Foundational Change:

How the Detroit CDO Fund Is Transforming the Ecosystem for BIPOC-Led and BIPOC-Serving Nonprofits

May 2023

illa





Acknowledgements

The Detroit CDO Fund was jointly implemented by Enterprise Community Partners and supported by The Kresge Foundation, the Ford Foundation, the Ralph Wilson, Jr. Foundation and the W.K. Kellogg Foundation.

Enterprise Community Partners is grateful for the guidance, support and engaged participation in the Detroit CDO Fund by the project funders and the 25 community development organizations that made this program a success. We would also like to acknowledge the thoughtful contributions and support of CDAD, the McMillion Group, Enterprise's Gulf Coast Market Office, the New Orleans CDO Fund grantees and the individuals who spoke to us for this report.

This report was prepared by

Enterprise Community Partners

Impact and Evaluation

Stephany De Scisciolo, Ph.D., Vice President Amanda Davis, Sr. Program Director Sam Giffin, Sr. Program Analyst

Enterprise Community Partners

Detroit Market Office

Melinda Clemons, Vice President & Central Midwest Market Leader Evelyn Zwiebach, Director, Policy and Programs Briana Mason, Sr. Program Officer RaShanté Carbin, Program Officer

Report designed by Aaron Geis

Photos courtesy of The McMillion Group/©2022/Chandra McMillion & Sherri Winfield, Pastor Larry Simmons and Pexels (pexels.com)

Table of Contents

| Introduction | 4 |
|--|----|
| Key facts and takeaways | 6 |
| Evaluation Methods | 8 |
| Detroit's CDO Ecosystem and the Creation of the CDO Fund | 10 |
| Leveraging and supporting complementary initiatives | 12 |
| Description of the CDO grantees | 13 |
| Grant awards | 15 |
| Geographic distribution of CDOs | 17 |
| Evaluating the Impact of the CDO Fund Against the Fund's Four Principal Goals | 19 |
| Goal 1: Deploy funds through an efficient, equitable and collaborative process | 19 |
| The benefits of a centralized, collective funding model | 19 |
| Goal 2: Strengthen organizational sustainability and resilience through multi-year flexible gra | - |
| The CDO Fund helped address disinvestment in the city's community development system. | 21 |
| The CDO Fund enabled organizational sustainability and resilience despite the pandemic | 22 |
| Flexible funding was critical in responding to dynamic organizational needs | 23 |
| Leveraging the CDO Fund | 26 |
| Learning together | 27 |
| Building the Detroit technical assistance ecosystem | 29 |
| Goal 3: Advancing racial equity through funding BIPOC-led organizations and/or organizations serving BIPOC communities | |
| BIPOC leadership | 31 |
| Challenging the disparity in funding for small organizations | 33 |
| Goal 4: Ensure CDOs can meet the needs of communities | 34 |
| The CDO Fund's impact on housing development | 34 |
| The CDO Fund's impact on home repair | 36 |
| The CDO Fund's impact on business and economic development | 37 |
| The CDO Fund's impact on neighborhood capacity, technology, youth and senior services | 38 |
| Conclusions and Recommendations | 40 |
| The CDO Fund achieved success in each of its four goals | 41 |
| Recommendations | 42 |
| Appendix: CDO Mission Statements | 44 |



Introduction

Community Development Organizations, or CDOs, function as a critical support system for the people of Detroit. Mainly serving the city's BIPOC (Black, Indigenous and people of color) population and Detroit's historically under-resourced communities, the 40-50 CDOs that span Detroit provide vital support for housing, climate resilience, education, workforce training and community advocacy initiatives. In short, CDOs are the lifeblood of the city's community development system, serving dozens of neighborhoods and thousands of families.

But the funding landscape supporting these smaller-scale nonprofits has traditionally been disparate, disjointed and opaque, with few opportunities for the type of flexible, unrestricted funding critical for growth and sustainability. A 2020 report showed that the city's CDOs lacked the necessary funding to finance even core functions.¹ The onset of the coronavirus pandemic and its devastating impact on communities of color only made the need to support the city's CDO ecosystem more acute. This fact became undeniable as direct service organizations serving BIPOC communities faced unprecedented threats to their sustainability – even their very existence.

In 2020, Enterprise Community Partners facilitated the merger and expansion of two foundation-supported CDO funding programs to form the Detroit CDO Fund. Ultimately financed by four funders and disbursing \$10.9 million in operating grants, technical assistance, and other learning resources to 25 organizations across a three year period, the CDO Fund is part of Enterprise's Equitable Path Forward initiative, a \$3.5 billion endeavor to dismantle the racist legacies of housing and community development. With support from The Kresge Foundation, the Ford Foundation, the W.K. Kellogg Foundation and the Ralph C. Wilson Jr. Foundation, the Fund was established to support the sustainability of small-scale organizations that often struggle to raise the necessary funds to support their work, and to respond to the city's unmet needs for community development.

¹ Wilson, L., Yates, G., Smith, K., Goss, A., Ziraldo, J. (2020). Community Development System Capitalization Report for Detroit. Building the Engine of Community Development in Detroit. https://buildingtheengine.com/wp-content/uploads/2020/05/BECDD-System-Capitalization-Report-FINAL-FOR-FEB-TASK-FORCE.pdf As Enterprise prepares to embark on a second threeyear phase of the CDO Fund in 2023, this report is designed to look back at the initial phase of the Fund and evaluate its success against four principal goals, specifically to:

- Deploy funds through an efficient, equitable, and collaborative process that serves as a model for collaborative grantmaking.
- 2. Strengthen CDOs' organizational sustainability and resilience through multi-year, flexible grants and technical assistance.
- 3. Advance racial equity by funding BIPOC-led organizations and/or organizations serving BIPOC communities.
- 4. Empower CDOs to meet the needs of their communities and respond to strengths and challenges in their neighborhoods.

The following pages document the transformative impact of the CDO Fund and the funding model's success ensuring grantees' sustainability and increasing their ability to advance their missions. Grantees made significant progress on hiring additional staff (59%) providing staff salaries and benefits (62%), and 87% of grantees said direct operational funding supported their organization's long-term sustainability. This report also highlights organizational changes grantees have achieved, in part due to increased operations dollars. Indeed, the vast majority of CDO Fund grantees (88%) expanded their programs to new service areas or new populations, or increased their program offerings to include such support as home repair, climate resilience and community advocacy. The CDO Fund also serves as a model for how funder collaboratives can increase efficiency in the management and distribution of grant dollars. With Enterprise serving as intermediary, the CDO Fund allowed funders to support dozens of organizations without arduous administrative work and review. Grantees benefitted from those efficiencies as well; 92% of CDOs in the Fund reported a reduction of their administrative burden, with Enterprise working to reduce paperwork and streamline the process of applying for grants from multiple funders.

The CDO Fund helped create fundraising momentum and credibility for grantees. Many CDO Fund participants leveraged the Fund to secure even more financing, offering validation, stability and momentum for CDOs that previously struggled to attract support.

More than helping individual organizations, the CDO Fund has been a powerful catalyst in the formation of a more successful citywide CDO ecosystem. By providing flexible, multi-year unrestricted funding, as well as technical assistance and peer learning opportunities, the CDO Fund enabled grantees to focus less on pursuing scarce resources disbursed in disparate fundraising cycles and parameters, and more on their organization's health, program management, and exploring collaborations with peer CDOs to better serve the city's residents.

The Detroit CDO Fund represents an alternative approach to traditional grantmaking mechanisms – one that centers BIPOC communities and leadership and that prioritizes power-sharing. The autonomy and flexibility the CDO Fund provided grantees allowed them the latitude to dictate their own future, defining what success looks like for their organization and how they would use grant dollars and TA to work toward those goals. This approach can serve as a model – for the city of Detroit and community development nationwide – of collaborative grantmaking that confronts and seeks to reverse the legacies of racism.



Key facts and takeaways

Application and award overview

- In year one, 24 grantees were awarded grants, and in years two and three 25 grantees were awarded grants.
- Grantees were awarded three-year funding commitments from multiple participating funders through a single application process.
- Enterprise's Detroit office facilitated all aspects of the grantmaking process, including the application, administration and funding distribution. This structure eased the administrative burden for funders and grantees, thereby allowing more resources to flow directly to community support.

Awardee overview

- Ninety-six (96) percent of grantees are BIPOC-led, and all grantees serve majority-BIPOC communities.²
- Awardees tend to be established organizations; most (71%) have been in operation for 15 years or more.
- Grantees' median operating budget was \$626,000 at the time of the initial grant award (Phase 1, year 1).³
- The most common programs offered by grantees included housing-related services, e.g., housing construction, housing preservation, and home repair;

programs and services related to the environment, e.g., energy efficiency, parks, and greenspace; and programs related to community advocacy/ community voice.⁴

 Some grantees are awardees of other Enterprise grant programs and initiatives, including the Thome Aging Well Program (2 grantees), Emergency Action for Resident and Partner Sustainability (4 grantees), HUD's Section 4 (7 grantees) and the Detroit Home Repair Fund (2 grantees).

Funding overview

- The Fund initiated with two funders and grew to include four primary funding organizations, providing annual grants over a three-year period.
- The median award size among all grantees increased from \$97,500 in year one to \$140,000 in years two and three.
- Eighty-three percent of CDOs reported that they leveraged the CDO Fund dollars to gain access to additional fundraising opportunities.
- Eighty-seven percent of CDOs stated that they made some or significant progress in their fundraising efforts by the end of the Phase 1.

² Under the Equitable Path Forward initiative (EPF), Enterprise adopted a standard definition that understands BIPOC-led to mean that at least 50% of an organization's board members or its executive leadership (CEO/ED/managing partner) identify as BIPOC.

³ This analysis was based on budgets reported as part of the CDO Fund applications in 2020. Budget data was available for 22 of the 25 organizations. One organization was excluded due to their budget being an outlier.

⁴ This analysis was based on self-reported program and service offerings on the CDO applications in 2020.

Technical assistance

- Eighty-four percent of the of grantees used flexible TA grant dollars during the program for various professional development, consulting, training and/ or other services.
- Sixty-one percent of grantees that used TA dollars indicated additional funding to supplement their TA grants would be helpful in the future.

Overall impact of the Fund

- Awardees used grant funding to hire new staff and to provide salaries and benefits. Fifty-nine percent of grantees reported that they made significant progress in hiring additional staff and 62% percent reported that they made significant progress in providing staff salaries and benefits.
- Eight of the 24 grantees (33%) indicated that the Fund allowed them to fully meet their organizational needs in at least one specific area (e.g., staffing, professional development, IT support).
- Eighty-eight percent of grantees used their grant dollars to expand programs and services. Sixtyseven percent of CDOs developed new programs, 67% expanded their service areas, and 38% began serving new populations as a result of grant funding.
- Eighty percent of grantees reported that their organization's capacity to form partnerships or collaborate with other organizations significantly (36%) or moderately (44%) improved since receiving their initial grant from the CDO Fund.

Coming to Terms: Capacity Building

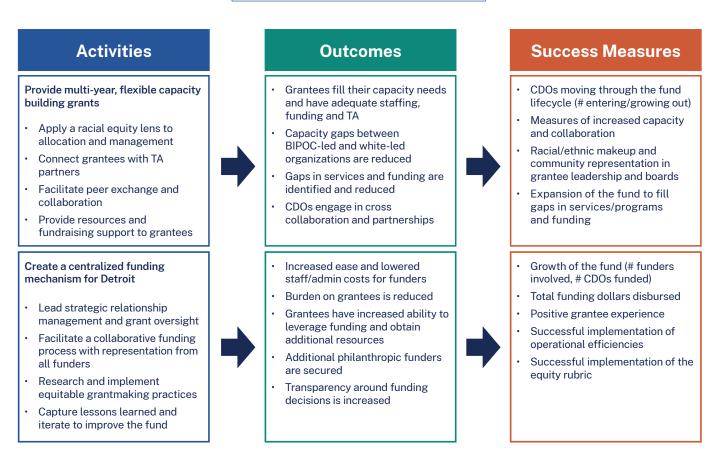
The term *capacity building* is widely used in nonprofits and philanthropy, yet has no agreed upon definition. In recent years, many practitioners have begun to question the term and whether the practice of capacity building perpetuates white cultural norms, implicit bias and inequitable power structures in community development work.

A series of articles in Nonprofit Quarterly poses critical questions for the industry including: "Who gets to decide what constitutes effectiveness? Who sets the measures of sustainability?" and "What does capacity building really mean to community-centered nonprofits and organizations? Does capacity building truly contribute to helping Black and Brown folks and institutions get free?"

The structure of the CDO Fund responds to many of these concerns, rejecting the top-down dynamic of traditional capacity building and allowing organizational leaders to define their strengths and determine their needs. To avoid ambiguity, instead of capacity building, this report uses specific language about the activities undertaken and desired outcomes from the CDOs' perspectives as much as possible.

The term is also used at times to describe the increased capability of these nonprofits to do their work because of increased staff capacity enabled by the Fund's general operating support.

Figure 1: CDO Fund Logic Model



Evaluation Methods

Data collection took place at various points during this program. A key component of the baseline evaluation was an analysis of the grantee applications to understand grantees' initial capacity needs and the services and programs provided by CDOs to their communities. The baseline analysis also relied on data collected and documented by Enterprise's Detroit office including the racial and ethnic makeup of CDOs' leadership and boards, the geographies of their service areas, and funding distribution across the grantees. The Impact and Evaluation team gathered additional data for the evaluation from surveys and interviews with CDO leaders, as well as through notes from checkin calls between grantees, funders, and Enterprise's Detroit office. Enterprise's Detroit office scheduled semi-annual check-ins throughout the three years of Phase 1. Those meetings allowed grantees to update Enterprise staff and funders on any organizational changes that occurred with their staff or leadership, discuss organizational successes and challenges, provide details about the impact of grant funding on specific programs and services, and discuss any updates on fundraising. Enterprise's Impact and Evaluation team used the notes from these calls to track changes in programs and services. Surveys were administered to grantees in July 2021 and November 2022, to capture information at the midpoint and end of the program. Twenty-five grantees responded to the mid-term survey, and 24 grantees responded to the final survey. The surveys helped illustrate the impact of the Fund on grantees' progress in the following areas:

- Meeting their organizational capacity needs (as expressed in the application or surveys).
- Expanding programs and services.
- Expanding service areas or populations.
- Fundraising.
- The formation of new partnerships or collaborations.

Grantees were also asked to provide feedback on the overall impact of the Fund and their experiences with components of the program, such as peer cohort meetings and learning trips. Additionally, the survey was used to document outstanding needs and feedback from the grantees for the next round of funding. The Impact and Evaluation team attended the New Orleans peer learning trip to collect observational data to support findings from the surveys and check-in calls. Since the qualitative and complex nature of the CDO Fund's impact cannot be easily captured in surveys or quantitative formats, the Impact and Evaluation team relied heavily on in-depth interviews conducted in the final year of the grant with a cross-section of each group of stakeholders including funders, CDOs, outside stakeholders, and Enterprise's Detroit market office.

Funder interviews focused on the uniqueness of the collaborative funding model, and how it impacted their work. Interviews with the market office were designed to assess overall administration of the Fund and capture lessons learned for future implementation of collaborative funds. Interviews with CDO leaders served as an opportunity to isolate the discrete impacts of the CDO Fund on organizational sustainability, resilience, service provision, equity and community outcomes, as well as the uniqueness of the funding process from their perspective. During the interview process, executive directors were asked to provide examples of how the capital was used and to provide feedback on the administration of the fund. Finally, one outside stakeholder was interviewed to gain a broader perspective on the history of the CDO ecosystem in Detroit and to learn more about the challenges and obstacles CDOs face in the present day.





Detroit's CDO Ecosystem and the Creation of the CDO Fund

The Detroit community development ecosystem gained momentum in the 1980s and began to grow significantly in the 1990s, with the entry of Detroit LISC (Local Initiatives Support Corporation), the Community Development Associates of Detroit (CDAD) and the Community Economic Development Association of Michigan (CEDAM). Community development intermediaries such as these have traditionally played a role in capacity building,⁵ providing a support infrastructure by channeling funding dollars, operating support, technical assistance and training.

Despite an influx of community development resources from the involvement of intermediaries, the city still lacked a robust community development ecosystem and the foundational support needed to impact every neighborhood. According to the 2022 report⁶ on sustainability strategies for Detroit's CDOs from Building the Engine of Community Development in Detroit (BECDD), resource allocations were "disjointed, not strategic, and not transparent." Further, in the BECDD's 2020 report⁷ on community development system capitalization, the CDOs were "under-resourced" and did not have the necessary funding to finance core functions in the communities they served. In this environment, CDOs had difficulty sustaining ongoing work or expanding services and strategies to meet new challenges. Many CDOs found themselves in competition with one another for limited, programspecific funding instead of in cooperation, collaboration, shared learning and collective advocacy at the city level. Further, CDOs were incentivized to extend themselves beyond their capacity, their neighborhoods, or their expertise for programmatic grants that could maintain their budgets.

There was a sense that Detroit CDOs could not have a significant impact on systems or policy change because they were focused on simply surviving.⁸ According to interviews with community development professionals in Detroit, these challenges allowed city government to largely ignore CDOs, who lacked cohesion and therefore could not channel their collective political power. Building the Engine of Community Development in Detroit, along with other organizations, had undertaken critical efforts to build a more equitable community development ecosystem, but gaps remained, especially in relation to access to general operating funding, technical assistance and administrative support.

⁵ DeShields, M. (2022, August 23). A Capacity Builder's Crisis of Conscience. Nonprofit Quarterly. <u>https://nonprofitquarterly.org/a-capacity-builders-crisis-of-conscience/</u> Littles, M. (2022, September 13). Should We Cancel Capacity Building? Nonprofit Quarterly. <u>https://nonprofitquarterly.org/should-we-cancel-capacity-building/</u>

⁶ Building the Engine of Community Development in Detroit (BECDD). (2022). Roadmap to Equity: Sustainability Strategies for Detroit's Community Development Ecosystem. <u>https://buildingtheengine.com/wp-content/uploads/2022/07/ROADMAP-TO-EQUITY-FULL-REPORT-FINAL-JUNE-29-2022.pdf</u>

The BECDD is a self-described "city-wide process to strengthen all of our neighborhoods by building a coordinated, equitable system for community development work in Detroit." As of summer 2021, the systems-building work of BECDD has been incorporated into the work and structure of CDAD.

⁷ Wilson, L., Yates, G., Smith, K., Goss, A., Ziraldo, J. (2020). Community Development System Capitalization Report for Detroit. Building the Engine of Community Development in Detroit. <u>https://buildingtheengine.com/wp-content/uploads/2020/05/BECDD-System-Capitalization-Report-FINAL-FOR-FEB-TASK-FORCE.pdf</u> This report analyzed CDO financial data from 2018. Core functions included, general operation, capacity building, resident engagement, convening, facilitating, community planning, advocacy and

resident support.

⁸ Enterprise Community Partners interview notes, 2022.

Building the Engine of Community Development in Detroit (BECDD). (2022). Roadmap to Equity: Sustainability Strategies for Detroit's Community Development Ecosystem. https://buildingtheengine.com/wp-content/uploads/2022/07/ROADMAP-TO-EQUITY-FULL-REPORT-FINAL-JUNE-29-2022.pdf



In response to these needs, Enterprise saw an opportunity to use its grantmaking and capacity building expertise to bridge gaps in connectivity, communication and partnership to both empower organizations and address the broader challenges facing the CDO ecosystem. To achieve this, Enterprise capitalized on two relatively new CDO support programs: The Detroit 21 initiative, created by The Kresge Foundation in 2017, which provided multi-year operating grants with technical assistance to 21 local CDOs; and the Neighborhood Anchor Organization Fund, launched by the Ford Foundation in 2019 and managed by Enterprise, which provided operating support to nine CDOs including a subset of the Detroit 21 organizations.

In partnership with The Kresge Foundation and the Ford Foundation, Enterprise merged these initiatives in 2020 to create a collaborative funding mechanism that would channel resources from multiple foundations to Detroit CDOs: the CDO Fund. In late 2020, the W. K. Kellogg Foundation joined the funder collaborative, followed by the Ralph C. Wilson, Jr. Foundation in 2021, resulting in four philanthropic partners in the Fund. In 2021, Community Development Advocates of Detroit joined, serving in an advisory capacity as the Fund's community voice.

Beyond creating a confluence of funding sources offering flexible operating grant dollars, the CDO Fund was designed to supply a coordinated and centralized support system for Detroit's CDOs including access to high-quality technical assistance (TA) for general nonprofit and community-specific needs. In addition, organizations in the Fund were invited to participate in coordinated activities including a facilitated peer cohort group and local and national learning trips. Both program elements assisted in the development of stronger relationships and collaboration between organizations, while garnering best practices from other CDOs nationwide.

Leveraging and supporting complementary initiatives

The CDO Fund has leveraged and supported several complementary initiatives, which are described below.



Detroit:

In the process of launching the Fund, it became clear that there was a need to focus on the specific challenges and opportunities facing small, BIPOC-led CDOs, which led to the creation of the \$1.8 million **Elevating CDO (ECDO) Fund** in 2021. With funding from the Ford Foundation, Hudson Webber Foundation, and Ralph C. Wilson, Jr. Foundation, Phase 1 of the ECDO Fund delivers critical operating support grants and technical assistance to six BIPOC-led Detroit nonprofits and offers monthly cohort meetings, a mentorship program, and other professional development opportunities.

Additionally, in 2021, JPMorgan Chase used the Fund infrastructure to support **Rebuilding Home Together**, an acquisition-rehab collaboration among eight CDO Fund grantees. In 2022, the Gilbert Family Foundation supported the participation of two CDO Fund grantees in the **Detroit Home Repair Fund** and plans to open the program's application process to other Fund grantees in the future.

The philanthropic community has also been able to leverage the Fund to distribute additional resources quickly and efficiently. In July 2021, United Way for Southeastern Michigan provided \$10,000 grants to eight CDO Fund grantees to support time-sensitive outreach related to the **expanded child tax credit**. Distributing these resources directly through the CDO Fund significantly reduced the time and administrative burden that would otherwise have been required to get these dollars out the door. By providing a streamlined funding system and network of existing relationships, the Fund hopes to continue facilitating these kinds of opportunities for grantees.



New Orleans CDO Fund:

In the aftermath of Hurricane Katrina, CDOs played a vital role in rebuilding neighborhoods, often relying on federal disaster recovery funding and philanthropic dollars. Despite tremendous progress in the region since Hurricane Katrina, communities continue to face significant challenges due to rising housing costs and growing income inequality. As federal disaster recovery programs ended and philanthropic funding moved on to support other priorities, many CDOs in New Orleans, particularly BIPOC-led and Black-led nonprofits, have struggled to achieve financial sustainability.

Recognizing the vital role these organizations play in the communities they serve, Enterprise has been working to strengthen the CDO landscape by helping organizations adapt their business models and access new funding sources. As part of this work, Enterprise's Gulf Coast office launched the **New Orleans CDO Fund** in April 2021. This initiative builds on the work of the CDO Fund, with support from The Kresge Foundation, the Ford Foundation, JPMorgan Chase, W. K. Kellogg Foundation, and the Greater New Orleans Foundation.

Figure 2: Timeline of the Detroit CDO Fund

2020

Enterprise, Kresge and Ford partner to create the CDO Fund. W.K. Kellogg Foundation joins the Fund later that year.

2021-2022

Launch of various initiatives that leverage the CDO Fund.

2017-2019

Prior to the CDO Fund, the Kresge Foundation supported CDOs through its Detroit 21 Initiative and the Ford Foundation supported CDOs through its Neighborhood Anchor Organization Fund.

2021

Ralph C. Wilson joins as a funder.

CDAD (Community Development Advocates of Detroit) partner with the Fund as an advisor.

Description of the CDO grantees

To advance its goal of long-term sustainability and resilience for CDOs, the Fund was designed to be accessible to many organizations, including CDOs that may not have the levels of readiness conventional funding streams often require. For example, prerequisites to certain program grants may include sufficient staffing levels, budget sizes or administrative infrastructure. Without these conventional requirements in place, the CDO Fund was able to support a range of organizations from the very small (just one full-time staff person) to organizations with more than 25 full-time employees. Because of this variation, the capacity needs, operating budgets and services provided by the CDOs range in scale and scope. Table 1 below shows some the diversity of organizational history and size that a collaborative funding model can reach.

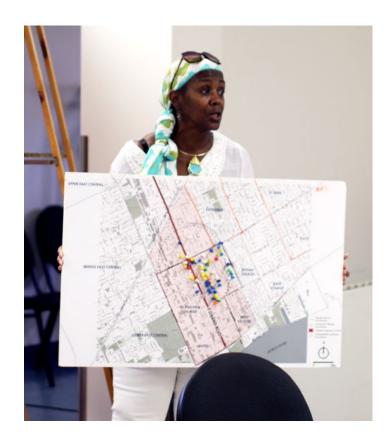


Table 1: Summary of CDO Fund Grantees*

| CDO | Neighborhoods or Area of the City Served | Years in Operation ⁹ | Number of staff ¹⁰ |
|--|---|---------------------------------|-------------------------------|
| BLVD Harambee | Islandview | 29 | 3 |
| Bridging Communities | Southwest | 23 (in current form) | 15 |
| Brightmoor Alliance, Inc | Brightmoor | 22 | 7 |
| Central Detroit Christian CDC | North End/Piety Hill/ New Center, Virginia Park | 28 | 26 |
| Cody Rouge Community Action Alliance | Cody Rouge | 15 | 5 |
| Congress of Communities | Southwest | 14 (in current form) | 13 |
| Detroit Catholic Pastoral Alliance | Gratiot Woods | 25 | 26 |
| Detroit Hispanic Development Corporation | Southwest | 25 | 30 |
| Eastside Community Network | Lower Eastside | 38 | 20 |
| E. Warren Development Corporation | Morningside/East English Village/ Cornerstone | 3 | 2 |
| HOPE Village Revitalization | Hope Village | 20 | 3 |
| Genesis Harbor of Opportunities Promoting Excellence (HOPE) | Islandview/Greater Villages | 14 (in current form) | 2 |
| Grandmont Rosedale Development Corporation | Grandmont Rosedale | 33 | 8 |
| Joy Southfield CDC | District 7 | 16 | 6 |
| LifeBUILDERS | Regent Park | 16 | 10 |
| Mack Avenue Community Church Development (MACC Development) | 48214 zip code | 12 | 12 |
| North End Woodward Community Coalition | North End/Highland Park/Hamtramck | 12 | 9 |
| Osborn Neighborhood Alliance | Osborn | 12 | 6 |
| Sinai-Grace Guild CDC | Winship/College Park/Crary/St. Mary's/ Hubbell-Puritan/Belmont/Bethune/ Harmony Village/Schulze | 6 | 2 |
| Southwest Detroit Business Association | Southwest | 65 | 24 |
| Southwest Housing Solutions Corporation | Hubbard Farms/Hubbard Richard/ East Chadsey Condon | 26 (in current form) | 25 |
| The Villages CDC | Greater Villages | 16 | 1 |
| Urban Neighborhood Initiative | Springwells | 25 | 29 |
| U SNAP BAC | Morningside/East English Village/ Cornerstone | 36 | 5 |
| Woodbridge Neighborhood Development | Woodbridge | 20 | 3 |
| | | | |

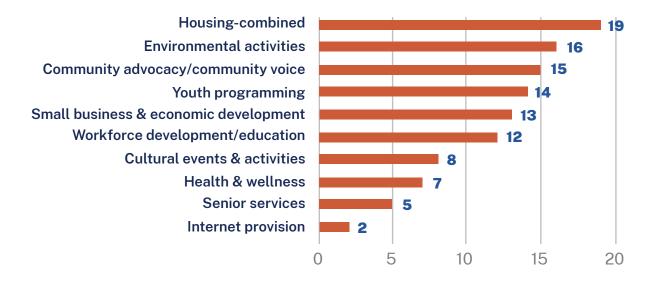
*The information presented in this table was self-identified by CDOs on their grant applications.

⁹ Number of years operating as of 2022.

¹⁰ Number of staff includes full-time, part-time and contract staff. Volunteer staff were not included in this count but range from 0 to more than 1,000 in some organizations. Data is as of 2020.

The services provided by CDO Fund grantees address widespread city needs, with many organizations focusing on the preservation of affordable housing, the environment and the renewal of green space, community advocacy, and economic development (Figure 3).





Grant awards

Unlike many traditional grant award programs, applicants did not request specified funding amounts in their applications. Instead, Enterprise's Detroit office worked to establish a minimum grant award for year one of the Fund based on grant commitments from the funders that existed prior to the creation of the CDO Fund; any additional funding secured from adding funders to the collaborative would increase grant awards beyond that minimum. Total awards were disbursed annually over three years between 2020 and 2022. Table 2 below highlights the distribution of grant awards, organizing CDOs by budget size. Grantees saw significant increases in their disbursement sizes after year one, a benefit of growing the pool of active funders. The Fund disbursed \$2.07 million to 24 grantees in the first year. In year two, \$3.7 million dollars was disbursed across 25 grantees. The Fund disbursed an additional \$3.8 million across the 25 grantees in year three. Over the three years, the Fund disbursed a total of \$9.5 million in unrestricted operational grants. This total included two \$5,000 flexible grants for each CDO to use specifically towards technical assistance (TA), according to the aspirations and needs of each organization.



Table 2: Median Award Sizes Years 1-3

| CDO BUDGET | NUMBER OF CDOS | MEDIAN AWARD 2020 | MEDIAN AWARD 2021 & 2022 | % INCREASE IN MEDIAN AWARD 2020-2022 | TOTAL FUNDING 2020 | TOTAL FUNDING 2021 | TOTAL FUNDING 2022 | % INCREASE IN FUNDING 2020-2022 |
|-----------------|-------------------|-------------------------|--------------------------------|---|--------------------------|--------------------------|--------------------------|---------------------------------------|
| < \$500k | 11 | \$105,000 | \$140,000 | 33% | \$987,500 | \$1,660,000 | \$1,660,000 | 68% |
| \$500k- \$1M | 5 | \$90,000 | \$140,000 | 56% | \$435,000 | \$825,000 | \$825,000 | 89% |
| > \$1M | 6 | \$105,000 | \$152,500 | 45% | \$530,000 | \$965,000 | \$965,000 | 82% |
| Total | 22 | \$97,500 | \$140,000 | 44% | \$2,057,500 | \$3,660,000 | \$3,765,000 | 82% |

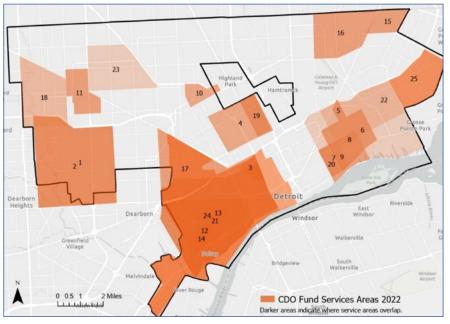
The median CDO Fund grant award disbursed was \$97,500 in year one and \$140,000 in years two and three. As illustrated in Table 2, median award size and total funding increased the most for organizations with budgets of \$500,000 to \$1 million,¹¹ followed by organizations with budgets over \$1 million. Smaller organizations with budgets of less than \$500,000 saw a more modest increase in overall funding. However, with smaller budgets, these increases may have been as or more significant in relative impact on organizational revenue, particularly as they represented flexible funds with few strings attached. Overall, the differences in award sizes between grantees were modest and largely due to previously existing grant commitments from Funders that carried over into the first phase of the CDO Fund.

¹¹ This analysis was based on budgets reported in 2020. Budget data was not available for all organizations.

Geographic distribution of CDOs

There are an estimated 40-50 CDOs in Detroit today.¹² Each CDO serves a specific geographic area, typically a neighborhood, a collection of neighborhood blocks or another locally defined area. Because no city-wide mechanism or system exists to designate or authorize CDOs to serve a given neighborhood,¹³ the overall landscape of CDOs is characterized by overlapping service areas in some parts of the city, while other neighborhoods and city council districts remain unserved or underserved by CDOs. Map 1 shows the service areas for each CDO participating in the Fund. The 25 CDOs in the Fund are distributed throughout the city, with strong representation on the East Side, West Side and Central Detroit, as well as the northwest, west and northeast areas of the city. According to BECDD, District 7 is underserved by CDOs, and there are no CDOs serving the neighborhoods in District 3 between I-75 on the west, 8 Mile Road to the north, Mound Road to the east and the city of Hamtramck to the south, whereas Districts 4 and 5 are served by multiple CDOs. In addition, an analysis of funding by BECDD revealed that "there are significant disparities in the amount of funding provided in each City Council District for different community development functions."¹⁴

Map 1: CDO Service Areas (2022)

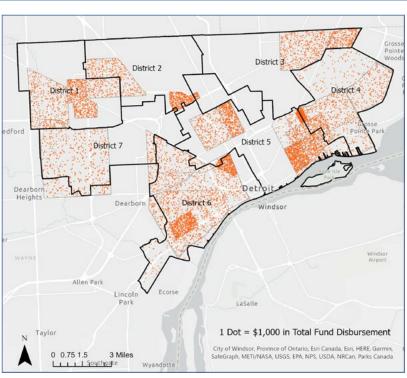


Source: Data Driven Detroit, datadrivendetroit.org

- 1. Cody Rouge Community Action Alliance
- 2. Joy Southfield CDC
- 3. Woodbridge Neighborhood Development
- 4. Central Detroit Christian CDC
- 5. Detroit Catholic Pastoral Alliance
- 6. Eastside Community Network
- 7. Genesis Harbor of Opportunities Promoting Excellence (HOPE)
- 8. Mack Avenue Community Church Development
- 9. The Villages CDC
- 10. Hope Village Revitalization
- 11. Grandmont Rosedale Development Corporation
- 12. Congress of Communities
- 13. Southwest Detroit Business Association
- 14. Urban Neighborhood Initiatives
- 15. LifeBUILDERS
- 16. Osborn Neighborhood Alliance
- 17. Bridging Communities
- 18. Brightmoor Alliance, Inc.
- 19. North End Woodward Community Coalition
- 20. Boulevard Harambee
- 21. Detroit Hispanic Development Corporation
- 22. U SNAP BAC
- 23. Sinai-Grace Guild CDC
- 24. Southwest Housing Solutions
- 25. E. Warren Development Corporation
- 12 This analysis was based on budgets reported in 2020. Budget data was not available for all organizations.
- ¹³ Building the Engine of Community Development in Detroit (BECDD). (2022). Roadmap to Equity: Sustainability Strategies for Detroit's Community Development Ecosystem. <u>https://buildingtheengine.com/wp-content/uploads/2022/07/ROADMAP-TO-EQUITY-FULL-REPORT-FINAL-JUNE-29-2022.pdf</u>
- ¹⁴ Building the Engine of Community Development in Detroit (BECDD). (2022). Roadmap to Equity: Sustainability Strategies for Detroit's Community Development Ecosystem. <u>https://buildingtheengine.com/wp-content/uploads/2022/07/ROADMAP-TO-EQUITY-FULL-REPORT-FINAL-JUNE-29-2022.pdf</u>



A key benefit of building a centralized funding system is the ability to assess the distribution of CDO grant funding across the city from a bird's-eye view. Map 2 below illustrates the geographic density of grants disbursed in the CDO Fund's first three-year phase. Each orange dot represents \$1,000 of funding. Within each CDO's service area, the total number of dots equals the CDO's total award amount. The result is an illustration of funding density, drawing attention to clusters of concentrated funding in neighborhoods serviced by multiple overlapping CDOs. Since there is relatively little variation in the size of funding awards to different grantees, CDOs with small service areas appear as concentrated areas of high funding whereas CDOs serving larger geographic areas appear more dispersed.



Map 2: CDO Funding by CDO Service Area, 2020–2022

Source: Detroit CDO Fund Internal Data, 2020-2022

Evaluating the Impact of the CDO Fund Against the Fund's Four Principal Goals

Goal 1: Deploy funds through an efficient, equitable and collaborative process

By streamlining the grantmaking process and deploying funds through a more collaborative approach, Enterprise and the funders sought to structure the CDO Fund so that grant dollars would be disbursed more efficiently and equitably to organizations across Detroit. Our evaluation looked at the outcomes of implementing these processes. Our findings revealed that the centralized, collective funding model resulted in benefits to both grantees and funders by reducing administrative burdens and improving communication and coordination both among and between funders and grantees.

The benefits of a centralized, collective funding model

Enterprise's Detroit office managed all aspects of the grantmaking process, including the grant application, administration and distribution, reducing the administrative burden for funders and grantees. In interviews, funders noted that Enterprise's administration of the grant process streamlined the work of their grant managers.

With Enterprise's management, funders could support dozens of grantees without the lengthy review, recommendation and approval process required when managing grantees individually. Funders reported a significant reduction in the administrative workload and time spent managing their support of the 25 CDOs participating in the Fund. This process also introduced some of the funders to organizations they were not previously familiar with and may not have reached without the CDO Fund, thereby increasing their opportunities for impact. The CDO Fund also reduced the administrative burden, both in the application and reporting processes, for 92% of the CDOs surveyed.¹⁵ The CDO Fund requires a single application to receive dollars from multiple funders rather than multiple applications and additional administrative meetings, presentations or other relationship-building activities with several funders. Additionally, rather than requiring quarterly written reports and detailed documentation on use of grant dollars, the Fund limited formal grant reporting requirements to virtual, semi-annual check-ins with Enterprise staff and funders.

Central administration of the grant by Enterprise also enabled better and more efficient communication between grantees and funders, which in turn enabled the cultivation of stronger relationships. Enterprise's Detroit staff helped funders understand grantee needs more holistically, while also providing a single avenue for the elevation of specific needs and priorities.

¹⁵ Out of the 24 responses received to the final survey, 87% of grantees strongly agreed and 5% agreed to the statement, "The CDO Fund reduced the administrative burdens of the grant application and reporting process for my organization."

As the primary contact for grantees, Enterprise was able to identify common themes across the 25 organizations in a way that a single funder working with a smaller number of grantees could not. Enterprise also served as a bridge between the grantees and funders; grantees felt comfortable reaching out to Enterprise staff to elevate their concerns, which Enterprise could then raise with the funders. Having Enterprise serve as a conduit between grantees and funders helped to balance the power dynamic in a way not typically found in granteefunder relationships. Enterprise also played a critical role in ensuring ongoing collaboration between funders and other stakeholders. As part of Enterprise and the Fund's commitment to include diverse voices in decisionmaking and to collaborate with local partners, Enterprise invited CDAD, a leading voice for Detroit's community development ecosystem, to participate in the CDO Fund in an advisory capacity. CDAD has a robust knowledge of the needs and goals of the city's CDOs and contributed a valuable perspective to the Fund's management and decision-making. Bringing together multiple funders and CDAD helped the collaborative sharpen the Fund's overall strategy and approach, particularly in regard to technical assistance and peer learning opportunities.



Goal 2: Strengthen organizational sustainability and resilience through multi-year flexible grants, peer learning and technical assistance

A core goal of the CDO Fund is to help CDOs achieve long-term sustainability and resilience through multiyear, flexible grants and technical assistance. Sustainability and resilience are more critical than ever for the nonprofit community development industry, considering the recent pandemic. This is especially true for BIPOC-led nonprofits, which not only serve the communities impacted by a long legacy of systematic disinvestment, but also those hit the hardest by the coronavirus pandemic.

Through surveys and interviews, our evaluation explored the impact of the Fund on grantees' organizational sustainability and resilience. Our findings indicate that multi-year, unrestricted flexible funding:

- Helped address a legacy disinvestment that left CDOs without the adequate funding resources to serve their communities.
- Enabled organizational sustainability and resilience through the pandemic and beyond.
- Empowered organizations to respond to changing internal needs and the evolving needs of their communities.

We also found that the Fund:

- Acted as a catalyst for helping CDOs leverage additional funding dollars.
- Enabled learning through peer opportunities and technical assistance.

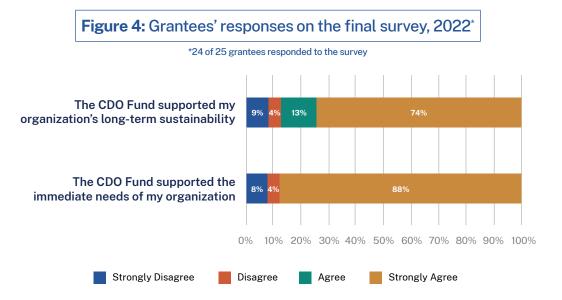
The CDO Fund helped address disinvestment in the city's community development system

General operating support/capacity grants support organizations' core functions. They are not only the most flexible types of grants organizations can receive, but in many ways are also the most impactful as they allow organizations to be responsive to their own and their communities' changing needs. Nevertheless, a 2020 BECDD report found that Detroit CDOs lacked the necessary funding to provide core functions to their communities.¹⁶ Their report revealed that in 2018, only about \$7 million in public and private funding was provided to 26 Detroit CDOs for core functions, and just over \$5 million was dedicated to "General Operating Support/Capacity Building."¹⁷ CDOs responding to BECDD's survey indicated that the cost of fully funding these activities would be, in aggregate, approximately \$22 million annually or more than \$100 million over five years.

The CDO Fund meaningfully addresses the challenges of aggregating philanthropic capital and funding core CDO functions, but it alone cannot address all of the financial needs of these organizations. Additional support through the tax system or other public sources, other philanthropic sources, and/ or earned revenue can strengthen the financial position of the CDOs.

¹⁶ Wilson, L., Yates, G., Smith, K., Goss, A., Ziraldo, J. (2020). Community Development System Capitalization Report for Detroit. Building the Engine of Community Development in Detroit. <u>https://buildingtheengine.com/wp-content/uploads/2020/05/BECDD-System-Capitalization-Report-FINAL-FOR-FEB-TASK-FORCE.pdf</u>

¹⁷ BECDD collected data from public and private funders of community development activity and a survey of 31 CDOs, with 26 respondents. The data provided by funders estimated that approximately \$7 million was provided to CDOs for their core functions. Concurrently, CDOs responding to the survey indicated that the cost of fully funding these activities would be approximately \$22 million annually. Grants to CDOs for on-real estate economic development costs were estimated to be \$885,000, CDFI loans were estimated at \$19.2 million, and "other funded community development activities/non-CDO driven" grants were estimated to be just under \$6 million.



The CDO Fund enabled organizational sustainability and resilience despite the pandemic

Because sustainability and resilience have different meanings for different CDOs, the flexibility of the Fund's operating grants has been key to successfully helping CDOs meet their self-defined goals. Organizations used their grant dollars to meet critical needs, build out new programs and expand existing ones, all based on their own strategic vision.

While no two organizations used their funding in precisely the same way, each CDO made varying degrees of progress along their self-defined indicators of organizational sustainability. In the final survey, grantees responded that they strongly agreed (74%) or agreed (13%) with the statement, "the CDO Fund supported my organization's long-term sustainability."

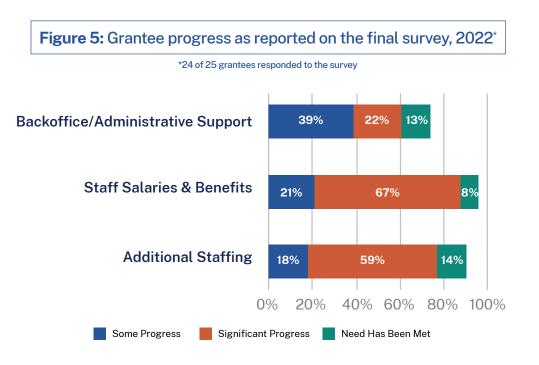
Interviews further revealed that sustainability would have been impossible in some cases without first meeting critical needs, especially in the aftermath of the pandemic. The CDO Fund achieved even greater success in this area: grantees responded that they strongly agreed (88%) or agreed (4%) with the statement, "the CDO Fund supported the immediate needs of my organization" (see Figure 4). Eight of the grantees responding to the final survey reported that the Fund allowed them to fully meet their organizational needs in at least one specific area, e.g., additional staffing, program delivery, salaries and benefits, professional development opportunities, IT support, marketing and storytelling, administrative support, and partnerships. Fully meeting the need in one area freed up time and energy to focus on other areas of need.

A nationally representative survey of grant-seeking nonprofits in 2020 found that the pandemic impacted direct service organizations the most, especially those that serve historically disadvantaged communities. Further, the survey found that organizations relying on foundation funding had fewer negative impacts and more stable funding than those that relied on earned revenue or individual gifts from donors.¹⁸ One year later, in a national survey of communityserving organizations, 46% of respondents indicated a decrease in their ability to provide services, and 70% reported an increase in expenses compared to before the pandemic.¹⁹ Findings from the CDO Fund surveys revealed that the vast majority of the CDO Fund grantees grew and expanded programs during this challenging time.

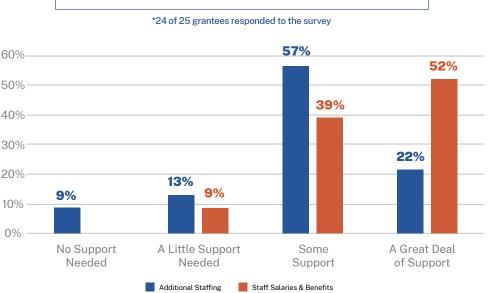
 ¹⁸ Buteau, E., Martin, H. and Gehling, K. (2020). Funder Support During the COVID-19 Pandemic. The Center for Effective Philanthropy. <u>https://cep.org/portfolio/funder-support-during-the-covid-19-pandemic/</u>
¹⁹ Chalise, N. and Gutkowski, V. (2021). Perspectives from Main Street: The Impact of COVID-19 on communities and the entities serving them. Fed Communities. https://fedcommunities.org/data/main-street-covid19-survey-2021/#figure11

Flexible funding was critical in responding to dynamic organizational needs

The CDO Fund model recognizes the expertise of participating CDOs and gives grantees the control to prioritize their most pressing needs. It is a model that moves beyond historical and contemporary grantmaking practices that often employ a top-down approach to managing funds disbursed to community-based organizations. Trusting that the participating CDOs have a clear grasp of their own needs and a deep understanding of the development ecosystem, the CDO funders shared power and enabled relative autonomy to grantees to use the funds in ways that met the goals of their staff and the communities they serve.



For many CDOs, that meant providing for the organization's basic needs, such as staffing, administration and benefits, allowing them to make significant progress in these areas (see Figure 5). Many CDOs used Fund dollars to pay staff salaries, either paying formerly un-salaried executive directors or hiring staff to support core functions or programs of the organization. These activities are not generally supported by restricted, program-specific grants. Grantees noted improvement in hiring and providing staff salaries and benefits between the mid-point and the final survey. At the conclusion of the program, more than half of the grantees (59%) reported that their organization had made significant progress in hiring additional staff, and two thirds of respondents said they made significant progress in providing staff salaries and benefits.





Survey findings also showed that almost all (91%) of the organizations still needed additional staffing, and every organization indicated a further need for staff salaries and benefits (Figure 6).²⁰ Although the CDO Fund has been an important contributor to organizational sustainability, it was not designed to eliminate the need for operational support. This is especially apparent when the success of a CDO creates a positive feedback loop, i.e., when additional staff make more programs and services possible in new areas, which leads to further growth, again requiring the hiring of additional staff to carry out expanded programs.

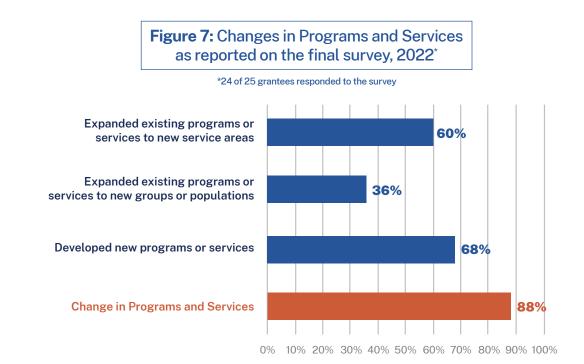
While every organization can benefit from increased staff capacity, the potential for "leveling up" is greater for smaller organizations, where hiring one additional staff member might dramatically increase that organization's capacity in multiple areas. One staff person might wear many hats at a smaller organization, while at larger organizations, staff may serve in highly specialized roles. Through our interview process, multiple executive directors noted that hiring one additional staff member allowed them to shift their time and energy from day-to-day operations to higher-level activities, such as improving organizational culture, developing new partnerships and expanding services. Many of the executive directors interviewed were from smaller organizations and were fulfilling multiple roles for the organization.

For some executive directors, organizational sustainability meant retaining staff by providing a living wage and benefits to existing employees. Benefits can help with staff retention and make organizations attractive places of employment for new talent in a competitive economy. One respondent had the following perspective: "One of the major barriers in the community development space has been attracting and retaining quality talent. The CDO Fund helped us to work strategically towards [this goal]."

For other organizations, hiring new staff allowed them to have dedicated staff to work on projects rather than relying on volunteers. One executive said: "We were able to add three staff. A big part of [the CDO Fund] is that you are able to pay staff ... who can carry through programs."

²⁰ Grantees responding to the survey did not indicate whether the additional staff salaries and benefits were for existing staff or new staff that they want to hire.

Interestingly, despite these funds not being tied to specific programs, the vast majority of CDOs were able to expand their program offerings in some way because of general operating support. As reported in the mid-point survey, 34% of the grantees reported that they had developed new programs or services since receiving a grant from the CDO Fund; by the final survey, 88% of respondents reported that the Fund allowed them to expand their services, whether it was through developing new programs (67%), expanding their service areas (67%) or serving new populations (38%) (see Figure 7).



At the conclusion of Phase 1, more than half (68%) of CDOs responded in the survey that they believed that these new or expanded programs would be sustained after the grant funding period.²¹



21 This question was answered with the expectation that consistent funding levels would be sustained over the next three years as the CDO Fund moves into Phase 2.

Leveraging the CDO Fund

Beyond providing resources for critical operations, the CDO Fund acted as a catalyst for many organizations by increasing their access to new funding opportunities. Eighty-three percent of CDOs reported that they leveraged the CDO Fund dollars to gain access to additional fundraising opportunities.

One of the most significant barriers to fundraising as a small CDO is that some philanthropic and grantmaking organizations are hesitant to be the first major donor to an organization. The CDO Fund's backing, especially with unrestricted dollars, TA and support from Enterprise, offered additional legitimacy and stability in the eyes of potential funders.

One executive director explained, "By sharing that we are part of the CDO Fund, it helps us to show that we have gained the confidence and support of funders who are working collaboratively to support CDOs. Then, it is simply [a matter of] showing our books to show that as a result of CDO Fund dollars we are gaining in capacity, and we're able to manage more funding."

Given the fact that CDO Fund dollars could meet operational needs, they were able to secure programmatic dollars by lowering their overhead costs in grant applications. "We've been able to secure some program-related dollars and show funders, both public and private, that because we have operational support through the CDO Fund, their dollars can be leveraged and used specifically for program-related purposes."

Another organization acquired a grant from the city of Detroit because of the CDO Fund's operational support. With the CDO Fund's help, they became a true microdeveloper, allowing them to secure developer fees, a stabilizing and diversifying new revenue stream.



Another CDO reported securing a large, multi-year grant from a new funder because of their participation in the CDO Fund. As the executive director remarked, "[The] Fund increased our threshold. It positioned us in a better light with funders – that other funders trust and rely on the kind of work that we do. That helps catapult you into other relationships."

The lasting impact of the CDO Fund's investment grows as these relationships grow. Building relationships and trust takes time, and fundraising progress can take years to develop. In the mid-point survey, 60% of CDOs reported they had made progress in their fundraising efforts after the first year of the Fund, and in the final survey, 87% of respondents stated they had made some or significant progress by the end of the Phase 1.

Figure 8: New Orleans learning trip.



Learning together

Organizations received valuable support throughout the project via peer learning opportunities including field visits and cohort meetings. These structured activities helped leaders connect, learn and cultivate relationships with each other, eventually leading to stronger partnerships and coordination across the CDOs in Detroit and other locations they visited.

In October 2021, Enterprise's Detroit office convened a meeting to connect Detroit CDOs with Enterprise's New Orleans CDO Fund grantees (see callout box on page 12), and in October 2022, executive directors and staff from Detroit's CDO Fund and Elevating CDO Fund had the opportunity to travel to New Orleans. Seventy-five percent of the CDO Fund grantees attended the New Orleans trip, and 100% of those who attended reported that the trip contributed a great deal to their organization's goals (or met their organization's needs).²²

The New Orleans trip was a cross-collaborative peer learning opportunity for grantees of the Detroit CDOs, ECDO Fund and the New Orleans CDO Fund to expand their networks, share lessons learned between the cities, and align on shared goals. The trip combined structured activities including visits to sites where the New Orleans CDO Fund grantees were actively working, and unstructured learning time in which knowledge-sharing was completely self-directed by the participants. Unstructured learning occurred during meals, travel, museum visits and free time.

Grantees noted many similarities between the challenges communities face in New Orleans and Detroit, such as vacant land, vacant buildings and climate risks – particularly flooding. Common themes from the trip included how CDOs can respond to climate change through climate-resilient home building or retrofits, and how they can preserve affordable housing through creative mechanisms such as community land trusts and home repair. One grantee reflected on the trip: "[Going to] NOLA was an extraordinary opportunity to connect with cohort members in the context of a city dealing with related housing and equity issues and to learn from amazing people doing the work – so many lessons [were] brought back."

²² There were 24 total respondents to this question in the final survey.

Unstructured conversations focused on work and nonwork topics. For example, a number of attendees said they wanted to follow up or connect with their peers in Detroit after learning more about each other's work and how it overlapped with their organization's programs, activities and mission. Other conversations focused on more social topics, which allowed trip attendees to build stronger personal bonds and friendships that will carry over into their collaborative work.

Peer cohort meetings were another opportunity to build support and collaboration among the CDOs. Although not all grantees attended these meetings,²³ 66% of those who attended said that it contributed a great deal to their organization's goals (or met their organization's needs), and another 25% responded that the meetings somewhat contributed to their organization's goals (or met their organization's needs). Survey responses for additional feedback on the cohort meetings had mixed reviews. Some grantees noted that the opportunities to collaborate with peers were valuable, or that the meetings provided the opportunity to come together and connect over shared experiences. In contrast, others noted the meetings were challenging because of the high number of attendees or the lack of next steps. Nevertheless, overall, there was a positive perception of these meetings by those who attended.

Our assessment finds that the space the CDO Fund allowed for these activities contributed positively to peer collaboration. In the mid-point survey, respondents reported that their organization's capacity to form partnerships or collaborate with other organizations moderately (44%) or significantly (36%) improved since receiving their initial grant from the CDO Fund.²⁴ One grantee noted that learning opportunities allowed them to "build trust with partners and colleagues." Another noted, "It gave us the opportunity to talk more with our Detroit partners and explore additional ways we can work together."



²³ Out of 24 respondents to the survey, one organization indicated they did not attend the cohort meetings.
²⁴ This question was not asked in the final survey.

Building the Detroit technical assistance ecosystem

Under Phase 1 of the CDO Fund, grantees had access to Technical Assistance (TA) through various mechanisms. All grantees had the opportunity to work with Rob Curry & Associates, a consultant engaged by Enterprise to provide insight into the current financial health and associated risk factors of CDO Fund grantees. Rob Curry's CDO financial analysis services focused on both the CDO's core operations and, if applicable, its operating affiliates (e.g., real estate projects).

Enterprise also contracted with EarlyWorks, a strategy, special projects and communications firm, in response to grantees' request for marketing assistance. EarlyWorks developed a group workshop tailored to the needs of the CDOs and provided one-on-one consultations with grantees.

Additionally, Enterprise worked with CDAD, Co.act, Michigan Community Resources (MCR) and Michigan Nonprofit Association (MNA) to build a comprehensive, streamlined TA delivery system to serve the grantees and the broader CDO sector in the future. The delivery system is managed by CDAD and overseen by Enterprise, with ongoing input from funders of the CDO Fund. A portion of the CDO Fund's TA dollars were set aside to support this system. In 2022, Enterprise transferred the reserved funds to CDAD, and the system launched.

Under the system, CDO Fund grantees participate in MNA's principles and practices assessment and CDAD's community development assessment to evaluate the strengths and needs of their organizations. Once the assessments are complete, grantees meet with CDAD and MCR staff to develop a TA plan and identify relevant TA providers. CDAD and MCR will provide ongoing support to CDOs including helping to develop a scope of work with selected TA providers. The TA consultant pool will be hosted in Co.act's Start Up database. As the TA delivery system was being finalized, the CDO Fund also provided flexible funds for grantees to independently identify TA providers in the interim. In both 2021 and 2022, the CDO Fund provided each grantee with \$5,000 in unrestricted TA dollars to help strengthen their capacity to meet program and missionrelated goals. Unlike some programs, which restrict grantees to specified TA activities or TA providers, the CDO Fund allowed grantees to use their grants for any TA with any provider. As with the unrestricted operating grant dollars, this model empowered CDO leaders with the flexibility to make strategic decisions about their organizational needs and priorities.

Eighty-four percent of the of grantees used flexible TA grant dollars during the program. Of the grantees that used their TA dollars, 80% noted that they required additional funding to supplement their TA grants, suggesting that larger amounts for TA should be considered in the future and underscoring the need for the more robust TA delivery system. For those organizations that had not yet used their TA dollars, many said they had identified a use for the funds and had plans to use the money in the near future, while others have indicated that they are waiting on the outcome of their CDAD and MNA assessments, strategic planning processes, or other learnings from new programs to determine the best use for those dollars.

CDOs used their flexible TA grants for strategic planning, board training, organizational health and culture, trauma healing, fundraising, grant writing, communications, outreach, branding strategies, attending conferences and more. Some organizations used TA funding to hire consultants that provided critical professional services where building internal capacity through TA would not have been the best use of their staff's time or resources. For example, one CDO used its TA grant to hire a PR firm specializing in narrative creation. The organization determined that it was smarter to leverage their TA dollars to secure the experience of experts than to try and build that capacity in house. Doing this allowed the CDO staff to meet a critical need while continuing to focus their work in areas where they were the experts –doing the work of community developers. From the perspective of one executive director: "Capacity building implies a lack of knowledge. The case with me is not that I don't have the knowledge. It's one thing for them to hold a little class and say, well, you can write this press release, but I'm not talking about an event. I'm talking about having the connections and relationships in media that can build a story continuously."

Enterprise provided support for CDOs that needed help identifying needs or developing a plan for the use of their flexible TA grants, and provided CDOs access to a wide variety of vetted TA providers, of which several CDOs took advantage. As one executive director described it, "The list of TA providers that was offered to us gave me a sense of comfort, in that these individuals have been vetted, and I don't have to worry about them being overpriced or lacking quality, and I know that they would provide exactly the services we needed to improve."

TA dollars and the Fund's encouragement were crucial for organizational growth. All grantees reported that their experience with these TA providers met or exceeded expectations, and that the TA received improved their organizational capacity. According to one executive director, while leaders have "a desire for learning and growth opportunities for [their] organization, it's difficult sometimes, when you look at your budget, to identify pockets of dollars where you can do that. But to know that you have a funder who says, 'we're going to dedicate and allocate a piece of your grant funding specifically to that and encourage you to utilize it by providing this list of providers, as a first-time executive director, I was like, wow! This is beautiful."



Goal 3: Advancing racial equity through funding BIPOC-led organizations and/or organizations serving BIPOC communities

The CDO Fund advances racial equity in grantmaking by addressing two significant sources of bias in the funding ecosystem: racial bias and bias against funding smaller organizations. Racial bias can happen in many parts of the grantmaking process and impacts organizations' ability to access capital, which can profoundly limit BIPOC-led organizations and the communities they serve.²⁵ The Detroit Nonprofit Leadership Survey showed that "White-led organizations appear to generally have more human and capital resources than BIPOC-led organizations."²⁶ Additionally, bias towards larger organizations limits access to funds for smaller organizations, many of which serve under-resourced communities.²⁷ The Detroit Ledger reported that between 2010 and 2015, only 1.6% of philanthropic funding went to nonprofit organizations with budgets under \$100,000.²⁸ In Detroit, these biases reinforce and perpetuate one another because racial disparities in funding limit the growth of BIPOC-led organizations.

Our evaluation of how the Fund advances racial equity found that the Fund reduces disparities to organizations with BIPOC leadership by intentionally funding those organizations, and the Fund challenges the tendency among some donors and foundations to favor larger organizations and programs, by contributing to the growth of smaller organizations. This was made possible by the explicit intentions and conversations that CDO funders had about how it could achieve these goals. According to one funder, "We saw a pattern in our own grantmaking where historically organizations that were white-led tended to receive higher levels of resources, and one of the reasons we wanted to invest in operational support was to make sure that there was a consistent, stable base of operational support to many of the CDOs that were led by people of color in the city."

Throughout the operation of the Fund, funders asked self-reflective questions such as, "Are we funding in an equitable way?" and "Are there biases introduced in the way that decisions are being made?"

BIPOC leadership

BIPOC-led organizations face well-evidenced barriers to funding from the philanthropy sector such as a lack of DEI considerations, insular social networks and white-centric cultural norms. As a result, organizations with BIPOC leaders are critically underfunded, making it difficult for them to invest in the foundational capacities needed to grow organizations and serve their communities. A recently published report found that nonprofits led by people of color "Win less grant money and are trusted less to make decisions about how to spend those funds" than their white counterparts.²⁹

Another study of 2005 national foundation grant awards found that only 3% of philanthropic dollars went to nonprofits led by people of color.³⁰ By 2008, that figure had only increased to 8% and remained relatively flat in subsequent years.³¹

 ²⁵ Dorsey, C., Kim, P., Daniels, C., Sakaue, L., & Savage, B. (2020). Overcoming the Racial Bias in Philanthropic Funding. *Stanford Social Innovation Review*. <u>https://doi.org/10.48558/7WB9-K440</u>
²⁶ Data Driven Detroit. (2021). Nonprofit Leadership Census Results. <u>https://storymaps.arcgis.com/stories/666ce58d862e46acac6e18da954ae04a</u>

²⁷ Chan, N., & Fischer, P. (2016). Eliminating Implicit Bias in Grantmaking Practice. Stanford Social Innovation Review. https://doi.org/10.48558/QNCD-2T70

²⁸ Ignaczak, Nina. (2017). Changing the Conversation: Philanthropic Funding and Community Organizing in Detroit. Allied Media.

https://alliedmedia.org/wp-content/uploads/2020/09/Funders_Guidelines_2017.pdf

²⁹ Rendon, J. (2020, May 7). Nonprofits Led by People of Color Win Less Grant Money With More Strings (Study). The Chronicle of Philanthropy. <u>https://www.philanthropy.com/article/nonprofits-led-by-people-of-color-win-less-grant-money-with-more-strings-study/?bc_nonce=a5ufkomlcxjs3ci2v43ba&cid=reg_wall_signup&cid2=gen_login_refresh&cid2=gen_login_refresh</u>

³⁰ Gonzalez-Rivera, C., et al. (2008) Funding the New Majority: Philanthropic Investment in Minority-led Nonprofits. The Greenling Institute. <u>http://greenlining.org/wp-content/uploads/2013/02/FundingtheNewMajority.pdf</u>

³¹ Nishimura, A., et al. (2020). Transformational Capacity Building. Stanford Social Innovation Review. https://svpdenver.org/wp-content/uploads/2020/09/SSIR-Transformational-Capacity-Building.pdf

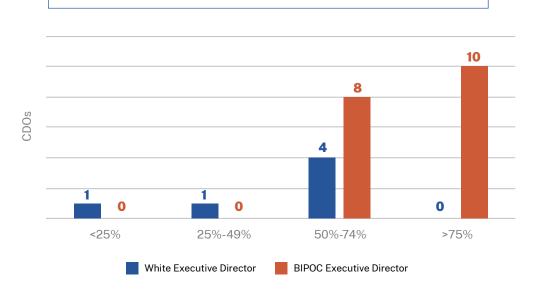


Figure 9: CDOs by Board and Executive Leadership Demographics as reported on grantee applications, 2020.

This inequity is more severe when considering only unrestricted grant dollars. While Black-led nonprofits have an average revenue that is 24% less than that of white-led nonprofits, the disparity is more than three times that (76%) for unrestricted funding. According to the 2022 State of the Nonprofit Sector Survey, only 26% of BIPOC-led organizations received at least half of their funding without restrictions, compared to 41% of white-led nonprofits.³² In Detroit, where nearly 80% of the population identifies as Black or African American and 90% identifies as BIPOC, it is crucial to ensure grant dollars are distributed equitably and where they can make the most significant community impact.

A core goal of the CDO Fund is investing in organizations where BIPOC leaders hold decision-making power. CDOs were asked to provide the racial and ethnic makeup of their executive leadership and boards of directors on their applications. Of the 24 CDO grantees present at the time this data was collected,³³ 19 CDOs had at least one executive director who identified as BIPOC, and 23 CDOs had boards that were at least 50% BIPOC-identifying (Figure 9). By prioritizing funds to BIPOC-led and BIPOCserving organizations, the CDO Fund helps to address some of these historical funding inequities.

In addition to having local residents represented on their boards of directors (a requirement for all CDOs), the CDOs in the Fund often went further to ensure they were hearing from a broad spectrum of community voices. Most frequently this meant holding regular community meetings, asking community members to serve on advisory committees, and collaborating with community members through events and activities.³⁴ Operational support enabled even greater community feedback, providing some CDOs with the staff and time to canvass residents. This type of deep community engagement in their neighborhoods allowed CDOs to respond to changing community needs and aspirations through their programs.

³² Nonprofit Finance Fund. (2022). 2022 Survey: A Focus on Racial Equity. https://nff.org/2022-survey-focus-racial-equity

³³ This estimate is based on data gathered in 2020. Data for all 25 grantees was not available at that time.

³⁴ Grantees were asked to show examples of how they incorporate the voices of residents and stakeholders in their community. These were the most frequently cited examples listed on the applications.

Challenging the disparity in funding for small organizations

The history of racial disparities in funding has contributed to an imbalance in the size of BIPOC-led and white-led organizations. In Detroit, BIPOC-led organizations, especially those serving BIPOC communities, tend to be smaller than white-led nonprofits. When unchallenged, this contributes to a vicious cycle in philanthropy and grantmaking that consistently favors larger and whiter organizations over smaller, often BIPOC-led ones. The CDO Fund addresses this systemic inequity by providing unrestricted funding to relatively small, place-based, and BIPOC-led organizations. These funds have enabled many of the CDOs to grow, positioning them for new revenue streams and interrupting the vicious cycle of being overlooked for grants due to their size and, as a result, remaining small. With the varied and critical needs of the communities where these CDOs work. there is enormous potential for further growth in service of their neighborhoods.

The Fund also addresses funding restrictions that show preference to large-dollar projects, even when foundations would like to fund smaller operations. One funder suggested that their larger donors are not interested in "small" projects of less than \$1-5 million. Because of this preference, foundation staff are tasked with bundling smaller projects in a way that is attractive to these donors. The CDO Fund takes on the task of bundling, but aggregates funding rather than projects, so that smaller CDOs are not prevented from receiving resources just because of their size. This model can be applied across sectors and in any part of the country, making it attractive to a broad range of philanthropic donors and funders.



Goal 4: Ensure CDOs can meet the needs of communities

Every aspect of the CDO Fund is motivated by the goal of maximizing grantees' ability to meet the needs of their communities; however, with general operational support and technical assistance funding, it can be challenging to pinpoint the discrete impacts these funds have on the communities served. For some funders, seeing the work in action during site visits and learning tours was powerful evidence of the impact of the Fund. According to the senior program officer of one foundation, "There is nothing like going into a neighborhood and seeing the work that a group is doing. You can hear about it and read about it on paper, but I think these visits made a huge difference in our seeing the impact that these groups were having."

The Fund's impact can also be expressed in part through the stories and experiences of the CDOs themselves. The following section is meant to describe just a piece of the Fund's impact since there is not space in this report to describe all the growth and change made possible by the CDO Fund. This evaluation found that CDOs support residents in many sectors including traditional community development activities and beyond, and that each CDO was able to improve their level of service to the community and residents because of the support of the CDO Fund.

The CDO Fund's impact on housing development







Bridging Communities, Inc. added new staff to their housing program, enabling homeowners to get prequalified for home purchases. They added a new community health worker to assist residents in meeting their needs and are exploring different ways of leveraging funds to create more affordable housing options while using proceeds from property sales to fund future development projects.

Central Detroit Christian Community Development Corporation (CDC) doubled its real estate portfolio since 2020, despite declining rents and rising expenses, in large part because of grants they received through the CDO Fund. They also expanded their youth education and healthy food program to meet community needs during the pandemic.

MACC Development hired an executive director and increased their fundraising potential while also conducting community listening sessions to learn and improve its services. MACC formalized a partnership with Genesis HOPE, another CDO Fund recipient, on an affordable community ownership development project, allowing them to benefit from sharing best practices and economies of scale.





Southwest Housing Solutions (SHS) maintained and expanded its robust community-building work, one of the most important pieces supporting its housing development and real estate programs. The Fund allowed SHS to expand and develop new programs such as utilizing proprietary mortgage funds to assist renters in transitioning to homeowners.

Woodbridge Neighborhood Development (WND) was able to hire skilled program staff, allowing the CDO to participate in community engagement and organizing of tenants in rent-restricted apartment complexes and senior centers in the area. This work has resulted in intergenerational programing, connections with youth and youth-serving nonprofits, and new leadership on their board of directors. The Fund's support also allowed WNDC to offer health benefits, competitive wages and critical staff training.

Spotlight: CDO Fund Enables New, Innovative Areas of Work





The CDO Fund helped organizations branch out beyond their existing programs and functions. **Grandmont Rosedale CDC (GRCDC)** and **Osborn Neighborhood Alliance (ONA)** both expanded into new kinds of housing development through the flexibility of unrestricted support.

The CDO Fund allowed ONA to hire a compliance manager to maintain their business, technology and youth services, while the executive director focused on adding housing development to their core business. The Mapleridge Housing Project, which is set to break ground in March 2023, is an innovative, \$1.1 million effort, with the backing of newly apportioned city funding, to build duplexes that allow new homeowners to pay the majority of their mortgage by renting out their additional unit to a Housing Choice Voucher holder, while training them to be landlords. Moving into the development space will allow ONA to capture developer fees, a critical new revenue stream, while building wealth for their community members.

On the other side of Detroit, GRCDC hired a new executive director. The CDO Fund facilitated GRCDC's move from redevelopment to construction of new, affordable multi-family housing to meet their financial sustainability needs and the demands of the community. GRCDC's success in the single-family space helped the neighborhood thrive and property values increase. Their new mixed-use and mixed-income project on Grand River Avenue will fulfill multiple needs for the community – active senior housing, market rate density and affordable units, retail, coworking and community space – while increasing the diversity of GRCDC's revenue.

After meeting through the CDO Fund, these organizations are planning to collaborate on telling their stories of growth and innovation to a wider audience, increasing awareness and their potential for attracting new funding sources.











The Eastside Community Network developed new programs and expand existing ones to new service areas and populations, completing about 100 energy upgrades and initiating work on their first 10 home repairs through the Detroit Home Repair Fund. They also launched the Stoudamire Wellness Hub providing wellness resources to residents of Detroit's East Side.

Hope Village Revitalization participated in the Michigan State Housing Development Authority's (MSHDA) Neighborhood Enhancement Program (NEP) for low-income homeowners, bringing in over \$100,000 in state resources that would not have been accessible without the CDO Fund covering the administrative expenses of running the program.

Joy Southfield CDC expanded home repair work through MSHDA's NEP, as well as the organization's Healthy Homes program, improving housing for low-income individuals and families. They also expanded their farmer's market by increasing the number of vendors.

The Villages CDC completed a minor home repair pilot program and launched their new major home repair pilot program while also allowing the executive director to focus on fundraising efforts.

U-SNAP-BAC hired a housing program director, along with other staff, to help manage the expansion of their home repair program. They also expanded their storytelling through marketing and social media, increasing website traffic.



GOAL 4

The CDO Fund's impact on business and economic development



Detroit Hispanic Development Corporation





Detroit Hispanic Development Corporation (DHDC) made significant progress in staffing and program expansion through the CDO Fund, piloting Fantazma Market, which has already grown into a small-and micro-business development. They also offer support programs servicing approximately 200 businesses with ever increasing demand for their business support services.

E. Warren Development Corporation leveraged CDO funds to grow its business façade improvement program. It has engaged in public relations, community engagement and podcasting to boost the businesses they support and tell their stories. E. Warren has also expanded their famer's market program, hosting over 30 markets with local entrepreneurs and moving over \$80,000 back into the local economy.

Southwest Detroit Business Association expanded its affordable housing program with the financial freedom provided by the CDO Fund's operational support. Operational funding helped the organization conduct outreach, manage development projects, manage applications, coordinate with local contractors and conduct community engagement. This, in turn, led SDBA to expand their scope to ensure that businesses that have available residential units have access to repair and rehab funding to add affordable housing units in Southwest Detroit.

Spotlight: Leveling Up



The CDO Fund made it possible for **Sinai-Grace Guild CDC** to grow in new directions, expanding their service offerings to support local businesses more effectively. According to former Executive Director Lisa Campbell, "The fund made it possible to add capacity to our team by hiring an economic development manager; a huge addition to our team because prior to that, it was just an executive director and a program manager. We were able to really open the door for

doing more work in the economic and business development area, including having a retail corridor study done about the opportunities and the challenges along the corridor that we serve ... that position just took us to another level. We were able to understand our corridor. We knew we had a solid business corridor ... but we were able to run some real numbers."

Sinai-Grace augmented their new capacity for GIS and quantitative analysis by expanding their community engagement. It was impossible to find time to go door to door when they had a staff of only two people, but with added staff capacity, Sinai-Grace was able to assess the needs of their neighborhood through deeper conversations with community members, leading to better services for their community.

GOAL 4

The CDO Fund's impact on neighborhood capacity, technology, youth and senior services















BLVD Harambee expanded its free internet service provision to new areas, bringing on an additional digital steward and installing new internet hub connections in their community. They also expanded their community engagement efforts through multi-generational workshops.

Brightmoor Alliance spent more time on boards and taskforces that brought about support for their initiatives and resulted in critical learnings. This in turn helped them grow their support for hyper-local organizations by extending their fiduciary capacity.

Congress of Communities scaled its work by hiring full-time youth community organizers, created an LGBTQ prom program with 130 registrants from Detroit, conducted early-childhood virtual playgroups and back-to-school supply giveaways, implemented community development as part of a high school curriculum, achieved community benefits through development agreements, and improved the technology capacity of their Youth-Driven Community Center.

Cody Rouge Community Action Alliance used funding to create Senior University, an education program serving over 500 seniors through technology assistance, utility assistance, transportation assistance and basic needs assistance. They were able to distribute hundreds of laptops and Google Nests, and also expanded their youth development work.

Detroit Catholic Pastoral Alliance expanded its senior programming, adding monthly community programs, food delivery, and access to shopping through increased staffing, fundraising and strategic restructuring enabled by the Fund.

Genesis HOPE launched senior wellness and meal delivery programs and partnered with MACC Development, another CDO Fund recipient, on a development project, while also increasing their development capacity through real estate training.

LifeBUILDERS reengaged with seniors in the community, completed a summer camp and began youth employment and teen mentorship programs through CDO Fund-enabled strategic planning, in addition to expanding their housing development work.







North End Woodward Community Coalition expanded their equitable internet initiative, which ensures that all residents have access to highspeed internet regardless of their social and economic status. This program services over 500 households in the Hamtramck, North End and Highland Park communities.

Urban Neighborhood Initiative dedicated staff to communication and fundraising, enabling the organization to expand existing programs and develop new ones. They created the Southwest Food Cultivators (SWFC), transforming a vacant, blighted lot into a community garden with a café for selling food products, while also building relationships with neighbors in the area. They also conducted a community survey and partnered with a regional service provider to offer child savings accounts to local families.





Conclusions and Recommendations

Enterprise is committed to continuous learning in its role as an intermediary supporting community development work around the country. Lessons learned in this first phase of the CDO Fund are being used to inform the next round of funding, as well as broader use of this collaborative funding model. The Impact and Evaluation Team, in partnership with Enterprise's Detroit Office, developed the insights and accompanying recommendations that follow, which provide a firm foundation for future program design and implementation that can be scaled across different parts of the country to address historic funding barriers for CDOs that are BIPOC-led or that serve BIPOC communities.



The CDO Fund achieved success in each of its four goals

This evaluation sought to determine how well the CDO Fund performed its four overarching goals. Several of these goals were achieved simply by the design and successful creation of the CDO Fund. Other aspects of this innovative model required the local knowledge, relationships and expertise of the Detroit Market team to be implemented successfully and were achieved over the course of the Fund's administration.

Goal 1: Deploy funds through an efficient, equitable, and collaborative process that serves as a model for collaborative grantmaking.

By creating a streamlined process for grantees to receive multi-year support from multiple funders, the CDO Fund made grant applications, funding distribution and follow-up monitoring more efficient for both funders and grantees. This model was adopted in New Orleans and expanded through the Detroit Elevating CDO Fund. **Goal 2:** Strengthen CDOs' organizational sustainability and resilience through multi-year, flexible grants and technical assistance.

The CDO Fund's flexible, multi-year funding for operations and technical assistance enabled CDOs to hire critical staff, weather the coronavirus pandemic, expand programs and services, and explore and obtain new revenue streams. The Fund also supported the creation of a streamlined TA delivery system that serves CDO Fund grantees and other nonprofits and community-led groups.

Goal 3: Advance racial equity by funding BIPOC-led organizations and/or organizations serving BIPOC communities.

The CDO Fund increased funding to relatively small, BIPOC-led and BIPOC-serving organizations, amplifying the voice and representation of BIPOC communities, and supporting the growth of small CDOs. **Goal 4:** Empower CDOs to meet the needs of their communities and respond to strengths and challenges in their neighborhoods.

The CDO Fund helped further CDOs' work in housing development, business services and economic development, home repair, technology services, youth and senior services, and community outreach. The peer-to-peer learning and information sharing opportunities offered by the CDO Fund helped generate opportunities for collaboration that several CDOs are taking advantage of. The vast majority of CDOs expanded programs due to the Fund.

Along with the evidence of success, this evaluation uncovered obstacles and challenges that suggest recommendations for future uses of this model, and for supporting the implementation of Phase 2.

Recommendations

Continue support for Detroit's CDOs and CDO ecosystem through multi-year, flexible funding

First and foremost, the success of the CDO Fund should be expanded upon and continued. Its achievements are substantial, and yet they pale in comparison to the overwhelming historical inequities the CDO ecosystem faces in Detroit. Racial inequity in philanthropic grantmaking is stubbornly persistent, and unrestricted funding that empowers the local expertise of community leaders is still the exception, not the norm.

While this program represents a powerful shift in the right direction, the disparity in funding for BIPOC-led and smaller organizations will not disappear without continued investment, as well as broader systems change. Fundraising is still a primary concern among these CDOs, but multi-year commitments allow greater flexibility to explore new revenue streams and build relationships with new funding sources. The CDO Fund positioned many organizations on a path of growth and sustainability and continued support will be essential over the next several years as CDOs continue to expand and fortify their capacity.

Increase transparency and predictability in grant awards and disbursement

Increasing the transparency and predictability of multiyear funding commitments would empower CDOs to strategically plan for growth and opportunity. At the initiation of the Fund, grantees were provided information on what minimum award size they could expect, and because additional funders joined the Fund in year two, grantees received larger distributions in years two and three. While these additional funds were used effectively, greater funding predictability enables CDOs to know how many staff they will have and how many programs they can administer. It also allows executive directors to allocate their time to fundraising or other efforts strategically.

Sharing information with applicants on the process of determining award sizes, as well as communicating early and often when changes in funding distributions occur, would facilitate the best use of funds. Additionally, consistently receiving funds in the first quarter of the year can prevent delays in the distribution of funds to CDOs, delays which can have significant negative impacts, especially if grantees are unable to pay employees or program costs on time.





Increase efforts to support collaboration, technical assistance and power sharing

The CDO Fund achieved success in creating a collaborative environment, a cohesive TA support system, and a culture of philanthropic power-sharing in a few short years. These successes are the seeds of systems change that should be nurtured to bring about self-sustaining and symbiotic roots for the community development ecosystem.

Several CDOs took advantage of their new peer-to-peer relationships, embarking on co-led programs with other members of the CDO cohort, but there is still great potential for more collaborative development, knowledge sharing, and skill building within the CDO ecosystem. The CDO Fund could advance this, by researching strategies from precedent programs across the country and then adapting and piloting them in Detroit.

The nascent, streamlined technical assistance delivery system in Detroit has the potential to scaffold the rapid growth of the city's CDOs, but it needs continued investment to ensure it is providing services that are meeting the greatest needs of CDOs. With success comes new challenges. As these CDOs grow, the pipeline of young executives and practitioners will need to be developed and supported. New funding streams, such as city and federal grants, require new skills and expertise that the TA ecosystem must grow to support. While dedicated TA funding was a strong suit of the CDO Fund, additional funding should be prioritized to maximize the potential of the TA delivery system and more fully meet CDOs' needs. The facilitation of quarterly meetings with CDOs, Enterprise, CDAD and funders is just one example of power sharing and trust building that can continuously improve equity in the relationship between BIPOC-led and BIPOC-serving CDOs and philanthropic grantmaking institutions. Best practices in philanthropic power sharing are evolving every day and should be maintained as a priority for philanthropic efforts in Detroit and beyond.

With Phase 2 implementation of the CDO Fund comes the opportunity to not only improve on our efforts, but also to celebrate the successes of Phase 1, recognize what has worked, and closely identify the challenges, large and small, that still remain. With continued support, the CDO Fund's full impact will grow over the next several decades as the CDO cohort continues to prosper and contribute to the expansion of thriving neighborhoods throughout Detroit.

Appendix: CDO Mission Statements

BLVD Harambee

BLVD Harambee (B=Building, L=Leaders, for V=Village, D=Development, Harambee means "all pull together" in Swahili) is a nonprofit organization helping foster life skills and resources for the holistic development of young people in the neighborhood. BLVD Harambee was created by the Episcopal Church of the Messiah to promote empowerment, education, employment, enlightenment and entertainment.

Bridging Communities

Our work improves the quality of life for the elders, families and surrounding communities through collective growth, creative collaboration, advocacy and innovative programming.

Brightmoor Alliance, Inc.

The Brightmoor Alliance seeks to grow the capacity of community organizations, and the skills of community members, to build abundant food, shelter, clothing and hope.

Central Detroit Christian CDC

Through education, employment and economic development, Central Detroit Christian CDC strives to transform individuals to reach their highest potential while transforming the community to be a place of peace and wholeness, "Shalom".

Cody Rouge Community Action Alliance

Cody Rouge Community Action Alliance (CRCAA) is guided by a mission to revitalize and sustain a healthy community where residents have access to and promote a high quality of life.

Congress of Communities

The mission of the Congress of Communities of Southwest Detroit Neighborhoods is to provide leadership and facilitate collaboration of residents, youth and stakeholders to foster a vibrant and sustainable community.

Detroit Catholic Pastoral Alliance | Loving People to Life.

The mission of the Detroit Catholic Pastoral Alliance is to strengthen the quality of life in its communities by engaging members in the social, moral, political and economic issues of the Metropolitan-Detroit Area. The Alliance rejects all forms of racism and sexism and strives to become an anti-racist institution in policy and in fact.

Detroit Hispanic Development Corporation

The Detroit Hispanic Development Corporation's mission is to make a difference by creating life-changing opportunities for youth and their families. We are committed to meeting the needs of our community by providing quality, innovative and culturally appropriate programs and services, primarily in the Southwest Detroit community.

Eastside Community Network

We develop people, places and plans for sustainable neighborhood growth on Detroit's East Side.

E. Warren Development Corporation

To support and enhance the E. Warren commercial corridor and adjacent neighborhoods through collaboration, community engagement, and equitable development.

HOPE Village Revitalization

HOPE Village Revitalization is a community-led, community-driven organization whose mission is to move the HOPE Village neighborhood forward in a way that mitigates disparities in wealth, privilege, and educational resources. We pledge to collaborate and be part of the collective working toward equitable and sustainable development in Detroit, and to be known as a model of excellence, integrity, and community decision-making.

Genesis Harbor of Opportunities Promoting Excellence (HOPE)

GenesisHOPE promotes healthy living and creates equitable communities in Islandview, the Villages of Detroit, and surrounding neighborhoods to advance a health-equity vision of Healthy People + Healthy Places.

Grandmont Rosedale Development Corporation

The mission of the Grandmont Rosedale Development Corporation is to preserve and improve the physical environment of the Grandmont Rosedale area to create a stronger and more vital community for all who live and work here. We pursue this mission through housing renovation and other real estate revitalization programs that address the needs and interests of the communities we serve.

Joy Southfield CDC

To support residents and businesses in building a healthy and thriving community.

LifeBUILDERS

The mission of LifeBUILDERS is to restore dignity and provide hope to the residents of Regent Park, a Northeast Detroit neighborhood. This is accomplished in three ways: by empowering our youth with life skills and providing opportunities to grow and learn in a safe environment; by reclaiming an entire neighborhood from the effects of disinvestment by providing high-quality, affordable housing; and by building a community of shared values, trust and hope for the future, all grounded in the truth of God's Word.

Mack Avenue Community Church Development

MACC Development exists to seek the holistic revitalization of Detroit's 48214 zip code, block by block, neighbor by neighbor.

North End Woodward Community Coalition

North End Woodward Community Coalition (NEWCC) is a Detroit-based social justice/community development organization working to build power by focusing on equitable systems change. We establish opportunities that improve our community's quality of life and create workforce development on a community level, with the goal of the community retaining ownership of the projects. We desire to regain equity and build community wealth. We work to create permanent jobs within our community which address the root causes of systemic problems and advance holistic solutions.

Osborn Neighborhood Alliance

Osborn Neighborhood Alliance (ONA) functions as an independent governing body that engages and empowers families to have all the resources and supports necessary to make their children successful by creating an effective format for communication and cooperation between parents, residents, community leaders, business, clergy, law enforcement, housing developers and school staff in the Osborn neighborhood.

Sinai-Grace Guild CDC

Driven by our community residents, businesses and leaders, Sinai-Grace Guild Community Development Corporation is committed to holistic and equitable revitalization toward a thriving, healthy and sustainable Northwest Detroit.

Southwest Detroit Business Association

Established in 1957, the Southwest Detroit Business Association (SDBA) fosters innovation, drive, and commitment. We work with investors, entrepreneurs, customers and neighbors to capitalize on Southwest Detroit's competitive advantage. We support our community's vision for a healthy, vibrant neighborhood. The Association is a coalition of businesses and community interests committed to facilitating the continuation and enhancement of a stable, economically healthy Southwest Detroit. We accomplish this by employing strategies that support existing business and industrial enterprises, enhance the climate for public and private investment and economic growth, and act as a vehicle for cooperative ventures that support economic development in Southwest Detroit.

Southwest Housing Solutions Corporation

Southwest Housing Solutions' mission is to promote the wellness of people and place through real estate projects and services.

The Villages CDC

The Villages CDC supports and advocates for the development of inclusive places and neighborhoods within The Villages.

Urban Neighborhood Initiatives

Urban Neighborhood Initiatives (UNI) is a 501c3 nonprofit organization dedicated to building safe and thriving environments where people, irrespective of income, want to live, work and play.

U SNAP BAC

U SNAP BAC INC is a consortium of community and business organizations, working together to empower residents to impact the future of Detroit's East Side. Through coalition building, resource development, joint planning and programming, we will promote economic growth and neighborhood improvement. U SNAP BAC Non-Profit Housing Corporation is organized to provide safe, decent and affordable homes for families of low-to-moderate incomes.

Woodbridge Neighborhood Development

The WNDC helps create a vibrant urban neighborhood with diverse housing opportunities, commercial activities, safe and walkable streets, and strong social connectivity. We eliminate blight and expand housing opportunities through rehabilitation and new construction, and we lead efforts to design safer streets and active public spaces that foster neighborhood interactions. We believe real prosperity is a reflection of this diversity of human experiences and expressions, and we work to ensure that the needs of those without a voice are prioritized.

Enterprise

About Enterprise Community Partners

Enterprise is a national nonprofit that exists to make a good home possible for the millions of families without one. We support community development organizations on the ground, aggregate and invest capital for impact, advance housing policy at every level of government, and build and manage communities ourselves. Since 1982, we have invested \$64 billion and created 951,000 homes across all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands – all to make home and community places of pride, power and belonging. Join us at <u>enterprisecommunity.org</u>.