

CDC CAPACITY FUND



CAPACITY FUND ADVISORY COMMITTEE



- **CDCs, business, banking, philanthropy and government**

- **Developed the fund's mission, vision, strategy, policies and procedures**

- **A well designed program that meets the needs of CDCs and funders**
- **Champions for CDCs as a strategy to revitalize neighborhoods**
- **A new tool that helps to elevate neighborhood improvement as a priority**

WHY CDCs?

National best practices confirm that CDCs are critical neighborhood improvement infrastructure.

The local industry has demonstrated considerable resourcefulness and has the potential for significant growth.

The organizational strength of CDCs has a direct impact on the people and revitalization of the communities they serve.

We firmly believe that when invested in, nurtured and operating with sufficient capacity, CDCs can deliver and support measureable community transformation to impoverished neighborhoods that have languished for decades.

WHAT IS A CDC?

Non-profit, community-based organization focused on the **physical and economic revitalization** of the areas in which they are located, typically **low-income, underserved neighborhoods** that have experienced significant disinvestment.

CDCs generally provide services in one or more program areas, such as **resident empowerment, housing and commercial development, workforce development, neighborhood planning**, and they serve as a **backbone agency** for community collaboration and engagement.

WHY A CAPACITY BUILDING FUND?

“Why have distressed neighborhoods in Memphis remained disenfranchised and blighted for decades?”

After thoughtful research and assistance from our partners, we developed some answers, namely:

- Systemic disinvestment of financial and human resources;
- Disconnection from broader efforts and institutions;
- Poor infrastructure to support neighborhood revitalization;
- Lack of investment in community-based organizations; and
- The absence of equitable strategies that empower residents and community stakeholders.

DEFINITION OF CAPACITY BUILDING

The development of core skills, staffing, management practices, strategies, and systems to enhance an organization's effectiveness, sustainability, and ability to fulfill its mission.

How is it done?

1. **Listen** – Provide support based on the stated and documented needs
2. **Deploy Resources** – General operating funds, professional consultants, and leadership development/management training, etc.
3. **Develop Plan and Implement It** – Grantee develops goals and capacity building work plans
4. **Evaluate** – Meet regularly with grantees and revisit their work plans
5. **Report** – Document progress

PURPOSE OF THE CDC CAPACITY FUND

Create an effective network comprised of CDCs who empower stakeholders and serve as the backbone agency for scaled revitalization efforts, neighborhood collaboration and engagement in their respective neighborhoods.

VISION & MISSION FOR THE FUND

VISION

To have a robust, effective network of CDCs that are capable of serving as backbone agencies for scaled revitalization efforts that significantly enhance the quality of life in Memphis' distressed neighborhoods, thus serving as catalysts for equitable economic growth and advancement.

MISSION

To build the capacity of Memphis' CDC industry through efficient and transparent grant making, technical assistance and connection to resources.

CDC CAPACITY FUND GOALS

1. Build organizational capacity of CDCs to improve neighborhood outcomes.
2. Advance the local CDC industry and develop a strong peer network.
3. Create a robust network of capable CDCs.
4. Create a strong case for support of neighborhood improvement funding.
5. Advance a pro-neighborhoods agenda for Memphis.

CDC CAPACITY FUND FRAMEWORK

1. Grantee organizations must meet the definition of a CDC.
2. Direct service programs will not be funded.
3. Grantee organizations will receive funding (grant maximum \$30K) for capacity building only, subject to fall into one of four areas:
 - a) Financial Management
 - b) Human Capacity
 - c) Systems Management
 - d) Organizational Management & Development

MENU OF SUPPORT

Financial Management

Office Operations

Financial Management Training

Accounting Assistance

Human Capacity

Consultant/Intern

Staff

Grant Writing/
Fundraising

Case Management

Systems Management

Updating Systems

Updating Technology

Technical Skills Training

Organizational Management & Development

Program Development & Evaluation

Marketing & Communications

Legal Affairs

Leadership Development

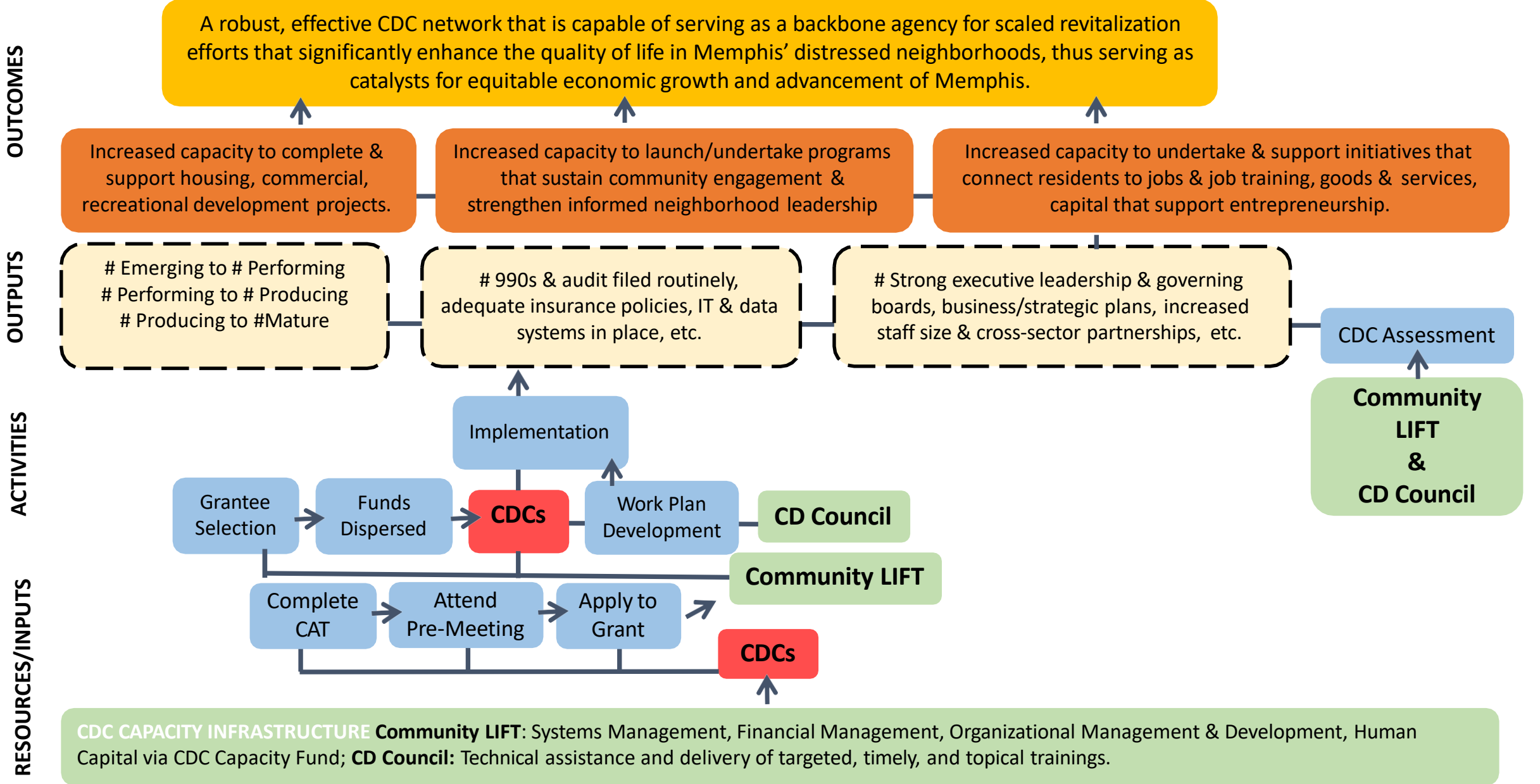
A STRATEGIC APPROACH

Through the CDC Capacity Fund we seek to support and encourage community development that:

1. Establishes CDCs as backbone agencies that collaborate across sectors and link their neighborhoods to broader efforts for economic development, poverty alleviation, better public education, safety, and health.
2. Applies equitable strategies with ownership by residents and other stakeholders – from vision to implementation.
3. Improves the physical condition of a neighborhood.
4. Increases economic opportunity through asset building, access to capital, workforce development, financial education, job creation and placement.

CDC CAPACITY BUILDING FUND

LOGIC MODEL



Financial Management

($\$$) Revenue, expenses, net surplus (loss)

(%) Annual expense budget covered by current funding

(#) Months of cash available at current spending rate

(%) Revenue mix

(#) Funders at various levels, ($\$$) amount, (%) revenue contributed

Human Capacity

(#) Functioning Boards

(#) Staff hours dedicated to each program

(#) FTE & PTE/staff

(#) Volunteers

(%) Staff and volunteer satisfaction

Systems Management

(#) Have/actively use accounting, customer & donor relationship software

(#) Cloud back-up system

(#) Have/use out-come measurement tool

(#) Have/use survey tool

Organizational Management & Development

(#) Marketing/communications plans in place

(#) Participation in leadership development

(#) Communication channels actively used

(%) Resident & stakeholder satisfaction

PROGRAM ADMINISTRATION

1. Facilitate/Assess

LIFT Grants Manager and CD Council CDC Capacity Builder

2. Review/Recommend

Grant committee comprised of funders and a LIFT Board Member

3. Approval

LIFT Board of Directors