

2024–2026  
Strategic Plan



# Accelerating Equitable & Sustainable Growth



Mill Cities Community Investments  
and Foundation for Business Equity  
have become



[nectarinvests.org](https://nectarinvests.org)



# Executive Summary

**Nectar Community Investments is a community development financial institution (CDFI) and community development corporation (CDC) deploying resources where they don't usually reach—to historically disinvested individuals and their communities.**

Nectar's mission and success come from the merger of two impactful organizations: Mill Cities Community Investments (MCCI) and the Foundation for Business Equity (FBE).

During 2024-2026, Nectar will execute a bold strategic plan to accelerate capital deployment alongside advisory support to deliver on its mission to support communities of color and other underserved communities.



# Mission, Vision, Values, and Solutions

Nectar’s mission is to grow the assets and wealth of historically disinvested individuals and their communities by providing a combination of robust advice, resourced networks, and capital in the Merrimack Valley and across Massachusetts and select surrounding states. We envision the collapse of economic and racial inequality and the growth of sustainable and thriving low-income and communities of color in Massachusetts.

The following values guide everything that we do:



**Deep relationships**



**Trust**



**Collaboration**



**Understanding history**



**Results**

Nectar offers a range of small business and residential advisory and capital solutions, while actively building a broader ecosystem of support for its target communities.



## Small Business Solutions

### Support Services & Advisory

- Customized 1:1 pre- and post-financing assistance
- Group trainings on business development and credit building
- Intensive, strategic advisory services through the Business Equity Initiative (BEI)

### Capital

- Small Business Loans
- Business Equity Investment Fund



## Residential Solutions

- 1:1 pre- and post-loan assistance on home improvement, energy efficiency, and renewable energy solutions

- Home Improvement Loans
- Lead Abatement Loans
- Energy Efficiency & Renewable Energy Loans



## Ecosystem Building

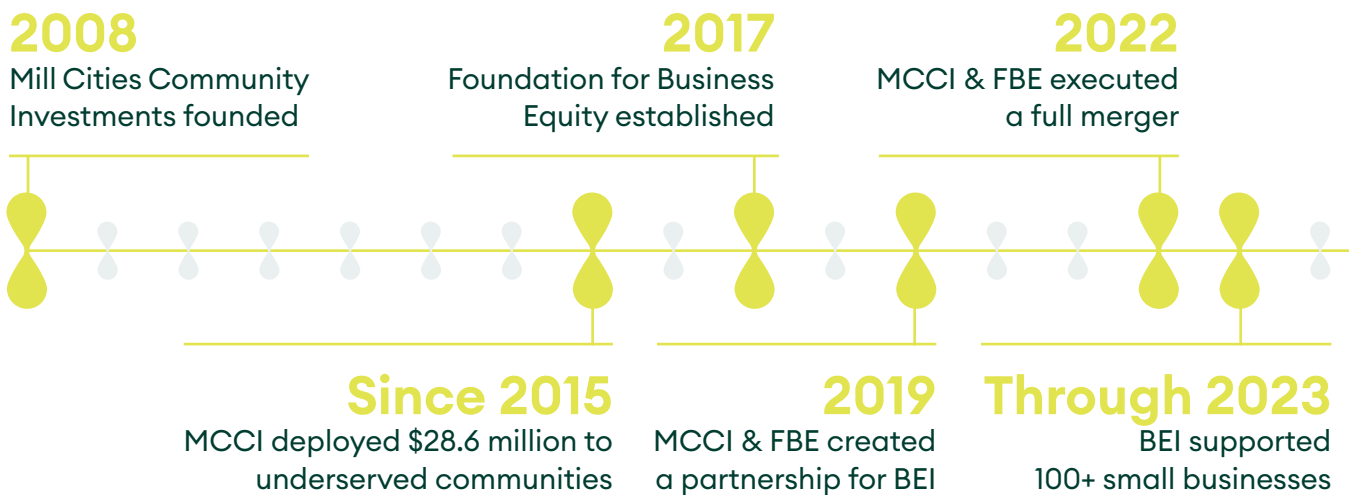
- Economic development program and policy advocacy
- Convening and collaborative programming in the small business and housing sectors



# History: Rooted in Community

Nectar Community Investment’s mission and success come from the merger of two impactful organizations: Mill Cities Community Investments (MCCI) and the Foundation for Business Equity (FBE).

Both organizations were founded and built by leaders of color seeking to solve persistent challenges in access to capital and advice for people of color and low-income communities. Below is the story of MCCI+FBE merging and becoming Nectar Community Investments.



MCCI was founded in 2008 by Frank Carvalho, an immigrant-entrepreneur, commercial banker and community leader. Frank, with assistance from community development corporations Lawrence Community Works and the Coalition for a Better Acre, and a board of directors comprised of local leaders, launched MCCI to fill the capital access gap for low-income and under-resourced communities in the Merrimack Valley.

MCCI first provided residential home improvement financing and later expanded to serve startup entrepreneurs and small businesses because of unmet needs across the Merrimack Valley and northeastern Massachusetts. MCCI has also responded to community needs during regional and



Executive Director Glynn Lloyd with MCCI Founder Frank Carvalho.

national crises, including the 2018 Merrimack Valley gas explosions and the COVID-19 pandemic. Since 2015, MCCI deployed \$28.6 million to underserved communities. Nearly two-thirds (64%) of all financings have been provided to people of color and nine out of 10 (87%) small business loans have been provided to businesses owned by people of color.

FBE was established in 2017 with a mission to build collaborative ecosystems and programs that dismantle structural barriers and provide capacity, capital, and connections for Black and Latino businesses. These resources help realize untapped potential to grow revenues, create good jobs, and build wealth in Black and Latino communities in eastern Massachusetts, southern New Hampshire, and northern Rhode Island.



Socrates and Veronica De La Cruz,  
De La Cruz Properties

Since its inception through year-end 2023, BEI has supported

**100+ Black- & Latino-owned businesses**

resulting in

**\$79M**  
new revenue

**624**  
new jobs

**\$11M**  
in contracts  
awarded

**\$12M**  
in capital  
accessed

Created by FBE, the Business Equity Initiative (BEI), provides high-touch strategic advisory to established Black and Latino small businesses to plan for and drive sustainable growth. Since its inception through year-end 2023, BEI supported over 100 Black- and Latino-owned businesses with 31,000 hours of advisory services. That support resulted in \$79 million of new revenue, 624 new full-time equivalent jobs, \$11 million in contracts awarded, and \$12M in capital accessed.

In 2019, MCCI and FBE developed a partnership for BEI participating enterprises to access financing from MCCI, which resulted in \$2.3 million in capital access for seven Black- and Latino-owned businesses. The leadership of MCCI and FBE, now together in Nectar, have led powerful advocacy and ecosystem building efforts in recent years, including supporting the formation of the Massachusetts Coalition for an Equitable Economy (CEE) and the Merrimack Valley Relief Fund Coalition.

As this programmatic partnership deepened, leadership and board members at both organizations saw a great deal of mission alignment and synergy. When MCCI's founding Executive Director Frank Carvahlo announced his retirement in 2021, MCCI and FBE carefully explored and ultimately executed a full merger of the two organizations in 2022.

# Community Needs

The focus of Nectar’s work and the solutions it develops are informed by close study of historical inequities, structural barriers, and proven solutions. Our analysis is highly data driven and constantly grounded by community input.

The stark racial wealth gap in Massachusetts and across New England is a historical injustice that we have a moral and economic imperative to correct. Business ownership and home ownership and improvement are demonstrated wealth needle-movers, but people of color own fewer and smaller businesses and homeowners of color invest less in their homes to build home equity and long-term wealth. The common barrier underlying these disparities is access to affordable and flexible capital, coupled with sound advice and technical assistance.



## Wealth & Economic Mobility Disparities



Massachusetts has huge economic inequalities, ranking **6<sup>th</sup>** among all states.<sup>1</sup>



White household income in Greater Boston is roughly **double** that of other racial/ethnic groups.<sup>2</sup>

In 2015,

the median family wealth for white families in Greater Boston was **\$247,500**,

compared to **\$8** for Black families

and **\$1,907** for Hispanic families.<sup>3</sup>

1. "Boston's Booming... But for Whom? Building Shared Prosperity in a Time of Growth." The Boston Indicators Project, 2018.
2. Id
3. "The Color of Wealth in Boston." Duke University, The New School and the Federal Reserve Bank of Boston, 2015.



# Business Ownership & Growth

The median net worth of business owners' households is 148% greater than that of non-business owners; for Black and Latinx households, it is 311% & 670% greater, respectively.<sup>4</sup>

Black and Hispanic individuals in Massachusetts own businesses at a rate of 15 and 12 per 100 workers, compared to 20 for white individuals.<sup>5</sup>

Entrepreneurs of color in Massachusetts overwhelmingly cite access to capital as a major concern, with rates of 77-88% across race/ethnicities compared to 55% of white-owned businesses.<sup>6</sup>



**Jonathan Aguilar**  
Cadsparc

The average annual revenue for businesses owned by

people of color in Massachusetts is **\$34,600**,

compared to **\$55,500** for white-owned businesses,

a disparity that is greater than the national averages.<sup>7</sup>



In financing, entrepreneurs of color are **2-3x less likely** to receive the full amount that they apply for, & they are nearly twice as likely to face financing shortfalls compared to white-owned businesses.<sup>8</sup>



Based on the rate & amount of financing applications & rate of denials, there is **at least \$600M** in unmet capital demand from entrepreneurs of color in Massachusetts each year.<sup>9</sup>

4. US Census, 2008 Survey of Income and Program Participation Microdata, Calculations by Dr. Robert Fairlie, University of California, Santa Cruz.  
 5. "Economic Vitality Indicators." National Equity Atlas. <https://nationalequityatlas.org/>  
 6. "Competing for Small Businesses: A Survey of Massachusetts Businesses with Under 500 Employees." MassINC Polling Group, 2024.  
 7. Id  
 8. "Small Business Credit Survey." Federal Reserve, 2023.  
 9. "The Color of the Capital Gap: Increasing Capital Access for Entrepreneurs of Color in Massachusetts." Boston Indicators, 2021.

# Homeownership & Improvement

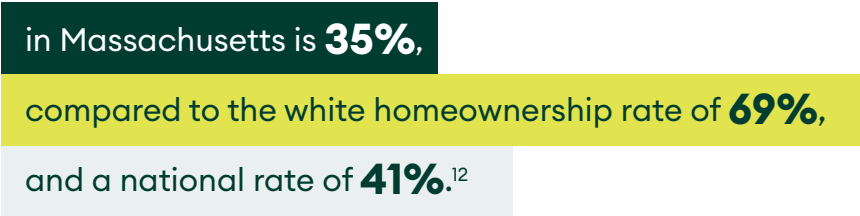


Homeowners' median net worth is **40x greater** than renters' (\$255,000 vs. \$6,300).<sup>10</sup>



White families are **2x more likely** to own their own home than Black & Hispanic families. Researchers estimate that home equity explains 27% of the racial wealth gap.<sup>11</sup>

The Black homeownership rate



Black and Hispanic homeowners spend an average of **\$2,500** on professional home improvement projects, compared to \$3,200 for white homeowners.<sup>13</sup>



Home improvement loan denial rates are much higher for people of color, **approximately 2x** that of white homeowners. Compared to new home purchases and refinancing, the home improvement denial gap is the widest racial gap of all home financing.<sup>14</sup>

**Nectar views these business and residential disparities not only as economic injustices that must be remedied, but as an exciting market opportunity to serve with creative and innovative capital solutions that better meet the unique needs of people of color and other underserved groups.**

10. "Homeownership Remains Primary Driver of Wealth." National Association of Homebuilders  
11. Shapiro, Thomas, Tatjana Meschede, and Sam Osoro. "The Roots of the Widening Racial Wealth Gap: Explaining the Black-White Economic Divide." Institute on Assets and Social Policy, 2013.  
12. "Economic Vitality Indicators." National Equity Atlas. <https://nationalequityatlas.org/>  
13. Harvard Joint Center for Housing Studies tabulations of US Department of Housing and Urban Development (HUD), 2021 American Housing Survey.  
14. "What Different Denial Rates Can Tell Us About Racial Disparities in the Mortgage Market." Urban Institute, 2022.



# Strategic Objectives & Goals

During 2024-2026, Nectar will execute a bold strategic plan to realize the synergies of the recently merged organizations to accelerate capital deployment alongside advisory support to deliver on its mission to support people of color and other underserved communities. The following strategic objectives are guiding Nectar's work:

## 1 Dismantle structural barriers

to capital access and increase capital deployment to communities of color facing wealth disparities. We will first focus on accelerating the deployment of financing from current products and funds.

We will also drive new innovations to better serve our target population, including new underwriting guidelines with an emphasis on racial equity that will cut across all our financing solutions.

## 2 Increase environmental sustainability

by providing energy efficiency and renewable energy advisory and financing solutions to homeowners and small businesses. We will harness lessons from our current residential solar financing pilot to infuse environmental sustainability and renewable energy into our business and residential financing. This will include the development of a commercial renewable energy financing product(s).

## 3 Expand best-in-class advisory services

to smaller businesses and homeowners while maintaining excellence in current programs. Building on the continued excellence and learnings from the Business Equity Initiative, we will develop more robust advisory solutions for pre-BEI businesses, including tailored solutions for the microbusiness community that Nectar has historically served. We will also develop robust advisory and technical assistance to help residents and homeowners navigate the complexity of renewable energy projects.



Thuy Leung  
Owner of Eyelush

## 4 Deepen & expand geographic reach

to communities of color facing wealth disparities and capital access challenges. We will start by increasing activity and market penetration in the Merrimack Valley; we see more unmet need for our solutions and will thoughtfully deepen our reach where we are needed most.

After many years of research, relationship building, and piloting, we officially expanded our small business programs and lending to Rhode Island in 2024. We will pursue a data-driven and community-informed geographic expansion approach focused on communities with concentrations of people of color facing wealth disparities.

## 5 Strengthen the regional ecosystems

that support small businesses and homeowners through advocacy, convening, and collective action. We will continue to actively participate in and/or lead advocacy and ecosystem building focused on securing resources for communities of color facing wealth disparities and policy changes. This objective will include continuing our founding participation in the Massachusetts Coalition for an Equitable Economy.

## 6 Strengthen Nectar's platform

by increasing financial stability, self-sufficiency, operational efficiency, and team well-being.

Over the three years from 2024 to 2026, Nectar will aim to:



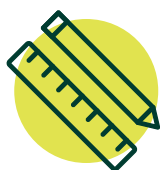
**Deploy \$70 million in total financing to underserved business owners and homeowners.**



**Provide 1,400 small businesses with 18,000+ hours of training, technical assistance, and advisory services, including 75 BEI program participants.**



**Deploy \$62 million to small businesses, including \$51 million in loans and \$11 million in equity investments.**



**Provide 300 homeowners with technical assistance on home improvement, energy efficiency, and renewable energy solutions that support 700+ residents.**



**Deploy \$8 million to homeowners, including \$2 million for energy efficiency and renewable energy.**



**Help small business clients generate \$80+ million in new revenue and 2,300+ new jobs.**