

## OPINION

### INTEGRATED APPROACH

# Nonprofit Service Providers Become Developers to Better Serve Families

Integrated Housing, Education, Support Services Located On-site Help Communities Thrive



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SPECIAL TO BANKER & TRADESMAN

Community-based organizations serving low-income families, women and children have long understood the benefits of integrating housing and early education services as core aspects of their missions serving these vulnerable populations.

A number of Massachusetts nonprofit service providers have entered the development arena to create projects that co-locate affordable housing and high-quality, licensed early care and education facilities. For providers considering mixed-use developments, there are challenges associated with combined affordable housing/early care and education programs, especially for those new to managing real estate projects. However, planning, a knowledgeable project team and technical assistance from organizations like the Community Economic Development Assistance Corporation (CEDAC) and our affiliate, the Children's Investment Fund (CIF), can assist with these projects' success. When done well, a combined facility can provide an effective means to support residents as they seek education opportunities and create stronger communities.

The commonwealth of Massachusetts is committed to supporting the production of supportive housing and development of early care and education facilities. With the 2013 establishment of the Early Education and Out of School Time Capital Fund (EEOST), which CEDAC/CIF administer with the Department of Early Education and Care (EEC), Massachusetts' nonprofit childcare providers have a source of capital funding to create and improve licensed early education facilities serving low-

income children. Funding from EEOST, state agencies including the Department of Housing and Community Development (DHCD) and other public/private financing agency resources can make up a matrix of sources that offset the considerable real estate development costs in Massachusetts.

Three organizations that primarily provide supportive services recently created brick-and-mortar projects with CEDAC/CIF support, including our technical assistance and predevelopment funding, each demonstrating a novel approach to addressing their communities' needs.

## New and Expanded Services

Dorchester's Brookview House has provided housing and early education to families and children experiencing homelessness in Roxbury and Dorchester since 1990. With 30 affordable apartments and two licensed centers providing educational programming, Brookview is about to start construction on a new \$5 million facility that will provide an additional 12 affordable rental housing units for families on the upper floors and an out-of-school program located on the first floor. The project has secured funding commitments from EEOST, DHCD and the city of Boston's Department of Neighborhood Development, in addition to commercial loans and the organization's own fundraising.

In Roxbury, Elizabeth Stone House outgrew its outdated building containing its shelter, housing and supportive services. The new development will create 32 units of family housing for survivors of domestic violence with an early care and education and out-of-school program for 51 children, and a therapeutic program for young people recovering from trauma. The project's

funding includes federal new markets and housing tax credits, city and state support, and an extensive fundraising effort.

Finally, the YWCA of Southeastern Massachusetts in New Bedford will soon break ground on the expansion of its historic headquarters, creating housing for eight formerly homeless women and licensed year-round care for 50 children. The Y's project required a thoughtful approach to combine these uses within a 19th century structure in a tight urban lot, but the Y's innovative proposal gained support from federal, state and local sources.

### Multi-Use Considerations

If a provider is contemplating developing a multi-use project, they should consider the following. First, they must plan for the early education and care space early in the process, due to important design considerations. High-quality spaces for children have their own set of design considerations, and teams need to find an architect experienced with early education spaces to ensure the project will meet EEC's licensing standards.

These aspects cannot be an afterthought and must be included in

the project's initial plans. It may be necessary to bring together architects with residential design expertise in addition to early education and care, as EEOST requires high-quality physical design that often exceeds licensing requirements to create healthy spaces for children. Teams need to consult with experienced consultants to assist with the creation of a sound financing strategy, and coordinate the often complex funding sources that may include new markets and low income housing tax credits, debt, fundraising and state bond financing.

Finally, developers should reach out to CEDAC and CIF early in the conceptual planning phase. The technical assistance our staff offers can help nonprofit developers avoid pitfalls and ultimately save the project time and money by connecting teams with experienced professionals. At CEDAC/CIF, we know that these projects' educational and residential programs create opportunities and stability for the families served within – and we're ready to help. ◀

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