

North Shore Community Development Coalition's CIP

Section 1- Community or Constituencies to be served by the organization

North Shore CDC is located in the heart of North Shore region in Essex County, north of Boston. North Shore CDC is positioned to bring our neighborhood development model to communities throughout the region by focusing on historically low-income and distressed neighborhoods in need of revitalization in the next three years. North Shore CDC is the only certified CDC in the North Shore region. We currently work in Salem, Beverly and Peabody and over time plan to expand into more communities to bring community development capacity throughout the region.

Massachusetts is the third most expensive state in the nation for housing. Low-income Essex County residents face some of the most misaligned housing costs relative to income:

- 58% of poverty on the North Shore is concentrated in North Shore CDC's three target cities- Salem, Peabody, and Beverly.
- There are few subsidized housing options in North Shore.
- 44% of Essex County renters are paying more than 30% of their income on rent.
- 22% of Essex County low-income households spent over 50% of their earnings on housing.
- While financial subsidies for low-income families and individuals have decreased in the last 40 years, the cost of sheltering families has risen.
- Unemployment in North Shore continues to grow every month, with rates as high as 7.2% as of June 2013 (North Shore Workforce Investment Board, 2013).

North Shore CDC's efforts are currently concentrated in three North Shore cities- Salem, Peabody, and Beverly. Both Salem and Peabody are categorized as gateway cities, midsize urban centers that anchor regional economies around the state but are facing stubborn social and economic challenges. Beverly shares similar poverty demographics as the city with the second highest population in poverty on the North Shore (Metropolitan Area Planning Council 2013).

In the North Shore, poverty is often concentrated within specific neighborhoods. North Shore CDC's neighborhood revitalization efforts target investment and resources in specific neighborhoods that will benefit most significantly from our community development model. Over the next three years North Shore CDC development activity will build on work to date in three critical neighborhoods, bringing to fruition the visions of community leaders and residents.

Salem's Point Neighborhood: NSCDC has worked in the Point Neighborhood for over 30 years, maintaining nearly 200 units of affordable, rental housing. With approximately 4,100 people, the Point is distinguished from surrounding neighborhoods by its density, high proportion of multi-family housing and masonry apartment blocks, and high concentration of immigrants. According to the 2010 Census, the current population in the Point is 63% non-white, consisting of mostly Latino immigrants and first generation Americans. The high density of the neighborhood means that the majority of the parcels have little green space. The majority of housing in the Point is rental, and despite a large number of low-income families, Census 2010 figures confirm that the cost of rental housing in the Point is the same as average rents in Salem (Rents in the Point fall between 93-115% of Salem's average gross rent of \$1,005/mo.).

Peabody's Downtown: In August 2012, North Shore CDC's board of directors voted to include Peabody in its neighborhood investment strategy, beginning with programming in 2012 and working towards multiple real estate developments in the near future. Peabody is a very densely populated community of 3,125 residents per square mile of land area. The growing minority population represents 9.6% of Peabody's population, comprised largely of Spanish and Portuguese-speaking populations. In 2012, the City of Peabody released its housing production

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plan to support the increase in the number of affordable housing units, currently at 9.1%, 115 units below the city minimum in order for the City not to be subject to Chapter 40B permitting laws. Peabody became a gateway city in early 2013 and its entire downtown is designated as a 'Difficult to Develop Area (DDA).' North Shore CDC has largely concentrated our revitalization efforts in the DDA, which aligns with the heart of Peabody's downtown.

Beverly's Gloucester Crossing Neighborhood: North Shore CDC's investment into Beverly's predominantly low-income neighborhood has resulted in nearly \$20 million of leveraged funding and 58 new affordable housing units that have dramatically changed the landscape of a neighborhood, previously suffering from economic decline and escalating crime rates. Today, the community is at a critical point of transition as it is left to manage the dramatic changes that have begun a process of reducing crime and building neighborhood stability. Currently, the Gloucester Crossing neighborhood remains the lowest income neighborhood in the city of Beverly. Despite the average household size of 4, the median annual income of residents in the neighborhood is \$23,559, below the poverty level. The majority of Gloucester Crossing is comprised of families, with 69.9% of households stating that children (ages 0-17) live in the household. The unemployment rate in Gloucester Crossing is well over the state and national unemployment rates with half (56%) of participants stating that they are not working.

North Shore Expansion: Since we re-launched our organization in 2011 as a regional community development corporation, we have had wide-ranging communications with municipalities, other joint venture partners and explored development opportunities throughout the North Shore region. The boundaries of our organization's region reach throughout the North Shore and correspond to the North Shore Housing Action Group's Regional Plan to End Family Homelessness, a document that was created in 2006 that North Shore CDC was centrally involved in creating. A major motivation for charting out a regional approach is to provide community development capacity to communities throughout our region lacking such. We have looked seriously at opportunities in communities such as Danvers, Newburyport, Gloucester, Merrimac, Salisbury and Amesbury. By the end of 2016, we plan to be working in at least one additional community beyond our current core of Beverly, Salem and Peabody.

Section 2- Involvement of community residents and stakeholders

North Shore CDC has a culture of collaboration and planning that is rooted in the vision and voice of neighborhood residents and stakeholders. At a governance level this is reflected in North Shore CDC's board member composition. Thirty-three percent of board members represent the low-income neighborhoods that North Shore CDC serves. In 2010 North Shore CDC decided to become a CHDO, a designation requiring this representation, although its board composition pre-dated this formal designation. An updated board of directors list is attached.

North Shore CDC ensures routine engagement with community members through our investment in community engagement staff positions. In each of the communities in which we work, community engagement staff works with residents to develop a Neighborhood Master Plan tailored to the priorities of the resident stakeholders that will serve as a road map for comprehensive community improvement for the coming years. Progress on the master plans are assessed through annual neighborhood surveys that measure progress on key revitalization measures in target neighborhoods, and feed North Shore CDC program planning for the coming years. For an example of our neighborhood master plans please reference attachment 7-8 that outlines the action steps from our Salem Point Vision and Action Plan.

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Our work is guided by thorough planning efforts in each of our core communities. Various public processes have led to clear visions laid out by municipal officials and other key stakeholders which prioritize particular areas for growth. In each case, North Shore CDC has been centrally involved in the planning and outreach process. Our priorities have been to ensure that local residents have a genuine opportunity for their voices to be heard and for the various plans to position the communities, along with our organization, to implement action items and create dynamic change in the communities in which we work. For more information on our community engagement framework, please reference attachment 6.

NSCDC's community development activities and programs provide united, networked opportunities for the social, civic, and economic empowerment of residents in the communities we serve, so that they may further the goals of neighborhood revitalization in their own communities. Our staff works with residents to implement an annual set of community-based activities and classes. Our community engagement outreach includes quarterly resident meetings, intentional one-on-one meetings between our community engagement staff and residents, weekly coffee hours between community engagement staff and residents, focus groups around current city or neighborhood issues, and monthly resident newsletters. In addition to our outreach, North Shore CDC hosts a number of annual community events- from holiday celebrations, like Beverly's annual tree lighting in the Gloucester Crossing community to city-wide community service days, like Youth Get to the Point that bring over 100 youth together to give back to the Point neighborhood. These community events provide an opportunity to build relationships with residents, inform them of other services, and engage them further as leaders in their community. All formal and informal resident feedback is gathered, evaluated, and reported back to the neighborhood at community meetings and through CDC print and web-based communications.

Community engagement staff levels will be expanded to reach the goals established in this Community Investment Plan. For more information on our organizational and community impact growth, please reference attachment 1. The priorities for this CIP have been developed through broad and deep resident and civic stakeholder input gathering processes as follows:

- 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. North Shore CDC's primary role in this process was ensuring that the plan was a genuinely neighborhood-driven plan by overseeing the community engagement plan. Engagement included 11 focus groups with neighborhood leaders and residents, 2 public meetings with over 100 residents in attendance, over 200 youth and adults playing a social media planning game designed for the vision process, and an advisory board driving the entire process, composed of resident and local stakeholders. Additionally, we designed the framework for the process and action planning in a system that is replicable in other neighborhoods in Salem and region. For action steps of this plan reference attachments 7-8.
- **North Shore CDC Strategic Plan** conducted a thorough community engagement process that engaged over 10 external stakeholder discussions, multiple focus groups with board, staff, and other community meetings with resident and city stakeholders from all three of our target communities and a widely distributed electronic survey.
- The **2013 Peabody Housing Development plan** was approved by Peabody City Council in 2013 and includes a community-wide plan to meet the affordable housing needs of its residents. North Shore CDC was involved as a key stakeholder in the plan, and our

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development efforts have since focused on sites and neighborhoods identified by the City of Peabody as priority areas for redevelopment.

- The **Salem Working Cities Plan** is a plan created collaboratively by the same partners involved in the Vision & Action Plan. This plan is truly an action plan with a series of ready-to-implement tasks spearheaded primarily by North Shore CDC. Our team was awarded funding during a very competitive process open to Gateway Cities throughout the state.
- **Annual Beverly Gloucester Crossing Resident Surveys** that include identification of high priority resident needs and goals, as well as progress assessments on past goals. This annual survey has driven our organization's community engagement goals and priorities for the past six years and serves as a focus of discussion at regular community meetings. After initiating the survey during the time of our neighborhood wide redevelopment planning in 2007, we have now engaged Endicott College's research methods program to create added sustainability and academic support to the effort.
- **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 a 21st century arts' district overlay district in downtown Beverly. North Shore CDC has been a key stakeholder in this planning process, focusing both on the inclusion of existing neighborhood residents who are largely low-income, as well as the housing needs of artists. The strong arts community in Beverly has identified access to affordable housing opportunities as a barrier to the community's growth, and we have begun to align our housing development goals in downtown Beverly to include strategically-located artists' housing to coincide with this planning process.
- **Salem, Beverly and Peabody have each adopted the Community Preservation Act.** North Shore CDC was centrally involved in the local advocacy efforts in Salem and Beverly, both of which adopted CPA in 2012. A North Shore CDC employee chaired the Salem campaign and serves on Salem's Community Preservation Committee. Our work with CPA has not only centered around bringing additional resources to the table for affordable housing, but also around building community support and awareness for issues affecting low-income people. The passage of CPA has been an opportunity for our organization to regularly speak about affordable housing throughout the cities in which we work.

North Shore CDC has civic stakeholder and resident voices institutionalized in all its evaluation and progress monitoring activities. North Shore CDC's board of directors will have primary responsibility for overseeing CIP progress, including resident members on the board. Annual neighborhood surveys, already a regular component of programming, will include assessment of neighborhood goals. North Shore CDC staff is regularly engaged in dialogue with civic leaders in Beverly, Peabody and Salem. Evaluation of progress on the foundational plans to the CIP, such as the Salem Point Vision and Action Plan, will feed evaluation of CIP progress as well.

Section 3- Plan Goals

Through our strategic plan and business plan, North Shore CDC has identified our CIP goals as the following. For more information on our strategic plan, please reference attachment 2.

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

By expanding our Family Stability program to incorporate a resource center "one-stop-shop" model, North Shore CDC will be able to partner with multiple service providers and city departments to provide services to the growing low-income and minority population of Salem. The anticipated impact is that North Shore CDC will connect 100 residents per year to available social, economic, and cultural services of Salem – allowing for a more engaged and informed

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community. The added capacity of expanding our Family Stability program will also allow us to serve more residents across the region as a whole. See attachment 1. This project will also set a precedent for our ability to implement change based on community input, a model to be expanded regionally through community planning efforts.

North Shore CDC was awarded a Youth Build affiliate designation for our youth jobs program in early 2013. YouthBuild North Shore, currently provides 30 at-risk Salem youth annually with the competency and desire to transform their communities through education, employment, and leadership development. Both Beverly and Peabody have also expressed interest in bringing the model to their respective cities and through initial community planning efforts, expressed a desire to increase opportunities for youth. Using our model, NSCDC will develop a program business plan that allows us to offer the same service in each city by developing a diverse revenue stream and engaging new community-based partners. The impact will be more at-risk youth getting access to leadership development and employment opportunities in the region.

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

Throughout the community engagement and strategic planning process, residents and stakeholders in our core communities emphasized a need for a stronger, more intentional leadership strategy. North Shore CDC will develop an institute to bring best practices in leadership development to all core communities we serve – this program will build on the capacity of communities to be more effectively engaged in neighborhood change, as well as build the capacity of other organizations to foster leadership development through their own work. By the end of 2015, community members from Salem, Beverly, and Peabody participating in this initiative will be more actively involved in their community and civic life.

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

North Shore CDC will expand our financial capacity to support an aggressive real estate development pipeline that would a) increase our liquidity, net worth, and reserves and b) establish a revolving fund for predevelopment within other communities. In addition to a robust housing development pipeline mirroring our past five years' experience, our board has also made the decision to expand our real estate development activities to include commercial development. Commercial development will round out our neighborhood development strategy and meet more resident needs. With substantially more real estate development, NSCDC will be able to substantially increase our assets. The expanded financial capacity will be directed towards housing and other real estate development opportunities through a fund to support pre-development and acquisition of new development. This will allow NSCDC to pursue development opportunities that have a more immediate and direct impact through the production of transformational development in distressed neighborhoods and downtowns.

Over the three-year tax credit program, new donors will become deeply acquainted with our mission and neighborhood-based work throughout the region. Using relationship-building practices, NSCDC will sustain CIP funding beyond the three-year mark for a well-established, sustainable and local individual giving program that invests into our community initiatives.

Benefits to constituencies 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

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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 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, Gloucester, Merrimac, 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.

Benefits to the entire community in achieving plan goals

Our goals are developed to benefit not only the residents we serve in our low-moderate income neighborhoods, but also the greater communities throughout the region. Our real estate development efforts have prioritized sites that, once redeveloped, have a catalytic economic development impact on the surrounding community. In Beverly, for example, the transformation of the most blighted properties in the city into brand new, high quality affordable housing, has encouraged significant additional private investment on the part of adjacent property owners.

North Shore CDC is working with our core communities to implement existing community plans (i.e. Peabody's Housing Production Plan, inclusionary zoning requirements, and neighborhood master plans) to bring economically-positive, sustainable development. Our revitalization work targets neighborhoods within communities that face barriers to economic investment such as brownfield sites, DDA (difficult to develop areas) and downtown corridors with significant blight/economic distress. Our community-driven approach has been well-received by the community leaders in all three communities, where we have prioritized engaging existing residents in the planning and execution of revitalization work. For more information on our community engagement framework and master plans, please reference attachment 6 and 7-8.

Our transformational developments have brought in between \$5-\$10 million of public and private investment through real estate development, and our projects have contributed over \$565,000 in taxes and permit fees to the cities we work in over the past five years. Expanding our real estate development to include both affordable housing development and commercial will continue to provide communities with more opportunities for revitalization and sustainable revenue. For more information on our real estate investment, please reference attachment 5.

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Section 4- Activities to be undertaken

North Shore CDC's three-year plan is based upon an extensive strategic planning process. Our central goal is to build upon the success of our past three years to bring a greater scale of impact to the communities in which we work. We will expand our programming, expand the number of communities in which we work, expand our real estate development activities and build a sound financial and operational platform. At the end of our three-year plan, we will have a stronger, more sustainable organization working in at least four communities and positioned for further community development impact on the North Shore.

North Shore CDC's strategic plan outlines the expected impact of our activities on the previously identified goals and the communities and constituencies to be served. For an overview of our strategic plan, please reference attachment 2 and for details on our organizational growth, please reference attachment 1. The relationship between planned activities and plan goals is as follows:

I. Expand our programming

- 1) Geographically expand our real estate development on the North Shore to increase our impact in the region.
 - a) Hire 1 FTE Housing Development Director in 2014.
 - b) Secure public and private funding to support affordable housing development of 127 units in our three core communities.
 - c) Pursue non-residential real estate opportunities that provide catalytic investment in the neighborhoods we serve, create local jobs, and provide alternative revenue streams to support the broader goals of the organization.
- 2) Create dynamic, community-driven neighborhood master plans in each of our communities.
 - a) Engage residents in a community-driven vision for downtown Peabody and Beverly.
- 3) Leverage partnerships with residents, direct service providers, businesses, and city departments to provide programming that enhances economic and civic opportunities for low-income residents.
 - a) Secure state and federal funding for YouthBuild North Shore.
 - b) Hire 1 FTE YouthBuild Director and 1 FTE Construction manager for YouthBuild
 - c) Develop a business plan for expansion of YouthBuild into 1-2 additional communities.
 - d) Hire additional 0.5 FTE Family Stability Coordinator or increase position to 1 FTE director to expand partnerships for providing low-income housing and economic programs to tenants and residents.
 - e) Convene partners to develop an integrated service model for Family Stability program that would provide low-income household resources to advance economic self-sufficiency and quality of life under one roof.
 - f) Offer all programming and educational workshops bilingually.
- 4) Design and implement an innovative community based learning program housed within NSCDC in order to expand organizational and programmatic capacity, provide community based learning opportunities for emerging leaders, and connect low-income community members to the broader academic community.
 - a) Convene an advisory committee of academic stakeholders to develop a neighborhood revitalization model based on community/university partnerships that builds upon the

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capacity of the organization through interns, fellows, volunteers, service learning projects, and community based research.

- b) Host civic engagement trainings for community members.
- c) Host academic & policy events around low-income and community development issues.
- d) Apply to become an AmeriCorps host site.

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

- 1) Create leadership opportunities for low-income and minority residents living in NSCDC target communities.
 - a. Secure 2 additional Merrimack College Community Engagement Fellows.
 - b. Implement a formal leadership development institute to help identify, train and sustain grassroots leaders and residents in community and civic life.
 - c. Expand community engagement and neighborhood investment activities to all communities in which we serve to foster resident leadership development.
 - d. Engage community residents in advocacy efforts related to policies that impact housing and community development in the region through existing lobby days and advocacy work.
- 2) Maintain board diversity to represent the communities NSCDC serves and expands to, including expanding our low-income and community representatives.
 - a. Utilize leadership development institute as a pipeline for board and committee representation from low-income residents.
 - b. Create additional board subcommittees in civic engagement and youth programs to allow for input and representation from non-board members in NSCDC's work.
- 3) Build board and staff capacity to govern effectively and pursue sustainable, impactful organizational performance.
 - a. Develop senior management skills through a comprehensive leadership-training program with the Bridgespan Group's Leading for Impact program.
 - b. Provide incentives for staff training and ongoing learning.

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

- 1) Diversify and expand annual unrestricted revenue to support program expansion.
 - a) Expand and diversify philanthropic giving.
 - b) Pursue non-residential development.
 - c) Explore social enterprise-based revenue-generating program.
- 2) Increase liquidity and net worth.
 - a) Expand affordable housing portfolio by 180 units.
 - b) Develop a reserve strategy and funding plan over the next 3-5 years.
 - c) Develop an investment strategy to achieve 5% operating reserve.
- 3) Invest in systems that allow for transparency, accountability, collaboration and efficiency.
 - a) Invest in IT upgrades and database system to track and manage volunteer impact, track community involvement, and manage outcomes across programs.

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Section 5- How success will be evaluated and measured

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. For more information on our community engagement framework, please reference attachment 6. 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. For the number of individuals and households being served through our programs and housing development, reference attachments 1 and 5.

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 51% more people by 2016.
- YouthBuild – Student hours worked will grow from 122% by 2016.
- Resident Programming - People served in our programs will grow by 55% by 2016.
- Volunteers will grow by 199% by 2016.
- Real estate development pipeline will grow by 209 units, totaling 485 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

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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 3% of Point neighborhood residents or minorities serving on these boards, while the neighborhood represents 10% of the total population.

North Shore CDC utilizes a Community Engagement Framework based on the International Institute of Public Participation (see attachment 6) to evaluate the level of leadership within a community, ranging from minimal involvement in NSCDC community work, to an empowerment model in which community members are driving change in their community.

- 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 2016. 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 (see attachment 9 for philanthropy projections and 10 for a 3-year budget), 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. For an example of our neighborhood plans and responsibilities please reference attachment 7-8.

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 stronger, more robust and sustainable impact. The nature of neighborhood revitalization requires investments of partners and our central role has been as a facilitator in engaging others around collective impact.

Examples of past successes through partnerships

- **North Shore CDC developed 108 units of affordable housing** in Beverly during one of the worst economic downturns in U.S. history in a community that had not seen any rental

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housing development in over 20 years. We did this through engaging the City of Beverly as a partner in our projects and by partnering with another local non-profit organization, the YMCA of the North Shore, who partnered to bring financial strength to our housing development funding applications. As an organization without a substantial portfolio at the time, we had the vision to execute this project, but at the time lacked the financial capacity.

- **North Shore CDC launched YouthBuild-North Shore** as a dynamic new youth program based in Salem in 2012. This complex but impactful program required a strong academic component that our organization did not have sufficient experience in, so we partnered with Salem Community Charter School. Together, we have been able to create a highly successful YouthBuild program, the first new such program to launch in 10 years in Massachusetts. Our unique model has been recognized as innovative and efficient use of public/private resources.
- **North Shore CDC has long wished to provide homeownership counseling** for first-time homebuyers in our region. Lacking the internal capacity to do so we partnered with The Homebuying Mentors to provide the technical capacity to administer the program. Our relationships and marketing throughout our region have filled four classes in the program's first year, and together we expect this to double in size by the end of our three-year plan.
- **North Shore CDC's dynamic internship and fellowship programs** have allowed us to consistently meet some of our capacity needs. 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 over 100 voters in a year-long service learning project, piloting our growing family stability program, and doubling our fundraising capacity. Additionally, yearly fellows from Northeastern University and Merrimack College provide graduate level experience to our programs.
- **North Shore CDC co-founded the Beverly Resource Group** in 2007 to tackle long-standing neighborhood issues in a comprehensive community development approach. By engaging a number of local social service providers, Beverly Police Department, North Shore United Way, and Beverly Parks and Recreation, the Resource Group coordinated efforts that resulted in a 90% decrease in crime, improvements to the neighborhood park, and new basic needs programming for the residents in the community. Today, the Resource Group still convenes to allow providers to share valuable information for low-income individuals and families.
- **North Shore CDC's Community English Program** was founded in 1995 and provided 100 students with access to free English Language classes per year. Recognizing that there are a number of agencies specializing specifically in Adult Education in the region, North Shore CDC partnered with Catholic Charities in 2013 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. Additionally, North Shore CDC sits on the steering committee of the North Shore Adult Education Partnership to guide adult education opportunities towards the needs of the neighborhoods we serve.

Collaboration by goal

North Shore CDC's track record of partnership provides the experience for formalizing and navigating collaborations that support common goals of community revitalization. These experiences are an asset in finding new opportunities to support the implementation of the CIP.

Our goal to expand programming and real estate development and community programming will draw on a number of public and private partners to bring enhanced community services, new

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funding streams, and political support for North Shore CDC's work. Specifically, 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.

Expansion of community-based programs will be based upon partnerships with existing community organizations. Working with non-profit service organizations, local businesses, the North Shore Career Center, local health centers, police departments, and other core community institutions, North Shore CDC will be able to explore integrated services that help connect low-income residents within the neighborhoods we serve to a broad range of programs to support economic stability and mobility. North Shore CDC will explore shared resources, such as staff and space, as well as work with partners that meet needs identified in neighborhood visioning plans. Other key resources for community programs are the local colleges and universities, which have already been key partners in providing interns, volunteers, faculty, and research to support North Shore CDC initiatives, such as free tax preparation and voter registration. Additionally, partnering with statewide and national affiliations will draw in funding opportunities and technical assistance for existing programs, such as YouthBuild North Shore's memberships in the Massachusetts YouthBuild Coalition and YouthBuild USA.

The most important collaboration, however, will be with residents in the communities we serve. Currently, North Shore CDC works with local resident groups such as the Point Neighborhood association and the Latino Leadership Coalition to address revitalization needs within the community. As North Shore CDC expands our community engagement capacity, we will expand our partnerships with resident based groups in all core communities. By creating neighborhood based plans and through housing development, North Shore CDC has an opportunity to engage neighborhood residents in developing action initiatives for their community. Additional partners that work with community members, such as youth organizations (YMCA, B&G Club) faith based organizations, and local businesses will also be important partners in building community involvement. The Metropolitan Area Planning Council will also continue to be a valuable regional planning partner as we implement neighborhood vision plans across communities.

Strong community ties and partnerships with 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. Leadership development among staff and board will also be supported through partnerships with programs such as Bridgespan, Institute of Non-Profit Leadership and Management, and other professional development opportunities available.

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Developing a strong financial and operational platform will also require innovative new partnerships. North Shore CDC will collaborate with other regional community development corporations to share administrative resources and best practices. In partnership with The Neighborhood Developers, a CDC in Chelsea, North Shore CDC will develop a new data management system to better track and evaluate the impact of our work in a way that is transferrable and measureable across the industry.

Section 7- Integration of activities 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 Community Investment Plan have been developed in concert with broader plans in the three primary target 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 is a new community 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. For an example of action steps of our master plan reference attachments 7-8.
- 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, 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. By targeting resources to these more distressed small cities in the short-term, the entire North Shore will be strengthened as a region.

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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 2010 and 2013 during the three years post-merger in North Shore CDC's first three years of existence, our annual budget grew 220% from \$358,288 to \$1,148,000. Between 2013 and 2016, during the next three years of the CIP period, we project 118% growth, expanding from our \$1,148,000 budget to \$2,499,918. We will manage this exponential growth using similar principles that we've employed to manage our growth over the preceding years: by creating a well-thought out strategic plan for sustainably growing our revenues and investing in our operational platform to support the demands of a larger and growing organization. For a detailed 3-year budget, please reference attachment 10.

1. Revenue Growth

Track Record-Philanthropy

We have built a sustainable and growing network of individual donors that was barely in existence three years ago through targeted, increasingly successful fundraising events and an annual campaign. During our strategic planning process in 2013, we examined our current fund development practices and created a clear plan to substantially increase our philanthropic giving that calls for a 20% overall growth each year over the next three years.

Plan for Growth-Philanthropy

Over the next three years, we will undertake several key strategies to substantially increase our philanthropic giving. For more information on our philanthropy trends, reference attachment 9.

- **Board Partnership Committee**– We will invite existing board members as well as non board member supporters to join a Partnership Committee. This committee will focus on identifying key community supporters to sponsor events, host house parties and make direct appeals to donors. By focusing on existing relationships, our Partnership Committee will leverage the relationships of our existing network to broaden our family of regular donors.
- **Board Committee Growth** – Our board has also made the commitment to expand each of our board committees, with the exception of the Executive Committee, to include non-board members. Having done this on a limited scale in the past, it has been a successful way to deeply engage our communities with a broader set of individuals interested in donating.
- **Software investment** – Our plan calls for investing in a new software system which will allow us to manage our donor relationships in more efficient, sophisticated way. We are currently identifying systems to consider and will have a new system in place by the end of 2014. Our goals for a new system include having a better system of managing all of our contacts and leveraging existing relationships to convert them into donors.
- **Individual donor trainings** – Our plan calls for targeted trainings for board and key staff positions on the cultivation and maintenance of individual donors. We are in the process of identifying potential fundraising experts to consult with us, as well as trainings.
- **Grant writing capacity** – An increased investment in our grant writing capacity is amongst our highest priorities. As our organization has grown, our grant writing has been done by our CEO, Chief Program Officer and Director of External Affairs, each of whom have many responsibilities and are not professionally trained and experienced grant writers. Although we have had significant successes with private grants, our fund development plan identified this area as one of growth potential. Our vision includes increased foundation support from local foundations as well as at the regional, state and national level through foundations that focus on community development and NSCDC programs.

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- **Pursuit of public program grants** – North Shore CDC has never been a recipient of significant public grants for our programmatic work. Other than a small Community Development Block Grant program through the cities of Salem and Peabody, our programs have been entirely funded through private foundations or through our other unrestricted, earned revenue. Our strategic plan calls for major growth in this area, and we plan to achieve this growth both through increased grant writing capacity as well as through our continued pursuit of funding for our YouthBuild program. YouthBuild, in particular, has existing grant programs at the state and federal level for which our program is a strong candidate.

Community Investment Tax Credits

When the Community Investment Tax Credit was passed, North Shore CDC began a campaign to educate and develop current supporters and new donors to support our CIP. Our 5-phase CITC process is designed to create long-term commitments from local investors. We are confident that we can sell 100% of the credits for all three years of our plan should we be awarded them. For details on our CITC forecast and our pre-commitments, reference attachments 9 and 3-4.

- **Phase 1-** First, we conducted extensive education both internally with board and staff and externally through information sessions with our key banking and community relationships about CITC and our three-year plan with CITC materials specific to our region. The mayors of Salem, Beverly and Peabody co-hosted a public forum in mid-2013, and we had 60 people attend and express interest in investing in North Shore CDC through CITC. Most donors who have expressed interest have indicated that they would be more willing to invest once North Shore CDC have been allocated credits, rather than pre-committing beforehand.
- **Phase 2-** Second, we reached out to specific board members and banks with whom we have a long-standing relationship to obtain pre-commitments to invest in our CITC. We have received \$19,500 of pre-commitments from 8 donors, 3 of which are 3-year commitments.
- **Phase 3-** If and when we are awarded tax credits, we plan to re-engage certain key groups of stakeholders to swiftly sell our tax credits: the remainder of our board of directors, stakeholders and banks who attended our first forum or who have otherwise expressed interest in investing and local private wealth managers. Several North Shore-based private wealth managers attended our information session and expressed interest in the CITC for their clients. We will arrange for meetings with these individuals as soon as we receive a CITC award; each of these indicated they are better able to commit with awarded tax credits.
- **Phase 4-** We plan to engage our broader donor list to raise funds through a greater number of small donors (\$1,000-\$2,500 each) as an important next step. We have a donor list of close to 2,000 donors, many of whom participate in one of our well-attended fundraising events or have donated to our annual appeal. We will meet with all of our donors through individual meetings and larger educational events to present the investment opportunity and our CIP.
- **Phase 5-** We have corresponded with United Way of Massachusetts-Bay to indicate our interest in working with them to raise up to 1/3 of the funds needed to sell our allocation. If we sell 100% of our allocation on our own, this may not be necessary.

Track Record-Real Estate Development

We have successfully maintained an active real estate development portfolio, completing three 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. For more information, see attachment 5.

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Plan for Growth-Real Estate Development

- **Housing Development** - In the first year of our three-year plan, we will begin construction on another LIHTC development, and we will apply for funding for an additional project. Over the course of our three-year plan, we will maintain a steady, annual pipeline of affordable housing developments with 180 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 two commercial real estate projects in Salem and Peabody, respectively, which will bring critically-needed investment to the neighborhoods we serve and provide additional revenue streams to our organization. By the end of our three year plan, we will have completed at least one of the two projects and be substantially underway with project planning on the second, having a pipeline of additional deals ready to pursue. This will bring \$20million+ in new investment to the neighborhoods we serve.
- **Historic district designation** – One of our strategies in Salem is to have our target neighborhood, the Point neighborhood, listed on the National Register of Historic Places as a National Historic District. Not only is this an honorable recognition of the Point's place in Salem's history, it is also an economic development tool which will provide substantial financial resources for our current portfolio and future site acquisitions through the use of state and federal historic tax credits. Our three-year plan calls for this to be implemented in the first year of our plan, and efforts are underway to make this happen.
- **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 2016, we will be working actively in at least one additional community on a housing or commercial development.

2. Investment in Management Systems

Over the past three years, we have significantly expanded our capacity with regards to finance and operations. We have tripled our finance staff from a ¾ time position to two full-time positions, and we added a Chief Operating Officer and Administrative Assistant position. All have been critical in providing the operational support we require for everything from real estate development to our programs. We have also upgraded our accounting software, dramatically increasing its sophistication and ability to handle the needs of our larger organization. While the upgraded systems are in place, a corresponding higher degree of reporting has not been implemented yet and is called for in our strategic plan.

Plan for Growth

As our organization grows by an estimated 118% over the next three years, we will invest in our financial and operational staff capacity by adding support staff in our finance department and by training our existing finance and operations staff. Our Director of Finance, Chief Operating Officer and Accountant are all scheduled to regularly attend professional development trainings in specific areas of growth through such trainings as NeighborWorks Trainings Institutes. They will focus on real estate finance and accounting, human resource management, managing IT, etc.

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Fully utilizing our software package to produce sufficiently sophisticated reports and planning tools is a key goal in our three-year growth plan. Particularly as we diversify and expand our funding streams, our ability to track grants for timing and reporting will increase.

Investment Strategy

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. Each year, we will place substantial 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 six months of operating activity in an operating reserve account, as well as a revolving real estate fund as key priorities. Under our plan, these goals will be met at the end of our three-year CIP with \$835,644 having been reserved.

Section 9- History, Track Record and Sustainable Development

1. Track Record and Implementation Plans

North Shore Community Development Coalition was founded in 2010 to better address the need for quality affordable housing in the region. Recognizing that this issue applies to the entire region, our merger strategically extended our services to surrounding communities and advocacy for housing and community development on a regional level. Thanks to the joint efforts of these two remarkable organizations, North Shore CDC now carries with it 30 years of collective experience and a rich history of successful community development. Since our merger, our staff capacity grew 64% and our budget grew 220%. During the next three years of our CIP period, we project 50% staff growth and 118% budget growth.

Housing and Community Development

North Shore CDC has created 297 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.

Our transformational developments have brought in between \$5-\$10 million of public and private investment through real estate development, and our projects have contributed over \$565,000 in taxes and permit fees to the cities we work in over the past five years.

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.

Programming

North Shore CDC programs are an essential part of its mission. North Shore CDC continues to advance quality programming that offers residents in the region basic life skills to aid in achieving economic stability and a high quality of life. The Beverly Resource Group model has

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innovatively connected residents to service providers in the city in order to help with fuel assistance, tax benefits, and job training. In Salem, the North Shore CDC Community English Program has become an integral part of the community since its inception 15 years ago and is consistently filled with participants, serving hundreds of residents each year. North Shore CDC's newest youth jobs program fosters leadership development and neighborhood revitalization for low-income teens. The program engages collaboration throughout the entire city- connecting future young leaders and non-profits with city officials and thriving downtown businesses.

2. 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 and Beverly Gloucester Crossing neighborhoods, as well as downtown Peabody, 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.

For the first time in its history, North Shore CDC's strategic plan places priority on mixed-use development including an innovative Non-Profit Center in Salem, and creation of a plan to foster social enterprise opportunities in new developments. In 2012, with its new focus on Peabody, the North Shore CDC began an intentional expansion that is designed to indirectly improve, and eventually directly include, the entire North Shore region. Strengthening key distressed small city centers begins the broad strengthening effort and will further establish a track record of success to bring to more, smaller North Shore communities in the future.

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

North Shore CDC-sponsored Neighborhood Master Plans identify resident-identified priority needs such as cultural celebration, transportation, and jobs 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.