

## **Community Investment Tax Credit Program Application**

### **Introduction**

The Greater Boston Local Initiative Support Corporation (LISC) is pleased to submit this application to serve as a Community Support Organization (CSO) for the Community Investment Tax Credit Grant Program (CITC Grant Program).

LISC has a long history of supporting CDCs to develop capacity and deepen community impact. Since 1979 LISC has been helping community residents transform distressed neighborhoods into healthy and sustainable communities of choice and opportunity. Now operating 31 local programs across the country, LISC is the largest community development funding organization in the US. LISC's Boston office was founded in 1983 to support the work of CDCs that are working to revitalize low and moderate income neighborhoods in Greater Boston.

In addition to our work supporting community development activities at the local level, we bring national best practices in place-based community development to Massachusetts. In recent years we have expanded our geographic focus, now delivering many of our capacity building services statewide. As a CSO we will deliver our expertise through a suite of services that will help CDCs across the state to organize internally, build capacity, attract new sources of funding and further the success of the CITC program. If we are selected as a CSO we anticipate meeting regularly, and also with DHCD and the United Way, and MACDC to ensure a supportive and collaborative working relationship.

### **Section 1: Proposed Workplan**

LISC provides a range of capacity building services to assist CDCs that will be made available to all certified CDCs that have received, or hope to receive, tax credits through the CITC Program.

While much of our current work is focused on greater Boston, we operate several initiatives throughout Massachusetts. These tax credits will allow us to expand the reach of more of our capacity building services. Our expansion in Massachusetts' rural areas will be aided by LISC's national rural program specialists who currently support one rural CDC in Massachusetts and are poised to expand to additional organizations here. As a CSO, we will be well positioned to build organizational capacity for the full range of Massachusetts CDCs.

We currently have working relationships with two-thirds of the 44 certified CDCs in the state, including a number of Gateway Cities and others beyond greater Boston. (Please see the table of supported organizations in the attachments.) In order to introduce other CDCs to LISC (and to introduce the full breadth of LISC to those currently served by only one program), LISC will hold three introductory workshops in eastern, central and western Massachusetts within the first 45 days after award of the Community Investment Tax Credits.

***Existing Services***

We currently offer general organizational capacity building support and will expand this work as a CSO. In addition, we will continue to provide program specific assistance on four programmatic areas central to CDCs: Community-Based Planning, Engagement and Implementation; Real Estate Development and Asset Management; Community Safety, and Family Income and Financial Stability.

**Building Organizational and Staff Capacity**

The ability of CDCs to effectively address community challenges depends on their overall strength and capacity as organizations, their ability to hire and retain staff, and overall financial strength. The financial crisis of 2008 and lengthy recession created additional challenges as organizational and project funding sources are constrained and increasingly competitive. As a result of these needs, LISC has continued and expanded our work to build the organizational strength and human capital of Massachusetts CDCs through these activities:

1. We support innovative efforts of CDCs to collaborate or merge for increased impact as a partner in the Catalyst Fund for Nonprofits. LISC engages 2-3 consultants per year to provide direct technical assistance and support to Catalyst Fund grantees.
2. We provide grants through HUD Section 4 Capacity Building funds that LISC administers, and specialized training on specific organizational issues like improving financial systems using both local and national expertise (such as webinars on the Strength Matters accounting and reporting recommendations and other best practices). LISC provides \$50,000 - \$100,000 in general capacity building funding to CDCs each year to 2-3 organizations.
3. The LISC AmeriCorps program directly increases organizational capacity by providing additional staff resources and builds the capacity of the field overall by bringing new people into the Massachusetts community development field. Many of those people stay in the field and make important contributions. LISC currently provides 10 full time AmeriCorps members per year. AmeriCorps CDCs are selected each summer through an RFP process and the AmeriCorps service year runs from September to July each year.
4. We are an active founding partner with MACDC and others in the Mel King Institute for Community Building which provides organizational development workshops and training.

**Community-Based Planning, Engagement and Implementation**

Communities are complex systems. CDCs, sometimes one of the few nonprofit agencies in their geographies, often work in communities with multiple barriers to opportunity. As the economy and local demographics change, so too do the needs of neighborhood residents. Periodic comprehensive planning ensures that CDCs have the most up to date information about the needs of their communities and helps CDCs continually develop leadership within local communities. Through the Resilient Communities, Resilient Families (RC/RF) initiative, LISC provides services to CDCs attempting to navigate the complexities of community based organizing and planning. These capacity building resources include:

1. A three-part capacity building workshop series focused on designing planning process, strategies for data collection, and constructing/writing the community plan document.
2. Intensive technical assistance which includes support for community meeting facilitation, data collection, and strategy development.
3. Site visits, conferences and forums. To build local CDC staff's knowledge of national best practices, LISC hosts site visits to other cities and national conferences. We also hosted a Mel King Innovation Forum on Whole Community Building attended by over 100 people and have received inquires from other CDCs about these services.

### **Real Estate Development and Asset Management**

Massachusetts CDCs own 16,000 units of affordable housing and are an important generator of new affordable housing development and preservation in Massachusetts. But affordable housing finance and development are complex endeavors; CDCs need to have experienced, high-capacity staff to efficiently develop and maintain their properties. LISC works to increase capacity of CDCs to develop and own affordable housing and other real estate by:

1. Providing technical assistance and advice to our borrowers and others on project development (ongoing).
2. Offering an annual Project Manager Seminar which provides training and peer learning to six CDC project managers each year (seminar runs from fall through the summer).
3. Working with the Mel King Institute, which we co-founded with MACDC to develop and provide an array of real estate development and asset management trainings. LISC worked to bring the Consortium for Housing and Asset Management sequence of trainings to MA through MKI, which certifies asset managers. (Each course has its own timeline; course offerings throughout the year.)
4. Managing the Massachusetts Green Retrofit Initiative (GRI), which is a state-wide initiative seeking to build energy efficiency capacity of affordable housing owners. Activities include a peer learning network (17 CDCs, meets 6 times per year), training sessions and webinars, and technical assistance on building science and financing options. We are currently working with 46 owners through the GRI, 16 of which are certified CDCs.

### **Community Safety**

Safety, and freedom from fear and violence, is one of the most basic human needs. All crime happens in a "place" and some places are more conducive to crime than others. For example, places hidden from view, dark and difficult to monitor, and where crime is not reported become favorites for those engaged in criminal activity. For 18 years, LISC's community safety initiative has helped CDCs find solutions to crime through built environment and community-police partnership solutions. In Boston and nationally, we deliver the following support services:

1. Workshops on research-based strategies for CDCs focused on reducing crime. The strategies focus on making "place" less welcoming to crime through changes in built design, establishment of strategic police-community-CDC partnerships, and community organizing.

2. Technical Assistance in making place-specific plans for crime hot spots, as well as on how to quantitatively track and measure progress in crime reduction in target areas.

### **Family Income and Financial Stability**

LISC's Financial Opportunity Center (FOC) program serves CDCs that are operating financial stability programs for neighborhood residents. Last year, CDCs assisted 51,765 with housing, jobs and other services, with the goal of advancing financial stability. The research based program, originally created by the Annie E. Casey Foundation, found that bundling financial counseling, workforce, and benefits maximization accelerates achieving financial health. This program helps CDCs seeking to deepen their family financial supports through:

1. A "basics" workshop series that provides training in financial coaching in order to increase their capacity to service clients seeking to improve their financial stability.
2. A workshop series on financial topics, such as credit repair and managing debt, to prepare CDC staff to deal with their clients challenging financial situations.
3. A community of practice (COP) for peer learning and support for CDC staff operating financial opportunity centers. The first, which meets every other month is for site supervisors/managers and focused on management issues related to staff supervision and performance management.
4. A second COP for financial coaches and other front line staff that focuses on best practices for serving clients in financial hardship.
5. Additional services including technical assistance through access to the Efforts to Outcomes database which allows sites to track their progress, training and follow up support for the database, and a national conference is also available to participants.

### ***Expanded Services***

In addition to our continued delivery of the above services, if selected as a CSO we will offer the following expanded array of services to CDCs statewide over the next twelve months.

<b><u>Programmatic Area</u></b>	<b><u>Activity</u></b>	<b><u>Timeline</u></b>
<b>Building Organizational/ Staff Capacity</b>	Expand HUD Section 4 Capacity Building to 3-5 additional CDCs using LISC capacity mapping tools to assess CDC strength.	Throughout the year
	National best practice webinars.	2-3 times in the year
	Expand number of AmeriCorps members provided to CDCs to 20.	Member year: Sept – July
<b>Community-Based Planning, Engagement, Implementation</b>	Host 4-6 statewide comprehensive community planning workshops.	Spring, fall

	Provide customized TA such as LEED-ND.	As needed
	Assist CDCs not yet funded through CITC to prepare community plans.	Throughout the year
<b>Real Estate Development/Asset Management</b>	6 peer learning sessions on organizational, portfolio-wide planning around asset management and energy efficiency.	Throughout the year
	2 new trainings and/or webinars.	Spring, Fall
	Project level TA to new organizations.	As needed
	Expansion of GRI on portfolio planning for up to 20 organizations.	Beginning in June 2014
<b>Community Safety</b>	Host 3-4 additional workshops.	Spring, Summer
	Intensive support for additional CDCs	Fall, Winter
<b>Family Income/Financial Stability</b>	Host workshop series throughout state.	Fall
	Increase size/number of COPs.	As needed

## **Section 2: Effectiveness of Proposed Activities**

Over the past thirty years Boston LISC has provided more than \$20 million in capacity building and operating support, technical assistance, and program funding to more than fifty Massachusetts community based organizations. We have placed more than 120 AmeriCorps members at CDCs and have provided training for more than five hundred CDC staff members.

LISC is known as a capacity building leader both locally and nationally. Our national work building community safety strategies has been recognized with a national technical assistance contract by the Department of Justice (DOJ) to support community strategies by the DOJ's Byrne Program. Attorney General Eric Holder and HUD Secretary Shaun Donovan will attend a LISC-organized national convening on January 15, 2014 on Community Safety strategies.

LISC is also a leader in place-based community development work, helping CDCs over the past ten years to adopt and advance comprehensive community development principles. LISC's nationwide Building Sustainable Communities initiative has become a national model for that work. Boston's version of this model, Resilient Communities/Resilient Families (RC/RF), launched in 2010 and is supported by DHCD CSBG funds. In this initiative, we are supporting three comprehensive neighborhood efforts in Mattapan, Codman Square/Four Corners and the Warren Street Corridor of Roxbury with grants and intensive technical assistance.

### ***How LISC Activities Result in Increased CDC Capacity & Examples of Past Effectiveness***

The grants and training we have provided to date have helped organizations complete significant projects that have met pressing community needs. Our financing and support has resulted in the development of more than 12,000 affordable homes and apartments and more than 2,000,000

square feet of office, retail and industrial space in low and moderate income neighborhoods. Through collaborative efforts with other organizations we created important field-strengthening entities including the Boston Housing Partnership, the Neighborhood Development Support Collaborative, and the Ricanne Hadrian Initiative for Community Organizing and the Mel King Institute for Community Building.

LISC's RC/RF work over the last three years, supported by DHCD, has had significant results in building the capacity of the CDCs serving as the convening agencies for neighborhood coalitions. In the three RC/RF communities several thousand residents have been engaged, community coalitions have completed community contracts, and each have begun implementation of key strategies including creating a business plan competition, an eco-innovation district, youth programs and commercial district promotion efforts. For example, LISC's help, The Codman Square Neighborhood Development Corporation, acting on behalf of the Millennium Ten coalition has been successful in attracting more than \$600,000 in additional philanthropic resources beyond those directly raised by LISC (over \$500,000 over three years), to support community priorities from energy efficiency to youth mentoring.

Finally, not only are the AmeriCorps members we place making contributions during their service, many are making ongoing contributions to the field. Ten of our AmeriCorps program alumni of the past four years are directly engaged with community development. Eight of those ten serve as staff at certified CDCs, one is a board member, and another serves as executive director of a Boston Main Streets program in the same neighborhood where he served as a CDC AmeriCorps member.

### **Section 3: Feasibility of Proposed Activities**

#### ***How Activities will be accomplished within the proposed timeframe***

LISC's experience in supporting CDC capacity development over thirty years provides solid evidence of our ability to deliver on the proposed activities. Over the last four years alone we have provided direct technical assistance to 23 organizations, contracted for technical assistance to 15 organizations and conducted 24 trainings on topics ranging from energy benchmarking software to community engagement to financial coaching to using arts as a tool for economic development. LISC has for the last decade organized and managed a project manager seminar which has served front line housing development staff at 16 CDCs over the last four years.

#### ***Justification of Costs***

Since the vast majority of LISC's activities can fairly be characterized as supporting capacity building in the community development sector, the budget we have submitted reflects our entire organizational budget with only a small amount for advocacy work excluded from the budget.

LISC pays competitive salaries in the community development sector which has allowed us to attract and retain an experienced staff. Being a part of a national organization allows us

economies of scale in our administrative costs because human resources, financial administration, and certain other internal functions are handled nationally. Those costs are reflected in the national service fee in our operating budget.

If we are selected as a CSO, it will allow us to increase our overall support to Massachusetts CDCs by providing a source of funds that supports a broad definition of capacity building.

#### ***Funding and Resources Sufficient to Perform Activities***

LISC has had tremendous success raising funds to support community development in the Commonwealth including corporate and philanthropic and federal governments support for our work. LISC's Boston office raised over \$450,000 in corporate contributions in 2013 and already has commitments for \$330,000 in 2014. In 2013 we raised \$150,000 in business and individual contributions for our 30<sup>th</sup> anniversary event from a broad group of local businesses.

We have utilized over one million dollars of federal community development capacity building resources to support a variety of community development capacity building efforts, including the Mel King Institute for Community Building. We have also used federal community development capacity building resources to support innovative collaborative efforts by CDCs through our involvement with the Catalyst Fund for Nonprofits.

We have already leveraged \$50,000 in federal capacity building money for this initiative through Section 4. If selected as a CSO, we will offer 3 to 5 grants of between \$10,000 and \$15,000 each to assist certified CDCs in developing their Community Investment Plans.

#### **Section 4: Availability of Staff**

LISC is well prepared to take on the responsibilities of a CSO through the CITC program. With extensive expertise in community-based planning, real estate development and asset management, overall organizational capacity building, community safety, and family income and financial stability, our staff possesses the skills, knowledge and experience to provide the needed capacity building services. Altogether, LISC's six full-time program staff has over 80 years of cumulative experience, much of it working with CDCs.

LISC's role as a CSO will be headed up by **Executive Director Bob Van Meter**. Mr. Van Meter has lead Boston LISC since March 2008. Under his leadership LISC has broadened its reach to CDCs and deepened its impact, including the development of the CDC Green Retrofit Initiative and the Resilient Communities/Resilient Families Initiative. Before coming to LISC Mr. Van Meter was executive director of the Allston Brighton CDC. He also served as the real estate director and project manager at the Fenway CDC and spent eight years as a community organizer. Mr. Van Meter served as a board member and chair of MACDC. He was a founder of the MIDAS Collaborative that has expanded asset building programs throughout Massachusetts.

**Kristin Blum, Senior Program Officer** – For more than five years Ms. Blum has managed Boston LISC’s lending program and a number of capacity building initiatives in real estate development and organizational development. She manages several capacity grant programs that target assistance to organizations going through challenges or changes, including the Strategic Challenge Fund and Catalyst Fund for Nonprofits. She manages LISC’s HUD Section 4 Capacity Building resources. Ms. Blum has nine prior years of experience in affordable housing development at CDCs as a project manager and Director of Real Estate Development.

**Melissa Jones, Senior Program Officer** – Ms. Jones directs Boston LISC’s comprehensive community development initiative, Financial Opportunity Centers, and the community safety program. She manages the RC/RF planning and training, provides intensive technical assistance to CDCs and launched Boston's Financial Opportunity Centers and communities of practice. Prior to joining LISC, Ms. Jones served as the Community Transformation Director at Youth Uprising where she led the development of their comprehensive community transformation strategy and staffed a multi-year comprehensive community development program.

**Mike Davis, Program Officer for the MA Green Retrofit Initiative, LEED AP** – Mr. Davis manages LISC's partnership with Codman Square NDC on their Eco-Innovation district (LEED for Neighborhood Development) and provides TA on energy retrofit projects.

**Elizabeth (Betsy) Glynn, Program Officer** – Ms. Glynn has headed up the Massachusetts Green Retrofit Initiative since 2009. In this role, she helps owners of affordable housing access the financial and building science resources needed to integrate energy management into their portfolios. Previously, she worked as an asset manager for Boston Financial Investment Management.

**Marizabel Benoit, Assistant Program Officer** – Ms. Benoit manages the Boston LISC AmeriCorps program including developing training programs for the members and has successfully expanded the program to 15 full time members.

**LISC Rural Staff** – Nationwide, LISC has six program officers working in rural communities who are experts in rural community and economic development. Boston LISC will bring in these experts as needed when working with rural Massachusetts CDCs.

In addition to the extensive qualifications of our staff, LISC has the ability and experience to select and manage the highest level of consultants as needed to accomplish our workplan.

## **Conclusion**

It is an important time for Massachusetts communities and the CDCs that serve them. With the creation of the CITC Grant Program CDCs have a significant new tool for deepening their impact. As a CSO, LISC will work with DHCD and prospective donors to assure that the CITC program delivers a deep and broad impact to communities across Massachusetts. Together we will ensure that CDCs stand ready to serve their communities.