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# Guide to Establishing Community Development Corporations

**California Community Economic Development Association**

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**California Community Economic Development Association (CCEDA)** is a nonprofit statewide membership association that advances the field of community economic development through training and continuing education, technical assistance, and advocacy on public policy on behalf of its membership organizations which are actively engaged in revitalizing low- and moderate-income neighborhoods in California and across the nation. It 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.



# **COMMUNITY DEVELOPMENT CORPORATIONS TOOL KIT**

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# COMMUNITY DEVELOPMENT CORPORATIONS

## INTRODUCTION

A Community Development Corporation (CDC) is a nonprofit organization created to support and revitalize communities, particularly those that are underserved or facing economic challenges. There are many reasons that an organization might consider becoming a CDC such as mission alignment, access to funding, community empowerment, sustainability, and community partnership opportunities.

There are several examples of CDCs that range from community-based organizations that can start as neighborhood organizations; local, faith-based organizations and national organizations that provide technical assistance to other organizations throughout the Country. For example, some National CDCs widely known in the industry include LISC (Local Initiatives Support Corporation) and NeighborWorks America. From a local level, there are organizations that can be spin offs of local government or other community-based organizations that want to tap into additional resources.

This Community Development Corporation (CDCs) Guide is intended for use by community and faith-based organizations for the following purposes:

- Organizations wanting to learn about Community Development Corporations.
- Groups looking to establish or create CDCs.
- Organizations considering becoming a Community Development Corporation.
- Organizations looking for Community Development Corporations services for their own use or for their community.

*This manual will provide insight and guidance on creating a Community Development Corporation.*





# COMMUNITY DEVELOPMENT CORPORATIONS

## WHAT IS A CDC?

A Community Development Corporation (CDC) is a nonprofit organization created to focus on improving the quality of life in underserved or economically disadvantaged communities and neighborhoods. CDCs aim to address issues such as housing, economic development, and community services through a variety of programs and initiatives.

### Key Characteristics of a Community Development Corporation

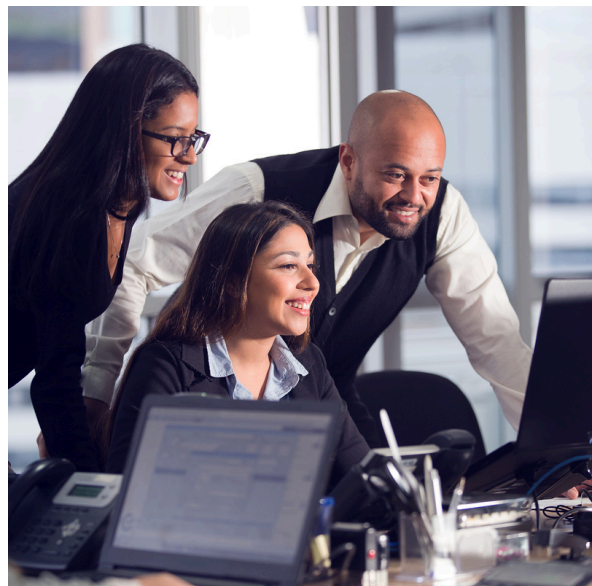
- **Nonprofit Status:** CDCs are typically 501C(3) nonprofit organizations, which means they operate for the public good and are exempt from federal income taxes.
- **Community-Focused Governance:** CDCs work directly within communities to address specific local needs and challenges, involving community members in the decision-making processes.
- **Holistic Approach:** CDCs address a wide range of issues, from affordable housing and economic development to healthcare, education, and social services.
- **Grassroots Engagement:** CDCs engage residents, local businesses, and other stakeholders in the planning and implementation of their programs to ensure that initiatives are tailored to the community's needs.

## CDC AREAS OF FOCUS

CDC's and Areas of Focus: Areas of focus include affordable housing, economic development, community development, community services, educational programs, neighborhood revitalization, advocacy, and any service or area of public benefit that addresses the needs of different communities, including those advocating for financial stability and self-sustaining programming. Below is a list of these areas and additional description. Note that CDCs can decide to focus on more than one of these areas in an effort to encourage more financial stability amongst low and moderate income and working families.

### Key Characteristics of a Community Development Corporation

- **Affordable Housing:** Developing, rehabilitating, and managing affordable housing units for low- and moderate-income residents.
- **Economic Development:** Supporting local businesses, creating job opportunities, providing job training, and fostering entrepreneurship.
- **Community Services:** Offering a range of services such as health clinics, educational programs, youth services, and food distribution.
- **Neighborhood Revitalization:** Improving infrastructure, enhancing public spaces, and working on beautification projects to make communities more attractive and livable.
- **Advocacy and Policy Work:** Advocating for policies and initiatives that benefit the community, such as fair housing laws and economic development incentives.



# COMMUNITY DEVELOPMENT CORPORATIONS

## EXAMPLES OF CDC IMPACT

While there are a multitude of services and areas of focus, below are a few examples of four of the primary types of CDCs.

- **Housing:** Many CDCs have successfully developed affordable housing projects, reducing homelessness and housing insecurity in their communities. The focus can be encouraging homeownership opportunities or developing affordable, multifamily housing options for low-income families.
- **Economic Growth:** By supporting local businesses and providing job training, CDCs help stimulate economic growth and reduce unemployment. Many organizations have focused on providing financial education services and becoming Community Development Financial institutions to expand their services to microlending.
- **Community Health:** Through health clinics and wellness programs, CDCs improve access to healthcare and promote healthy living. There are CDCs who work in collaboration with community healthcare programs to offer health related services that also play a role in becoming financially self-sufficient.
- **Education:** CDCs often run after-school programs, tutoring services, and adult education classes, enhancing educational outcomes for community members. There are many organizations who provide a variety of educational services to improve opportunities for families and individuals, including GED certificates or tutoring services.

## IMPORTANCE OF CDCS

While the expectation is that each municipality or community has local government to assist with critical community issues, e.g. public safety, nonprofits and community-based organizations play an important role in working to address key community needs such as housing and unemployment. Local, community-based organizations allow communities to leverage limited resources, including leadership, funding and technical assistance not otherwise available from other local agencies.



*Image credit: Coalition for Responsible Community Development, Instagram, 2024*

- **Addressing Inequities:** CDCs play a crucial role in addressing social and economic inequities by providing resources and opportunities to underserved communities.
- **Empowering Communities:** By involving community members in the planning and implementation of projects, CDCs empower residents and promote community ownership and pride.
- **Sustainable Development:** CDCs often focus on sustainable and long-term solutions that have a lasting impact on community well-being.

# CDC PRIORITIES

There are key characteristics and areas of focus for CDCs and reasons why community leaders can decide to create one of these organizations to address several needs within a community. CDCs are usually created in partnership with local municipalities and community stakeholders or in response to the need for a more holistic approach in addressing needs such as affordable housing, economic development, community health or education. The priorities of a CDC focus on assessing the needs of a community and engaging key community stakeholders to identify the resources and strategies needed to tackle the greatest challenges.

Community Development Corporations typically prioritize a variety of initiatives aimed at improving the social, economic, and physical conditions of the communities they serve. When considering starting a CDC, community leaders, should compile data from local assessments, housing plans, community and economic development plans and other research to identify gaps in addressing key community needs.

While specific priorities may vary based on local needs and organizational missions, common priorities for CDCs include:

- **Affordable Housing Development**
  - Building, renovating, and maintaining affordable housing to ensure that low- and moderate-income residents have access to safe and stable living environments.
- **Economic Development**
  - Creating job opportunities, supporting local businesses, attracting new investment, and fostering entrepreneurship to stimulate economic growth and stability.
- **Community Engagement and Empowerment**
  - Encouraging active participation from community members in decision-making processes, fostering leadership development, and empowering residents to take ownership of community improvement efforts.
- **Workforce Development**
  - Providing job training, employment services, and educational programs to enhance the skills and employability of community members, particularly those who are unemployed, underemployed or justice involved.
- **Youth and Education Programs**
  - Offering educational enrichment, after-school programs, mentorship, scholarship, and other services aimed at supporting the academic and personal development of young people, including high school and college graduation.
- **Childcare and Headstart**
  - Offering affordable and impactful childcare as well as pre-school Head Start services to low- and moderate-income families
- **Health and Wellness**
  - Promoting access to healthcare services, mental health resources, nutrition and wellness programs, and recreational activities to improve the overall health and well-being of residents.
- **Community Infrastructure and Public Spaces**
  - Developing and maintaining public infrastructure such as parks, community centers, and recreational facilities to enhance the quality of life and provide safe, accessible spaces for community activities.
- **Neighborhood Revitalization**
  - Addressing blight, improving the physical appearance of neighborhoods, and preserving historical and cultural assets to create vibrant, attractive communities.



# CDC PRIORITIES



Image credit: Coalition for Responsible Community Development, Instagram, 2023



Image credit: CommUnify, Instagram, 2023

- **Environmental Sustainability**
  - Implementing green building practices, promoting energy efficiency, supporting community gardens, and advocating for environmental justice to create sustainable and resilient communities.
- **Public Safety**
  - Collaborating with law enforcement, offering crime prevention programs, and creating safe environments to reduce crime and enhance public safety.
- **Advocacy and Policy Influence**
  - Advocating for policies and legislation that support community development goals, protect vulnerable populations, and promote social and economic equity.
- **Financial Literacy and Homeownership**
  - Providing financial education, credit counseling, and homebuyer assistance programs to help residents achieve financial stability and homeownership.
- **Senior Services**
  - Offering programs and services tailored to the needs of elderly residents, including healthcare, social activities, and housing support.

By addressing these priorities, CDCs aim to create holistic, sustainable, and inclusive communities that offer opportunities and improved living conditions for all residents.

# BENEFITS OF BECOMING A CDC

Becoming a Community Development Corporation (CDC) offers several benefits that can positively impact both the organization and the community it serves. Here are eleven key advantages to consider:



## **1. Access to Funding**

- CDCs, as non-profit organizations, can access various funding sources, including federal, state, and local government grants, private foundations, and low-interest loans specifically designated for community development organizations. Included in this manual are a few funding sources that CDCs can access.

## **2. Tax-Exempt Status**

- As nonprofit organizations, CDCs often qualify for tax-exempt status, which can provide significant savings and make it easier to reinvest in community projects. Furthermore, it allows the organization to leverage this status to qualify for alternative sources of financing, including donations and grant opportunities that other entities can't tap into.

## **3. Community Engagement and Empowerment**

- CDCs are rooted in the communities they serve, allowing for a more tailored and effective approach to addressing local needs and priorities. This grassroots involvement can foster a sense of ownership and empowerment among residents. Many CDCs include key community leaders and residents as part of their team to have direct input from those they serve.

## **4. Economic Development**

- CDCs can drive economic growth by creating jobs, attracting public and private, especially financial institutions, investment, and supporting local businesses. This can lead to improved economic stability and prosperity in underserved areas. These organizations are often the facilitator of public-private partnerships.

## **5. Affordable Housing**

- Many CDCs focus on developing affordable housing, which can help to alleviate housing shortages, address homelessness and provide stable living conditions for low- and moderate-income families. In addition, many CDCs also focus on single family development and service opportunities which include housing counseling and self-help building.

## **6. Comprehensive Community Services**

- CDCs often provide a range of services beyond housing, such as workforce development, youth programs, health services, and more, contributing to the overall well-being of the community. This range includes financial literacy and credit education and other opportunities that help families become financially sustainable.

# BENEFITS OF BECOMING A CDC

- **Capacity Building and Technical Assistance**
  - CDCs can offer technical assistance and capacity-building support to local residents, businesses, and other organizations, helping to build a stronger and more resilient community infrastructure. Many also consider becoming or providing services similar to Community Development Financial Institutions (CDFI) or partnering with CDFIs or banks and other agencies to build individual, community and organizational capacity.
- **Advocacy and Policy Influence**
  - CDCs can advocate for policies and initiatives that benefit their communities, leveraging their position to influence local, state, and national policies. This includes grassroots efforts that empower communities to advocate for services and resources at every level.
- **Partnership Opportunities**
  - CDCs can collaborate with a variety of stakeholders, including government agencies, private sector partners, and other nonprofit organizations, to leverage resources and expertise for greater impact.
- **Sustainability and Long-Term Impact**
  - By focusing on sustainable development practices, CDCs can ensure that their projects have a long-lasting, positive impact on the community. While many CDCs rely on grants or donations, there are many who have structured their organizations as a social enterprise for long-term sustainability.
- **Enhanced Community Identity and Pride**
  - Successful community development projects can foster a sense of pride and identity among residents, improving the overall quality of life and cohesion within the community. As a grassroots organization and a collaborative community effort it becomes easier to identify and control the priorities and goals of community development efforts in your own community.



# GUIDE TO DEVELOPING A CDC



There are multiple steps in starting a Community Development Corporation and while it may make sense to start in a specific order, sometimes the community need, or geographic boundaries are established before the coming together of like-minded stakeholders and vice versa.

The below are suggested steps to consider as you are going through the process.

## **1.Set up a Working Committee**

One of the first steps in developing a CDC is to set up a working committee of like-minded individuals and stakeholders to identify the primary purpose of the CDC and/or the needs that the CDC is addressing, determine the structure of the organization, recruit leaders, develop guidelines and procedures as well as roles and responsibilities, create an initial action plan, and establish communication channels. Consider reaching out to representatives from different industries within the community to cover a wide spectrum of input. For example, inviting members from the school district, the City, County, banks, entrepreneurs, health care, etc., to get broad buy in.

Keep in mind that the working committee may or may not sit as part of the Board of Directors but will be representative of the community, comprised of individuals who understand the needs of the community and want to make a difference.

# GUIDE TO DEVELOPING A CDC

## 2. Identify Primary Purpose of CDC

Once an initial working committee is established, the first task is to identify the primary purpose of the CDC. Consider starting with smaller projects that address immediate needs such as the following:

- **Housing Initiatives:** Affordable housing projects, home improvement programs.
- **Economic Development:** Small business support, job training programs.
- **Community Services:** Health clinics, educational programs, food distribution.

As you start to explore the focus and primary purpose, consider the goals that the committee wants to work towards to make sure that the group has direction and that everyone is on the same page. Depending on those on the working committee and the needs of the community, the group may want to focus on several areas; however, it is best to start small and take on more initiatives as the organization becomes established and identifies the resources to start these programs.

## 3. Conduct a Community Needs Assessment

Community needs assessments are essential tools in identifying and confirming the needs of the community and are often completed by local municipalities to attract the resources needed for communities throughout the Country. In many cases, CDCs and other community-based organizations also partake in the process or conduct third party assessments to identify the needs and resources of the community. These assessments include the following:

These assessments include the following:

- **Analyze Existing Data:** Use demographic, economic, and social data to understand the community. Cities, counties, regional economic development agencies, Census, and other sources have data that can help identify targeted community needs.
- **Resident Surveys:** Gather input on what the community needs from neighborhood residents.
- **Engage Stakeholders:** It is important to involve community leaders, local government, businesses, and other organizations to ensure you have a wide spectrum of community input. Holding focus groups and having one on one interviews are good ways to collect independent and informative insight as to issues, challenges and opportunities.

## 4. Identify a Mission and Vision Statement

As the working group explores the purpose of the CDC, the Mission Statement and Vision Statement become outcomes of those conversations and critical components in setting up your CDC and 501c(3) organization.

- **Mission Statement:** Define the purpose of your CDC.
- **Vision Statement:** Outline the long-term goals and aspirations for the community.

A professionally facilitated discussion among the working group is the recommended method to achieve a common mission and vision statement.



# GUIDE TO DEVELOPING A CDC

## 5. Form a Board of Directors

Having a Working Committee is helpful for this step because you are able to identify individuals who are committed to the purpose and mission of the CDC that the group wants to develop. In addition, the group is able to help recruit board members and advisors that can help establish the organization and fulfill its mission through the newly formed CDC. It is important to vet these individuals and recognize that while someone may have the interest in serving they may not have the skillsets to help the organization move forward and vice versa; you may have someone with strong skillsets but not the commitment to serve.

- **Board of Directors:** Assemble a diverse group of individuals with a passion for community development. Try to keep this group within 5-13 members to be most effective.
- **Advisors:** Seek professionals in areas such as law, finance, and urban planning. Advisory board or committee members are professionals who can provide assistance pro-bono or at a discount but don't serve on the Board.

## 6. Legal Structure and Incorporation

As the Working Committee identifies a primary purpose and assesses the needs of the community, it is time to set up the new entity. Below is the list of steps that need to be followed to set up the entity.

- **Choose a Legal Structure:** Typically, CDCs are incorporated as 501(c)(3) nonprofit organizations.
- **File Articles of Incorporation:** Register your CDC with the state.
- **Create Bylaws:** Define the internal rules and procedures. CCEDA can provide examples.
- **Apply for EIN:** Obtain an Employer Identification Number from the IRS.
- **Tax-Exempt Status:** Apply for 501(c)(3) status with the IRS.

**The steps listed above provide a basic guideline in setting up a CDC, and as mentioned some of these steps can be completed in a different order.**

# DEVELOP A FEASIBILITY STUDY AND BUSINESS PLAN

The best way to determine if there is the need and potential for community, stakeholder and financial support to create a CDC, is the development of a Feasibility Study. Prepared by a professional consultant, a Feasibility Study provides the following:

- **Background research and analysis:** 1. Conduct background research and analysis on both sponsoring organizations and the relevant city(s) and county to understand the strengths, challenges, and opportunities for the CDC model.
- **Interview key stakeholders:** Interview key stakeholders including leadership staff, board members, community partners, city and county officials, financial institution leaders, foundation staff.
- **Conduct focus groups:** Identify key stakeholders to conduct focus groups within the community being served.
- **Identify funding sources:** Interview potential private and public sources of support.
- **Recommend scenario:** Based on the research and analysis, recommendations are made as to legal and governance structure to establish a CDC.

One of the most effective ways of creating a CDC is with the development of a **Business Plan** that identifies how the organization will be operate, achieve essential community goals, track outcomes, and ensure long term sustainability. Below is an outline of a business plan specifically curated for a CDC.

- **Executive Summary:** Overview of your CDC's mission, vision, and goals. This is usually no more than one page and can be summarized within a couple of paragraphs.
- **Community Analysis:** Detailed needs assessment of the Community or geographic area that you have identified.
- **Programs and Services:** Description of planned initiatives that you will be providing or partnering with local agencies to provide.
- **Operational Plan:** How the organization will function day-to-day. This should include roles and responsibilities for Committees, full time staff, volunteers, Board of Directors and general operations. This should include the level of activity throughout the community. For example, whether the organization will engage in local advocacy efforts and partner with other service providers and government agencies.
- **Financial Plan:** The financial plan includes a general operating and programmatic budget, funding sources, and financial projections.
- **Marketing Plan:** The marketing plan will focus on strategies for community engagement and outreach, including promoting services once the organization identifies sources and is set up.

## COMMUNITY ENGAGEMENT

Community engagement for CDCs is critical, whether it is to identify goals, programs, priorities or promoting programs and services provided. Below are some recommendations on how to engage community stakeholders.

- **Outreach:** Use social media, community meetings, and events to keep residents informed and involved.
- **Feedback:** Continuously seek input from the community to guide your efforts.

# STRATEGIC PARTNERSHIPS

Strategic partnerships are a core component of CDCs. It is essential to collaborate with local government, businesses, other nonprofits, and community groups to leverage resources and expertise. Many CDCs have been successful at engaging key community stakeholders to be part of the CDC and support its programs and initiatives.

With limited resources available, partnerships have been the best way of leveraging resources and attracting more competitive sources of funding that one agency could not secure without the engagement and collaboration of strategic partners.

Some examples of suitable strategic partners are:

- **Government/public:** federal, state, regional, county, city, municipal agencies.
- **Private:** financial institutions, utilities, insurance companies, pension funds,
- **Philanthropic:** foundations
- **Non-profits:** economic development corporations, chambers of commerce, professional associations

## FUNDRAISING AND FINANCING

How do CDCs support their programs and operations? The fundamental purpose of CDCs, and their engagement of community stakeholders, gives these agencies access to a variety of financing and fundraising opportunities. Below is a list of sources to consider as you look at setting up a new organization and identifying ways to support programs and long-term sustainability.

- **Grants:** Apply for government, foundation, and corporate grants. Federal, state, and local government grants, as well as grants from foundations and other nonprofit organizations.
- **Donations:** Solicit contributions from individuals, businesses, and community members.
- **Loans and Investments:** Seek low-interest loans or community investment funds, specifically designed for community development projects.
- **Earned Income:** Revenue from services provided, such as rent from affordable housing units or commercial space, or fees for training programs.

## INTERIM STAFF AND IMPLEMENTATION OF PROGRAMS

As you embark on the journey of starting a CDC you will need to consider the staff that you will need to hire. Depending on the financing identified you may consider hiring a full time or part time project manager before you hire an official Executive Director. In many cases the Board of Directors are the ones who take on key roles prior to hiring a project manager or Executive Director. In addition, in the interim there may also be consultants hired as temporary staff to help with key start-up tasks such as fundraising or grant writing.

Given the diversity of CDCs and the evolution of community needs has often forced organizations to adjust their programs to align with evolving needs.

# INTERIM STAFF AND IMPLEMENTATION OF PROGRAMS

- **Launch Programs:** Start with small pilot projects to test and refine your approach:
  - **Façade improvement**
  - **Business corridor surveys**
  - **Workshops and webinars**
  - **Microloan programs**
  - **Duplex and fourplex purchase, renovation and rental**
- **Evaluate and Adjust:** Regularly assess the impact of your programs and make necessary adjustments. For example, during the 2008 mortgage/foreclosure bubble burst, foreclosure prevention became a critical service for CDCs to provide homeowners throughout the Country to avoid foreclosing on their homes. Once things stabilized the need for that type of housing shifted to financial literacy education. One thing to keep in mind is that you may need to adjust to evolving community needs.

## START-UP BUDGET

Existing organizations can hire consultants to form and initially staff a CDC. If there is sufficient budget, then a budget could look like:

|                                      |                  |
|--------------------------------------|------------------|
| <b>Executive Director:</b>           | <b>\$90,000</b>  |
| <b>Program Manager/Specialist:</b>   | <b>\$72,000</b>  |
| <b>Assistant/Office Manager:</b>     | <b>\$48,000</b>  |
| <b>Fringe at 25%:</b>                | <b>\$52,500</b>  |
| <b>Marketing Consultant:</b>         | <b>\$60,000</b>  |
| <b>Bookkeeping &amp; Accounting:</b> | <b>\$48,000</b>  |
| <b>Office and Utilities:</b>         | <b>\$36,000</b>  |
| <b>Communications:</b>               | <b>\$12,000</b>  |
| <b>Equipment:</b>                    | <b>\$5,000</b>   |
| <b>Supplies:</b>                     | <b>\$3,000</b>   |
| <b>Total Initial Budget</b>          | <b>\$426,500</b> |

After the 1st year, the budget will be reflective of fundraising and programmatic success.



# SUSTAINABILITY PLAN

One of the pieces we discussed in this manual is the development of a business plan. Once the organization is set up and running, it is important that the Board of Directors and organizational leaders focus on a sustainability plan. The sustainability plan is often an additional piece added to a business plan, potentially an updated business plan that is reviewed and discussed by leadership. The sustainability plan considers the expansion of programs and successful initiatives reaching more people. A key component of the plan is to develop strategies for long-term financial and operational sustainability.

## ORGANIZATIONAL DEVELOPMENT TIPS



Image credit: Department of Economic Opportunity,  
@econoppla, Instagram, 2024



Image credit: Department of Economic Opportunity,  
@econoppla, Instagram, 2024

Consider what community needs are and design the organization, programs and services appropriately. Consider what resources you have or can access to help determine the size and scope of your CDC.

### **Key Development Tips:**

- If starting a CDC, the agency needs to ask why they want to become a CDC and the purpose of the CDC. The guide listed above will serve as a tool to guide you through the process.
- The next thing to consider is whether there is buy-in from the organization and board of directors to become a CDC (if it is an established organization) and for new organizations, have buy-in from key stakeholders to develop a board of directors and advisory board. It is important that everyone is on the same page to pursue this opportunity.
  - Getting the right board members is critical, look into getting members who represent the community and different industries and/or areas of expertise that can contribute towards the leadership and stewardship of the organization.
- Determine how you can build capacity, including technical assistance from State and regional agencies that could assist with this process.
- Partnerships are essential in successfully operating CDCs as this helps leverage limited resources and encourage further development.
- Conducting research on local, regional and national plans that relate to the identified purpose is critical as that will help the organization prioritize programs and services as well as identify critical resources to start, operate and sustain a CDC.
- Fundraising and Sustainability. Fundraising is a critical need for program development and implementation and long-term sustainability. Find ways to explore social enterprises to not rely solely on donations or grants.

# CONCLUSION

Starting a CDC is a significant undertaking, but with careful planning, community involvement, and persistent effort, it can lead to meaningful and lasting improvements in your community. These are vital organizations that foster community and economic development opportunities and work with a variety of stakeholders and fill service gaps in communities.

This document is intended to be a guide that outlines some of the key issues and identifies possible solutions and steps. It is not intended to be your single source since every community has its own issues, concerns and peculiarities and its own unique solutions. The document is not intended to encourage any organization into organization development but only to lay out some of the key steps and issues once the decision is made to proceed.

# RESOURCES

There are a variety of resources that CDCs could tap into depending on their core purpose as well as their communities. In addition, there are resources that differ from Metro to Rural communities so it is important to conduct a little research within your own community to see what you can tap into.

- **Local Government Agencies:** Often provide resources and support for community development. Such as Cities, Counties, and other municipal agencies, such as the City of Los Angeles.
- **Nonprofit Organizations:** Organizations like California Community and Economic Development Association (CCEDA), the National Community Reinvestment Coalition (NCRC) and Local Initiatives Support Corporation (LISC) offer guidance and funding.
- **Educational Institutions:** Universities may have programs and resources for community development.
- **Federal Government Agencies:** Community Development Financial Institutions (CDFI), the US Department of Housing and Urban Development (HUD), US Department of Health and Human Services (HHS), US Department of Agriculture (USDA) Rural Development.
- **Financial Institutions:** Some banks and financial institutions support the launch and sustainability of CDCs. Many are required to invest in communities and community development efforts as part of the federal government's Community Reinvestment Act (CRA)
- **Insurance companies:** Insurance companies are also encouraged to support efforts such as affordable housing which has an impact in their industry.
- **Foundation:** Kellogg Foundation, local Community Foundations, Coca Cola Foundation, etc.

More specifically we have listed a few resources below to help you identify capacity building opportunities as well as potential program funding opportunities in different areas within Community Development.

## CALIFORNIA COMMUNITY ECONOMIC DEVELOPMENT ASSOCIATION (CCEDA)

(<https://cceda.com>) An organization that empowers organizations serving people of color, and others, to create economic opportunity and social equity in low to moderate income communities. In addition to having guidebooks like this one, they have annual conferences that highlight funding opportunities for Community and Economic Opportunities throughout the State of California as well as other agencies across the country and provide technical assistance in different areas.

## ENTERPRISE COMMUNITY PARTNERS

Enterprise is organized around three central goals: to increase housing supply, advance racial equity and build resilience and upward mobility. To achieve these goals, we operate across three divisions – Solutions, Capital and Community Development – that unify and leverage a family of purpose-built affiliates to execute our work.

Our Solutions division operates a 501(c)(3) nonprofit nationwide with programmatic, policy, advisory and capacity-building arms at the national, state and local level, working in more than 700 communities and in collaboration with thousands of partners in the nonprofit, public and for-profit sectors.

# RESOURCES

## HEALTH AND HUMAN SERVICES COMMUNITY ECONOMIC DEVELOPMENT (CED) GRANT

(<https://www.acf.hhs.gov/ocs/programs/ced>) CED is a federal grant program that expands employment for individuals with low income in communities facing persistent poverty and high unemployment by investing in community development corporations (CDCs) that create and expand businesses and job opportunities. Jobs created with CED funds provide living wages, paid leave, fringe benefits, and opportunities for career growth

## LISC

(<https://www.lisc.org>) LISC is a national organization that connects local groups across America with the capital and technical know-how to help build inclusive; resilient communities of opportunity. They provide technical assistance and access to different funding opportunities. They have offices throughout the Country and represents larger regions, including a rural arm.

## NATIONAL ASSOCIATION OF LATINO COMMUNITY ASSET BUILDERS (NALCAB)

(<https://nalcab.org>) NALCAB is the hub of a national network of more than 200 mission-driven organizations in 46 states, DC and Puerto Rico that are anchor institutions in geographically and ethnically diverse Latino communities. NALCAB operationalizes its strategy in three areas of expertise: small business development, financial capability, and equitable neighborhood development.

## NATIONAL CAPACD

(<https://www.nationalcapacd.org/>) National CAPACD advances equity and creates vibrant, healthy neighborhoods by mobilizing and strengthening a powerful coalition of Asian American, Native Hawaiian, and Pacific Islander community-based organizations working in low-income communities. CAPACD is a national leader advancing comprehensive community development and advocating against gentrification in and displacement of low-income AA and NHPI neighborhoods and communities.

## COMMUNITY OPPORTUNITY ALLIANCE

(<https://www.naceda.org/>) The Community Opportunity Alliance is a national nonprofit dedicated to enhancing the community development field. They foster an environment where innovative ideas and diverse perspectives can flourish. Their work focuses on shaping and accelerating research, mobilizing resources, and advocating for meaningful change. Their mission is to lead the community development sector and its partners in developing strategies that promote community prosperity and empower local initiatives.

## OTHER FEDERAL AGENCIES WITH CDC FUNDING:

### US ECONOMIC DEVELOPMENT ADMINISTRATION (EDA)

([www.eda.gov](http://www.eda.gov)) This agency has a variety of grant resources that focus on various Economic Development efforts that create jobs. Some grant programs include the American Rescue Plan, Recompete, and many others.

# RESOURCES

## US DEPARTMENT OF HEALTH AND HUMAN SERVICES (HHS)

([www.hhs.gov](http://www.hhs.gov)) This agency's mission is to enhance the health and well-being of all Americans through programs related to medicine, health insurance, prevention/wellness, research, social services and other programs. They have grant programs like the Community and Economic Development grant (CED) and at one point also had resources for Individual Development Accounts which assisted with matching funds to help families and individuals become financially independent.

## US DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)

([www.hud.gov](http://www.hud.gov)) HUD provides housing support and community development resources such as Community Development Block Grant Funds (CDBG), HOME, Rural Housing and Economic Development grants, administers programs such as loans through the Federal Housing Administration, among other programs.

## US SMALL BUSINESS ADMINISTRATION (SBA)

([www.sba.gov](http://www.sba.gov)) The SBA focuses on resources for small businesses. Small businesses are defined as an independent business having fewer than 500 employees and fewer than \$7.5M in average annual receipts. They have several resources such as microloans and other loans that they guarantee through lenders across the US.

## US DEPARTMENT OF AGRICULTURE RURAL DEVELOPMENT (USDA-RD)

([www.rd.usda.gov](http://www.rd.usda.gov)) While this agency may seem like an agency focus on agriculture, they have been financing infrastructure, housing, and small business development throughout rural America. They have several programs that range from housing to business development and community facilities. In addition to providing loan guarantees they also have Rural Development grants such as the Rural Micro Assistance Program (RMAP) that provides grant funds to CDFIs and other Community Development organizations for rural micro-business development.

## PHOTO CREDITS

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## **APPENDIX**

### **Case Studies**