



Office of Performance Management Oversight (OPMO)

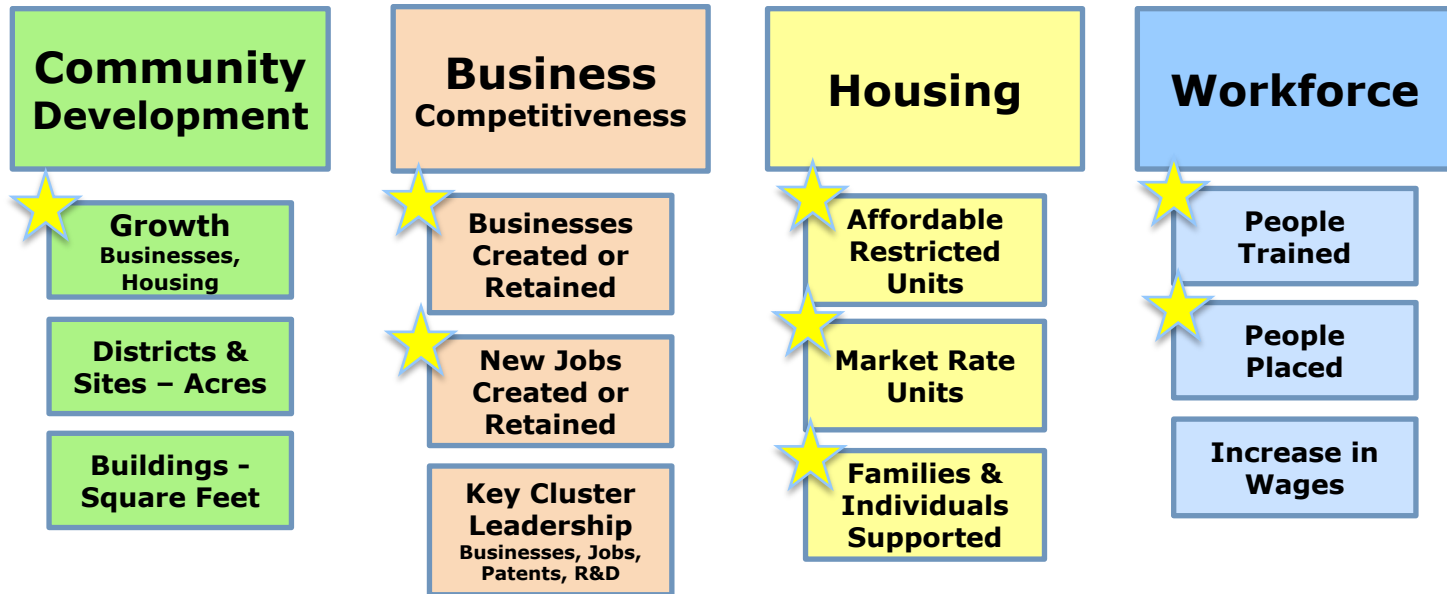
**Community Economic Development
Assistance Corporation (CEDAC)**
FY2023 Report



Economic Development Plan

Key Outcome Metrics

Economic Development Plan Pillars & Principals



Investment Leveraged from Other Sources - \$

Engagement & Technical Assistance – Contact with Individuals & Companies



Agency Mission

- **Mission:** CEDAC's mission is to strengthen communities across the Commonwealth of Massachusetts by providing non-profit community development organizations with the financial resources and expert technical assistance they need to build and preserve quality affordable housing and child care facilities.
- **Contribution to Partnerships for Growth:** CEDAC directly addresses the housing crisis as outlined in Partnerships for Growth by providing critical resources to non-profit organizations throughout the Commonwealth that build and preserve quality affordable housing. In addition, CEDAC focuses on community-based economic development as outlined in Partnerships for Growth and supports the housing and child care infrastructure of neighborhoods.



Agency Goals

- **Agency Goal 1:** Increase the supply of and preserve existing affordable housing in Massachusetts
- **Agency Target for Goal 1:** Create or preserve 2,870 units of affordable housing
- **Results of Goal 1:** Created or preserved 3,567 units of affordable housing
- **Agency Goal 2:** Improve and/or expand nonprofit center-based childcare facilities throughout Massachusetts serving low-income children.
- **Agency Target for Goal 2:** Improve and/or expand nine facilities for 720 low-income children.
- **Results of Goal 2:** Improved 22 child care facilities for 1,568 low-income children.
- **Agency Goal 3:** Create or preserve supportive housing for vulnerable residents.
- **Agency Target for Goal 3:** Create or preserve housing for 4,305 vulnerable residents.
- **Results of Goal 2:** Created or preserved housing for an estimated 5,351 vulnerable residents.



Affordable Housing Early Stage Lending

- **Program Description:** CEDAC provides predevelopment and acquisition loans to nonprofit borrowers to fund the purchase of land and buildings or to pay for architect, engineers, lawyers and other expenses associated with advancing development plans and securing permanent financing.
- **Program Budget:** \$24 million (loan capital)
- **Partnerships for Growth Goal Alignment:** Housing
- **Fiscal Year Goal 1:** Provide early stage financing to nonprofit housing developers so that they can further their project design and secure construction and long-term financing.
- **Fiscal Year Target 1:** Commit \$12 million of predevelopment loans to 40 projects involving the development or preservation of 1,800 affordable housing units. Commit \$12 million of acquisition loans to 5 projects involving the development or preservation of 400 affordable housing units.
- **Results of Goal 1:** Committed \$14,198,348 of predevelopment loans to 44 projects involving the development or preservation of 1,707 affordable housing units. Committed \$40,140,000 of acquisition loans to 9 projects involving the development or preservation of 517 affordable housing units. Committed \$6,036,142 of bridge loans to 1 project involving the development or preservation of 223 affordable housing units.



Supportive Housing Underwriting and Asset Management

- **Program Description:** CEDAC serves as the Department of Housing and Community Development's (DHCD) underwriting agent for multiple state loan programs that provide deferred-payment, zero interest, subordinated permanent mortgage financing to help meet the costs of producing supportive housing. The source of the funds are state bond funds from the annual capital budget. These loan products frequently blend with Low Income Housing Tax Credits and other state and local soft debt. On behalf of DHCD, CEDAC underwrites, closes and provides asset management services for loans under four state loan programs. Housing Innovations Fund (HIF) supports single person occupancy housing, supportive housing for formerly homeless households, veterans, seniors, and unaccompanied youth; limited equity cooperatives; and other innovative projects. Facilities Consolidation Fund (FCF) finances community residences for clients of the Department of Mental Health or the Department of Developmental Services including both group homes and designated units in larger multifamily projects. Community Based Housing (CBH) provides funding for the development of supportive accessible housing for people with disabilities, who would otherwise be at risk of homelessness or institutionalization. Housing Preservation and Stabilization Trust Fund (HPSTF) provides capital, operating subsidy and service funds for supportive housing developments serving formerly homeless households, veterans, seniors, unaccompanied youth, and other populations in need of housing with services.
- **Program Budget:** FY23 Capital Budget: DHCD-H004 \$5 million; DHCD-H006 \$11.6 million, DHCD-H008 \$14,938,194
- **Partnerships for Growth Goal Alignment:** Housing



Supportive Housing Underwriting and Asset Management

- **Fiscal Year Goal 1:** Advance the Commonwealth's supportive housing goals, particularly to address the needs of the homeless, veterans, persons with disabilities, and the elderly.
- **Fiscal Year Target 1:** On behalf, underwrite \$34 million of HIF, CBH, and FCF deferred payment loans involving the construction or rehabilitation of 40 supportive housing projects and 500 units.
- **Results of Goal 1:** On behalf of EOHLC (previously DHCD), underwrote \$77,121,365 of HIF, CBH, FCF and ARPA SH deferred payment loans and Accessibility Affordable Housing Grant (AAHG) grants involving the construction or rehabilitation of 49 supportive housing projects and 1,306 units.



Home Modification Loan Program (HMLP)

- **Program Description:** The Home Modification Loan Program (HMLP), a program of the Massachusetts Rehabilitation Commission (MRC), was established by the Massachusetts Legislature to assist homeowners and small landlords to fund the necessary changes to keep disabled or elderly family members in their homes and communities. Eligible homeowners can obtain 0% interest, deferred payment loans up to \$50,000 to make eligible modifications to their homes.
- **Program Budget:** \$6.5 million. FY23 Capital Budget: DHCD-H010 \$3,801,159.
- **Partnerships for Growth Goal Alignment:** Housing
- **Fiscal Year Goal 1:** Finance home modification to allow seniors or individuals with disabilities to remain in their homes.
- **Fiscal Year Target 1:** Commit and disburse \$6 million to support the modification of 170 homes.
- **Results of Goal 1:** Committed and disbursed \$5,831,491 to support the modification of 149 homes.



Housing Technical Assistance

- **Program Description:** CEDAC provides technical assistance to nonprofit organizations and other constituents, intentionally sharing housing development expertise and facilitating connections among organizations. CEDAC project managers advise organizations on a range of project development issues, including development team selection, project finance, and policy and regulatory matters.
- **Program Budget:** N/A
- **Partnerships for Growth Goal Alignment:** Housing
- **Fiscal Year Goal 1:** Assist nonprofit organizations with all aspects of affordable housing development and preservation.
- **Fiscal Year Target 1:** Provide one-on-one technical assistance to 200 organizations involving the development or preservation of 300 housing projects.
- **Results of Goal 1:** Provided one-on-one technical assistance to 188 organizations involving the development or preservation of 319 housing projects.



Child Care Facility Improvement Loans

- **Program Description:** CEDAC's affiliate, the Children's Investment Fund, provides early stage acquisition and predevelopment loans, construction loans, and term loans to nonprofit center-based child care organizations to finance the development of new or improved facilities.
- **Program Budget:** \$1 million (loan capital)
- **Partnerships for Growth Goal Alignment:** Community
- **Fiscal Year Goal 1:** Provide loans to nonprofit center-based child care centers to finance the improvement and/or expansion of facilities.
- **Fiscal Year Target 1:** Commit \$1 million in loans to finance the improvement and/or expansion of two child care facilities.
- **Results of Goal 1:** Committed \$561,000 in loans to finance the improvement and/or expansion of two child care facilities.



Child Care Facility Capital Grant Management

- **Program Description:** CEDAC and its affiliate, Children's Investment Fund, administer the Early Education and Out of School Time (EEOST) Capital Fund on behalf of the Massachusetts Department of Early Education and Care (EEC). EEOST was established in 2014 and is funded through capital bond funds. EEOST provides grant awards of up to \$1 million to large group early education and out of school time programs for major capital building projects.
- **Program Budget:** FY23 Capital Budget: OEDU-C002 \$6,850,000
- **Partnerships for Growth Goal Alignment:** Community
- **Fiscal Year Goal 1:** Provide financial resources to non-profit community-based operators of child care facilities to improve and/or expand facilities.
- **Fiscal Year Target 1:** On behalf of the state Department of Early Education and Care (EEC), underwrite \$6.2 million in EEOST capital bond program grants resulting in awards to finance the improvement and/or expansion of seven child care facilities.
- **Results of Goal 1:** On behalf of the state Department of Early Education and Care (EEC), underwrote \$8,506,000 in EEOST capital bond program grants resulting in awards to finance the health and safety improvements of 20 child care facilities.



Child Care Technical Assistance

- **Program Description:** The Children's Investment Fund (CIF) provides intensive one-on-one technical assistance to child care providers in order to help them move their facility improvement projects to fruition. In addition, CIF holds group trainings throughout the year.
- **Program Budget:** N/A
- **Partnerships for Growth Goal Alignment:** Community
- **Fiscal Year Goal 1:** Provide technical assistance to child care providers so that they can continue to operate and so that they can improve and/or expand their facilities.
- **Fiscal Year Target 1:** Provide technical assistance to 70 organizations to help improve and/or expand 70 child care facilities.
- **Results of Goal 1:** Provided technical assistance to 88 organizations to help improve and/or expand 88 child care facilities.