

MACDC CITC Program CSO Proposal

Introduction

The Massachusetts Association of Community Development Corporations (MACDC) is a membership organization that seeks to build and sustain a high performing and adaptive community development sector that is supported by private and public investment and sound public policies. We advance racial and economic equity by creating healthy communities where everyone lives in housing they can afford, benefits from economic opportunities and can fully participate in the civic life of their community. MACDC currently has 100 members, including every state-certified Community Development Corporation (CDC) in the Commonwealth and every CDC participating in the Community Investment Tax Credit (CITC) program.

Since it was founded in 1982, MACDC has provided extensive technical support, mentoring, professional education, and peer learning opportunities to CDCs across the Commonwealth. We have continued to expand our capacity building programming over the years. In May 2013, MACDC was designated a Community Support Organization (CSO) for the CITC program's capacity building grant round. In March 2014, MACDC was designated a CSO for the CITC program. Over the past nine years, we have provided highly effective capacity building programs and services to all CDCs participating in the CITC program. MACDC will continue to provide capacity building and technical assistance services that are responsive to the needs of all the organizations in the CITC program.

MACDC respectfully requests a CITC allocation of \$300,000 in 2023, so we can serve as a CSO that will help CDCs successfully implement their Community Investment Plans (CIP) to the betterment of their communities.

Section 1: Proposed Work Plan

MACDC continues to operate under the guidance of the Strategic Plan that was adopted by the Board of Directors in 2018. The five-year plan set forth five core priorities: 1) Build the power and voice of lower-income people and people of color to shape the future of their communities and their own lives; 2) Expand affordable housing in places where low- and moderate-income people can thrive; 3) Reduce income and wealth inequality across the state; 4) Drive the convergence of community development and community health; and 5) Promote racial equity within the field and the Commonwealth.

The Strategic Plan outlines four broad program areas through which we drive these priorities forward: Member Services, Advocacy and System Reform, the Mel King Institute for Community Building, and Research and Innovation.

While we anticipate updating our strategic plan in the next year or so, we believe these five priorities will continue to largely define our work for the three-year period of this workplan. Indeed, we believe that our strategic plan held up very well during the pandemic despite the unprecedented challenges faced by the field. In many ways, the pandemic only reinforced the importance of our priorities, in particular the focus on health equity and racial equity.

As detailed in this proposal, MACDC's CSO work plan responds to the needs of CDCs through courses, peer groups, special programs, research, and direct technical assistance that addresses the needs of an individual CDC. As the CITC program was launching, MACDC focused on promoting the CITC program to prospective donors and other stakeholders as well as working directly with CDCs to strengthen their fundraising capacity. This work continues, albeit less intensively. MACDC staff provides extensive technical assistance in program areas such as real estate development, community organizing, health equity, clean energy, resident services, executive transition, strategic planning and more. We will also continue to work closely with DHCD to identify CDCs requiring additional support and provide any necessary technical assistance to increase their success in the program. MACDC will also review CIPs to ensure that our services meet the evolving needs and opportunities that CDCs are prioritizing over the next three years. Finally, MACDC supports and promotes the Commonwealth's Sustainable Development Principles through its programs and partnerships.

Broad-based Capacity Building Services:

The Mel King Institute: In 2009, MACDC and LISC Boston launched the Mel King Institute for Community Building with the mission of "advancing the skills, knowledge and leadership ability of professional practitioners and volunteer leaders in the community development field." The Mel King Institute offers a wide range of courses in six areas: real estate development (including affordable housing); community organizing and planning; economic development; health equity; nonprofit governance (including communications and fundraising); and racial equity. In 2021, the Institute launched the Resident Leadership Academy that builds on the success of our public housing tenant training program to offer similar learning opportunities for CDC resident leaders.

During the course of this three-year workplan, the Institute will offer about 30 courses per year with over 400 total participants, of which, we expect, nearly half will be either staff or board members of Community Partner organizations. Our specific course offerings are determined each year with input from members, public agencies, consultants, and other leaders in the field and overseen by our Steering Committee. Each course is designed to increase the capacity of community development practitioners and organizations. MACDC will continue to offer customized trainings to CDCs participating in the CITC program, as needs are identified.

In recent years, the Mel King Institute has further worked to enhance its offerings by conducting research to identify the core competencies for three key community development jobs and releasing program documents for the following Community Development roles: real estate project managers, small business development officers, and community organizers. These core competency documents can be used by organizations and supervisors to develop customized professional development plans for their employees. They provide a guide to individuals currently in the field and those aspiring to join the field to help them advance their skills. The core competency documents are also guiding the Mel King Institute's curriculum development, with new courses being designed to specifically teach the competencies identified and to fill gaps in current learning opportunities.

The Resident Leadership Academy collaborates with approximately four CDCs per year to develop grassroots leadership among CDC tenants or community residents. We offer trainings and networking opportunities for residents to build skills and knowledge, so that they may effectively participate in the decision-making that impacts their lives and communities. Building on our six years of work with public housing residents, the program includes resident training, but also other points of collaboration with the CDC. Before the training, we learn about the CDC's needs and customize the curriculum. After the training, we work with the CDC to integrate the learnings, facilitate conversations between residents and staff, and help residents take advantage of opportunities for action.

The Mel King Institute will also continue to operate our highly successful Mentoring Program at least twice during the next three years. The next Mentoring program cycle will begin in 2023 and will be co-hosted with CHAPA. It will explore the relationship between community empowerment and affordable housing and involve about 14 mentor/mentee pairs.

The Mel King Institute Certificate offers a way to engage with our programming through a more comprehensive experience culminating in a credential. By participating in existing Mel King Institute courses and workshops, participants are provided an overview of the basic skills, knowledge, and values that underlie the work of community development in Massachusetts. Graduates will be equipped with an understanding to think broadly about the needs of communities, the historic and current racism that perpetuates inequalities, and the tools to address community needs through analogizing data, engaging residents, economic development, infrastructure development and more. All trainings are practitioner designed and led and oriented towards the needs and priorities of communities.

Peer Exchange: MACDC's Peer Exchange program, comprised of 10 active peer groups, grew dramatically during the COVID Pandemic. By moving our meetings to a virtual format, we were able to include many more people from across the state and meet more frequently because we eliminated the time required to travel. Participation grew by at least 400% during the height of the pandemic and continues to be at least three times higher than it was in 2019. We have also begun to reintegrate a limited number of in-person meetings to compliment the virtual sessions with site visits and opportunities for deeper relationship building.

MACDC currently operates 10 peer groups specifically for CDCs organized by topic, professional role, or geography: 1) CITC Program; 2) Community Organizers; 3) Housing and Real Estate; 4) Small Business Development; 5) Western Mass Community Development Collaborative; 6) the Boston Committee; 7) Resident Services; and 8) Clean Energy Cohort; 9) Health Equity; and 10) Executive Director Roundtable.

The CITC peer group will continue to be a critical resource for organizations participating in the program. Currently, the CITC peer group has 144 contacts and convenes at least twice a year. Over the past couple of years, CITC peer group meetings have enabled CDC staff to come together to share best practices, review data from the prior year's fundraising as well as how the funds are applied. It's also a time for DHCD, United Way, and MACDC to provide reports and key learnings about the program.

MACDC will establish additional peer groups based on the needs and interests of our members. We expect to host at least 60+ peer group sessions in 2023 with total participation of 1,000+ people.

Special Initiatives: In addition to our popular peer exchange program, MACDC operates several special initiatives that respond to specific needs or opportunities. These programs are designed in response to interests from our members and they are built with their input and leadership. In many cases, the programs involve partnerships and collaborations with sister agencies. During the next three years, we anticipate operating the following special initiatives.

- **Housing Quality and Health Program:** MACDC recently launched a new five-year initiative to promote housing quality and health to address the racial health inequities caused by poor quality housing. Focused on the Gateway Cities where these problems are most severe, we will work with local stakeholders to identify policy and program solutions that can reduce these health threats. We will be commissioning research, identifying best practices, and working to secure resources to rehab properties.
- **Decarbonizing Affordable Subsidized Housing (DASH):** MACDC is working with LISC and New Ecology to support efforts by our members to retrofit existing affordable housing developments, to access solar and other renewable energy systems, and to build highly efficient new buildings. We are also looking to work with these partners to support CDCs in implementing Climate Resiliency investments in their portfolios and their communities. In addition to convening the Clean Energy Cohort and offering trainings to our members, we are connecting them with special resource opportunities such as the STAR program with Resonant Energy.
- **MACDC Equitable Procurement Program:** Building on the success of our long-standing Boston Pilot Program, MACDC will be partnering with the Mass Minority Contractors Association and the Builders of Color Coalition to work with CDCs across the state to help them expand access to opportunities for BIPOC and women-owned businesses. The program will look at both construction and property management and help CDCs implement best practices in supplier diversity.
- **Insurance:** MACDC will continue to partner with Eastern Insurance to offer high quality, discounted property and casualty insurance for our members. Currently, 21 members buy insurance through this program, representing over 4,500 apartments.
- **Racial Equity Pledge:** In 2021, MACDC launched the Racial Equity Pledge as a statewide effort to support our members in implementing meaningful and impactful Diversity, Equity, and Inclusion initiatives. So far, 31 organizations have signed the pledge and we have offered a number of trainings and learning opportunities to help our members develop their individualized action plans. MACDC will be collecting information from the participating CDCs, sharing best practices, and ensuring that we hold ourselves accountable to our core values.
- **Executive Director Support:** This has been a challenging time for CDC Executive Directors. The COVID Pandemic put unprecedented stress on all nonprofit leaders, and they were forced to navigate many complicated issues. Even as the pandemic has receded, these leaders are still navigating changes in work culture, hybrid work arrangements, supply chain disruptions, inflation, generational dynamics in the workplace, renewed focus on diversity,

equity and inclusion, and high rates of employee turnover and staffing shortages. We have also seen tremendous turnover in the Executive Director ranks with 20 out of 63 CDCs going through a leadership transition in the past three years. MACDC is supporting these leaders with an Executive Director Roundtable, periodic gatherings for new executive directors and intensive technical assistance.

Donor Development and Outreach: For several years, MACDC successfully promoted the program to build awareness of CITC among a wide range of potential donors and partners. Large donor events, often in partnership with United Way, as well as media engagement and direct email outreach all helped to raise over \$100 million for the program since its inception. These activities will continue over the next three years. We also will provide technical assistance and advisement to specific donors interested in participating in the CITC program. From the Commonwealth's tax forms, to email and social media campaigns by MACDC, the CITC program becomes increasingly well known. MACDC will be at the forefront helping to ensure prospective donors learn about the program, understand how to participate, and recognize the value their support provides to communities.

Research: In 2002, MACDC launched the GOALs Report, which tracks CDC performance in Massachusetts. Each year, we measure our members' performance in six areas of community development: 1) resident leaders engaged; 2) homes built or preserved; 3) job opportunities created or preserved; 4) entrepreneurs supported; 5) families supported; and 6) funds invested in communities through CDCs. Starting in 2014, DHCD began using the GOALs Report to collect data on CDC activity through the CITC program, including a CITC questionnaire designed with DHCD. MACDC publishes the results in our annual GOALs report.

MACDC's CITC research now includes two reports released annually: CITC: Program Impact Report, and CITC Investment Dashboard. This data is frequently used in one-on-one, board, and group training sessions to evaluate how CDCs are performing. In addition to continuing to release these reports, MACDC is considering outsourcing to a third party for a CITC program evaluation and report in 2023 or 2024 to provide another viewpoint into the program's impact.

MACDC's research and innovation extends beyond the CITC program. Over the next three years, MACDC will continue to release reports that address developing trends and analysis in our field. We plan to use data collected through the GOALs survey to publish a CDC Salary Survey and a report on CDC health equity activities. As part of our Housing Quality and Health program, we will commission a report that looks at best practices from around the country on addressing health disparities caused by poor quality housing. We anticipate at least two additional reports will be published over the next three years as new ideas and issues emerge.

Individual CDC Technical Assistance and Capacity Building Services:

MACDC provides one-on-one technical assistance services to all certified CDCs and CITC program participants.

Over the past three years, MACDC staff provided extensive technical assistance to CDCs participating in the CITC program, especially as the pandemic disrupted virtually every aspect of

community development and organizational management. As expected, the volume of technical support focused on CITC itself has declined as CDC staff learned how the program works. As employees turn over and new volunteers join their local CDC board, however, MACDC's CITC technical assistance will continue to be important.

MACDC staff are experienced and knowledgeable in a wide array of community development topics and often we can help CDCs think through an issue by providing strategic and technical advice. While this generally occurs over the phone, it can also occur in 1:1 meetings with CDC leadership or in group meetings with CDC boards and committees. In addition to the broad community development expertise MACDC maintains internally, we connect our members to people, organizations, information, and resources externally that can support their work.

Since every state-certified CDC and CDC participating in the CITC program is a dues-paying member of MACDC, we are committed to a long-term engagement with each of these organizations. We provide assistance whenever it is needed and we will often engage with a CDC periodically over several years, so we become very knowledgeable about the dynamics and capacities of each organization.

This approach for in-depth one-on-one technical service continues to remain central to MACDC's role as a CSO in the CITC program.

For those CDCs who are denied an allocation of tax credits, MACDC will reach out to them and offer to review their Community Investment Plan and put together a plan for addressing weaknesses and increasing the likelihood of future success.

MACDC CSO 2023 Work Plan Goals Typical Services Schedule*		
Program Milestones	Timing	Output
Mel King Institute Courses Offered	Year round	30 courses; 400 participants
Peer Groups Hosted	Monthly, bimonthly, or as needed.	60+ peer group meetings; 1,000+ participants
Special Initiatives	Ongoing	At least 5 special initiatives that respond to specific needs within the CDC sector
T.A. Provided	Ongoing, as needed	T.A. provided to at least 40 Community Partners
Prospective Donors Engaged	Year round	Ensure the program secures at least \$15 million per year
Reports Released	GOALs (May); CITC impact reports (June) Other reports: TBD	3+ reports released annually, one of which is our annual GOALs report, and two that detail CITC program performance.

* 2023 goals are also baseline projections of 2024 and 2025.

Section 2: Effectiveness of Proposed Activities

We are confident that MACDC's activities, as proposed in the work plan, are effective because they have already helped Community Partners achieve significant success 1) raising new funds, and 2) strengthening and expanding their programs and services. The importance of our work was greatly underscored during the pandemic when participation increased dramatically. This demonstrated that during a time of stress and challenge, CDCs turned to MACDC for help and guidance. Indeed, the power of the network has never been more evident than during the past three years. We also have extensive mechanisms to ensure timely and robust feedback from the CDCs themselves about the efficacy of our programming. Our Board of Directors is comprised of 18 CDC leaders, and they provide a continual source of grounding and feedback. We also use our extensive peer exchange program to ask our members what they need and whether our services are responsive to those needs. We also rely on our many partners, including DHCD, LISC, United Way, state quasi-public agencies, and others to give us feedback and help guide our work as a CSO. Finally, we will continue to measure the effectiveness of our work through MACDC membership, which is voluntary and relatively expensive. CDCs would not retain their membership if they were not getting value. We are very proud that all state-certified CDCs and all CITC CDCs are MACDC members.

Section 3: Feasibility of Proposed Activities

The services MACDC is proposing to provide over the next three years are central to our mission and laid out in our five-year, board-approved strategic plan. Indeed, we have been providing most of these services for the past nine years. We have the staff and resources to accomplish our goals, as we continue to focus on providing technical support to individual CDCs and broad capacity building services to our members and the community development field. As the staffing section of our proposal highlights, MACDC has a seasoned staff that has been providing technical assistance to CDCs involved in the CITC program for years. Simply put, we know the proposed work plan is feasible because it builds upon what we have successfully been doing for many years.

The costs for our proposed work plan are reasonable, as we maintain low overhead and maintain our salaries within industry norms. (Please refer to MACDC's FY 2023 budget for additional information.) In FY 2022, MACDC's General and Administrative, as well as Fundraising, cumulative costs were 17% of total expenses. MACDC's audits for the past nine years are without findings or concerns. MACDC's board is engaged in the financial health of the organization; they receive regular financial statements that help ensure the organization's operations are in line with projected costs. Finally, MACDC has cash in reserve to cover four months of our operating costs; we have finished each fiscal year for the past nine years with a surplus and have unrestricted net assets in excess of \$600,000.

Section 4: Availability of staff and/or expertise to accomplish the work plan

Providing technical assistance and capacity building services to our members is entirely achievable with our current staff capacity as these are core responsibilities for our team. In the event there are needs MACDC's staff cannot provide, we can draw upon an extensive network of members, consultants, partners, and advisors to ensure necessary services are provided to CITC

program participants with little delay. MACDC also has a strong staff with decades of cumulative relevant experience.

MACDC's work on the Community Investment Tax Credit is led by our Director of Operations, John Fitterer. John Fitterer started in January 2013 as MACDC's Director of Communications. Prior to joining the organization, he worked for Nuestra CDC in Roxbury as their Director of Resource Development. Mr. Fitterer's role supporting the CITC rollout is multifaceted; he is providing communications, marketing, and fundraising support to CDCs through group and one-on-one technical assistance sessions and establishing relationships and creating access to new prospective CITC donors.

The other senior staff members who will help implement this work plan include Shirronda Almeida, the Director of the Mel King Institute, who has 20 years' experience at MACDC and is a highly respected leader in our field. She leads a four-person team that now staffs the Mel King Institute. Don Bianchi, our Director of Housing, focuses on CDC affordable housing and real estate development programs and issues. Elana Brochin, Program Director for Health Equity, is leading our work to promote health equity through the convergence of community development and health through policy, partnerships, and technical assistance to MACDC members. *(Please refer to the attached Staff Bios.)*

As of this writing, MACDC is about to go through a leadership transition as our long-term President and CEO prepares to leave MACDC after more than 29 years. The Board is actively engaged in hiring an interim director and launching a search for a new President & CEO. While this creates some temporary uncertainty about who will be leading the agency in the future, we are confident that the organization has the depth to operate effectively during the transition and to attract a high-quality candidate to replace Mr. Kriesberg.