



Chestnut Housing Corporation

Strategic Plan | 2022 – 2026

Executive Summary

For the past decade Chestnut Housing Corporation has been committed to providing quality housing to families and individuals experiencing homelessness, and to supporting affordable housing solutions in the City of Lancaster. What began as an outreach of East Chestnut Street Mennonite Church in response to neighbors experiencing housing and food insecurity has grown into a full-fledged nonprofit organization respected by partners and local officials for its dedication and can-do spirit.

Chestnut Housing currently owns and/or manages seventeen rental homes on East Chestnut Street. We partner with local agencies – including CAP (Community Action Program), Tenfold, Milagro House, and others – to identify families and individuals in need of housing, and to provide case management support to each household. In return, we provide long-term, quality housing at affordable income-based rates.

Challenges to housing affordability and stability have persisted across the country, and homelessness is chronic in American communities. The root causes are complex and decades in the making: systemic racism and housing discrimination, income inequality, and a frayed social safety net are all to blame.

Locally, in the City of Lancaster, the need for more affordable housing options has reached a critical scale. Rent and home-ownership costs have skyrocketed throughout Chestnut Housing's decade of work.

At the same time, local officials are making unprecedented commitments to investing in affordable housing, and momentum is building to put citywide focus on creative housing solutions. More and more congregations are turning to Chestnut Housing for inspiration and advice about how they can get involved in housing initiatives.

So we are thrilled to share Chestnut Housing's plan for growth to join forces with our neighbors in Lancaster to expand housing options for people experiencing homelessness.

Our goal is simple: **100 homes in five years.**

Here is our plan for how we will get there, and the impact Chestnut Housing can have providing more support and creating more opportunities for families and individuals to have quality, affordable homes—a literal home base to find stability and to thrive.

Thank you for partnering with us.

Sincerely,



Sue Waterfield
Chair, Chestnut Housing Board of Directors

Our Mission

Chestnut Housing provides affordable rental housing to people experiencing homelessness because a home is the foundation of a healthy and fulfilling life. We connect people and communities of faith with tangible ways to create more affordable homes in Lancaster.

“My people will live in peaceful dwelling places, in secure homes, in undisturbed places of rest.”

Isaiah 32: 18

Core Values and Beliefs: Rooted in Faith

We believe **housing is a human right**, and that everyone in our community deserves the opportunity to live in safe, attractive, affordable housing. We further believe families and individuals experiencing homelessness must have access to homes they can afford. We advocate for broad housing solutions and seek opportunities to increase public awareness of issues related to affordable housing.

We believe people of faith and goodwill are **called to respond with compassion** to neighbors and strangers alike to address basic human needs including housing, food security, education, employment, and physical and mental health.

We value **faith in action**—we are doers! We act in the face of inequity, and show empathy in response to suffering. We lead by example and embrace practical solutions to housing challenges. We are thrifty and hardworking. We enthusiastically work with volunteers to provide meaningful sweat equity that increases the impact we have in our community.

We value community and believe **we share responsibility** for the health, well-being, and vitality of our neighbors.

We believe in **long-term commitment**. Our mission began in the neighborhood where East Chestnut Street Mennonite Church has been invested for almost 150 years. Our founding board members have personally invested in the mission of CHC for over a decade.

Commitment to Equity in Housing

We recognize that systemic racism and white privilege permeate American history, and continue to plague our society, economy, politics, and interpersonal relationships in the present. More than a century of racial discrimination in lending and real estate practices have conspired to make housing a particularly unequal and unjust part of our economy. And we understand the deeply broken and profoundly violent legacies of forced removal of Native American peoples from their ancestral lands and the enslavement of African-Americans as particularly insidious forms of racism still impacting access to land, property, capital, and generational wealth.

Chestnut Housing is committed to antiracism, dismantling white privilege, and nondiscrimination within our organization, in our partnerships, and in our community. We embrace fair housing principles and are especially committed to advocating for racial justice and equity in housing. Ultimately, we see our mission to provide affordable housing as an important, if modest, step of restoration, healing, and economic justice.

Nondiscrimination policy

Chestnut Housing Corporation does not and shall not discriminate on the basis of race, color, religion (creed), gender, gender identity, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. These activities include, but are not limited to, the appointment to and termination from its Board of Directors, hiring and firing of staff or contractors, selection of volunteers, selection of vendors, and providing of services.

A Decade of Chestnut Housing

Chestnut Housing grew out of the long history of community engagement by East Chestnut Street Mennonite Church, which has been deeply invested in its neighborhood for nearly 150 years. In recent decades, the church began hosting a weekly community meal for neighbors who lacked food security, and hosting a winter emergency shelter. As congregants learned to know these neighbors over the years, some dreamed of doing more to address the systemic, persistent challenges causing food and housing insecurity.

Chestnut Housing was born when those experiences led a small group of dedicated volunteers to explore long-term housing solutions for those experiencing homelessness. In 2010, Chestnut Housing was formed so church members could directly invest their time and money in affordable rental housing in the neighborhood surrounding the church. Led by a volunteer board, the congregation purchased a single-family home at 639 East Chestnut and renovated it using volunteer labor.



What began as the dream of a few – “Do you think we can do this? Is it possible?” – became successful through the eager and willing support of many helping hands. By the time this first home was renovated and ready for move-in, so many volunteers had helped with the project that when they all gathered to celebrate, they didn’t all fit in the house—people spilled onto the sidewalk!

Chestnut Housing... By The Numbers

\$780,000 raised through private donations over the last five years, all invested directly in affordable housing.

\$1.1 Million in assets—five times our long-term liabilities.

The success of this first step suggested a model for growth: purchase undervalued property, supplemented by donated funds and occasional small loans, rehabilitate it with sweat equity, rent at affordable rates to neighbors in need, and do it all again.

These modest, but sustainable successes built momentum, capacity, and lots of good will with church members, neighbors, and local supporters. Relying on this growing track record, Chestnut Housing pursued a bold dream to purchase a long-time nuisance bar just a block away from the church and transform it into a six-unit apartment building known as Chestnut Corner.

Chestnut Corner set the standard for the organization's mission. Taking on such a major project pushed Chestnut Housing to build new relationships with local congregations and donors to put many hours of sweat equity and contributed funds into the project and keep costs affordable.

In 2016, the ECS board offered Chestnut Housing three rental properties owned by the church to use as affordable housing. And this year we acquired an additional 5-apartment building at 840 East Chestnut Street, bringing total homes currently to 17.

Through it all, East Chestnut Street members remain the most loyal, committed, and generous supporters of Chestnut Housing. Ten years later, the founding board of directors remains fully engaged and as committed as ever to providing more housing solutions in the City of Lancaster. Chestnut Housing has been a small but mighty force for good in its neighborhood, building an outsized track record and reputation. Chestnut Housing is poised to do more to meet Lancaster's housing needs thanks to many years of hard work and lessons learned along the way!

As one of our long-term residents noted, home is a warm, stable, safe place that her family can be together... because home is everything.

Five-Year Goals

Create and Preserve More Housing to provide affordable rental options to more households in our community. Grow Chestnut Housing's portfolio to 100 affordable homes in five years.

- Continue to expand portfolio through acquisition and preservation of existing apartments, and through development of new homes. Increasingly focus on opportunities that *add* to Lancaster's existing housing stock.
- Where Chestnut Housing can add value and expertise, preserve affordable housing through third-party management partnerships (with a focus on congregations and faith-based organizations).
- Expand Chestnut Housing's geographic area of focus citywide, while maintaining a hub on East Chestnut Street. Screen potential growth opportunities using the City of Lancaster's "Interim Housing Strategy" as a guide.

Support Residents to increase housing stability for vulnerable households.

- Deepen partnerships with service organizations so that residents thrive in our homes. This includes annual review and updating of all memos of understanding with partner agencies and expanding written policies and procedures—and adding new partners to expand our reach.
- Establish an eviction prevention program to respond when households are struggling to maintain their housing, focused on industry best practices and short-term individualized plans of action.
- Strengthen the property management function of Chestnut Housing's program so it is proactive, consistent, efficient, and collaborative. Grow from current third-party property management contract to establish in-house expertise and capacity for property management.
- Invest in training and learning opportunities for Chestnut Housing board and staff to focus on best practices and peer learning about homeless interventions and supportive services in affordable housing.

Build Organizational Capacity so that Chestnut Housing remains a trusted and capable partner as long as there is housing need in our community.

- Develop ways to include resident voices in the organization.
- Expand and diversify the board of directors. Establish rotating terms for all board members, and articulate the role of founding board members as the organization grows.
- Establish long-term, paid staff and plan for sustainable funding of staff. Begin with investing in a strong Executive Director relationship with a five-year plan to bring property management in-house and add supportive services expertise.
- Strengthen financial and fiduciary systems. This includes establishing annual budgeting and auditing practices, planning for increased bookkeeping activity, reviewing record-keeping systems, investing in appropriate technology, etc.
- Create a physical office for Chestnut Housing at one of its buildings and/or leased from a church partner.
- Fully (re)brand the organization, developing new logo, creating print material, and establishing stand-alone website for the organization.

Diversify Funding in order to create more housing and to strengthen supportive services for our residents.

- Secure government funding through sources such as HOME funds, Community Development Block Grants, American Rescue Plan Act (ARPA) funds, etc. This includes implementing uniform income verification and other compliance considerations for accepting federal funds.
- Partner with local congregations to create unique investment opportunities for mutual mission fit. These could include investing endowment or other long-term savings in Chestnut Housing, donating land or property for housing development, and/or contributing donations to the organization.
- Significantly increase Chestnut Housing's donor base, including more foundation grants, and connecting with individual donors through congregational partnerships.
- Develop and maintain strong relationships with major donors.
- Explore a variety of new earned income opportunities such as third-party management fees, consultancy with congregations, and/or developer fees.



CHESTNUT HOUSING CORPORATION

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Isaiah 32:18

A Non-Profit Ministry of East Chestnut Street Mennonite Church
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