



CALIFORNIA COMMUNITY ECONOMIC DEVELOPMENT ASSOCIATION

2007 Year End Summary and 2008 Programs

Executive Summary

CCEDA serves as a clearinghouse for information and action that advances the field of community economic development through training and continuing education, technical assistance, and advocacy on public policy. All CCEDA's activities are designed to serve our membership and the broader community economic development community—organizations actively engaged in revitalizing California's neighborhoods, including resident driven community development corporations, local governments, community action agencies and faith based institutions. CCEDA members produce results through a full range of community building strategies including real estate development-housing, retail and commercial-business assistance and lending, social services, and job training and creation.

Over the last 6 years, CCEDA has conducted 103 training sessions serving just under 4,000 participants of community development entities (non-profit, local government and related corporate and community leaders). Over the last 3 years, CCEDA has assisted organizations close five affordable housing and community development projects with almost \$30 million in financing. These concrete program results in training and technical assistance will augment our recent California Community Development Policy Initiative and our new Community Development Internship program. Combined, these efforts begin to comprehensively address our constituent needs that will enable them to better serve our communities in California and Nevada.

With our expanded menu of services CCEDA can provide:

- Access to training
- Direct project related technical assistance
- Assistance to funding partners in implementing specialized or targeted community development programs and projects
- Access to influence, change and create statewide community development policy
- A channel to expose talented students to the field of community economic development
- This report will summarize the accomplishments by CCEDA for 2007 and will detail the proposed activities for 2008.

The four program areas summarized in this report are:

1. California Community Reinvestment Initiative (CCRI, CCEDA's Training and Technical Assistance program)
2. Boutique Training and Technical Assistance (Special Community Development Programs)
3. Wachovia Community Development Internship
4. Policy Initiative

Highlights of 2007 accomplishments include:

- 464 individuals from private and non-profit housing and community development organizations throughout the state participated in 16 CCEDA training sessions
- 13 organizations are receiving extensive project related direct technical assistance under CCEDA's new project development effort
- The 13 community development organizations have 19 active development projects in 12 different cities throughout California
- CCEDA maintains more than 44 partnerships with local, regional and national public/private sector businesses, institutions and organizations.
- CCEDA developed, organized and conducted 11 boutique (specialty) programs with its community development partners. These programs allow CCEDA to provide innovative training and direct assistance to underserved communities in areas of mutual interest with our partners.
- CCEDA continues its strong relationship with the State of California's legislature in pursuit of a statewide community development agenda
- CCEDA initiated the Wachovia Community Development Internship program with four graduate students

These results are based on the implementation of the following four initiatives. Summaries of the program and 2007 activities are noted below. Additional details on results are found in Appendix I and II.

I. The California Community Revitalization Initiative (CCRI):

CCEDA's California Community Revitalization Initiative further evolved in 2007. Over the past 6 years, CCEDA has successfully conducted over 70 training sessions in the non metropolitan regions in California (2,000 attendees) and has served the state of Nevada (15 sessions, 300 attendees). The sessions were well received and resulted in capacity building and direct assistance to organizations implementing revitalization strategies and projects.

CCRI flourished in regions with tremendous needs and very little technical resources. The Central Valley of California, the Inland Empire and Nevada were the initial targeted regions. This partnership included the Office of the Comptroller of Currency, the Federal Reserve of San Francisco and included corporate and foundation support from the Bank of America, California Bank and Trust, Citibank, US Bank, Union Bank, Washington Mutual and Wells Fargo. The Nevada Banker's Collaborative supported CCEDA's early efforts in Nevada.

Over the last half of 2007 CCEDA conducted focus group sessions in Fresno (for the Central Valley) and Reno (for Nevada). The results from both sessions enforced the notion that training alone cannot support community organization's ability to initiate a community development strategy and does not lead to successful real estate based development projects.

What is needed is ongoing direct technical assistance geared to assist organizations and communities at varying levels of expertise and with different levels of resources. Many communities and organizations have become mired in the early phases of implementing a community development strategy or project and have floundered for months if not years. To address this need, CCEDA has transitioned its efforts to better address needs with the expressed goal of building capacity. Individual meetings were held which have resulted in 19 specific projects to which CCEDA is currently or will continue provide direct technical assistance.

CCEDA has redirected its Community Development Services (CDS) unit to become integrally partnered with these specific projects and begin services at an earlier point in the development process. Along with CCEDA staff, CDS will maintain an ongoing relationship to assist in strategy development, project team development and coordination, development of a concept paper, feasibility analysis and assistance through the pre-development stages. This direct assistance will result in strengthening capacity and will lead to successful projects.

We define capacity as the ability to conceive, plan shepherd, finance build and manage built space.

Specific 2007 outcomes and scheduled 2008 activities of this initiative are:

1. **Training:** CCEDA will continue to conduct training sessions that will complement its direct technical assistance efforts. CCEDA will continue to conduct and participate in training as part of its boutique sessions with its partners.

| TRAINING | Sessions | Participants |
|------------------------------|-----------------|---------------------|
| 2007 Training – Actual | 16 | 464 |
| 2008 Training Plan Scheduled | 10 | 280 |

2. **Technical Assistance:** CCEDA will continue to support the organizations and projects developed in 2007 and plans to add 2-4 new organizations and up to 5 new projects.

| TECHNICAL ASSISTANCE | Organizations | Projects |
|------------------------------------|----------------------|-----------------|
| 2007 Technical Assistance – Actual | 13 | 19 |
| 2008 New Relationships / Projects | 2 - 4 | 5 |

II. Boutique Training and Assistance:

CCEDA continued its boutique services in coordination with its 2007 partners. These are programs designed and implemented in conjunction with a specific partner. Programs included:

1. **Federal Reserve Bank of San Francisco, Office of Comptroller of Currency, Office of Thrift Supervision and Federal Deposit Insurance Corporation:** CCEDA’s California Community Revitalization Initiative (CCRI) was a direct result of the partnership with these four key financial institution regulators.
2. **Wells Fargo:** In addition to the bank providing organizational support, CCEDA continued its partnership with Wells Fargo to provide program marketing, proposal review assistance and participates on the selection committee for the “Building Capacity to Deliver Technical Assistance to Small Businesses” program. The current two year \$1.7 million commitment (\$850,000 per year) is in its 8th year and provides grants to California non-profit organizations that provide business technical assistance to small businesses. In 2006, 91 organizations responded to the request for proposals and 17 grants were made to organizations (\$50,000 each). CCEDA has been involved with this innovative and unique program since its inception. This initiative was driven by the California Reinvestment Committee.

3. **Wachovia Community Development Internship Program:** This program is designed to help mitigate the human capital shortage of community development professionals by attracting graduate level students to participate in a structured internship program conducted by CCEDA's professional staff. Interns can work up to 20 hours per week in the specific areas of community development: policy, development finance or neighborhood revitalization. Interns will also work as a team on two statewide CCEDA community development projects (revision of the community development dictionary or to conduct the first statewide community development census). Wachovia also supports CCEDA's overall organizational efforts.
4. **Washington Mutual:** In addition to providing organizational support, Washington Mutual provided a second year of funding to support CCEDA's Policy Initiative. Ongoing "roundtable" discussions targeting key statewide community development issues, concerns and programs are discussed with a goal of raising discussion and awareness resulting in policy related initiatives.
5. **Citibank:** CCEDA completed the year (2007) with day long training sessions in Fresno and Reno and initiated its comprehensive direct technical assistance program through individual meetings with organizations throughout the state(s).
6. **Union Bank Cornerstone Award:** CCEDA completed the initial year of Union Bank's successful award program. Union Bank provides annual core operating support to three organizations over a three year period while CCEDA provides annual assessments and direct technical assistance to the participants.
7. **Bank of America:** The Bank was a primary sponsor for CCEDA's work in the Central Valley of California by supporting four sessions which provided training and more importantly, the focus group sessions resulting in CCEDA readjusting its programs to better meet the direct technical assistance needs of community development organizations.
8. **Comerica:** CCEDA partners with Comerica for a similar program designed to support small businesses by providing funding to non-profit business technical assistance providers in California. In 2007, Comerica made \$50,000 grants to 6 organizations in California. CCEDA assists in marketing the program, reviewing proposals and participates in the selection of the awardees.
9. **California Nevada Community Action Partnership:** CCEDA provided community economic development training and technical assistance for the membership of the California Nevada Community Action Partnership. Direct technical assistance has shown to be a very important step in growing opportunities for community action agencies; enabling them to provide more comprehensive programs and services to the people they serve. CCEDA closed out the year conducting four training sessions and over 8 days of direct technical assistance to 4 organizations (participants of the training sessions).
10. **Office of Community Services Technical Assistance:** CCEDA was asked to join a team that secured a contract with the Office of Community Services (Federal) to provide technical assistance to grantees of three separate federal community development programs. CCEDA will provide services to west coast organizations that have received grants for community development projects. CCEDA will also encourage and assist community development organizations access to one of the few Federal programs that provides grants to community development projects. The contract was awarded in 2007 with services to commence in 2008.
11. **Third Party Project Analysis and Review:** For the third year, CCEDA served as a 3rd party project review analyst on Federal grants awarded to its member non-profit community development organizations. CCEDA reviewed projects from three members' projects which include expansion of the local furniture manufacturing businesses, welfare to work program and expansion of a business creation and financing program. CCEDA analyzes the contract specifications (projected outcomes) against actual project achievements.

For 2008, CCEDA will continue to assist its partners develop and implement community innovative development programs in low and moderate income communities and assist community development organizations with their development efforts.

III. Wachovia Community Development Internship:

The Wachovia Community Development Internship is designed to help mitigate the human capital shortage of community development professionals by attracting graduate level students to participate in a structured internship program conducted by CCEDA's professional staff. The initial four interns will work up to 20 hours per week in the specific areas of community development: policy, development finance or neighborhood revitalization. Interns will also work as a team on two statewide CCEDA community development projects (revision of the community development dictionary or to conduct the first statewide community development census).

During their internships, interns will have the opportunity to:

- Work with local non profits in their areas of interest (policy, finance or neighborhood revitalization)
- Meet with local and state leaders as it related to contemporary community development issues
- Gain a strong understanding of the scope of community development activities non profit development organizations are involved in on a day to day basis
- Interact with the Wachovia Community Development Unit to gain a strong understanding of how financial institutions work in low and moderate income communities

The program will result in professionals with understanding of the community development industry and become potential employees for this industry. There will be tangible products as a result of the program which includes a new version of the CCEDA Dictionary of Community Development Terms and the first Census of California Community/Economic Development Organizations.

The internship will be an integral part of CCEDA's overall training and technical assistance programs. The internship will leverage existing CCEDA staff and board expertise and with CCEDA's successful ongoing community development programs and policy initiatives leveraged funded through CCEDA partners.

CCEDA has been acutely aware of the lack of interested and/or qualified candidates seeking employment in the field of community economic development. The lack of human capital remains as one of the largest stumbling blocks for organizations engaged in improving our low and moderate income communities. As resources continue to shrink it becomes more important to find qualified, well trained individuals with community development skills.

Individual Project Development: Interns will specify a specific area of focus, i.e., financing of affordable housing or community facilities, business development, community revitalization (planning and analysis), policy issue or other aspects of community development. CCEDA will match their interest with technical support (from CCEDA staff) to work on a specific project with a community based development organization or local government entity. This will allow the intern to fully get involved in a specific "real" issue or project

Team Project: Interns will work as a group to complete a team assignment. CCEDA will also explore the potential involvement by professors or departments. The two that are being considered at this time are:

- California Community Development Census: Under the direction of CCEDA staff, the interns will develop an assessment tool that will be distributed to all community development organizations in the state. The interns will follow up by encouraging participation, and will collect the data. The interns will analyze the data and will present the findings in a report. The interns will provide the industry with an overview of the measurable positive impact(s) community development organizations have on the state.
- Community Development Dictionary: Interns will work on updating the current CCEDA Dictionary of Community Development Terms. This document has been used by many local governments and financial institutions interested in assisting their staff understand community development "jargon" and terms.

The interns will be located in our southern California. For the current year, the internship will be conducted during the spring semester/quarter (February – May). Depending on the interest area of the intern, they will be assigned to one of the three CCEDA professionals. The CCEDA staff has over 90 years of community development experience which includes, development directors for non-profit organizations, senior vice president of community development lending for a major bank, senior bond underwriter for a major housing developer and Director for the Los Angeles LISC office.

IV. Policy:

CCEDA's effort to expand its policy initiatives and presence in California ran into the State's budget shortfall again in 2007. In operating CCEDA's various programs and services, it was evident that California community development organizations (CCEDA members), were proficient in many aspects of community development, but policy (and resources) focused primarily on affordable housing development. CCEDA's policy initiative is focused on raising the level of discussion and directly elevating policy that supports and enhances the many aspects of community development. These ancillary programs and funding truly enhances community development organization's ability to positively intervene in California's low wealth communities.

Aided by a grant from New York based Heron Foundation and with the assistance of Washington Mutual's Economic Development Initiative, 2008 promises to be a very active and important year.

CCEDA completed its planning and organizing during 2006 and continued conducting basic research through 2007 (the census of community development organizations and activities in California will be published in June, 2008). CCEDA maintained its strong relationship with policy leaders through meetings with key legislators (with focus on the newly elected members to introduce them to the community development field), review of pending legislation and networking with already formed interest groups supporting community development issues.

On the national level, CCEDA will continue to work closely with the National Coalition for Community Reinvestment and the newly formed National Alliance of Community Economic Development Associations. This new entity seeks to keep the community development industry visible at the national level. Supported by community development associations, national intermediary organizations, national foundations and corporations, NACEDA's goal for maintaining a policy voice for community economic development.

Specific 2007 goals for CCEDA's Policy Initiative that will remain priority items for 2008 include:

1. Creation of an Office of Economic Development within Housing and Community that was accomplished administratively
2. Recapitalize Community Development Corporations in order to maintain steady operating funds which died at first reading
3. Create a tax credit for donors who contribute to neighborhood groups which failed to find an author
4. Ongoing support with statewide partners and coalitions to develop legislation that limits the ability of predatory lenders (including check cashing services) that prey on the financially vulnerable which continues
5. Ongoing strategic partnerships with statewide coalitions to develop policy, legislation and programs focused on the exploding foreclosures in our communities
6. Continue work on Senate Bill 107- the Healthy Food Access Act; promoting increased investment toward the provision of retail destinations and job creation in California through supermarket and grocery store development held in committee
7. Continue support the outcomes of Assembly Bill 2831- the Insurance data call and
8. Statewide action plan to revitalize urban neighborhoods through investment & development which is still alive
9. State Economic Development Strategy- improves state economic development planning by addressing issues related to the attraction of private investment and
10. Technical changes in defining "economic development" in State Statute signed by the Governor

SUMMARY:

CCEDA continues to evolve, modify and improve its delivery of services to address unmet community development needs in California. With resources being so scarce, CCEDA will always partner with existing training and community development resources and not create redundant programs. CCEDA's focus is to provide training in "cutting-edge" community development technology and to grow capacity in underserved (non-metropolitan) communities.

CCEDA prides itself on meeting these goals year after year through true partnerships with community development organizations, financial institutions, corporations and local governments with a similar vision and commitment. 2008 represents a very challenging economic environment which will require stronger partnerships and even more leveraging of resources.

CCEDA received support in 2007 from 24 foundations, corporations and financial institutions. Their commitment to our work enables us to serve our constituents and support economic development in low wealth communities throughout the state with innovative and effective training, technical assistance and advocacy.

CCEDA activity priorities are set each year based on a number of factors including program performance and evaluations; annual surveys of members and collaborators; and needs and opportunities observed by our, board, staff and partners.

Appendix I
CCRI Training and Technical Assistance
2007 Summary and 2008 Proposed Activities

CCEDA's California Community Revitalization Initiative (CCRI) further evolved in 2007. Over the past 5 years, CCEDA has successfully conducted over 70 training sessions in the non metropolitan regions in California (2,000 attendees) and has served the state of Nevada (15 sessions, 300 attendees). The sessions were well received and resulted in capacity building and direct assistance to organizations implementing revitalization strategies and projects.

CCRI flourished in regions with tremendous needs and very little technical resources. The Central Valley of California, the Inland Empire and Nevada were the initial targeted regions. This partnership included the Office of the Comptroller of Currency, the Federal Reserve of San Francisco and included corporate and foundation support from the Bank of America, California Bank and Trust, Citibank, US Bank, Union Bank, Washington Mutual and Wells Fargo. The Nevada Banker's Collaborative supported CCEDA's early efforts in Nevada.

Over the last half of 2007 CCEDA conducted focus group sessions in Fresno (for the Central Valley) and Reno (for Nevada). Representatives from non profit organizations, distressed communities, local government leaders, corporate representatives from financial institutions and elected officials, discussed community development training and technical assistance needs. The results from both sessions enforced the notion that training alone cannot support community organization's ability to initiate a community development strategy and does not lead to successful real estate based development projects.

What is needed is ongoing direct technical assistance geared to assist organizations and communities at varying levels of expertise and with different levels of resources. Many communities and organizations have become mired in the early phases of implementing a community development strategy or project and have floundered for months if not years. Training does not meet these needs, nor does it meet the particular needs of "beginning" community development programs or the specific needs of sophisticated project developers.

To address this need, CCEDA has transitioned its efforts to better address needs with the expressed goal of building capacity. Through the final quarter of 2007, CCEDA conducted short focused training sessions and subsequently met with individuals and organizations on a "one-on-one" basis. Over 20 individual meetings were held which have resulted in 14 specific projects to which CCEDA is currently or will continue provide direct technical assistance.

CCEDA has redirected its Community Development Services (CDS) unit to become integrally partnered with these specific projects and begin services at an earlier development process point. Over the last 3 years, CDS would have been engaged with specific projects that had a strong likelihood for success, i.e., high level of committed resources and a strong development team. CDS would structure, negotiate and close the financing for development projects. Now, along with CCEDA staff, CDS will maintain an ongoing relationship to assist in strategy development, project team development and coordination, development of a concept paper, feasibility analysis and assistance through the pre-development stages. This direct assistance will result in strengthening capacity and will lead to successful projects.

The assistance is being provided to organizations that have identified specific projects. They are:

| Project | Initial Project Parameters | Concept Development | Preliminary Feasibility | Pre-Development | Closing |
|--|-----------------------------------|----------------------------|--------------------------------|------------------------|----------------|
| Stockton: Acquisition Rehab – Multi Family | DONE | DONE | DONE | DONE | |
| San Diego: New Construction – Student Housing | DONE | DONE | DONE | Current | |
| Bakersfield: Mixed Use Development / Housing | DONE | DONE | Current | | |
| Fresno: Mixed Use / Intergenerational and Community Services (2 Sites) | DONE | Current | | | |
| Reno: Mixed Use Youth Facility | DONE | Current | | | |
| Farmersville: Acquisition Rehab – Multi Family (2-Projects) | DONE | DONE | Current | | |
| Los Angeles: Mixed Use Transit Development | Current | | | | |
| Los Angeles: HUD 202 Senior Housing Refinance and Rehab (2 projects) | DONE | DONE | Current | | |
| Los Angeles: Mixed Neighborhood Development Strategy | Proposed | | | | |
| Visalia: Affordable Housing / Youth Build Strategy and Project Acquisition | Current | | | | |
| Blythe: Commercial Retail Center / Single Family Development (2 – Projects) | Proposed | | | | |
| San Jose: Community Facility | Proposed | | | | |
| Taft: Affordable Housing / Green Development | Current | | | | |
| Los Angeles: Community Facility Refinance | Current | | | | |
| Butte County: Mixed Use Development | Proposed | | | | |

Supportive Training:

CCEDA will conduct six days of training and assistance sessions for 2008 to support the direct technical assistance activities. The sessions will be held either the southern and northern Central Valley (Fresno and Sacramento). Each will be two days with the first day focused on training and the second on direct technical assistance. The training sessions will be day long with the first ½ day focused on the latest community development financing techniques and products. The last ½ day will include analysis and presentation of a current project, with discussion of financial structuring and development issues.

Each of the sessions will include a follow up day for one-to-one meetings with existing and new organizations receiving direct technical assistance. These sessions have proved to be very successful in understanding specific needs and how best CCEDA could provide supportive direct technical assistance. The outcome of these meetings are work plans which requires the participants to complete agreed upon steps to help move the organization or project to the next development steps.

Outcomes of these sessions are:

Three 2 Day Training Sessions

- Training for 20 – 30 people
- Direct assistance meeting: Meetings with 2-3 existing participants, meetings with 2-3 new organizations/projects.

Direct Assistance Stages of Activities: Measurable Goals

1. Initial Project Parameters: This session requires a face to face meeting with the key principles involved in the program or project. The CCEDA technical assistance team will minimally include the CCEDA Community Development Services Director and the CCEDA Director of Training and Technical Assistance. Other CCEDA expertise will be invited based on need. Initiation of this service requires a written request outlining the parameters of the project and the key individuals that are part of the project team along with key funders and local government. CCEDA assists in organizing the meetings and stresses having the key partners as part of the process. These are the partners that will increase the likelihood of success

The outcome of the meeting will be a clear understanding of the parameters of the project concept, agreement to the roles and responsibilities, and agreement to proceed on the next development steps (includes assignments with timetables). Individuals will be identified that will be part of the project/program development team. The primary steps, activities and agreements will result in the development of a concept paper (next item).

2. Concept Development: CCEDA will organize the project team, collect data and write the concept paper. The concept paper will summarize the project goals, development concept, location and key members of the project team. It will also summarize the development costs and will lay out a basic finance pro forma.

The outcome will be the production of a concept paper that will be used to solicit public private support and pre development financing. (In the case of most affordable housing projects the concept paper will be the initial development budget and project pro forma).

3. Preliminary Feasibility: In this step CCEDA will structure the project financing which includes applications for, and negotiations with, debt and equity providers (and finance gap resources). CCEDA will assist in site selection and negotiations for site control. CCEDA will also assist in seeking predevelopment financing.

Outcomes include:

- Preliminary financing commitments
- Site control
- Predevelopment financing
- Project budget and pro forma

4. Pre Development: The predevelopment phase requires initiation of third party reports required by lenders and related development parties. The actual costs for the services will be paid through pre-development loans, grants or borrower equity (loans will be re-paid from project development expenses at the close of financing). CCEDA staff will assist in locating and contracting with the third party providers and review of the materials before being forwarded to the parties requesting the information. Lender due-diligence activities and exhibits will be a CCEDA responsibility as well as coordination of legal services and review of all documentation.

Depending on the project, CCEDA will be involved in pre-leasing arrangements for tenants (office, retail or community facility). In the case of a housing project, CCEDA will assist in the lease-up and marketing plan.

The CCEDA costs for pre-development will covered by CCRI, although if the project proceeds and financing is closed, CCEDA's fees will be paid out of the projects budget. This will reimburse CCRI and allow CCRI to provide direct technical assistance to new projects.

Outcomes include:

- Soils
- Environmental
- Architectural renderings
- Market studies
- Project cost analysis
- Appraisals
- Final financing agreements
- Draft loan, partnership and financing agreements

5. Closing: CCEDA staff will assist in insuring the closing of all financing, payment of all fees and acquisition of the site. CCEDA will manage the closing process and will assist in insuring the developer is clear on the next steps (construction, rehabilitation, marketing, lease-up and management).

CCEDA will provide ongoing project assistance to the organization. Many issues occur during the construction and rehabilitation phase that rewires negotiations with the contractor, or lenders. Meeting development time frames are of utmost importance as they directly relate to the project meeting its budget.

The CCEDA costs for closing will be covered by CCRI, although if the project financing is closed, CCEDA's fees will be paid out of the projects budget. This will reimburse CCRI and allow CCRI to provide direct technical assistance to new projects. Ongoing expenses (after the project closes), will be a CCRI expense.

Outcomes include:

- Closing of finance
- Site acquisition
- Construction/rehabilitation start up
- Ongoing project management

Sessions completed in 2007: The following table summarizes the training sessions conducted by CCEDA during the year.

| SESSION NAME | LOCATION | DATE | SESSION INFORMATION | ATTENDEES |
|--|------------|--------------------------|---|-----------|
| Neighborhood Revitalization I | Sacramento | 01/10/2007 (Full Day) | First session of the 3-part neighborhood revitalization series. Session focused on assessing and targeting community development resources for maximum neighborhood return. Teams formed to conduct assessment and targeting utilizing training materials. Charles Buki of CZB LLC was the primary trainer. | 28 |
| Neighborhood Revitalization II | Sacramento | 02/07/2007 (Full Day) | Second session of series focused on presentation of team analysis. Further discussion on understanding measuring techniques for the specific goal of community revitalization. Charles Buki of CZB LLC was the primary trainer. This project is co-sponsored by the Office of the Comptroller of Currency and the Federal Reserve (SF). | 20 |
| Neighborhood Revitalization III | Sacramento | 03/07/2007 (Full Day) | Third session of the neighborhood revitalization series focused on financing tools available to implement neighborhood revitalization strategies. Session focused on underwriting and structuring financing and included presentation panels focused on conventional and intermediary (gap) financing resources and how they are used in actual projects. Session conducted by CCEDA staff. | 22 |
| Community Development: Basic Building Blocks (Cal/Neva) | Las Vegas | 04/11/2007 (2 Hour) | Basic session on financing and underwriting community development projects using various sources of debt and equity financing. Session conducted by CCEDA staff as part of our partnership with the California Nevada Association (CCEDA sister organizations for Community Action Agencies in California and Nevada). | 32 |
| Community Development: Your First Steps into Development (Cal/Neva) | Las Vegas | 04/11/2007 (2 Hour) | Presentation of case studies and discussion with organizations that have implemented successful community development (real estate based) strategies. Session was conducted by CCEDA staff. | 32 |
| Reno Community Development Organizing Session | Reno | 05/10/2007 (4 Hour) | Session participants included funding resources, local government and non profit organizations to discuss procedure for determining community development training needs in Nevada. (Conducted by CCEDA with the Federal Reserve (SF), the Office of the Comptroller of Currency and Nevada Bankers Coalition). | 30 |
| New Developments in Community Development Financing (CCEDA Conference) | Sacramento | 05/22/2007 (2 Hour) | Training session focused on the latest community development financing and development techniques including structuring of 15 year tax credit expiration, 501C3 financing for office and affordable housing. Session conducted by CCEDA as part of the annual conference. | 30 |

| SESSION NAME | LOCATION | DATE | SESSION INFORMATION | ATTENDEES |
|--|-------------|-------------------------|---|-----------|
| New Developments in Community Development Financing: Case Studies (CCEDA Conference) | Sacramento | 05/22/2007 (2 Hour) | This is a follow up session to the earlier financing session. Case studies were presented and dissected to better understanding real life development issues and resolution strategies. The session was conducted by CCEDA staff. | 26 |
| Reno Community Development: Group Session | Reno | 06/08/2007 (1/2 Day) | Initial group training and discussion session designed to assist in the development of a project concept for a facility for youth services. The session targeted a consortium of youth service providers, local government (county supervisor and youth services departments), and financial institutions. The session was conducted by CCEDA and the Office of Comptroller of Currency. | 22 |
| The Essentials of Community Development Financing (Cal/Neva) | Las Vegas | 06/28/2007 (1/2 Day) | Training session designed to assist organizations in understanding organizational and project risks related to community based real estate development | 28 |
| Survey of Community Economic Development: Non Profit Perspective | Los Angeles | 07/26/2007 (3 hour) | Presentation of projects, programs and activities of non profit community based development organizations. The session focused business, commercial and affordable housing development activities and the unique resources provided by non profit organizations. This was made available as part of CCEDA relationship with the California Association for Local Economic Development, a sister association for local (City and County) economic development officials. | 78 |
| Fresno Community Development Focus Group Session | Fresno | 9/06/2007 (1/2 Day) | Initial focus group session designed to determine the community development training needs for organizations in the Central Valley (Fresno Region). Attended by local non profits, State Assembly member, local government (councilman) and banking management. The sessions were sponsored by the Federal Reserve and the Office of the Comptroller of Currency. The session was conducted by CCEDA. | 27 |
| Federal Reserve Bank / Nevada Bankers: Community Development Project Financing | Las Vegas | 09/11/2007 (1/2 Day) | Session conducted by CCEDA for the Nevada Banker's Collaborative annual housing conference. The session focused on project financing and underwriting. The final hour was focused on detailed project analysis (proforma's and sources of uses) for existing development projects. | 38 |

| SESSION NAME | LOCATION | DATE | SESSION INFORMATION | ATTENDEES |
|---|----------|--------------------------|--|------------|
| Fresno Community Development New Markets Tax Credits and Financing Resources (Cal/Neva and Various Banks) | Fresno | 11/13/2007 (Full Day) | This training session is the initial training and technical assistance session as reflected in the Fresno focus group session. The session conducted by CCEDA, included presentations by New Market Tax Credit allocates (received 2007 NMTC's) as well as intermediary lenders presenting unique projects that they have been involved in. The panels were organized and moderated by CCEDA. | 25 |
| Fresno Community Development Direct Technical Assistance Sessions (Cal/Neva and Various Banks) | Fresno | 11/14/2007 | This full day event allocated one-on-one meetings with 6 organizations that attended the previous days training. Participants discussed development issues and problems with CCEDA staff. These "brain-storming" and problem solving sessions resulted in three follow up TA meetings with organizations related to specific projects. | 14 |
| Reno Community Development Youth Development Project Development Session | Reno | 11/27/2007 | This meeting was a follow up to the 06/08 meeting. CCEDA staff met with CSA Reno and a potential development partner (private sector). The session resulted in agreement to proceed with the development of a concept paper that integrated a commercial/industrial development with housing and the inclusion of a community services oriented facility (youth training) that would complement the centers business activity. | 12 |
| TOTAL CCEDA TRAINING ACTIVITY | | | 16 TRAINING SESSIONS | 464 |

Appendix II

Wachovia Community Development Internship Program

Summary: This proposed program is designed to help mitigate the human capital shortage of community development professionals by attracting graduate level students to participate in a structured internship program conducted by CCEDA's professional staff. Interns can work up to 20 hours per week in the specific areas of community development: policy, development finance or neighborhood revitalization. Interns will also work as a team on two statewide CCEDA community development projects (revision of the community development dictionary or to conduct the first statewide community development census).

During their internships, interns will:

- Work with local non profits in their areas of interest (policy, finance or neighborhood revitalization)
- Meet with local and state leaders as it related to contemporary community development issues
- Gain a strong understanding of the scope of community development activities non profit development organizations are involved in on a day to day basis
- Interact with the Wachovia Community Development Unit to gain a strong understanding of how financial institutions work in low and moderate income communities

The program will result in professionals with understanding of the community development industry and become potential employees for this industry. There will also be tangible products as a result of the program which includes a new version of the CCEDA Dictionary of Community Development Terms and the first Census of California Community/Economic Development Organizations.

This program will be an integral part of CCEDA's overall training and technical assistance programs. The funding request to Wachovia will fund the entire proposed internship program, but will leverage existing CCEDA staff and board expertise and with CCEDA's successful ongoing community development programs and policy initiatives leveraged funded through CCEDA partners.

Need: For almost 25 years, CCEDA has served its membership which is comprised of organizations actively engaged in revitalizing California's neighborhoods, including resident driven community development corporations, local governments, community action agencies and faith based institutions. CCEDA members produce results through a full range of community building strategies including real estate development—housing, retail and commercial—business assistance and lending, social services, and job training and creation.

In this capacity, CCEDA is acutely aware of the lack of interested and/or qualified candidates seeking employment in the field of community economic development. The lack of human capital remains as one of the largest stumbling blocks for organizations engaged in improving our low and moderate income communities. As resources continue to shrink it becomes more important to find qualified, well trained individuals with community development skills.

Community based development grew exponentially during the late 1980's and early 1990's. Much of this growth was driven by national community development initiatives with a major boost coming from the Low Income Housing Tax Credit (LIHTC) program. This program provided tax incentives for corporations to invest into the development of affordable housing in low and moderate income communities.

Intermediaries such as the Local Initiatives Support Corporation (LISC) and the Enterprise Foundation supported the growth of community development organizations which quickly became expert affordable housing developers. The support came in the form of grants and technical assistance that taught the basics of development financing and management to community development organizations. The LIHTC incentives also spurred the growth of a significant affordable housing support industry

This support industry included architects, lenders, investors and developers that either retrained their existing staff to understand the nuances of developing in tough inner city and impoverished communities, or more easily, sought experienced individuals from the non-profit community based development sector.

These related industries included:

- Conventional lenders
- Alternative subordinate lenders (bank lending consortiums, loan funds and Community Development Financial Institutions)
- Equity investors (corporations, fund investors and intermediary loan funds)
- Government (local, state and other regional agencies).
- Private sector developers

CCEDA has found that the salary disparity between the non-profit development and for-profit development field for similar positions can range from 10% to 30%, making it more difficult for community based organizations to hire or retain expertise.

In the mid 1990's, many community development institutions (foundations and corporations) recognized this phenomena and support for training and technical assistance increased. Expansion of LISC and Enterprise programs, regional training efforts and the advent of the Development Training Institute (Baltimore) became means of growing human capital for the community development industry.

In 1994, the Bank of America (then known as the Bank of America Community Development Bank) realized that there was a need to grow capacity and attract professionals into this growing field (at that time, 10 of their 18 community development lenders came from non profit or local government). The bank created the Affordable Housing Challenge, a program that offered a monetary award to winning interdisciplinary college team that (with local community input) designed an affordable housing project and structured financing for it.

Over the first four years, the program operated in both southern and northern California, each with 5-6 teams participating from colleges such as (UCLA, USC, Cal, Stanford and Cal Poly San Louis Obispo). The winners were judged by a panel of local government, finance, non profit and community development leaders. The winning grants were designated to local non-profit organizations (that either assisted in the effort or at a later time, actually developed the project). Beyond the development of sound potential projects, many students were exposed to community development field where many found employment.

Due to changes in focus, the program has been substantially pared down to one statewide challenge with 3-4 teams participating. However, the bank continues to support national capacity building programs.

CCEDA has focused most of its basic training efforts in non-metro markets that have not traditionally been served by the intermediary providers such as LISC and Enterprise. In these markets, organizational capacity is the number one issue in their ability to become active and effective community development organizations.

CCEDA conducts focus group sessions with local non-profit, public and private sector community development leaders, to insure proposed programs meet the training needs for that region. Through this process it is clear that there is a significant lack of capacity in both the community and in local government. Most of our training is targeted to this audience.

Job openings for community development positions continue to remain unfilled for long periods of time. This phenomenon has been exacerbated over the last 10 years with very few new individuals entering this field.

Program: The CCEDA/Wachovia Community Development Internship program is designed in a fashion similar to our training and technical assistance (T&TA) program. In our existing T&TA programs, we incorporate access to hands on technical assistance with our training. CCEDA believes the best means to learning is to experience it (with proper coaching or assistance from experienced individuals).

All interns will be assigned to one of three CCEDA professional staff members and will receive basic community development training which will include seven key areas in which community development organizations interact with/in (see below). This basic knowledge is enhanced with each intern designating a specialty area of interest. CCEDA staff will match their interest with a potential local organization (or issue), and the intern will have the ability to immerse themselves into a real-life learning experience. The final training area will be for the interns to take on a team project where they will work together to complete a designated CCEDA task.

Basic Community Development Training: The training plan for all interns will include exposure to the following:

- **Community Reinvestment Act:** CRA remains as a very important resource for community development. Interns will meet with Susan Howard (Board Member and Regional Manager for the Office of the Comptroller of Currency) and will meet with the Wachovia Community Development Staff.
- **Affordable Housing Development:** Interns will visit various projects and meet the development staff of local affordable housing developers.
- **Business Development:** Interns will meet with local Business development providers (business TA and loan providers).
- **Job Training/Workforce Development:** Interns will meet with local workforce centers and job training providers
- **Lenders / Community Development Financial Institutions (CDFI):** Interns will meet with conventional community development lenders (Wachovia) and various CDFIs.
- **Local Government:** Interns will meet with local government entities that have been active supporters of local community development efforts
- **State Government:** Interns will participate in meetings or sub-committee sessions at the State for community development related meetings and discussions.

Individual Project Development: Interns will specify a specific area of focus, i.e., financing of affordable housing or community facilities, business development, community revitalization (planning and analysis), policy issue or other aspects of community development. CCEDA will match their interest with technical support (from CCEDA staff) to work on a specific project with a community based development organization or local government entity. This will allow the intern to fully get involved in a specific “real” issue or project

Team Project: Interns will work as a group to complete a team assignment. CCEDA will also explore the potential involvement by professors or departments. The two that are being considered at this time are:

- **California Community Development Census:** Under the direction of CCEDA staff, the interns will develop an assessment tool that will be distributed to all community development organizations in the state. The interns will follow up by encouraging participation, and will collect the data. The interns will analyze the data and will present the findings in a report. The interns will provide the industry with an overview of the measurable positive impact(s) community development organizations have on the state.
- **Community Development Dictionary:** Interns will work on updating the current CCEDA Dictionary of Community Development Terms. This document has been used by many local governments and financial institutions interested in assisting their staff understand community development “jargon” and terms.

Management: At least three of the four interns will be located in our northern California office and possibly one located in the Los Angeles office. The overall management of the Internship program will be conducted by both the Executive Director and the Director of Training and Technical Assistance. CCEDA's direct TA unit, Community Development Services (CCEDA CDS) manager will also be actively involved. Depending on the interest area of the intern, they will be assigned to one of the three CCEDA professionals. The CCEDA staff has over 90 years of community development experience which includes, development directors for non-profit organizations, senior vice president of community development lending for a major bank, senior bond underwriter for a major housing developer and Director for the Los Angeles LISC office. Overall program management will be conducted by the Executive Director.

Process / Timeline: CCEDA proposes a short turnaround time frame for this project to get underway by early October. Interns must commit to the program for minimum of 10 weeks but are encouraged to participate for up to 8 months (32 week period).

- October 2007: Press Release and Statewide Event: To announce the program and to advertise for potential interns. Release of applications by mid month
- December 2007: Applications are due and decisions made by the end of the month
- February 2008: Program commences
- September 2008: Program ends

Outcomes/Reporting: The programs measurable outcomes are:

- Up to 4 interns exposed to key areas of community development
- Interns with in depth understanding of issues surrounding their area of interest
- Up to four 4 community based organizations will receive a higher level of support (coinciding with the interest of the intern's specific project)
- Completion of the update of the Dictionary of Community Development Terms
- Completion of the first Census of California Community/Economic Development Organizations

Reporting: Quarterly reports are made to the CCEDA Board and will be available to interested parties. CCEDA provides an annual report which consolidates all CCEDA programs and activities. This report is sent to all CCEDA supporters.

Appendix III

Policy: Status of Legislation

| Bill | Title | Status | Recommended Position |
|-------------|---|---|--|
| AB 1491 | Technical Assistance for Small & Emerging Contractors to aid in qualifying for public works construction projects | Read third time, passed, and to Senate | Support |
| SB 765 | Partnership for Urban Communities- will coordinate & improve gov't efforts for at-risk communities | Passed to Assembly, read first time, held at desk | Support- CCEDA testified |
| SB 107 | The Healthy Food Access Act, providing underserved communities with retail markets offering healthy food choices | Held in Committee and under submission | Support |
| AB 1721 | Technical changes in defining "economic development" in State Statute | Referred to Business, Professions and Economic Development | Support if language added to include "community-based non-profits" |
| AB 1272 | CA Infrastructure and Economic Development Bank: Local Assistance Program to aid small & rural communities apply for state infrastructure bond funds | Held in Appropriations and under submission | Support |
| AB 1431 | Emerging Domestic Markets- assists businesses in emerging domestic markets gain access to private equity financing | Held in Appropriations and under submission | Watch |
| AB 1606 | State Economic Development Strategy- improves state economic development planning by addressing issues related to the attraction of private investment, micro enterprise development & support for regional industry clusters | Sent to Rules committee for assignment, read third time, passed and to Senate | Watch |
| AB 232 | Statewide action plan to revitalize urban neighborhoods through investment & development | Re-referred to Committee on Jobs, Economic Development & the Economy | Watch |
| AB 512 | Mortgage Document Translation- will provide crucial, clearly stated protections for home loan borrowers whose primary language is Spanish, Korean, Chinese, Tagalog, and Vietnamese | Read third time, passed, and to Senate | Support |

| PROGRAM | September 2006 – August 2007 | September 2007 – August 2008 | September 2008 – September 2009 |
|--------------------|---|--|--|
| Policy: Long Term | <ol style="list-style-type: none"> 1. Insurance Investment <ul style="list-style-type: none"> • Re-introduction of bill • Data call legislation • Continued legislative education 2. Permanent source (affordable housing) <ul style="list-style-type: none"> • Supported successful bond financing measure (short term solution) • Support coalition • Information and support to CCEDA membership 3. Initiated state census of community development 4. Analysis of CD industry issues <ul style="list-style-type: none"> • Community food issues • Small business TA and loan fund issues • Housing lending (availability of mezzanine debt from intermediary funds) • Asset building • Child and health care issues | <ol style="list-style-type: none"> 1. Insurance Investment <ul style="list-style-type: none"> • Continued CD education of legislature • Continued discussion with insurance industry • Legislative support from CD industry 2. Permanent Source <ul style="list-style-type: none"> • Support coalition • Membership and market support 3. Continue census CD data collection, finalization and report of data 4. Venture capital 5. Continued advocacy education and legislative agenda <ul style="list-style-type: none"> • Community food issues • Small business TA provider and loan fund issues • Housing lending (availability of mezzanine debt from intermediary funds) • Asset building • Child and health care issues • Community revitalization • Foreclosure prevention • Add additional CD industry issues | <ol style="list-style-type: none"> 1. Insurance Investment <ul style="list-style-type: none"> • Continued CD education of legislature • Continued discussion with insurance industry • Legislative support from CD industry 2. Permanent Source <ul style="list-style-type: none"> • Support coalition • Membership and market support 3. Continue/update CD data collection 4. Assembly venture capital 5. Continued advocacy education and legislative agenda <ul style="list-style-type: none"> • Community food issues • Small business TA provider and loan fund issues • Housing lending (availability of mezzanine debt from intermediary funds) • Asset building • Child and health care issues • Community revitalization • Foreclosure mitigation • Add additional CD industry issues |
| Policy: Short Term | <ol style="list-style-type: none"> 1. State Legislative Support <ul style="list-style-type: none"> • Concept papers on various CD topics: 3 • Meetings with Legislators: 2 6 • Bills supported: 8 • Bills signed: 2 • Bills died: 2 • Bills to be reintroduced: 1 2. National Policy <ul style="list-style-type: none"> • Assist in closeout of NCCED • Assist/support creation of NACEDA | <ol style="list-style-type: none"> 1. Continue Legislative Support 2. Investigate/research additional CD issues and policy directives 3. Continue National Policy support | <ol style="list-style-type: none"> 1. Continue Legislative Support 2. Investigate/research additional CD issues and policy directives 3. Continue National Policy support |

CCEDA 2006 – 2009 Policy Work Plan