

# STRATEGIC REPORT 2020





## FROM THE EXECUTIVE DIRECTOR



### *Five years have flown by!*

In 2014, the Tower Grove Neighborhoods Community Development Corporation (TGNDC) embarked on an extensive and challenging task of creating a 20-year plan for the future. With the help of dedicated area stakeholders and through many hours of community engagement activities, we created our 20-year framework and vision plan. Our board of volunteers distilled the core elements and created the Five-Year Strategic Plan for 2015-2019 to ensure that we would have a positive impact on the community and remain financially self-sustaining. This report summarizes the major accomplishments of the strategic plan. It also delineates the important work we still want to accomplish.

Until 2014, TGNDC was federally funded through the Community Development Block Grants, which accounted for 80% of our budget. As of 2019, federal funding accounts for only a little over 6% of our funding. Since 2015, we have generated revenue through our mission-driven business model, which focuses on real estate development in four key areas:

1. Affordable rental development (self-managed)
2. Affordable “for sale” development
3. HomeScreen tenant screening program
4. Ongoing community development activities such as landlord/rehabber training seminars, vacancy work, development and distribution of community resource guide brochure, energy efficiency advocacy program, infrastructure improvement projects, and development facilitation

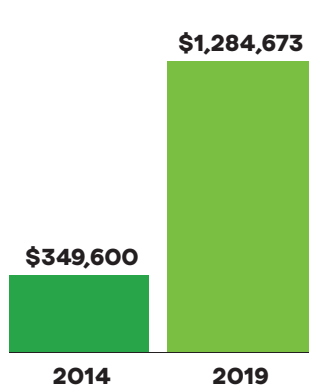
In 2013, we took on the complex challenge of merging several Community Development Corporations (CDCs) to become TGNDC: Southwest Garden Housing Corporation, Shaw Neighborhood Housing Corporation and Grand Oak Hill Community Corporation. Our motto was “Better Together,” and TGNDC became the experiment to determine if these neighborhoods would not just survive, but thrive if working as one. This report illustrates that the merger was indeed a success: TGNDC has become one of the most respected, dynamic and financially stable CDCs in the St. Louis region. The strategic plan accomplishments are **BOLDED AND IN ALL CAPS** throughout the report.

This success stems from the hard work and dedication of many people standing together every day. Thank you to our dedicated Board of Directors: Janice Drake, Jason Kempf, Jillian Guenther, Raymond Flojo, Jeffrey Bargielski, Denise Evans, Colleen Hafner, Vihar Sheth, Floyd Wright, and Jim Zirngibl. Thank you to our many friends in city government who appreciate and support our endeavors; our engaged and active residents and local business owners; our local/national banking lenders and sponsors; and our hard-working city employees. I also want to recognize our passionate staff who “plant the flag” every day including Kristan Nickels, Asset Manager; Dana Gray, Community Outreach Coordinator; Ella Gross, HomeScreen Tenant Screening Manager; and Adam Drake, Tenant Screening Assistant, all of whom contributed significantly to this report.

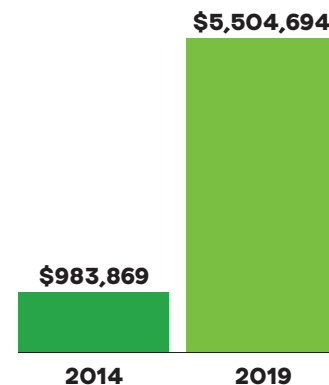
We have a new, donated office building at 2337 S. Kingshighway in South City and welcome a visit from you. Community development work is always a “work in progress,” and it is fueled by the participation, energy and ideas of many. TGNDC will continue the work, the collaboration and the vision enthusiastically as we strive to create inclusive and welcoming neighborhoods that provide safety, stability and a high quality of living within a city rich in history.

Sean Spencer  
Executive Director, TGNDC

### BUDGET GROWTH



### ASSET GROWTH



# PIONEERING STRATEGIC BANKING RELATIONSHIPS FOR AFFORDABLE HOUSING

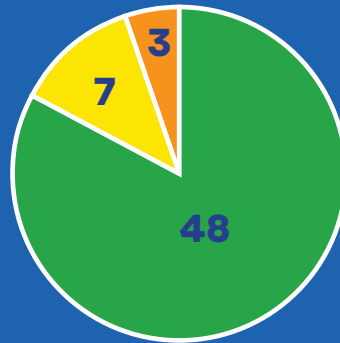
**W**ith an innovative approach, Tower Grove Neighborhoods Community Development Corporation (TGNCDC), in partnership with financial services firm TIAA Bank, purchased \$2.2 million of real estate totaling 34 units in 10 buildings. TIAA provided a \$200,000 grant, 30-year amortization and competitive interest rate. TGNCDC's agreement with TIAA Bank is to keep units affordable for 80% of new tenants who meet income guidelines of 80% to median or less. Similar deals related to affordable housing financing were completed with First Bank.

**TGNCDC INCREASED OUR RENTAL PORTFOLIO FROM 14 UNITS TO 76 UNITS OVER THE LAST FIVE YEARS, INCLUDING MINOR AND MAJOR RENOVATIONS.** Rents for all of the units are set at 30-40% below market rate to create more affordable housing in opportunity neighborhoods. Thirty-four units were created in the Wedge (Gravois Ave., Grand Ave., Chippewa St.), an under-served section of Tower Grove

South that we recognized as a priority area due to the number of vacant/nuisance properties and calls for police service in the area. Rentals start at \$425, and the average tenants in these units are at 30% of the area median income.

## INCOME OF TENANTS LEASING TGNCDC PROPERTIES

58 tenants assessed.



## PERCENTAGE OF AREA MEDIAN INCOME

- 0% - 50%
- 51% - 80%
- 81% - 100%

# REVITALIZING VACANT AND NUISANCE PROPERTIES THROUGH DAILY, PROACTIVE WORK

**O**ur Community Development Corporation was created and built on our work around vacant properties. Long-term vacancies decrease property values for neighboring owners, discourage investment in the community, lower tax revenues, decrease the quality of life for residents and can be a magnet for crime and arson. Moreover, maintaining vacant properties is a burden on the city's budget. TGNCDC has directly or indirectly eliminated dozens of vacant buildings from our community in the past five years by creating and monitoring inventory, educating developers about incentives including tax credits/tax abatement, providing market data and general cheerleading. **FOUR NEW HOMES WERE PRODUCED BETWEEN 2015 AND 2019.** More than \$1.5 million was invested in the for-sale development projects. All the homes/lots acquired by TGNCDC were long-term nuisance, vacant and abandoned properties.

TGNCDC was also the first in St. Louis City to use nuisance property and abandoned property lawsuits on residential properties, resulting in dramatically improved buildings.

Nuisance lawsuits for 4420 Arsenal St., 3710 Bamberger Ave., 3708 Bamberger Ave. and 3451 S. Grand Ave., in addition to abandonment lawsuits for 3964 Parker Ave., were completed.



**AFTER BEING SERVED THE NUISANCE LAWSUIT, 3451 S. GRAND AVE. OWNER ANDREW YEE WORKED WITH TGNCDC TO IMPROVE PROPERTY WITH NEW WINDOWS, DOORS AND A COLORFUL MURAL ON THE VACANT STOREFRONT. YEE PLANS TO RENOVATE THE PROPERTY IN 2021.**



**VERIFICATION  
& SCREENING**



2019 LANDLORD TRAINING SESSION

**STABILIZING  
NEIGHBORHOODS  
BY PROVIDING  
TENANT  
SCREENING  
AND LANDLORD  
TRAINING**

TGNDC helps stabilize buildings, blocks and neighborhoods through tenant screening and landlord training.

In the last five years, TGNDC was awarded more than **\$250,000** in grant funds from the Community Development Administration. More than **2,000** landlords attended and were trained in **44** sessions covering topics such as property management, lease creation, maintenance, financing a historic renovation using tax credits and energy efficiency.

We are expanding our program in 2020 to include rehabber training and establishing partnerships with Community Builders Network, North Newstead Association and St. Louis Vacancy Collaborative.

**MYHOMESCREEN.ORG**

**HOMESCREEN:  
TENANT SCREENING WITH A PURPOSE TO HELP  
LOW- TO MODERATE-INCOME APPLICANTS**

From 2015–2019, HomeScreen has grown from **1,314** to **2,272** applications, a **73%** increase. We have registered over **4,800** new rental units for screening in **13** states. Revenue for this program is around **\$90,000** per year and helps support other community development activities.

In 2016, we began our relationship with Equifax, which has led to major grant funding over three years. The grant funding helped pay for the completely custom HomeScreen software to optimize our unique workflow; the software incorporates our referral programs with our partners Prosperity Connection and MoCaFi. Since offering financial coaching through Prosperity Connection in August 2018, we have referred 307 applicants. We started offering rent reporting through MoCaFi in February 2019 and currently have 47 landlords participating. There are more than 45 million renters in the United States, and virtually none of them are getting credit for the largest payment they make each month. Also, a credit score increase of just 70 points would save a family over \$150,000 with lower interest payments over a 30-year mortgage. HomeScreen is the cornerstone for our self-sustainability goal and gives us the opportunity to take a tenant-first approach to screening, which is new to the industry.

**OUR PARTNERS**



# IMPACT INVESTING IN A CONCENTRATED GEOGRAPHY














**T**GNCDC set out to stabilize two severely declining blocks located at 3600 and 3700 Bamberger Ave. in Tower Grove South as a result of our research for the framework and vision plan in 2014. Through our work illustrated on the map below, calls for service decreased from 397 in 2014 to 115 (77 calls coming from two existing nuisance properties that are still being addressed) in 2019. **THIS EQUATES TO A 71% DROP IN CALLS OVER A FIVE-YEAR PERIOD. WE REDUCED VACANT PROPERTIES (17 IDENTIFIED IN 2014), RENOVATED HOMES, BOUGHT AND SOLD PROPERTIES TO REPUTABLE DEVELOPERS, AIDED TRASH PICKUP IN COLLABORATION**

**WITH COVENANT HOUSE, ADDED AN ART INSTALLATION, INSTALLED LED LIGHTS AND PROFESSIONALLY MANAGED OUR RENTAL PROPERTY ON THE TWO BLOCKS.**

**IN A RECENT SURVEY, 92% OF THE RESPONDENTS STATED THAT THE AREA IS SAFER THAN IT WAS THREE YEARS AGO, AND 92% STATED THAT QUALITY OF LIFE IN THE AREA IS BETTER THAN THREE YEARS AGO.** And 100% responded that exterior building conditions are better than three years ago. TGNCDC continues to help people feel more comfortable walking at night, address the car break-ins, and work to reduce gunfire.



## TGNCDC WEDGE (GRAVOIS AVE., GRAND AVE., CHIPPEWA ST.): BAMBERGER AVE. VACANT/BLIGHTED AND NUISANCE PROPERTIES WE IMPACTED

- |   |  |  |
|---|--|--|
|  <p><b>3600 BAMBERGER*</b><br/>TGNCDC renovated 4-unit rental in 2015</p>                             |  <p><b>3632 BAMBERGER**</b><br/>TGNCDC facilitated development in 2016</p>  |  <p><b>3728 BAMBERGER</b><br/>Two units renovated in 2018–2019</p>  |
|  <p><b>3606 BAMBERGER</b><br/>TGNCDC renovated 4-unit rental in 2016</p>                              |  <p><b>3708 BAMBERGER</b><br/>Private nuisance lawsuit, façade improved in 2017, sold May 2018</p>                          |  <p><b>3731-33 BAMBERGER</b><br/>TGNCDC renovated 4-unit rental in 2017</p>                                 |
|  <p><b>3610 BAMBERGER**</b><br/>TGNCDC completed 4-unit rental in 2016</p>                            |  <p><b>3710 BAMBERGER**</b><br/>TGNCDC renovated 4-unit rental in 2016</p>  |  <p><b>3735-37 BAMBERGER</b><br/>TGNCDC renovated 4-unit rental in 2017</p>                                 |
|  <p><b>3631 BAMBERGER**</b><br/>TGNCDC purchased in 2018 for sale development, completed May 2018</p> |  <p><b>3719 BAMBERGER</b><br/>TGNCDC purchased, improved, sold to a developer in 2017, 2 two-bedroom apartments created</p> |  <p><b>3732 34 BAMBERGER**</b><br/>Four units renovated, completed in 2018</p>                              |
|   |  |  <p><b>3800 GRAVOIS</b><br/>Mixed use, renovated into two rentals and two commercial properties in 2019</p> |

\*Former nuisance property  
\*\*Former vacant property

# BEFORE AND AFTER: SAMPLING OF PROPERTIES PURCHASED AND RENOVATED BY TGNDC



**3723 HYDRAULIC AVE.  
ST. LOUIS, MO 63116**



**3279 & 3283 ALFRED AVE.  
ST. LOUIS, MO 63116**



**3610 BAMBERGER AVE.  
ST. LOUIS, MO 63116**



**3732 BAMBERGER AVE.  
ST. LOUIS, MO 63116**



**5921 SOUTHWEST AVE.  
ST. LOUIS, MO 63139**



**4620 ARSENAL ST.  
ST. LOUIS, MO 63116**

# FACILITATED DEVELOPMENT



The Shaw Theatre (left), located at 3901 Shaw Ave., opened in 1915. It was restored in 2018 and is now the Wild Carrot event venue (right).



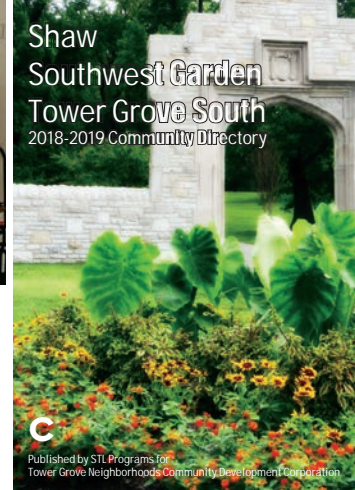
TGNCDC purchased the long-vacant and failing building at 3719 Bamberger Ave. from an out-of-town “investor,” rebuilt the facade and added a new thermoplastic polyolefin roof. It was then sold to Jeff Sutton from Bloomsdale Development, who finished the renovation into two 2-bedroom apartments.



Attending the groundbreaking were (left to right): Colleen Hafner, TGNCDC board member; Sean Spencer, TGNCDC Executive Director; Stephen Conway, 8th Ward Alderman; Janice Drake, TGNCDC Board President; and Emmett Coleman, SNIA President.



TGNCDC worked closely with the developer, Urban Improvement Conglomerate, the neighborhood association, neighbors and Alderman Stephen Conway to redevelop the 4100 block of DeTonty, which was vacant for more than a decade.



## GRANTS AND FUNDRAISING HELP SUPPORT OTHER COMMUNITY INITIATIVES

### TGNCDC COMPLETED SIX CLEANUP/FIX-UP

activities, including a new mural creation and installation, alley cleanups, more than 500 porch light bulb replacements, vacant lot cleanups, median planting at Gustine Avenue and Gravois Avenue, and dumpster inventory/upgrades. This work was funded by a Community Development Block Grant (CDBG).

### TWO RISE COMMUNITY DEVELOPMENT

Capacity Building Grants to help grow our Tenant Screening program were written, awarded and administered (A).

### THROUGH ANOTHER RISE COMMUNITY

Development Capacity Building Grant, TGNCDC, in partnership with RISE and Saint Louis University Law Clinic, produced the first Guide to Understanding and Addressing Vacant Property in St. Louis City.

### AWARDED THREE PNC BANK GRANTS FOR

Tower Grove South neighborhood cleanup activities, in partnership with Covenant House, and to assist with developing affordable housing.

### TGNCDC WAS AWARDED AN ENERGY FOUNDATION

grant in 2015, 2016, 2017, 2018 and 2019 for advocacy of improved policy regarding energy efficiency in affordable multifamily housing for low- to moderate-income renters.

### COMPLETED FIVE ANNUAL FUNDRAISERS,

including awarding 11 Community Service Awards (B), to raise awareness of TGNCDC activities, bring our community together and raise money to continue our work, coming from no formal fundraising events to raising a total of \$270,638.

### CREATED THREE COMMUNITY RESOURCE GUIDES

to highlight services available to the neighbors. This included physically mailing the guides to all the homes in the service area (C).

### INVEST STL COLLABORATION RELATED TO

the Gravois and Jefferson Neighborhood Plan.

### COLLABORATED WITH DUTCHTOWN SOUTH CDC,

St. Joseph's Housing Initiative, Covenant House, SNIA, City of St. Louis, DeSales, Lutheran Development Group, and North Newstead Association, among others.

### FACILITATED THE TOWER GROVE PARK PEDESTRIAN

Access Project, addressing needed improvements for pedestrian crossings, ADA ramps and bus stops on Arsenal, Magnolia and Center Cross.

### FACILITATED THE SHAW BOULEVARD CROSSWALK

installation and new LED lighting installation (D).

### COMPLETED TWO APPLICATIONS FOR LOW-

Income Housing Tax Credit to construct 50 affordable units for the Crossroads Senior Living project at Bevo Mill (E).

### A BOARD OF 12 NEIGHBORHOOD RESIDENTS AND

stakeholders governs the TGNCDC organization.

## AWARDS

### AWARDED 2016 COMMUNITY BUILDERS NETWORK

Not For Profit Award for Excellence

### AWARDED 2014 NEIGHBORHOOD IMPROVEMENT

Program of the Year by St. Louis City



TOWER GROVE NEIGHBORHOODS  
COMMUNITY DEVELOPMENT  
CORPORATION

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TGNCDC is a 501(c)(3) not-for-profit corporation.

