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 thirty years ago, Massachusetts CDCs have developed over twenty-four thousand homes and attracted over $2 billion in investments for low and moderate income communities. In just the past four years, CDCs helped create or preserve over 5,000 homes and almost 8,000 job opportunities and helped almost 4,000 locally owned businesses and aspiring entrepreneurs. CDCs achieved these results in communities across the state, from Cape Cod to Boston to the Berkshires and many places in between.

Since 2003, MACDC and its 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 economic 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 four years.

During 2006, Massachusetts CDCs:
- Engaged 1,756 volunteer community leaders in CDC activities;
- Built or preserved 1,419 homes;
- Created or preserved 1,693 job opportunities;
- Provided technical and financial support to 869 locally owned businesses;
- Supported 15,857 families with housing, jobs, training, or other services; and
- Attracted $195 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 its members will build the power we need to be a force for change across the state, while strengthening the capacity of our members to do more with the resources that already exist.
2006 RESULTS: 1,756 LEADERS ENGAGED

In 2006, CDCs engaged 686 board members and 1,070 other leaders, and represented a membership of 22,992.

CDCs and other community-based organizations stand out among those that develop affordable housing and provide educational and social services, not just because of how much they do, but also in the way that they do it. Engaging and nurturing local leaders, particularly among lower-income communities and communities of color, is an integral part of our mission. 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 those priorities in their communities.
- Building support for CDC initiatives among local and state officials.
- Recruiting others to participate.
- Leading and participating in statewide advocacy campaigns led by MACDC.
- Taking on leadership roles such as public speaking, fundraising, and/or negotiating with public and private partners.

2003-2006 RESULTS

Goal: At least 1,700 leaders engaged per year.
Results: Exceeded 1,700 leaders engaged every year.
2006 RESULTS: 1,419 HOMES CREATED OR PRESERVED

- In 2006, CDCs created 848 newly constructed or rehabilitated homes and preserved an additional 571 homes by addressing code violations and health and safety concerns.
- Of the 848 new homes developed, 91% are rental.
- A total of 32 separate projects created new homes from Boston to Stockbridge.
- At least two-thirds 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 24,000 homes across the state.
- MACDC’s successful advocacy resulted in a $30 million recapitalization of the Brownfields Redevelopment Fund and an extension of the Historic Tax Credit.

CDC OF SOUTH BERKSHIRE COUNTY
PINE WOODS

Affordable rental housing is scarce in the southern part of Berkshire County, where vacation homes predominate, and year-round residents, many of whom work in the service sector and tourism industry, have a hard time finding a place to live. The recently completed Pine Woods project in Stockbridge will offer 30 newly constructed rental units, with 25 of these units reserved for low income families. The project will also incorporate green design features, including Energy Star appliances, high efficiency boilers, and more insulation.

HOMES Created or Preserved by Type—2006

- Rental Units Developed: 54%
- Units Preserved by Remediation of Health and Safety Code Violations: 40%
- Homeownership Units Developed: 6%

2003-2006 RESULTS

Goal: Build or improve 5,700 homes statewide over four years.

Results: 5,186 units built or improved.
JUST A START
BIOMEDICAL CAREERS
PROGRAM

We have a gap in Massachusetts between undertrained youth and adults who have graduated from high school and are in search of better paying, career-related jobs, and employers who can’t find qualified people to fill the jobs. Just a Start, a CDC based in Cambridge, fills that gap with the Biomedical Careers Program. In partnership with Bunker Hill Community College, each year 30 people from Cambridge and the inner Metropolitan Boston area enroll in academic, computer and lab courses, obtain college credits and are connected to jobs at biomedical labs in the area. Last year, 28 out of 30 graduates were placed and saw their wages upon entry into the new job jump from $7,000 to $10,000.

2006 RESULTS: 1,693 JOBS OPPORTUNITIES CREATED OR PRESERVED

- To complete their real estate–development activities, CDCs contract with local and minority-owned construction firms that provided 780 solid jobs for area residents.
- The businesses that lease commercial space developed by CDCs created 85 jobs.
- Businesses that obtained technical and financial assistance from CDCs created 256 jobs.
- In 2006, thirteen CDCs also delivered workforce training and assistance. They helped 572 individuals strengthen their labor skill sets from basics—such as computer literacy and speaking English—to the specialized—such as skill development for positions in the healthcare field.
- Combined, these activities help CDCs act as local economic engines that create thousands of job opportunities for area residents.

2003-2006 RESULTS

Goal: Create or preserve 9,500 job opportunities over four years.

Results: 7,966 job opportunities created or preserved.
2006 RESULTS: 869 ENTREPRENEURS ASSISTED WITH ONE-ON-ONE TECHNICAL ASSISTANCE

- CDCs also provided classes and workshops to 718 existing and aspiring business owners.
- CDCs helped 79 entrepreneurs obtain a total of more than $2.25 million in financing. Of these, more than 50% were loans to minority- or woman-owned businesses.
- CDCs operated innovative business development programs to serve specific business sectors such as the food industry, home-based child care providers, artisans and crafts people, hair and nail salons, and local retail stores.
- MACDC played a leadership role in the creation of a new $2 million fund to provide Technical Assistance to small businesses.

Rep. David Torrisi visits local business owners that were assisted by the Lower Cape Cod CDC.

LOWER CAPE COD CDC BUSINESS BUILDERS PROGRAM

As in many resort areas, Lower Cape Cod has ample jobs available in the service industry, but few opportunities for building a career. The solution to this problem that many of the area’s residents find is to start their own businesses. While these entrepreneurs often have special talents and a passion for their work, they often lack sophisticated business knowledge. Understanding the special role of small businesses in their community, and the skills gap that many small business owners face, Lower Cape Cod CDC offers the Business Builders program, a menu of classes and tools targeted at this group.

Small Business Assistance by Type of Assistance— 2006

- One-on-One T.A.: 52%
- Training: 43%
- Loans: 5%

2003-2006 RESULTS

Goal: Assist 3,500 entrepreneurs to start or grow their business over four years.

Results: 3,925 entrepreneurs assisted.
2006 RESULTS: 15,857 FAMILIES ASSISTED

- CDCs provided first-time homebuyer training and landlord-tenant mediation to 6,351 people.
- CDCs created or preserved job opportunities for 1,693 people.
- CDCs provided programs for 3,291 young people.
- CDCs provided services to 1,235 seniors in our communities.
- CDCs created or preserved housing opportunities for 1,419 families.
- CDCs provided Adult Basic Education and English for Speakers of Other Languages classes to 966 people.
- CDCs provided individual-development accounts to 109 people.
- CDCs helped 793 take advantage of the federal earned income tax credit.

Families Assisted by Service Category - 2006

<table>
<thead>
<tr>
<th>Service Category</th>
<th>Families Assisted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Purchase Homebuyer Counseling</td>
<td>29%</td>
</tr>
<tr>
<td>Youth Programs</td>
<td>21%</td>
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<tr>
<td>New Jobs</td>
<td>11%</td>
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<tr>
<td>New Homes</td>
<td>3%</td>
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<tr>
<td>Elder Programs</td>
<td>8%</td>
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<tr>
<td>Landlord/Tenant Remediation</td>
<td>4%</td>
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<tr>
<td>Post-Purchase Homebuyer Counseling</td>
<td>6%</td>
</tr>
<tr>
<td>IDA and Earned Income Tax Credit Assistance</td>
<td>6%</td>
</tr>
<tr>
<td>Adult Basic Education and ESOL</td>
<td>6%</td>
</tr>
</tbody>
</table>

Graduates of Lawrence Community Work’s Family Asset Building Program

Lawrence Community Work’s educational programs focus on three areas: the Family Asset Building Programs, Movement City, which features innovative youth programs, and community organizing. LCW’s Our House for Design and Technology, currently under construction, will provide space for the provision and expansion of LCW’s educational programs, currently operating at capacity. The building will enable LCW to more than double the number of participants in their courses over the next two to three years. This program expansion will result in an expansion of the program’s benefits—jobs, savings, and homeownership for its participants.

2003-2006 RESULTS

Goal: Assist 48,000 families obtain new assets, skills, and opportunities over four years.
Results: 58,654 families were assisted.
2006 RESULTS: $195 MILLION SECURED FOR COMMUNITY REVITALIZATION

- CDCs completed 33 housing, commercial, and mixed use real estate development projects with total investment of $178.1 million.
- CDCs completed 5 open-space projects with a total investment of $6.1 million.
- CDCs secured $2.25 million in financing for local entrepreneurs.
- CDCs lent $8.7 million to low and moderate income homeowners to finance repairs and improvements.

LOCAL OFFICIALS IN TAUNTON JOIN THE NEW OWNER OF MODERN TRENDS SALON, A RECIPIENT OF A SMALL BUSINESS LOAN FROM THE WEIR CORPORATION.

2003-2006 RESULTS

Goal: Secure $850 million in investment over four years.
Results: Secured $828 million in investment.

WORCESTER COMMON GROUND, EDDIE’S MARKET

CDCs frequently invest in the rehabilitation of inner city buildings, providing multiple benefits to the community. Worcester Common Ground recently partnered with a local business owner to invest $1.4 million in Eddie’s Market, which now offers six units of affordable rental housing to go with the refurbished 3,000-square-foot market. This building is an excellent example of smart growth development, with its emphasis on a mix of uses, reuse of an older building—including conversion of long-vacant floors above the storefront into affordable housing—and urban location with access to public transportation.

LOCAL OFFICIALS IN TAUNTON JOIN THE NEW OWNER OF MODERN TRENDS SALON, A RECIPIENT OF A SMALL BUSINESS LOAN FROM THE WEIR CORPORATION.

Breakdown of CDC Investment—2006

- Real Estate Development: 94%
- Home Improvement Loans: 5%
- Small Business Loans: 1%
The results achieved over the past year and the past four 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.

Informed and encouraged by our track record over the past four years, we have established more ambitious goals for the next four. The MACDC GOALS Initiative will work from 2007 through 2010 toward our new four-year goals:

- Engage 2,000 community resident leaders each year to lead our efforts;
- Build or preserve 6,000 homes;
- Create or preserve 9,000 job opportunities;
- Help 5,000 locally owned businesses start, grow, or stabilize their businesses;
- Provide economic and educational opportunities to 100,000 families; and
- Attract $1 billion in private and public investment to revitalize our communities.

The goal we have set for serving families incorporates a change in measurement from past years by including, each year, the number of families living in CDC-owned and managed rental apartments. We think this change will more fully reflect the role that our members play in their communities.

The achievement of these goals will require significant shifts in state and federal policies, so MACDC and its members are working to build the power we need to win those changes. Toward that end,

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 economic 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.

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.