

# Charting our path ahead





**Kathy McGilvray,**  
CEO



**Scott Pollack,**  
President, Board  
of Managers

**W**e are excited and honored to write this, our first annual letter to you as the new OppCo CEO and incoming President of the Board of Managers.

The accomplishments we share in this report came to fruition due to the dedication of our founding CEO, Ann Houston. From an outside-the-box idea, Ann grew OppCo into an organization capable of addressing the struggles common to many community development organizations. She was instrumental in developing the foundation we now build on. We wish Ann the best of luck in her retirement.

The OppCo model represents a new path forward for community development. But we know that no single organization or effort can independently address issues like wealth gaps, the affordable housing crisis, or the pursuit of racial equity. To address these and other challenges facing our communities, we must continue charting new paths and designing innovative solutions in collaboration with our partners.

We are thrilled to welcome North Shore Community Development Coalition, headquartered in Salem, as OppCo's third member organization. They serve over 1,000 individuals in 428 affordable homes, and another 3,000+ individuals participate in their YouthBuild, Art & Placemaking, Small Business, Resident Services, and other Community Building programs annually. North Shore CDC has a strong vision for their future, and our services will assist them on their journey. Additionally, OppCo is actively pursuing new member CDCs.

Not only is OppCo growing in size, we're also developing innovative programs that we hope will change the way community development work is done. In 2022, we began planning a two-year fellowship program that creates a pathway for people of color to enter into the field of affordable housing development. If you know of any aspiring individuals who want to make an impact in the field of affordable housing while investing in their career, send them our way!

We also released detailed research on housing discrimination in Boston. This research solidifies the case for our Homes for Equity program, which creates a new path to homeownership for families harmed by housing discrimination.

We couldn't do all of this without your support. Thank you to all of our partners, funders, and allies. Here's to the year ahead!

Kathy McGilvray, CEO

Scott Pollack, President, Board of Managers

## By the Numbers

Retiring OppCo CEO Ann Houston brought us to a major milestone this year: Our fifth anniversary! We and our members have experienced tremendous growth since OppCo's launch in April, 2018, and we're so proud of all that we have accomplished.



1,825

HOMES IN OUR  
MEMBERS' PORTFOLIOS

▲  
60% growth



3,778

PEOPLE LIVING IN  
MEMBERS' PROPERTIES

▲  
66% growth



1,031

HOMES IN DEVELOPMENT  
BY MEMBERS

▲  
199% growth

\$441 M

TOTAL ASSETS UNDER  
MANAGEMENT

▲ 90% growth

91

STAFF WITHIN THE OPPCO  
NETWORK

▲ 98% growth

## Thank You, Ann Houston!

We are immensely grateful for all that Ann has contributed to OppCo and the community development field. Joanie Straussman Brandon, NeighborWorks Northeast Region Vice President, summed it up: "Ann is always thinking and striving to find creative solutions to challenges facing the community development industry."

Joanie named OppCo, as one such initiative that is "already serving as a model across the country." With decades of experience and wisdom, we know that many will continue to reach out to Ann for her ideas and thoughts, and though she is retiring, her legacy will live on.

Special thanks to Joe Rettman and NEI General Contracting for helping us to send Ann off in style.



# North Shore CDC Joins OppCo

**The OppCo model is designed to scale. The 2022 addition of our third member organization, North Shore CDC, was an important organizational growth milestone for OppCo. Our members are growing too, and North Shore CDC is no exception.**



Mickey Northcutt, CEO of North Shore CDC, knew his organization would need better systems and additional expertise to support their current real estate development pipeline, which is the most ambitious in the organization's history, and an expanding program campus. "If we had to buy the operational services that OppCo offers ourselves, it would cost three times as much as being an OppCo member," he said. "Joining OppCo made sense to us in both the short- and long-term as membership gives us access to robust in-house human resources and finance teams, and expert guidance in creating new programs that complement the buildings we're developing."

In 2023, North Shore CDC plans to begin construction on the restoration and conversion of two former Catholic Schools, situated in two beautiful, historic Salem neighborhoods:

- The Residences at St. James: 32 affordable apartments for seniors, North Shore's first senior housing development.
- Hawthorne Lofts: North Shore's first affordable homes for artists, with 29 apartments.



Mickey Northcutt, CEO, North Shore CDC



At least as exciting as the added organizational capacity is the ability to share lessons learned among OppCo members. North Shore CDC has a strong emphasis on arts and culture. OppCo's members look forward to learning more about how North Shore CDC has integrated cultural arts into their housing, community economic development, and community building programming.



# Build a Career & Make an Impact

## in Affordable Housing Development

**With the support of NeighborWorks America, OppCo and local nonprofit community developers have created a Fellowship program to bring diverse individuals into the field of affordable housing development.**



TND and Urban Edge are co-sponsoring the development of the Fellowship with OppCo, and will be among the first CDC Hosts.

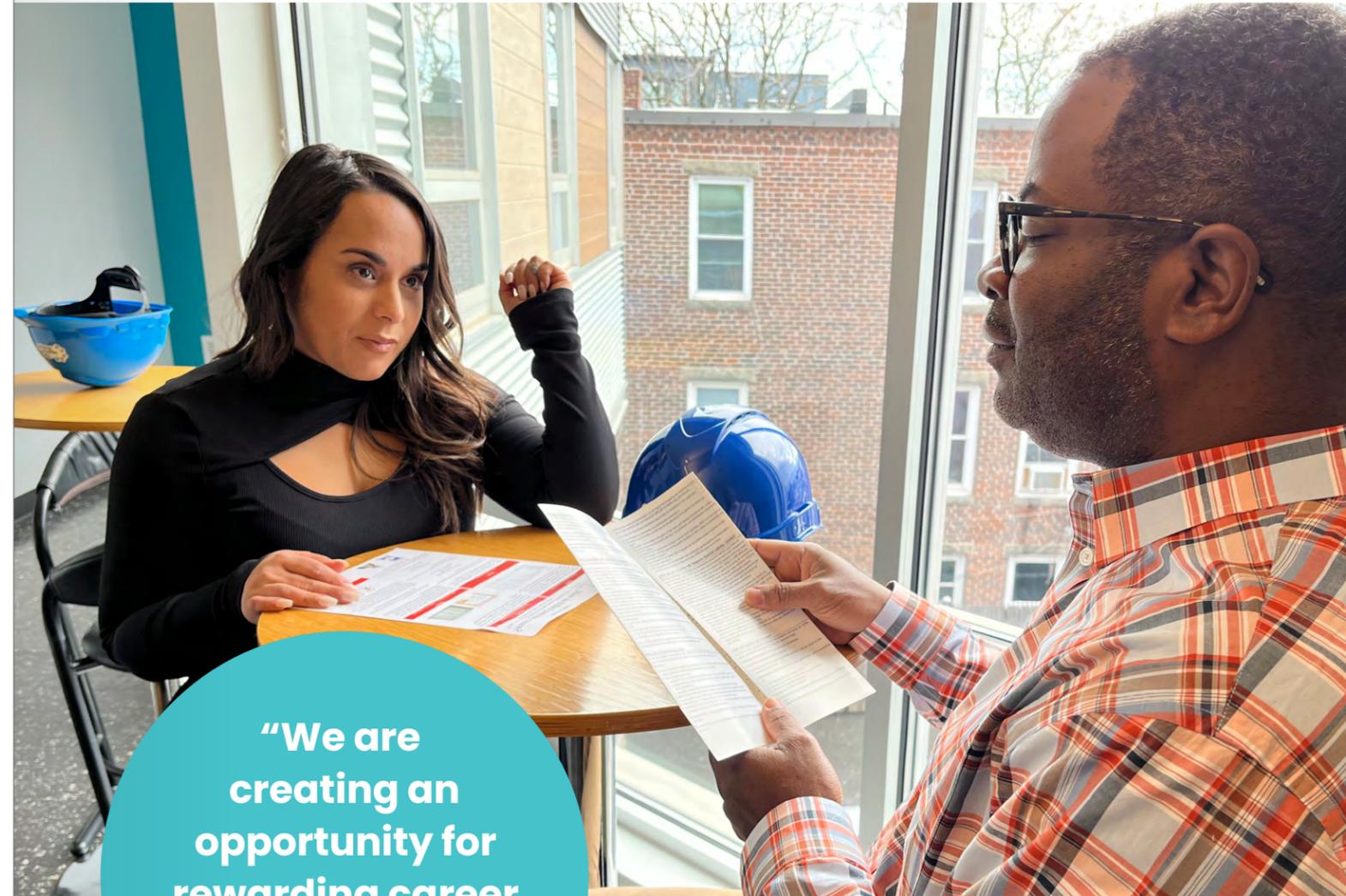
Unlike other nonprofit real estate fellowships, which require participants to have or be pursuing an advanced degree, our Fellowship welcomes those who have four years of work experience or a college degree. This focus simultaneously addresses recruitment barriers within CDCs and provides opportunity to members of our communities.

“We are creating an opportunity for rewarding career pathways,” says Fellowship Director Melinda Vega. “My generation wants to make an impact on pressing issues. Housing keeps coming up again and again as such a huge need; we are providing opportunities for my peers to make a difference for themselves and our communities.”

Participants in the program will complete two-year paid fellowships working as Associate Project Managers at host CDCs in Massachusetts. Host organizations will pay their Fellows competitive salaries and benefits, and assign them to one or more active projects.

Melinda is developing the Fellowship curriculum and recruiting host CDCs and Fellows, and the first cohort of nine Fellows will begin the two-year program in the fall of 2023. She’s enthusiastic about the Fellowship, saying, “I have worked at various CDCs and as a community activist. I wish a program like this was available to me earlier in my career.”

This Fellowship is benefiting from financial and in-kind support from NeighborWorks America that is investing in human capital programs that advance racial equity and inclusion. The NeighborWorks Western region is simultaneously launching a similar program in California. We look forward to sharing our learnings with each other, and promoting the fellowship to peer organizations across the country.



**“We are creating an opportunity for rewarding career pathways.”**

-Melinda Vega, Fellowship Director

## Documenting Racial Discrimination in Homeownership and Making Change



OppCo's Homes for Equity initiative aims to provide a viable path forward to redress the economic harms caused by decades of racial discrimination in home buying markets. In late 2022, we completed the research and program design phases of Homes for Equity, and we shared our findings with members of the community and the City of Boston. The City is now working with OppCo and our partners to adopt two key changes to the City's affordable homeownership programs in a groundbreaking pilot.

As our research shows, racial disparities in homeownership are not simply the outcome of past discrimination; these disparities are evidence of the persistence of White supremacist systems that prevent too many Black households from owning their own homes. Discriminatory practices like inflated home prices, mortgage interest rates, and property tax assessments, have systematically prevented Black homebuyers from accumulating wealth.

Post-recession, Boston neighborhoods with large populations of Black residents (Dorchester, Roxbury, Mattapan, Hyde Park, and East Boston) experienced disproportionately high rates of foreclosure.

Sharif Abdal-Khallaq and his nine siblings lived in a multifamily house his father bought in Roxbury around 1944. In the mid 1950s, the City of Boston took the property by eminent domain. He said, "My father fought very, very strongly against it ... but they demolished the whole block." Sharif joined the Air Force around that time, and said, "When I came back in the '70s, [there were] a lot of boarded-up buildings. A lot of things that were done in the '50s never got restored."



OppCo is glad to partner with Nuestra Comunidad on the Homes for Equity initiative.

While these neighborhoods represent 30% of Boston's housing units, over 80% of foreclosures between 2006 and 2011 occurred in these five areas. Banks also continue to deny mortgages to Boston's Black buyers at higher rates than White buyers. Upper income Black applicants have denial rates nearly identical to lower income White applicants, and these disparities in denial rates affect entire neighborhoods in Boston. Between 1990 and 2020, the highest rates of denial were in neighborhoods with larger Black populations.

With path-breaking initiatives like Homes for Equity, we can begin to remedy the economic harm. In our outreach, we have garnered community support for restorative homeownership efforts. With the backing of residents and the anticipated approval of the City of Boston, we look forward to the first Homes for Equity property beginning construction later this year in Roxbury, developed by Nuestra Comunidad.

In 1956, after experiencing racial discrimination as renters, Barbara Toney and her husband bought their own home. Mrs. Toney was one of nine households that shared their personal histories with OppCo's research team. "[The seller] found out that my husband had the GI bill and that he had triple A credit. [Without that,] I don't know whether the GI bill would have been enough."



## A Dual Approach to Building Wealth Through Homeownership

Homes for Equity focuses on two areas key to restorative homeownership for those harmed by racial discrimination in housing:

1. Explicit race-conscious marketing and buyer selection
2. Changes to financing policies to allow greater wealth accumulation via home equity

# Member Highlights

## Nuestra Comunidad



Nuestra Comunidad's Bartlett Station received well-deserved recognition in 2022, winning two prestigious awards! The former 8.5-acre MBTA Bartlett Yard on Washington Street in Roxbury had contaminated soils that Nuestra and its partners remediated and are transforming into new homes, open space, and economic opportunities, with completion slated for 2025.

In August, Bartlett Station won the U.S. Environmental Protection Agency Phoenix Award for the successful and impactful remediation and transformation of this important Boston site. In September, Bartlett Station was named

a "2022 Project of the Year" by the Brownfield Coalition of the Northeast. Environmental consultants Weston & Sampson, of Reading, MA, were a key remediation partner, and they joined Nuestra in celebrating these two awards.

"It was an honor to be recognized among such an amazing group of impactful projects," said Nuestra Comunidad Director of Real Estate Diane Clark. "It reinforced the importance of the Bartlett Station Project, the voice of the community, and our responsibility in bringing positive change where we live and work."

## North Shore CDC



North Shore CDC's Lighthouses development began construction in 2022 for completion by mid-2023, and is the first new construction in Salem's Point neighborhood in fifteen years. The Lighthouses consist of two buildings with a total of 46 affordable apartments. This development will also house The Salem Pantry's first brick and mortar location as well as North Shore CDC's first art gallery, which will serve as a small business incubator for local artists.

North Shore CDC designed the buildings to Passive House standards and as

models of sustainable development. The facades of the buildings will feature murals by world-renowned artists, making them part of the Punto Urban Art Museum, North Shore CDC's public arts program. The artwork breaks down barriers between the vibrant, primarily immigrant community of the Point and the rest of Salem, and is one of Salem's most popular visitor destinations.

## The Neighborhood Developers



In 2022, the Commonwealth Builder program of MassHousing received \$115M of ARPA funds to create new homeownership and wealth-building opportunities in communities of color. This is the largest state-level program of its kind in the nation, and The Neighborhood Developers' (TND) 25 Sixth Street development in Chelsea is the first homeownership project in Massachusetts to utilize these funds.

Congresswoman Ayanna Pressley and Chrystal Kornegay, Executive Director of MassHousing, visited the 25 Sixth Street site for a robust conversation about

homeownership as a path to wealth-building. "Equity, equity, equity," emphasized Congresswoman

Pressley. "It is important to be intentional about building equity, just as we were once intentional in discrimination."

"We are starting at ground zero to provide some restitution," said Chrystal Kornegay, acknowledging that it will take many interventions and investments to remedy the economic harm done by decades of housing discrimination.

The six homes for sale at 25 Sixth Street join the six townhomes that TND developed at St. Therese in Everett, where all of the homes were sold to BIPOC households.

## Thank you to our Board of Managers for their support and dedication.

*Board Officers, as of April 20, 2023.*

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## We are grateful to our major funders for their continued support.

