

# MACDC Strategic Plan 2010-2012

## “Building From Strength to Sustainability”

### I. Introduction

The Massachusetts Community Development Field has a proud history. Starting in the late 1960s, community residents of low and moderate income communities organized themselves into effective and powerful community based organizations that have demonstrated the ability to build affordable housing, create jobs, start and grow businesses and transform communities in ways that respect, include and empower local residents. First in Boston and then spreading across the state, the CDC model has achieved and sustained success over the past 40 years, making Massachusetts a key leader in community development for the entire country. The success and impact of the field has continued in recent years. Since MACDC launched its Growing Opportunities Assets and Leaders Initiative (GOALs) in 2002, our members have accomplished the following:

- engaged over 1,700 community leaders each year;
- built or preserved over 7,800 homes;
- created or preserved over 11,500 job opportunities;
- assisted over 6,000 entrepreneurs;
- supported over 120,000 families; and
- attracted over \$1.3 billion in investment to our communities.

This history of achievement provides a solid foundation for the field as we tackle the challenges of today and the coming years. We believe that MACDC, our members and the larger community development field will continue to play a critical role in neighborhood revitalization and our collective efforts will help our communities and our state recover from the current economic recession. As a field that was created to spur change in distressed communities, we must embrace the changes occurring in our field and our country and prepare for a future that will likely look very different than our past.

Two overarching themes are at the core of MACDC’s Strategic Plan for 2010 – 2012.

First, the need for innovation and adaptations has been clear to our members and to MACDC for several years. While change is ongoing, significant and dramatic changes have occurred during the current recession shaking confidence in the CDC business model. Many of our members are financially vulnerable and are managing high levels of risk as real estate deals are increasingly more difficult and less profitable given current market conditions. MACDC will encourage innovative and adaptive strategies to increase the productivity and sustainability of our member organizations and strengthen the broader community development network, and we will advocate for greater levels of public and private resources to fund community development work.

Second, MACDC’s membership has diversified in recent years to include associate members that are engaged in community development activities, but that are not defined as CDCs. And among our long-standing CDCs we see growing diversity in size and focus. We expect that this trend will continue as more place-based non-profits in other sectors employ community development

strategies that align with those of CDCs. MACDC will determine how to better adapt our model and practice to effectively broaden our membership base. We see great opportunity here.

Our strategic plan includes “stretch” goals; we have purposefully set ambitious targets. MACDC will guide, support and lead our field through the many changes, transitions, adaptations, innovations and collaborations that have already begun and will continue. This process will enable our field to build on our past strengths and to involve a greater diversity of community development organizations to create a sustainable community development sector that can continue to build and sustain communities of opportunity across the Commonwealth.

## **II. External and internal forces are driving change in our field**

The need for innovation and adaptations has been clear to our members and to MACDC for several years. All around us, the context for our work has been changing.

- **Real estate markets** – Real estate markets have gone through rapid change in the past few years – first a dramatic escalation in home prices followed by a huge drop. Many CDCs are now operating in strong real estate markets with relatively high prices, facing stiff competition from other developers, and finding reduced development opportunities. Others face a legacy of disinvestment, substandard stock and infrastructure with major renovation costs and weak homeownership and rental markets.
- **Financial services** – The financial services sector has also undergone major change in the past 10 years and again in the past two years. We are still trying to understand the full implications of these changes for our field; the flow of private capital to nonprofits, small businesses and consumers is likely to be challenging in the years ahead. As a result of the changing nature of community development finance and real estate markets, CDCs are required to manage even greater levels of risk than in the past.
- **Demographics** – many neighborhoods have gone through major economic and ethnic change – compelling long standing CDCs to reflect on their role and requiring them to work hard to incorporate newcomers into their organization.
- **Policy** – the policy environment now requires CDCs to compete for resources with other nonprofits and for-profit companies that, while lacking a neighborhood orientation may have advantages in terms of size and specialization. Moreover, public funding generally is very limited and this constrains overall growth for the field.
- **Philanthropy** – Many foundations and banks have reduced their giving to community development and few new sources have entered the field.
- **Affordable housing industry** – The industry has become increasingly competitive with more for-profits and non-profits now competing with CDCs for a limited supply of housing subsidies. Moreover, it has become harder than ever for CDCs to operate profitable real estate development programs or generate net revenue from their portfolios. The notion that CDCs can use their real estate programs to support the rest of their operations is increasingly in doubt.
- **Generational shifts** – We are already beginning to see a shift in leadership as many long time veterans of the field move toward retirement and a new generation of leaders takes the helm of key organizations. This transition creates both challenges and opportunities for the field.

As the context for our work has changed so too have our members. One of the most significant changes in the community development field in recent years has been the entry of many new organizations that have not traditionally seen themselves as “CDCs” but who are increasingly engaged in very similar work. A related trend has been the blurring of lines between the community development field and related sectors such as the environmental justice movement, the smart growth movement, the asset development sector, public health, and youth development organizations. This is a positive trend that is going to continue as we break out of our old silos and embrace more comprehensive approaches to community development. We will use the more expansive term Community Development Organizations (CDOs) (rather than CDC) throughout this document to refer to community-led organizations engaged in community development work.

Our members serve very different communities across the state – distressed urban neighborhoods, gentrifying neighborhoods, small towns, poor rural areas, areas with strong seasonal economies but serious challenges for year-round residents, and Gateway Cities. These communities also differ in terms of capacity – some of our members work in areas with a rich array of other nonprofits providing similar services and programs while others operate in areas where the municipal and nonprofit sectors are lacking in capacity. The diversity of contexts has resulted in a diversity of organizations that differ in their size, programmatic focus, and their organizational structure, history, and strategic approach. While all of our members are experiencing some level of financial stress in the current context, the economic health of our members varies dramatically. The ability of our members to customize their strategy to their local context is key to their success and yet the diversity of our membership has proven at times to be a challenge for MACDC as we seek to offer meaningful support across a broad spectrum of need.

### **III. MACDC’s approach to this strategic plan**

MACDC designed its strategic planning process this year to build on the substantial work we have done over the past several years to strengthen and transform our organization. First, this plan should be seen as a follow up to our **2004-2008 MACDC Strategic Plan**. That plan, which was developed through a year-long comprehensive planning process, continues to be highly relevant to our current work. Many of the priorities established in that plan, like the emphasis on public policy, member engagement, and diversity continue to be central planks in our agenda.

Second, this new plan builds on the work that MACDC undertook from 2006 to 2008 when we participated in Neighborworks America’s **Achieving Excellence Program**. MACDC used this program to develop a more coherent and consistent definition of the term community development and to redefine our membership criteria on that basis. These decisions are now incorporated into this new strategic plan and have significantly shaped how we intend to move forward as an agency.

The third piece of work that has significantly informed our plan is the **Community Development Innovation Forum** that MACDC and LISC have co-sponsored since 2008. The Innovation Forum has helped us explore a number of important issues for the field through a broadly inclusive process in which all of the field’s stakeholders have participated.

Fourth, MACDC undertook a formal **organizational assessment** in early 2009 with the assistance of the National Association of Community Economic Development Associations (NACEDA). NACEDA uses a comprehensive assessment tool specifically designed for CDC associations to identify areas of strength and opportunities for growth within an organization. The assessment

process included two full day board retreats where the organization evaluated itself in 12 core competency areas.

With all of these efforts completed or well underway, the Board of Directors established a strategic planning committee in July 2009. The Committee worked diligently from August to January to produce this strategic plan that was approved by the Board of Directors on January 15, 2010. During that time, the Committee analyzed the results of prior work, sought input from members and stakeholders and crafted our strategy for the next three years. In doing so, the Committee and the Board recognize that we are in a period of great change. Therefore, the plan does not lock us into a rigid framework, but rather allows additional time for the organization to dig deeper on some of the larger changes facing the field and the organization. The Committee's approach, simply, is to think of strategic planning as an ongoing activity throughout the next three years and beyond.

#### **IV. Principles that provide foundation for our plan**

MACDC's strategic plan is grounded in several key principles that guide our thinking.

- 1. Our strategic plan must be rooted in our vision and core values** – As the community development field changes and evolves we must continue to live by and advance the vision and core values that are at the heart of the field. Toward this end, we have updated our mission, vision and values statements to better reflect where we are as a field and where we are going in the future.
- 2. We must demand high performance from ourselves, our members and the larger community development field** – A core tenet of our field is that we have to put our values into action in ways that meaningfully and tangibly change and improve communities and the lives of people who live there. While MACDC and its members will continue to demand high performance from public and private organizations that support the field, we need to take greater leadership in demanding the same of ourselves and our members.
- 3. Financial Sustainability, Accountability and Collaboration will be key to the field's future** – nationally and locally, community development practitioners are placing more and more emphasis on these principles. The financial weakness of many CDOs restricts their and our ability to achieve our goals, and we must build organizations that can sustain a long-term business model in a competitive environment. To expand resources for the field we will need to demonstrate genuine accountability to both our communities and our investors and document high levels of performance. Finally, the complexity of today's challenges will require more and more collaboration within the field and with other sectors in order to achieve our goals.
- 4. We must shed old orthodoxies and lead the field into the future.** Over the past 40 years, we have all learned a great deal about how to do this work. However, those lessons sometimes ossify into old orthodoxies that block new innovations that better address today's problems. We need to embrace new leaders and new ideas and recognize that community development by definition is an evolving process.
- 5. We must embrace the growing organizational diversity of the field** – As noted above, increasingly, the distinction between CDCs and other nonprofits has faded.

CDCs have expanded into a host of other areas, including youth development, job training, elder services and the like while many other nonprofits have entered the housing and community development fields. MACDC's membership needs to reflect this growing diversity, and we need to strengthen linkages between our members and those in related fields.

6. **We must build organizations and systems that can continually adapt and adjust.** MACDC encourages our sector to continually learn and adapt to changing conditions. We need to further build organizations and systems that can quickly share best practices and respond. This will require a system with different organizational structures, different business models, and different competencies. A diverse, robust and dynamic network of organizations will be more sustainable and adaptable than top down hierarchical system of homogenous organizations.

## V. **MACDC's core areas of focus**

Our strategic planning process validated MACDC's long-standing emphasis on public policy, peer learning, member services, training, and network building. It also affirmed our recent commitments to launch and grow the Mel King Institute and the Innovation Forum. At the same time, the process underscored that MACDC must play a leadership role as the field transitions to the future, that we must build upon and expand on our many partnerships and collaborations, and that we need to embrace the growing number of organizations in our field.

MACDC further recognizes that creating places of opportunities for people throughout the Commonwealth requires a wide range of action both in "traditional" areas of community development such as housing, business development and asset development, as well as in other arenas such as education, public safety, public health, transportation, and more. We also realize that MACDC cannot be effective across all of these arenas because each one requires the development of expertise, constituency, relationships and resources.

Therefore, we are taking the following approach to best leverage our resources to have the greatest impact. MACDC will seek to be a *leader* on matters related to affordable housing (including mixed-use development and transit oriented development), small and micro business development, asset development, community reinvestment, and community building. These are the areas where we will build our staff capacity, cultivate long-term relationships, build and lead coalitions, and otherwise immerse ourselves in the field.

Our approach to other important community development issues such as public transit, workforce development, public health, energy efficiency and clean energy, immigration, public safety, and youth development will be to work with and through coalitions that can bring greater expertise and power to the effort. In those instances, our role will be to bring the perspective and grassroots constituency of community developers to the table, and strategically deploy relevant members, to support broader efforts.

## **MACDC Mission Statement**

*MACDC is an association of mission-driven community development organizations dedicated to working together and with others to create places of opportunity where people of diverse incomes and backgrounds access housing that is affordable, benefit from economic opportunities and fully participate in the civic life of their community. We achieve this by building and sustaining a high performing and adaptive community development sector supported by private and public investment and sound public policies.*

## **MACDC Vision Statement**

*We envision a Commonwealth of interconnected communities where people of different incomes, ethnicities, races and backgrounds live with dignity and fulfillment. We envision communities that encourage all residents, including those who traditionally have less power, to participate in civic processes that define the physical, economic, educational and cultural characteristics that distinguish these communities. We see a Massachusetts where all people build assets and wealth and realize the benefits of a healthy economy which provides full employment at good wages, stable housing at affordable prices, a clean and sustainable environment, and strong public supports for human needs. We see a community development field comprised of a diverse network of locally accountable organizations that devise smart, sustainable strategies that meet the particular opportunities and needs of their communities. We see these local organizations working with regional and statewide partners to achieve sustained excellence with a focus on building homes that people can afford, strengthening local businesses, advancing family economic security and enhancing the quality of life. We see the entire community development field working in partnership with other social change organizations, government and the private sector to achieve comprehensive and transformative change that creates communities of opportunity across the Commonwealth.*

## MACDC Values Statement

**Community Leadership:** *We believe in building the power and leadership of communities in Massachusetts by fostering connections and supporting civic participation by all residents, in particular those who have traditionally had less power such as people of modest income, people of color, immigrants, tenants, youth and the disabled. We believe community residents should have a decisive voice in shaping the future of their communities and their own lives and the ability to create local organizations through which they can work together to achieve common goals.*

**Economic Opportunity:** *We believe that everyone deserves a fair and genuine opportunity to participate in the economic mainstream and achieve economic security. This means that we must provide the access and the tools that enable people to succeed and address structural obstacles that prevent many of us from fully benefiting from the economic opportunities available in our communities.*

**Inclusion:** *We seek to create inclusive communities where all people are welcomed regardless of their ethnicity, race, income, age or abilities. We seek to create a community development field that is reflective of the people we serve.*

**Innovation:** *We value inventiveness, ambition, creativity and the ability to take risks as distinguishing characteristics of the community development field. We are committed to finding new and innovative ways to achieve our goals in response to the changing context for our work.*

**Performance and Accountability:** *We believe in promoting excellence in both process and production. Our field is defined by our ability to achieve tangible, sustainable results -- new homes, jobs, businesses and investment -- while upholding a participatory and transparent process that ensures accountability to the local community, public agencies, private investors and other stakeholders.*

**Collaboration:** *We believe that collaboration is essential to building stronger communities and achieving our vision for greater economic opportunity. We build and sustain local, statewide and national collaborations and networks that enable our members and others to make more efficient use of limited resources while achieving greater impact and addressing regional and national challenges.*

## **Goal 1: MACDC will offer high quality programs and services that strengthen a diverse network of locally accountable, adaptive and sustainable community development organizations that deliver tangible results.**

**Rationale:** Massachusetts has one of the strongest networks of local community development organizations in the country, thanks to the leadership and vision of local community leaders and several decades of concerted efforts by public officials and private sector leaders to build and support such organizations. CDCs and other community development organizations have built thousands of homes, created thousands of jobs, and attracted more than \$2 billion of investment into their communities. However, this network is now threatened by both long-term shifts in the economy and policy environment and the current economic recession. Research commissioned by MACDC and LISC has found a significant decline in CDC financial health over the past five years. Many observers now question whether small, neighborhood CDCs can sustain a viable business model that relies on self-generated revenue through affordable and mixed-income housing and commercial development.

MACDC must use its leadership position to respond to these threats and challenges—not by simply digging in or fading away, but by supporting each member organization to seriously examine its strengths and weaknesses and develop realistic strategies for moving forward. New approaches, organizations, business models, and collaborations will be needed. At the same time, it is critical for Massachusetts to retain a diverse network of locally-based CDOs in order to achieve sustainable community development outcomes at the local or regional level because **effective local organizations:**

- are accessible and provide opportunities for residents to fully participate in shaping and driving community improvement efforts;
- understand their markets and can develop customized solutions;
- can appropriately advocate for equitable community development;
- link multiple strategies and programs into a comprehensive approach in a specific place;
- provide the base of political support needed to sustain and grow public investment in community development; and
- link themselves and their constituents to efforts to address larger systemic challenges that exist on a regional, statewide or even national level.

Therefore, MACDC will work to ensure such a diverse network of organizations continues to successfully operate in Massachusetts by helping existing and new member organizations adapt to meet the needs of today and the future. We do not expect that every organization that exists today will or should survive. We want to sustain and support those organizations that show high levels of performance and/or the potential to perform in the future. We want to bring new members into the MACDC network that share our community development approach.

**Capacity Building Focus:** MACDC’s programs and services will be designed to help its members develop and sustain the qualities and characteristics that successful organizations will need in the

coming years. Specifically, MACDC believes that high performing community development organizations will need to:

1. Implement high quality programs and projects in the core areas of community development such as affordable housing, real estate development, business development, wealth creation and community building;
2. Develop and implement innovative strategies that respond strategically to shifting market conditions, meet the needs of individuals and families and serve as critical elements of broader community revitalization and stabilization efforts;
3. Establish and sustain multiple partnerships and collaborations with other organizations that help create communities of choice, such as organizations focused on public health, education, transportation, environmental protection, youth and immigrant rights;
4. Incorporate environmental sustainability as one of their core operating principles across all of their programs and projects;
5. Undertake community economic development programs in a way that engages traditionally disadvantaged people in the process and builds local civic leadership;
6. Effectively balance money and mission by adopting an organizational strategy that is responsive to local needs, leverages the organization's core competencies, and is financially sustainable;
7. Develop strategies to increase their working capital, diversify lines of business and maintain robust development pipelines (if they remain in the real estate business);
8. Consider significant organizational changes such as mergers and multi-CDC collaborations that will create greater operational efficiencies and impact;
9. Attract young and diverse leaders and people from other fields who can bring new insight, skill sets, resources, and energy to their organizations'; and
10. Institute additional evaluation measures to gauge measurable results.

### **Goal #1: Measurements of Success**

- The Mel King Institute has firmly established itself as a center for learning with at least 25 days of training per year, 150 students per year, a robust and well used web site, and 10 partnerships with universities, public agencies and non profits.
- The Mel King Institute establishes and implements a robust program evaluation system, including an external third party evaluation in 2011, and annual tracking of key performance indicators.
- We successfully operate 6 – 8 peer learning groups each year that meet a total of 24-30 times per year, with annual participation exceeding 100 people.
- MACDC's members increase their annual productivity in all six areas measured by the GOALs Initiative between CY 2009 and CY 2012.
- Community development organizations are more financially stable in 2012 than they are today as measured by a study to be conducted in 2012 that measures progress from our 2010 report by the Non Profit Finance Fund.
- At least 75% of our members are deploying environmentally sustainable strategies by 2012.

### **Objective 1: Provide high quality, relevant training through the Mel King Institute.**

#### **Action Steps**

- Offer 25 days of high quality, rigorous training each year with 150 distinct students taking an average of two days per year of training.
- Maintain a robust web-based training clearinghouse that receives 500 unique visitors per month.
- Implement a comprehensive program evaluation that includes systems for evaluating each course, measurements of annual program goals and that tracks progress based on our recently adopted logic model. Complete a comprehensive third party evaluation in 2011.
- Provide technical assistance to members and other organizations to help them produce professional development plans for their employees – five organizations in 2010, 10 organizations in 2011, and 15 organizations in 2012.
- Establish formal partnerships with universities and colleges; two partnerships by the end of 2010 and five partnerships by the end of 2012. Partnerships should involve training, internships and/or research.

- Explore the opportunity to merge with the Community Development Innovation Forum to create an on-going Center for Community Development Innovation that will provide thought-leadership for the field.
- Explore the creation of a specific strategy to recruit and retain young, diverse leaders to the field and provide them with professional development opportunities.

**Objective 2: Facilitate peer learning and collaboration among our members and provide timely and helpful technical assistance to individual groups.**

**Action Steps**

- Facilitate 6-8 “peer groups” per year that meet a total of 24 – 30 times per year with 100 participants from member organizations. These peer groups will be organized by topics (e.g. housing development, small business development), by region (e.g. Boston, Western Mass), by job position (e.g. organizers, youth workers) or in any other way that our members choose.<sup>1</sup>
- MACDC will use its new web site to provide information to members and others about innovative programs and strategies and to facilitate networking among our members. We will explore the use of social media tools to facilitate more networking and collaboration among our members.
- MACDC will use its relationships and knowledge about its members to directly facilitate connections among members and other partners. Where appropriate, we will work with groups of members to help construct new collaborative enterprises.
- MACDC will provide direct technical assistance to 20 individual organizations per year on a full range of issues from organizational development, fundraising, real estate development, small business development, organizing, planning, and advocacy. This will include working with members to help them explore and consider mergers and strategic partnerships.
- MACDC will reach out to nonprofit organizations who are not members and who have not traditionally considered themselves to be CDCs with the goal of breaking down barriers and bringing those organizations into our network. We think that by growing and diversifying our network to 100 members we can enhance the learning and collaboration opportunities for new and long-standing members alike.

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<sup>1</sup> MACDC will facilitate a peer group when there is sufficient member interest and participation and it will end a peer group that no longer is resonating with the members. Groups will set their own schedule and can meet anywhere from two times per year to 10. Some groups are likely to be on-going for several years, while others may emerge on an ad hoc basis to address a specific and timely issue. While the agenda for each group will be designed to meet the specific interests and needs of the participants, we expect those agendas to include sharing information among members, discussing policy issues and shaping MACDC’s agenda, identifying and implementing collaborative projects, and meeting with and learning from external partners.

### **Objective 3: Expand public and private funding available to support local community development organizations, programs and projects.<sup>2</sup>**

#### **Action Steps**

- Advocate for capital programs at the state and federal level that provide subsidies for affordable housing and other real estate development programs.
- Advocate for city, state and federal funding streams to support core community development programs, including but not limited to small business development, affordable housing capacity development, community building, foreclosure counseling, IDA programs, and financial education.
- Advocate for changes in the affordable housing finance system that enable community-based nonprofits to earn larger development fees and to generate more cash flow and revenue from their existing portfolio of properties.
- Advocate for a new state community development tax credit program, modeled after proven programs in other states that will provide flexible, multi-year funding to CDOs.
- Help members access new federal funding streams.
- Partner with local and regional foundations and corporations to expand private funding for community development. This will include serving on advisory boards for local funders like LISC and the Boston Foundation and working directly with funders to establish new programs aimed at community development.
- Promote the important work of our members to new private funding sources with the goal of expanding the sources of funding for our members. This will include helping our members access “non-traditional” sources of funding that are primarily focused in such areas as environment, public health or youth but which could be available to CDCs if they frame their work appropriately.
- Look for opportunities to raise public or private funds that can then be re-distributed to member organizations for specific programs. This could include programs like RHICO where we distribute funds with training and technical assistance or programs like CBN where we administered a collaborative program. We will also consider programs in which some of the sub-recipients may be non-members.<sup>3</sup>

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<sup>2</sup> Clearly, this work relates closely to our advocacy work described later in this plan. We list it here because this work goes directly toward building the capacity of local community development organizations, but it certainly could have been listed in the other section too.

<sup>3</sup> In general, the following principles will guide the organization in deciding whether to embark upon direct program implementation, including pass-thru funding programs:

- MACDC should be in the best position to implement the program, after a careful consideration of other options.
- Implementation of the program should contribute to the financial well-being of the association. Program implementation should be a gain, not a drain.

**Objective 4: Advocate for a new state definition of the term CDC that is broadly inclusive and help DHCD implement a certification program for CDCs.**

#### **Action Steps**

- Pass legislation to update MGL Chapter 40F to create a more inclusive definition of a community development corporation by June 30, 2010 when the current law sunsets.
- Work with DHCD to develop the regulations and systems to certify organizations as CDCs under the new law by December 31, 2010.
- Provide training and technical assistance to local community development organizations to help them gain CDC certification with the goal of having 25 newly certified by December 31, 2011 and 60 organizations certified by December 31, 2012. (Note, we do not think all eligible organizations nor all MACDC members will be certified by December 31, 2012 as it will take time to demonstrate the value of certification so we expect this work to continue beyond 2012.)
- Leverage the credibility that comes from certification to create new funding opportunities for CDCs in the public and private sector.

**Goal #2: MACDC will be a leader in efforts to create community development networks in the Commonwealth that enable our members to work collaboratively and efficiently with others to achieve comprehensive community building outcomes.**

**Rationale:** Everything that our member organizations seek to accomplish in their communities requires that they work collaboratively with a broad network of stakeholders and partners in government, the private sector and the nonprofit sector. Their ability to succeed, and the ability of communities to improve, depends on having a functional, collaborative and well organized set of systems and networks. This is why MACDC has increasingly looked to create “sector-wide” initiatives such as the *Innovation Forum* and the *Alliance: Advancing Community Development by Confronting Racism*, rather than simply focusing all of our efforts on our members. Just as local organizations need to change and adapt, so too must the public agencies,

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- MACDC should implement programs which are regional or statewide in their scope. MACDC should not implement local programs.
  - In cases where program implementation will involve the distribution of scarce resources among competing members, MACDC should not choose among its members, except in circumstances when the MACDC Board makes a specific exception to this policy. Rather, MACDC should establish selection criteria, but leave the actual selection to an expert panel specially chosen and properly suited to the task.
  - MACDC will consider programs that benefit members and non members alike under certain limited circumstances so long as there is significant benefit to members and the broader community development field.
  - Implementation of the program should not so consume the attention of MACDC staff as to detract from other critical activities.
  - Under these carefully defined circumstances, MACDC may embark upon direct program implementation, subject to Board approval in each instance.

intermediaries, foundations, and other partners with whom we work. We also see the power in working through ever-expanding networks rather than trying to accomplish our goals by ourselves. In fact, there is growing research that leveraging networks is key to success in the community development field, the housing field and other sectors.

### **Goal #2: Measurements of Success**

- The Innovation Forum (or any potential successor program) is a nationally recognized leader in promoting innovation and sustains high levels of participation throughout the three year period.
- Five new programs, policies or partnerships are created that will help the field to operate more efficiently, more effectively and/or more sustainably.
- A significant increase in collaboration within the field and between our field and other sectors occurs by 2012 and is documented by a research report that year.
- MACDC is engaged in at least four formal partnerships with organizations from other sectors that also contribute to creating places of opportunity.
- We see a 20% increase in the number of people of color serving in leadership positions in the community development field by 2012, to be documented by annual surveys of our members and partners in 2010, 2011 and 2012.

**Objective 1: Promote innovation and provide thought leadership for the community development field through research, events and the Innovation Forum.**

#### **Action Steps**

- Host large public forums 3 – 4 times a year that explore new ideas, research and strategies.
- Convene working groups to work on specific opportunities to create new programs, policies or partnerships that will make the field more effective and/or sustainable.
- Commission research to increase our understanding of what is working and perhaps not working well in our field.
- Celebrate new innovations that demonstrate potential for making the field more effective or sustainable and work toward replicating those models throughout the field.
- Explore potential for merging the Innovation Forum into the Mel King Institute for Community Building to create a sustainable Center for Community Development Innovation that can promote innovation in the future.

**Objective 2: Advocate for and facilitate the creation of new infrastructure, systems and collaborations that improve the field's effectiveness, efficiency and sustainability.**

## Action Steps

- Partner with others to create programs, funding and technical assistance to promote environmentally sustainable community development initiatives. This will include the creation and implementation of a new program that channels utility funding to CDOs and others to make their buildings more energy efficient, and partnerships to promote green jobs for neighborhood residents. We will partner with LISC to help our members systematically weatherize their apartment buildings. We will partner with New Ecology Inc to provide green and environmentally sustainable building technical assistance and training to our members. And we will look for other opportunities and partners who can help our members promote environmentally sustainable initiatives.
- Promote the implementation of Strength Matters™ in Massachusetts to create a more consistent and effective system for financial reporting among our members.
- Explore opportunities to create a more efficient system for real estate development and asset management within the community development field that maintains a strong role for local residents and strengthens the financial sustainability of local CDOs. We will explore several opportunities to achieve this goal, including the promotion of new partnerships among our members, mergers between organizations, partnerships with larger regional organizations that can support local groups, the creation of new capacity at the regional or statewide level that could serve to support local community development organizations, or the creation of a shared reserve pool to help CDOs attract tax credit investors.
- Explore opportunities to offer more bulk purchase programs to our members, modeled after our successful group insurance program.
- Explore opportunities to consolidate certain back office functions such as financial management, information technology and communications.
- Explore whether MACDC could offer more systemic operational support to local small business development programs in a manner similar to what MIDAS now does for IDA programs.
- Explore opportunities to create better evaluation and measurement tools for the field, such as the Success Measures program sponsored by Neighborworks America.

## **Objective 3: Expand the number of people of color serving in the field, in particular in leadership positions.**

### Action Steps

- Continue to play a leadership role in the Alliance: Advancing Community Development by Confronting Racism.
- Sponsor a Mentoring Program to support emerging leaders of color by linking them to experienced community development leaders. We plan to offer two more cycles of this program during the three year time period with 20 – 30 total participants.
- Conduct an evaluation of the Alliance and the Mentoring program to identify what is working and what needs to change.
- Work with the Alliance to provide assistance to all community development organizations in hiring, retaining and promoting people of color.

- Reach out to other organizations and sectors, including the faith community, to build stronger connections to communities of color.
- Conduct annual survey of our members and other leading community development organizations (e.g. intermediaries, foundations, etc) to track the number of people of color working in the sector at different levels.
- Continue offering our community development mentoring program, with at least two groups over the next three years with a total of 20 participants.

**Objective 4: Build and support linkages between the community development field and related sectors such as smart growth, workforce, youth, immigrants, etc.**

**Action Steps**

- Play a leadership role in the Smart Growth Alliance and connect our members to the broader smart growth movement locally, regionally and nationally.
- Continue to participate in the Massachusetts Workforce Alliance.
- Help launch a new Asset Development Coalition in Massachusetts.
- Reach out to leaders in youth development to craft a new partnership or relationship between the youth development sector and those CDCs engaged in youth development.
- Explore opportunities to create formal and informal linkages between our members and leaders in the immigrant community, the faith community and the public health community.

### **Goal #3: MACDC will engage its members and allies to advocate for public policies that support community-led efforts to create places of opportunity for everyone.**

**Rationale:** Public policy at the local, state and federal level plays a central role in the ability of MACDC, our members and our partners to achieve our shared vision for the families, communities and the Commonwealth. Therefore, it was not surprising that MACDC's members and external partners consistently affirm the view that public policy should be at the core of MACDC's work. Moreover, the organizational assessment conducted by NACEDA in early 2009 confirmed that policy advocacy is one of our strongest programs. This strategic plan calls for MACDC to continue to play a *leadership* role as *the voice* for community development practitioners and to further deepen our efforts to engage members and local residents in our policy campaigns. We also intend to devote more energy to federal policy issues during the next three years than we have traditionally, building on our already significant success in 2009. One area of traditional MACDC advocacy does require some re-thinking – our community reinvestment work with financial institutions. Historically we were able to negotiate comprehensive community investment agreements with major banks on a regular basis. That has not been the case for several years so we need to determine how we can best partner with financial institutions and hold them accountable in the future. This will be an area where further thinking and analysis will be necessary during 2010.

While MACDC will develop its specific priority issues every two years with our members, we will generally be advocating for policies that:

- Stabilize and revitalize local neighborhoods by increasing the supply of homes affordable to low and moderate income households and promote well designed mixed use and mixed income developments;
- Create stronger local economies by supporting the growth of small businesses owned by low and moderate income people, people of color, immigrants and small businesses that operate in economically distressed areas;
- Expand opportunities for low and moderate income people to grow their income and wealth;
- Strengthen the capacity of local community development organizations to effectuate positive community development; and
- Promote smart and equitable development and the local and regional level.

### **Goal #3: Measurements of Success**

- We will secure a 20% increase in state capital funds directed to affordable housing and community development from FY 10 to FY 13 and a 20% increase in state funding for key community development programs from FY 10 to FY 13.
- We will win at least one major policy victory each year, such as passage of priority legislation or the expansion or preservation of a critical budget item.
- We will win at least three additional policy victories each year at the Boston, state or federal level, including legislative wins achieved in coalition with others or non-legislative wins such as new regulations or the design or redesign of important programs.
- We will maintain our leadership role in three state policy coalitions, be an active member of two others, and play a leadership role in NACEDA and with other national organizations.
- At least 50 members will be engaged in our state and federal policy work by the year 2012, including 35 that are significantly engaged as measured by our “engagement metric” developed in 2009.
- By 2012, MACDC will have implemented a new approach to CRA advocacy that expands access to capital in our communities.

### **Objective 1: Remain a prominent leader in shaping Commonwealth and City of Boston policy related to community development, affordable housing, small business development and asset development.**

#### **Action Steps**

- Cultivate and maintain strong relationships with key legislative leaders, including the Senate President, House Speaker, Chairs of the Ways & Means Committees, Chairs of the relevant joint committees, and their staff members.
- Cultivate at least 10 “champions” in the House and five in the Senate as legislators we can count on for leadership and support on key issues.
- Cultivate and maintain strong relationships with key agency leaders and their senior staff, including the Governor’s office, EOHED, DHCD, DBD, CEDAC, MHP, Mass Housing, CDFC, and Mass Development at the state level and DND and BRA at the city of Boston.
- Maintain a strong and visible presence in the State House and with state agencies by testifying at committee hearings, commenting on the development of new regulations, and shaping the design of new state programs.
- Ensure the full and effective implementation of laws that we help to enact and state resources we secure in the budget to benefit our members, the community development field and our communities.

- Play a leadership role in both formal and informal coalitions working on community development, housing, small business development, asset development and CRA.

**Objective 2: Work through coalitions and allies to link our sector to related advocacy efforts on such issues as smart growth, transportation, energy, public health and workforce development.**

#### **Action Steps**

- Play a leadership role in the Massachusetts Smart Growth Alliance programs and advocacy efforts and ensure that our members are better connected to the Alliance and the individual Alliance members.
- Participate in the Massachusetts Workforce Alliance, contribute to their policy campaigns and link those members who are engaged in workforce development to the Alliance’s campaigns.
- Partner with MIDAS and others to create a new Asset Development Coalition that can champion a broad asset development agenda based on the recommendations of the recent Asset Development Commission.
- Identify opportunities to participate in and link MACDC members to other coalitions that enable MACDC and its members to contribute to policy campaigns on a broad array of issues that impact our communities and their residents.

**Objective 3: Continue to increase the participation of our members and their constituents in our advocacy efforts, both in setting our agenda and winning its passage.**

#### **Action Steps**

- Sustain an active and diverse Public Policy Committee with at least 8 – 10 members that meets regularly and shapes our policy work.
- In 2010 and 2012, MACDC will engage our members in robust and inclusive process to develop policy campaigns that will guide our advocacy work for the subsequent two-year period. This will include meeting with CDO boards, staffs and community members, conducting surveys, discussing policy issues within our peer groups and committees, and reaching out to partners and allies. The process will result in a list of priority issues that will be part of our major campaign as well as other issues on which we plan to work.
- Engage 15-20 members per year to conduct “donuts with your delegation” meetings in January or February of each year.
- Continue to hold major lobby days each spring with at least 250 people in attendance.
- Engage members through policy alerts and updates to contact policy makers at critical points in the policy development and legislative process. We will also bring members to the State House to offer testimony on key policy issues.

- We will hold a convention in 2010 and 2012 at which 400 or more community residents, staff and board members will be able to participate in a policy-related action event related to our agenda.
- Provide direct technical assistance to members on how they can link their local organizing efforts to broader state and federal policy agendas.
- We will provide at least five “legislative learning sessions” each legislative cycle across the state to train members and community leaders on the legislative process and how they can be effective advocates.
- Utilize the metric developed in 2009 to track which members are engaged and “significantly” engaged in our policy work.

**Objective 4: Increase our engagement in and leadership of federal community development policy issues through the Massachusetts delegation and through our national partners.**

**Action Steps**

- Play leadership role on NACEDA board of directors and policy committee.
- Strengthen relationships with Massachusetts Delegation by meeting with at least six Representatives or Senators each year.
- Partner with CHAPA, NCRC, and other state and national organizations to shape and drive national policy campaigns.
- Bring delegation of members to Washington, DC each spring to meet with our delegation on Capital Hill.

**Objective 5: Evaluate our community reinvestment advocacy efforts and determine best approach in light of changing context.**

**Action Steps**

- Work to pass federal CRA modernization act in ways that would strengthen the law and provide new opportunities for advocacy.
- Partner with MAHA to oversee implementation of the Massachusetts Mortgage Company CRA law passed in 2007.
- Convene ad hoc committee of members in 2011 to evaluate current CRA programs of the major banks and determine MACDC’s strategy.
- Consider commissioning research to examine the effectiveness of bank CRA programs in Massachusetts over the past several years.

## **Goal 4: MACDC has the organizational capacity, financial resources and membership base to effectively steward and lead the field for years to come.**

**Rationale:** MACDC’s ambitious goals, outlined in the sections above, will not be easy to achieve. By design, we have laid out a strategic plan that requires a major stretch for MACDC – one that will force us to do business differently and one that will require additional staffing and financial resources. Indeed, we may need to fundamentally rethink both who we are and what we do. In the course of implementing this strategic plan, we intend to consider profound changes to our name, our members and our relationship to them, our role in both serving the field but also in leading the field, and our role in program implementation and administration. This section of the plan lays out some of the specific changes we need to make to our organization and identifies some of the areas that we will be exploring in the next three years.

### **Goals #4: Measurements of Success**

- MACDC increases its membership to 100 organizations, including 75 full members and 25 associate members, with an overall retention rate of 98%.
- MACDC publishes two “policy briefs” each year, the GOALS Initiative Report and at least two substantial research papers from 2010 to 2012.
- MACDC works with Action Media to refine its messaging and story and has developed up-to-date communication tools, including its web site, blogs, e-newsletters, contact management systems and other communications systems.
- MACDC attracts and retains a superior and diverse staff, including interns and consultants, by creating a supportive work environment with effective technology, office systems, professional development opportunities, and welcoming environment. Staff diversity is increased by at least one person.
- MACDC raises sufficient revenue to grow staff to 9 FTE from our current 8 FTE staff (including interns and Americorps member), increases its unrestricted net assets by \$30,000 from FY 2009 to FY 2012 and has a clean audit each year.

**Objective 1: Expand our membership from 86 to 100 organizations by 2012 by including a broad array of local community development organizations and retaining existing members.**

#### **Action Steps**

- Develop and implement marketing campaign to communicate to the field our new membership guidelines and the benefits of membership.

- Develop a list of and directly communicate with 40 potential new members.
- Members of the staff and board will forge relationships and create welcoming atmosphere for prospective and new members.
- By the end of 2010, evaluate what if any obstacles exist to recruiting new members such as our dues structure and our name.
- In 2011, establish a Board committee or task force to make recommendations regarding changes needed to continue to meet membership expansion and identity clarity goals.
- Systematically cultivate our relationships with existing and new members by regularly visiting members, attending their events, promoting their work in MACDC publications, on our web site and at our events, and providing customized technical assistance and support.
- During 2011, evaluate our associate membership program to determine whether it needs to be refined, expanded or eliminated.
- Track our relationships with each member using a “member connectivity” scorecard in which the staff measures our engagement with an organization on a scale of 1-5 according to specific benchmarks. Set goal of moderate to high engagement of at least 67 percent of members in 2010 and 75% of members in 2012. Measure semiannually and report to Board.
- During 2010, examine our current set of committees and peer groups to ensure that we have the right mix to ensure high levels of participation, accountability and member involvement in governance.
- Regularly host regional and statewide membership meetings to foster a sense of community within our membership.

## **Objective 2: Enhance our research capacity internally and through partnerships.**

### **Action Steps**

- Publish at least two policy briefs per year.
- Publish our annual GOALs Initiative Reports each spring and create on-line tools so members and stakeholders can better access our GOALs database to conduct their own research. Explore new ways to use this data to support advocacy, learning and public relations.
- Partner with a university or another organization to publish at least one substantive report each year that documents trends in the field or emerging best practices or otherwise provides important information about our sector.
- Maintain information on our web site to provide readers with key facts about our field and links to new research published elsewhere so that MACDC and the Mel King Institute web sites (need to decide which one) provide a clearinghouse for information about the sector.

## **Objective 3: Maintain an exciting and rewarding place to work with effective systems for operations, financial management, technology and communications.**

### **Action Steps**

- Initiate project with Action Media to update and refine MACDC’s messaging and to train a group of local trainers to educate our members and others on improved messaging and branding communications. The program should begin in 2010 and run for at least one year.

- MACDC launched a new web site in late 2009 and will build on that platform to create a robust, active, well used web site. This will include more interactive features like blogs and exploit new social marketing tools. We will also evaluate our e-newsletter and make appropriate changes and consider whether additional e-newsletters are appropriate including one aimed exclusively to members.
- Establish a membership committee with responsibility for overseeing all of our membership programs and services and that our governance systems are ensuring high levels of member engagement. The committee will review all of our current standing committees, ad hoc committees and peer groups to determine if we have the right structure. The committee will also be responsible for organizing membership meetings, including the convention and annual meetings. The membership committee will also oversee new member recruitment and conduct a review of our dues structure and make recommendations for changes.
- MACDC will conduct a number of major public events during the three years of this plan, including annual lobby days in the spring of each year, a major convention in 2010 and 2012, and Leadership Breakfast in 2011 and a 30<sup>th</sup> anniversary event in 2012.
- MACDC will annually evaluate progress on meeting our current Diversity Plan goals and establish a new Diversity Plan in 2011.
- Create an exciting, dynamic place to work where employees can grow professionally and find deep satisfaction in their work. This will include providing employees with robust professional development training, providing annual performance reviews for all employees, providing all employees with opportunities to maximize their leadership potential, and creating a supportive and energetic atmosphere for all employees.
- Continually improve our MIS systems, especially in the areas of member contacts, outside contacts, and program evaluation.
- Consider outsourcing our human resources management.
- Maintain strong financial systems through our partnership with Accounting Management Solutions and expand those capacities as necessary to implement new programs and funding streams.

**Objective 4: Refine our business and revenue model for long term financial sustainability.**

**Action Steps:**

- Conduct a detailed assessment of the Mel King Institute financial plan and develop a three year business model for its operations, including fundraising, tuition, workforce training fund dollars, and contract income.
- Establish an ad-hoc financial review committee to conduct a detailed assessment of MACDC's income and expenses over the past five years to determine the sustainability of our current business model and develop a three to five year financial plan.
- Explore new sources of revenue such as increased government funding, individual donors, earned revenue from fees, program administration and bulk purchase programs.
- Evaluate opportunities and potential for growing the staff to meet the ambitious agenda laid out in this plan. Any new position would need to be funded with new revenue, but possible areas for growth include a full time director for the Mel King Institute, a communications/fundraising staff position, or program administrators for any new programs that emerge. We will also evaluate our use of interns and Americorps members.