revitalization Plan
 - 2017 – Lafayette Park Revitalization Plan

Section 3 – Plan Goals

NSCDC is in the process of developing a new strategic plan in 2017, expected to be completed by the end of the year for the years 2018-2020. For 2017, the board made the decision to update the core goals in our 2014-2016 strategic plan with information relevant to our work this year.

1. Pursue strategic partnerships that improve scale, efficiency and innovation to maximize our impact and improve our sustainability.

- Over the past three years, our programs have evolved significantly through partnerships and collaborations, allowing us to serve many more individuals and, in turn, additional communities on the North Shore. Chief among them is our YouthBuild program. After becoming a certified YouthBuild program in 2013, we received our first federal Department of Labor grant in 2014, a nationally-competitive grant which increased our overall budget by close to 25% and vastly

expanded the scope of our program. In 2016, we were funded on our second 3-year federal grant cycle, an even more competitive process with far fewer funds available for second-time applicants. Over the next three years, this program will continue to grow in terms of both the number of students served, but also in the richness of collaborations our staff is able to develop to provide an even stronger academic and workforce training experience for the young people in the program.

- NSCDC has been committed to a collaborative service model whereby we leverage our relationships, presence and trust within the Point neighborhood in Salem to bring in critically-needed services through partnerships with other providers. In 2017, our ability to do so will be dramatically enhanced when we open Espacio, a new 2,000sf community and program space within the heart of the Point neighborhood. This space will allow us to expand the number of active program partners we work with from 4 to over 20.

2. Invest in the development of leaders amongst our communities, board and staff.

- In our last strategic plan, we set out to develop a leadership development institute to bring best practices in leadership to the communities we serve. We underwent a year-long planning process working alongside committed community leaders to develop a training curriculum. To-date, it has been implemented largely through our YouthBuild program, training the 20-30 young leaders per year in a formal civic leadership curriculum. Our community engagement staff is incorporated into the academic portion of our YouthBuild program to teach the curriculum, and the same staff enlists YouthBuild leaders in a variety of civic engagement initiatives ranging from outreach to focus groups to community meeting participation to participation on local youth commissions. By the end of this year's plan, this initiative will expand as our YouthBuild program expands to serve up to 64 young people per year.

3. Build and operate a sustainable organizational platform well-suited for growth.

- NSCDC underwent significant organizational growth between 2014 and 2016. Our annual operating budget is now steadily at \$2.2million, and we have built out an aggressive real estate development pipeline. Along the way, we have addressed asset management issues within our existing portfolio, overhauled our accounting system, substantially increased our net worth and reserves and overall developed a stronger, more sustainable operational platform. This year, we will continue to create a more sophisticated and sustainable platform which will serve our larger organization better and position us to execute the real estate pipeline we have put into place.

This year:

- We will have an organizational line of credit to assist us in cash flow management.
- We will contract out our property management services to save costs and bring in greater sustainability to the management of our housing portfolio.

- As our financial capacity and financial management capacity continue to strengthen, this will allow us to more seriously look at expanding the nature of our real estate development pipeline. Currently, we have an aggressive pipeline of seven affordable housing developments of various scales actively underway. These represent a significant amount of preserved and newly-created affordable housing stock for the communities we work in, and they are also critical to our financial strength going forward and programmatic support. During our strategic planning process in 2017, our board and staff plan to examine an expansion of our real estate development program to include mixed-income, market rate and commercial developments in the region. Not only would this create more housing options for North Shore residents, it would diversify our real estate portfolio and pipeline during uncertain times with subsidy availability over the next four years.
- Also in 2017, we will significantly expand the way we engage with individual donors. After building our donor pipeline through the use of CITC in 2014-2016, NSCDC hired a critical new position in the last quarter of 2016: an External Relations Manager. This important step for our fundraising platform has created capacity to invest in individual and corporate relationships that we have never had sufficient capacity for in the past. Instead of two donor engagement events and two major fundraising events, this year alone we plan to host ten donor engagement events and three major fundraising events. We are also planning to conduct two fundraising campaigns in 2017 on top of our CITC/annual campaign: the first, a \$30,000 campaign to support the buildout of our new community and program space, and the second a campaign to support public art installations in Salem's Point neighborhood. These two will be the first two times we have conducted time-limited, specific campaigns targeting individual and corporate donors on top of our annual campaign.

Benefits to constituencies in achieving plan goals

Low-income families and historically low-income neighborhoods on the North Shore will benefit directly from a strong NSCDC. Our real estate development work not only creates significant additional housing opportunities for families in need, it also targets sites which are in need of investment and economic revitalization as a whole. Our comprehensive approach to real estate development includes deep community engagement and planning, advocacy for parallel infrastructure improvements and a commitment to staying involved with programming and engagement during and after our projects are complete. This model is now fully underway in Gloucester, and this year we expect to be as fully engaged in both Lynn and Merrimac as well.

Our community engagement work in the North Shore's three gateway cities aligns with the regional needs as well. 58% of the poverty in our region (16 cities and towns which make up the Metropolitan Area Planning Council's North Shore sub-region) is concentrated in three of the cities we are involved in: Salem (25%), Beverly (17%) and Peabody (16%). These three communities have the highest concentrations of poverty in the region and have continued to see rises in poverty since the 2010 census. While we have worked in Salem and Beverly for many years, Peabody, Gloucester, as well as

most of the other towns on the North Shore have had little, if any, community development capacity invested in them.

Benefits to entire community in achieving plan goals

North Shore CDC plans to expand our footprint in the region through Housing Development, YouthBuild, Community Engagement, and Leadership Development. Our CIP will focus on the strengthening of our current neighborhood revitalization model and bringing that model to scale to better meet the needs of low-income communities on a regional scale. Expanding our revitalization model into multiple gateway communities and towns that currently do not have affordable housing and community/economic development interests being met by other CDCs will result in more housing, more families and youth served, and a model of leadership development that can be implemented across the region. Further regionalization of our organization will allow us to have a greater impact on neighborhood revitalization efforts by leveraging resources for small cities and towns that are experience post-industrial poverty but are not included in the larger Boston metropolitan area. In addition to our current core of Salem, Beverly, Gloucester, Merrimac and Peabody, by the end of our three-year plan we expect to be working in at least one additional community amongst the following: Danvers, Newburyport, Amesbury, Salisbury, etc. There is a significant need in the region for North Shore CDC to expand our services for low-income households throughout the region, specifically with a focus on our three target communities. 58% of the poverty in the region (16 cities and towns that make up the Metropolitan Area Planning Council's North Shore sub-region) is concentrated in our three target communities of Salem (25%) Beverly (17%) and Peabody (16%). These three communities have the highest concentrations of poverty in the region and have continued to rise in this concentration since 2000. These communities are in the greatest need for our multi-pronged approach to community investment. By providing more affordable housing options, leadership opportunities, and access to programs that provide adults and you with a chance to increase their assets and access to financial resources, we are helping to stabilize low-income households across a greater geographic region.

Section 4 – Activities to be Undertaken

NSCDC's three-year plan will build upon the successes of our last three years and adapt to the current needs of the communities we serve. Our central goal is based on our mission, to invest in neighborhoods to create thriving communities. Using the tools and strengths that we have, we strive to have the greatest impact that we have on the lives of people living in the neighborhoods we serve. We will enhance our programming, export what works very well in Salem to other communities where possible, and fulfill our role as a regional developer and partner to communities. Our financial and operational platform will be significantly more streamlined and sustainable, and we will end the next three years with a very strong organization despite challenging times in the affordable housing industry.

1. Enhance our programmatic impact.

- ***Real Estate***

- Expand our existing real estate pipeline to increase the amount of housing options we provide, increase our assets and earn revenue to support our overall organizational budget:
 - Successfully complete the major rehabilitation of Congress Street Residences, a 64-unit, 100% affordable housing development in Salem by 2017.
 - Successfully complete the rehabilitation of Harbor & Lafayette Homes, a 27-unit Single-Room-Occupancy development in Salem, including 16 units reserved for formerly-homeless youth.
 - Begin construction on Harbor Village, a 30-unit, mixed-use 100% affordable housing development in Salem.
 - Acquire necessary permits and seek funding for The Lighthouses, a 46-unit, 100% affordable, mixed-use development in Salem.
 - a. Achieve Passiv Haus certification on The Lighthouses development.
 - Acquire, permit and seek funding for a 35+ unit, 100% affordable family housing development in Merrimac, MA.
 - Acquire, permit and seek funding for a 30+ unit, mixed-income housing development on Hawthorne Blvd. in Salem, MA.
- Secure adequate private and public capital to create the highest quality affordable housing developments.
- Pursue mixed-income and market-rate real estate opportunities which have a catalytic economic revitalization quality consistent with NSCDC's mission, creating local jobs, providing alternative revenue streams and supporting all of our programs.
- **YouthBuild**
 - Expand the number of youth served to at least 64 young people per year from across the region.
 - Maintain our federal, state and private grant relationships to support the successful operation of YouthBuild as it exists in 2017.
 - Create a dynamic new YouthBuild workshop space in 2017.
- **Community Engagement**
 - Maintain stakeholder accountability in the remaining implementation years of the Point Vision & Action Plan.
 - Build upon our initial outreach in 2016-2017 to immigrant business owners to create a sustainable small business engagement program serving the North Shore's Gateway Cities.
 - Maintain strong partnerships with other resident-driven leadership groups including the Point Neighborhood Association, the Latino Leadership Coalition, Salem's No Place for Hate Committee and the Essex County Community Organization (ECCO) on both ad hoc and annual campaigns.
 - Engage local residents and small businesses in the North Shore's Gateway Cities through creative placemaking activities.
 - Maintain a strong partnership with Merrimack College's Community Engagement program to provide substantial, sustained capacity to our community engagement staff.

- Maintain a strong partnership with Endicott College (Beverly) and the Gloucester Crossing neighborhood (Beverly) to conduct our annual community needs survey in the neighborhood.
- Create a dynamic new social enterprise utilizing reprogrammed, existing NSCDC-owned space on Lafayette Street in Salem's Point neighborhood.
- **Public Art**
 - Create a dynamic, vibrant urban arts district within the Point neighborhood in Salem by bringing in a mix of globally-renowned and local street artists.
 - Create relevant arts-based programming through partnerships to engage low-income youth in the Point neighborhood and in Salem in general in the arts.
 - Develop partnerships with Salem's sophisticated tourism industry to engage the tens of thousands of tourists visiting Salem each year to include the Point Urban Arts District in their travel plans, breaking down the invisible barriers between the Point and the rest of Salem.
 - Create a dynamic new social enterprise art gallery on Lafayette Street in Salem's Point neighborhood to support the Point Urban Arts District and the artists showcased within it.
- **Collaborative Programs**
 - Open our next 'Espacio' community and program space on Congress Street in Salem's Point neighborhood in 2017.
 - Continue providing ESL, Homeownership counseling and Free Tax Preparation directly through partnerships with Catholic Charities, The Homebuying Mentors and Salem State University, respectively.
 - Launch sustainable new program collaborations with at least four providers using the Espacio space by the end of 2017.
 - Launch sustainable new program collaborations with at least 10 new providers (cumulative) by the end of 2018.
 - Launch sustainable new program collaborations with at least 15 new providers (cumulative) by the end of 2019.

2. Invest in the development of leaders amongst our communities, board and staff.

- Create leadership opportunities for low-income and minority residents living in NSCDC target communities
 - Expand our leadership development curriculum currently centered on youth in our YouthBuild program to include youth throughout the neighborhoods in which we work.
- Maintain a strong partnership with Merrimack College's Community Engagement program to provide substantial, sustained capacity to our community engagement staff.
 - Include Community Engagement Fellows in leadership activities within the organization, including exposure to the Board of Directors, strategic planning and additional training.
- Maintain board and staff diversity to represent the communities NSCDC serves, including in particular the low-income neighborhoods within the communities we serve.

- Provide regular board and staff diversity and cultural awareness training.
- Provide incentives for additional staff training and leadership development.

3. Strengthen the financial and operational systems to support existing needs as well as build a platform for significant needs-based programmatic growth in the next three years.

- Diversify our real estate development pipeline and revenue streams.
- Increase our liquidity and net worth.
 - Create 150+ new housing units on time and on budget.
 - Develop an investment strategy for our operating reserves to achieve market-rate investment returns.
- Invest in sustainable systems which support accountability, growth and transparency amongst staff, board and external stakeholders.
 - Contract out our property management services to a third-party firm.
 - Enhance our real estate development accounting systems.
- Diversify our donor pool significantly.
 - Explore opportunities for increased giving within our existing donor pool through research, cultivation and active engagement.
 - Explore opportunities for giving from new individual and corporate donors leveraging the impact of CITC.
 - Expand the number of donor engagement activities and balance them throughout the year.

Section 5 – How Success Will be Measured and/or Evaluated

Over the next three years, NSCDC will measure and evaluate the success of our CIP through qualitative and quantitative data collection and assessment from our residents, stakeholders, and investors. Overall impact will be considered successful when the organization is seen as a viable resource to city officials, partnering organizations, local businesses, and residents. The evaluation process as it relates to the tools, methodologies, and responsibilities are listed below.

Success will be measured on our ability to have a greater impact in the region and also to offer more opportunities to low-income residents. Using our neighborhood investment approach, North Shore CDC aims to achieve a number of benchmarks to indicate success in meeting our mission to create thriving communities of choice. Within each investment plan goal, NSCDC will be monitoring success of the outlined activities in section 4 of the CIP.

Evaluation Goals

1. Expanding programming through strategic partnerships and new housing development opportunities will provide a greater number of low-income individuals and families an opportunity to have access to quality, affordable housing and to improve their economic mobility. Benchmarks for success include greater community involvement in North Shore CDC programs and increased housing opportunities, which is expected to grow in new communities with additional capacity.

We will evaluate the success of our real estate development pipeline and partners chiefly by comparing the units produced or in production with our stated development goals. We will also measure success by evaluating the economic impact in the communities in which we work, through real estate tax comparisons before and after development, taking into consideration market fluctuations. Key accomplishments within this goal include the development of affordable housing and meeting growth projections for community involvement in programming. In the next three years, North Shore CDC forecasts:

- Community Engagement – We will engage 50% more people by 2019.
- YouthBuild – Student hours worked will grow 122% by 2019.
- Resident Programming - People served in our programs will grow by 50% by 2019.
- Volunteers will grow by 150% by 2019.
- Real estate development pipeline will grow by 150 units, totaling 550 developed units.

For our Community Development programs, North Shore CDC has surveys already in place to evaluate the impacts of the program participants and the program as it relates to the greater community. These evaluations are based off state and national models, including but not limited to the Workforce Investment Board, Neighborworks America, and YouthBuild USA.

2. Investing in leadership development is an essential goal in creating sustainable transformation among the communities we serve. Low-income residents will be more active in their community and have greater opportunities for decision making, creating a sustainable platform for neighborhood change and long-term community improvement. Benchmarks for success include increased civic engagement among the residents served, measured by voter participation, involvement of low-income residents on community boards and committees, and involvement in community activities and meetings. In the City of Salem, North Shore CDC and partners plan to work towards equal representation of low-income and minority populations on boards and commissions (10%). Currently there are less than 2% of Point neighborhood residents or minorities serving on these boards, while the neighborhood represents 10% of the total population.

3. Strengthening the financial and operational systems to build a platform for growth will allow for greater sustainability in the work of North Shore CDC as well as position the organization to expand our model additional North Shore communities beyond 2019. We will be a sufficiently capitalized organization to execute mid to large-scale housing and commercial development opportunities of a growing scale by the end of the CIP period. We will measure this by the growth of our net worth and liquidity against specific benchmarks established in our CIP plan, including diversified revenue streams and goals, a reserve strategy leading to 5% operating reserve, and technology infrastructure improvement to support growth. Additionally, increased funding will be used to assess and implement appropriate data management to measure the success of our program performance. Great reporting capacity will provide us with a comprehensive overview of the impact of our revitalization efforts to be used for strategic planning and for reporting to key stakeholders, residents and funders.

Participant Roles

North Shore CDC is prepared to take the outcomes of the planned neighborhood visioning plans and create action plans to carry out the assessed need/investment in each city, with a focus on development, community programming, and leadership development. These plans will have residents and city stakeholders serving as action committees to hold the responsible parties accountable in implementing each neighborhood visioning plan.

North Shore CDC's status as a CHDO organization allows the communities we serve to hold the organization accountable to the benchmarks and CIP goals outlined through active board membership. Monitoring of the plan will be done on an ongoing basis through NSCDC board and committee meetings comprised of low-income community leaders. Additionally, the board of directors will conduct a formal evaluation of NSCDC's impact in the communities. NSCDC's strategic plan identifies goals for board assessment of our ability to implement CIP goals.

Section 6 – Collaborative efforts to support implementation

North Shore CDC has evolved as an organization through successfully collaborating with municipalities, other agencies and the residents in the communities in which we work. Our ethos as an organization has been that partnership and collaboration always leads to a stronger, more robust and sustainable impact within the communities we serve. The nature of neighborhood revitalization requires investments of partners and our central role has been as a facilitator in engaging others around collective impact.

1. Examples of Existing Collaborations

- YouthBuild North Shore – In 2013 we had a huge milestone success of becoming a certified YouthBuild program where we received our first federal DOL grant in 2014 for \$1.1Million and again in 2016 for a 3 year grant cycle for \$1.1Million. These grant dollars will be used to expand our program and serve more young people on the North Shore. This additional funding has allowed YouthBuild North Shore to hire 2 full time employees and expand the program to serve up to 64 youth, more than doubling the size of the program. (Please see attachment “YouthBuild Grant Notification” for verification.)
- North Shore CDC's English Language – The program began in 1995 and provided 100 students with access to free English Language classes per year. In 2013 North Shore CDC partnered with Catholic Charities to administer the program. Drawing upon Catholic Charities resources and experience as an ESL provider across the region, North Shore CDC is able to ensure that students have access to a wider network of language learning opportunities and are receiving instruction based on current best practices.
- Internship and Fellowship programs - Long-term partnerships with Salem State University and Endicott College allow North Shore CDC to rely on qualified interns and faculty to support existing projects, pilot new programs, and provide

valuable research and evaluation of our work. Examples of these partnerships include registering voters, helping coordinate our YouthBuild program, and aiding with fundraising for our annual event. Additionally, yearly fellows from Merrimack College provide graduate level experience to our programs.

- Free Tax Preparation – Since 2012 we have been partnering with Salem State University to provide free income tax preparation for income qualifying families and individuals. This is an IRS-certified service, Volunteer Income Tax Assistance or VITA, which is offered by appointment only. We service individuals and families throughout our footprint on the North Shore. In 2017, we helped file 180 tax returns bringing in \$171,384 dollars back into the community through returns with a total of 562 volunteer hours. In the next 2 years, we would like to host the VITA program in our new Community Center, “Espacio”, increase the amount of tax returns by 20% so we are able to bring more return dollars back to the community.
- Homebuying Classes – Since 2013 we have consistently provided classes for first-time homebuyers in the North Shore. Lacking internal capacity, we partnered with the Homebuying Mentors to provide the technical capacity to administer the program. We have had filled our classes since we began our partnership.
- Financial Stability - In partnership with Community Credit Union, North Shore CDC's financial stability workshops started up again in beginning of November 2016. These run as 3 consecutive workshops on financial basics, budgeting, improving/understanding credit score, and lending. These are ongoing workshops throughout the year with individual counseling sessions to be linked with the workshops.

2. Proposed Collaborations and Expanding Current Collaborations

- Espacio Community Center – In the fall of 2017 we will be opening up our first and only Community Center located in the heart of the Point neighborhood in Salem. In this space, we will be collaborating with several local organizations (3 of which we currently collaborate with, see above): Catholic Charities, The Homebuying Mentors, Salem State University and High Rock Church to provide ESL, Homeownership counseling, Free Tax Preparation and Immigrant Services respectively. By the end of 2017, we would like to launch 4 sustainable new program collaborations with 4 service providers; 10 new providers for for 2018 and 15 for 2019.
- Strong Community Partnerships - Local government, boards, and funders, are a key element for developing the pipeline of leadership opportunities in the community. Resident groups will be our key partners in developing an institute that is responsive to community needs and builds upon the community assets within each neighborhood. Additionally, technical support and assistance will come from coalitions such as Mel King Institute, Community Training and Assistance Center (CTAC), MassVotes, Neighborworks America, and other organizations that have experience in leadership development curriculum and training.

- Real Estate - North Shore CDC will continue to pursue potential development partners or service contracts that will allow for community support or greater expertise in real estate development. Working with local planning departments, the North Shore Home Consortium, Community Preservation Boards, and Affordable Housing committees, North Shore CDC will identify viable revitalization projects and support projects by committing local funds. Additionally, North Shore CDC will help these organizations meet their objectives in collaboration by working with existing community plans and priorities to meet specific housing needs within individual communities. North Shore CDC has worked with all partners in the past in a number of capacities, and through development will deepen the relationships and collaboration.

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

North Shore CDC's views quality community development as occurring, by definition, in collaboration with others at all levels of the community. The priorities for this CIP have been developed in concert with broader plans in our communities, and with active dialogue with civic leaders and residents.

Each of our target communities in the CIP has their own community development planning process. North Shore CDC's staff are in constant dialogue with leaders from these communities. Our community engagement staff works with Beverly and Salem residents on a consistent basis. Because Peabody, Gloucester and Merrimac are new communities for NSCDC, resident input systems are being developed.

The CIP is the result of synthesizing and prioritizing community development goals from the following community and neighborhood-level plans:

- The 2013-2020 Salem Point Vision and Action Plan, a collaborative plan developed by the City of Salem, North Shore CDC and the Metropolitan Area Planning Council was a year-long grassroots community planning process establishing priorities for the Salem Point neighborhood.
- The 2013 Peabody Housing Development plan was approved by Peabody City Council in 2013 and includes a community-wide plan to meet residents' affordable housing needs.
- The Salem Working Cities Plan, implementation activities from the Vision and Action Plan.
- Annual Beverly Gloucester Crossing Resident Surveys that include identification of high priority resident needs and goals, as well as progress assessments on past goals.
- Annual Salem Point Resident Surveys that include identification of high priority resident needs and goals, as well as progress assessments on past goals.

- Beverly's "Downtown 20/20" Plan. This plan, spearheaded by Beverly Main Streets, a North Shore CDC ally, has laid out a vision to create an arts' district overlay in downtown Beverly.
- Salem, Beverly and Peabody have each adopted the Community Preservation Act. NSCDC was centrally involved in the local advocacy efforts in Salem and Beverly, both of which adopted CPA in 2012. NSCDC chaired the Salem campaign and is on the committee.

The Larger Community

Lacking resources and capacity to rebuild and reposition, smaller Massachusetts cities such as Beverly, Merrimac, Gloucester, Salem and Peabody (the latter two of which are Gateway cities) have been slow to draw new economic investment. North Shore region is anchored by these midsize urban centers and the regional economy very much depends upon their economic revitalization and progress. In each community, North Shore CDC provides an organizational framework for robust public-private partnerships representing a significant economic development opportunity for smaller, suburban cities to achieve economic growth while addressing the growing needs of the communities' low-income residents.

Section 8 – Financing strategy

North Shore CDC's financing strategy is central to our growth over the next three years and to the success of our CIP. Between 2013 and 2016, our annual budget grew to \$2,068,948. This was less than was projected, however, still an increase of 80% from 2013. Because of our staff capacity growth at the end of 2016, we are now able to create a more well thought out strategic plan for sustainably growing our revenues and investing in our operational platform to support the demands of an even larger growing organization. For a more detailed 3-year budget, please reference attachment "NSCDC 3 year budget".

1. Revenue Growth

Track Record – Philanthropy

Currently, there is a small, but strong base of donors and NSCDC advocates that occurred through targeted, one on one relationship building, fundraising events and the annual campaign. We have grown this base to roughly 200 individual donors and corporations and have an 82% retention rate in our major donor pool. Please reference "NSCDC Philanthropy Growth Trends and Strategy" attachment for detailed information.

Plan for Growth – Philanthropy

Over the next three years, we will have a variety of funding streams, increase these funding streams, add diversity within our funding platform, and create a culture of gratitude by making fundraising "donor- centric". We have now doubled our development capacity by hiring a full time External Relations Manager so we will be able to expand our donor and corporate base for CITC, General Donations, Event Sponsorships, Grants, Individual Giving and Corporate Donations. With specific

strategies we will be able to increase and deepen our donor relations, point of contact, stewardship and dollars so we can reach our campaign goals and beyond for the next 3 years.

- **Individual Giving** – Currently, we have around 200 donors and corporations that are in our donor base. We would like to double that amount by 2018. This will be done by stewardship, individual engagement, follow up, and creating a donor pipeline from volunteerism and event introduction to donor.
- **Affinity Groups, Advisory Board, Partnership Committee** – The overall goal of creating affinity groups is to broaden our individual and corporate donors to primarily our CITC donor pool. We have identified 4 subgroups of professionals who we believe have a better baseline of understanding our organization and the nature of our work: Real Estate, Lawyers, Bankers, Contractors/Architects. We will be hosting a series of events to engage these affinity groups and follow up with cultivation strategies to get these individuals incorporated into the donor pipeline. We have trained the board in how to make a fundraising ask and will be utilizing these techniques for CITC and sponsorships for our events.
- **Banks** – We have identified several banks in our region that we haven't developed relationships with as of yet. We are adding them to our affinity list and will be engaging with them one on one to educate them about CITC. Many of the banks still are unaware of the benefit of the tax credit and that it counts for their CRA. As an engagement/fundraising strategy, we have found that engaging at a one on one level is much more effective than a large group setting.
- **Events** – In order to gain more donors than our base of 200, we have a line up of cultivation, stewardship and fundraising events where we are targeting affinity groups. The goal is to cultivate between 20-30 individuals at each of our cultivation events, invite them to our large fundraising events and enter them into our donor pipeline.

Community Investment Tax Credits

We currently have a small group of recurring supporters of the CITC program which total 30 and are committing \$100,000 or 50,000 credits. Over the next three years we have a solid fundraising plan for educating and soliciting new donors for CITC. At each of our 5 cultivation events, we will be educating them on CITC with follow up. Our goal is to get 20 individuals at each of the 5 events to become CITC donors at \$1,000 each. We also have an untapped resource in banks on the Northshore and, through the aid of 2 of our board members, have a rigorous fundraising plan for engaging area banks to cover the remaining credits to reach a goal of \$300,000 or 150,000 credits. Please reference NSCDC Philanthropy Growth Trends and Strategy attachment for further detail.

Track Record – Real Estate Development

We have successfully maintained an active real estate development portfolio, completing two low-income housing tax credit deals in the past three years. This pipeline has allowed our organization to grow through development fees as well as increase our overall financial health through increasing our stabilized housing portfolio.

Plan for Growth – Real Estate Development

- Housing Development - In 2018, we will begin construction on another LIHTC development, and in the next three years we will apply for funding for two additional projects. Over the course of three years, we will maintain a steady, annual pipeline of affordable housing developments with 130 units either rehabilitated or newly built.
- Commercial Development – In addition to affordable housing development, which will remain a core aspect of our work, our strategic plan calls for the pursuit of non-residential development as a secondary means of real estate investment, community impact and revenue growth. We are currently pursuing a commercial real estate project in Gloucester which will bring critically needed investment to the neighborhoods we serve and provide additional revenue streams to our organization.
- Additional Communities – Our long term strategy is to bring our work throughout the North Shore region to provide critically-needed community development capacity and increase the stock of quality, affordable housing throughout the region. By diversifying our regional presence, this will also provide greater stability to our real estate development pipeline by opening up a greater number of real estate development opportunities. By the end of 2019, we will be working actively in at least one additional community on a housing or commercial development.

2. Investment in Finance

- Our strategy over the next three years is to improve our financial position to bring greater sustainability to our organization. We will do this both by growing our revenue streams as discussed but also through an informed investment strategy. Over three years, we will place resources into reserves to enhance our balance sheet, improve our liquidity and provide sufficient resources to support our growing organization. Our finance staff and board finance committee have identified goals of having four to six months of operating activity in an operating reserve account, as well as a revolving real estate fund as key priorities. In the past year, we have significantly expanded our capacity with regards to finance and operations by hiring a part time CFO with an extensive background in Affordable Housing and is currently undergoing a rigorous training with our full time staff. This has been critical in providing operational support we need from real estate development to our programs. However, as we grow and expand the need for another account position will be needed in the next three years.

Section 9 – History, Track Record and Sustainable Development

Housing and Community Development

North Shore CDC has created 399 units of affordable housing. It is one of the largest community development organizations in Massachusetts. Long-neglected communities have seen dramatic improvements since the North Shore CDC's founding organizations stepped in to create housing and foster community development. We continue to work on projects that have significant neighborhood-wide benefits. Progress is regularly

monitored, and plans adjusted to ensure success, through annual neighborhood resident surveys.

Community Building

Founded by two grassroots organizations, North Shore CDC has a rich history of successful and innovative community building. From its home in Salem's Point neighborhood, North Shore CDC maintains integral ties to the Point Neighborhood Association and a host of local leaders, businesses, and community members. Additionally its work in Beverly has created lasting partnerships between residents, city officials, and other agencies, which have led to activated neighborhood groups and dramatic reductions in crime.

Alignment with Commonwealth Sustainable Development Principles

NSCDC's approach to community development is both philosophically and practically aligned with the Commonwealth's Sustainable Development principles. The following are examples of specific NSCDC's ongoing programs that carry for the Commonwealth's goals in this area:

Real Estate Development-Related Priorities (Concentrate Development and Mix Uses, Protect Land and Ecosystems, Use Natural Resources Wisely, Expand Housing Opportunities, Promote Clean Energy and Plan Regionally)

North Shore CDC's three-year focus on developing affordable housing and improving neighborhoods in the Salem Point, Beverly Gloucester Crossing, downtown Peabody, downtown Gloucester and downtown Merrimac will strengthen core small urban centers and focus development on densely populated areas and re-use/ revitalization of existing structures. This development strategy provides opportunity for preservation and elevation of cultural and historic preservation in neighborhoods. North Shore CDC's consistent practice (identified in its core values and development strategies) of utilizing green building materials and design ensures optimal conservation of energy and minimal use of environmentally problematic materials.

Community Development-Related Priorities (Advance Equity, Provide Transportation Choice, Increase Job and Business Opportunities)

North Shore CDC has identified priority needs such as cultural celebration, transportation, and job access. North Shore CDC either meets these needs in its range of community-based programs, such as English language (ESL) classes and Youth Build activities, or establishes partnerships with other communities that can do so. North Shore CDC goes beyond helping residents identify needs, however. Results of annual neighborhood surveys feed priorities for community engagement and teaching staff at the CDC, and feed the large scale priorities of the organization. Recent examples of this include expansion of ESL classes and hours and the successful pursuit of designation as a Youth Build entity, both based on resident-identified need related to increased employment.