

APPENDIX B: EVOLVING A CED ORGANIZATION

27 Tasks for the Planning Phase

The following list of tasks suggests the things that most groups must at least consider in the process of setting up a new community economic development organization, a CEDO. The most usual format is as a Community Development Corporation or CDC, and the planning tasks outline here assume that format although almost all of the tasks would be necessary for any format chosen.

These tasks are the sorts of things that an already well organized community (urban neighbourhood or rural area) will be able to accomplish. That is, this listing assumes that:

- the community has already established an effective spokesgroup to articulate its needs;
- the community, through the group, has established a successful record of performance in solving or handling one or more community problems;
- after much consultation among community residents, the organization and its constituency have concluded that a CDC is the priority strategy they must create in order to address other problems;
- they have the financial and other resources for the initial planning tasks.

The tasks are not listed here in a strict order of precedence or importance. Each community will have its own resources, requirements, and history that could determine the significance and necessity of a particular task, and the sequences required. The ones selected here, however, appear to be fairly commonly appropriate, and some attempt has been made to list them in a meaningful order of likely accomplishment. Probably all CDCs or their parent organizations have effectively addressed all of these tasks at some point before launching a comprehensive local economic development program.

A. Legal

1. Draft articles of incorporation and review them with representative constituents and others before adoption.
2. Register the corporation and its articles, completing all incorporation procedures.
3. Draft, review with appropriate others, and adopt bylaws that will assure (a) open membership for all community residents; and (b) control by resident members.

B. Organizational and financial structure

1. Establish a responsible and capable board of directors, selecting them in accordance with bylaws.
2. Arrange for the board to have access to a general counsel and to a certified/chartered accountancy firm for annual audit services.
3. Develop a roster of business and other specialists as necessary to supplement the skills of board members.
4. Recruit the executive director (general manager, chief executive officer, or whatever the title chosen and established for this position).
5. Establish committees and procedures for carrying on the board's work: executive committee for interim board action; an investment committee to screen and recommend board action on the use of the investment funds; social programs committee to deal with projects of community development that support and are supported by the investment program; procedures for monitoring investment or community development projects; procedures for assuring review and modification of board plans, etc.
6. Establish bookkeeping and accounting systems with adequate financial control and reporting procedures, obtaining approval to that effect from the accountancy firm.
7. Obtain necessary staff or consultant assistance to support the board's planning activities.
8. Establish general personnel procedures (provisional pay scale, fringe benefits, grievance procedures, etc.) and write up as a manual for staff and board.
9. Conduct orientation sessions for board members on rights, responsibilities, and relationships of board and staff - using appropriate outside assistance.
10. Establish and maintain general records and files, particularly minutes of board meetings and public hearings conducted by the CDC.

C. Program Development

1. Establish and carry out procedures to involve a broad spectrum of residents as CDC supporters and members - especially concentrating on assuring that those who are unemployed or under-employed get representation.
2. Establish and carry out procedures to involve a broad range of members and the general public in setting the goals and objectives of the CDC.
3. Establish and carry out procedures to keep members *and* the general public appropriately informed of the CDC program, activities, and plans.
4. Gather and organize any necessary data for the development of a general program - gain access to data already collected by others.

Tools & Techniques

5. Research and determine the best prospects for funding CDC operations - which government agencies, private foundations, etc., are to be approached - and make the initial contacts to get guidance on proposals.
6. Select and make explicit the community economic development goals for job creation, for equity and debt investments in local enterprises, and for other community institution building that will increase the economic resources and available job opportunities in the area, including assistance to other groups or organizations.
7. Set a specific target number for jobs to be created in each year, developing a rationale for the practicality of the target number; set similar explicit targets for other kinds of goals.
8. Formulate a preliminary plan or provisional program for attaining the goals that have been selected by the CDC board, after consultation with local residents; include plans for improving board capacity and skills.
9. Consider how investments might be made to serve multiple goals and what trade-offs (i.e., reduced benefits on one goal in order to achieve another goal) might have to be made.
10. Conduct a preliminary inquiry on potential investment projects that would be reviewed and studied in more detail.
11. Construct a detailed budget for year 1 of the operating phase and provisional budgets for years 2 and 3; review with appropriate outsiders before submitting as part of proposal for funding.
12. Prepare a narrative account of accomplishments, failures, and changes in plans as they have occurred in the planning stage.
13. Submit a formal proposal for funding an operational program.
14. Follow up on that proposal to keep it active.