

Florida Paradigm Shift

Community Development Corporations
to
Community Economic Development Corporations

A Market-Based Approach To:

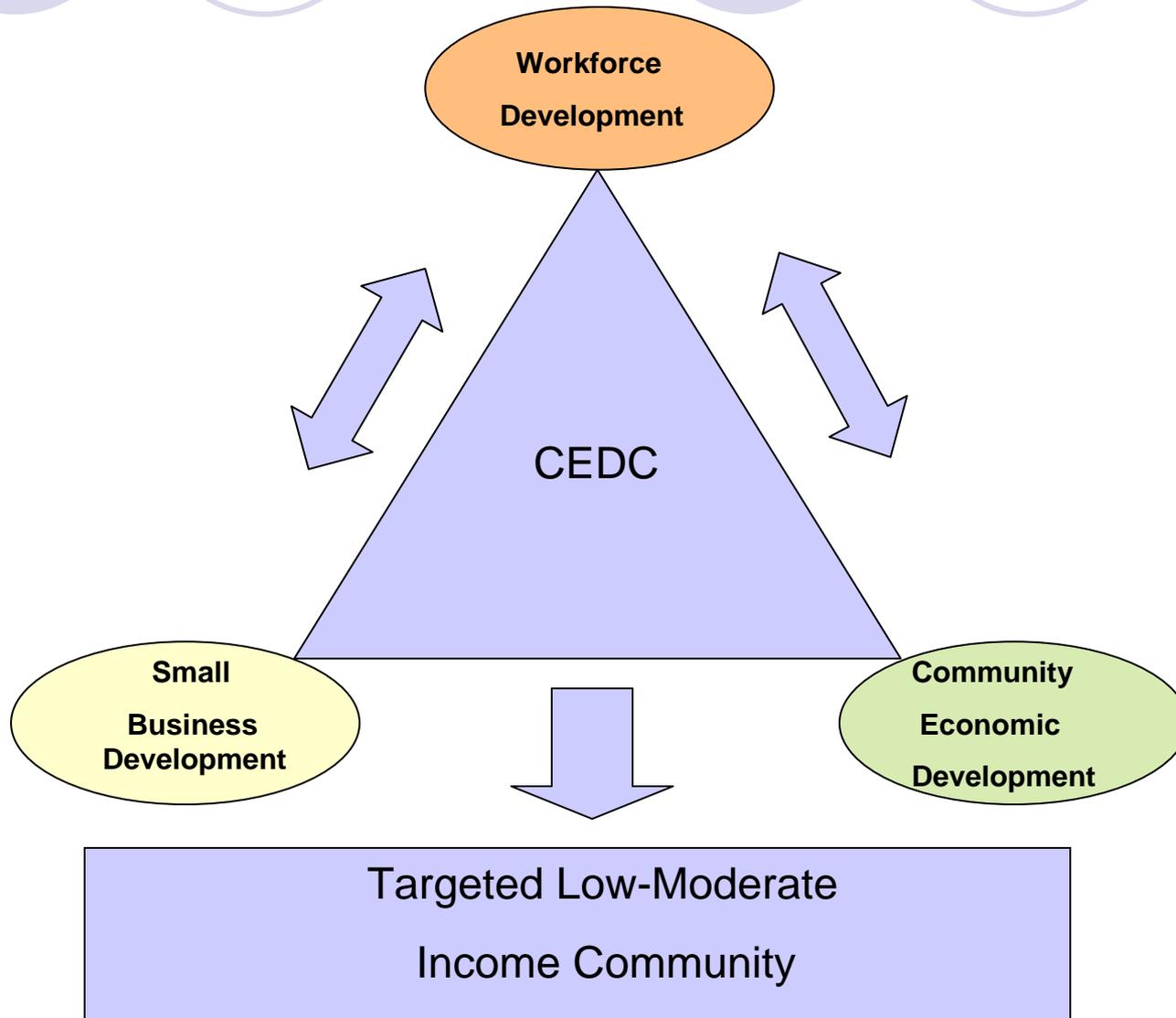
Revitalization of Minority Low-Moderate Income Communities



Florida Minority Community Reinvestment Coalition
Urban Redevelopment Solutions, Inc.
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Market Based

**Community Economic Development Corporation (CEDC)
“Integration of Inner City Assets into Regional Economy”**



CEDC

The Master Community Economic Development Engine

-For Targeted Minority Low-Moderate Income Community

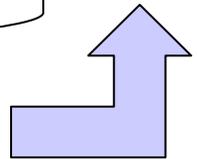
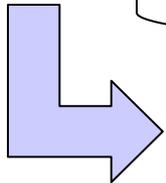
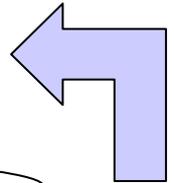
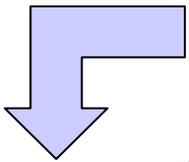
- Utilization of Market Based Community Economic Development Model
- Primary Function: Integration of **Inner City Assets** (consumption, labor, small business etc...) into Regional Economy
- Utilization of For Profit Model Community Economic Development Corporation (CEDC) (Non-Profit/For-Profit Arms) As Community Economic Development of Target Minority Community
- CEDC serves as “**Master**” community development mechanism for targeted minority community (**Service Area**)
- Primary economic development measurements for CEDC: poverty and unemployment rates (**Jobs, Jobs, Jobs**)
- Primary community economic development focus:
small business development-workforce development-community economic development projects (housing, light industrial, commercial etc...)

**Master
Community Economic Development Corporation**

Master Community

Distressed
Low and Moderate
Income Community

Economic Development Corporation



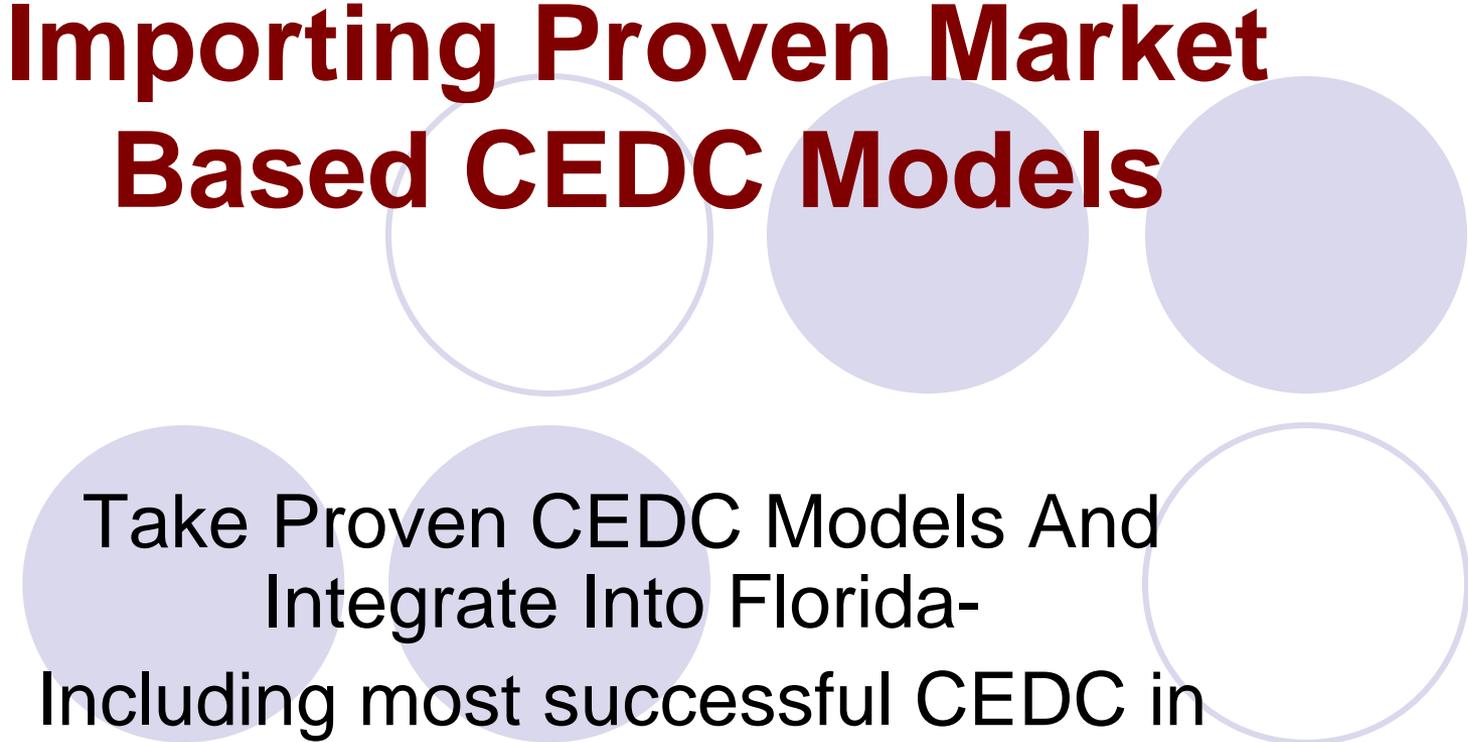
WHAT DOES CURRENT FLORIDA COMMUNITY DEVELOPMENT CORPORATION MODEL LOOK LIKE VERSUS COMMUNITY ECONOMIC DEVELOPMENT CORPORATION?



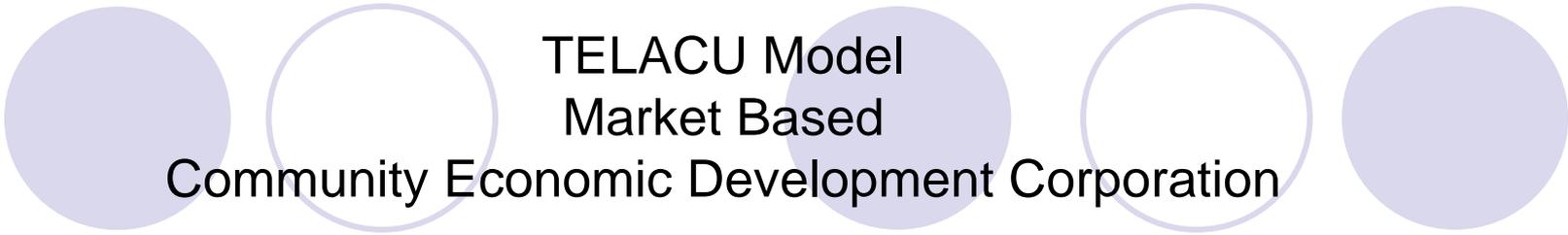
OR



Importing Proven Market Based CEDC Models



Take Proven CEDC Models And
Integrate Into Florida-
Including most successful CEDC in
Country: TELACU

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TELACU Model Market Based Community Economic Development Corporation

*A pioneering institution committed to
**service, empowerment,
advancement,** and the creation
of **self-sufficiency.***

*For more than 40 years, TELACU has been improving the lives
of individuals and families through community development,
economic empowerment and educational advancement.
TELACU is the largest Community Development Corporation
in the United States.*

Self Sufficiency CEDC Model:

- ***Established in 1968, TELACU is the largest Community Development Corporation and one of the largest Hispanic businesses in the United States. Utilizing one of the most successful approaches to community and economic development, TELACU focuses its more than \$650 million in assets on empowering the lives of individuals and families within the communities it serves***



- ***The TELACU Story***

- Forty years ago, TELACU was established as **a pioneering institution committed to service, empowerment, advancement, and the creation of self-sufficiency.** Chartered as a Community Development Corporation (CDC), TELACU was initially funded through federal legislation authored by Senators Robert F. Kennedy and Jacob K. Javits to revitalize urban, underserved communities throughout the United States.

Utilizing a unique business model – The TELACU Model – for community and economic development, each and every business TELACU owns and operates has a double bottom line – profitability that is inseparable from social impact.

The parent, non-profit CDC owns and operates a [Family of Companies](#) called TELACU Industries. These for-profit businesses not only provide valuable products and services to the community; but they also provide the economic means for TELACU to sustain its non-profit community-focused entities.

The TELACU Model is based upon the belief that there is no more viable business venture than one that is economically sound, enhances the community, and positively impacts people's lives. **Quality, affordable homes are developed for first-time homeowners, and beautiful residential complexes are constructed and operated for families and senior citizens. New community assets like schools, infrastructure, shopping centers, and municipal facilities are built, creating well-paying jobs and revitalized communities for local residents.** Responsive financial institutions are managed to provide access to capital for small business owners and hardworking families. And educational opportunities are expanded to create a greater future for young people and veterans.



TELACU Family of Companies

TELACU Industries (TI) owns and operates a family of companies in four key business sectors – **Real Estate Development, Financial Services, Construction and Construction Management**. These profitable businesses, by their very nature, provide much of the benefit TELACU **creates to empower communities – new homes, new jobs, revitalized neighborhoods, access to capital, restored infrastructure, and new community assets**. As the economic engine that propels TELACU's Mission Statement, TI provides people with the tools they need to build their own lives.

TELACU Community Capital

TELACU Construction & Construction Management

TELACU Development

TELACU Real Estate Services

TELACU Residential Management

TELACU Weatherization/Inter City Energy Systems

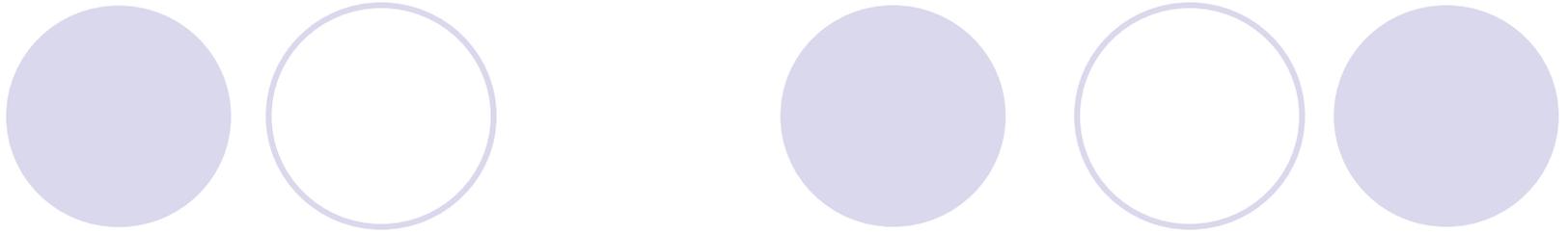
Community Commerce Bank

New Markets Community Capital

Pyramid Services

South Coast Shingle

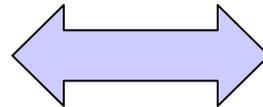
Tamayo Restaurant



For Profit Structure:

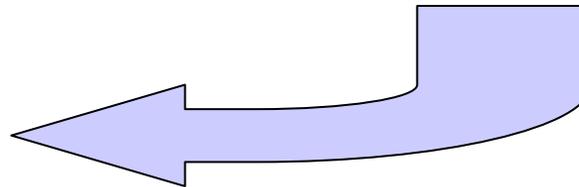
Goal: Produce Income For Non Profit Services

Non Profit
Community Development
Corporation
501C3



For Profit Corporation
(wholly owned by non profit)
C Corporation
(Separate Board of Directors)

Income Back To Non Profit



Sample CEDC Services:
Workforce Development, Financial Literacy, Housing Assistance, Education
Health, Small Business Development

Asset Accumulation

Family

Activities/Systems to Promote Self-Sufficiency

1. Attain higher level of skill sets and education
2. Improve Health
3. Home Ownership
4. Financial Literacy Education
5. Individual Development Accounts
6. Micro enterprise
7. Promote Entrepreneurship

Shift from dependency on social services to financial freedom, new opportunities and job creation

CEDC's

Activities/Systems to Promote Self-Sufficiency

1. Utilize internal capacity/resources to develop competitive advantage in delivery of services
2. Engage in ventures with Private sector
3. Entrepreneurship Development
4. Diversify funding (*Develop programs that generate revenue*)
5. Develop business mind set (*Hire new skills and talent*)
6. Community Economic Development
7. Workforce Development

Shift from poverty maintenance to addressing causes of poverty and agency asset building

Minority CEDC self-sufficiency Principals:

Resources / Strategies

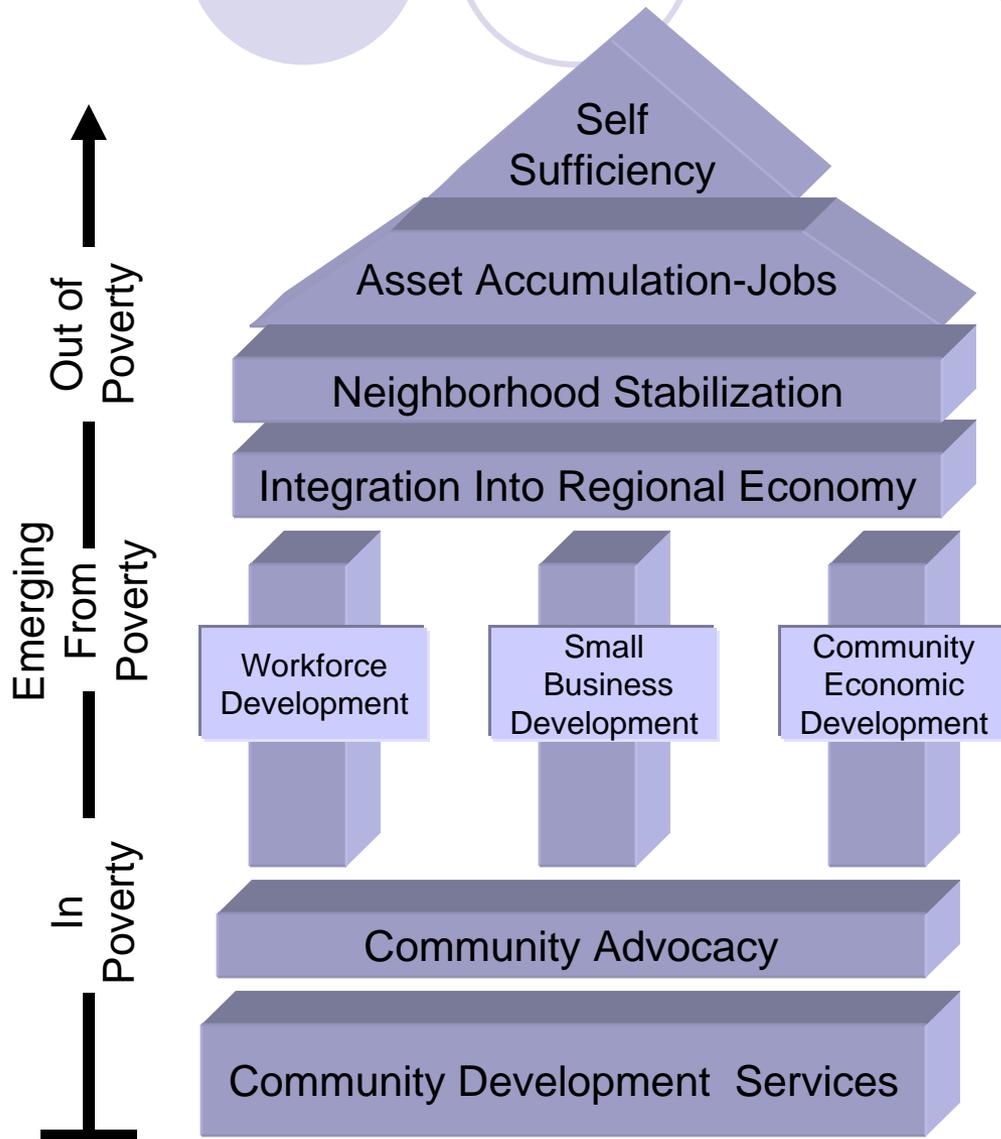
- Non Profit-For Profit Corporations
 - For-profit Business Ventures
 - Fee based services
- Leverage Resources-Funds

Assess Internal Capacity & Structure

- Strong Internal Controls
 - Capacity for growth
- Seed funding (increase discretionary funds)
 - Political Will (Board of Directors)
- Entrepreneurial Spirit – Business mindset

Community Action CEDC

THE MODEL...Complete.



Self- Sufficiency
OF
Family

IS
Primary
Goal

JOBS-JOBS-JOBS