

» North Carolina Community Development Initiative

ORGANIZATION MISSION:

To strengthen the capacity, impact, and sustainability of established community development corporations (CDCs) in North Carolina

TYPE OF ORGANIZATION:

Nonprofit community economic development intermediary

GEOGRAPHIC SCOPE:

North Carolina

POPULATION SERVED:

Directly supports 26 CDCs working in low-wealth urban and rural communities

YEAR FOUNDED:

1994

PRIMARY ACTIVITIES:

Operating grants, technical assistance, project financing (through a subsidiary corporation, Initiative Capital)

CEO:

Abdul Sm Rasheed

STAFF SIZE:

12 FTE

ANNUAL BUDGET:

\$47MM (including \$25MM in pass-through activity)

CURRENT HERON SUPPORT:

\$100,000 general support grant

The North Carolina Community Development Initiative

is nationally recognized as a model public-private community development intermediary dedicated to building assets for low-wealth individuals and communities. The Initiative provides core operating grants to 21 high-performing community development corporations (CDCs) in rural communities, small towns and major cities, channeling desperately needed financial and technical support to them, stabilizing their operations, improving their success rates and increasing their capacity. “We are building a legacy for our communities by pushing CDCs to higher levels of productivity,” says President and CEO Abdul Sm Rasheed.

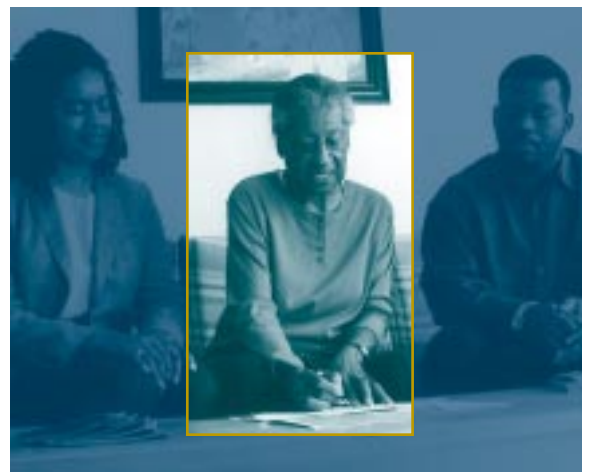
Since the Initiative’s creation in 1994, the production of CDCs in North Carolina has nearly tripled. The results: CDCs receiving core funding from the Initiative have produced 1,500 single-family homes; 1,200 multi-family units; 300,000 square feet of office space; 3,951 full-time jobs; and \$169 million in fixed asset value of housing and commercial property. Rasheed speaks frankly of his mission: “We want to be the best possible stewards of the funds entrusted to us.”

Working in partnership with its CDC grantees, the Initiative determines the appropriate success measurement indicators and explicitly states productivity and organizational development goals at the beginning of the grant period. It provides core operating funds that help support the regular collection of data at appropriate intervals (for example, quarterly) and only disburse grant funds after reporting requirements are met, resulting in a 100% reporting environment. Further, the Initiative and its grantees sign explicit contracts to ensure that mutual obligations are understood. The Initiative works closely with its grantees, meeting with the executive directors and key representatives of their boards twice annually, to act as a resource in their programmatic and strategic efforts. Income and expense sheets carefully track all monetary transactions. Accountability is explicit. To aid in the reporting, the Initiative is developing online tools that would enter output and outcome results into a database.

In essence, grantees are expected to plan their programs to strategic outcomes and to use success measurement data to make course corrections on significant program decisions. As community-based organizations, all grantees are responsible to community residents and leaders for the basis of their programmatic directions. Their strategies must be designed for measurable, collective impact on individual lives. The data reinforce that the mission and values of the organization are in sync with their programmatic activities and community stakeholders. Likewise, the data paint a picture of the resources and capacities of the community and can identify emerging market opportunities for public and private partners.

The Initiative uses the data to make future funding decisions and to demonstrate the impact to their own stakeholders. The Initiative has recently been awarded a \$3 million contract with the city of Charlotte to manage a public-private fund for community development activities. Their careful attention to outcomes may encourage other municipalities to invest in community-based strategies that lead to revitalization, greater tax revenues, and more productive citizens.

“Accountability is the order of the day,” says Rasheed. “We need to be sure that community-based organizations have the capacity—including technology, management, and analysis skills—to demonstrate empirically the value of their work.”



Heron provides general support to the Initiative, which financed the development of 516 units of permanent single-family housing in areas ravaged by Hurricane Floyd. Ms. Mattie Davenport is seen with Initiative staff as she signs the contract to her new home.

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