Economic Impact on EDEN’s Operating Expenses

EDEN’s operating costs increased significantly in 2022. We adjusted our budget continuously throughout the year, cutting where we could, but we still needed to pay for staff, utilities, and other necessary costs.

<table>
<thead>
<tr>
<th>Jan - Oct 2021</th>
<th>Jan - Oct 2022</th>
<th>% ↑</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$5,600,000</td>
<td>$6,300,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>$275,000</td>
<td>$632,000</td>
</tr>
<tr>
<td>Administrative*</td>
<td>$2,400,000</td>
<td>$2,300,000</td>
</tr>
<tr>
<td>Direct Costs**</td>
<td>$275,000</td>
<td>$769,000</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$10,000,000</td>
<td>$13,400,000</td>
</tr>
</tbody>
</table>

*Includes insurance rates, technology, personnel training, overhead, etc. **Direct costs to keep clients housed, including one-time emergency payments, lodging fees, security, etc.

Like many nonprofits, EDEN experienced a reduction in donations: both individual giving and private foundation support were down about half from the prior year due to inflation. To meet the increased need of people experiencing housing insecurity and homelessness, we need additional supporters, more than ever, to provide unrestricted funds that are so critical to our operations. Please consider a monthly donation to EDEN’s annual fund so that we can continue our worthy cause of providing housing solutions to individuals and families who are facing homelessness.

EDEN has earned the 2022 Candid-Guidestar Platinum Seal of Transparency, the leading symbol of accountability in the nonprofit world. Candid-Guidestar strives to help nonprofits and is a source of information to potential donors and grantees. If you are thinking about donating to us — and we are incredibly grateful if you do — rest assured we value responsibility, transparency, and accountability with the funds with which we operate. For more information, visit www.guidestar.org

Construction Projects Planned for 2023-2024

- Expansion II: new construction of four family units: rehabilitation of a four-unit multi-family building
- Cuyahoga TAY: new supportive housing development for young adults/young families (transition-aged youth) experiencing homelessness
- Broadway Commons: new 62-unit PSH building for homeless adults in Lorain, including 12 units for Veterans
- Elderly PSH: new PSH building designed specifically for elderly persons 65 and older coming from homelessness, including 15 units for Veterans
- Norma Herr Women’s Center: renovation of Cuyahoga County’s primary shelter for women to expand capacity and increase the non-commerical setting

EDEN’s Impact on the Community

In 2019, EDEN served 3,610 households. In 2020, when the COVID pandemic began, households served increased to 3,900. In 2021, during the peak of COVID, we served 4,544 households. The pandemic is lessening, but the economic impact of the past two years is continuing to impact low-income individuals and families. In the first ten months of 2022, EDEN provided housing services to 4,678 households, and we still have two months before we know the year’s total. The numbers below illustrate the growing need for housing solutions for people experiencing housing insecurity and homelessness—a 30% increase since 2019.

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Households Served</td>
<td>3,610</td>
<td>3,921</td>
<td>4,544</td>
<td>4,678</td>
</tr>
<tr>
<td>Average Household Size</td>
<td>7.969</td>
<td>8.012</td>
<td>7.969</td>
<td>7.968</td>
</tr>
<tr>
<td>Services Provided to Households</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-Term Supportive Housing</td>
<td>3,988</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PSH Buildings, EDEN-Owned Properties, Group Homes, ADAMHS Board-Owned Properties, &amp; HUD Properties</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rapid Re-Housing/Time-Limited Assistance</td>
<td>960</td>
<td>1,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Client Demographics

- Single Individuals: 3,414 - 75%
- Families with Dependents: 1,254 - 27%
- Veterans: 151 - 3.2%
- Victims of Domestic Violence/ Trafficking: 1,006 - 22%
- Young Adults aged 18-24: 216 - 0.6%
- Seniors aged 65 and older: 482 - 10.3%
- Children: 1,000 - 21.6%

EDEN’s mission is Our Foundation, providing housing solutions to people facing the challenges of housing insecurity and homelessness. For more information, visit www.guidestar.org.

Client Profile

A Reunited Family Thrives in their Own Home

During the start of the COVID pandemic, JR was in crisis. She was working three jobs at the time to support her five children, so her stress level was already high. Her apartment failed its annual inspection, and her landlord said that she wasn’t going to make the needed repairs — which meant that JR and her five children were in danger of losing their housing. Then her best friend of 24 years was murdered. JR spiraled into despair. “I just broke. I saw no way out. I placed my children off at their father’s, and I packed my car with everything that would fit. For more than a year and a half. I was living house-to-house with friends.”

The stress and extreme difficulties didn’t end. Her daughter was seriously injured in a car accident. The Department of Children and Family Services (DCFS) decided that the house of her children’s father would not pass inspection and he could not keep the children. Since JR had no permanent address, it was decided that the girls would live with her mother and the boys with her sister.

Her mental health deteriorated due to the stress. She registered with several agencies for assistance, but they were overwhelmed dealing with the pandemic. She decided she had to help herself. She focused on two goals: find housing and reunite with her kids. In May of 2021, she was hired as a health screener and COVID tester. “I was able to save $3000 so when I got stable housing, I could furnish it with things that my kids and I needed!”

When her mom suggested that she explore the possibility of qualifying for one of EDEN’s housing programs, JR was skeptical, but thought she had nothing to lose. In November 2021, she was contacted by Angelique Luzader, Supervisor of EDEN’s Scattered Site Properties. After confirming that JR and her family qualified for EDEN housing, Angelique said they had a potential unit on the west side and took her for a tour. It was ideal – a bedrooms upstairs plus an extra room on the ground level. The basement was unfinished, but large enough for a game room for her kids. “This was the perfect neighborhood for my family!”

In December 2021, JR picked up all of her children and said they were going for a ride. When she pulled up to their new address, the kids were curious. “Why are we stopping here?” “This is our new home.” Screaming, laughing, and lots of tears and hugging followed!

- continued on page 2

- continued on page 2
A New Reality for EDEN Real Estate Development & Construction

In 2018, the EDEN real estate department began planning the Expansion I project near EDEN's headquarters in Cleveland's Detroit-Shoreway Neighborhood to create new affordable housing for homeless families referred through Coordinated Intake. The project featured seven units of new construction in both two- and three-bedroom configurations. Five family units were to be located at the site: four units in a townhome configuration and one unit as a single-family, two-bedroom house with accommodations for mobility impairment. Two more three-bedroom family units were to be constructed in a duplex setting in the Collinwood Neighborhood of Cleveland.

In 2019, architectural plans were finished with a projected $1.4 million budget. Funding was finalized in 2021, and construction began in 2022. Immediately, the impact of the pandemic on the economy began affecting the project. For example, the desired windows were no longer available: the closest to spec cost 15% more than the original. Since 90% of lumber came from Canada and the borders were closed, lumber prices increased five-fold due to supply and demand. The cost of contractor labor increased significantly to attract workers with the required skills. Soft costs — architect, consultant, and engineering fees as well as compliance costs relating to changes in regulations and green energy — increased an average of 30%. One or two of these issues would have been a manageable "hazard of the business," but all of these crises coupled together not only made the project extraordinarily challenging; it also greatly extended the build-time and pushed the total budget to $2.6 million.

This is the new reality of EDEN’s construction planning. "During COVID, the building trades slowed and lots of skilled labor left the workforce, especially the older generation," says Martin Antos, EDEN's Construction Manager. "For several years, they were not replaced, and this left a giant hole in the workforce. A lot of companies shut down and the supply chain was decimated since the majority were using the just-in-time inventory business model. When they tried firing manufacturing back up, the labor shortage crippled the industry. Costs were higher, supplies were low, and work was halted. This destroyed the norms in the construction industry."

"We had to truncate our planning time," adds Richard Carr, Director of Real Estate Development and Construction. "The sooner you can lock in everybody, the better you will be. The risk is if you don’t have the funding, you might outlast the agreed-upon terms. The more you delay, the more inflation works into the process. The good news is that we are really adept at pre-planning with our building partners so that once we are ready to go, we can move quickly to get things done."

"As a result, EDEN has become more flexible in its decision-making," agrees Elaine Gimmel. "If certain project aspects can be changed or eliminated, it might not be what we originally wanted, but if it makes economic sense, it’s a compromise we must make. We need to be decisive and move forward. The important part is meeting the housing needs of our clients."

Clients have begun moving into these beautiful new family units. Handing them the keys to their new homes—and new beginnings—has been worth the wait.

There are an estimated 3,000 people experiencing homelessness in Cuyahoga County on any given night. With winter fast approaching, people will be pushed further into crisis and life-threatening situations. You can help. Please support EDEN’s mission.
A New Reality for EDEN Real Estate Development & Construction

In 2018, the EDEN real estate department began planning the Expansion I project near EDEN’s headquarters in Cleveland’s Detroit-Shoreway Neighborhood to create new affordable housing for homeless families referred through Coordinated Intake. The project featured seven units of new construction in both two- and three-bedroom configurations. Five family units were to be located at the site: four units in a townhome configuration and one unit as a single-family, two-bedroom house with accommodations for mobility impairment. Two more three-bedroom family units were to be constructed in a duplex setting in the Collinwood Neighborhood of Cleveland.

In 2019, architectural plans were finished with a projected $1.4 million budget. Funding was finalized in 2021, and construction began in 2022. Immediately, the impact of the pandemic on the economy began affecting the project. For example, the desired windows were no longer available: the closest to spec cost 25% more than the original. Since 90% of lumber came from Canada and the borders were closed, lumber prices increased five-fold due to supply and demand. The cost of contractor labor increased significantly to attract workers with the required skills. Soft costs — architect, consultant, and engineering fees as well as compliance costs relating to changes in regulations and green energy — increased an average of 30%. One or two of these issues would have been a manageable “hazard of the business,” but all of these crises coupled together not only made the project extraordinarily challenging. It also greatly extended the build-time and pushed the total budget to $4.6 million.

This is the new reality of EDEN’s construction planning. “During COVID, the building trades slowed and lots of skilled labor left the workforce, especially the older generation,” says Martin Antos, EDEN’s Construction Manager. “For years, they were not replaced, and this left a giant hole in the workforce. A lot of companies shut down and the supply chain was decimated since the majority were using the just-in-time inventory business model. When they tried firing manufacturing back up, the labor shortage crippled the industry. Costs were higher, supplies were low, and work was halted. This destroyed the norms in the construction industry.”

“We had to truncate our planning time,” adds Richard Carr, Director of Real Estate Development and Construction. “The sooner you can lock in everybody, the better you will be. The risk is if you don’t have the funding, you might outlast the agreed-upon terms. The more you delay, the more inflation works into the process. The good news is that we are really adept at pre-planning with our building partners so that once we are ready to go, we can move quickly to get things done.”

“As a result, EDEN has become more flexible in its decision-making” agrees Elaine Gimmel, “If certain project aspects can be changed or eliminated, it might not be what we originally wanted, but if it makes economic sense, it’s a compromise we must make. We need to be decisive and move forward. The important part is meeting the housing needs of our clients.” Clients have begun moving into these beautiful new family units. Handing them the keys to their new homes—and new beginnings—has been worth the wait.

There are an estimated 3,000 people experiencing homelessness in Cuyahoga County on any given night. With winter fast approaching, people will be pushed further into crisis and life-threatening situations. You can help. Please support EDEN’s mission.
Economic Impact on EDEN’s Operating Expenses

EDEN’s operating costs increased significantly in 2022. We adjusted our budget continuously throughout the year, cutting where we could, but we still needed to pay for staff, utilities, and other necessary costs.

<table>
<thead>
<tr>
<th></th>
<th>Jan - Oct 2021</th>
<th>Jan - Oct 2022</th>
<th>% ↑</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>$5,600,000</td>
<td>$6,300,000</td>
<td>13%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$575,000</td>
<td>$632,000</td>
<td>10%</td>
</tr>
<tr>
<td>Administrative*</td>
<td>$1,400,000</td>
<td>$2,300,000</td>
<td>33%</td>
</tr>
<tr>
<td>Direct Costs**</td>
<td>$4,275,000</td>
<td>$769,000</td>
<td>37%</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$10,900,000</td>
<td>$18,300,000</td>
<td>10%</td>
</tr>
</tbody>
</table>

*Includes insurance rates, technology, personnel training, overhead, etc.
**Direct costs to keep clients housed, including one-time emergency payments, lodging fees, security, etc.

Like many nonprofits, EDEN experienced a reduction in donations: both individual giving and private foundation support were down about half from the prior year due to inflation. To meet the increased need of people experiencing housing insecurity and homelessness, we need additional supporters, more than ever, to provide unrestricted funds that are so critical to our operations. Please consider a monthly donation to EDEN’s annual fund so that we can continue our worthy cause of providing housing solutions to individuals and families who are facing homelessness.

EDEN has earned the 2022 Candid-GuideStar Platinum Seal of Transparency, the leading symbol of accountability in the nonprofit world. Candid-GuideStar serves to legitimize nonprofits and is a source of information to potential donors and grantees. If you are thinking about donating to us — and we are incredibly grateful if you do — rest assured we value responsibility, transparency, and accountability with the funds with which we operate. For more information, visit www.guidestar.org

Construction Projects Planned for 2023-2024

- Expansion II: new construction of four family units; rehabilitation of a four-unit multi-family building
- Cuyahoga TAY: new supportive housing development for young adults/young families (transition-aged youth) experiencing homelessness
- Broadway Commons: new 62 unit PSH building for homeless adults in Lorain, including 12 units for Veterans
- Elderly PSH: new PSH building designed specifically for elderly persons aged 65+ exiting from homelessness, including 15 units for Veterans
- Norma Herr Women’s Center: renovation of Cuyahoga County’s primary shelter for women to expand capacity and increase the non-congregate setting

EDEN’s Impact on the Community

In 2019, EDEN served 3,610 households. In 2020, when the COVID pandemic began, households served increased to 3,930. In 2021, during the peak of COVD, we served 4,544 households. The pandemic is lessening, but the economic impact of the past two years is continuing to impact low-income individuals and families. In the first ten months of 2022, EDEN provided housing services to 4,678 households... and we still have two months before we know the year’s total. The numbers below illustrate the growing need for housing solutions for people experiencing housing insecurity and homelessness—a 30% increase since 2019.

| Year | Total Households | Total Individuals
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>3,810</td>
<td>7,968</td>
</tr>
<tr>
<td>2020</td>
<td>3,921</td>
<td>7,969</td>
</tr>
<tr>
<td>2021</td>
<td>4,544</td>
<td>9,711</td>
</tr>
<tr>
<td>2022</td>
<td>4,678</td>
<td>9,284</td>
</tr>
</tbody>
</table>

January - October 2022 Households Served

- Total Households Served: 4,678
- Total Individuals Served: 7,969
- Average Household Size: 1.7

Services Provided to Households

- Long-Term Supportive Housing: 3,988
- PSH Buildings: EDEN-Owned Properties, Group Homes, ADAMHS-Board-Owned Properties, & HUD Properties
- Rapid Re-Housing/Time-Limited Assistance: 890

Client Demographics

- Single Individuals: 3,414 • 73%
- Families with Dependents: 1,264 • 27%
- Veterans: 195 • 4.2%
- Victims of Domestic Violence/Trafficking: 1,056 • 22%
- Young Adults (aged 18-24): 291 • 6.2%
- Families with Dependents: 3,414 • 73%
- Seniors (aged 65 and older): 482 • 10.3%

Letter from the Executive Director

EDEN Strives to Serve More While Costs Soar


A normal year would have just one or two of these challenges. But 2022 has become a “crescendo of concerns,” impacting every aspect of our lives. Families are still playing catch-up from months, even years, of instability and uncertainty. Many lost their homes during 2020-2021 and still are not able to find suitable housing that meets their budget. Out-of-staters have exacerbated the problem by purchasing rental properties and raising rents beyond the means of most low-income families. Because of this, EDEN has experienced an unprecedented rise in requests for housing support. From January through October 2022, we served 4,678 households — an increase of 33% from the 4,544 households served in 2021. And we still have two more months left to report in 2022.

The costs of providing those services have also risen. In response to inflation and the hike to the cost of living, EDEN has increased the salaries of staff who support our clients so that they can earn a living wage. As a result, EDEN’s employee expenses increased by 13% in 2022 vs. 2021. Administrative costs—which include insurance rates, technology, overhead, and more—rose 33%.

Client Profile

A Reunited Family Thrives in their Own Home

During the start of the COVID pandemic, JR was in crisis. She was working three jobs at the time to support her five children, so her stress level was already high. Her apartment failed its annual inspection, and her landlord said that she wasn’t going to make the needed repairs — which meant that JR and her five children were in danger of losing their housing. Then her best friend of 24 years was murdered. JR spiraled into despair. She just broke. I saw no way out. I bought my children off at their father’s, and I packed my car with everything that would fit. For more than a year and a half, I was living house-to-house with friends.

The stress and extreme difficulties didn’t end. Her daughter was seriously injured in a car accident. The Department of Children and Family Services (DCFS) decided that the house of her children’s father would not pass inspection and he could not keep the children. Since JR had no permanent address, it was decided that the girls would live with her mother and the boys with her sister.

Her mental health deteriorated due to the stress. She registered with several agencies for assistance, but they were overwhelmed dealing with the pandemic. She decided she had to help herself. She focused on two goals: find housing and reunite with her kids. In May of 2021, she was hired as a health screener and COVID tester. “I was able to save $3000 so when I got stable housing, I could furnish it with things that my kids and I needed!”

When her mom suggested that she explore the possibility of qualifying for one of EDEN’s housing programs, JR was skeptical, but thought she had nothing to lose. In November 2021, she was contacted by Angelique Luzader, Supervisor of EDEN’s Scattered Site Properties. After confirming that JR and her family qualified for EDEN housing, Angelique said they had a potential unit on the west side and took her tour. “It was ideal — a bedrooms upstairs plus an extra room on the ground level. The basement was unfinished, but large enough for a game room for her kids.” This was the perfect neighborhood for my family!”

In December 2021, JR picked up all of her children and said they were going for a ride. When she pulled up to their new address, the kids were curious. “Why are we hugging followed!”