

**QUINCY 2000**  
*The Quincy 2000 Corporation*

**2002 COMMUNITY REINVESTMENT REPORT**

**PARTICIPATING BANKS**

**\* Abington Savings Bank \* Century Bank and Trust Company \*  
Citizens Bank \* Colonial Federal Savings Bank \* Eastern Bank \*  
Fleet \* Rockland Trust Company \* South Shore Co-operative Bank  
\* South Shore Savings Bank \* Sovereign Bank \* State Street Bank \*  
The Bank of Canton \***

**LENDING**

*Member banks participate in either or both of Quincy 2000's two community development, small business lending initiatives. They provide funds as participants in loans originated through the Quincy 2000 Loan Pool and staffing for the Loan Pool Committee. Additionally, through their membership contributions, participating banks provide financial support for the operation of the Quincy 2000 Job Creation Loan Fund which uses Community Development Block Grant (CDBG) funds for its loans.*

**Job Creation Loan Fund**

During 2002, loans or/and loan guaranty escrows totaling \$160,000 were funded for four small businesses which did not meet traditional lending standards but had strong job creation prospects. By year-end, 22 new low to moderate income (LMI) jobs had been created through these loans. CDBG Loan funds are used for LMI job creation and retention or for micro-enterprises. Micro-enterprises are small businesses with five or fewer employees, the owners of which work in the business and are themselves of low or moderate income. One of this year's loans was made to a micro-enterprise.

Total Job Creation loans originated over the past 6 years now stand at \$899,900 to 16 companies for the creation of 154 LMI jobs.



## **BUSINESS TRAINING FOR LOW AND MODERATE INCOME PEOPLE**

*With the support of our member banks, Quincy 2000 has run entrepreneurship-training programs since 1996. The purpose of these programs is to provide the necessary tools to individuals, particularly LMI people, seeking to open or grow a small business in Quincy.*

In the spring of 2002, Quincy 2000 provided a series of seminars for business start-ups. Fifty-four entrepreneurs attended this series. Seventy-two percent of the attendees were of low to moderate income and aspired to the creation of micro-enterprises. The series included our partnering with a professional business coach, The Economic Justice Project of the Massachusetts Bar Association, the Small Business Development Center at UMASS/Boston, and The SouthEastern Economic Development Corporation. Material covered included marketing, business planning, finance, and legal issues. At year-end, five businesses were known to have grown out of this training including two consulting businesses, a restaurant, a used car dealership, and a medical service.

In the fall of 2002, Quincy 2000 changed its focus to programming for established businesses. In partnership with the Small Business Development Center (SBDC) at UMASS/Boston, Quincy 2000 enrolled 15 area business people in a vigorous, 7-week course entitled *Introduction to Finance for Entrepreneurs*. Four of the businesses were LMI micro-enterprises and 8 were minority owned.

As participants in the Quincy 2000 Loan Pool, member bank lenders and branch managers provided input into the design and content of the Quincy 2000 courses and frequently serve as lecturers or panelists.

## **LOW AND MODERATE INCOME TECHNICAL ASSISTANCE**

*The third area of major support from participating banks is in providing business planning and management technical assistance to LMI Quincy people. Member banks actively provided for their small business clients and prospective entrepreneurs by referring them to Quincy 2000 for such assistance. Participating banks then draws market information out of this experience to help them serve the LMI market better.*

During 2002, 39 individuals with incomes within the federal low and moderate income range, who were either residents of Quincy or operate businesses here, were beneficiaries of free technical assistance provided by or through Quincy 2000. Quincy 2000 first helps the individual to identify the area or areas of assistance needed and then either provides the needed assistance

or identifies an appropriate source from its large network of such organizations. In all, 122 small business people took advantage of the availability of this assistance in the following specific areas:

|                       |                      |
|-----------------------|----------------------|
| Financing             | Franchising          |
| Business Start-up     | Venture Capital      |
| Business Planning     | Cash Flow Management |
| Business Sale         | Pricing              |
| Business Acquisition  | Personnel Management |
| Zoning and Permitting | Lease Negotiation    |
| Community Process     |                      |

The provision of this assistance to the 39 LMI people resulted in:

- Start-up of 3 new businesses
- Financing for 7 businesses
- Sale of 1 business
- Purchase of 1 business
- Permitting of 7 businesses
- Site Finding for 8 businesses
- Writing of 11 Business Plans

LMI Job Creation and the support of micro-enterprise are the ultimate objective of the CDBG related mission. This past year, Quincy 2000 was successful in attracting a new employer to Quincy who will make a significant contribution to both objectives. Kam Man Foods, Inc., a New Jersey Asian grocer, has revitalized a shuttered 80,000 SF shopping center with a new grocery store which immediately created 30 LMI jobs. Shortly, half of the space will open with kiosks and small stores for micro-enterprise vendors of Asian products such that anything which one would expect to buy in an urban Chinatown will be available here. Quincy 2000 provided community process, permitting, and employee recruitment assistance for this major new Quincy employer.

### **SUMMARY OF OTHER QUINCY 2000 PROGRAMS AND PROJECTS**

*Beyond lending, training and technical assistance activities, through Quincy 2000, participating banks provide a variety of services to meet the credit needs of Quincy's economically disadvantaged areas, low-income people, and small businesses.*

### **Low and Moderate Income Job Creation**

In addition to its loan programs, workshops, training courses, and technical assistance, Quincy 2000's job creation activities include recruiting businesses to the city. Since 1992, Quincy 2000 has been instrumental in attracting businesses accounting for creation of over 1000 jobs.

### **Commercial Building Renovation Program**

Over a period of three years, the Building Renovation program provided approximately \$520,000 in grants leveraging over \$3 Million in private funds for storefront improvements.

### **Signage Improvement Program**

Since 1997, this program has funded approximately \$130,000 in such grants and leveraged additional private investment of \$150,000 in new signs and signage improvements for small businesses.

### **Commercial Property Tax Rate Survey**

A comprehensive survey of Massachusetts's commercial property tax rates, authored by Quincy 2000, was the catalyst for the city actually reducing commercial property tax rates in 2000 to \$1.69 per thousand of assessed value. The study was updated in 2002 and, again, was instrumental in holding the line for commercial properties in this year's property tax debate among city officials.

### **Disadvantaged Small Business District Support**

Quincy 2000 is a major vehicle through which member banks support community investment in formerly blighted business districts where low and moderate-income people live, work, and own small businesses. Most recently, Quincy 2000 facilitated the formation of the Quincy Point Business Association to guide future changes in that district. Through this association, an informed dialog commenced this year between prospective developers and stakeholders in the Quincy Shipyard. In the Brewers Corner neighborhood, coordinating community groups and city officials, Quincy 2000 saw the first re-development activity from its 2001 master plan to revitalize the area. A new restaurant and an auto parts store emerged in a formerly abandoned building in a major, visible intersection.

These initiatives reflect member banks' affirmative outreach to assess the credit needs of small neighborhood businesses and to design responsive loan products.

### **Industrial Needs Assessment**

Also contributing to community market research and product development was Quincy 2000's Industrial Needs Assessment. This study identified specific requirements of local industrial employers including their credit needs.

### **CHAIRMAN'S NOTE**

Quincy 2000's mission of "promoting economic development that makes the City of Quincy a better place to live, work, visit, and invest in" is realized in large part by the financial support it receives from its member businesses and, in particular, its member banks. The achievements of The Quincy 2000 Corporation are attributable to the cooperation of its public and private partners and the leadership of its Board of Directors.