

STRATEGIC PLAN

June 2021





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EXECUTIVE SUMMARY

In 1983, Mercy Hospital opened a new health care campus on Detroit's Eastside. It served the community as a health care resource for 18 years.¹ In 2001, Holy Cross Children's Services and SER Metro-Detroit, two of the leading community service organizations in the metro Detroit area, assumed ownership of the facility and opened the Samaritan Center as a hub of educational, social, recreational, healthcare and community services. This joint venture project includes 4 buildings totaling over 533,000 square feet on 8 acres of land.

The Samaritan Center has since become a catalyst for community health and well-being. The opening of the Samaritan Center was the fulfillment of a pledge by former owner, Trinity Health, to donate the hospital campus to a community organization committed to serving the needs of this community. Through this joint mission, Holy Cross Children's Services and SER Metro-Detroit converted the property into a center for community programs and services. Over 80 tenants currently work collaboratively at the Center to provide services and support to one of Detroit's most under-served communities. The Center attracts approximately 50,000 unique visitors annually and provides healthcare, employment, housing, transportation, education, food and nutrition, and financial assistance services and programs. Many visitors access services at Samaritan Center multiple times a week, month or throughout the year.

By 2019, the lack of long-term capital funding, sustainability and investment in the campus infrastructure stalled progress and brought the center to a critical juncture. Occupancy and income had waned over the years, and both preventative and deferred maintenance were escalating. At the same time, the needs in the surrounding neighborhood have continued to grow as reflected in unemployment, crime, blight and an overall lack of investment. A clear mission, vision and campus management plan needed to be defined. In late 2019, a new Board was formed with a commitment to creating a long-term strategic plan for a vibrant and sustainable community center.

In 2021, the financial health of the organization was strengthened with a new 20 year note on the campus and grants to meet initial capital expenditures. Operating revenues are projected to grow year over year from approximately \$3.6M in 2021 to over \$4.5M in 2025, with other revenue increasing significantly from multiple sources including grants, new market tax credits, Property Assessed Clean Energy (PACE) funding, space rentals and the potential for American Rescue Plan Act, state and federal funds. This revenue will support capital expenditures that fulfill the reimagined campus, address over \$5M in deferred maintenance, and create a dedicated administrative and executive team. The financial projections (see Appendix 1) reflect positive operating income in 2021 of approximately \$1.7M, growing to over \$2.5M in 2025.

Samaritan Center has an extremely bright future and will make a tremendous impact on the eastside community as the campus design master plan and infrastructure improvements are complete. Leadership will target new tenants to meet the critical needs of this underserved community. FCA Chrysler signed a long-term lease and created a wellness center for their employees on the campus in 2020. Strategic partnerships leading to long-term funding from foundations and the local, state and federal government will enable this vision to become a reality and significantly lift the neighborhood's quality of life indicators. A full time Executive Director will join the team in 2021 to guide fundraising, rebranding and marketing, and the continued development of critical partners and collaborations with the stakeholders committed to the future of this community. Samaritan Center will become one of the State of Michigan's premier wellness centered communities and emerge as a community beacon, leading the way in proactive healthcare, education, childcare and overall physical and mental well-being.



In 2020, the Board made three strategic moves to steer the center in a new direction:

- Entered into a long-term contract with a professional, on-site property management team, Beanstalk Real Estate Solutions, and committed to developing an integrated wellness centered community. This wellness centered community will meet the quality of life needs of the surrounding neighborhoods. Partnerships with tenants and other community organizations will bring vital services to spur urban growth and revitalization.
- Engaged a consulting firm, Strategiz, to work with the board and community to develop a business plan to move the center and the model forward.
- Created a realistic financial plan for funding and development over the next two years.

1. <https://www.wsws.org/en/articles/2000/01/hosp-j08.html>

The Samaritan Center is laser focused on achieving these long-term goals over the next 10 years:

- Becoming **a true catalyst for change** in the neighborhood that is reflected in a 25% improvement in employment, income, housing, education, and home ownership

- Delivering a **reimagined campus** with a residential component and new developments that can generate more development in the community.

- Maintaining consistent **85%+ occupancy** with tenants supporting the wellness centered community and allowing the campus to be sustainable through operating income

- To be recognized as a national model for a **wellness centered community**

- Establishing a **\$5M endowment**

- To be recognized as a national model for **creative financial options** and **public/private partnerships**

MISSION

Providing access to businesses and community services that build a strong and bright future for Detroit.

VISION

A strong, healthy and vibrant community.

CORE VALUES



OUR LANE AND DIFFERENTIATORS

As Samaritan Center emerges and evolves into a nationally recognized wellness centered community, it is important to understand what it aspires to be and what it does not want to be.

WHAT WE ARE

- Community Center
- Nonprofit
- Mission focused
- Community Resource
- Convenor
- Provider of accessible community space
- Access to services
- Community leader
- Advocates for the community
- Sustainable business model
- Flexible space and terms
- Professionally managed

WHAT WE AREN'T

- Office building
- Hospital
- Strip mall
- Mental health facility
- Traditional landlord
- Profit center

STAKEHOLDER VALUE PROPOSITION

The goals and vision for the Samaritan Center rely heavily on strong partnerships and collaborations and ensuring true value for all stakeholders. Below is a summary of key stakeholders and their value propositions.

STAKEHOLDER	VALUE PROPOSITION	
COMMUNITY MEMBERS	<ul style="list-style-type: none"> • Center of hope and opportunity • Respect for all visitors • Resources and services • Access to recreational space 	<ul style="list-style-type: none"> • Sense of community and belonging • Opportunities for businesses and collaboration • Safety and security
TENANTS	<ul style="list-style-type: none"> • Network • Holistic service delivery model • Affordable and flexible lease options • Security • Recreational opportunities • Free and secure parking 	<ul style="list-style-type: none"> • Population accessing the center • Variety of tenants • Professionally managed facility • Common areas • Building amenities • Location near major roads, I94, and public transportation
BOARD MEMBERS	<ul style="list-style-type: none"> • Passion for the work and mission of Samaritan Center • SER Metro and Holy Cross actively engaged 	<ul style="list-style-type: none"> • Commitment to the Samaritan Center community
FUNDERS	<ul style="list-style-type: none"> • Mission-aligned • Significant opportunity for impact and improvement in quality of life in this community 	
GOVERNMENT ENTITIES AND REPRESENTATIVES	<ul style="list-style-type: none"> • Mission-aligned • Fill gaps and meets needs of constituents 	<ul style="list-style-type: none"> • Significant opportunity for impact and improvement in quality of life in this community

STRENGTHS

- Community based
- Great parking
- History and reputation in the city of Detroit
- Easily accessible
- Flexible space
- Lot of centralized services
- Engaged partners
- Nice facilities overall
- Professional services onsite
- Heart of the community
- Chandler Park neighborhood access
- Stellantis impact area
- Prevention space - immunization, head start etc.
- Unique services e.g. returning citizens, nursing center, alternative high school, politicians with satellite offices, community town halls
- Great amenities - small cafe, sundries shop, Guestrant, dry cleaning, healthy vending machines, gyms, meeting rooms
- Access to public transit
- Ability to quickly adjust to changing needs
- Size of buildings and campus
- Financially stable position

CHALLENGES

- Parking - senior access
- Facility needs rehab
- Deferred maintenance including elevators
- Lost a major tenant due to unresolved repairs
- Historical financial issues
- Image problem with repairs, hospital legacy
- High crime in the neighborhood (both real and perceived)
- High school dropout rates high in the surrounding community
- Reputation of Samaritan Center and limited brand awareness
- Samaritan Center is not in an opportunity zone
- Ambulance access is in the front of the campus
- Current name of facility
- Need for wayfinding and campus master plan

OPPORTUNITIES

- Need in the community for more recreational centers
- Lack of access to safe indoor and outdoor space for youth in the neighborhood
- Need for more preventative health services
- Stellantis hiring Detroiters from surrounding zip codes (4100+)
- Eastside of Detroit is on the Mayor's list of priority areas for community development and funding
- Serve residents in opportunity zones with affiliated funding
- Samaritan Center presence in community organizations and community meetings
- Response to COVID-19
- Small business support
- Flexible rents (short term) and flexible (smaller, medium to large) spaces
- Addressing the digital divide
- Need for a Charter School or higher education institution

THREATS

- Increased crime in the neighborhood surrounding Samaritan Center
- Further deterioration in the neighborhood
- Lack of investment in the neighborhood
- Businesses closing
- The economy
- City of Detroit's fiscal budget (2021)
- People downsizing their need for space
- Client base primarily non-profits in this fiscally challenged year
- Higher percentage of for profit businesses in Samaritan Center (not mission-centric)
- Alternative service sites

PRIMARY RESEARCH

Stakeholder Interviews

The stakeholders represented City, County and State government officials, community partners, operations management and potential funders. Strengths commonly cited included the location, parking, and abundant space. Many also noted that people just weren't aware of what was currently available at Samaritan Center. The potential needs that Samaritan Center can meet include additional and more robust dental services, workforce readiness, physical fitness, senior health services, summer youth activities, food bank services, urgent care, coworking, higher education, housing and a community gathering space. This aligns with the potential roles for Samaritan Center to increase health care and wellness resources, and to support workforce development, food security, and academic success. Many underscored the need to be mission driven and fulfill the opportunity to create a stronger overall community. See Appendix 2 for a complete list of interviewees.

Tenant Listening Sessions

Two listening sessions were held with 12 current Samaritan Center tenants to learn what they love about Samaritan Center and how they see it growing and strengthening. They appreciate that Samaritan Center is **community based** and reflects the needs of the community. It provides **visibility for tenants** and the opportunity to get to know and collaborate with other like-minded community service organizations.

They see challenges and opportunities to **improve the campus** (parking, wayfinding, exterior signage, repairs) and **marketing** of the Center and its tenants. While networking amongst tenants has understandably been a challenge during the pandemic, they would like to get to know each other better and understand what everyone is offering. The group also advocated for **targeting specific services** to increase or add such as child care, health care, and legal services.

Community Survey

A community survey was distributed through the tenant organizations, building management, and partner organizations to better understand the community's perception of Samaritan Center and why they use (or don't use) services in the Center. 52 responses were completed. 35 (or 67%) of the responses were self-identified as Detroit residents. The top services used were education, employment and healthcare. 10 of the 52 respondents said they did not use the center because it was hard to find things in the building or they did not have the services they needed. Location, the variety of services, and parking were most often cited as what they liked best about Samaritan Center. Their interests in new (or expanded) services at Samaritan Center reflected the need for overall community activity, housing and employment.

What other services would you like to see at Samaritan Center?

OF RESPONSES

More Community Activities

31

More Housing Assistance

29

More Employment Services

24

More Recreational Activities

23

More Child Care

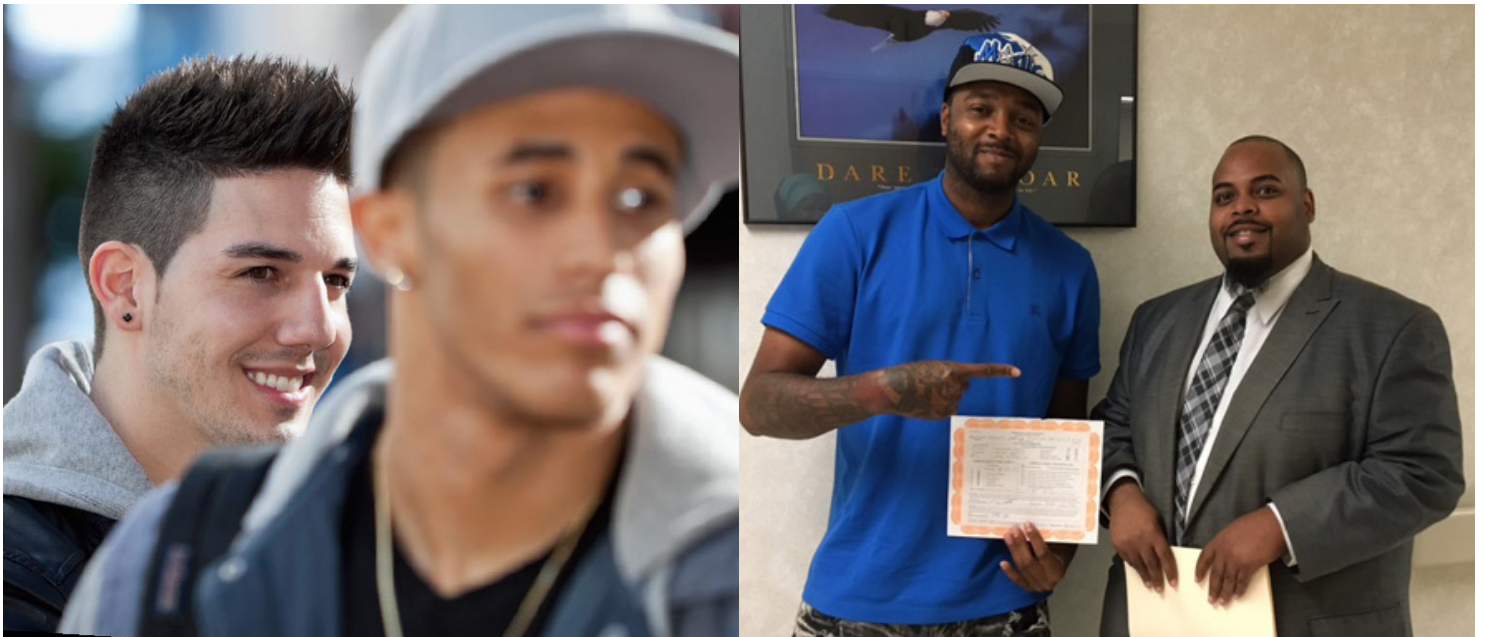
21

More Health Care

15

Community College

14



SECONDARY RESEARCH

While Trinity Health closed Mercy Hospital Detroit in 2000 and donated the facility to Holy Cross Children's Services and SER Metro-Detroit, the trend of converting hospitals to new uses has accelerated over these past 20 years. Across the country, hospitals that have shut their doors are coming back to life in various ways: as affordable senior housing, as historical hotels, and as condos.²

While hospitals and hospital campuses have been reimagined in a variety of ways, the architectural options for hospital reuse are initially quite straightforward: renovate, repurpose, or raze the building.³ **Charity Hospital in New Orleans**, which sat empty for over 16 years, is in the midst of a dramatic renovation led by 1532 Tulane Partners. As the developer, the focus of 1532 Tulane Partners, Inc. is creating a vibrant center of neighborhood activity with its historic adaptation of the one million square foot former Charity Hospital building. Its overall development combines historic preservation interests with a planned renewal of the surrounding community's business life and participation. This space will be renovated and repurposed with approximately half of the Charity building design for office users seeking Class "A" space, particularly those participating in the adjacent bio-medical district. 300 residential units are planned with 50% reserved for marketing to middle income and workforce users. The retail component is designed to serve the office and residential users with goods and services. The public space will celebrate the history of the building and include indoor and outdoor venues. A critical community component proposed the creation of a Tax Increment Finance District within the Spirit of Charity boundaries. This is an opportunity to provide employment and careers both city wide and

in the neighborhood. The funds would be administered by a district-wide non-profit, the Greater New Orleans Foundation, to provide grants and subsidies to qualifying residents or businesses for direct career or business growth in the area.⁴

Several notable hospitals across the country and in our community have been converted to high end housing. This list includes the **New York Cancer Hospital** that was restored as a condominium complex in 2005, the **Specialty Hospital Capitol Hill** in Washington DC that opened in 2017 after a 5 year and \$40M renovation; Columbia Hospital for Women in 2006; and **St. Vincent's Hospital** in New York City. St. Vincent's Hospital treated survivors of the Titanic's sinking in 1912, the first AIDS patients in the 1980s and victims of the 9/11 terrorist attacks in 2001, and then went bankrupt and closed in 2010. Developer Rudin Management bought it for \$260 million and transformed it into a high-end condo complex, which opened in 2014. Former Starbucks CEO Howard Schultz reportedly bought one of the condos for \$ 40 million in 2017. Jen van de Meer, an assistant professor at the Parsons School for Design, who lives in the neighborhood, said residents' protests about the conversion were not just about the optics of a hospital that had long served the poor being repurposed.⁵ The loss of services for residents is a significant issue and has impacted strategies including the recent sale of **Trinity's Mercy Hospital** in Chicago. A deal was approved in April 2021 to sell the hospital to the nonprofit Insight Chicago for \$1. Per the agreement, Mercy must remain a full-service community hospital in order for Insight Chicago to retain its hospital equipment and parking facilities.⁶

Hospitals have also been repurposed as hotels and senior living. In Santa Fe, New Mexico, **St. Vincent Hospital** moved into a new facility in 1977 and the old structure downtown was reborn as a state office building. Later, it was abandoned, and remained empty for decades. In 2014, the building reopened yet again as the 141-room Drury Plaza Hotel. After **Linda Vista Community Hospital** in Los Angeles, California, closed in the 1990s, the abandoned six-story building fell into disrepair and served as a set for movies such as Pearl Harbor and Outbreak. Amcal Multi-Housing Inc. bought the property in 2011 and redeveloped it into a low-income senior apartment house called Hollenbeck Terrace.⁷ Locally, **Henry Ford Medical Center's Cottage Hospital** sold two floors of their community hospital to American House Senior Living Communities and REDICO, a national real estate company based in Southfield, MI for the development of independent and assisted senior living facilities. The facility opened in 2014 with 78 units and complements the medical services still offered in the remainder of the Cottage Hospital facility.⁸

Another local development, **Marygrove Conservancy**, was established in 2018, as a nonprofit organization to manage operations and steward a 53-acre campus in northwest Detroit, the site of the former Marygrove College. The conservancy is focused on creating partnerships to create a cradle-to-grave (P-20) educational campus on the site and serve as an educational, economic, and civic anchor in the revitalization efforts of the Livernois-McNichols community. With a \$50 million Kresge Foundation commitment, and entailing an array of partners, the campus is anticipated to serve more than 1,000 students at full capacity. Project partners include the conservancy, Kresge Foundation, University of Michigan School of Education, Detroit Public Schools Community District, Starfish Family Services and IFF.⁹ The conservancy is also pursuing multiple financing options including historic tax credits and recently released their first impact report that includes their forward looking initiatives for 2021 and beyond.¹⁰



2 <https://www.physicianleaders.org/news/so-what-are-your-plans-for-that-old-hospital-building>

3 <https://www.gensler.com/gri/new-life-for-hospital-buildings>

4 <https://1532tulanepartners.com>

5 <https://www.physicianleaders.org/news/so-what-are-your-plans-for-that-old-hospital-building>

6 <https://blockclubchicago.org/2021/04/05/mercy-hospital-sale-finalized-saving-the-bronzeville-hospital-from-closing/>

7 <https://www.physicianleaders.org/news/so-what-are-your-plans-for-that-old-hospital-building>

8 <https://patch.com/michigan/grossepointe/american-house-senior-living-moving-in-at-cottage-hospital>

9 <https://kresge.org/our-work/detroit/transformative-project-marygrove-cradle-to-career-campus/>

10 <https://marygroveconservancy.org/wp-content/uploads/Marygrove-Impact-Report.pdf>



THE SAMARITAN CENTER COMMUNITY

The community surrounding Samaritan Center provides limited resources for those services so important to the quality of life. Southeast Michigan Council of Governments (SEMCOG) data highlights the limited availability of amenities such as health centers, hospitals, full service supermarkets, and recreational facilities in this area.¹¹ District 4, where Samaritan Center is located, does not contain a single accessible indoor city recreation facility.

Census data captured through Zipdatamaps.com for the communities in close proximity to the Samaritan Center include the following zip codes: 48213, 48214, 48215, and 48205. More than 108,000 of Detroit’s 674,000 residents reside in these zip codes. Many residents fall into the

category of individuals and families “most in need” of access to support systems to help improve their lives. The median household income is only 55% of the average for the State of Michigan. The percentage of students eligible for free or reduced school lunches mirrors this income disparity and illuminates the incredible need to better support this community to offer options to improve their quality of life and neighborhood experience. Trinity Hospital System stated in 2018 that the campus is in a medically underserved area in the eighth poorest zip code in Michigan. Approximately 64 percent of residents have incomes that fall below 200 percent of the federal poverty level and 37 percent of households are headed by a single parent.¹² Specific data points by zip code are as follows:

DATA POINT	48215 ZIP CODE	48205 ZIP CODE	48213 ZIP CODE	48214 ZIP CODE
Demographics				
2010 Population	13,565	44,045	27,712	22,759
Unemployment Rate	9.3%	9.3%	9.3%	9.3%
Median Household Income	\$29,804	\$40,039	\$29,164	\$25,805
% Students Eligible for Free or Reduced School Lunch	87.9%	86.2%	86.7%	86.9%
Households	5,259	14,116	9,715	10,270
Average Real Estate Sales Price	\$34,310	\$34,692	\$32,646	\$52,870
Race/Ethnicity (2014)				
African American	89.66%	90.70%	96.17%	89.93%
White	5.41%	5.32%	1.96%	7.19%
Hispanic	1.55%	0.55%	0.53%	1.17%
Other Race	3.38%	3.43%	1.34%	1.73%

Additional quality of life metrics are found in Appendix 3 and include comparisons to the Detroit/Warren/Dearborn MSA, State of MI and the US.

¹¹ <https://maps.semco.org>

¹² <https://www.chausa.org/publications/catholic-health-world/archives/issues/march-15-2018/repurposed-trinity-hospital-is-health-social-service-hub-for-detroit%27s-east-side>

BIG HAIRY AUDACIOUS GOALS AND STRATEGIC INITIATIVES

The Big Hairy Audacious Goals (BHAGs) provide the vision and strategic direction for the organization over the next 10-15 years. Strategic initiatives and measurable goals will be developed each year to move Samaritan Center toward achieving this long term vision. Below is a summary of the strategic initiatives that will be critical to Samaritan Center’s long-term success. On-going evaluation, assessment, and review of these initiatives will enable the organization to understand their relative successes and challenges and identify when additional resources or other modifications are required.

BHAGS	STRATEGIC INITIATIVES	
	2021-2022	2023
MAINTAINING CONSISTENT 85%+ OCCUPANCY WITH TENANTS SUPPORTING A WELLNESS CENTERED COMMUNITY	<ul style="list-style-type: none"> Targeted list of new tenants <ul style="list-style-type: none"> Workforce development training partner Filling in the gaps for amenities to improve neighborhood walkability Aligned with our mission and vision Rebranding + marketing Tracking and increasing # of campus visitors Increased # of events and participants Quality of Life Indicators (Social Impact Bond data) improve year over year 	<ul style="list-style-type: none"> Majority of term leases are 3-10 years Targeted list of new tenants <ul style="list-style-type: none"> Reflects gaps or changes in tenant structure Increased # of campus visitors Increased # of events and participants Quality of Life Indicators (Social Impact Bond data) improve year over year
BECOMING A TRUE CATALYST FOR CHANGE IN THE NEIGHBORHOOD THAT IS REFLECTED IN A 25% IMPROVEMENT IN EMPLOYMENT, INCOME, HOUSING, EDUCATION, AND HOME OWNERSHIP	<ul style="list-style-type: none"> Permanent Samaritan Center (paid) staff- Executive Director + administrative support Recruit workforce development training partner Provide space for public service events, public hearings, town halls and community events Collaborations and partnerships with nonprofits focused on neighborhood improvements 	<ul style="list-style-type: none"> Critical component of the City of Detroit’s strategic plan and vision Connecting community to healthy living services at Samaritan Center (leverage marketing and improved access to increase new visitors) Conduit for information to reduce blight in the surrounding neighborhood
TO BE RECOGNIZED AS A NATIONAL MODEL FOR A WELLNESS CENTERED COMMUNITY	<ul style="list-style-type: none"> Permanent Samaritan Center (paid) staff--Executive Director + administrative support Rebranding + marketing Leverage technology to capture the Samaritan Center impact with individuals using services and throughout the neighborhood 	<ul style="list-style-type: none"> Collecting data to show impact on social determinants of health (economic stability, neighborhood growth, education, healthcare, social and community context) Fostering interactions between each of the service providers Establish regional and national media partnerships and relationships with national associations and organizations Samaritan Center is a case study on national models for repurposed hospital spaces and ROI to the neighborhood
DELIVERING A REIMAGINED CAMPUS WITH A RESIDENTIAL COMPONENT AND NEW DEVELOPMENTS	<ul style="list-style-type: none"> Campus master planning completed Creative capital funding and fundraising for reimagined campus project Initial \$2M funding to implement campus improvements Secure \$1M in stimulus funding \$1.5M grants and federal or state funding Leveraging technology to make Samaritan Center more sustainable and attractive to tenants and visitors <ul style="list-style-type: none"> Enhanced safety and security Building automation 	<ul style="list-style-type: none"> \$2M in reimagined campus improvements/project \$1.5M grants and federal or state funding Leveraging technology to make Samaritan Center more sustainable and attractive to tenants and visitors <ul style="list-style-type: none"> Reduced carbon footprint Reduced energy costs
ESTABLISHING A \$5M ENDOWMENT	<ul style="list-style-type: none"> Reassessing property assets for potential sale and projected revenues of \$2.5-\$3M 	<ul style="list-style-type: none"> Operations achieving break-even or above Feasibility study for development campaign
TO BE RECOGNIZED AS A NATIONAL MODEL FOR CREATIVE FINANCIAL OPTIONS AND PUBLIC/ PRIVATE PARTNERSHIPS	<ul style="list-style-type: none"> Secured financing from multiple sources that reflect private and public funding and create a socially conscious capital stack Create a champions list and proactively share the work Samaritan Center is doing with data to support the findings 	<ul style="list-style-type: none"> Highlighted at Mayor’s State of the City presentation Establish regional and national media partnerships and relationships with national associations and organizations

MARKETING AND BRANDING

Branding

A **new logo** will be launched in mid-year 2021 to rebrand Samaritan Center. The logo is the first step in rebranding to better align messaging with the organization's mission and vision. The logo portrays Samaritan Center as the nexus of the community with engagement from a diverse group of stakeholders. New exterior signage (including a digital display on Conner) will provide information and facilitate guests in parking and navigating the campus.

A **social media strategy** will be developed in 2022 to collaborate with tenants and community members to engage with Samaritan Center visitors. This is another opportunity to cross-market with partners and increase the visibility of the center. The team will also identify and leverage opportunities for local earned media in the Detroit market as they continue to build the brand and reach a variety of stakeholders.

Marketing and Public Relations

The **website** will be updated by the end of 2021 to incorporate the new logo with information and resources presented in an easy to use format consistent with the organization's mission and vision. Internal wayfinding will be expanded to improve the guest experience.



THE TEAM

Attracting and hiring a full-time Executive Director and administrative support will be critical to Samaritan Center reaching its long term goals and vision. A search will be initiated in mid-year 2021 with an anticipated start date early Q3 with the subsequent addition of an administrative assistant. The Executive Director will initially be primarily responsible for fundraising, overall fiscal health of the organization, master campus planning, facility management, relationship gardening, and Board engagement. The Executive Director will report to the Board of Directors.

The Board of Directors is composed of 4 representatives from Holy Cross Children's Services and SER Metro-Detroit and represents the SER Metro and Holy Cross Children's

Services joint ownership. The Board will continue to oversee strategic direction and the fiscal health of the organization. The Board also plays an important role in creating and fostering community relationships and sharing the story and work of Samaritan Center.

Beanstalk Real Estate Solutions was engaged in 2020 to assume responsibility for property management. Their role managing day to day operations includes leasing, tenant management, security, maintenance, and capital improvements. Beanstalk provides dedicated personnel for Samaritan Center in addition to resources with decades of experience across metro Detroit.





THE BUSINESS MODEL

Rental Income

Rental income is projected to increase both as a result of increased square footage under contract as well as an increase in average rental rates. The square footage rented will increase 9.4% and the average rental rates will increase 9.3% over the 4.5 years of the forecast. The flexibility of the configuration of the spaces and an active property management and leasing

focus will increase the attractiveness of the facility to potential tenants. Below is a summary of the assumptions underlying the square footage rented that is anticipated by year through 2025. Rental income will continue to be an important component of overall revenue, representing approximately 61% over the 5 year period.

	2021 FORECAST	2022 PROJECTION	2023 PROJECTION	2024 PROJECTION	2025 PROJECTION
Square Footage Rented	270,785	274,443	290,489	293,394	296,328
Average Rate per Square Foot	\$13.79	\$13.81	\$14.22	\$14.64	\$15.07
Occupancy Rate	77.7%	78.8%	83.4%	84.2%	85.1%

Fundraising

Significant fundraising is anticipated as the Samaritan Center hires a full-time Executive Director and leverages resources and stakeholders in these initiatives. The diversity of fundraising sources is a critical component of the long-term financial sustainability of the organization. Potential fundraising sources include:

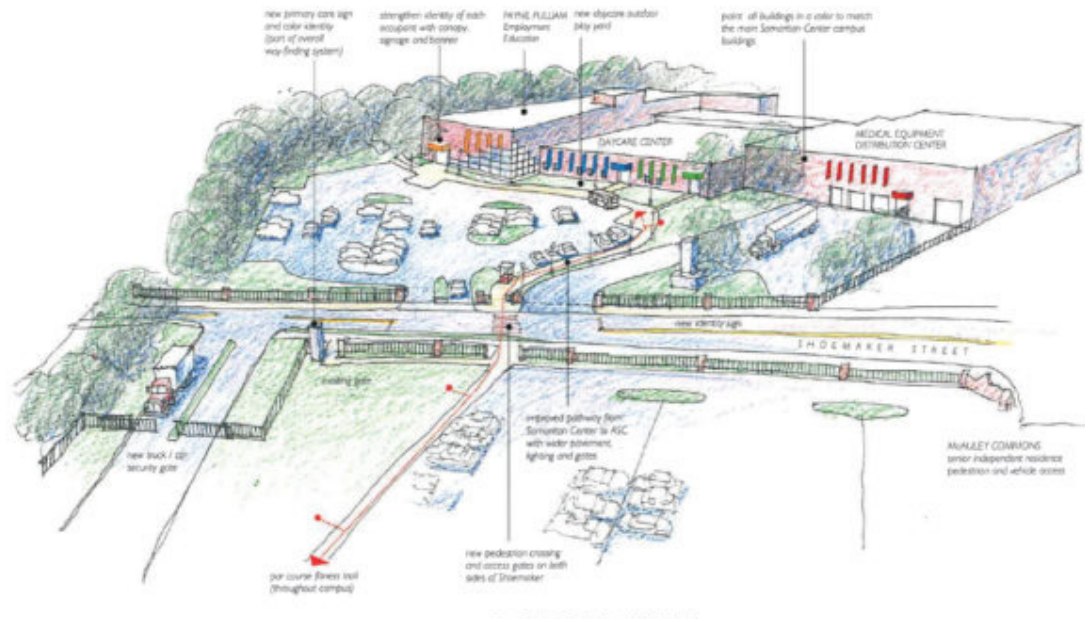
- *Federal, State and City of Detroit grants*
- *Partnerships with corporations*
- *New Market Tax Credits*
- *PACE funding*
- *Foundation and Corporate Grants*
- *Naming rights for the campus - either in its entirety or for individual buildings or rooms*

The team will continue to seek out new partnerships, collaborations, and opportunities to reach these fundraising goals. Fundraising projections include up to \$1.5M from the American Rescue Plan Act in 2021 and 2022 and potential New Market Tax credits of \$2M in 2023. The potential PACE funding decreases in future years as capital needs are met. Below is a summary of the fundraising projections over the next 5 years. See Appendix 1 for additional detail.

	2021 FORECAST	2022 PROJECTION	2023 PROJECTION	2024 PROJECTION	2025 PROJECTION
Fundraising Income	\$1,479,415	\$3,081,401	\$4,226,151	\$2,706,141	\$2,398,296

CAPITAL EXPENDITURES

A master plan will be completed in 2021 to create a comprehensive campus design. This plan, in combination with the deferred maintenance schedule, will guide the organization's capital programs as they reimagine the Samaritan Center Campus. Critical deferred maintenance items include the parking lot renovations, elevator replacements, roofing repairs, and HVAC system replacement. See Appendix 1 for a list of proposed capital improvement areas.



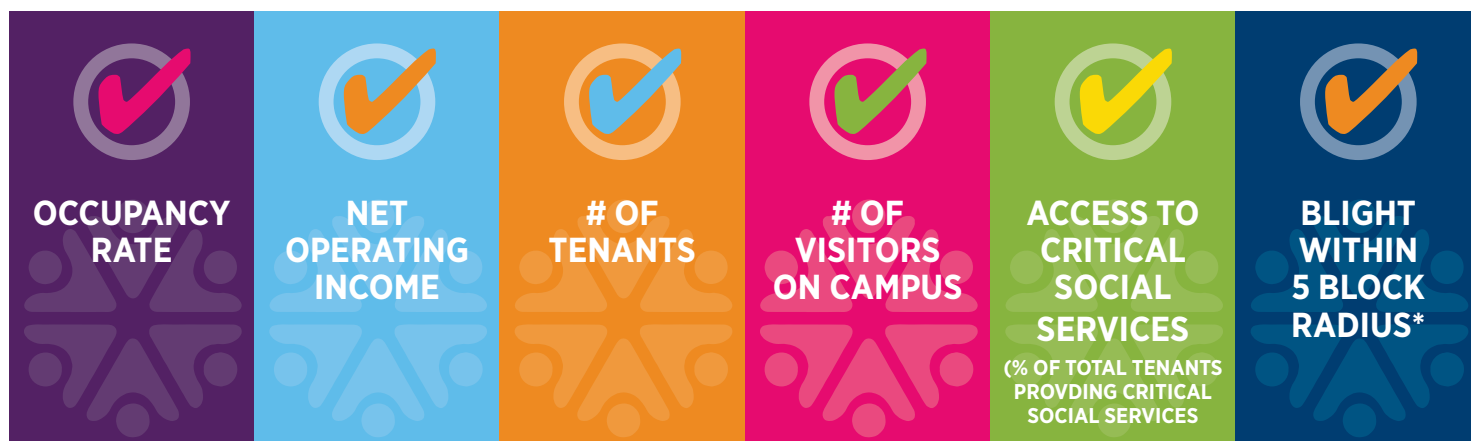
FINANCIAL PROJECTIONS

The financial projections are based on executing the strategic initiatives and attaining goals for leasing and fundraising over the next 5 years. Below is a summary of the 2021 forecasted budget and the financial projections through 2025. Capital expenses are partially offset by the potential PACE low interest funding. Grants and government funding are anticipated to support additional capital expenses beyond the PACE funding. See Appendix 1 for complete financial projections.

	2021 FORECAST	2022 PROJECTION	2023 PROJECTION	2024 PROJECTION	2025 PROJECTION
Rental Revenue	\$3,598,349	\$3,748,494	\$4,089,530	\$4,254,487	\$4,424,860
Other Income	\$1,539,215	\$3,109,901	\$4,334,311	\$2,817,561	\$2,523,740
Total Income	\$5,137,564	\$6,858,395	\$8,423,841	\$7,072,048	\$6,948,600
Total Expenses	\$3,621,539	\$4,420,198	\$4,736,721	\$4,473,741	\$4,628,713
Net Income from Operations	\$1,516,025	\$2,438,197	\$3,687,120	\$2,598,307	\$2,319,887
Other Income/Expenses	(\$53,793)	\$2,166,225	\$2,112,039	\$1,115,162	\$118,297
Net Income/(Loss)	\$1,462,232	\$4,604,422	\$5,799,158	\$3,713,469	\$2,438,184
Total Capital Expenses	\$1,324,408	\$4,484,471	\$5,534,137	\$3,392,708	\$1,925,745
Net Surplus After Capital	\$137,824	\$119,951	\$265,021	\$320,761	\$512,439

KEY PERFORMANCE INDICATORS

Key performance indicators enable the organization to understand, track and monitor performance and share with staff, Board and other community stakeholders. The following KPIs are closely tied to the long-term vision and strategic initiatives and will enable the team to continually assess and analyze current successes and challenges.



*Samaritan Center is one of many community partners impacting blight in the surrounding community.

IMPLEMENTATION AND COMMUNICATION PLAN

The success of the plan rests on the ability of the team to **focus on the long-term vision** while meeting the needs of the business on a daily basis and establishing **long-term funding partners**. Sharing this plan with key stakeholders and the community at large will be integral to building relationships and engaging residents, businesses and potential funders. Specific communication plans may include **community meetings**, links and postings on the **website** and **social media** platforms, and **targeted outreach** to other funders and stakeholders. Board members, the Executive Director, and the Beanstalk team will all play a crucial role in sharing the future vision for the Samaritan Center.

Annual **SMART goals** will be developed to directly support the strategic initiatives and provide on-going clear metrics and opportunities to assess on-going successes and changes. A quarterly review with the Board will provide the framework to review results and identify any necessary shifts in resources or strategy. Key steps in this implementation process include:

- *Community communication roll-out*
- *Updates on digital platforms*
- *Board support for targeted outreach*
- *Quarterly Board reporting*
- *Annual review and updates*

Thank You to the Strategic Planning Committee

Mike Alm
Henry Argasinski
Sharon Berkobien
Lynnette Boyle
Eva Garza Dewaelsche
Maggie Desantis

Reggie Hartsfield
Ann Leen
Rod Liggins
Lenise McWhorter
Bradleigh Merrill
Mark Owens

Dennis Perkins
Krystal Rappuhn
David Spivey
Keisha Wilson
Manuela Zarate



SAMARITAN CENTER



5555 Conner St, Detroit, MI 48213
samaritan-center.com

Appendix 1: Financial Projections

2022-2026 STRATEGIC PLAN	REFORECASTED 2021	PROJECTED 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	TOTAL (2021-2025)
Assumptions						
Square Footage Rented	270,785	274,443	290,489	293,394	296,328	
Average Rate per Square Foot	\$13.79	\$13.81	\$14.22	\$14.64	\$15.07	
Occupancy Rate	77.7%	78.8%	83.4%	84.2%	85.1%	
Income						
Operational Income						
Rental Income	\$3,598,349	\$3,748,494	\$4,089,530	\$4,254,487	\$4,424,860	\$20,115,720
CAM Reconciliation	\$0	\$0	\$6,160	\$6,360	\$17,232	\$29,752
Utility Reimbursement	\$16,500	\$28,500	\$102,000	\$105,060	\$108,212	\$360,272
Event Revenue	\$2,500	\$5,000	\$10,000	\$20,000	\$25,000	\$62,500
Other Tenant Income	\$40,800	\$40,800	\$40,800	\$40,800	\$40,800	\$204,000
Total Operational Income	\$3,658,149	\$3,776,994	\$4,197,690	\$4,365,907	\$4,550,304	\$20,549,044
Fundraising Income						
DTE Rebates	\$31,000	\$50,000	\$50,000	\$50,000	\$50,000	\$231,000
Grants	\$250,000	\$750,000	\$1,000,000	\$1,500,000	\$1,500,000	\$5,000,000
Homeland Security Grant	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000	\$750,000
Naming Rights			\$150,000	\$150,000	\$150,000	\$450,000
State/Federal Funding		\$100,000	\$100,000	\$100,000	\$100,000	\$400,000
Stimulus Funding - AARP	\$500,000	\$1,000,000				\$1,500,000
New Market Tax Credit			\$2,000,000			\$2,000,000
PACE Funding (Restricted to CAPEX)	\$548,415	\$1,031,401	\$776,151	\$756,141	\$448,296	\$3,011,989
Total Fundraising Income	\$1,479,415	\$3,081,401	\$4,226,151	\$2,706,141	\$2,398,296	\$13,342,989
Total Income	\$5,137,564	\$6,858,395	\$8,423,841	\$7,072,048	\$6,948,600	\$33,892,033
Expenses						
Operating Expenses						
Management Fee	\$122,004	\$125,664	\$129,434	\$133,317	\$137,317	\$647,736
Real Estate Taxes	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	\$95,071	\$95,071	\$97,923	\$100,861	\$103,887	\$492,813
Repairs & Maintenance, Janitorial	\$1,834,000	\$1,980,529	\$2,079,555	\$2,183,533	\$2,292,710	\$10,370,328
Utilities	\$1,050,798	\$1,269,420	\$1,379,329	\$1,433,949	\$1,462,566	\$6,596,062
Total Operating Expenses	\$3,101,873	\$3,470,684	\$3,686,241	\$3,851,660	\$3,996,480	\$18,106,939
Tenant Improvements/Commissions						
Tenant Improvements	\$46,982	\$337,160	\$400,000	\$56,300	\$56,860	\$897,302
Leasing Commissions	\$34,684	\$76,354	\$105,900	\$12,363	\$12,853	\$242,154
Total Tenant Improvements/Commissions	\$81,666	\$413,514	\$505,900	\$68,663	\$69,713	\$1,139,456
General Operations						
Accounting and HR Services	\$40,000	\$26,000	\$26,780	\$27,583	\$28,411	\$148,774
Legal Fees	\$18,000	\$12,000	\$12,360	\$12,731	\$13,113	\$68,204
Communications and Marketing	\$20,000	\$24,000	\$24,720	\$25,462	\$26,225	\$120,407
CEO and Support Person	\$100,000	\$200,000	\$206,000	\$212,180	\$218,545	\$936,725
General Office Supplies	\$10,000	\$24,000	\$24,720	\$25,462	\$26,225	\$110,407
Other General Operational Expenses	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Total General Operations	\$438,000	\$536,000	\$544,580	\$553,417	\$562,520	\$2,634,517
Total Expenses	\$3,621,539	\$4,420,198	\$4,736,721	\$4,473,741	\$4,628,713	\$21,880,912
Net Operational Surplus / (Deficit)	\$1,516,025	\$2,438,197	\$3,687,120	\$2,598,307	\$2,319,887	\$12,559,536

2022-2026 STRATEGIC PLAN	REFORECASTED 2021	PROJECTED 2022	PROJECTED 2023	PROJECTED 2024	PROJECTED 2025	TOTAL (2021-2025)
Non Operational Income and Expenses						
Other Income						
Campus Redesign Funding		\$2,000,000	\$2,000,000	\$1,000,000		\$5,000,000
Reserve Funding Draw		\$257,300	\$200,000	\$200,000	\$200,000	\$857,300
Total Other Income	\$0	\$2,257,300	\$2,200,000	\$1,200,000	\$200,000	\$5,857,300
Other Expense						
Comerica Interest Payment	\$42,126	\$70,109	\$68,003	\$65,897	\$63,790	\$309,925
PACE Financing Payback (Interest)	\$11,667	\$20,966	\$19,958	\$18,941	\$17,913	\$89,445
Total Other Expense	\$53,793	\$91,075	\$87,961	\$84,838	\$81,703	\$399,370
Net Surplus / (Deficit)	\$1,462,232	\$4,604,422	\$5,799,158	\$3,713,469	\$2,438,184	\$18,017,466
Capital Expenditures						
CAPEX Plan						
HVAC / Mechanical Systems	\$72,000	\$227,333	\$101,333	\$217,833	\$217,833	\$836,332
Plumbing	\$5,600	\$5,600	\$5,600	\$5,600	\$5,600	\$28,000
Security	\$140,500	\$76,250	\$129,000	\$109,000	\$52,750	\$507,500
Façade/ Exterior Walls	\$60,000	\$60,000	\$91,250	\$91,250	\$31,250	\$333,750
Electrical	\$31,000	\$120,000	\$0	\$0	\$30,000	\$181,000
Concrete and Asphalt	\$413,393	\$158,720	\$220,886	\$109,467	\$86,599	\$989,065
Elevators	\$147,000	\$441,200	\$441,200	\$341,200	\$0	\$1,370,600
Roof	\$238,415	\$182,868	\$142,368	\$105,858	\$169,213	\$838,722
Fire Suppression and Alarm	\$0	\$0	\$90,000	\$100,000	\$20,000	\$210,000
Exterior Elements	\$35,000	\$0	\$0	\$0	\$0	\$35,000
Interior Elements	\$6,500	\$0	\$0	\$0	\$0	\$6,500
Signage	\$65,000	\$0	\$0	\$0	\$0	\$65,000
Total CAPEX Plan	\$1,214,408	\$1,271,971	\$1,221,637	\$1,080,208	\$613,245	\$5,401,469
Other Capital Expenses						
Master Plan Consultant	\$110,000	\$0	\$0	\$0	\$0	\$110,000
Common Area Redesign	\$0	\$112,500	\$112,500	\$112,500	\$112,500	\$450,000
Replacement Reserves / Capital Ex	\$0	\$100,000	\$200,000	\$200,000	\$200,000	\$700,000
Campus Redesign		\$3,000,000	\$4,000,000	\$2,000,000	\$1,000,000	\$10,000,000
Total Other Capital Expenses	\$110,000	\$3,212,500	\$4,312,500	\$2,312,500	\$1,312,500	\$11,260,000
Net Capital Expenses	\$1,324,408	\$4,484,471	\$5,534,137	\$3,392,708	\$1,925,745	\$16,661,469
Net Surplus After Capital Expenses	\$137,824	\$119,951	\$265,021	\$320,761	\$512,439	\$1,355,997

Appendix 2: Stakeholder Interviews

INTERVIEWEE	ORGANIZATION	ROLE	INTERVIEW DATE
Alex Allen	Chandler Park Conservancy	President	1/11/2021
Yvette Bass-Pullom	Chandler Park Conservancy	Program Director	1/11/2021
Maggie DeSantis	Chandler Park Conservancy	Initiative Manager	2/9/2021
Sister Janice Brown	Siena Literacy Center	Executive Director	1/20/2021
Angela Wilson	Eastside Community Network	Deputy Director	1/18/2021
Cris Doby	Erb Family Foundation	Sr. Program Officer	1/13/2021
Keith Flournoy	Detroit Recreation Department	General Manager	1/11/2021
Joyletha Goodwin	Parkside Housing	Resident	1/14/2021
Tim Killeen	Wayne County	Commissioner	2/19/2021
Tenisha Yancey	MI House of Representatives	District 4 Representative	3/15/2021
Lenise McWhorter	FCA Foundation	Manager, Employee Engagement	3/16/2021
Donna Givens	Eastside Community Network	President and CEO	2/23/2021
Dennis Perkins	City of Detroit	District 4 Deputy Manager	2/18/2021
Keith Johns	City of Detroit	Chief of Staff for Andre Spivey	2/18/2021
Rodney Liggons	City of Detroit	District 4 Manager	2/18/2021
Bradleigh Merrill	City of Detroit	District 4 Constituent Relations	2/18/2021
Keisha Wilson	City of Detroit	District 4 Constituent Relations	2/18/2021

Appendix 3: Quality of Life Indicators

AREA	TRACT 261635146300 SC AND WEST	DETROIT- WARREN- DEARBORN MICHIGAN	MICHIGAN	USA
Housing Stability				
Home Ownership	39.70%	69.00%	71.20%	64.00%
Project-based housing assistance	17.70%	6.90%	6.90%	5.40%
Overcrowded Housing Rate	4.00%	1.70%	1.70%	3.40%
Education				
Adults with a High School Diploma or Higher	67.40%	90.10%	90.80%	88.00%
Adults with Some College or Bachelor's Degree or Higher	35.50%	63.40%	61.90%	61.00%
Adults with Master's Degree or Higher	1.50%	12.50%	11.40%	12.40%
Health and Well-Being				
Life Expectancy at Birth	69.9 years	77.1 years	78 years	78.8 years
Uninsurance Rate (Health)	11.40%	5.40%	5.50%	8.80%
Economic Security				
Median Household Income	\$ 20,774.00	\$ 57,144.00	\$ 60,984.00	\$ 62,843.00
Unemployment Rate	18.50%	6.50%	5.90%	5.30%
Percent People Below Poverty	41.30%	14.50%	14.40%	13.40%
Mobility				
Workers Who Commute Using Public Transportation	29.70%	1.30%	1.30%	5%
Percent of Workers Who Commute by Walking	0%	1.40%	2.20%	2.70%
Average Travel Time to Work (mins)	42	27	25	27
Commute Time to Work of an Hour or more	23.50%	7.30%	6.30%	9.30%
Households for Which No Vehicles are Available	48.40%	8.80%	7.70%	8.60%

Data from: <https://dashboards.mysidewalk.com/opportunity360-community-dashboard-7c6373b9d421/mobility>