

# 2022-2023 ANNUAL REPORT





Each year, MCCD staff choose one or two organizational values to use as a compass for our work. If we get off course, we gently remind ourselves why operating from a place of values not only feels better, but it also yields better results for our communities. My favorites thus far are abundance, stewardship, and reciprocity. These values were brought to life over the past many months in our efforts as a Consortium and CDFI.

**Abundance** We achieved historic wins at the Legislature this past session. Years of collective organizing by MCCD and its members resulted in significant public investments for affordable housing and small business development. Our approach has always been (and will continue to be) expanding the pie for the community development sector. For the first time ever, the State approved legislation to create a pool of funding to support Shared Ownership models, including worker cooperatives, commercial land trusts, real estate investment cooperatives and other forms of democratic ownership. MCCD was asked to pilot a Shared Ownership Loan Fund on behalf of DEED, and we are exploring ways to test new products and approaches to underwriting.

**Stewardship** We activated our CDFI capacity for the benefit of our members by launching an Opportunity Fund. By stewarding flexible and low-cost capital, we hope to accelerate business and affordable housing development, and uplift community wealth building models. Our first investment was in Redesign Inc.'s Coliseum project on East Lake Street in South Minneapolis. Together with our peer CDFIs, MCCD facilitated a \$1 million loan to the project, helping to shrink the organization's development gap.

**Reciprocity** We helped create the St. Paul Shared Ownership Collaborative along with our partner organizations Model Cities, Rondo Community Land Trust, and West Side Community Organization. Our purpose is to build a new community development paradigm powered by the ingenuity of our communities to create real, radical and lasting transformation. We are creating intentional space and capacity to dream, design and activate cross-organizational strategies that increase BIPOC community ownership of their land, labor and housing.

As you will read in the following pages of our annual report, we've been busy living into our values and deepening our commitment to racial and economic justice. Moving forward, we know that the road ahead is filled with both opportunities and complex challenges that we must attend to. Our leadership team, program staff and Board are ready for what is to come.

In cooperation,

*Elena R. Gaarder*

**Elena Gaarder**  
Chief Executive Officer

# COLLECTIVE IMPACT

**Metropolitan Consortium of Community Developers (MCCD)** is a state-wide association of nonprofit affordable housing and economic development organizations and a CDFI, committed to expanding wealth building opportunities and advancing racial and economic justice. For over 33 years, our members have worked collectively to leverage resources for the development of people and places.

## PROGRAMS

### Policy & Advocacy

MCCD works with our members to secure sustainable community-changing investments for affordable housing and community economic development. As a collective, we work together to advocate for policy progress at the local, state, and federal level.

### Field Building

The Emerging Leaders in Community Development Program (ELCD) equips early and mid-career community development professionals with the knowledge and relationships needed to build a more equitable future.

### Small Business Development

MCCD's Open to Business program works with emerging and established entrepreneurs, providing tailored technical assistance through 1:1 advising, workshops, and access to specialized consultants.

### Lending

As a Community Development Financial Institution (CDFI), MCCD provides capital to entrepreneurs including those who face challenges in accessing the commercial banking system, with a focus on Black, Indigenous and People of Color (BIPOC), women, low-wealth individuals, and geographic areas of underinvestment.

### Shared Ownership

MCCD's Shared Ownership program is designed to address the unique legal, business, and organizational characteristics of cooperatively-owned business and real estate, and other shared equity ownership structures.




# POLICY & ADVOCACY

Despite MCCD's best efforts, the 2022 legislative session concluded without passing supplemental funding bills. We carried bills to fund Housing Infrastructure Bonds, the Small Business Assistance Partnership Program, and introduced for the first time, the Community Wealth Building Program. While these bills did not pass in 2022, we did grow substantial support for these programs that helped see the passage of all these bills and more in the 2023 legislative session.

MCCD also led advocacy efforts to help craft the funding programs for Minnesota's State Small Business Credit Initiative (SSBCI) award. Including increasing the Loan Participation Program lender repayment cap to \$750,000.



**In 2023, the community development field has experienced significant policy wins!**



**The persistent work of MCCD, member organizations, and our partners has paid off in a big way!**

# 2023 POLICY WINS

## **Affordable Housing**

Secured \$200 million in housing infrastructure cash to help develop and preserve affordable rental housing and homeownership opportunities.

Since 2012, MCCD has led efforts to secure over \$700 million in Housing Infrastructure bonds and cash, creating housing for more than 6,400 households across Minnesota.

## **Economic Development**

Secured \$12+ million in funding for organizations to provide technical assistance for BIPOC, immigrants, and women-owned small businesses.

MCCD helped support the passage of the \$10 million Expanding Opportunity Low-Interest Capital Fund during the 2023 legislative session. This program was created and introduced by the Department of Employment and Economic Development, but we were able to advocate for inclusion in the final economic development bill that will establish this revolving loan fund to help provide access to affordable capital for years to come.

## **Shared Ownership**

MCCD is piloting the Community Wealth Building Program to support worker cooperatives and other shared ownership business models. The allocation of \$3 million approved during the 2023 legislative session will enable MCCD to scale up and extend this innovative business approach across the state.

MCCD received a small, one-time appropriation of \$350,000 to help support the costs of running and administering the Home and Community-based Services Employee-owned Cooperative program. MCCD was selected to pilot this program that provides grant funds to establish 10 HCBS worker cooperatives across Minnesota with the goal of stabilizing this critical workforce.

# FIELD BUILDING

Emerging Leaders in Community Development (ELCD) equips early-career and mid-career community development professionals with the knowledge and relationships needed to build a more equitable future. ELCD focuses on three key areas to support community development professionals as they navigate their careers: networking, professional development, and mentorship.



EMERGING LEADERS IN  
COMMUNITY DEVELOPMENT

## Mentorship

Each year the mentorship program hosts monthly networking events and professional development series led by local field experts to deepen knowledge on various topics including affordable housing, housing finance, housing co-op, housing policy, community development policy, BIPOC developers, and more.



14

MENTEES



10

MENTEES

## Racial Equity Convenings

MCCD actively engaged in fostering open and productive conversation around housing development and racial equity. These convenings are an integral part of MCCD's mission to lead the field in reimagining community development. They focus on both the means, which involve contributions from various sectors along the continuum, and the end, emphasizing the impact on racial and economic justice and wealth building. These sessions have furthered our commitment to addressing racial disparities within the community development field. The discussions served as an essential platform for discussing critical housing issues and identifying actionable and sustainable solutions. Insights will guide our strategies and initiatives moving forward.



## ADVOCACY TRAINING

MCCD hosts an annual Policy and Advocacy Training. In 2023, the training was held at the Minnesota State Capitol.

# 50

## ATTENDEES

Over 50 people participated and were able to practice and learn how to testify in a hearing room and speak to the press in the media room. It was a great training and set many of our members and partners up for a successful 2023 legislative session!





Jeena, Owner of Namaste Brows

*"I will forever be grateful for MCCD's support and guidance. I confidently continue my passion with MCCD by my side."*

# SMALL BUSINESS DEVELOPMENT

*"If someone can IMAGINE their business, MCCD will EDUCATE, COUNSEL, and INSTRUCT you through the process. We are extremely grateful for the Open to Business program at MCCD and know this program will support more new businesses in the future."*

**-Debrework 'Deru' Bezabehe, Owner of Deru Braiding**

## Resources

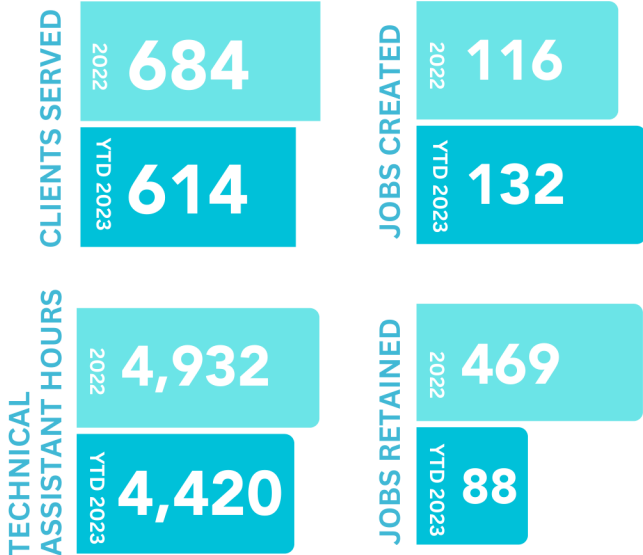
Every month, MCCD is dedicated to curating and dispatching valuable business resources to further support the community small business needs. This includes useful trainings, grant opportunities, policy updates, and more.

## Education

MCCD hosts various trainings for small business owners and entrepreneurs. These free sessions provide education on bookkeeping, social media, shared ownership opportunities, legal support, and more.

## Community

MCCD staff spends time in the community, providing information and support to small businesses at events and resource fairs.



MCCD's Open to Business program works with emerging and established entrepreneurs, providing technical assistance and access to capital.





Mireya, Owner of El Rincon Mexicano

“MCCD has helped me where I couldn’t and wouldn’t. It’s important that other Hispanic and other Latin people know about MCCD’s existence.”



# SMALL BUSINESS LENDING

“MCCD was amazing at guiding us all through the loan process so I could purchase my new building. The support that nonprofit organizations like MCCD and CDFIs provide minority-owned business owners is critically important to the ongoing journey of generational healing and cultural empowerment. When each of us rises, we all rise.”

-Kari Tribble, Founder of Avari Beauty

## 2022

Loans Closed  
\$1,424,569

Loans Facilitated  
\$5,276,481

## 2023

Loans Closed  
\$1,964,626

Loans Facilitated  
\$11,459,397

# CREDIT BUILDING

We serve as a bridge to the traditional marketplace and offer a secure and low-risk credit building option that starts people on the path to building/rebuilding personal credit.

**\$240**  
Loan Amount

**\$20**  
Monthly Payment

**12**  
Loan Length

**0%**  
Interest Rate

# SHARED OWNERSHIP

*“MCCD puts the cooperation in cooperative. They have been the integral part of Twin Cities Impact Cooperative. They have provided grant funding, business consultants, technical assistance, educational trainings; as well as business partnerships and resources. They have helped TCIC grow and thrive as a cooperative by teaching us how business works. MCCD leads by example and are working in collaboration with Twin Cities Impact Cooperative. They are helping us to be successful in our business venture and also helping our community to thrive. We are walking in our purpose because MCCD exist. We truly appreciate this rare opportunity.”*

**-Twin Cities Impact Cooperative**



**21**

MCCD provided cooperative business advising services to 4 worker cooperatives, including 3 Home Care, and 1 Construction cooperative. In total, we are supporting 21 BIPOC and low-wealth individuals in their pursuit of business ownership.

**\$1.7  
MILLION**

MCCD was contracted to administer \$1.7 million in ARPA funds in partnership with the State's Department of Human Services for Employee-owned Home and Community-Based Services cooperatives. The program provides \$162,000 in grant funds to 10 Home Care cooperatives.

**25**

MCCD organized a half-day training on housing cooperatives which brought together 25 consortium members, community groups, public sector staff and housing practitioners.



**31**

MCCD provided cooperative business advising services to 5 worker cooperatives. In total, we are supporting 31 BIPOC and low-wealth individuals in their pursuit of business ownership.

**\$162  
THOUSAND**

MCCD awarded four -\$162,000 grants to provide working capital for the start-up and growth of worker cooperative businesses.





**\$3  
MILLION**

MCCD is piloting a \$3 million Shared Ownership Loan fund in partnership with DEED. The program provides much needed capital to spur growth in the cooperative sector.

Shared ownership, including worker cooperatives and other forms of democratic employee-ownership, commercial land trusts, and real estate investment cooperatives. MCCD launched a Shared Ownership Loan Fund to provide low-cost capital to emerging efforts.

# REVENUE

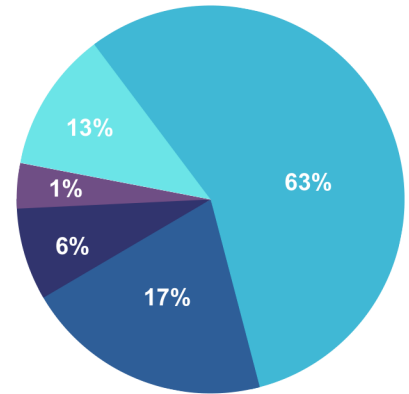
<b>PUBLIC SUPPORT</b>		<b>2022</b>
	Corporate and foundation grants	673,997
	Government grants	3,227,031
	Ramsey County	-

<b>REVENUE</b>		
	Programs and services	863,632
	Interest from loans receivable	299,199
	Other revenue	14,454
	PPP loan forgiveness	-




*\*2022 shows audited financial statements*



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**TOTAL** **5,078,313**



# EXPENSES

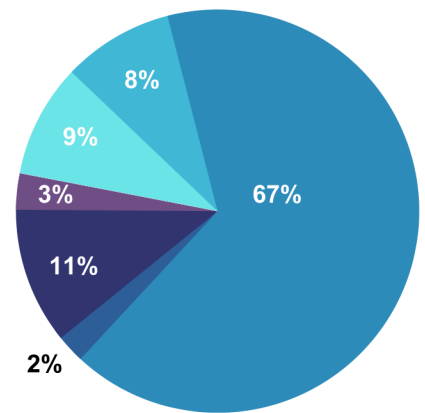
<b>PROGRAM SERVICES</b>		<b>2022</b>
	Member services & advocacy	357,978
	Loan program	349,755
	Small business support	2,595,132
	Shared Ownership	89,359

<b>SUPPORTING SERVICES</b>		
	Management and general	430,493
	Fundraising services	114,773

*\*2022 shows audited financial statements*

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**TOTAL** **3,937,490**



## **EXECUTIVE COMMITTEE**

**Laura Zabel, *Chair***

Executive Director, Springboard for the Arts

**Nasibu Sareva, *Vice Chair***

Executive Director, African Development Center

**Jim Erchul, *Treasurer***

Executive Director, Dayton's Bluff NHS

**Kathy Wetzel-Mastel, *Immediate Past Chair***

Executive Director, PRG, Inc.

**Will Delaney, *Secretary***

Associate Director, Hope Community, Inc.

## **BOARD MEMBERS**

**Gunnar Carlson**

Community Engagement Manager, Riverton Community Housing

**Mikeya Griffin**

Executive Director, Rondo Community Land Trust

**Perla Mayo**

Deputy Director of Lending, Neighborhood Development Center

**Mandy Pant**

Associate Director of Real Estate Development, Project for Pride in Living

**AsaleSol Young**

Executive Director, Urban Homeworks

# THANK YOU TO OUR SUPPORTERS

Allina Health Systems

Ameriprise Financial

Code 42 Software Inc

DEED

FR Bigelow Foundation

McKnight Foundation

McNeely Foundation

Minneapolis Foundation

NE Bank Foundation

Old National Bank Foundation

Otto Bremer Trust

St. Paul and Minnesota Foundation

Target Foundation

Twin Cities Metro CDC

US Bank Foundation

US Small Business Administration

WCA Foundation

Xcel Energy Foundation