

SECTION 1: THE DORCHESTER BAY EDC COMMUNITY

Dorchester Bay Economic Development Corporation was founded in 1979 by local civic associations to address the problems resulting from the chronic disinvestment undermining North Dorchester and eastern Roxbury neighborhoods. For 35 years we have focused on understanding the needs of local residents and businesses through active engagement with the community. By definition in our charter, Dorchester Bay's focus is within the geographic area consisting of the following political subdivisions of the city of Boston: Ward 7, Precincts 8, 9, and 10; Ward 8, Precincts 5 and 6; Ward 13, Precincts 1, 2, 3, 4, 5, 6, 7, 8, 9, and 10; Ward 14, Precinct 1; and Ward 15, Precincts 1, 4, and 6 (the "CDC area") and to carry out activities in such other parts of the Dorchester section of Boston or elsewhere as to enhance the effectiveness of the Corporation's operation within the CDC area.

Dorchester Bay's neighborhoods include Uphams Corner, Dudley Street, Columbia/Savin Hill, Meetinghouse Hill, Bowdoin Geneva, and the Quincy corridor between Grove Hall and Uphams Corner. Our immediate area is one of the poorest neighborhoods in Boston. This diverse community of African American and Cape Verdean (57%), Latino (19%), White (30%), Asian (9%), and Native or two+ races (4%) residents includes 32.5% foreign born residents. Approximately 36% of the area's population falls below the federal poverty level and 73% fall below the Family Economic Self-Sufficiency. Household make-up includes 30% single female head of household. More than 70% of the housing units are in apartment buildings.¹

Previously unusually high crime rates in our service have declined over the past five years. This positive change reflects efforts of organizations like Dorchester Bay EDC's re-entry program and crime watches working with local public & private safety coalitions. The Re-Entry programs have had most impact on our 400+ ex offenders, who now average a 7% recidivism rate.

In addition to developing affordable housing, building commercial projects and promoting community leadership, DBEDC has a lending program, and is a certified Community Development Finance Institution, making loans of up to \$250,000 available to small businesses (and up to \$5,000,000 for businesses to purchase real estate or major fixed assets) per loan. Access to capital is a key factor in a small business achieving success, and SBA and CDFI are proven to be the most reliable sources of capital in the inner city. Kaufman Firm Survey, a recognized expert in the field, has published data showing that for 70% of inner city companies, a severe capital gap is the norm. Dorchester Bay EDC is one of the only CDC's offering microloans in the Commonwealth, and one of only two agencies offering the SBA 504 loans for small business purchase of real estate.

While we make loans to individual businesses citywide, with a capacity to extend SBA loans throughout Massachusetts, and collaborate with other CDCs and groups outside our direct service area, we do not have a defined secondary service area. However, given the statistics on lending to inner city and minority businesses, we take special efforts to be accessible to businesses in Roxbury, Mattapan and Jamaica Plain, in addition to Dorchester.

¹ All statistics based on 2010 census.

SECTION 2: INVOLVEMENT OF COMMUNITY RESIDENTS AND STAKEHOLDERS

Residents and stakeholders involved in creating this plan:

Using the metrics from the 2011-13 strategic plan, DBEDC board and staff are completing their Strategic Plan for 2014-16. This plan, along with the financial strategies being developed for the Community Investment Plan, is being informed by the real estate team's capital needs priorities with our large pipeline and also the finance team's proposals for a working capital and development reserve, which will provide a more stable cash cushion and more flexibility in moving new real estate projects.

Community involvement has been a key component to the development of both the Strategic Plan, and especially the Community Investment Plan (CIP). DBEDC's October 2012 Annual Meeting involved over 100 residents in "working groups" around central issues—jobs, quality of life, safety, and transportation. These groups developed specific short term action plans--to strengthen linkages to jobs and trainers, to inform residents of the MBTA fares at our local Fairmount commuter station and build ridership; to identify specific amenities that could improve the look and feel of our Uphams Corner Center; and to increase crime and safety actions for our area.

We incorporated the work of these stakeholders to advise our planning process to reflect their interests, concerns and priorities. Each group was led by a board member who is also required by our by-laws to be a community resident, business owner, or to have a professional investment in the community. Each group had someone who took notes on the sessions to report back to the larger group at the time and also to be used for future board planning. It was from the results of this process that we began our strategic plan.

Our board is strongly reflective of our community. The 15 member panel is made up of 12 community residents (three of whom are current or former tenants) and three individuals whose work has a strong Dorchester interest. We are two-thirds minority, and almost half women. The average board tenure is more than eight years. In addition to bankers, non-profit executives and entrepreneurs, we have a bookkeeper, homemakers, and retirees. We have a newly minted lawyer who grew up in the local Vietnamese community, and a Boston Public School teacher. One of our entrepreneurs came onto the board some years ago through our youth organizing program. One member who is also a tenant saw both of her children through college, despite one having been shot – collateral damage in a local gang war. So while we make extraordinary efforts to engage local residents in our work, we also know that our work ongoing is being directed by a representative microcosm of the community.

Two thirds of our staff comes from Boston's neighborhoods; 40% are from Dorchester. Two staff came on after graduating one of our programs; another three started as college/graduate school interns. Staff and board don't just understand the community, they are the community. Clearly, the staff working with this board incorporating the advice of our general membership would produce a plan that reflected the neighborhood's concerns. But still we couldn't be sure that the Community Investment Plan was what our residents and stakeholders were asking for. So we met with them to review the plan as it was coming together.

Our Executive Director called key stakeholders including funders and other Community Based Organizations' (CBO) directors. Our organizing department staff talked with tenants and partners from other CBO's. Our youth organizing director discussed it with the teen leaders. Other staff discussed it with colleagues. Finally, we presented our plan at our 2013 Annual Meeting. Again, we broke up into groups with each subgroup reviewing and reflecting on the plan. Not surprisingly,

feedback from the groups was that this plan was consistent with their previous input, and reflected their concerns and direction for the future.

Now that we have created a Community Investment Plan that includes and reflects the concerns and priorities of the community, we will be continuing community engagement, input and oversight of the CIP through our Community Review Committee (CRC).

The Community Review Committee will be a group of approximately 25-30 Dorchester Bay stakeholders including tenants, residents, Civic Associations, small businesses, community agencies, elected officials, public sector representatives, and others. Participation in the Community Review Committee will also be available for donors who have supported Dorchester Bay through the Community Investment Tax Credit program, to give them an opportunity to be more engaged. The chairs of the four subcommittees of the DBEDC Board of Directors will be on the committee, creating the link between the agency leadership and the review committee.

The CRC will meet four times a year. At the meetings staff members will report progress toward annual goals, present concise metric charts, and explain any significant variation. They will discuss unexpected outcomes and/or barriers. At the end of their presentation they will solicit feedback, listen, and respond. The board representatives of their subcommittees (real estate, RICO, economic development and finance) will report on goals, direction, and oversight. Committee members will be encouraged to offer suggestions and feedback, and if needed, to express concerns. Members of the general public will be encouraged to attend and if they like, to offer opinions and feedback, but must wait until the end of the meeting agenda.

At the end of the year staff management team will work with the CRC to compile a year-end report with comments, reflections, evaluations and recommendations for the upcoming year.

Dorchester Bay staff and board alike are very excited by the opportunity allowed by the CRC. We feel that it will change the overall tenor of our community engagement. The Community Review Committee allows for deeper community participation, and more influence on future planning. We expect that this greater level of impact will attract an expanded mix of backgrounds and expertise which in turn will allow DBEDC a broader scope of influence.

We will at the same time continue our the Resident Initiatives & Community Organizing (RICO), real estate and loan fund meetings which will stay more focused on a specific aspect of the agency, allowing more time and effort to focus on specific issues.

Background on DBEDC's Community Engagement Activities

It has been customary since we began 35 years ago for Dorchester Bay EDC to engage both our tenants and dozens of civic and crime watch allies in our real estate and program planning (see Hendry St. and Quincy Corridor stories later in this section). Our five community organizers work both within our properties and also with civic and business allies. Our executive director, a former community organizer, also spends considerable time with civic and business allies, partnership ventures, and collaborations. Within the organizational structure, the head of the RICO committee is a board member (there are five board members, four organizers, and other residents on the RICO committee), who reports back to the board on the advice of the committee. The board also has active staff/board working committees in real estate, finance, small business lending, PR & marketing, and fundraising. The board constantly reviews our real estate proposals and business

lending activities in light of our community organizing work. Our Strategic quarterly metrics and monthly committee reports also provide clear measures against the current year's goals.

We utilize organizing steps of 1:1 visits, small groups, group research, and group actions to solve problems, shape development projects, build overall organizational strategies, and ensure the "right fit" with our various lending programs and resident services. This approach builds "ownership", self-confidence, and stronger community ties among diverse groups and constituencies. As we incorporate our organizing into DBEDC membership development, the organization's capacity grows and helps achieve shared visions for community life. Dorchester Bay's two most important strategic goals are to improve the quality of life of local residents, and to reduce poverty in Dorchester. We currently have 540 resident members, many of whom live in our 921 rental units. Both tenant and community residents are encouraged to take a visible role in regular tenant meetings, crime watch meetings, neighborhood planning meetings, and other gatherings designed to improve neighborhood safety and livability.

Neighborhood crime watches are the primary way community leaders outside of DBEDC properties help transform their community. DBEDC has helped organize or support eight of these associations outside of our rental properties. When these are combined with real estate development, our work is truly transformational.

One example is the now famous Hendry Street in the Bowdoin Geneva neighborhood. In 2008, Hendry Street was an area devastated by foreclosures, crime and hopelessness. Eighteen three-deckers on the street were deserted or in disrepair. It was identified as a major "drug depot" for all of North Dorchester, and gangs had taken over the public spaces. Those residents who had not moved out were captives in their own homes. DBEDC talked to the Boston Herald, who wound up featuring this awful story. Then forces started to mobilize. The City of Boston bought 4 foreclosed 3-deckers and hired contractors to renovate them and resell them to new home buyers. At the same time, Dorchester Bay also bought 13 additional foreclosed or blighted 3-deckers in the same area for rehab and resale to first time home buyers. Meanwhile, our organizing staff worked with residents to form a new crime watch to work with the police, with each other, and to oversee DBEDC's redevelopments. Their first community meeting was attended by over 30 residents, community police, and representatives from the City, and Dorchester Bay organizers. The new "Five Streets Neighborhood Association" worked together with police, inspectors, and the mayor's office to improve safety.

In time, residents came out more and got to know each other. The meetings grew to over 50 people and had to meet outside in the street. Friends and relatives of residents began to buy the renovated homes. The active drug leaders became threatening to the other resident leaders and new home owners. But the residents pressured BPD, who conducted a huge raid on the drug houses, arrested 27 criminals, and eventually pressured the absentee landlords of those buildings to sell. Now the gangs are gone, and the thirteen houses in the area have all been sold to new, responsible home owners. Recently Dorchester Bay played a key role in the foreclosure and reclamation of the main drug house, the last vestige of the communal nightmare. The six family house has now been sold to a local resident who has the skills to renovate the building, and has family nearby. Hendry Street residents now feel safe in a transformed community.

Planning new real estate development through engaging residents in real estate strategies. We are long time members of civic organizations working to improve the quality of life in the neighborhood including: Dudley Street Neighborhood Initiative, Project RIGHT; the Bowdoin Geneva Alliance; Uphams Corner Main Streets; Bowdoin Geneva Main Streets; the Uphams Corner

Safe Neighborhood Initiative of BPD and area crime watches; the City's Bowdoin Geneva Neighborhood Response Team; the Newmarket Business Association; GOTCHA, the Youth Jobs Collaborative; the Fairmount/Indigo Rail line CDC Collaborative; the Fairmount/Indigo Transit Coalition; and the Fairmount Greenway Task Force. Our participation in these groups keeps us deeply involved with community priorities and actions.

Before beginning work in a new area and/or on a new project, we work to engage the community in planning charettes and visioning sessions for the project and then listen to their feedback and concerns.

The Quincy Corridor initiative began the targeted planning process involving residents, collaborators and other stakeholders. Eight years ago Dorchester Bay bought one old factory at 259 Quincy St., where our Fairmount transit coalition had proposed a station on the commuter rail line. Additionally, about four years ago we were able to purchase the former Pearl Meats site, a 35,000sf building on two acres of land. With plans for affordable and mixed income housing over retail near the proposed station, we were persuaded by a major planning process with Project RIGHT, where the community felt the neighborhood was oversaturated with 3,500 subsidized housing units in that area. Instead they needed jobs for the many, many locally unemployed people. Finding it hard to attract large employers, we eventually put together a \$14.5M multi-business food production incubator. We began construction in July, and expect to open in the spring of 2014. This project is expected to create 150 new jobs. We are currently planning a Maker Space project at 259 Quincy, projected to create 25 jobs and new entrepreneurial businesses in 3 years.

While we were working to create the right and achievable uses for the commercial sites on Quincy Street, United Housing Management, with 262 units on or around Quincy Street, sought to partner with DB to refinance and redevelop 129 of the units. The plan included renovating and enlarging the apartments into attractive new housing units, building "overflow units," and doing whatever was needed to preserve the 129 Section 8 housing certificates that would otherwise be lost forever if converted to market rate. This opportunity provided a pool of potentially attractive affordable housing without adding to the density of the neighborhood.

We invited Quincy Geneva Housing Corporation, a CDC already embedded in the community, and began a process with more Project RIGHT community charettes, visioning sessions with the neighborhood, and designs for an eventual Fairmount Rail line stop. Then both the Dorchester Bay organizers and the Quincy Geneva organizers began their first round of home visits to be sure that all tenants were included in the process. It was this extensive community engagement, collaboration, and relationship building with the families in those first 129 units that led to the Quincy Heights development and the **Quincy Corridor being awarded one of only 5 HUD Choice grants (\$20.5M) in the whole country!**

By the time the construction started in April, 2013, each household had been visited three times and had clearly defined their needs for jobs, ESL, and youth safety. Project Right, DSNI and Quincy Geneva not only helped us ensure we were building projects consistent with residents' wishes, they are also helping us to ensure the maximum percent of local, minority, and women contractors and workers in the construction projects. We are now at 46% Minority Sub contractors and 10% Women Sub-contractors; works hired have been 51% local, 62% minority, and 9% women. Local worker hiring for the permanent jobs at the adjacent Bornstein and Pearl Food Production center will begin after construction.

SECTION 3: CIP GOALS

According to census data, almost 40% of households in our larger service area have a household income of less than \$25,000; approximately 36% of the area's population falls below the federal poverty level. Average income is significantly lower than the average for the state of \$81,000. In order to ensure 70% of housing units are in apartment buildings. Housing in Dorchester is lower than the mean price for the state, making it attractive for those who can afford to buy, but they are nervous about their property values. Our outstanding efforts to curb blight due to empty foreclosed properties and our efforts to lower crime rates help to keep property values stable. Our economic development projects will have a significant impact on the unemployment rate in the area, which have been reported to be as high as 40% in some of the sub-neighborhoods. Our general efforts to lower crime, expand greenspaces, improve transit access, and build retail spaces for healthy food go even further to help all residents enjoy a higher quality of life. The active participation of a number of various members of the community led us to identify the following goals as those most likely to positively impact the entire community, while protecting the interests of our low income residents.

1: Community Focused Goals:

- Stabilize affordable rents
- Maintain or improve property values
- Ensure community economic growth
- Improve the quality of life in the community

2: Organization Goals:

- Develop the Dorchester Bay brand identity
- Grow engaged tenant & non-tenant membership
- Increase agency financial stability by growing income
- Increase development, lending, and fundraising staff capacity
- Complete and build staff and board succession plans

SECTION 4: ACTIVITIES TO BE UNDERTAKEN TO REACH CIP GOALS

1: Community Focused Goals:

- **Stabilize affordable rents** by preserving or expanding the pool of attractive, available subsidized housing as well as workforce and middle income rents & home ownership.

- Completion of Quincy Heights will reintroduce 129 units of rebuilt, newly renovated & enlarged housing back into the pool. *Estimated TDC - \$56M. Quincy Heights will be completed in 2015.*
- Using the Quincy Heights (formerly Marrant Bay) model, Boston Bay and Hope Bay will preserve and additional 134 units of Section 8 housing. An MOU was signed with the current owners, United Housing Management, in 2008. *Est. TDC is \$57M. We will move to into active predevelopment in 2015 and begin construction in 2016.*

- Cottage Brook will preserve 147 units. *Estimated renovation costs are \$10.5M. We will complete financing in 2014 and begin major renovations in 2015.*

- Maintain or improve property values by continuing home ownership and home improvements, especially for first time home buyers.

- Assuming new gap funds are provided to replace Stimulus funds, we will continue making foreclosed or neglected houses available and affordable for first time home buyers through collaborative efforts with DND, banks, local for-profit developers, gap funders and others.
- Identify and attract new capital for program supporting affordable home improvement loans and offering support to homeowners to manage construction work. This resource grew recently through grants from US Treasury's CDFI (Community Development Finance Institution) fund and Mass Housing Investment Corp., and we applied for a third CDFI grant on 12/23/13 to continue to expand. *Ongoing*

- Ensure community economic growth by developing new commercial real estate projects, expanding job opportunities and by increasing the number, variety and accessibility of loan products available to small businesses in Dorchester.

- **Complete construction at the former Pearl Meats processing plant:** Construction is underway; we expect to complete the kitchen incubator and food truck commissary in May, 2014 and build out of the permanent food rental spaces by year end. *Est. TDC is \$14.5M. We need to finalize \$500k of gap fundraising. This center is expected to create over 150 jobs, many at low threshold entry level, between April 2014 and December, 2016.*
- **Develop the Dorchester Community Food Coop** at 191-195 Bowdoin Street. This project is expected to produce 25 FTE worker-owner jobs. *Primary fundraising & financing by end of year 2014. Estimated TDC is \$10M. Construction starts in 2015.*
- **Move the Artisans Collaborative/Maker's Space** at 259 Quincy Street – (259Q). This center will house and encourage entrepreneurial business opportunities in woodworking, metal working, fashion and design, 3D digital fabrication, and others. This project will complete the first stage of transformation projects on Quincy Street. *Estimated TDC is \$5M. We will open a small space within the building to test feasibility in 2014, while trying to move forward on the larger space.*
- **Promote capital for small businesses** through our CDFI Small Business Lending program. We were just awarded SBA 504 loan-making capacity (up to \$5M/per loan), expecting \$2,400,000 in loans. We are certified for SBA Community Advantage (7a) loans up to \$250K/loan, and we are expecting to make \$1M in loans. We are also developing special loan products for business build-outs and other less conventional loan opportunities with our standard "micro-loan" products, expecting to make \$1.1M in loans. We expect to make 47 loans by the end of 2016, bring the portfolio value of up to \$8,500,000. (Including packaged loans and participations as well.)

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- Improve the quality of life in the community

- **Increase accessibility and equitable fares for local rail transportation**
 - Fairmount Transit Coalition efforts – Having won \$2/fair fares for the 9 mile corridor, and increasing ridership by 45% from 950/day to 1450/day, *we are now focusing on continuing to build ridership, and adding evening and weekend service in 2014 and more trips/hour in 2015.*
 - Funding for new stations – 3 new stations opened July 1, 2013; the 4th station goes into construction 2015-16; 5th station put back in the budget by 2015, approved 2016.
 - Increase new housing and businesses along rail line - The Fairmount CDC Collaborative is advancing plans to *strengthen more ridership demand with adjacent housing units*; CDCs currently have 800 units under site control, in pre-development, construction, or recently completed. *287 new units of affordable housing within ½ mile of the Indigo Commuter Rail Line will be completed by the CDC's by 2016; 200,000sf - commercial space will be completed by 2016.*
- **Improve safety**
 - Develop new businesses and homes where crime hot spots now exist in Uphams Dudley, Bowdoin Geneva, and Quincy Corridor. DBEDC has received awards for implementing this strategy in the past. Continue our well known organizing support for crime watches
 - Continue services for ex-offenders reentering the community; we are currently at a recidivism rate of 7%. DBEDC serves 90 ex-offenders per year. Current data shows that repeating criminals impact over 200 other people per year. A result of our services will be a safer community. *Program cost @ \$150K/year.*
- **Increase accessibility to healthy foods**
 - We are developing the Dorchester Food Coop at 191-195 Bowdoin St: 25 worker-ownership jobs will be created, affordable, healthy food will become available, and anchor business will be established.
 - Promoting healthy foods businesses at the Bornstein & Pearl Small Business Food Production Center; 30-50 small businesses processing local and healthy food, can supply restaurants, local corner stores, and the Dorchester Community Food Coop.
- **Increase financial well-being**
 - Through financial literacy training and asset development. We hope to begin offering classes later in 2014. By 2016, we will host up to 12 groups/classes, reaching 240 individuals or families. *Program cost \$85K/year, implementation to begin after funding secured.*
- **Expand the number of accessible jobs**
 - 150 at Pearl
 - 25 at Dorchester Community Food Coop
 - One job created for every \$5,000 lent to small businesses
 - 259 Quincy: 20-30 jobs/small businesses created by 2016.
 - Utilize local job fairs, other resources and our Re-Entry program to link residents to jobs. *Goal 50+/year.*

- **Expand job opportunities through collaboration**
 - Working with the Fairmount CDC Collaborative, the New Market Business Association and trainers set up a workforce development program connected to specific employers.

- **Expand accessible green space**
 - Fairmount Greenway – 3 miles of the 6 mile of greenway secured by 2016
 - The original Olmstead “Emerald Necklace” connects Franklin Park-Columbia Road to the sea. A campaign to fund this effort is underway with the Friends of the Emerald Necklace, Fairmount Greenway Task Force, and Uphams Corner Mainstreet.
 - Working with the city to establish bike routes and infrastructure upgrades at Uphams Corner crossroads (\$3M) and Quincy Corridor (\$2M). City has committed to fund these improvements.

2: Organization Goals:

- **Develop the Dorchester Bay brand identity** through 40 PR events/coverage; improved messaging, award recognitions, PR/messaging using consultant Kelly Chun & Denterlein.

- **Grow engaged tenant & non-tenant membership** from 540-800

- **Increase agency financial stability by growing income**

- continue annual fundraising of \$2,508,000 through: \$1M in grants & event; \$288K in yearly resident fees; \$700K in year-end properties distributions; \$260K in real estate project overhead & \$260K in real estate project developer fees
- Initiate a \$4M Capital Campaign led by proven economic development capital fundraising consultants.
- Add \$70K/year in new loan fees from SBA 504 Program & Community Advantage
- Build working capital & development capital reserves; in 2013 we sold our Bay Street digital printing factory and used the modest surplus to offset the working capital gap.
- Project overhead and fees from development projects: Deferred Quincy Heights Fees (\$850K); Pearl Meats (\$500K) Cottage Brook (\$400K); UHM remaining 134 units (\$1.4M) 2015-16

- **Increase development, lending, and fundraising staff capacity** to meet pipeline needs.

Anticipating 2 project managers, 1 each loan monitor and fundraising assist. @ \$180K/year

- **Complete and build staff and board succession plans** for Executive & Senior Managers, Board Ex. Committee- 2014; Organizational advancement plans for staff & board, 2013-14.

SECTION 5: MEASURES AND EVALUATION

Many of the goals to be measured are very tangible and quantifiable: Housing units built; homes repaired and/or improved; jobs created by our commercial projects; jobs created by small business loans; businesses started/expanded; people connected to jobs elsewhere. The quality of life outcomes are less tangible but also measurable: number of residents engaged in crime watches; number of new leaders; reentry service expansion impact on crime in the area; crime rate down; increased feeling of safety; increased savings from financial literacy classes; youth winning X victories on chosen winnable issues; number of youth jobs provided or created through the Youth Jobs Coalition campaigns at the state level.

We will be looking to answer all of these questions in a number of ways:

- **Monitoring real estate development progress** through weekly staff meetings; monthly staff/board real estate committee reviews, general board reviews, funder progress reports (HUD, Enterprise, Hyams, CHDO, Met Life, DHCD-CITC).
- **At bi-weekly meetings community partners will monitor subcontractor goals** of >30% MBE, >10% WBE subcontractors; and worker hiring goals >51% locals; >51% minorities; >15% women. We have exceeded these goals for minority subcontractors and on city and minority worker numbers. Our quarterly review committee will include residents, staff, board, and other stakeholders.
- **Small Business lending:** We will monitor number of jobs created, businesses started, growth in business assets as well as growth in lending capital, loan loss percentages and fees and interest earned; these measures are reported quarterly to SBA.
- **Resident services and organizing:** During the past year we have instituted an improved resident data tracking process through the *Pangea Family Metrics* data base using an internal monthly reporting of metrics. This allows us to maintain a deeper base of information while at the same time making reporting more flexible, responsive and easier. We plan to expand use of this data base, or a similar one, into all of our properties and open enrollment programs. We will then be able to use our Pangea generated reports to complete funder reports such as: HUD, MHFA, Miller Foundation; DND; and United Way.

We will conduct quarterly review committee meetings with RICO (Resident Initiatives and Community Organizing) staff. Quincy Corridor residents are part of special services made available through the Choice Neighborhoods program and are being tracked by the Urban Institute through a contract with HUD. HUD will be releasing an in depth five year report that we will share with DHCD and others upon its release.

SECTION 6: COLLABORATIVE EFFORTS TO SUPPORT IMPLEMENTATION

Dorchester Bay EDC, with its strong roots in community organizing, recognizes the strength that comes with inclusion. Collaboration informs the main components of our work:

Broader leadership: We are active in the Fairmount/Indigo Rail Line CDC Collaborative, Fairmount/Indigo Transit Coalition, and Fairmount Greenway Task Force, and now the BRA's Fairmount/Indigo Planning Initiative's Corridor Advisory Group (CAG) and Uphams Corner Working Area Group (WAG). These larger efforts have kept us up to date, engaged with a broader group of business and community stakeholders, helped identify new development projects and partnerships, and are helping create a broader economic development strategy throughout our service area and along the nine mile Fairmount Commuter Rail line corridor.

Real Estate: Dorchester Bay co-founded the *Fairmount/Indigo Line CDC Collaborative* in 2004. The collaborative includes three CDCs (Dorchester Bay EDC, Codman Square NDC, and Southwest Boston CDC) with contiguous boundaries along the Fairmount commuter rail line. Our two major goals are: 1) to bring transit equity to the inadequately served residents in the distressed neighborhoods along the nine-mile Fairmount line working with the broader Fairmount Coalition, and 2) to spearhead our smart growth, transit-oriented development agenda to create vital “urban villages” with new affordable housing, economic development opportunities, open space, and needed services to benefit the low and moderate income residents living near the line. The CDC collaborative won: 2009-Mass Non-Profit Network Award for Collaboration; 2006 American Planning Association Outstanding Planning Project; American Institute of Architects recognition; **2011 HUD Community Challenge grant of \$1.8M with City of Boston; 2011 EPA-HUD, US DOT Sustainable Communities Partnership Pilot; 2011-HUD \$20.5M Choice award to Quincy Heights Corridor.**

The Quincy Heights/Quincy Corridor project was the result of public/private collaboration between Dorchester Bay as the community partner, the Boston Department of Neighborhood Development as the public entity, United Housing Management as the original owner and property manager, Quincy Geneva CDC and Project RIGHT, non-profit umbrella organizations in Grove Hall, and DSNI.

Recently we worked with the City of Boston and local community partners to be one of the designated communities for the initial round of the Promise Zones. The Promise Zones are a White House initiative to coordinate and focus community-based programs of the Department of Housing and Urban Development (HUD), the Department of Education (DOE), the Department of Justice (DOJ) and the Department of Agriculture (DOA), on high-poverty communities across the country with a focus on jobs and growing businesses. The City of Boston, along with their Choice and Promise Neighborhoods partners were encouraged by HUD to apply for the designation. An application for designation, including strategy and roles for the partners, was submitted by the City of Boston, Dudley Street Neighborhood Initiative (Promise Neighborhoods Planning and Implementation Grants), Dorchester Bay Economic Development Corporation (Choice Neighborhoods Implementation Grant), and Whittier Street - Boston Housing Authority (Choice Neighborhoods Planning grant). Although we just found out that we were not approved for designation in the first round, we were encouraged by HUD to reapply for the next round. All partners agreed that we would reapply, and that in the interim we would continue to work together on our Promise Zone collaborative planning.

Foreclosed property reclamation work: We have been able to reclaim 20 and sell 19 three deckers - more foreclosed buildings than any non-profit in the state. This was due to collaboration with two small real estate developers who provide special brokers, lent cash to purchase properties quickly, and provided or oversaw the construction work for a share of the fee.

Organizing collaborations: In our 35 years of operation in Dorchester we have excelled at engaging not just community members but our fellow service providers to build neighborhood leadership. We have worked on a variety of issues with Dudley Street Neighborhood Initiative and the Greater Boston Interfaith Organization (we were founding members of both). We work on community safety with the Suffolk DA Office’s Safe Neighborhood Initiative, and with the Boston Police Department (BPD) on a number of fronts – most prominently with the Neighborhood Crime Watch program and the Boston Re-entry Initiative, which is itself a collaboration of the BPD, the Suffolk County Sheriff’s Department, YO Boston, and DBEDC. We are a leader in youth organizing for youth jobs with Youth Jobs Collaborative, City School, Mass Citizens’ Action

Network, and YMORE. We work on a collaboration for place-based art and economic development with the ArtPlace partners - Uphams Corner Mainstreet, DSNI, Design Studio for Social Intervention and others. We work on place based issues and needs with the Bowdoin Geneva Alliance; and in more general community development with the Mass Association of CDCs.

Commercial and small business Collaborations: Our long list of small business collaborations include the Community Business Network, Small Business Administration, US Treasury’s Community Development Finance Institution Fund; City of Boston Main Streets, Mass Technology Collaborative’s Launch Pad program for small businesses, Tech Goes Home for Small Business; Center for Women & Enterprise, Interise, UMass Small Business Development Center (SBDC), Mass Minority Contractors Association, Mass Growth Capital Corporation (MGCC) and the Minority Business Development Association (MBDA).

Minority Jobs and contractor promotion: We have in the past and are currently collaborating with the MA Minority Contractors Association, Boston CDC Pilot Program of MACDC, Dudley Street Neighborhood Initiative, Project RIGHT, SBDC, MGCC, and MBDA. These groups are working together now to successfully advance the “pilot project” of the MA Minority Contractors’ Association and the Boston committee of CDCs.

SECTION 7: COMMUNITY STRATEGY AND VISION

The key goals for all our planning alliances are adequate jobs and income growth, safe neighborhoods, decent housing for a mix of incomes, better schools, and “urban villages” that create vibrant social/cultural life and sustainable economies. DBEDC played a key role in shaping this vision for both North Dorchester and also for the Fairmount Corridor. Our current planning involvements include: 1) HUD Choice Neighborhoods, HUD Promise Neighborhoods, (initiatives co-led by community organizations and the City of Boston and funded through the federal government); 2) Continued Promise Zone planning, giving us an opportunity to work on place-based community collaborative solutions; 3) BRA’s Fairmount Indigo Planning Initiative with the Uphams Corner Working Area Group and the Corridor Advisory Group; 4) Metropolitan Area Planning Council’s \$4M Sustainable Communities Consortium. MAPC chose the Fairmount CDC Collaborative as an exemplary project for Consortium; 5) ArtPlace, an independent arts initiative for Uphams Corner funded by private foundations; 6) The Mass Smart Growth Alliance’s Great Neighborhoods Initiative also chose the Fairmount/Indigo CDC collaborative as one of its 8 model “Great Neighborhoods.” The federal EDA commended DBEDC for its commitment to economic development planning that addresses the wealth gap afflicting most inner cities.

The Quincy Corridor transformation was already underway by Dorchester Bay when the City approached us to apply jointly for HUD Choice funding. Our Executive Director participated in planning for HUD Promise Neighborhoods, which dovetails with HUD Choice Neighborhoods activities. The track record of successful collaboration and joint strategy of the Promise and Choice Partners persuaded HUD to encourage us to apply for this special consideration. Dorchester Bay is actively involved with the ArtPlace Initiative and the Bowdoin Geneva Alliance. Dorchester Bay’s work informs their planning, and other community planning is reflected in our choices. For example, our plan for an Artisans’ Collaborative at 259 Quincy Street reflects the vision and values of the ArtPlace process. The city’s initiative to plan for the Fairmount Corridor was based on the work done by DBEDC and the other Fairmount CDC collaborators; the Uphams Corner WAG is a part of the larger Fairmount planning.

SECTION 8: FINANCING STRATEGY

- *Development capital for pipeline projects: (see attachment - priority development projects capital needs chart)*

- **Total needed for 2014 - \$3,250,000:**
 - **Pearl** – We have a final \$500,000 to raise toward the \$14.5 million TDC. We are in conversation with private foundation funders such as Smith Family Foundation, Bank of America Charitable Trust, Whole Foods, Barr Foundation, and we know if necessary we can access loan capital from BCC.
 - **Dorchester Community Food Coop** - This is a joint project with the co-op; it will require \$400,000 in predevelopment which will need to be raised by year end 2014. We have early indications of lending from Boston Community Capital and the Cooperative Fund of New England. There is also future capital campaign interest from the Barr Foundation, who has provided additional leads, and the Boston Impact Initiative.
 - **259Q Maker Space/ Artisan Collaborative** – In 2014 we will be conducting feasibility for the maker space/artist collaborative for an anticipated cost of \$250,000. We have positive indications of funding from UMass Boston and the EDA. Private inquiries have been started with Hancock, Bank of America Charitable Trust, US Trust, and the Boston Impact Initiative. We anticipate looking to Kresge, Mass Cultural Council.
 - **Two Bays** – This will be an extensive, complicated and expensive project modeled on the successful \$56M Quincy Heights project that we will be finishing in early 2015. We will have the same partners, and eventually be seeking funding from the same sources – HUD, LIHTC, MassHousing, LISC, and a number of others. For 2014 we will be seeking \$300,000 from LISC in predevelopment funding which will fuel our efforts to carry the project forward through 2015, when we will be ready to assemble construction financing.

- **Total needed for 2015-\$5,400,000:**
 - **Pearl** – Completed
 - **Dorchester Community Food Coop** - Dorchester Bay’s share of construction fundraising will be \$2.6M.
 - **259Q** - If feasibility indicates it, we anticipate total development costs of approximately \$5 million, with \$2.5 needed from fundraising.
 - **Two Bays** – continued from 2014, *See above.*

Capital Fundraising Needs Summary

Project	TDC	2014	2015
Pearl	\$14,500,000	\$500,000	
Dorch. Food Coop	\$ 6,000,000	\$400,000	\$2,600,000
259 Quincy	\$ 5,000,000	\$500,000	\$2,500,000
Two Bays	\$57,000,000		\$300,000
TOTAL	\$82,500,000	\$1,400,000	\$5,400,000

Beyond these real estate projects, we will be reviewing a call for bids on two new and very large development projects in joint ventures. We have already met with several prospective partners, and we will have a better idea of the specifics after the RFP comes out, expected in February. We do not anticipate much activity/expense before the end of 2014, and we expect that the project partner will be able to handle initial cash flow. (Projected fees by 2018, \$3.1M)

- **Operating funds needed to support program goals:**

Needs indicated are per annum, starting in 2014

- **Increase development, lending, and fundraising staff capacity** to meet pipeline needs. Anticipating 2 project managers, 1 each loan monitor and fundraising assist. @ \$180K/year
 - **New financial literacy training and asset development.** We will begin offering classes in 2014. By 2016, we will host up to 12 groups/classes, reaching 240 individuals or families. Program cost \$85K/year.
- **Needs beginning in 2015**
 - **Reentry Program** to keep neighborhood crime down will be without a funding source in the middle of the year. Program cost @ \$150K/year.

Added grant funding: Our first step to funding will be seeking grants for these activities. We have already included the financial literacy program in our current request under consideration at CDFI, and we will request funding through our annual contract/grant through the MA Division of Banks. Several financial companies, such as American Express and Bank of America, have foundations that support financial education. Similarly, we have funded the re-entry program in the past through a combination of grants and indirect government support, and we can strive to do the same in the future. The Department of Labor, Department of Justice and private funders are all strong possibilities. The City of Boston, and the Boston Police Department, has been a funder and advocate throughout the six years of this program, and they continue to support us.

Capital Campaign: As we stated above in our goals and activities section, in 2014 we plan to initiate a \$4M Capital Campaign led by proven economic development capital fundraising consultants. The \$4M will be spread out over five years, and will be used for supporting improved infrastructure capacity such as project managers and development staff, lending capital and cash reserves, and an opportunity fund for new projects.

CITC leveraged donations: In addition to these activities and our ongoing fundraising efforts, what the CITC funds can do for our organization is provide gap fillers as we raise additional private funds from Fairmount pools, private foundations, and “angels”.

Implementation steps for CITC:

Dorchester Bay would like to take this opportunity to commend the Commonwealth of MA, DHCD, and MACDC for their remarkable insight and responsiveness to the needs of CDC’s. For while we are very grateful for the funds that will become available to us through this program, we are equally grateful for the tools and opportunity offered to build up individual and small business giving a steady and reliable stream of funds long neglected or at best underutilized by most CDC’s.

Keeping in mind our concurrent goals – the long term goal of expanding and building up our donor base, and the immediate goal of ensuring that we are able to utilize the full \$150,000 of tax credits that we are requesting, we will be focusing on four primary means of simultaneously building both. Our Board fundraising committee will form a specific board led CITC fundraising committee to spearhead these efforts:

- **Building on our current donor base** – Dorchester Bay currently has a data base of 2,000 previous donors derived primarily from our annual fundraiser. Beginning with current major donors (\$2,500 and above) who have supported our fundraiser in the past; we will offer donors the opportunity to significantly increase their participation while minimizing the bottom line impact. Due to our ongoing relationship with many of these donors, we expect that this will succeed in moving us toward both goals: it will grow the foundation levels of individual and small business giving, while raising significant amounts of contributions within the tax year. Further, we will formally introduce and promote the CITC opportunity at our upcoming 35th Anniversary fundraising event. For past donors, we will, when possible, schedule personal visits from board, committee or staff to explain the program, advance our relationship, and ensure the donation.
- **Incorporate Board/Committee led efforts to outreach to new donors.** We have already begun this process within committee leadership, with one board member leading each of these efforts:
 - Solicitation of investment advisors – Paul Black, our Board Treasurer, is a successful career banker with an extensive network of relationship with key executives in a number of law firms and accounting firms. He will schedule one on one visit with his contact, a member of our Development Team, and himself to introduce the CITC with special emphasis on the tax benefits.
 - Solicitation of philanthropic fund advisors – Christine Green, the Chair of our Board Fundraising Committee, is a career philanthropic executive with access to other philanthropic fund advisors. Like Paul, she will schedule and participate in visits with the advisor and our Development Team.
- **Staff Led efforts:**
 - Corporate Solicitation:
 - Larger – Capital One, Shawmut Construction, Suffolk Construction, Corcoran Jennison et al. We have identified individuals at these companies who may help us to meet with decision makers at these companies and others.
 - Smaller – For example Mt. Washington Bank and Hyde Park Savings Bank with whom we have had previous interaction but are not currently on our donor list.
 - With help in identification and targeting from the fundraising committee, we will be looking at successful individuals originally from Dorchester.
- **Capital Campaign** – In the Fall of 2013 senior management decided to research the feasibility of launching a Capital fundraising campaign, focused primarily on expanding our economic development and lending capacity. Funds raised would be to increase lending capital, to increase loss reserves, as well as creating a funds reserve for real estate projects. We interviewed four Economic Development fundraising experts, all of whom impressed us with their skills and experience, and all of whom said they thought that a campaign was likely to be successful. All proposed to begin with a feasibility study which would define the campaign and formally recommend whether a successful campaign was indicated. We are calling two of the groups back for a second presentation, at which point we will hire one to conduct the feasibility study. During interviews we explained the CITC with each one, and all agreed that the CITC would be a great opportunity to build the campaign. Our final decision will be strongly influenced by our perception of which group will conduct the campaign is a way the is most conducive to working with the Development Team to promote long term relationships between Dorchester Bay EDC and the new donors.

In addition to these efforts, we will be considering to what extent we will join forces with United Way to promote the tax credits. As this method of reaching our \$150,000 tax credit goal has the least potential of building our long-term donor base, we would prefer to raise funds on our own.

SECTION 9: HISTORY, TRACK RECORD AND SUSTAINABLE DEVELOPMENT

Dorchester Bay EDC has been developing affordable housing and other real estate projects for 35 years. Our extensive real estate and business development experience over the past 35 years has built up our reputation as a leader in community development in Boston and beyond. Over the years we have not only developed 1,109 units of affordable housing, we have also developed 156,260 sq. ft. of commercial space through eight commercial or mixed use projects, and have two more commercial parcels in ownership. We bought and gut rehabbed 20 foreclosed properties in our service area, reselling 19 of them to first time home buyers and adding one to our portfolio. With those numbers, we were the most accomplished non-profit foreclosure reclaimers in the state. At the same time, we counseled home owners involved in the foreclosure process, bringing modifications or resolution to 402.

In addition, our Small Business Program has lent or packaged \$6.5 million to small businesses and provided Technical Assistance to over 1,300. These commercial activities have produced or retained 725 jobs. Our proudest achievement in economic development was the success of the Bay Street Industrial Park, the 80,000 square-foot facility for Spire Graphics, the leading computer graphics and printing firm in New England – and the first project ever to receive assistance from the Massachusetts Brownfields Program. In delivering that project we enabled the retention of 100 jobs, and 60 more have been produced over the past 5 years.

While we were delivering these vital projects and our community organizing department was engaging tenants and residents directly, creating a bridge to activities or services as community demand called for it. In those activities we:

- Involved over 1,500 youth in camp, after-school, sports, leadership and organizing programs.
- Trained 1,698 people through our TechnoBay and CNET computer training programs; 40% of adults trained by DBEDC received job upgrades; others received better grades or went on to college.
- Placed over 620 adults and youth in jobs.
- Organized six tenant associations involving 500 adults and continually developing new leaders.
- Increased civic participation in the community.
- Successfully launched the first CDC-based reentry program facilitating ex-offenders returning to their own community. Since 2009 almost half have secured employment, with only a 7% recidivism rate.

Dorchester Bay has a reputation for being able to assemble a large number of funders and to navigate the complicated negotiations needed to pull the diverse sources together. For example, our \$9 million Spire printing factory had 15 different funding sources including grants and loans with federal, state, city and private funders participating. Our largest project currently under construction, Quincy Heights, has 12 sources including LIHTC, FHLB, HUD Choice Neighborhoods, Mass Development, MassHousing, and others for a total of \$56 million.

Over the years, we have won a number of awards and recognitions. A recent list includes:

- In December, 2012 we were designated an SBA 504 lender, allowing DBEDC to make fixed asset loans of up to \$5M.
- 2011 our Quincy Heights/Quincy Corridor project was one of **the first five projects nationwide** to win a multimillion dollar implementation grant from HUD's Choice Neighborhoods program.
- 2011 Named one of five HUD-EPA-DOT Sustainable Communities Pilots in the United States.
- 2011 Fairmount/Indigo Line CDC Collaborative's work helped the city to win \$1.8M HUD Community Challenge Grant Award to acquire parcels adjacent to City owned land along the rail line.
- 2010 Ricanne Hadrian award for Excellence in Organizing awarded by Massachusetts Association of CDCs to Dorchester Bay organizer Dan Gelbtuch for his work with teenagers.
- 2010 Fairmount Corridor chosen one of five U.S. Sustainable Communities Pilots by the EPA, HUD and U.S. Department of Transportation.
- 2009 Massachusetts Nonprofit Network Excellence in Collaboration award for the Fairmount CDC Rail Line Collaborative.
- 2009 Citation from Governor Deval Patrick recognizing 30 years of service providing affordable housing and economic development opportunities for the Dorchester Community.
- 2008 Dudley Village received the Affordable Housing Finance Magazine's 2008 Readers' Choice Award.
- 2008 Environmental Protection Agency's Environmental, Community, Academia & Non-Profit Organization Environmental Merit Award