

Local Initiatives Support Corporation (LISC) Boston
Community Investment Tax Credit Program

LISC Boston Capacity Building Plan, 2020-2022

The Boston office of Local Initiatives Support Corporation (LISC Boston) is a Community Support Organization dedicated to comprehensive community development and providing capacity building support for community development corporations (CDCs) throughout Massachusetts. Community Investment Tax Credits provide critical funding to enable many of the key components of our capacity building program. This Capacity Building Plan covers the three-year period from 2020-2022 and is informed by a strategic planning process we are currently completing.

Our strategic planning process began with a survey sent to all of our stakeholders, including our many CDC partners. It included several listening and strategy sessions that welcomed stakeholders, as well as a focus group and other events designed to directly engage some specific stakeholder groups. Our capacity building plans for CDCs are also informed by our close partnership with the Massachusetts Association of Community Development Corporations (MACDC) and the Mel King Institute (MKI). Through the Mel King Institute, we regularly survey CDC participants, both formally and informally, regarding their training and capacity building needs. At the outset of the 2020 workplan period, LISC Boston will be broadening its local advisory board and committees to ensure more diverse representation and expertise, including an additional CDC representative on the advisory board and other CDC representatives on subcommittees.

Section 1. Proposed Workplan

LISC Boston's proposed capacity building workplan for 2020 through 2022 includes initiatives in three primary categories: (1) Organizational and Staff Capacity Building, (2) Real Estate Lending and Asset Management, and (3) Economic Development. Descriptions of our proposed activities, including their applicability to CDC needs and the schedule for providing these activities, supports, and services follows.

A. General Organizational and Staff Capacity Building. LISC Boston plans to support the organizational and staff capacity of CDCs with capacity building grants, LISC AmeriCorps members, training via the Mel King Institute, Community Development Innovation Forums, and other thought leadership and technical assistance. Financial assistance to CDCs under this activity is anticipated to total between \$350,000 and \$550,000 annually -- \$1,050,000 to \$1,650,000 over the three-year term of the workplan. It will include additional support to CDCs to the extent available resources allow.

1. Capacity Building Grants to CDCs. LISC Boston will continue making capacity building grants to CDCs during the term of the workplan. We anticipate annual capacity building grants of \$150,000 to \$250,000 total among four to ten organizations, deployed to build capacity in strategic areas of focus, for a total of \$450,000 to \$750,000 between 2020 and 2022, with additional grantmaking to the extent funds are available. By way of example, LISC made capacity

building grants to six CDCs to grow their economic opportunity programs, and seed inclusive investment strategies in Opportunity Zones in 2018 and 2019, respectively. Targeting of capacity building funds is informed by our continual engagement with CDCs, consultation with MACDC, other CDC support organizations, consultants, and stakeholders. LISC raises capacity building grant funds through the federal Section 4 program and other sources, supplementing with CITC and other operating funds, to increase funding and support operational costs of grant programs. Capacity building grants are made available periodically during the year, as funds are available. We consistently receive more requests for funding than we can accommodate.

2. **LISC AmeriCorps Program.** LISC Boston will continue to fund and support an annual cohort of AmeriCorps members for sponsored positions within local CDCs. Sponsoring organizations have a full-time AmeriCorps member take on a capacity building role for 10 months in housing counseling and services, housing development, economic opportunity, community engagement and more.. Participants and sponsors host meetings of the cohort on a monthly rotating basis, and participate in a unique community development training program, consisting of six Mel King Institute trainings and leading to a community development certification. CDCs that are able to sponsor AmeriCorps members find them to be an efficient and effective way to build organizational capacity and develop new programs, and many hire their AmeriCorps members as permanent staff upon completion of service. Members receive a \$17,000 stipend, full benefits, expenses, the training program, travel to and participation in a national LISC Americorps conference, and an education award of just over \$6,000 upon completion. Sponsoring organizations cover \$14,000 of the \$37,000 per member cost, and LISC provides \$23,000 (amounting to \$115,000 to \$230,000 annually for a cohort of 5-10 members). The 2020 cohort will focus on building capacity to improve community health through social determinants of health.

3. **Support for Mel King Institute for Community Building.** LISC is a founding member of the Mel King Institute (MKI or the Institute) for Community Building. MKI supports CDC capacity by sponsoring 30 or more training courses annually, plus special initiatives like the Alliance for Racial Justice’s Mentoring Program and a Public Housing Training Program. The Institute advances the skills, knowledge, peer relationships and leadership ability of CDC staff and other practitioners and volunteer leaders in the community development field. The Institute enables CDCs and other nonprofit organizations and their partners to build and preserve more homes, create more jobs, grow more businesses, nurture more community leaders, and pursue more comprehensive community building strategies that also address issues such as health, transportation, public safety, green space development, workforce development and youth development. Mel King Institute programs are provided throughout the year, scheduled in advance, publicized via an online calendar and catalog and advertised via email newsletters and promotions, social media, and partner promotion. LISC Boston serves on MKI’s steering and curriculum committees, provides financial support for the Institute’s operations, and collaborates with the Institute regularly. LISC Boston anticipates providing MKI with financial support of approximately \$50,000 annually during

the term of the workplan.

4. **Community Development Innovation Forums.** LISC Boston and MACDC established the Community Development Innovation Forum to seed innovative thinking about the future of the community development field in the state, and to generate and advance practical ideas and strategies to increase effectiveness and respond to changing conditions or evolving challenges and opportunities in the field. Forums are co-sponsored periodically and administered by the Mel King Institute. We are already planning to co-sponsor two forum events in 2020. One regarding ***Strategies for Community Development Corporations to Achieve Scale While Maintaining Local Accountability*** (on January 9, 2020), and a second regarding ***CDC Strategies for Building Community Resilience*** (around March or April 2020). We anticipate co-sponsoring two to three forums per year during the term of the Capacity Building Plan.

5. **Thought Leadership and Technical Assistance.** LISC regularly convenes leaders and stakeholders to discuss and examine topics relating to general CDC capacity building beyond the programming provided by the MKI. We also disseminate learning and best practices through white papers, webinars, articles, newsletters, and other capacity building tools. Below are some recent examples of the thought leadership work in support of CDC capacity building, demonstrating how we weave local and national tools to support community development capacity building and lift up local practices on a national stage. We anticipate providing at least five such tools or opportunities each year of the workplan.

- We leveraged our relationship with the Urban Land Institute (ULI) to secure free participation for up to five CDC members in a recent training regarding data-driven placemaking strategies.
- LISC national has developed *CapMap*, a capacity mapping tool for evaluating and building CDC capacity. This is a resource LISC Boston can use to work with our partners to build CDC capacity.
- LISC issued a Community Playbook regarding Opportunity Zones to assist community stakeholders in understanding how they might leverage the program. LISC sponsored a local opportunity zone discussion forum on September 26, 2019, which was recapped in a broadly-distributed newsletter.
- LISC Boston recently arranged for Boston-based Opportunity Communities to be featured on a national webinar regarding CDC capacity building strategies.
- LISC recently hosted a Story Slam, to create a forum for community voices to describe the need for and the impact of our collective work together and highlight the power of the CITC program. We hope to make this an annual event.

B. Real Estate Development and Asset Management Capacity Building. LISC Boston supports the real estate development and asset management capacity of CDCs through lending and

investment, training and technical assistance, thought leadership and technical assistance.

1. **Housing/Real Estate Lending and Investment.** LISC Boston supports community development corporations by providing targeted capital to fund affordable housing, commercial and community space, and other real estate activities. LISC offers acquisition, predevelopment, construction, bridge, and permanent financing. We partner with public and private impact investors to develop, fund, and offer high value lending products, such as low-cost or risk-tolerant financing, or public-private funding partnerships that combine early commitments of subsidy with low-cost, flexible capital. Finally, the National Equity Fund and New Markets Support Corporation, both LISC affiliates, provide tax credit equity investment to support our partners' real estate strategies. LISC estimates approximately \$10 million of lending and \$10 million of tax credit equity investment annually during the term of the Capacity Building Plan, most of which will support CDCs and other nonprofit developers.

LISC is working to develop new tools to drive housing affordability, increase community ownership, support homeownership and embed supportive services, healthy food access, economic empowerment and other social determinants of health in housing developments.

Some examples of how our lending and investment strategies empower CDCs to advance their real estate development goals follow.

- LISC Boston's Equitable Transit-Oriented Transit Oriented Development Fund provides low-cost, acquisition and predevelopment financing for affordable or mixed-income housing on sites near transit stops. The Fund can finance up to 120% of acquisition price for community-based developers who lack the equity or capital needed to secure sites in a competitive market and finance early stage development costs. This popular fund has made or committed 21 loans seeding the development or preservation of over 1500 housing units, approximately 69% of them affordable, and over 108,000 square feet of community and commercial space. 19 of the 21 loans to date have been made to CDCs. LISC recently increased the fund's capacity by 30%, raising an additional \$1.5 million of low-cost financing.
- LISC recently renewed a flexible, low-cost \$10 million investment by Harvard University as part of the Harvard Local Housing Collaborative. The initial 20-year loan fund was invested in 65 developments, creating or preserving more than 3,100 homes that have long-term use restrictions requiring them to remain affordable to low-income households. The investment was renewed for an additional 20 years, and is used to reduce interest rates on loans for low-and moderate income housing.

- **Vacant Site Acquisition Fund.** LISC and CEDAC partnered with the City of Boston to create an \$8 million acquisition fund to empower nonprofit developers to secure vacant and underutilized sites in Boston for affordable housing development.
 - **Commercial Space for Job Creation.** LISC and its affiliate New Markets Support Corporation (NMSC) provide lending and new market tax credits (NMTC) for commercial and community facilities. NMSC recently awarded more than \$6 million of NMTCs to certified CDC Dorchester Bay Economic Development Corporation to support job creation at their Indigo Block facility. It is difficult to predict the availability of NMTC going forward, but LISC Boston will pursue this subsidy resource to the extent credits are awarded to NMSC by the CDFI Fund.
2. **Training and Technical Assistance.** LISC Boston will continue to provide regular real estate development and asset management training opportunities focused primarily on the needs of CDCs and their staff. We anticipate providing between three and five training or technical assistance programs each year during the term of this Capacity Building Plan, and to assist at least 50 CDC staff members and others each year through these programs. Some examples of these training and technical assistance opportunities follow.
- **Real Estate Project Management Training Program.** LISC plans to continue its popular, cohort-based real estate project management training program for community development corporations and other nonprofit developers. The program provides six four-hour, hands-on training sessions with project managers actively advancing an affordable housing development. Nearly 100 project managers have completed the program to date. LISC proposes to continue to make six slots in this program available each year of the workplan.
 - **Other Real Estate Trainings.** LISC regularly offers other relevant trainings to the affordable housing field based on CDC and other partner priorities. Currently, we are offering a high-performance building training to equip building operators to reduce building-related energy consumption and occupant comfort complaints. LISC also offered a healthy housing training recently in partnership with Consortium for Housing and Asset Management, which drew more than 80 practitioners.
 - **Community Partner Energy Cohort.** LISC and MACDC launched an energy cohort in September 2019, which is a peer learning group for affordable housing professionals interested in energy efficiency, renewable energy, resiliency, and resident health to network, learn, and share information. More than 30 people attended, including representatives from 18 CDCs. We plan to convene the Energy Cohort three to four times per year.

3. **Real Estate/Asset Management Thought Leadership.** LISC regularly convenes leaders and stakeholders, shares learning and best practices in real estate and asset management through white papers, webinars, articles, newsletters and other capacity building tools.

LISC will offer between three and five thought leadership programs, initiatives or tools relating to real estate topics in each year of the Capacity Building Plan. Some recent examples of our gatherings follow:

- **The Next Level Housing Solutions Initiative** is a series of public forums, culminating in a symposium, challenging leaders to take our response to the affordable housing crisis to a next level. Hundreds of professionals, leaders and community members have participated to date.
 - **Green and Healthy Property Management Toolkit.** LISC developed and published free of charge a guide, dashboard and kit to equip affordable housing managers to deploy green and healthy practices in their properties.
 - **Community Land Trusts & Community Development: Partners Against Displacement.** LISC released a whitepaper regarding promising community ownership strategies that can empower communities and reduce displacement.
 - **Health & Housing.** LISC Boston is meeting regularly with health care providers and participating in working groups focused on increasing health care investment in housing and creating better health outcomes for affordable housing residents.
 - **Transit-Oriented Development.** LISC recently participated in a state-led workshop about transit-oriented development and devoted an issue of our newsletter to the importance of transit-oriented development in housing development.
4. **Real Estate Project Grant Funding.** LISC offers project-related grants on a periodic basis to support targeted project costs or advance promising practices among CDCs and other nonprofit and affordable housing developers. We are currently offering grants to support the cost of comprehensive energy audits prior to project rehab (\$180,000 in 15 grants projected annually). These grants ensure that affordable housing owners consider all cost-effective energy-savings and clean energy upgrades in their properties. We also plan to make grants of \$90,000 in 2020 to support resilient building and emergency preparedness planning for a targeted subset of five to ten affordable housing properties located in areas at risk of future flooding and overheating. Additional grantmaking opportunities will be developed as funding is identified.

C. Economic Development. LISC supports economic development and economic opportunity in low-income communities through our family income and wealth building programs and our support of minority- and women-owned businesses. Commercial corridor development and placemaking work are also cross-cutting priorities we support across our comprehensive community development programs.

1. **Family Income and Wealth Building.** LISC supports economic empowerment of families through two research-tested models: Financial Opportunity Centers (FOCs) and Bridges to Career Opportunities (Bridges) Programs. FOCs provide employment and career counseling, one-on-one financial coaching, and help building credit, savings, and assets. The Bridges to Career Opportunities program fills critical education gaps that keep people from good jobs and provides credentials needed to begin careers in growing fields. LISC raises grants from local and national partners to support FOCs and Bridges programs carried out by our local partners. In 2019 we made approximately \$250,000 of support available, in one-time commitments. We will target at least \$150,000 annually during the Capacity Building Plan, and will also work to seed sustainable models of financing this work and scaling it through our CDC and other community partners. Additionally, we will explore ways to deliver credit-building and financial coaching to residents of affordable housing in conjunction with the Boston Builds Credit population-based credit-building initiative, by collaborating with our CDC partners.
2. **Entrepreneurship Support.** LISC seeks to grow the number and capacity of minority- and women-owned businesses, to increase their revenue and the number of people they employ. We host an annual pitch contest with cash prizes (\$20,000 annually) and have a range of lending products available for small businesses, including at least \$50,000 of matching funds for KIVA microloans, which will be available on a revolving basis. During 2020 we will also be piloting a financial coaching model for entrepreneurs through a grant to the Boston Ujima Project, and a digital literacy initiative for minority-owned businesses. We hope to build and scale this work over time, but are prepared to support at least two initiatives and \$100,000 of funding annually during the term of the Capacity Building Plan. We will work with a broad group of partners to assess and strengthen the minority entrepreneurship ecosystem, including technical assistance, investment/lending, systems change and contract opportunities.
3. **Economic Development Thought Leadership.** LISC regularly convenes leaders and stakeholders, disseminates learning and best practices building economic opportunity and racial equity through white papers, webinars, articles, newsletters and other capacity building tools. Recently LISC has hosted several community conversations and convened statewide and community leaders regarding the potential for impact investing in opportunity zones and other low income communities. LISC expects to offer three to five thought leadership programs, initiatives or tools regarding economic development or opportunity during each year of the Capacity Building Plan.

Section 2. Effectiveness of the Proposed Workplan

The proposed workplan was created with significant attention to feedback received from LISC stakeholders regarding the effectiveness of LISC programs and the popularity of programs that

have been provided in prior years. LISC's grant programs, trainings, thought leadership events, Financial Opportunity Centers, Bridges to Career Opportunities Programs, and lending programs all have solid reporting and/or evaluation data tracking the impact of our programs over many years of successful operation. In some cases, we seek to build new tools and models to measure and ultimately increase impact, and will work to measure and document the effectiveness of these programs during the term of the Capacity Building Plan. We will continue to adjust our strategies in response to the evaluation feedback and feedback from CDC partners, community members, funders, and other stakeholders.

Section 3. Feasibility of the Proposed Activities

LISC's strategic plan is intentionally ambitious. It seeks to maximize the impact of our work, because we think this is the most valuable role LISC can play. However, this Capacity Building Plan is designed to include achievable results, based on our past performance and reasonable assumptions regarding financial and technical feasibility. LISC's capacity to manage grants and consultants, convene stakeholders, manage programs, deliver technical assistance and training is well-established by our more than 35-year history in Massachusetts. Many of the programs included in this plan are already in place, and quite a few are already funded, or can be reasonably expected to be funded based on past experience.

Section 4. Availability of Staff and/or Expertise to Accomplish the Workplan

LISC Boston's staff includes professionals with the skills, knowledge, relationships and experience to carry out the grantmaking, investment, thought leadership, and capacity building initiatives described in the Capacity Building Plan. Staff biographies are attached.

LISC also works closely with other stakeholders, including nonprofits, other community partners, businesses, and state and municipal government, and works with partners and consultants to leverage our capacity. As an intermediary, this is often the nature of our work - building theories of change with our partners, identifying funders, connecting resources to capable implementation partners, measuring impact, and scaling successful models. Financial Opportunity Centers and Bridges to Career Opportunities are great examples of this model, as are the housing funds we have deployed. Planned entrepreneurship pilots will also leverage local partners, including CDCs, MACDC, Boston Ujima Project, the Boston Foundation, and the Boston Impact Initiative.

This Capacity Building Plan is more conservative than LISC Boston's Strategic Plan, particularly in years 2 and 3, because we know we need increased resources and capacity to achieve our long-term strategic goals. It will be our goal to out-perform the workplan set forth in this Capacity Building Plan. LISC Boston is also working to broaden its funding base, to increase our impact and build our staff's capacity. Community Investment Tax Credits are a valuable resource that we use to leverage additional funding and support our internal growth as we continue to build capacity within our CDC partners.

LISC Boston Capacity Building Plan 2020-2022
Attachments

- LISC Boston Capacity Building Plan 2020-2022 Overview
- LISC Boston Staff

LISC Boston Capacity Building Plan 2020-2022 Overview

General Organizational and Staff Capacity Building				
Activity	2020	2021	2022	Total
Capacity Building Grants	\$150,000- \$250,000 to 5- 10 grants	\$150,000- \$250,000 to 5- 10 grants	\$150,000- \$250,000 to 5- 10 grants	\$450,000 to \$750,000, 15-30 grants
LISC AmeriCorps Program (Including cohort-based training program)	5-10 Members \$115,000 to \$230,000	5-10 Members \$115,000 to \$230,000	5-10 Members \$115,000 to \$230,000	15-30 Members \$345,000 to \$690,000
Mel King Institute Support	\$50,000, 30 courses	\$50,000, 30 courses	\$50,000, 30 courses	\$150,000 90 courses
Community Development Innovation Forums	2-3 forums	2-3 forums	2-3 forums	6-9 forums
Thought Leadership and Technical Assistance	5 tools or opportunities	5 tools or opportunities	5 tools or opportunities	15 tools or opportunities
Real Estate Development and Asset Management Capacity Building				
Activity	2020	2021	2022	Total
Housing/Real Estate Lending	\$10 million	\$10 million	\$10 million	\$30 million
Housing/Real Estate Equity (LIHTC and NMTC)	\$10 million	\$10 million	\$10 million	\$30 million
Training and Technical Assistance Programs	3-5 Programs 50+ People	3-5 Programs 50+ People	3-5 Programs 50+ People	3-15 Programs* 150+ People
Thought Leadership	3-5 Programs or Tools	3-5 Programs or Tools	3-5 Programs or Tools	3-15 Programs or Tools*
RE/Project Grants	\$270,000 20 Projects	\$180,000 15 Projects	\$180,000 15 Projects	\$630,000 50 Projects
Economic Development Capacity Building				
Activity	2020	2021	2022	Total
Support for Minority and Women-Owned Businesses	2 Initiatives	2 Initiatives	2 Initiatives	2-6* Initiatives
Bridges to Career Opps and Financial Opp. Centers	\$150,000	\$150,000	\$150,000	\$450,000
KIVA Loan Matching Funds	\$50,000	\$50,000	\$50,000	\$50,000
Economic Development Thought Leadership/TA	3-5 Programs or Tools	3-5 Programs or Tools	3-5 Programs or Tools	3-15 Programs or Tools*
Credit Building Initiatives	2 Initiatives	2 Initiatives	2 Initiatives	2-6 Initiatives*

*Totals may include multi-year initiatives that are counted as a single initiative to avoid double- or triple-counting.

LISC Boston Staff

Karen E. Kelleher, Executive Director

Karen provides strategic and operational leadership in her role as Executive Director of LISC Boston. Before joining LISC, Kelleher served as Deputy Director of the Massachusetts Housing Finance Agency and as Senior Vice President and General Counsel of The Community Builders, Inc. She previously practiced affordable housing law at Nixon Peabody LLC and the U.S. Department of Housing and Urban Development, and started her career as a teacher at Nativity Preparatory School, a middle school for boys from low-income families. Kelleher earned her bachelor's degree from Boston College and her J.D. from Georgetown University. She is a member of Mayor Walsh's Supplier Diversity Advisory Council and Housing Task Force and a member of the Urban Land Institute (Public Private Partnerships Product Council), Real Estate Finance Association, the steering committee of the MA Smart Growth Alliance and is admitted to the Massachusetts Bar.

Margaret Keaveny, Senior Program Officer for Lending and Investment

Margaret is responsible for lending and investment activities to foster equitable and inclusive community development initiatives throughout Massachusetts. Prior to joining LISC, Margaret was a Senior Planner at the Cambridge Housing Authority. In this role, she was a project manager for the new construction and renovation of affordable multi-family rental housing. Margaret has a deep knowledge of tax-exempt bond financing, Low Income Tax Credit transactions, financial closings for multifamily housing development and loan conversions. She earned her bachelor's degree from Acadia University in Nova Scotia, Canada and two Master's degrees in Public Administration and Law and Public Policy from Northeastern University in Boston, Massachusetts.

Karleen Porcena, Senior Program Officer for Economic Opportunity

Karleen manages LISC Boston's economic opportunity, entrepreneurship, and neighborhood economic development activities. Prior to joining LISC, Karleen served as Director of the Mattapan Family Service Center (MFSC), where she assisted families through innovative, comprehensive programs that promoted upward mobility and a higher quality of life. Karleen holds a degree in Political Science and Spanish from Clark University and an MBA from Bentley. She is a member of the Board of Trustees for The Food Project, and an advisory board member for the Boys and Girls Club Mattapan Teen Center. [We note that Karleen will be leaving LISC shortly for a new opportunity but will be replaced by a comparably qualified new Senior Program Officer.]

Emily Jones, Program Officer for Green & Resilient Housing and Economic Opportunity

Emily manages LISC Boston initiatives to help affordable housing owners understand energy use in their buildings, implement energy-saving measures, and incorporate clean energy technologies and healthy and resilient housing measures. She also works on economic opportunity initiatives. Before joining LISC, Emily worked as an Ash Center Fellow for the City of Lawrence, Massachusetts, where she helped city officials create a strategy to revitalize physically distressed properties, and as Director of Partnerships for Union Capital Boston, a nonprofit that transforms social capital into opportunity. Emily has also served as a Gender Equity Peace Corps Volunteer in Togo, and served as an AmeriCorps Member with City Year Boston. Emily holds a bachelor's degree in Geography from Dartmouth College, and a master's degree in Public Policy from the Harvard Kennedy School of Government.

Tia Vice, Program Officer, Program Operations

Tia is responsible for strategic communications and the management of LISC Boston's AmeriCorps program. Tia previously served as Director of Communications and Scheduling for a New Orleans City

Councilmember, supported neighborhood organizations and resident leaders in New Orleans as a neighborhood liaison with Neighborhoods Partnership Network (NPN), worked for community and faith-based organizations, and completed a year of national service as an AmeriCorps*VISTA in Upstate South Carolina. Tia has a Bachelor of Arts degree in Spanish from Furman University in Greenville, SC, a Master of Arts degree in Latin American Studies from Tulane University in New Orleans, LA and a Masters in City Planning from the Massachusetts Institute of Technology in Cambridge, MA.

Marilyn Sanchez, Office Manager

Marilyn provides operational support for all of LISC Boston's activities and participates in leadership of our AmeriCorps program. She serves on the board of the Alliance (Advancing Community Development by Confronting Racism), a joint initiative launched by LISC Boston and MACDC and is the Vice President of Nuestra Comunidad Development Corporation's Board of Directors. Prior to joining LISC, Marilyn worked at the Quincy-Geneva Housing Corporation and Dudley Street Neighborhood Initiative.

A longtime resident of Boston's Roxbury neighborhood, Marilyn was part of the Academy 1 Tenants' Association that partnered with Urban Edge to renovate Academy 1 property in 1997. She holds an Associate Degree in Liberal Arts.