



WORCESTER COMMON GROUND



FY 2013 ANNUAL REPORT

Contents

LETTER FROM THE EXECUTIVE DIRECTOR AND THE CHAIR OF THE BOARD 2

TREASURER’S REPORT..... 4

2013 ACCOMPLISHMENTS..... 5

 Property Development 5

 Worcester Common Ground Properties Developed To Date (Map)..... 6

 Worcester Common Ground Properties Developed to Date (List) 7

 Tax Abatement Training..... 9

 Collaboration..... 10

IN THE WORKS... .. 11

 Strategic Planning 11

 The Community Land Trust 11

 Rebuilding Our Membership 11

 Pre-Development..... 11

 Jaques Avenue Garden Partnership and Opening..... 12

 Community Wellness 12

BOARD OF DIRECTORS 13

FUNDERS 13

 Austin Corridor II..... 13

 Grants and Foundations 13

 Individual Donors 13

LETTER FROM THE EXECUTIVE DIRECTOR AND THE CHAIR OF THE BOARD

As many of you know, over the years Worcester Common Ground, Inc. (WCG) has provided home-ownership opportunities, rental units and a host of services for all the individuals who enter our door on a daily basis. We have been very fortunate to do so and look forward to continuing the same for years to come.

In 2013, WCG completed the construction of 20 rental units, turning six blighted buildings into energy-efficient homes that blend with the fabric of our great neighborhood. In doing so, we have provided the opportunity for residents to live in healthy and safe housing and enhanced their peace of mind. In the heat of July 2013, many state and local officials, residents and neighbors gathered in our Tot Lot for a ribbon cutting and barbecue to celebrate the completion of the first four buildings. It was a great event and we thank you, our members and residents, for its success.

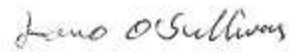
In collaboration with Lutheran Social Services and the Regional Environmental Council, WCG was able to purchase 8 Preston Street from the City of Worcester in 2013 for use as a new community garden. This garden is the third EAT Center (Educational Agriculture Training Center) WCG has implemented with its partners. Our EAT Centers allow for immigrants and neighbors to share ideas on farming and generate produce for their families and for market. Produce grown and sold locally has proven a great success for these individuals. Last year approximately 750 pounds of produce per farmer were sold at various market locations throughout the City. This number will continue to grow as the farms mature and as WCG looks to increase EAT Centers in the neighborhood where small pockets of undevelopable land opportunities exist.

While Community Development Corporations are facing financial instability due to state and local budget cuts, WCG is working hard to improve our outlook. Beginning in 2013, we re-established funding streams with local foundations and corporate partners and began to grow our membership base. We are also in the process of developing fundraising opportunities and launching a capital campaign. While all of these activities are in their infancy, we feel the audience of those that understand the need for the work we do in our neighborhoods will recognize the strength of our organization and give generously.

WCG will continue its work in the neighborhood and focus on the needs of the community. In 2013 we held a tax abatement workshop for our first time homebuyers. Its purpose was to educate our homeowners with respect to the assessment of their homes and review of their deed restrictions and Community Land Trust documents. Through various community focus groups in 2013, we have learned as an organization the approach we need to take in the coming years so that WCG can empower our residents to take control of their neighborhood.

While we all face economically challenging times, WCG anticipates continued strength for our neighborhood and looks forward to building economic wealth, empowering residents and working hard to make the Piedmont Neighborhood a continued success.

The Board, Staff and Members of WCG thank you for your support. Without strong partnerships and people who are committed to change, WCG could not remain a resilient and responsive organization.



Jono O'Sullivan
Board President



Yvette Dyson
Executive Director

TREASURER'S REPORT

WORCESTER COMMON GROUND, INC. AND ITS SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2012

	WCG	PIEDMONT	9 MAY	ELIMINATIONS	TOTAL
REVENUES:					
Rental income	\$ 494,868	\$ 123,079	\$ 394,696	\$ (28,800)	\$ 983,843
Program service fees	62,657	-	-	(46,026)	16,631
Contracts	99,971	-	-	-	99,971
Grants and contributions	9,257	-	-	-	9,257
Interest and miscellaneous	146,470	136	6,421	(141,248)	11,779
Net gain from sale of real estate	18,985	-	-	-	18,985
Total revenues	<u>832,208</u>	<u>123,215</u>	<u>401,117</u>	<u>(216,074)</u>	<u>1,140,466</u>
EXPENSES:					
Personnel and related costs -					
Salary and wages	272,938	-	72,323	-	345,261
Payroll taxes and fringe benefits	88,972	-	25,100	-	114,072
Contracted services	13,248	46,026	29,358	(46,026)	42,606
Total personnel and related costs	<u>375,158</u>	<u>46,026</u>	<u>126,781</u>	<u>(46,026)</u>	<u>501,939</u>
Occupancy -					
Depreciation and amortization	137,672	77,134	432,696	-	647,502
Repairs, maintenance, rent and insurance	231,434	32,092	74,034	(28,800)	308,760
Other mortgage interest accrued	-	-	293,039	(141,248)	151,791
Mortgage interest	48,676	16,195	43,829	-	108,700
Utilities	62,120	12,347	48,453	-	122,920
Real estate taxes	63,343	12,962	39,388	-	115,693
Total occupancy	<u>543,245</u>	<u>150,730</u>	<u>931,439</u>	<u>(170,048)</u>	<u>1,455,366</u>
Other -					
Professional fees	48,333	2,568	27,729	-	78,630
Liability insurance	3,381	-	37,118	-	40,499
Miscellaneous	14,248	65	12,300	-	26,613
Office	15,338	-	8,649	-	23,987
Telephone	6,078	996	7,407	-	14,481
Bad debts	7,096	3,123	19,247	-	29,466
Conventions and conferences	8,131	-	802	-	8,933
Dues and subscriptions	3,144	-	-	-	3,144
Advertising	2,574	-	1,076	-	3,650
Printing	399	-	-	-	399
Grants	14,036	-	-	-	14,036
Total other	<u>122,758</u>	<u>6,752</u>	<u>114,328</u>	<u>-</u>	<u>243,838</u>
Total expenses	<u>1,041,161</u>	<u>203,508</u>	<u>1,172,548</u>	<u>(216,074)</u>	<u>2,201,143</u>
CAPITALIZED OPERATING COSTS	<u>238,414</u>	<u>-</u>	<u>-</u>	<u>(238,414)</u>	<u>-</u>
Changes in net assets	<u>\$ 29,461</u>	<u>\$ (80,293)</u>	<u>\$ (771,431)</u>	<u>\$ (238,414)</u>	<u>\$ (1,060,677)</u>

AUSTIN CORRIDOR
II PROPERTIES



84 Piedmont Street



136 Austin Street



109 Piedmont Street



115 Piedmont Street



7 Bellevue Street



3 Bancroft Street

2013 ACCOMPLISHMENTS

Property Development

In 2012, Worcester Common Ground (WCG) broke ground on a six-property tax credit project, Austin Corridor II (ACII) bringing the total number of units rehabilitated by the organization over its 25 year history to 215. WCG celebrated the buildings completed early in the project this July with a barbeque and the opening of the final building, 7 Bellevue Street, with an open house in November.

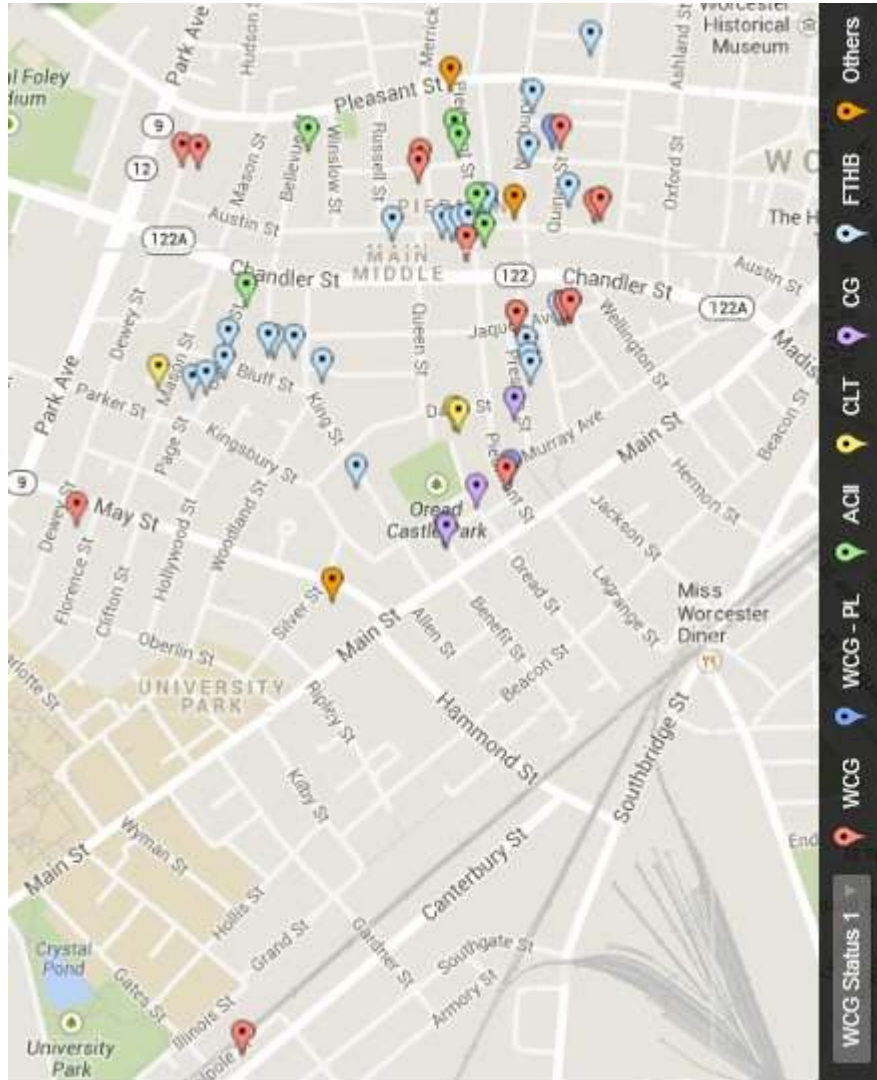
ACII is WCG's second Low Income Housing Tax Credit-funded project, and which included the utilization of Community Based Housing (CBH) funds. The CBH money ensures that units are reserved specifically for people with disabilities and that Universal Design principals are incorporated into those units' architecture. For example, the two CBH units at 7 Bellevue feature large, flat plate, automatic door openers as well as keycard entry to enhance tenants' ease of use.



115 Piedmont Street, prior to rehabilitation

As with all of WCG's development efforts, the properties that comprise ACII were identified by residents and community stakeholders as essential for neighborhood stability and health. ACII properties also meet WCG's strategic goal of targeted, dense homeownership and rental unit development, a neighborhood revitalization best practice. To date, WCG has developed 215 units total in our catchment area (see map, following).

Worcester Common Ground Properties Developed To Date (Map)



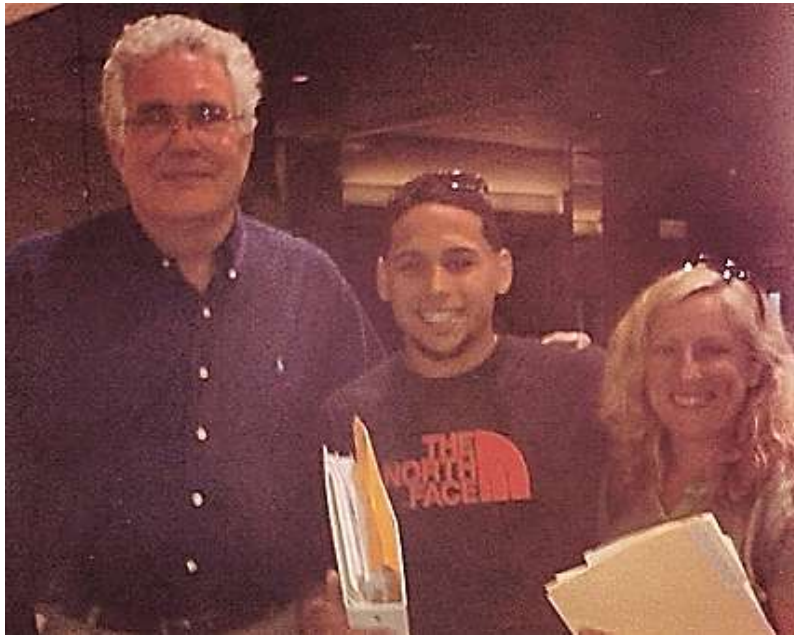
Worcester Common Ground Properties Developed to Date (List)

WCG Status 1	WCG Status 2	Street Address	City	State	Zip	Other Notes
Tot Lot	CLT	122 AUSTIN STREET	Worcester	MA	01609	
WCG		98 AUSTIN STREET	Worcester	MA	01609	
WCG		102 AUSTIN STREET	Worcester	MA	01609	
WCG		133 CHANDLER STREET	Worcester	MA	01609	
WCG		90 CHATHAM STREET	Worcester	MA	01609	
WCG - PL		94 CHATHAM STREET	Worcester	MA	01609	
WCG		17 DEWEY STREET	Worcester	MA	01609	
WCG		19 DEWEY STREET	Worcester	MA	01609	
WCG		7 JAQUES AVENUE	Worcester	MA	01610	
WCG		9 JAQUES AVENUE	Worcester	MA	01610	
WCG		21 JAQUES AVENUE # 4	Worcester	MA	01610	WCG owns 2 units of this 4-unit building
WCG		21 JAQUES AVENUE # 3	Worcester	MA	01610	WCG owns 2 units of this 4-unit building
WCG		20 MERRICK STREET	Worcester	MA	01609	
WCG		24 MERRICK STREET	Worcester	MA	01609	
WCG		5 PIEDMONT STREET	Worcester	MA	01610	
WCG - PL		8 PIEDMONT STREET	Worcester	MA	01610	
WCG		124 CANTERBURY STREET	Worcester	MA	01603	
WCG		6 FLORENCE STREET	Worcester	MA	01610	
ACII		136 AUSTIN STREET	Worcester	MA	01609	Managed by Maloney
ACII		3 BANCROFT STREET	Worcester	MA	01610	Managed by Maloney
ACII		7 BELLEVUE STREET	Worcester	MA	01609	Managed by Maloney
ACII		84 PIEDMONT STREET	Worcester	MA	01609	Managed by Maloney
ACII		109 PIEDMONT STREET	Worcester	MA	01609	Managed by Maloney
ACII		115 PIEDMONT STREET	Worcester	MA	01609	Managed by Maloney
9 MAY		9 MAY STREET	Worcester	MA	01610	Managed by Maloney
CLT		52 MASON STREET	Worcester	MA	01610	

CLT		32 CASTLE STREET	Worcester	MA	01610	
CLT		34 CASTLE STREET	Worcester	MA	01610	
CG	CLT	2 VALLEY STREET	Worcester	MA	01610	
CG		7 OREAD PLACE	Worcester	MA	01610	CoW Property Tax Exempt
CG		9 OREAD PLACE	Worcester	MA	01610	CoW Property Tax Exempt
CG		8 PRESTON STREET	Worcester	MA	01610	
CG		7 JAQUES AVENUE	Worcester	MA	01610	
CG		9 JAQUES AVENUE	Worcester	MA	01610	
Eddie's Place		302 PLEASANT STREET	Worcester	MA	01609	
FTHB	CLT	130 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	132 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	134 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	139 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	141 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	143 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	147 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	19 BANCROFT STREET	Worcester	MA	01610	
FTHB	CLT	26 BANCROFT STREET	Worcester	MA	01610	
FTHB	CLT	30 BANCROFT STREET	Worcester	MA	01610	
FTHB	CLT	22 BLUFF STREET	Worcester	MA	01610	
FTHB	CLT	25 KING STREET	Worcester	MA	01610	
FTHB	CLT	48 KING STREET	Worcester	MA	01610	
FTHB	CLT	55 KING STREET	Worcester	MA	01610	
FTHB	CLT	7 NEWBURY STREET	Worcester	MA	01609	
FTHB	CLT	15 PRESTON STREET	Worcester	MA	01610	
FTHB	CLT	17 PRESTON STREET	Worcester	MA	01610	
FTHB	CLT	21 PRESTON STREET	Worcester	MA	01610	
FTHB	CLT	9 QUINCY STREET	Worcester	MA	01609	
FTHB	CLT	35 CEDAR STREET	Worcester	MA	01609	
FTHB	CLT	12 WEST STREET	Worcester	MA	01609	
FTHB	CLT	161 AUSTIN STREET	Worcester	MA	01609	
FTHB	CLT	97 BELLEVUE STREET	Worcester	MA	01610	
FTHB	CLT	99 BELLEVUE STREET	Worcester	MA	01610	
FTHB	CLT	99 CHATHAM STREET	Worcester	MA	01609	
FTHB	CLT	11 JAQUES AVENUE	Worcester	MA	01603	

Tax Abatement Training

WCG's commitment to the neighborhoods it serves also includes development of First Time Home Buyer (FTHB) properties whenever possible. The importance of resident homeowners in low-income communities cannot be overstated — high turnover of residents, absentee landlords with minimal interest in property maintenance, and lack of wealth-building mechanisms — all of these contribute to neighborhood instability and a cycle of disinvestment. To date, WCG has rehabilitated and sold 25 FTHB properties.



Former WCG E.D. Steve Patton, Homeowner and Board Member Jeff Ortiz and Current WCG E.D. Yvette Dyson at Jeff's 2012 Closing

While FTHB funding opportunities have been few and far between in the past few years, WCG continues to build resident homeowner capacity through ongoing, ad hoc support. We also offer more formal training opportunities to our homeowners, including a recently-completed workshop on applying for a tax abatement with the City of Worcester. WCG's Community Land Trust model, which uses a 99-year ground lease model to ensure affordability over the life of a property, presents a unique challenge for accurate tax assessment and WCG staff worked closely with homeowners to address property value discrepancies. The city has a number of months remaining to respond to these abatement applications, but we hope to report positive outcomes in the near future.

Collaboration



The EAT CENTER Sign at the Preston Street Garden

The strength of the EAT Center is its carefully-designed partnership model. Each participating organization brings a specific strategic strength to the table, which increases efficiency and minimizes common collaborative tensions, such as competition for funding and conflicting visions for service delivery. The EAT Center is designed such that individual organization's costs are discrete and that trainings do not overlap; partners are responsible for funding their portion of Center activities and for providing services or training specific to their expertise.



Farmers at the Preston Street EAT Center Garden

with the mayor's office to select and acquire appropriate lots and is responsible for the site preparation and ongoing land management for the five parcels/three gardens now in operation.

The EAT Center began in 2010 as a collaborative effort between four entities, the Mayor's office, the Regional Environmental Council, Lutheran Social Services' New Lands Farm and WCG. The outcome of a shared desire to explore entrepreneurship opportunities for urban farmers, in 2013 the EAT Center grew to a total of three gardens managed by five (5) farmers supplying fresh produce to over 150 families (including their own) via farmers market(s) and Community Supported Agriculture (CSA) program(s).

The REC, whose mission includes creating access to food in food insecure communities, brings urban agricultural training and expertise to the partnership, while LSS, which works with immigrant families in the city, identifies, recruits and provides ongoing support to farmers. WCG works

IN THE WORKS...

Strategic Planning

WCG is excited to have begun its most recent strategic planning process in early February of 2014. The organization is working with Diane Gordon, a highly-respected consultant in the Massachusetts nonprofit community whose familiarity with the specific challenges and opportunities of Community Development Corporations makes her a natural fit to guide WCG's process.

In the coming months, WCG will hold focus groups, conduct individual interviews and perform an environmental scan to assess what the organization is doing well, what needs to be changed and what opportunities there are for growth. We anticipate the planning process to be completed by late fall and to begin implementing strategic changes throughout the winter and following spring.

The Community Land Trust

As Worcester's only Community Land Trust (CLT), WCG, since its inception, has been dedicated to the preservation and management of land for affordable housing purposes. By using a 99-year ground lease model, WCG ensures that land held by the trust remains affordable *in perpetuity*, a unique and powerful distinction amongst CDCs. The model offers a fair amount of flexibility in its implementation as well as opportunities for innovative partnerships (see EAT Center, above). As part of the strategic planning process, WCG will be revisiting the way the CLT is managed, reassessing our homeowner resale formula and developing a clear path forward for activities under this arm of the organization.

Rebuilding Our Membership

While WCG was founded as a "member-based" organization, the definition of membership has shifted considerably over the years; when we talk about members now, we are referring primarily to some, but not all, of our First Time Homebuyers. Understanding this change and its ramifications is another important component of the strategic planning process. Throughout the spring and summer, we will explore the "member-based" concept, assess stakeholder interest in a membership model and, based on feedback, develop measureable goals for a membership program implementation.

Pre-Development

The developer of last resort for the neighborhoods of Central Worcester, WCG is actively pursuing acquisition and development opportunities, based on resident and stakeholder concerns. In the last year, WCG has created a catchment area-wide property inventory/database; reinvigorated our Project Committee (consisting of board and community members); engaged in formal community outreach for acquisition strategy development purposes; partnered with a for-profit tax lien organization to tackle the problem of long-abandoned properties; and started the acquisition process for two fire-devastated properties on a key street in the Piedmont neighborhood (Merrick Street). As the threshold for development (to qualify for key state-disbursed funding), is a minimum of twenty (20) units, WCG aims to build its pre-development portfolio to sufficient quantity to apply for the next state funding round (tentatively scheduled for Spring 2015).

Jaques Avenue Garden Partnership and Opening

Building on the successes of last year's EAT Center gardens, WCG is in the process of acquiring/developing a fourth garden site (on Jaques Avenue). In addition to providing a site for immigrant farmers to grow produce, this garden will include an urban orchard (developed in concert with the Worcester Tree Initiative or WTI) and an active partnership with Worcester Polytechnic Institute (WPI) to create a sustainably-powered bioshelter for multi-season production purposes. We are also in discussion with staff at the Chandler Elementary Community School regarding opportunities for integration of the new garden into the school's existing agriculture and food system programming. We will continue our relationship with existing EAT Center partners, who will continue the model used at our Oread Place and Preston Street gardens, and look forward to our groundbreaking and garden opening ceremonies in the spring/early summer.

Community Wellness

In the last year, WCG staff have been looking more closely at the links between our housing work and its impact on overall community health. WCG serves Worcester census tracts 7314, 7315 and 7316, which are some of the poorest and most disinvested in the city. Poverty levels in our neighborhoods are more than twice as high as in the rest of Worcester, at an average of 35% and 16% respectively. The link between low income levels and poor health outcomes is significant and by now, well-documented; examples of factors that negatively impact resident health include decreased access to and the high cost of fresh food, housing and safe, open spaces for play/exercise. Additionally, the quality of the housing stock in a neighborhood can have negative consequences on the mental and physical well-being of residents, where "quality" is a function of building age, the presence of contaminants in the soil, the types of materials used in construction and whether maintenance is deferred.

Building on the successes of the collaborative model with EAT Center partners, WCG will be exploring opportunities to connect with stakeholders in our catchment area and to identify the role we can play in promoting and advancing community wellness.

BOARD OF DIRECTORS

Jono O'Sullivan, Current President of the Board – nominated for 3-year term in 2014

John True, Current Treasurer – nominated for 3-year term in 2014

Marjorie Purves, Current Secretary/Clerk – nominated for 3-year term in 2014

Phil Stone, Esq. – nominated for 3-year term in 2014

Lisa Stewart (Tenant representative) – nominated for 2-year term in 2014

Ramon Borges-Mendez – nominated for 2-year term in 2014

Jeffrey Ortiz (Leaseholder representative) – nominated for 1-year term in 2014

Eduardo Jimenez – nominated for 1-year term in 2014

FUNDERS

Austin Corridor II

City of Worcester

Massachusetts Housing (Affordable Housing Trust Fund)

Massachusetts Department of Housing and Community Development (Low Income Housing Tax Credits and Housing Stabilization Fund)

Community Economic Development Assistance Corporation (Community Based Housing)

The Life Initiative

Massachusetts Housing Partnership Fund Board

Massachusetts Housing Investment Corporation

Grants and Foundations

George F. & Sybil H. Fuller Foundation

Eastern Bank

TJX Foundation

Greater Worcester Community Foundation

Plourde Family Charitable Trust

Individual Donors

First Church in Sterling

Marjorie Purves

