

# Investing in Communities, Changing Lives:

## The Work of Community Development in Maryland

### An Industry Report

By:



With funding provided by:



# Letter from the President

October 2011

Dear Fellow Marylander,

When a business announces plans to invest \$86 million and create 2,500 full-time jobs, that's big news anywhere. So here is some big news, Maryland:

Last year, a little-noticed industry invested \$86.6 million in dozens of projects across the state.

It employed nearly 2,000 residents full time and another 500 part time. In addition to the economic impact, this industry had profound impact on the lives of thousands of Maryland residents and made positive improvements in Maryland communities large and small.

You may never have noticed this industry, because in spite of its collective impact, its individual accomplishments tend to be widely dispersed. Most of the work takes place at the neighborhood or community level and is scaled to its setting. But you probably know us – your local Community Action Agency, a Habitat for Humanity chapter, or perhaps a housing counseling agency.

The industry is community development, and it does big, important work to make life better and richer for citizens across the length and breadth of Maryland. Each agency showcases its work to its community, but rarely is the collective impact considered. This report aims to showcase the work of community development and take a measure of its impact on Maryland's economy, Maryland communities and Maryland citizens.



The Maryland Asset Building and Community Development (ABCD) Network is a statewide coalition of community development organizations and practitioners. We surveyed members and others in 2011 to paint a portrait of our work. Data from the survey is presented throughout this report, along with some samples of the work and the people it touches.

We thought you'd want to know the good news.

Sincerely,

Joann Levy

President, Board of Directors

Photos courtesy of Harford Family House, Dundalk Renaissance Corp., Homes for America, Montgomery Housing Partnership, Greater Baltimore AHC, Inc., Housing Initiative Partnership, Howard County Housing, Project Plase, Inc., and Southern Maryland Tri-County Community Action Committee (SMTCCAC).

# Who “We” Are – the Community Development Industry

The Community Development Industry in Maryland has many components, and our survey reflects the diversity of organizations that play important roles in community development. Of those who completed the survey:

- 72% were nonprofit organizations
- 22% were agencies of local government
- 6% were Public Housing Authorities

The majority of the practitioners, as the survey response suggests, are community based nonprofits. Some are community development corporations (CDCs), which are organized to make improvements to a local area. Included are Community Action Agencies (CAAs), which serve in every county to address the needs of people in poverty. Some are organized as Main Street programs, working in Maryland to improve the business climate and reinvestment in historic downtowns, or in urban neighborhood commercial districts. Of those surveyed, 35% have received or are seeking the designation as a Community Housing Development Organization (CHDO), which helps them receive federal funds for affordable housing development.

Every square mile of Maryland is served by these hard working agencies. Their character echoes that of the communities they serve. Where are they?

- 60% of survey respondents described their service area as urban
- 41% have suburban service areas
- 36% serve rural areas
- Some agencies serve areas that have both urban, suburban, and rural components

In most cases, community development agencies are small; nearly one-third have under five full time employees. Small staffs do not equate to small budgets, however; the survey showed that nearly 60% had budgets over \$1 million.

About 10% of agencies employ more than 50 full-time employees, primarily the Community Action Agencies with multiple locations. Community Action Agencies (CAAs) are nonprofit private and public organizations established under the Economic Opportunity Act of 1964 to fight America's War on Poverty. Community Action Agencies help people to help themselves in achieving self-sufficiency. Each CAA in Maryland has a different mix of programs and services to meet their local need, which may include a wide range of community-building activities such as emergency aid, programs for seniors and children, community centers, small business programs, and transportation, as well as housing and community revitalization.

Local government agencies also play critical community development roles. Local housing and community development offices administer pass-through funds from the federal government, and where there are few nonprofits, they perform direct services as well.

Public Housing Authorities create and maintain housing for low-income residents, but have become entrepreneurial nonprofits in their own right, often tackling neighborhood revitalization activities and services beyond their landlord role.

# Impact

**Direct Investment:  
\$86,657,058.00**

The 76 organizations that responded to the industry survey – and do not account for all community development activity in the state – invested more than \$86 million in projects in 2010.

These investments purchased building materials, appliances and home furnishings, and paid wages to construction workers. That figure represents only direct investment; on virtually all projects, the investments of community developers are leveraged by additional funding from public and private resources. It also does not count the operating budgets of the organizations, which are more than \$40 million.

How is this direct investment leveraged? A 2003 study in Oregon determined that every dollar of state funding for community development was leveraged by \$4.33 of other financing, and that the state earned a return on investment of more than 25%.<sup>1</sup>

**Employment:  
2,000 Full-Time  
and 500 Part-  
Time Jobs**

Community development organizations employ significant numbers of citizens. Those organizations responding to the survey account for more than 2,000 full-time jobs (95% of which provide health insurance), as well as 500 part-time jobs. In addition, 75% of the survey respondents also hire consultants or contractual employees for specific projects.

**Housing Units  
Created in the  
Last 5 years: 5,216**

Creating housing creates more than just a place to live. It creates jobs and economic activity in the wider community, and promotes further investment in neighborhoods.

**Volunteers Used:  
14,473**

Beyond employees, community development organizations engage volunteers. Nearly 86% of nonprofits responding to the survey utilize volunteers. Together, these organizations activated 14,473 volunteers across Maryland in 2010. The volunteer to staff ratio was 7.5:1, magnifying the amount of community development work accomplished.

**Nearly 4,000  
Children Served**

Community based organizations often focus on youth – in daycare, preschool, after school programs, summer camps and youth leadership activities.

**Helped Small  
Businesses with  
\$3,875,000  
for Façade  
Improvements**

Community development isn't all about housing. It also encompasses the economics activity in the community, encouraging business development, creating jobs, and encouraging entrepreneurship.

1. Rogers and Blatt, Economic Impact of Affordable Housing Development, Association of Oregon Community Development Organizations, 2003.

# Affordable Housing

Many of Maryland's community development organizations began for the purpose of creating affordable housing, and more of those surveyed are involved in housing construction, rental and sale. Housing can take a number of forms: single-family homes for purchase or rent, multi-family apartments for sale or rent, or cooperative housing. Housing can be built exclusively for seniors, for persons with disabilities or persons with HIV/AIDS, or as single-room occupancy dwellings.

At the most basic level, making an affordable home available to a low- or moderate-income family creates stability for one household. But safe, suitable housing has other positive impacts on communities as well. Research has demonstrated that children raised in stable homes do better in school and have healthier childhoods than families in unstable or unsafe conditions. It has also been proven that homebuyers who participate in affordable homeownership programs, which include consumer education, are less likely than other buyers to lose their homes through foreclosure.

An adequate supply of affordable housing also stimulates the economy in other ways: it adds productive properties to local tax rolls, and it helps employers by providing homes for workers who otherwise could not afford to live near their work place.

The concentration of poverty is often cited as a factor with a high impact on education, health, crime and other outcomes. With that in mind, some community development organizations in Maryland try to attract more higher-income residents into low- and moderate-income neighborhoods as a strategy for reducing the concentration of poverty. While most work with the low income residents and the community as a whole, programs that are specifically designed to attract higher income owners into lower income areas were reported by 10.5% of the survey respondents. Most community developers believe that the healthiest neighborhoods have a mix of incomes.

## Case Study: Supportive Housing

Susan (not her real name) had lived with an abusive husband for 13 years, but her young son tipped the balance. "When it came to my son's safety, I knew I had to get out," Susan says. Packing one bag for the two of them, she and her 4-year-old departed for a safe house. There the two were referred to Harford Family House (HFH).

"There are certain requirements, and by the grace of God I met them," she says. "At first, I was looking for the catch, and there wasn't one. They're just trying to help people that get into situations – but only people who want to move forward with their lives."

Susan wanted to move forward to an independent life, but she could not do it right away, or by herself. She had not worked outside the home since her marriage, and she lacked self confidence. At HFH, she learned how to budget, to save, and to make good spending decisions. Through practice – including mistakes – "they helped me believe I could make those decisions."

After a year, Susan had a job, a car, a day care arrangement for her son, and a new apartment. "Everything I have in this apartment is from them (HFH) – the dishes, the sheets, the living room furniture," she says. "When I found the apartment, I didn't have any furniture. They told me I could take everything I needed. It was scary coming out to live on my own. Having furniture in the apartment somehow made me feel like it was home."

Now she finds herself overwhelmed sometimes by all the choices before her – choices she never had before. "But my main focus is my son," she says. "I want him to have a safe home where he can do his homework, have friends over and be a kid. He has a savings account, and I really want him to go to college one day."

Susan says Harford Family House treated her and her son with gentleness, dignity and respect. "They were tough with me when they needed to move me forward, and understanding when I was going through difficulties. I wouldn't be where I am if they hadn't given me a hand.

"Not everyone wants to admit the life they are living is wrong," she adds. "I made some really bad choices as a young person. But they've given me a second chance to make something of my life."



Providing affordable housing is one of the keystones of community development work. While many affordable housing units – primarily rental – are produced by the private sector and are not reflected in our data, the nonprofit sector has produced affordable housing of all types. The production data is shown for the past five years.

## Homeownership

Among those surveyed, 47% have developed single family homeownership units. Another 12% have developed multi-family homeownership.

There is a wide variation in the types of homes developed, as well as the reason for developing them. Some organizations have a primary mission of creating affordable housing. The best known are the Habitat for Humanity affiliates, of which there are twelve in Maryland. They range from large and very productive, such as Habitat for Humanity of the Chesapeake, to small organizations working on one house at a time. Independent organizations also produce homeownership opportunities, such as Housing Initiative Partnership (HIP) in Prince George’s County. Faith based organizations are also found throughout Maryland, from

Episcopal Housing to Interfaith Housing Alliance, or Interfaith Housing of the Delmarva.

There are generally three reasons an organization decides to offer affordable homeownership opportunities. The first relates to the homeowner – providing them with a safe place to live, grow assets, and contribute to the community. The focus begins on respect for each family.

The second reason relates to the neighborhood – encouraging increased ownership to lessen neighborhood turnover, providing stability and growth. Sometimes a nonprofit decides to pursue this strategy on its own, or a local government may ask a nonprofit to partner with them, as the City of Westminster asked Episcopal Housing to help create units in one targeted area.

The third reason is to introduce a new mix of incomes or uses to an area as part of a larger redevelopment effort. In this case, organizations that are not strictly housing focused, such as Dundalk Renaissance Corporation, will take advantage of opportunities to develop homes to attract new residents.

## Case Study: Green Building

Green building has become an attractive selling point for homes, as concerns about energy and the environment have increased. For new construction, green building can be achieved with relative ease and at little additional cost. It’s far harder to be green, however, when rehabilitating an older building.

Montgomery Housing Partnership (MHP) succeeded in converting Gilbert Highlands, a dilapidated apartment building in Takoma Park erected in 1953, into a green, 21-unit affordable housing community. The project, begun in 2009, was among the first in Maryland to benefit from the American Recovery & Reinvestment Act, and was the first to receive funding from the Maryland Multifamily Energy Efficiency and Housing Affordability (MEEHA) Program. When it opened for occupancy in September 2010, residents enjoyed the benefits of being in a walkable neighborhood, close to retail, parks and public transportation. They also enjoyed a number of green amenities:

- Energy Star appliances
- HVAC systems individually metered and in the unit
- Time-delayed fans in bathrooms for ventilation and moisture control.
- Energy Star exterior lighting fixtures with daylight sensors
- Water-saving toilets, showerheads and faucets.
- Low-VOC paints, primers, adhesives and sealants.
- Rain barrels at backyard drain spouts to collect water for the grass and gardens
- New reflective roofs
- Green Label certified carpets in bedroom units.
- Wood flooring throughout living rooms and dining rooms.

MHP also incorporated these green building features into the Takoma Park Preservation project, which involved renovating 75 rental apartments in four buildings on three sites.

“We heard about Enterprise Community Partners’ Green Communities program about five years ago,” says Stephanie Roodman, Senior Project Manager and Legal Counsel for MHP. The Enterprise initiative developed the Green Communities Criteria, a national framework for building healthy, efficient and environmentally smart affordable homes. “It seemed like the right thing to do for our residents. Once we started, we realized all the benefits, including a healthier home environment and lower energy bills for residents, and a higher marketability.”

Green building, she notes, adds a little to construction costs – “not a tremendous amount” – but makes up the difference quickly not only in costs to tenants but also in lower maintenance costs for property managers.



Affordable owner occupied homes are not all alike. There are detached single family homes, stick built or modular. There are row homes. There are rural homes and city homes. Some are condominiums, or co-ops. And new to Maryland, some in the future will be part of an Affordable Housing Land Trust. Developments can be whole subdivisions, or scattered site. Since each home is built to be part of the community, they take on the character of that community, and provide a chance for a family to live, work, and play for generations to come.

As communities struggle with high foreclosure rates, nonprofits all across Maryland are looking to ways they can help stabilize the market and restore stability to their communities. Community developers will no doubt be part of the solution.

## Rental Housing

Development of quality rental housing has long been a core component of the work of community development practitioners. A full 51% of respondents have developed multi-family rental housing, and 34% have developed single family rentals.

Of the total rental housing, 15% have developed Single Room Occupancy dwelling units, 45% have developed senior housing, and 36% have developed housing for people with disabilities. Low Income Housing Tax Credits were used by 45%.

Development of affordable housing using federal tax credits is a highly complex endeavor, and cannot be accomplished without teams of specialized development teams. Financing

is layered and interwoven, and every aspect of the development is highly regulated. Maryland has a cadre of highly competent developers, both nonprofit and for-profit.

While there are some nonprofit developers that can develop rental communities by themselves, it is very common to find partnerships built for each development. The partners may be a combination of nonprofits, or nonprofits with for-profit entities. Public Housing Authorities also form partnerships for developments.

Just as in affordable single family development, there is no one model or housing type. Affordable rental housing is built for specific populations, like people with disabilities served by Community Housing Associates, or HIV positive people served by Empire Homes, or formerly homeless women served by the Women's Housing Coalition or Harford Family House. It is much more than just an apartment; most of this housing is heavily service-enriched, increasing the chances of success for the residents.

One of the most popular types of affordable housing is senior housing for independent living. It is seen as an important asset to most communities, and as our survey shows, is the type of housing most developed by the survey respondents. Workforce housing is also a major element of affordable rental housing.

Housing is not isolated from the rest of the community, and it is common to see partnerships between housing related nonprofits and service providers, enriching the lives of residents and the broader community. As vacancy rates go down and financing becomes increasingly tighter, partnerships between agencies and businesses will only grow in strength.

## Case Study: Housing Rehabilitation

In 2008 Greater Baltimore AHC Inc. purchased the Monte Verde Apartments, a two-building complex in northwest Baltimore with 301 units. Built in 1979, it needed extensive rehabilitation. The purchase and rehab required two years and \$30 million, says Mary Claire Davis, a project manager for the nonprofit corporation. "We felt lucky and happy that we could make this project work," she says.

The apartments are rented to very low-income seniors and persons with disabilities. Many of the residents today were residents before the renovations. "It was livable before," says resident Beverly Reynolds, "but it's a lot more attractive now."

During renovation, she says the residents were given the option of staying or moving to a hotel. But if they moved out, the new management could not guarantee they would keep the same apartment. So she and many other residents stayed. "They worked around me," she recalls. "A lot of times I had to be out in the hallway." All her belongings, and those of other residents, were also in the hallway, and the residents took turns watching each other's possessions.

As the construction team looked around their new property, they became concerned that deteriorating properties nearby were lessening the impact of the renovation. Many of the porchfront row houses were vacant or in poor repair. GBAHC decided to purchase six of the homes and to renovate them as well. "This is not really a money-making venture," Davis says, "but we feel committed to the neighborhood and plan to be long-term owners. This is an important effort in neighborhood rehabilitation. In the long run, stabilizing the neighborhood will be a good investment."

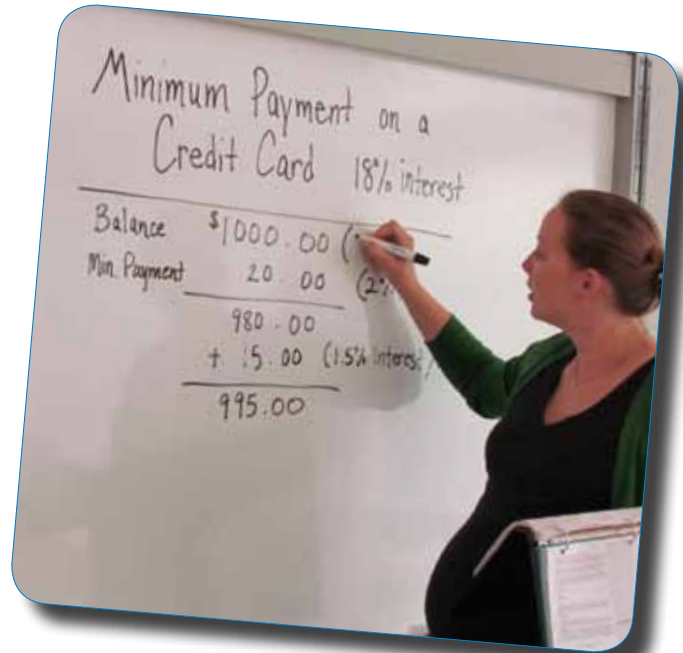
GBAHC is working with the City of Baltimore, which owns several of the properties, to step up housing code enforcement on neighborhood properties that are not meeting standards. GBAHC also is collaborating with Park Heights Renaissance, another nonprofit community development corporation, to acquire and maintain the houses. GBAHC hopes to sell the houses to first-time homebuyers who have received homebuyer education offered by Park Heights Renaissance.



# Foreclosure

There is a statewide network of 31 nonprofit agencies that provide foreclosure prevention assistance; most also have other community development services. These counselors are the critical link in assisting individuals facing foreclosure, acting as a resource to negotiate reasonable terms with mortgage servicers, and advising citizens on the best actions to take to save their homes. According to the Maryland Department of Housing and Community Development, it is anticipated that 6,000 consumers will receive assistance per year from these nonprofits.

Among the survey respondents who create housing, nearly half provide homeownership counseling and training, and 38% offer foreclosure prevention counseling.



## Case Study: Foreclosure Prevention

In 2007, when the number of mortgage loan defaults first mushroomed, the counseling services at Housing Initiative Partnership (HIP) abruptly shifted gears. A program dedicated to educating new home buyers rapidly turned to foreclosure prevention.

“Initially, we were seeing people with bad loans, mostly subprime and a lot of them very predatory – with terms designed to get people into a house that they afford for six months, then could not possibly pay for,” says Mary Hunter, Director of the Housing Counseling Program at HIP. Then, as the economy soured, more homeowners fell into default because of unemployment or large medical expenses. “That’s where we are still,” she says.

HIP expanded from three counselors to six, and introduced weekly foreclosure orientations, conducted in English and Spanish, in both their Germantown and Hyattsville offices. “It’s good to get many people in the same room,” Hunter says. “It’s supportive. It lets them know they are not alone, and that other people are making this work so you can, too.” After the orientation, homeowners meet individually with a certified foreclosure prevention counselor, who assesses their particular situation, contacts the lender, and tries to achieve the best possible outcome. Homeowners pay no fees for the service.

Hunter estimates that HIP sees between 1,000 and 1,200 homeowners per year on foreclosure, and that between 30% and 35% of those homeowners have been able to avoid foreclosure with the help of HIP counselors. “We have to turn people away,” she says. “A lot of organizations are doing this work, but the need is greater than any of us can meet.”



# Community Revitalization

Housing is not the only aspect of community development, as the activities of Maryland's community development organizations make evident. Several groups are tackling commercial revitalization through various programs, including façade improvements, attracting new businesses to commercial areas, and building or mixed-use developments. Several groups have also developed small-business incubators or microenterprise lending programs for small business.

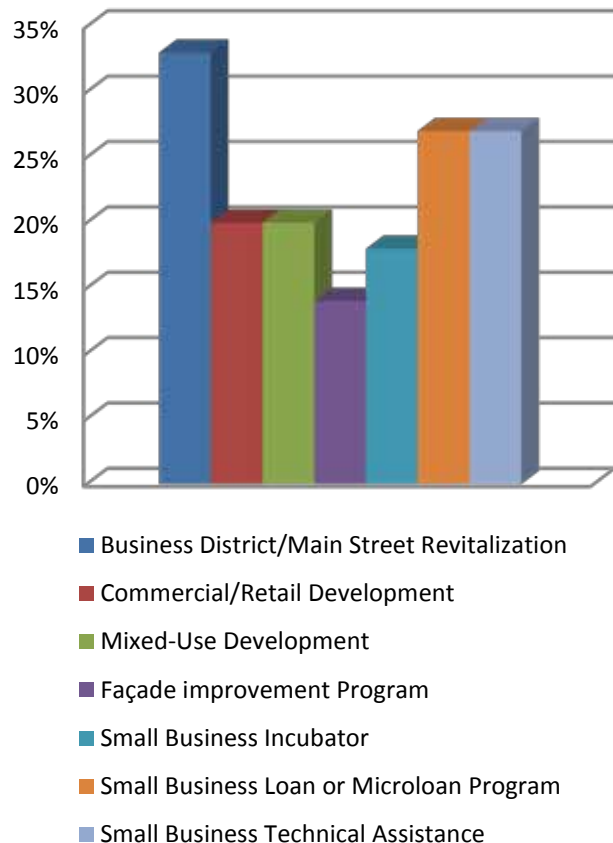
*Over a third of community developers are helping small businesses, revitalizing commercial areas, and working on economic development activities*

The chart shows the percentage of respondents that offered economic development activities.

Increasingly, community development professionals are looking at more comprehensive solutions to alleviating poverty. A significant share of survey respondents are engaged in partnerships with schools, and a similar share are involved in transportation issues. Nearly 40% of survey respondents are either currently involved in a neighborhood planning project or have participated in neighborhood planning previously. A majority of respondents have been involved, or are currently involved, in master planning for their larger community.

A handful of community development organizations have established for-profit enterprises. These operations generate from \$100,000 to \$1.2 million annually and employ from three to ten people. Although they are organized as for-profit companies, the profits from these subsidiaries are channeled into the parent organizations to support the non-profit work and provide a measure of fiscal stability. State-wide, these businesses employ 29 people and generate \$1,434,000 in revenue to supplement the nonprofits in meeting their missions.

Community Economic Development Activities



## Case Study: Commercial Redevelopment

Baltimore's Pennsylvania Avenue has a special place in Baltimore history. For many years, it was the primary cultural district for African Americans. It was also in the clubs and theaters along Pennsylvania Avenue that musical greats such as Billie Holiday and Cab Calloway performed.

The 1968 riots, which were a pivotal point in Baltimore history, began a slow downward spiral for Pennsylvania Avenue. But in 2000, the commercial corridor was designated a Main Street, and the slow work of revitalization began.

The Druid Heights Community Development Corporation is developing a project that it hopes will be the catalyst to bring prosperity back to Pennsylvania Avenue. The plans call for a restaurant behind the restored façade of the historic Sphinx Club. The restaurant, the Negro League Café, will feature enclosed outdoor seating to stimulate and increase the vibrancy of street life. Adjacent to the restaurant will be an interactive BALL (Black Athletes Lost Legend) House Museum. The site will also include a business incubator and retail space.

Kelly Little, executive director of the community development corporation, says the Baltimore region has an unmet need for retail attractive to middle- and upper-income City residents. "We see this project acting as an anchor to spur more development of restaurants, shopping, and arts and cultural venues along the avenue," he says. "We're also meeting the City's goals of returning vacant properties to the tax base and creating new business and employment opportunities in the city."

# Helping People Create Positive Change in Their Lives

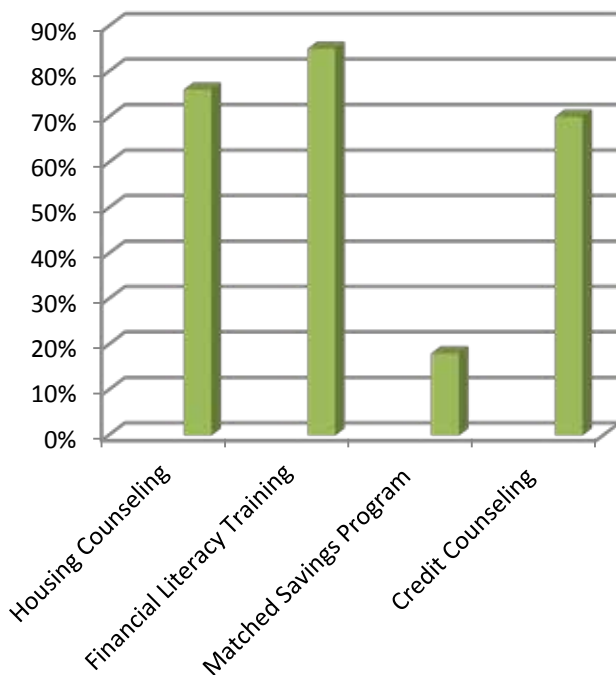
Community based organizations provide a variety of programs as part of their efforts to develop the human capital of their communities.

## Asset Building

*Asset Building is a priority for the community based nonprofits, with nearly 90% providing services to “earn it, save it, and keep it”*

The most common of these programs develop family assets – nearly 90%. Financial literacy classes give residents tools to manage their personal finances more carefully and avoid predatory practices. Housing counseling is generally required for all first-time homebuyers who obtain housing through nonprofits. A number of organizations also provide tax preparation services, which have helped many qualified residents obtain tax relief through the Earned Income Tax Credit. Some organizations also help residents save money for future needs, such as down payments, or matched savings programs.

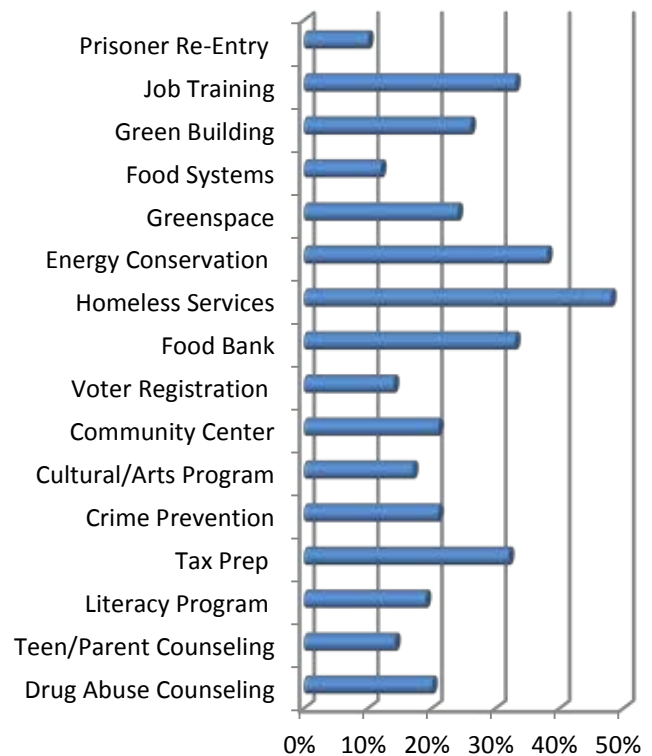
### Asset Building Activities



## Human Services

Also common to many community based nonprofits are services for the homeless, food and nutrition programs, and job training. Other programs focus on sustainability, including green building, energy conservation, and urban agriculture. Crime prevention, drug abuse counseling and teen/parent counseling programs attack the problems that beset many impoverished communities, while art and cultural programs, green space and park development, and community centers strive to bring positive, alternative activities to the community. The breadth of the services is shown below.

### Services and Programs



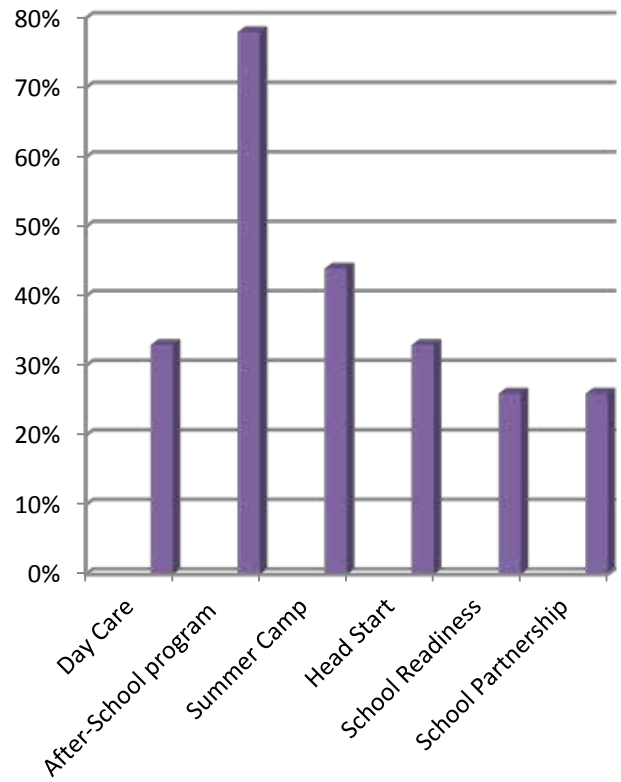
## Youth Programs

*Youth are important to community development: nearly 80% of nonprofits provide an After-School Program*

Many organizations show a particularly strong interest in services for children and youth. After-school programs for students are widespread, as are Head Start and school readiness programs, day care, and summer camps.

The number of social service programs, training programs, and other services provided by community development nonprofit agencies is staggering. The full breadth of services could not be captured in one report. The smiling faces, however, tell a lot about the profound impact they have on the lives of Marylanders.

## Youth Programs



## Case Study: Re-Entry

“I grew up with drugs,” Bobby Wells recalls. “My whole household was into them.” It didn’t take Bobby Wells long to find himself in trouble. In brief, there was addiction, a homicide conviction, and 12 years either incarcerated or on parole. And then something snapped.

“I was tired,” he recalls. “I weighed 97 and a half pounds and looked like a walking skeleton.” He needed a place to live and a chance to turn his life around. He found himself at Project PLASE, a nonprofit that provides transitional housing for homeless individuals and a spectrum of support services including medical assessments, peer counseling, case management, and connections to other community services.

“I had to assess some things,” he says. “Even though I had a choice, I knew my choices up to that point hadn’t been that good. I also knew that I could say I wanted to do something, but if I don’t put forth the action, it’s just desire. It begins with the decision to change, but it doesn’t come overnight.”

Wells entered treatment in April 1997, and at Project PLASE he found the support he needed to make life changes. He went back to school and took community college courses to prepare him for a new career. “Somebody must have seen something in me that I didn’t see in myself at the time,” he says. “I don’t know where I’d be today if I hadn’t gotten into this program. I probably wouldn’t be on the face of this earth.”

In April 2011, Bobby Wells marked his 14th anniversary of being clean and in recovery. In 1999 he became an overnight counselor at Project PLASE, and two years later was promoted to advocacy counselor. “I can’t keep what’s been given to me,” he says. “I need to give it away. My quest now is to help somebody like somebody helped me.”



## Case Study: Job Training

The Southern Maryland Tri-County Community Action Committee (SMTCCAC) is taking direct action to reduce unemployment in Calvert, Charles and St. Mary’s counties. The agency has established a career training school, fully approved by the Maryland Higher Education Commission, which has a successful program training men and women to get their commercial driver’s license (CDL).

Of the 20 program graduates in 2010, 15 found employment in transportation, says Delilah Balz, Communications Director of SMTCCAC. The commercial license qualifies an individual to drive dump trucks, box trucks, mixers, passenger buses and school buses. Some graduates have continued training to obtain a HAZMAT license, which qualifies them to drive sealed trucks.

David Thomas’ story is typical. A native of St. Mary’s County, he has worked in farming and construction. But after being laid off from his last construction job for more than a year, he decided to take SMTCCAC’s course to prepare for the CDL. “My cousin told me about it,” he recalls. “He and my brother did it too.” All three now have transportation jobs. Dave drives a coach bus for St. Mary’s Transit System.

Compared to construction work, he says, driving “is not harder. You’ve just got to deal with the public. But I’m going to keep driving. Somebody’s always needing a driver.”

Because many students work during the day, the course is offered in the evenings. The 54-hour course takes more than nine weeks to complete. The first part of the course prepares students to get a learner’s permit. After that, training is hands-on, using SMTCCAC’s airbrake-equipped school bus. At the conclusion of the training, students present themselves at the MVA for testing in SMTCCAC’s bus.

“The course has provided a real opportunity for unemployed and underemployed citizens to obtain a marketable skill for a well-paying job and move forward,” says Balz.



# Advocacy

Public policy makers have a tremendous impact on low income communities and the nonprofits that serve them. Far too often, residents do not have a voice in decisions that impact their communities. They may not have access to policymakers, or they are working too many hours to be able to be involved, or they do not understand the complicated governmental systems they must navigate to be heard.

The nonprofits – and to a lesser extent, local government officials that work in low income areas – become the voice of the community residents. Advocacy is an essential component to improving communities.

To be that voice, and to be the method to help residents understand the systems and people in government that represent them, community development organizations need to be regularly engaged with elected officials. Our research shows that the relationship between community development practitioners and policy makers is strongest at the local level, less strong at the state level, and weakest at the federal level.

## Local Level Involvement

Not one respondent said they had no involvement with local policy discussions. The overall response was tied between “some, a few times a year” and “substantial, active throughout the year.”

Nonprofits were less engaged in policy discussions than local government respondents, but reported better relationships with local elected officials. Overall, 40% of agencies reported “strong” relationships with local elected officials.

## State Level Involvement

Here, more respondents said they had no involvement (4%). A total of 25% had “rare” involvement; “some” involvement was reported by 29%, and 14% had “substantial” involvement.



The perceived relationship with State officials and policy makers was much weaker than with local officials. The numbers overall had a high “no response” rate, but the virtually all the nonprofits reported, which broke out as 16% having a weak relationship, 25% a satisfactory relationship, and 33% a strong relationship.

## Federal Level Involvement

This was the weakest level of involvement of all, with an overall rate for no involvement at 12%. The highest response was “rare involvement” at 34%. Only 5% marked their involvement as “substantial”.

As federal funds for community development become threatened, this lack of a voice at the national level might well work against low income communities throughout Maryland.

# Moving Forward

The extended recession of 2008-2011, which was brought on, in part, by the collapse of the housing and mortgage markets, has been hard on citizens, hard on business, hard on government, and especially hard on community development organizations. Building and selling affordable housing has always been a difficult business, requiring developers to assemble a patchwork of funding sources and government subsidies in order to break even. Many of the funding sources on which community development depends have reduced funding during the downturn. Nearly half of organizations responding to the survey noted increased support from the Maryland Department of Housing and Community Development (DHCD) and by private foundations, and one-third noted more funding from banks and private donors. At the same time, nearly half noted funding reductions from local government, while about a third of survey respondents reported funding decreases from federal sources, banks and foundations.



Community development professionals responding to the survey indicated support for several specific public policy tools that would benefit the industry. More than 80% strongly favor designating certain revenue sources to provide funding for community development. Local housing trust funds also garnered strong support. A majority also favors two other policy tools, waivers of impact fees for affordable housing, and expedited permitting. Inclusionary zoning, which would require new housing developments to make a certain percentage of units affordable, was supported by about one-third of the respondents.

Unfortunately, while funding has decreased, the needs for affordable housing and other community-building services has not diminished; if anything, hard economic times have made needs more compelling.

Every community in Maryland is touched by the community development industry. Although the players are dispersed and locally controlled, together they create a stronger neighborhood, community, county, region, and state.

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