



Testimony In Support of the Community Development Partnership Act
House Bill 988 and Senate Bill 1427
and the Historic Tax Credit

Submitted by Sean Caron, Director of Public Policy
October 6, 2011

Dear Chairman Kaufman, Chairwoman Candaras and members of the Committee,

I am here today in support of the Community Development Partnership Act.

As you know, community development corporations play a vital role in expanding affordable housing opportunities for Massachusetts residents. From the Outer Cape to the Berkshires and in dozens of neighborhoods in between, these mission-driven organizations are creating new opportunities for people with a range of incomes to own or rent a home. Community development organizations own approximately 13,000 units of multifamily affordable housing across the Commonwealth and are working to create many more homes for people with modest incomes. They also play pivotal roles in educating first-time homebuyers and assisting homeowners avoid foreclosures.

In addition to these visible activities that community development corporations are most known for, these organizations also lay the groundwork for new opportunity through neighborhood planning. By definition, CDC Boards are comprised of members of the community invested in their neighborhood. They understand the social and economic fabric of their neighborhoods. They know the communities' strengths and weaknesses, challenges and opportunities, and potential areas or blocks that need particular attention. That understanding enables these CDC leaders to lead a neighborhood planning process and determine the best prospects for new affordable homes, commercial sites, community centers and other development opportunities that bolster community vitality and economic stability.

Neighborhood planning is particularly critical in Gateway cities. Our smaller cities have not had enough private investment or government support to solve the challenges created by a rapidly changing economy and deteriorating infrastructure. The planning process is an essential way to identify opportunities for investment at the neighborhood level. A combination of public and private investment is paramount to securing a more stable economic future but it cannot happen on a piecemeal basis. Sustainable housing and economic ventures in weaker market rely on a

broader plan to revitalize full neighborhoods and continue the momentum from prior investments. While one building redevelopment is helpful, that investment will yield greater rewards for the community if it is part of a broader vision to address potential threats to the building's stability and the community's overall needs.

Community development corporations are at the forefront of neighborhood planning. It is hard work, requires patience to see visible results, and is difficult to fund – a challenging combination. However, neighborhood planning and implementation of neighborhood plans are necessary steps if these communities are going to experience collective economic progress and become stable.

The Community Development Partnership Act will help create public-private partnerships. The investment will support neighborhood-level planning and implementation of those plans to create sustainable prosperity for communities across Massachusetts. H. 988 and S. 1427 are tailored to reward effective organizations that are doing the necessary work to pave the way for investment and opportunity – both homes and jobs. As the recovery continues, the Commonwealth needs to be strategic about its investments and the private sector needs to lead the way; this bill provides that framework to continue progress adding jobs and making housing affordable in that spirit.

We respectfully request your support for House Bill 988 and Senate Bill 1427, the Community Development Partnership Act.

In addition, we also fully support the historic tax credit. This program helps revitalize neighborhoods and many of the developments include a significant affordable housing component. Increasing this resource will be beneficial to many communities, and there is a unique need in the Gateway Cities.

Thank you.