

MEMPHIS CDC CAPACITY BUILDING FUND 2020



BACKGROUND

CDC CAPACITY FUND



CAPACITY BUILDING FUND TIMELINE

- Industry is resourceful; has potential for significant growth
- Organization strength has direct impact on people and communities served.

2015: CDC Industry Report Published

2016: Capacity Fund Advisory Committee Formed

- CDC trade association, CDCs, bankers, philanthropy, and government representatives
- Developed fund's mission, vision, strategy, policies and procedures

- 17 CDCs awarded capacity building grants during first year
- \$941,305 of investment in distressed communities since 2017

2017: CDC Capacity Fund Launches

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.

CDC CAPACITY FUND

ABOUT THE FUND

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 GUIDELINES

1. Grantee organizations must meet the definition of a CDC.
2. Direct service programs will not be funded with one exception. CDCs that are Level IV on the CAT may apply for funding for **program dollars**.
3. Grantee organizations will receive funding of up to \$30,000 for a capacity building project, subject to fall into one of four areas:
 - a) Financial Management
 - b) Human Capacity (**Hiring permanent staff requires a 50% funding match**)
 - c) Systems Management
 - d) Organizational Management & Development
4. Awarded CDCs must create and implement a Capacity Workplan with the support of BLDG Memphis. (*Returning CDCs need to update their Workplan*)

CAPACITY GRANT ELIGIBILITY REQUIREMENTS

501(c)(3)

**MUST BE
A CDC**

Paid
Staff/Volunteer
Support

Completion of
CAT

Functioning
Board

Budget
Template

Operating for
1 year or more
with budget

LiveGivemidso
uth Profile

HOW WE DEFINE 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.

CDC FUND APPLICATION

FOCUS AREAS FUNDED

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

HOW WE MEASURE IMPACT

CDC CAPACITY FUND

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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

WHAT IS THE CAPACITY ASSESSMENT TOOL (CAT)?

- ❑ Administered by BLDG Memphis
- ❑ Online, self assessment completed by Executive Director and at least one Board Member
- ❑ Snapshot and benchmark of organizational capacity in five areas:
 - ✓ organizational development
 - ✓ business and financial structure
 - ✓ community outreach
 - ✓ housing development and management
 - ✓ economic development

GRANT ADMINISTRATION

1. Facilitate/Assess

LIFT Grants Director and BLDG Memphis Capacity Builder

2. Review/Recommend

Grant committee comprised of funders, community members, and a LIFT Board Member

3. Approval

LIFT Board of Directors

APPLICATION PROCESS

