

MACDC GOALS Initiative

Growing Opportunities, Assets, and Leaders across the Commonwealth

Community Development Corporations (CDCs) are nonprofit organizations that engage local residents to work together to achieve economic stability and a high quality of life for families at all economic levels, in particular those with low or moderate incomes. CDCs help communities achieve goals such as enlarging the stock of affordable homes, developing and enhancing local businesses, helping people earn more money and increase their savings, and expanding civic participation and leadership development. CDCs are an extraordinarily diverse set of organizations because each is adapted to the unique characteristics and opportunities of the communities they serve. This community-led, bottom-up approach is the key to their success at the local level. Since 2002, MACDC has documented the work of our members through the Growing Opportunities, Assets and Leaders (GOALS) Initiative. Each year, we conduct a detailed online survey of our members to learn precisely what they have accomplished and issue a GOALS Report.

CDCs, their members and communities faced unprecedented challenges in 2008. This report documents that in spite of the widespread economic downturn, CDC's community-led creativity, determination and perseverance accomplished remarkable progress.

During 2008, MACDC's Members:

- Engaged **1,789** community leaders who volunteered in CDC activity
- Built or preserved **1,273** homes
- Created or preserved **1,489** job opportunities
- Assisted **1,024** entrepreneurs to start, grow, or stabilize their businesses by helping them to write business plans, identify new markets, improve operations and obtain financing
- Supported **32,655** families with housing, jobs, foreclosure prevention counseling, homebuyer education and other services
- Attracted more than **\$248 Million** in both public and private investment to support their community improvement efforts



Ribbon cutting ceremony for The Neighborhood Corporation's 117 Ingell Street in Taunton, a five-unit mixed-income homeownership project, brings the community together.

Leaders 1,789 Community Leaders Engaged

In 2008, CDCs engaged over 1,700 board members, staff and community leaders from organizations representing almost 30,000 members.

The success of CDCs in developing housing available to people of modest incomes and providing educational and social services stems from how they approach and accomplish their work. Engaging and empowering local leaders, making sure that lower-income communities and communities of color are included, is an integral part of successful community projects. Every day, community by community, CDC board members and volunteer leaders help achieve positive change by:

- Working with local residents, businesses and other stakeholders to set organizational priorities and strategies that meet their needs
- Connecting new leadership and community members with local and state officials
- Recruiting residents to participate in the future of their community, and developing new grassroots leaders
- 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

Case Study: Somerville Community Corporation Empowers Residents to Influence the Green Line Extension

In the summer of 2008, Somerville Community Corporation organized a campaign to address the MBTA Green Line Extension that is expected to open in Somerville in 2014. Somerville is on the brink of great change and SCC wants the community to be actively involved in preserving the diversity of the city. When the Green Line opens, it is anticipated that property values will increase which could gentrify the community and push out families and local businesses. SCC is committed to preventing the displacement of lower-income families and long-time residents and creating a community where everyone has access to housing they can afford. “We’re trying to catalyze engagement,” says Meridith Levy, Director of the Department of Community, Power and Resources at SCC. “We want to build a collective voice because you’re so much stronger as a collective voice than as an individual voice.” Working with approximately 40 resident volunteers, the coalition facilitates house meetings, door knocking, and data collection in order to better hear the voice of the community and ultimately come up with proposals for how best to develop vacant or underutilized parcels near the new Green Line stations. This will ensure that everyone benefits from the expanded access to transit and the economic opportunity it will bring.



SCC and its community partners convene residents to develop community vision for Somerville along the proposed Green Line Corridor.

Homes 1,273 Homes Built or Preserved

Case Study: Chelsea Neighborhood Developers Redevelops Former Box Works Factory Into Affordable Homes

Chelsea Neighborhood Developers completed construction of the Box Works Homes in Chelsea's Box District in March 2008, transforming an old mattress factory into 26 mixed-income townhouses. The Box District is becoming a vibrant part of the city after being dormant since the 1960s when most of the neighborhood manufacturing plants closed. The Chelsea Public Library, City Hall, Chelsea's downtown area, Bunker Hill Community College, the Senior Center and the YMCA are within walking distance in this transit oriented neighborhood that features the commuter rail and five bus routes. The Box District is a true example of a new smart growth neighborhood.



The Box Works Condos interiors are modern, spacious, and full of light.



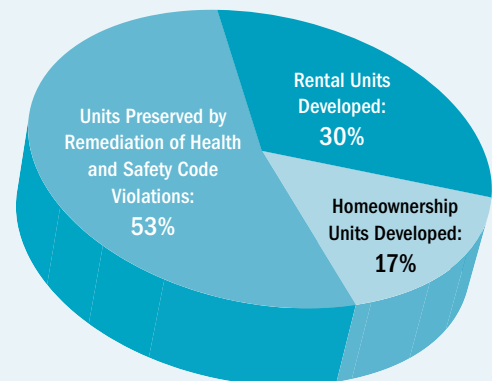
The colorful new Box Works Condos line the street of the once industrial Box District.

Box Works Homes includes 16 affordable units and 10 market rate units in three buildings. The building design features colorful, modern exteriors. The development has attracted residents from Chelsea and the Boston area; a number of new homeowners have even referred their friends to buy at Box Works. Residents reflect a diverse mix of ages, professions, and ethnicities. Emily Loomis, Project Manager at Chelsea ND, says, "It's exciting to see residents building connections with their neighbors and building a community in the Box District."

2008 RESULTS

- CDCs constructed, rehabilitated, or preserved **602** homes and provided home improvement loans or lead abatement services for **671** homes
- Of the 602 homes developed, **about two-thirds** are rental
- **35** separate projects created new homes across Massachusetts
- **Almost all of the 35** CDC housing construction projects incorporated "green" development strategies designed to make homes less expensive to heat, cool and maintain, making them healthier with less impact on the environment
- In 2008, MACDC helped secure **passage of the State's \$1.275 Billion Housing Bond Bill**, to support additional housing development over the next five years

HOMES CREATED OR PRESERVED BY TYPE – 2008



Jobs 1,489 Job Opportunities Created or Preserved

Case Study: CDC Construction Projects Create Job Opportunities for People of Color

MACDC's members promote equal opportunity and diversity in the workforce. According to a study published by MACDC in September 2008, they are making significant progress toward this goal. MACDC members, in particular those in Boston, have been successful in contracting with minority-owned business enterprises (MBEs) and hiring people of color for their real estate development projects. The MACDC report, *Diversifying Opportunity: An Assessment of the Contracting Practices of MACDC Members*, found that

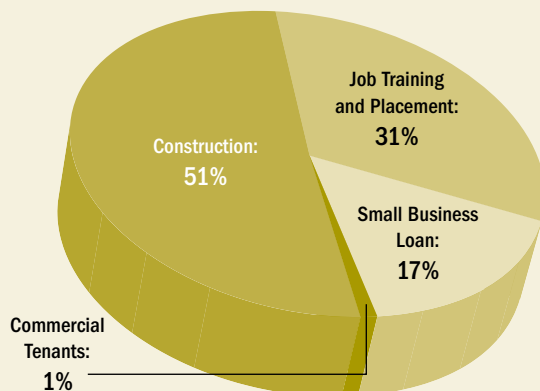


Seventy-five percent of Allston Brighton CDC's construction jobs for Hano Homes were for people of color.

2008 RESULTS

- CDC real estate projects provided **755** jobs to local workers
- CDCs helped **463** people obtain jobs by strengthening their skills and connections to employers
- Businesses that obtained technical and financial assistance from CDCs created **255** jobs
- **16** jobs were created by businesses that lease commercial space developed by CDCs

SOURCE OF JOB OPPORTUNITIES – 2008



MACDC members have a minority hiring rate of 43% and in Boston the rate is 49%. Other non-profits have a minority hiring rate of only 25%. CDCs were able to meet 48% of their MBE goals, with a slightly higher rate in Boston of 54%. As a result, the study found that MACDC members provided over \$191 million in construction contracting opportunities to MBEs from 2002 to 2007. And in 2008, MACDC estimates that statewide, CDCs provided construction jobs for 325 people of color, including 127 in Boston. CDC real estate projects not only provide homes for families that need them, but also economic opportunities for workers throughout the community.

Entrepreneurs 1,024 Local Entrepreneurs Helped

2008 RESULTS

- CDCs provided personalized technical assistance to **1,024** entrepreneurs
- **1,392** existing and aspiring business owners attended CDC sponsored classes
- CDCs helped local entrepreneurs obtain more than **\$4.54** million in financing and created or preserved **255** jobs
- MACDC helped secure **\$1 million** in state funding for the Small Business Technical Assistance Grant Program administered by the Department of Business Development, funding CDCs and other community-based organizations to support local businesses



ACT Executive Director Ana Luna conducts a business training workshop to a room full of entrepreneurs.

Case Study: Arlington Community Trabajando Trains Small Business Owners

Each year, Arlington Community Trabajando, a CDC in Lawrence, holds four workshops plus a number of one-on-one sessions to train small business owners how to successfully run their businesses. In 2008, 90 participants were trained in taxes, marketing, accounting, legal clinics, business bankruptcy prevention, business debt management, financing options, health insurance in Massachusetts and sales strategies. Through their 2008 workshops, ACT helped to establish 6 new businesses including a carpet cleaning franchise, a property management company, a beauty salon, two radio shows and a business consultant. G. Paniagua, a childcare provider who participated in one of ACT's workshops, says, "The training I received at ACT helped improve my childcare business. I was able to organize my finances and accounting to prepare for my taxes. Now, I am better prepared with my budget and record keeping. Thanks ACT, for all your support."



Marie Lisewski in her Laurel Mountain Basket Company retail shop in Easthampton, MA.

Case Study: Valley CDC Helps Business Owner Expand

Valley CDC's Small Business Development Program provides one-on-one technical assistance and workshops and seminars to income-qualified small businesses and entrepreneurs in Western Massachusetts. Funding from the state's Small Business Technical Assistance Grant Program has enabled them to broaden their client base and serve a wider range of businesses. Valley CDC consults very closely with entrepreneurs to help them with marketing, business plan development, financial and business projections, contractual agreements, business growth, and to obtain financing from financial institutions and organizations.

Marie Lisewski, owner and founder of Laurel Mountain Basket Company, has been using Valley CDC's services for several years. She creates beautiful gift baskets but historically had only been involved in individual sales. She decided to expand and accommodate commercial buyers such as banks who may want to purchase in quantity for customer appreciation days or holidays. Valley CDC continues to help Ms. Lisewski with marketing advice as she makes the transition from consumer to business markets.

Families 32,655 Families Supported with Housing, Jobs, or Other Services

Case Study: Worcester CDCs Collaborate to Address the Foreclosure Crisis



A revitalized Worcester home after successfully going through the Receivership program.

Worcester's CDCs and other non-profits are actively working together with the City to attack the foreclosure crisis in a comprehensive manner with three distinct strategies: prevention, stabilization and property acquisition. These efforts are not only helping homeowners facing foreclosure, but also tenants who live in those buildings and neighbors whose property values and safety are undermined by foreclosed properties that become abandoned and blighted.

Prevention: The Homeownership Center of Worcester, which is a partnership between the City and four nonprofit organizations (Oak Hill CDC, Worcester East Side CDC, Worcester Community Housing Resources, and the Central MA Housing Alliance) provided foreclosure prevention assistance to over 500 households in 2008.

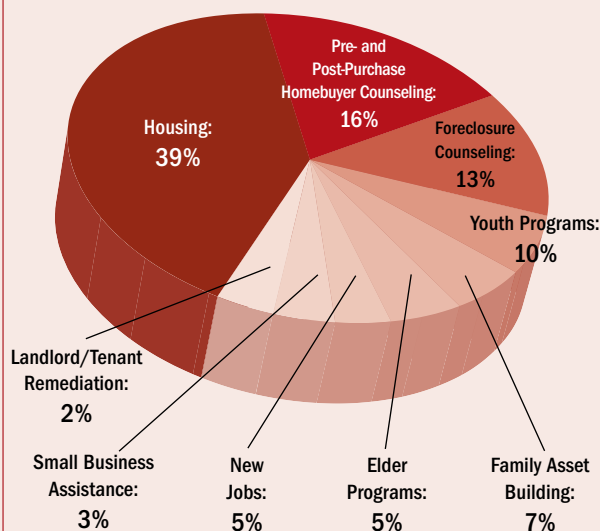
Stabilization: Worcester Community Housing Resources (WCHR) acts as the Administrator for the Worcester Receivership Program, providing technical assistance to other local organizations who serve as receivers. So far, 75 units have gone through the program, which uses the power of the Courts to ensure that occupied distressed buildings are maintained as decent housing for families, while longer term property preservation strategies are being developed. "The reason why the program has been so successful is the close working relationship with all the organizations involved including Worcester's CDCs and the City of Worcester," says Matthew Wally, WCHR's Executive Director.

Property Acquisition: Several CDCs, including Main South CDC and Worcester Common Ground, are engaged in efforts to acquire and renovate foreclosed properties in order to preserve the City's affordable housing stock and address the devastating impact that foreclosed properties have on neighborhoods.

2008 RESULTS

- Provided rental housing to **11,578** households
- Provided foreclosure prevention counseling and assistance to **4,074** households
- Provided pre- and post-purchase training to **5,221** first-time homebuyers
- Provided programs for **3,215** young people
- Provided **2,288** families with family asset building services such as Individual Development Accounts, Earned Income Tax Credit assistance, English classes, and Adult Basic Education
- Provided services to **1,733** seniors in our communities
- Created or preserved job opportunities for **1,489** people
- Created or preserved housing opportunities for **1,273** families
- Helped **1,024** small businesses
- Provided landlord/tenant mediation services to **760** households

FAMILIES ASSISTED BY SERVICE CATEGORY - 2008



Investment \$248 Million Invested in Local Communities

Case Study: Quaboag Valley CDC Creates Office Space for Area Non-profits

In 2004, Quaboag Valley CDC's Board decided to research commercial development in order to bring their office to a more central place in their service region, to generate another source of revenue for the CDC and to assist other non-profits in the area. After consulting with other nonprofits, the CDC partnered with the Town of Ware to successfully secure \$400,000 in Community Development Block Grant funding from the State. This enabled the Quaboag Valley CDC, in 2008, to acquire and outfit the building at 23 West Main Street in Ware providing office space for the CDC and other area nonprofits.

The building now contains 7,400 square feet and includes the CDC office and three commercial tenants: a dance studio, a local social service agency's day care program, and the Ware Adult Learning Center. The building is located in the low-income inner core of the



Quaboag Valley CDC is now centrally located in their new building in downtown Ware.



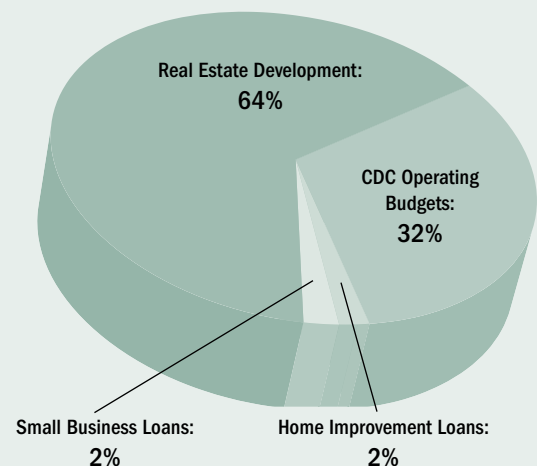
Skochii Bennett Pulchlopek, CDC staff (left), and Laura Howard, CDC consultant (right), enjoy their new office space.

town and is easily accessible. "These are vital resources particularly for the low-income population," says Susan Rutherford, Executive Director of Quaboag Valley CDC. "There's turning out to be a definite synergy among the organizations. Not only can we share physical resources, but many of our clientele move from one organization to another." What's more is that this investment is helping to revitalize downtown Ware, improving the quality of life for all town residents and strengthening the region.

2008 RESULTS

- Completed 36 housing, commercial and mixed-use real estate development projects with total investment of **\$157.7 million**
- CDC operating budgets totaled **\$79.2 million**, representing the substantial investment these organizations make in providing services and programs to local communities
- Lent **\$5.3 million** to low- and moderate-income homeowners to finance repairs and improvements
- Secured **\$4.5 million** in financing for local entrepreneurs
- Completed two open-space projects with a total investment of **\$1.7 million**

BREAKDOWN OF CDC INVESTMENT— 2008



Moving Forward

MACDC is halfway through the four year time period that we established for our 2007–2010 goals. Our members have exceeded their goals in terms of families served and investment secured. While the current economic crisis has prevented them from maintaining a pace that currently meets all our goals for creating homes, jobs and small businesses, they have already achieved more than 40% of their 4-year goals. For example in 2008 Massachusetts CDC's created or preserved almost 1,300 housing units despite the dramatic decline of the real estate market — a significant accomplishment.

The economic crisis that hit hard in 2008 and continues in 2009 will no doubt impact CDC production in the coming years because housing production in the future depends on what is in the pipeline today. Despite the obvious challenges, MACDC and our member CDCs are laying the groundwork for a stronger community development field in the future even as we cope with the immediate crisis.

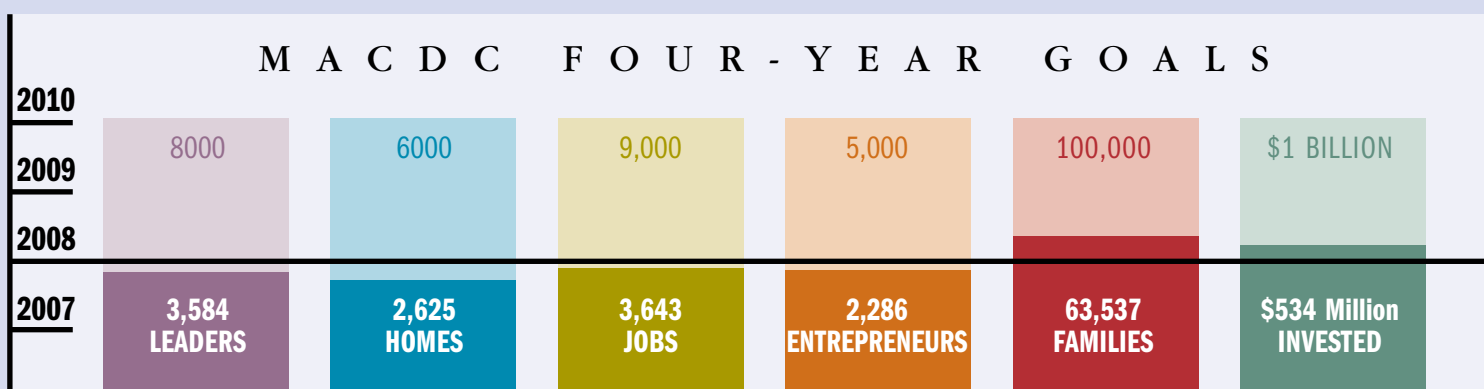
In response to the changes in the economy and in the CDC field, MACDC has initiated three strategies as part of our work in 2009 and 2010 that will position the community development field for even greater impact and success in the years to come.

First, MACDC's *Campaign for Our Neighborhoods* will push for policies and programs at the state and federal level that will help local communities and CDCs achieve their goals. We see a growing understanding and recognition of our work that we believe creates new policy opportunities for enhancing community development's role in creating better communities and neighborhoods.

Second, MACDC has partnered with LISC and many other stakeholders to establish the *Community Development Innovation Forum* to challenge us, our members and our partners to approach our work with new creativity and increased collaboration.

Third, the newly established *Mel King Institute for Community Building* will advance the skills, knowledge, and leadership capacity of professional community development practitioners and volunteer leaders that are needed to help local communities take charge of their own destiny.

Massachusetts' community development corporations will play a critical role in the economic recovery and sustained prosperity of our neighborhoods and communities — a role that we embrace. As an organization, MACDC will strive to work ever more effectively with our members and partners to ensure that they have the policy tools, financial resources and capacity to succeed in reaching our shared goals.



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.