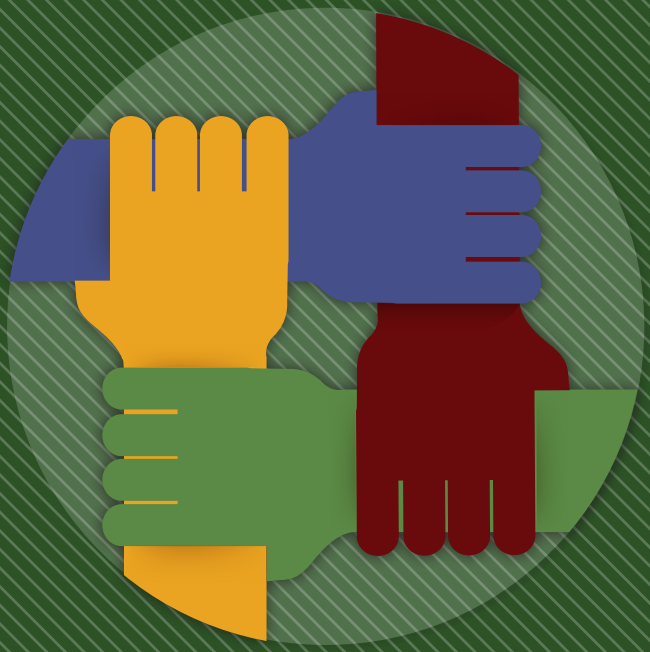
Twenty Five Years
OF SUCCESS

STRONGER TOGETHER



THE $12 BILLION IMPACT of Community Development Corporations in New Jersey

Housing and
Community Development
Network of New Jersey

The Housing and Community Development Network of New Jersey

is the statewide association of more than 250 community development corporations, individuals and other organizations that support the creation of affordable homes, economic opportunities, and strong communities. Founded in 1989, HCDNNJ partners with and amplifies the work of the state's non-profit community development corporations.

What are CDCs?

New Jersey CDCs are non-profit organizations that bring critical resources to communities, create jobs and build affordable homes. New Jersey CDCs are both place and people-based and share a mission to create more opportunities for low- and moderate-income people and communities. CDCs in New Jersey build affordable homes and small business commercial space, create jobs, support resident-driven community planning processes, and provide services needed by community members from job training to housing counseling.

> *"New Jersey needs investment. The state's community development corporations have been investing billions in New Jersey for a quarter century now, building and rehabilitating affordable homes and revitalizing communities. Working together, they help communities navigate the tough times and make the good times work better for everyone."*
>
> *- Bill Best, Senior Vice President, Community Development Banking, PNC Bank*

New Jersey has over 250 community development corporations that make our communities better and grow our state and local economy.

- CDCs ARE A **$12 BILLION** ECONOMIC ENGINE FOR NEW JERSEY

  CDCs make New Jersey's economy stronger. In the past twenty-five years, New Jersey CDCs created 82,000 jobs; added $12 billion of economic impact; and generated $320 million in state tax revenues. CDCs have achieved this multi-billion dollar impact while working every day to improve and revitalize the state's low- and moderate-income people and communities.

- CDCs ARE **JOB CREATORS**.

  DURING THE PAST TWENTY-FIVE YEARS, NEW JERSEY CDCs:

ADDED **82,000 JOBS** through investments in real estate rehabilitation and new construction.[1]

CONTRIBUTED **$5.5 BILLION** in worker wages and in contracts with New Jersey businesses.

Provided job training TO MORE THAN **10,500** LOCAL RESIDENTS[2]

Employed **10,000** PERMANENT STAFF MEMBERS[3]

- CDCs ARE A **$500 MILLION** DOLLAR A YEAR INDUSTRY.[4]

  Over the past twenty-five years, New Jersey CDCs **contributed $12 Billion to the State Economy.** CDCs directly invested $6.5 billion in New Jersey neighborhoods, and these investments rippled throughout the economy creating another $5.7 billion of economic activity.

- CDCs ADDED **$320 MILLION** TO STATE TAX ROLLS.

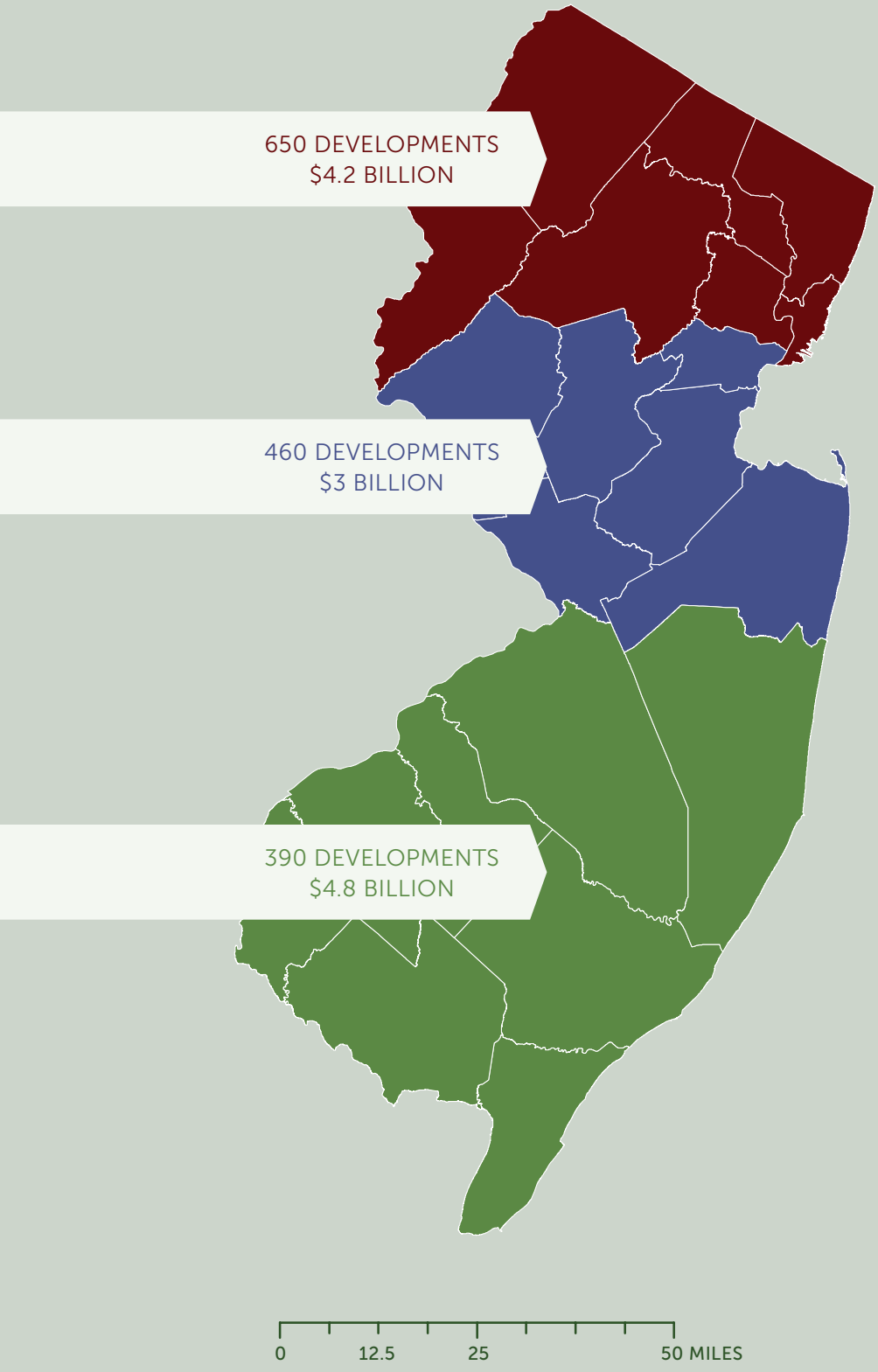
  Even though CDCs are exempt from some taxes as non-profits, CDC activities generated hundreds of millions of tax revenue dollars from worker wages, contracts and purchases.

- CDCs BUILT AND REHABILITATED OVER **21,000 AFFORDABLE HOMES** FOR NEW JERSEY RESIDENTS.

- CDCs BUILT OVER **2.5 MILLION SQUARE FEET** OF COMMERCIAL SPACE FOR NEW AND EXPANDING SMALL BUSINESSES.

[1] CDCs created 44,000 of these jobs directly and supported the remaining full-time equivalent jobs through contracts with area businesses.
[2] Building from the Ground Up: 20 Years of Community Economic Development in New Jersey, Housing and Community Development Network of New Jersey (2009). http://www.hcdnnj.org/assets/documents/anniversary%20report.pdf
[3] Id.
[4] $12 billion of economic activity over 25 years is roughly $500 million of economic activity in an average year.

CDCs Made Investments in Every Region in New Jersey



1,500+ DEVELOPMENTS WERE UNDERTAKEN BY CDCs IN NJ GENERATING A TOTAL ECONOMIC IMPACT OF **$12 BILLION.**

REGIONS:

- NORTH JERSEY
- CENTRAL JERSEY
- SOUTH JERSEY

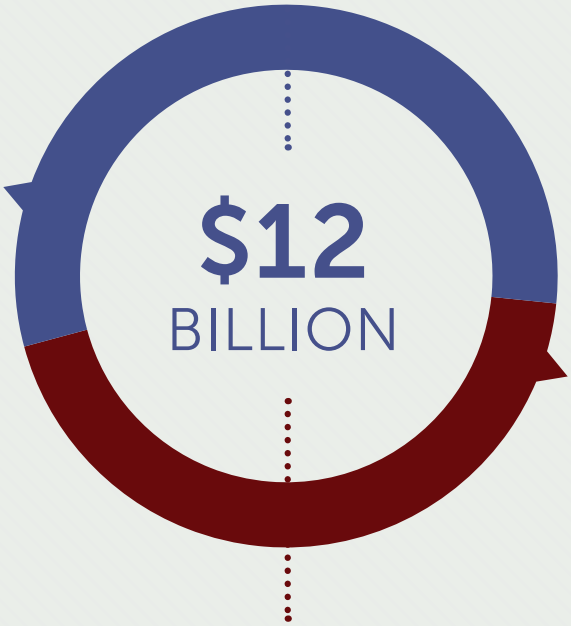
N

THE $12 BILLION IMPACT

of Community Development Corporations in New Jersey

TOTAL ECONOMIC IMPACT OVER PAST 25 YEARS:

DIRECT:
$6.5 BILLION



INDIRECT:
$5.7 BILLION



JOBS CREATED:

82,000



TAX REVENUE GENERATED:

$320 MILLION

> *"CDCs provide a significant bang for the buck here in New Jersey. Non-profit de*
> *time again they can make a huge economic impact as they improve the lives and o*
>
> *- Al Koeppe, chairman, New Jersey Economic Development Authority*

NEW JERSEY CDCs ARE ONE OF THE GREAT AMERICAN SUCCESS STORIES:

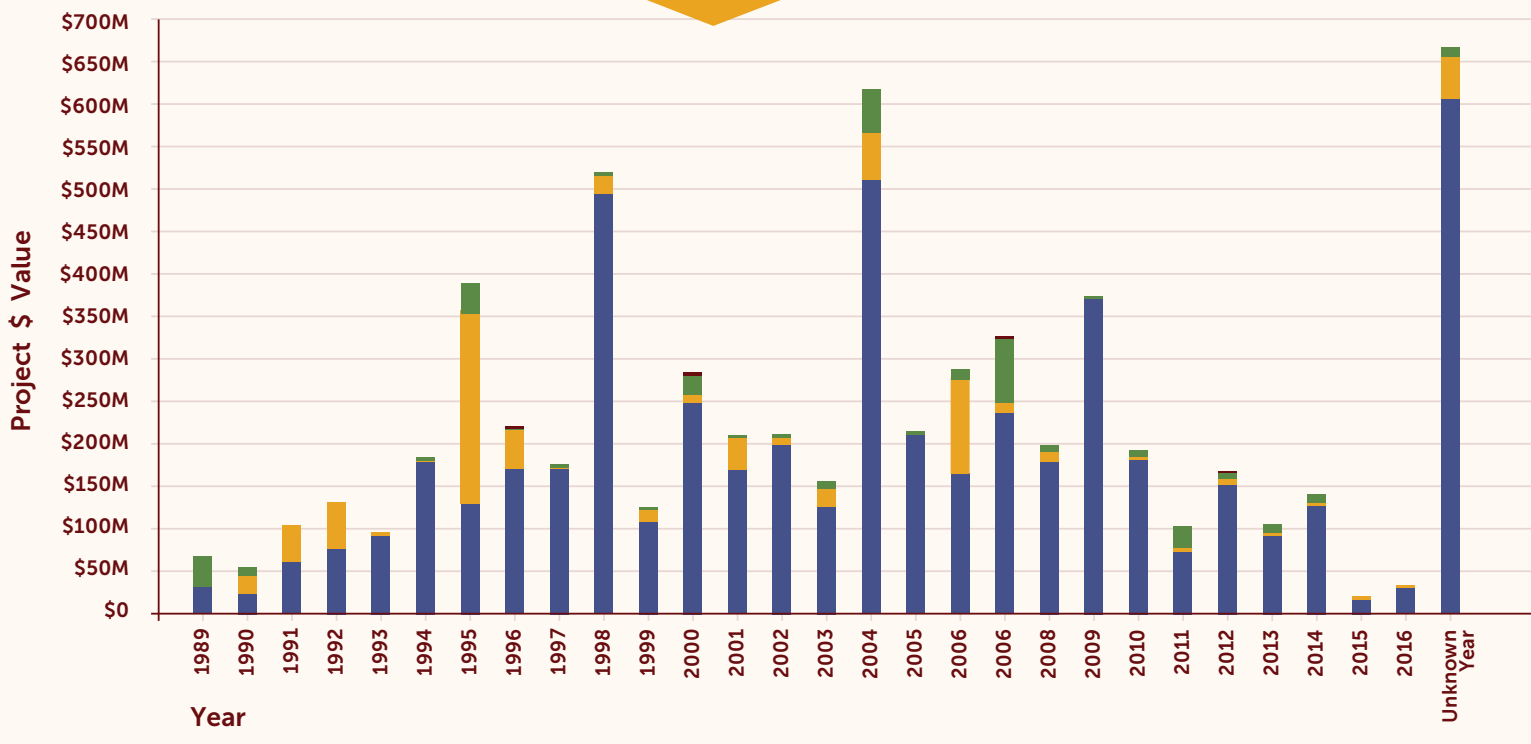
INTREPID NON-PROFITS FIGHTING TO IMPROVE OUR COMMUNITIES WHILE CREATING BILLIONS OF DOLLARS OF ECONOMIC BENEFIT AND THOUSANDS OF JOBS THROUGHOUT THE STATE.

While the dollars CDCs generate are the focus for this report, we should not forget the extraordinary contributions CDCs make that cannot be quantified. CDCs provide food for New Jersey residents who are hungry, emergency shelter for those who are homeless, job training for those who need employment, and childcare for pre-school children.

NEW JERSEY CDCs SUPPORT JOBS IN A RANGE OF INDUSTRIES.

CDCs created 82,000 jobs in New Jersey over the past twenty-five years. Just over half of these jobs were in construction industries. The other half of the jobs was in a range of other industries from health care to food services supporting the CDCs and their workers.

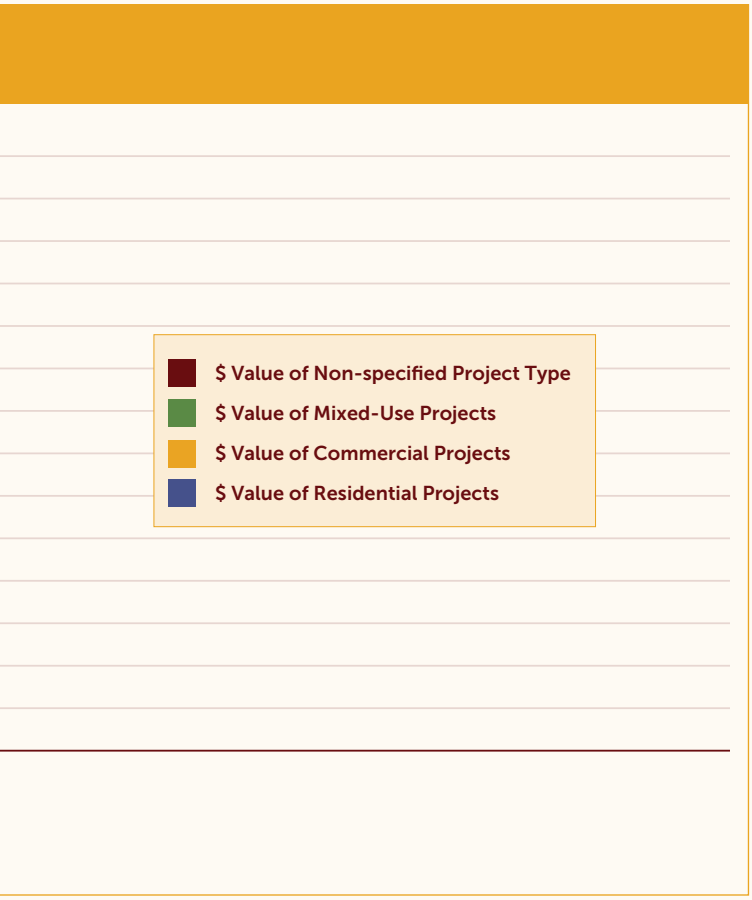
CDCs ARE SIGNIFICANT AND CONSISTENT INVESTORS IN NEW JERSEY'S ECONOMY



velopers that have shown time and
pportunities of our residents."

CDCs CONSISTENTLY INVEST IN NEW JERSEY NEIGHBORHOODS, IN GOOD TIMES AND BAD.

CDCs continued to invest in New Jersey throughout the Great Recession. While private market developers retreated, CDCs completed roughly the same number of developments as they did every year since 2000. Each year from 2008 to 2014, CDCs brought more than $180 million of economic value to New Jersey neighborhoods. CDCs are able to continue to invest in neighborhoods, even during the tough times, because they have strong leadership, established operating systems, and support from the state's philanthropic, government and corporate communities.



To understand just how CDCs make such an extraordinary economic impact, let's look at how they have effectively used a single state program to revitalize low- and moderate-income neighborhoods.

The Neighborhood Revitalization Tax Credit program (NRTC) was created by the State of New Jersey in 2002 to offer business entities that invest in the revitalization of eligible low- and moderate-income neighborhoods a 100 percent tax credit against various state taxes. Program-wide, a total of $10 million per year is available in tax credits, with a maximum of $1 million available per neighborhood. To date, twenty-four corporations have invested $48 million in NRTC dollars. For every dollar in NRTC investment, CDCs have leveraged an additional $7.30.

CDCs DURING THE FIRST TEN YEARS OF THE NRTC PROGRAM:

830
jobs created

30
businesses created

1,321
homes created

111
properties put back on tax rolls

$4 MILLION
in property tax revenue generated

New Jersey's CDCs are trustworthy and valued partners for our communities. We need to support these important non-profit partners and continue to build their capacity to create needed affordable homes and jobs."

- Maria Maio-Messano, HUD New Jersey Field Office Director

NEW JERSEY CDCs HAVE A PROVEN ABILITY TO BRING MILLIONS OF DOLLARS OF RESOURCES INTO THE STATE AND ITS NEIGHBORHOODS.

CDCs help neighborhoods access capital from government, foundations, corporations and individuals that they could not obtain on their own. The key funding sources of income for New Jersey CDCs include earned income; donations from foundations, corporations, individuals; and federal, state and local government funding. A 2012 analysis of one important New Jersey program, the Neighborhood Revitalization Tax Credit (NRTC) program found that CDCs leveraged $7.30 in private, public and foundation dollars for every government dollar.

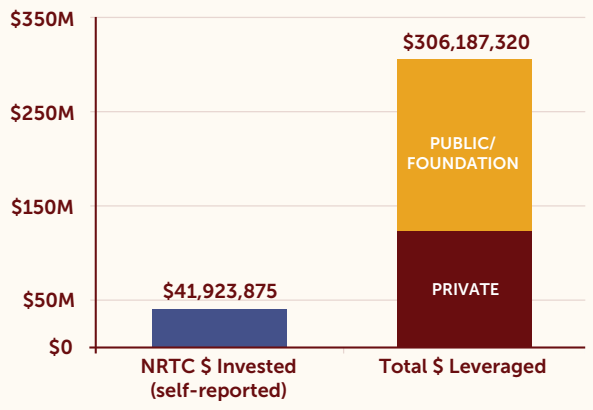
WHO ARE NEW JERSEY CDCs?

New Jersey CDCs are non-profit organizations that work daily with communities to bring critical resources to revitalize New Jersey's older communities, create jobs and build affordable homes.

WHAT DO CDCs DO?

In addition to the construction and rehabilitation of housing and commercial properties that play a pivotal role in the future of its communities, CDCs create gardens, demolish unsafe properties, create neighborhood revitalization plans, and provide job training.

TOTAL $ LEVERAGED FROM NRTC INVESTMENT



Source: NRTC recipient survey

CDCs WORK IN EVERY REGION IN NEW JERSEY.

CDCs made direct investments in neighborhoods in every region in the State. See regional map on page 2.

CDC INVESTMENTS REMOVE BLIGHT AND INCREASE WEALTH FOR SURROUNDING PROPERTY OWNERS.

New construction and major rehabilitation of blighted or underused properties raises the value of nearby properties.[5]

[5] Karen Black, Collective Strength, Philadelphia Association of Community Development Corporations (December 2012). http://pacdc.org/sites/default/files/COLLECTIVE%20STRENGTH%20Report.pdf

25 YEARS OF SUCCESS

The Network Thanks These Member Organizations Who Provided Data For This Report

Advance Housing, Inc.
Affordable Homes Group
Affordable Homes of Millville Ecumenical (AHOME), Inc.
Affordable Housing Alliance
Alliance Against Homelessness
AIDs Resource Foundation for Children
Allies, Inc.
Alternatives, Inc.
ARC Of Middlesex County
United Way of Bergen County
Brand New Day
Brunswick and Raratin Housing Corp.
Burlington County Community Action Association
Camden County Council on Economic Opportunity
Camden Lutheran Housing
Catholic Charities, Diocese of Trenton
Church Coalition for New Providence
CityWorks
Coastal Habitat for Humanity
Collaborative Support Programs of NJ
Community Access Unlimited, Inc.
Community Hope, Inc.
Cooper's Ferry Development Corp.
Cramer Hill CDC
Cumberland Empowerment Zone Corporation
Diocesan Housing Services Corporation of the Diocese of Camden
Domus Corporation
East Brunswick Community Housing Corporation
Elizabeth Development Company
Episcopal Community Development, Inc.
Essex County Land Trust
Essex Properties Urban Renewal, Inc.
Fair Share Housing Development, Inc.
Fairmount Housing Corporation
Faith, Bricks & Mortar
Family Services
Garden State Episcopal CDC
Gateway CDC
Glouchester Township Housing Authority
Greater Plainfield Habitat for Humanity
Greenville Steering Committee Urban Renewal Non Profit Affordable Housing Corp.
HABcore, Inc.
Habitat for Humanity - Bergen County
Habitat for Humanity - Monmouth County
Habitat for Humanity - Newark
Habitat for Humanity - Trenton
HANDS, Inc.
Heart of Camden, Inc.
Homefront
Homeless Solutions, Inc.
Homes of Montclair Ecumenical Corporation (HOMECORP)
Homes For All
Homes Now
Housing and Economic Oppurtunities
Housing Partnership for Morris County
Hunterdon County Housing Corp
Interfaith Council for the Homeless of Union County
Interfaith Neighbors, Inc.
Ironbound Community Corporation
Isles, Inc.
Jersey City Housing Authority
Jersey Counseling and Housing Development, Inc.
Jewish Community Housing Corporation
Jewish Renaissance Foundation
La Casa de Don Pedro
Lakewood Resource and Referral Center
Lawrence Non Profit Housing, Inc.
Lincoln Park Coast Cultural District
Lutheran Societal Ministries of NJ
Madison Affordable Housing Coalition
Making It Possible to End Homelessness
Metropolitan Camden Habitat for Humanity
Metuchen Community Services Coporation
Monarch Housing Associates
Moorestown Ecumenical Neighborhood Development, Inc. (MEND)
Morris Habitat for Humanity, Inc.
New Bridge Services, Inc.
New Community Corporation
New Jersey Community Capital
New Jersey Connect
NJ Community Development Corporation (NJCDC)
North Hudson Community Action Corporation
Northwest NJ Community Action Program (NORWESCAP)
Oasis Development Corp.
Ocean Community Economic Action Now (OCEAN)
Parkside Business and Community in Partnership (PBCIP)
Paterson Habitat for Humanity
Paterson Housing Authority
Paulsboro CDC
PENWAL Affordable Housing Corp.
Plainfield Community Development Corporation
Plainsboro Nonprofit Housing Corp.
Princeton Community Housing, Inc.
PROCEED, Inc.
Project Freedom, Inc.
Project Live, Inc.
Puertorriquenos Associados for Community Organization
Region Nine Housing Corp.
Rom International, Inc.
Rose House
Rural Oppurtunites, Inc.
Saint Joseph's Carpenter Society
Saint Matthew Neighborhood Improvement Development Assn.
Saint Paul's CDC
Salem Habitat for Humanity
Somerset Home for the Temporarily Displaced Children
SonRise Deelopment Corp.
Stand Up for Salem
State Street Housing Corporation/ Respond Inc.
Synergy Housing Development Corporation
Urban League of Essex County
Tri-City Peoples Corporation
Triple C Housing
UMMATT Developers Inc.
United Celebral Palsy of Northern, Central, and Southern NJ
United Vailsburg Services Organization
University Heights Neighborhood Urban Renewal Non-Profit Corp.
Urban League Affordable Housing and CDC
Volunteers of America - Greater New York
Volunteers of America - Delaware Valley
Wellspring, Inc
Westfield Senior Citizens Housing Corp.
Williamstown Oak Street Association
Women Rising
Women's Urban Renewal Development Corporation

Not all of these organizations are still in existence or engaged in housing production, but their accomplishments do make up the fabric of the last 25 years.

ACKNOWLEDGEMENTS

ECONSULT SOLUTIONS, INC. (ESI) PROVIDED ANALYSIS OF THE DATA. ESI's analysis explores the economic outcomes generated by the work of community development corporations (CDCs) in New Jersey. The Housing and Community Development Network of New Jersey (HCDNNJ) provided data for ESI's analysis. HCDNNJ surveyed its member CDCs. One hundred twenty three respondents provided detailed information on construction and rehabilitation developments they have undertaken over the past 25 years. Given that estimates were calculated to supplement developments with incomplete information and that there are other CDCs within New Jersey besides the ones for which data were collected, the actual aggregate amounts and impacts associated with CDCs within New Jersey may be larger than what is depicted in this report.

MAY 8 CONSULTING provides public policy analysis and research to propel high impact change. May 8 communicates complex ideas to ordinary people and builds alliances between non-profit organizations based upon shared interests.

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