

MACDC GOALS Initiative

Growing Opportunities, Assets, and Leaders across the Commonwealth

Community Development Corporations (CDCs) are community-controlled, nonprofit organizations that work throughout the commonwealth to build more inclusive, vibrant, and productive communities. Since their inception more than 30 years ago, Massachusetts CDCs have developed over 22,000 homes and attracted over \$2 billion of investment to low- and moderate- income communities. In just the past three years, CDCs have helped to create or preserve nearly 6,300 job opportunities and helped over 3,000 locally owned businesses and aspiring entrepreneurs. CDCs have achieved these results in communities across the state, from Lawrence to Worcester to Boston to Cape Cod.

Since 2003, MACDC and our 60 CDC members have collaborated on a collective effort to revitalize and stabilize communities across the state. The MACDC GOALS Initiative—Growing Opportunities, Assets, and Leaders across the Commonwealth—sets specific numeric targets that CDCs hope to achieve in six areas of community development and then measures our annual progress toward those goals. Each year, we conduct a detailed on-line survey of our members to learn precisely what they have accomplished. This report highlights the amazing progress that CDCs have made over the past year and the past three years.

During 2005, Massachusetts CDCs:

- Engaged 1,989 volunteer community leaders in CDC activities;
- Built or preserved 1,092 homes;
- Created or preserved 1,701 job opportunities;
- Provided technical and financial support to 842 locally owned businesses;
- Supported 15,087 families with housing, jobs, training, or other services; and
- Attracted \$202 million in private and public investments in our communities.

While we are proud of our accomplishments, we are frustrated that funding cuts at the state and federal level have prevented us from achieving even more. Therefore, we plan to redouble our efforts to win the policy and funding support that CDCs need to revitalize communities, build affordable housing, create jobs, and develop the next generation of community leaders. By working together and with allies, MACDC and our members will build the power we need to be a force for change across the state.



Kamissa Barry / Prestige Image Photography

Youth perform with the Alvin Ailey American Dance Theater at Hibernian Hall in Roxbury, an arts center developed by Madison Park DC.



Last year, Worcester East Side CDC completed the 10-unit Belmont Street Apartments, a development that provides supportive housing for the homeless.

2005/2006 GOAL:

CDCs will engage the leadership of 1,700 community residents each year to direct and achieve community-development goals.

Effective long-term economic development and community change depend on the leadership and commitment of community residents, local officials, business owners, and other stakeholders at the local level. As community-controlled organizations, CDCs contribute to this process by providing a vehicle for traditionally disadvantaged community members, in particular lower-income people and people of color, to build the power and skills they need to create positive change. Every day, one community at a time, CDC board members and volunteer leaders organize for positive change by:

- Setting organizational priorities and strategies and influencing the priorities in their communities;
- Building support for CDC initiatives among local and state officials;
- Conducting research;
- Recruiting others to participate;
- Leading and participating in statewide advocacy campaigns led by MACDC; and
- Taking on leadership roles such as public speaking, fundraising, and/or negotiating with public and private partners.

2005 RESULTS: 1,989 LEADERS

HIGHLIGHTS

- CDCs engaged 1,989 leaders across the commonwealth, including 797 board members and 1,192 other community residents who played leadership roles in their CDCs.
- CDCs represented nearly 23,000 members.
- 20 CDCs actively participated in the Rianne Hadrian Initiative for Community Organizing (RHICO), a program sponsored by MACDC and LISC that strengthens CDC organizing and leadership-development efforts.
- Hundreds of CDC staff and leaders are now actively participating in MACDC’s statewide policy campaigns.



Allston Brighton residents confer with Boston City Councilors Michael Ross, Rob Consalvo, and Charles Yancey at an event organized by the Allston Brighton CDC.

2006 AND BEYOND:

- To reach our goal, CDCs will need continued funding for their community-organizing and leadership-development work.
- MACDC will continue to support community resident involvement through our capacity-building programs and by engaging such residents in our policy-advocacy work.

2005/2006 GOAL:

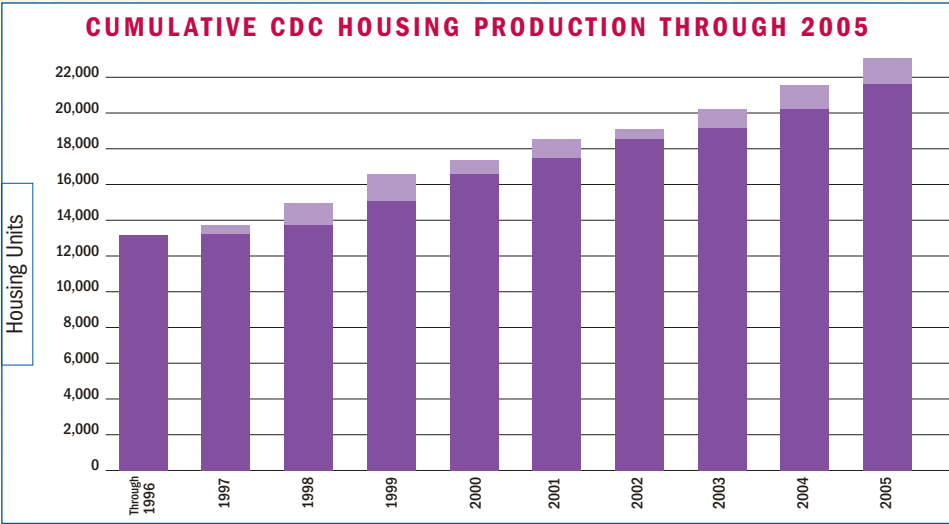
CDCs will create or improve 2,700 homes for residents across the state.

The high cost of housing in Massachusetts continues to challenge low-, moderate-, and middle-income households that cannot access affordable, high-quality housing. Many people are being displaced by gentrification. Others are forced to live in unsafe housing, while others are forced to live long distances from their jobs or even from the public transit that could take them to their jobs. And yet, despite double-digit increases in housing costs over the past five years, most state and federal housing programs have either been level-funded or cut during that time. In the face of these growing challenges, CDCs are working harder than ever to create and improve rental and homeownership opportunities in their communities. CDCs develop the types of housing that state leaders agree is critically needed: affordable and mixed-income housing that is sited and developed in smart-growth locations, in developments that range in size from one unit to over one hundred units. CDCs work in areas that are often difficult to develop, including low-income neighborhoods and rural areas, and tackle tough projects involving small infill lots, contaminated land, and historic preservation.

2005 RESULTS: 1,092 HOMES

HIGHLIGHTS

- CDCs developed 673 units of housing and helped to renovate an additional 419 units. This brings the number of homes produced or preserved by CDCs to nearly 3,800 over the past three years.
- 86 percent of the units developed are rental and 14 percent are homeownership.
- A total of 28 separate projects were completed in locations as diverse as Boston, Worcester, Salem, and the Hilltowns.
- 75 percent of CDC construction projects incorporated “green” development strategies designed to make homes safer, healthier, and better for the environment.
- Since their inception, Massachusetts CDCs have produced or preserved more than 22,500 homes across the state.
- MACDC supported these housing efforts by advocating for more state funding for affordable housing. We won the successful passage of a housing bond bill to provide \$200 million for the Affordable Housing Trust Fund and the Housing Stabilization Fund. We also won passage of legislation to recapitalize the Brownfields Redevelopment Fund and extend the historic tax credit.



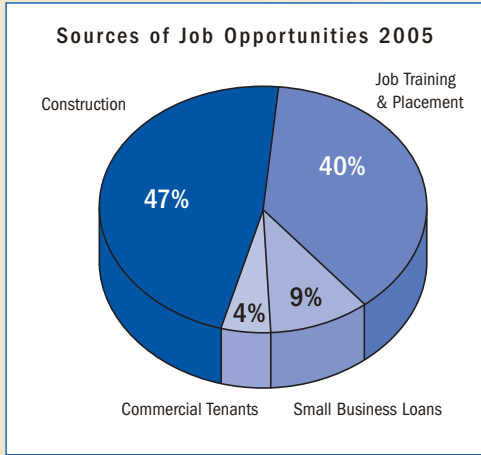
2006 AND BEYOND:

- CDCs have nearly 4,700 housing units in the pipeline.
- CDCs will not meet our GOALS or the needs of our communities unless there is an increase in local, state, and federal funding for housing subsidies, continued private investment, and promotion of smart-growth development policies.
- MACDC is working to reverse the current negative policy environment by advocating for increased rental assistance, an increase in the Affordable Housing Trust Fund, sustained predevelopment funding from public and private funders, investment in housing preservation, and smart-growth land use policies.

2005/2006 GOAL:

CDCs will create or preserve 4,500 job opportunities throughout Massachusetts.

In the face of steady unemployment in Massachusetts over the last few years, CDCs have demonstrated an ability to create a range of employment opportunities. To complete their real estate development activities, CDCs contract with local and minority-owned construction firms that provide solid jobs for area residents. Similarly, the businesses that lease commercial space developed by CDCs and those that obtain technical and financial assistance from CDCs also hire locally and are often able to grow stronger with CDC help. Combined, these activities help CDCs act as local economic engines that create thousands of job opportunities for area residents. In 2005, 14 CDCs also delivered workforce training and assistance. They helped individuals strengthen their labor skill sets from the basics—such as computer literacy and speaking English—to the specialized, such as skill development for positions in the healthcare field.



2005 RESULTS: 1,701 JOB OPPORTUNITIES

HIGHLIGHTS

- CDCs created 807 construction jobs.
- Through their job-training programs, CDCs helped place 684 people in new or better jobs.
- CDCs provided new commercial space for 11 businesses employing a total of 60 people.
- CDCs helped locally owned businesses create 150 jobs.
- Over the past three years, CDCs have created or preserved almost 6,300 job opportunities.
- MACDC worked with the Massachusetts Workforce Alliance and the Workforce Solutions Group to win passage of a bill allocating \$11 million in new state funding for skills training and a \$3 million increase in funding for Adult Basic Education.



CDCs create thousands of jobs each year, including many from the construction of new homes and commercial space.

2006 AND BEYOND:

- Continued CDC success in the job-training field is dependant upon public- and private-sector policies—including the expansion of flexible funding aimed at providing services to lower-income and lower-skilled individuals at the community level.

2005 RESULTS: 842 ENTREPRENEURS

HIGHLIGHTS

- CDCs provided direct, one-on-one technical assistance to 842 entrepreneurs, bringing our three-year total to over 3,000 small business owners assisted.
- CDCs also provided classes and workshops to 1,125 existing and aspiring business owners.
- CDCs helped 64 entrepreneurs obtain a total of more than \$3.8 million in financing.
- CDCs provided or packaged loans to 46 minority- or woman-owned businesses.
- CDCs operated innovative business development programs to serve specific business sectors such as the food industry, home-based childcare providers, artisans and crafts people, hair and nail salons, and local retail stores.
- MACDC played a leadership role on the state’s new Small Business Development Advisory Council, helping it to develop a series of important recommendations for how the state can better support local entrepreneurs.
- MACDC won passage of legislation to create a new \$2 million program to support local, community-based programs that serve existing and aspiring business owners.



Small business owners benefit from loans, training, and technical assistance provided to them by Massachusetts CDCs.

2006 AND BEYOND:

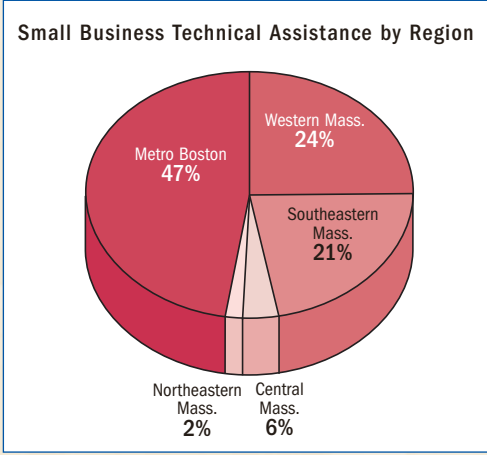
- MACDC is partnering with major banks to develop and promote new, affordable loan products for small businesses.
- MACDC will work with the state to effectively implement its new small business development program.

2005/2006 GOAL:

CDCs will help 2,000 entrepreneurs start or grow their businesses.

Community-development corporations provide aspiring entrepreneurs and owners of existing businesses with critical assistance to help them start, stabilize, and grow their businesses.

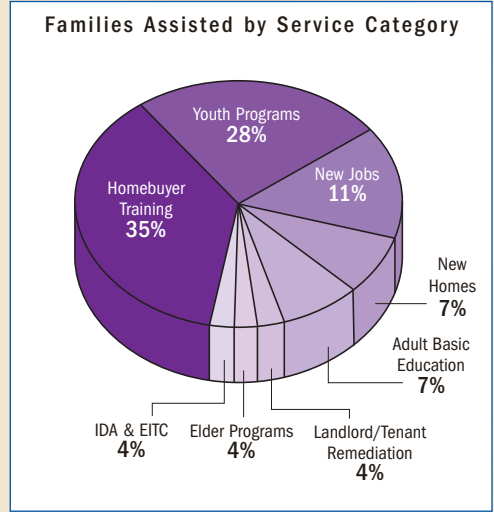
CDCs work one-on-one with entrepreneurs to address business planning, marketing, financial management, regulatory compliance, human resources, and other challenges. CDCs also help entrepreneurs obtain financing from banks, SBA-loan programs, and nontraditional sources, including community-development finance institutions and internal, CDC-managed loan funds. CDCs also offer group classes on how to start or grow a business as well as specialized workshops on key topics. A few CDCs have also developed incubator spaces and commercial spaces for local businesses. Other CDCs support the local business community by addressing crime, loitering, blight, infrastructure improvements, business-district marketing, and other issues that affect how businesses prosper and serve their communities.



2005/2006 GOAL:

CDCs will help 30,000 families obtain new skills, assets, and opportunities.

Building strong families is key to building strong communities. That is why, in addition to their work building the physical and economic infrastructure of local communities, CDCs work directly to empower local community residents with new skills, assets, income, and opportunities. CDCs often approach this work from an *asset-based framework*—building people’s financial and educational assets so they can achieve their long-term economic dreams. As place-based organizations with strong connections to their local communities, CDCs can effectively reach many families and individuals. In some cases, CDCs deliver services directly; in others, they partner with providers to bring new services and opportunities to their communities. In all cases, CDCs use their local roots, their physical presence in the community, their cultural and linguistic competence, and their commitment to excellence to ensure high-quality services for local residents.



2005 RESULTS: 15,087 FAMILIES

HIGHLIGHTS

- CDCs provided first time–homebuyer training and landlord-tenant mediation to 5,717 people.
- CDCs created or preserved job opportunities for 1,701 people.
- CDCs provided programs for 4,290 young people.
- CDCs provided services to 604 seniors.
- CDCs created or preserved housing opportunities for 1,092 families.
- CDCs provided classes in Adult Basic Education and English for Speakers of Other Languages to 1,115 people.
- CDCs provided individual-development accounts to 127 people.
- CDCs provided assistance on the earned income tax credit to 441 people.
- Over the past three years, CDCs have supported nearly 43,000 families.



CDCs offer a variety of programs to community residents, such as these graduates of an Individual Development Account (IDA) program.

2006 AND BEYOND:

- To offer these creative, flexible, and responsive programs and services, CDCs will need access to flexible funding from the public and private sectors.
- MACDC won passage of a bill establishing a Massachusetts Asset Development Commission. MACDC will have a seat within the commission, which will exist to help low-income families build wealth.

2005/2006 GOAL:

CDCs will secure \$450 million in investment to revitalize communities.

From their beginnings, CDCs have worked to attract private- and public-sector investment to low- and moderate-income communities. These investments help revitalize communities physically, bringing homes, jobs, parks, and hope to parts of the commonwealth that have suffered with inadequate amounts of each of these for too long. CDCs also contribute to smart growth by transforming vacant properties and blighted buildings into housing, commercial offices, stores, and parks, and by completing transit oriented–development (TOD) projects. These developments are completed in accordance with community-driven planning efforts and respond to each community’s unique needs and opportunities. CDCs leverage multiple sources of funding, large and small, to finance community-development efforts.

2005 RESULTS: \$202 MILLION

HIGHLIGHTS

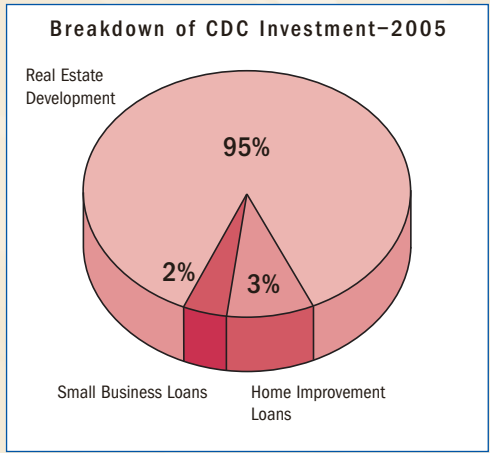
- CDCs completed 28 housing and mixed-used real estate–development projects with a total investment of almost \$191 million.
- CDCs completed four open-space projects with a total investment of almost \$800,000.
- CDCs secured over \$3.8 million in financing for local entrepreneurs.
- CDCs provided over \$6.7 million in loans for home improvement.
- Over the past three years, CDCs have attracted approximately \$633 million of total investment.
- Less than 20 percent of these funds come from local and state government; the rest comes from federal and private sources.
- MACDC estimates that, since their inception, CDCs have attracted over \$2 billion in investment to their communities.



Last year, LINC, a CDC in Lynn, completed The Caldonia, a 7,800-square-foot housing-over-retail restoration project.

2006 AND BEYOND:

- The CDC real estate pipeline includes over \$172 million in development that is expected to come online during 2006.
- Continued community investment will depend upon adequate funding for public-investment programs and strong community-reinvestment laws for the financial services industry.



MOVING FORWARD...

The results achieved over the past three years are impressive, but our work is by no means complete. There is still a tremendous need for more affordable housing, more jobs, stronger local businesses, and increased economic opportunity.

The GOALS Initiative runs through 2006, during which time Massachusetts CDCs will continue to work toward our two-year goals:

- Engage **1,700** community resident leaders *each* year to lead our efforts;
- Build or preserve **2,700** homes;
- Create or preserve **4,500** job opportunities;
- Help **2,000** locally owned businesses start, grow, or stabilize their businesses;
- Provide economic and educational opportunities to **30,000** families; and
- Attract **\$450 million** in private and public investment to revitalize our communities.

These are ambitious goals, especially in light of the current funding environment. To achieve them, CDCs will need additional resources from the public and private sectors and support from all the stakeholders in the community-development field. Indeed, with adequate support, CDCs could achieve even greater results for our state. Therefore, MACDC and our members are working to build the power we need to win this support.

WE WILL BUILD COALITIONS WITH NEW AND OLD PARTNERS TO STRENGTHEN AND AMPLIFY OUR VOICE,

WE WILL DOCUMENT OUR RESULTS TO SHOW THE VALUE OF COMMUNITY-DEVELOPMENT PROGRAMS,

WE WILL ENGAGE MORE OF OUR MEMBERS AND OUR LOCAL LEADERS TO BRING THE MESSAGE FORWARD, AND

WE WILL BE FORCEFUL ADVOCATES WITH PUBLIC AND PRIVATE DECISION MAKERS.



**MASSACHUSETTS ASSOCIATION OF
COMMUNITY DEVELOPMENT CORPORATIONS**

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The Massachusetts Association of Community Development Corporations (MACDC) is the policy and capacity-building arm of the community development movement in Massachusetts. We support and advance the affordable housing, economic development, and community-building strategies of our members. We work to build the power of low- and moderate-income people to achieve greater economic, social, and racial justice.