

COMMUNITY INVESTMENT PLAN 2017-2019

SECTION 1: THE DORCHESTER BAY EDC COMMUNITY

Dorchester Bay Economic Development Corporation (DBEDC) 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. 90% of residents earn less than a 120% AMI; 73.9% earn less than 80% AMI. Household make-up includes 30% single female head of household. More than 70% of the housing units are in apartment buildings.¹ 67.8 % of residents are paying more than 30% of income for housing with 37% paying more than 50% of income. The housing and income statistic that is perhaps the most disturbing is the American Community Survey estimates that 22% of the low income population of Dorchester will be forced to relocate in the upcoming years while middle and over 100k income residents will move in.

According to the Boston Public Health Commission, Boston's black and Latino residents experience higher levels of chronic disease, mortality, and poorer health outcomes compared to white residents. Health disparities also exist among neighborhoods, particularly for low income areas. For example, asthma hospitalization rates for children under age five during the years 2006 - 2008 were 16.4 per 1,000 in North Dorchester. Additionally, disproportionately more Latino and Black residents are poor and live in racially segregated neighborhoods such as North Dorchester that are targeted for distribution and promotion of unhealthy foods. Dorchester has the second highest rate of obesity of all Boston neighborhoods.

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Statistics based on 2010 census.

Crime has decreased in recent years (15% in overall crime; 30% in violent crime). We believe that is due in part to DBEDC's vigilance, and the efforts of other community leadership agencies. It gives us a sense of urgency to continue our best practices in community attentiveness and proactive reentry practices.

To best impact and improve the quality of life for residents of this community DBEDC has focused: 1) its efforts on improving the number and quality of affordable and subsidized housing units in the area for low income residents and increasingly for moderate income residents; 2) improve safety and community health; 3) engage, organize, train and develop residents, both youth and adults, to become community leaders; and 4) promote economic development, create economic opportunities, develop commercial projects, and advance job creation and connection for local residents.

Dorchester Bay EDC has a portfolio of 901 units of affordable housing. While our current portfolio remains focused on low income families, we will be expanding our reach to respond to the needs of moderate income families caught in the vice between what they can afford, and current market rates. Although by formula "moderate" income families can earn as much as 120% of AMI, many are still below the standard of "Family Self Sufficiency". We hope to do more to address this in the future.

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; through our re-entry program and crime watches working with local public & private safety coalitions the area is becoming safer. Our Re-Entry program has had greatest impact on our 650+ ex-offenders, who now average a 7% recidivism rate. Their families in the community are grateful for the support we offer, and the community has come to recognize that our low recidivism rate is reflected in less crime on the street.

Beyond safety, we are improving access to affordable, fresh, healthy foods, supporting resident led health education, promoting exercise, and expanding access to green space to exercise opportunities to improve the health of the community.

Our Youth Force program not only employs 8 – 10 teens each year to lead our youth organizing program, those youth lead a training institute that trains an additional 50 teens each year in the skills and methods of community organizing and engaging public officials. In this way we promote a "pipeline" of future adult leaders. Adults (and teens) are engaged as "Healthy Community Champions" and lead many of our health education efforts. Adults also lead our tenants councils and sit on our Board of Directors.

DBEDC's Economic Development Department is focused on improving the economic status of our residents. They do this in two broad strokes - building commercial projects and supporting small business through loans and technical assistance. Our real estate development department works closely with Economic Development to build commercial properties that will create jobs for the community. At the same time DBEDC has a lending program, and is a certified

Community Development Finance Institution that provides necessary capital and business skills support to promote the strength and expansion of businesses and economic growth in the community, leading to job retention and creation.

SECTION 2: INVOLVEMENT OF COMMUNITY RESIDENTS AND STAKEHOLDERS

Residents and stakeholders involved in creating this plan:

Community involvement was a key component to the development of the original Community Investment Plan (CIP). Over 100 residents engaged in “working groups” around central issues— jobs, quality of life, safety, and transportation, and developed specific strategies to strengthen linkages to jobs and trainers, build ridership on the Fairmount commuter station; 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.

To enhance impact and avoid duplication of efforts, DBEDC has played an active role in the City of Boston's planning studies for the Uphams Corner neighborhood. They held a number of meetings of the Working Advisory Group (WAG) of 13 local residents and business leaders that were selected to guide the process and held a series of open resident meetings to ensure fullest possible participation. Taking their work a step further, we incorporated the community's vision for development into our planning, most especially in our 65 East Cottage Street project, Indigo Block. We also share and advance the neighborhood's commitment to transit oriented development and to the importance of commercial development as well as housing.

We have continued in our ongoing involvement of residents in our major decisions. 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 most recent example of this has been our outreach and engagement efforts leading up to the development of the “Indigo Block” - DBEDC's current major new construction project. We held a series of community meetings. Throughout the meeting series, we received helpful feedback from neighborhood residents on the program's development, as well as on the site plan design. We worked hard to incorporate that feedback into the plans. Our choice to provide condominium units for the home ownership component was driven by an extensive discussion about what kind of for-sale housing residents want for their neighborhood. Details of the open space in our site plan were influenced by input from community members on safety. We were praised by neighborhood leaders for our transparent community process. Our meetings resulted in an outpouring of support for the project that led to approvals by the Boston Planning and Development Agency under their Article 80 process as well as by the Zoning Board of Appeals.

Community Engagement in Dorchester Bay

Our five community organizers work both within our properties and also with civic and business allies. Within the organizational structure, the head of the RICO (Resident Initiatives and Community Organizing) committee is a board member who reports back to the board on the advice of the committee. We have history with residents and other area service providers – our organizers have been in their positions for an average of nine years. Demographically, they are reflective of our residents – Cape Verdean, Latina, African American and European. Most are bilingual. All live in Dorchester.

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

Neighborhood crime watches are the primary way community leaders living 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. Recent statistics seem to support this position.

Our engagement with neighborhood groups is not confined to organizers. In addition to organizing staff our CEO, Director of Real Estate, Project Managers, Director of Resource Development, Director of Economic Development, sit on Boards or Committees with a wide area of focus and local geography. Examples of Boards include Uphams Corner Main Streets, Dudley Street Neighborhood Initiative, Cape Verdean Unido, Bowdoin Geneva Main Streets, Fairmount Indigo CDC Collaborative, and the MACDC Boston Committee. Committees include the Boston Reentry Initiative Advisory Group, Bowdoin Geneva Service Providers, the Fairmount Coalition, the Fairmount Network, Uphams Corner Artplace, and others. This is a deliberate effort, ingrained into the DNA of the DBEDC staff, to be constantly out in the community sharing what we are doing and looking for others to advise us on how to do it better.

Our board is strongly reflective of our community. The 16 member panel is made up of 9 community residents (three of whom are current or former tenants) and three individuals whose work has a strong Dorchester interest. We are minority majority, and over two-thirds women. In addition to bankers, non-profit executives and entrepreneurs, we have a bookkeeper, homemakers, and retirees. 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.

Three quarters of our staff comes from Boston’s neighborhoods; 50% are from Dorchester; 50% are Afro-American, Cape Verdean or Latina. Two staff came on after graduating one of our

programs; another started as graduate school intern. 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 residents would produce a plan that reflected the neighborhood's concerns.

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. Housing in Dorchester is lower than the mean price for the state, making it attractive for those who can afford to buy, but leaving area residents vulnerable to displacement. Our outstanding efforts to curb blight due to empty foreclosed properties and our efforts to lower crime rates has helped to keep the community. Our economic development efforts hope to have a significant impact on the unemployment rate in the area, which have hovered around 20%. Our general efforts to lower crime, expand greenspaces, improve transit access, and encourage healthy practices go even further to help all residents enjoy a higher quality of life. The active participation of 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
- Ensure community economic growth
- Improve the quality of life in the community through improved public safety and community health practices
- Develop community leadership and civic engagement

2: Organization Goals:

- Improve external communications and develop the Dorchester Bay brand identity
- Continue increasing agency financial stability by growing and diversifying income
- Adopt an accepted and uniform risk management program and policy
- Increase staff capacity

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.

- Keep advancing our current Indigo Block project; 44 of the 80 units will be set aside for households making up to 60% of the Area Median Income (AMI) and 36 units set aside for households making between 61% and 100% of AMI. In addition there will be 9 units of condos available for purchase, priced accessibly for local residents. In addition to being affordable, this project will have a direct access onto the commuter rail platform for project residents, worker, and other neighborhood residents wishing to access a more direct route to the train.
- Working with the same partners as our successful and completed Quincy Heights (formerly Marrant Bay), Boston Bay and Hope Bay will preserve an additional 134 units of Section 8 housing. An MOU was signed with the current owners, United Housing Management, in 2008 that will be updated to move ahead. *We hope to move to into active predevelopment in 2017 and begin construction in 2019.*
- Complete Cottage Brook Apartments renovations. This project will greatly improve and preserve 147 units of subsidized housing. Virtually all of the residents will be returning, meaning residents who wish are able to age in place. *Estimated renovation costs are \$23M. We will complete renovations in 2017, and move all tenants back by the Fall of 2017.*
- Dudley Terrace – This is a preservation and renovation project for 56 units of subsidized affordable housing. We will be putting together plan, design, and financing in 2017, and will begin construction in 2018.

We expect that there will be other projects that will come to fruition in the next three years. These projects are not advanced far enough for inclusion in the CIP.

- **Ensure community economic growth** by developing new commercial real estate projects, expanding job opportunities and by increasing through collaboration the number, variety and accessibility of loan products available to small businesses in Dorchester. In this way we will connect community residents with improved jobs and economic opportunity.

- **Dudley Miller** – We are developing new collaborative commercial real estate project with Dudley Street Neighborhood Initiative. The 17,100 square foot building includes 1,200 square feet of ground floor retail and 12,100 square feet of

office space in a newly constructed three story building. *The total development cost is \$8 million; construction to begin in 2018.*

- **Develop commercial space at Indigo Block** – Our 2.3 acre project at 65 East Cottage Street will include 20,000 sf of commercial space broken into spaces for small business retention in the neighborhood and to promote new business start-up. We will be managing the space in Partnership with New Market Community Partners, who will identify potential businesses and help lease the spaces. The building will be divided up into up to a number of relatively small spaces of approximately 1,500 to 5,000 square feet, with a focus on recruiting multiple small businesses. There is a high demand for, and limited supply of, small flexible spaces for emerging businesses. It is particularly attractive to early stage, growing businesses that cannot afford the larger industrial spaces that are more common in the Newmarket area. The leases at Indigo Block will reflect best faith efforts to achieve local hiring. We are committed to 50% of all permanent jobs going to local residents. We are confident that in developing job opportunities concurrently with and adjacent to affordable housing options, as DBEDC did successfully in the Quincy Corridor, we will create a stable neighborhood of opportunity in Dorchester. Like the housing, this space will have direct commuter rail access for employees. Construction will begin in 2018.
- **Renovations to historic Pierce Building at Uphams Corner** - DBEDC plans to complete a substantial rehab of the Pierce building in the next few years. Our goal is to modernize the building and increase its energy efficiency. As part of the project, we will convert the building to 100% commercial occupancy, and attract one to two new retail tenants to the ground floor that will contribute positively to the Uphams Corner commercial district. The upper floors will continue to house DBEDC's office, the Fairmount Innovation Lab, and one to two additional office tenants.
- **Working with Harvard Street Health Center** – In the past year we have been collaborating with the Harvard Street Health Center as they prepare to undertake the construction of a new center. We helped them prepare an application to the City of Boston, and we hope to continue advising them. The Health Center has recently undergone a change of management at the top, and we are waiting to see if the new Executive Director will continue the relationship.

Promote capital for small businesses from our CDFI Small Business Lending program through collaborations and enhanced web capacity. We have been working with tech advisers on creating a loan portal that can be used by other business and entrepreneurial technical assistance and support providers to support loan applicants and streamline the application process. In this way we will be supporting the work of other business development support agencies while expanding our loan pipeline. We expect that by working with new collaborators

to promote our lending we will increase the number of new businesses accessing loans thus increasing our volume of loans.

Leveraging banks' CRA obligations to promote economic investments – We have recently engaged a retired bank president who will be working with us to find ways to work with banks to enhance their CRA directed activities in inner city communities such as Dorchester. Much of this was laid out in a December, 2016 report from The National Community Reinvestment Coalition.

- **Expand the number of accessible jobs**
 - 50 at Indigo Block
 - 25 at Dudley Miller
 - One job created for every \$5,000 lent to small businesses
 - Utilize local job fairs, other resources and our Re-Entry program to link CORI challenged residents to jobs. *Goal 50+/year.*
- **Expand job opportunities through collaboration**
 - Fairmount CDC Collaborative (including DBEDC) and the New Market Business Association we have set up a workforce program connecting residents to employers in the Fairmount Corridor.

Improve the quality of life in the community through improved public safety and community health practices

- **Improve safety**
 - 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.*
 - Develop new businesses and homes where crime hot spots now exist. DBEDC has received awards for implementing this strategy in the past.
- **Increase accessibility use of local rail transportation**
 - Fairmount Rail Line – 3 new stations opened July 1, 2013; the 4th station put back in the budget - goes into construction 2017

- Increased use of Uphams Corner Station due to Indigo Block development and access.

- **Improved community health practices**

- For the past two years DBEDC has been in a partnership with the Boston Public Health Commission and the Boston Alliance for Community Health (BACH) as a part of Partnerships in Community Health (PICH) to engage community residents as healthy practices educators, activists, and leaders to improve health outcomes in our community. We are committed to the continuation of these activities and to making health and relationships with Health Centers a core value of our community engagement. We will seek new funders and new partners, focusing on the Neighborhood Health Centers to support these efforts and find new ways to improve health outcomes for Dorchester.

- Expand our partnership with Fair Foods to include more sites to distribute shopping bags of fresh fruits and vegetables for \$2 each. We are currently working from three sites located in DBEDC properties that deliver more than xx,xxx pounds of food each year. Expand the program to include cooking classes at the distribution centers.
- Expand use of the Fairmount Greenway to promote safe and healthy exercise – organize special events to use this route to bring neighbors together and to use the Greenway street path for its intended use: walking and biking. Work with the city to establish bike routes and infrastructure upgrades at Uphams Corner crossroads and Quincy Corridor to promote use of Hubway bike stations.
- Continue our Smoke Free promotional activities by offering education and support to other property owners, especially those with three family dwellings.
- Explore new ways to work together to advance the health outcomes of our residents.

2: Organization Focused Goals:

Improve external communications and develop the Dorchester Bay brand identity

- We will continue to build upon and expand our DotThought™ gatherings, further solidifying DBEDC as a thought leader.

- We will develop a DBEDC "app" for mobile devices that provides one-touch accessibility to our Loan Fund application and business technical assistance staff. The app will also link to our organizational calendar, MBTA schedule and other resources, positioning DBEDC as a community resource hub
- We will create Dorchester Bay videos of community success stories and highlighting the impact our supporters and Dorchester Bay

Continue increasing agency financial stability by growing and diversifying income

- We will continue to develop new sources of unrestricted revenue by advancing our individual giving program. Through the donor advantages offered by the CITC program we have been able to establish an individual/private giving program that greatly increased in proportion to what it had been, and it is ready to move to the next level. We have done this through focusing on donor relationships, better crafting our message (through improved communications), and holding fundraising events designed to encourage greater engagement.
- We will expand and strengthen our network to build our neighborhood loan fund pipeline, generating additional fees and interest income attributable to new loans.

Adopt an accepted and uniform risk management program and policy

- We will implement a Risk Management System to reduce the effect of uncertainty on our organizations objectives including potential threats to achieving those objectives (negative risk) and the potential opportunities for achieving those objectives (positive risk).

This system will include a risk policy, a risk management framework and related tools and processes. This system will be an integral part of strategic Planning, decision making and resource allocation.

The system framework will describe how it is aligned with organizational governance, strategy and planning; management, work plans and activities; internal and external reporting processes and communication mechanisms; policies procedures, values and culture. Ongoing activities such as risk assessments and risk reviews should form a normal part of each manager’s role within the organization.

- Some but not all of the benefits of this system will include the following:
 - Improvement in the quality of decision making
 - Enables effective execution of decisions
 - Prioritizes budgeted resources
 - Reduces the likelihood of costly surprises]

- Contributes to the development of a positive organizational culture of improved governance as well as helps establish clear purpose and accountabilities for all staff.

Further build capital reserves

- We will continue to allocate portions of surplus to capital reserves and develop a budgeting policy that prioritizes reserves when operating benchmarks have been met.

SECTION 5: MEASURES AND EVALUATION

Many of the goals to be measured are very tangible and quantifiable: Housing units built; subsidized housing units improved and retained for community residents; pounds of fresh fruit and vegetables distributed to residents; 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 services connecting ex-offenders to jobs and reducing risk of recidivism; crime rate down; increased feeling of safety; 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; number of youth trained in civic engagement skills that will continue to strengthen community. A continuing focus that we will be trying to measure is the retention of wealth in the community from real estate, business, commercial expansion and other projects located in Dorchester.

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).
- **Monitor and enforce 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.
- **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 a data base into all of our programs. We will then be able to use our data reports to complete funder reports such as: HUD, MHFA, Miller

Foundation; DND; and United Way. We will continue to use the measures that we report to the Boston Public Health Commission to track our health outcomes.

We will conduct quarterly review committee meetings with RICO (Resident Initiatives and Community Organizing) staff.

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:

Fairmount Corridor leadership: 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. We are active in the Fairmount/Indigo Rail Line CDC Collaborative, Fairmount/Indigo Transit Coalition, and Fairmount Greenway Task Force. A few years ago we were key players in the BRA's Fairmount/Indigo Planning Initiative's Corridor Advisory Group (CAG) and Uphams Corner Working Area Group (WAG). These larger efforts keep 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: The Indigo Block project is a public/private collaboration between Dorchester Bay

Organizing collaborations

- In our 37 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 are a member of the Bowdoin Geneva Service Providers Association,
- Safety - We work on community safety 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.
- Youth Leadership - We are a leader in youth organizing for youth jobs with Youth Jobs Collaborative, City School, Mass Citizens' Action Network, and others.
- Community Health – We are partners with the Boston Public Health Commission and the Boston Association for Community Health in the PICH program. In that initiative we work closely with Fair Foods, the Dorchester Community Food Cooperative, Bowdoin Bikes, the Fairmount Greenway, City of Boston's Hubway, and others.

Commercial and Small Business Collaborations: Our long list of small business collaborations include the Small Business Administration, US Treasury's Community Development Finance

Institution Fund; City of Boston Main Streets, 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).

Our **Economic Development Department** is currently working on several new potential collaborations as we restructure our programs. In our restructuring of the Economic Development Department, we will be emphasizing the importance of collaboration to reach optimal impact. Simply put, if we incorporate the work of other business support organizations into our special niche as a CDFI lender we will be able to reach and serve more community businesses in need of capital for such core needs as inventory, equipment and stability. Nascent collaborative efforts include those coming together for our web lending portal, putting access to capital in the hands of our partners as they work with their small business clients and entrepreneurs in Dorchester, Mattapan, Hyde Park and Roxbury. In order to reach a maximum number of small and start-up businesses in a way most helpful to those businesses, we will be working with Codman Square NDC, Jamaica Plain NDC, the Center for Women and Enterprise, Local Enterprise Assistance Fund, Local Initiatives Support Corporation and the Fairmount Innovation Lab. We work on a collaboration to support place-based artists, artisans, craftsman, and other entrepreneurs with the Fairmount Innovation Lab. We work on more general community development with the Mass Association of CDCs.

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 that we developed through our planning alliances, as stated in our original CIP are adequate jobs and income growth, safe neighborhoods, decent housing for a mix of incomes, 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 activities promote these strategies include: 1) Evolving best practices to develop sustainable, resilient and healthy buildings for our community. 2) Growing and implementing partnerships with community health providers to improved health outcomes in Dorchester. 3) Strengthening businesses by maximizing our lending capacity through utilizing the work of other respected community based business support agencies to create a “pipeline” of loans that we focus on while others provide technical assistance and support; and 4) work with the Fairmount Innovation Lab and Uphams Corner ArtPlace, an independent arts initiative for Uphams Corner funded by private foundations, to encourage arts focused development **in Dorchester.**

We have developed these strategies based in part on the City of Boston's planning initiative created by an advisory group of neighborhood leaders.

The goals of the Working Advisory Group's Uphams Corner area planning are to:

- Minimize displacement of current residents and businesses to preserve diversity
- Protect existing community assets found in the current residents, businesses, and historic sites and buildings of Upham's Corner
- Strengthen businesses and activity to revitalize and support the commercial and cultural center
- Reinforce a walkable neighborhood orientation through public realm and open space improvements to enhance Station Area quality of life
- Provide new housing opportunities near the station and Main Streets District to support vitality
- Reinforce a direct connection between the center of activity and the rail station

As you can see, our goals and strategies were deeply impacted by the work of this group. We share the same values; in the more detailed report released by the City of Boston you can see that our Transit Oriented Development, our Indigo Project, and our art based place-making follow the vision of the group hand in glove. Our actions, and those of our community partners, spread out at the granular level to maximize impact, but our vision for our community is always a shared one.

SECTION 8: FINANCING STRATEGY

Dorchester Bay Economic Development Corporation was founded in 1979. In the ensuing 37 years we have built or renovated 1,114 affordable housing units have developed 209,260 sq. ft. of commercial space through eight commercial or mixed use projects, and have two more commercial parcels in development. At this time, we have not only become an anchor in the neighborhood and one of the premier CDC's in Massachusetts, we have at the same time built a solid foundation based on strong leadership and sound fiscal management. Our income derives from three primary sources: management fees from our real estate portfolio, developer fees and overhead from real estate projects, and funds from grants and donations. Three sources managed responsibly make it possible to sustain an even keel throughout the year, and from year to year. Our management fees have historically been our most predictable source of income. They have grown in recent years due to our addition of a strong asset manager. Our real estate development income is the next biggest contributor to our agency bottom line, despite the peaks and valleys that sometime accompany that work. In some years the income derived from fees has produced a surplus that, managed responsibly, has sustained us in years that we have come up short. Our grants and donation have also been surprisingly stable despite increased competition for funding. We have been over a million dollars a year for several years and growing slightly each year. The introduction of the Community Investment Tax Credit has helped us build our donor base. Due to the nature of grants and contributions, as well as

interest and, other fees, they are the two sources of cash flow to the agency month to month, year to year. The diverse sources support the others and maintain a balance for the agency.

In the current budget for 2017, we project the continuation of this balance while trying to build all sources to maintain stability, produce a responsible surplus, and strengthen our ability to withstand changes in external forces. In these turbulent times, we find that a somewhat conservative approach to preparing for exigencies to be our most responsible choice.

In our activities for the upcoming year we are looking at growing income from making loans by greatly increasing our loan flow. As we said earlier, we will be making the process more efficient by focusing on our online loan application portal to speed up the time to process a loan, and by doing more co-lending to access loan capital more quickly. By doing both we will reduce the turnaround time on a loan, which will greatly improve our numbers of loans made.

In terms of grant income, we have engaged a part-time grant writer who will research and write grant applications to increase our number of applications made, bring in new funding prospects, and subsequently increase our grant income. He will focus his efforts on expanding our relationships with government funders, including best ways to maximize our role as a CDFI. We are implementing new strategies for increasing private giving, which are addressed in detail when below in our plans for utilizing tax credits.

We are projecting our income from properties to remain strong and stable. However, we do see a potential for softness in our real estate income due to the potential impact of the current administration policies on tax credit income and increasing cost of borrowed money for projects. As a result we anticipate our use of the funds generated by CITC giving to support us in the following way:

- **Risk Management Process** – There is no doubting the value of a risk management strategy and policy, and given a climate of uncertainty there is no doubt that now is a very good time for development and implementation. The cost of Initial activities, including the development of a Risk Management Policy, Framework and Risk Register are expected to be completed on or before the end of October 2017. We are budgeting this phase of the project at \$40,000.
- **Potential Shortfalls in Project Fees** – Due to the reduced rate paid on LIHTC we are anticipating a funding gap on the Dudley Terrace project between what we expected for LIHTC investments and the amount of cash they will now actually bring into the project. We will be looking to cut costs to cover the gap, including reducing our fee which results in a shortfall in our operating income. If needed (and only if needed) we would use tax credit cash to cover.
- **Reentry Services** – In October we lost our major funder for our reentry services. While we are actively searching for a source of replacement funds, we may need to utilize some of the tax credit funds to help us carry the program.
- **Predevelopment Costs for the Two Bays Project** – This is a project that we have been trying to move into development for a long time. We are finally at a point with our

project partners where this seems possible. We may need to use tax credit funds to cover expenses until we find a predevelopment funder so as not to slow the project down any further.

Utilizing Community Investment Tax Credits

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.

Our private giving donor base has come a long way in since the CITC program began. In just three years we went from an annual income of \$89,500 derived from a single fundraising event and a few special donors to \$230,000 (over 250% increase!) as a result of a more rounded private giving program.

Our outlook for our giving program continues to expand and diversify. Activities will include:

- **Building on our current donor base –**
Since we first our first tax credit allocation DBEDC's primary focus has started and remains with our historic donor base. This group has centered its giving on sponsoring our annual event. We knew this was a good start; we had a group that wished to be publicly acknowledged as associates of Dorchester Bay. Focusing on personal contact and peer to peer outreach we grew giving associated with the event from \$85,000 to \$175,000. As we saw this group coalescing, we stepped forward to encourage this group association. We began to hold modest donor events, not for direct solicitation but to give a core group to of donors – “partners” an opportunity to stay informed of new DBEDC programs, and to stay in touch with each other. We have now had three such events, and have been rewarded by repeat attendance and higher annual giving. We plan two more events for this year, and we will continue them going forward.
- **DotThought™ sponsorship –** Another success born of the goal of broader donor and community engagement was the emergence of DotThought™ - a series of events and gatherings that are bringing together community residents, entrepreneurs, non-profit leaders, policymakers and other experts from near and far to confront topics of concern to our area. We hope to find a high visibility sponsor for DotThought™; the success of the program makes it an attractive opportunity to brand with DBEDC.
- **Expanded staff involvement:**
 - New CRA engagement with banks - Our economic development department has recently engaged a retired bank president with familiar with the internal

intricacies of banking. He is developing a strategy with our CEO and Economic Development Director to engage banks in CRA activities through our CDFI, and using our tax credits as an added incentive to invest in our work and in the community.

- More outreach to senior staff relationships – Our senior staff have recently stepped up their engagement of colleagues and previous working relationship to help us expand our donor base.

- **Health center engagement**

We have begun meetings to establish a strategy of partnering with a Neighborhood Health Center to build on our successful Partners in Health Care project that will reach the end of its initial funding in October. We are committed to retaining and building up our program activities, and to becoming even more engaged in improving health outcomes in Dorchester. We hope to do this through program activities, organizing and outreach for health center activities, and building stable, healthy, quality housing for the residents of our community how are also patients of the health center. We hope that the health center and associated hospital will leverage CITC credits to maximize their impact in the community.

In addition to these efforts, we will renew our relationship with the United Way funding effort to further expand our fundraising capacity.

SECTION 9: HISTORY, TRACK RECORD AND SUSTAINABLE DEVELOPMENT

Dorchester Bay EDC has been developing affordable housing and other real estate projects for 37 years. Our extensive real estate and business development experience over the past 37 years has built up our reputation as a leader in community development in Boston and beyond. Over the years we have not only developed 1,114 units of affordable housing, we have also developed 200,260 sq. ft. of commercial space through eight commercial or mixed use projects, and have two more commercial parcels in development. 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 reclaimer in the state.

In addition, our Small Business Program has lent or packaged \$7 million to small businesses and provided Technical Assistance to over 1,400. These commercial activities have produced or retained 745 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 over 2,000 people through our TechnoBay and Tech goes home programs;
- Placed hundreds of adults and youth in jobs.
- Organized six tenant associations involving 600+ 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, Quincy Heights, had 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:

- **HUD Choice Neighborhoods Awards** – In 2011, the Quincy Corridor was one of the first five projects nationally to be awarded a HUD Choice Neighborhoods Grant, providing \$12.3M for 129 distressed housing units, \$500K awarded to Pearl food production center, and \$3M to resident services.
 - In 2013, Boston's Quincy Corridor was the first Choice Neighborhoods grantee to begin construction, and in December of 2014, the first project to reach completion. Construction was completed on time and on budget with over 65% minority workers, over 55% Boston resident workers, and over 40% minority owned subcontractors.
- 2015 Boston Public Health Commission chose Dorchester Bay EDC as their North Dorchester Partner for their **Partnerships to Improve Community Health (PICH) Initiative** to promote Healthy Food and Beverage, Smoke Free Housing, and Opportunities through Active Transportation (Walking and Biking) Initiatives and other activities to promote systemic change.
- 2014 Received the **Met-Life Foundation Community-Police Partnership** national award for Hendry Street Public Safety.