

Elevating Community Development Organizations in Detroit

March 2024





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Executive Summary

In historically under-resourced communities in Detroit, Michigan, and across the country, small grassroots organizations led by Black, Indigenous and people of color (BIPOC) play an indispensable role: They're taking on local challenges with a deep knowledge and commitment that is often personal. Yet, despite being closest to the needs of their communities, they are often furthest from the resources required to provide solutions.

BIPOC-led, emerging nonprofit community development organizations (CDOs) often face systemic challenges in accessing philanthropic operational funding, which they need to scale their programs and serve their communities. It's difficult for small CDOs to attract large funders; at the same time, larger foundations may not have the bandwidth to process numerous small grants.

Enterprise Community Partners (Enterprise) addresses this challenge in Detroit by pooling funds from a dynamic partnership of forward-thinking foundations. The Community Development Organization (CDO) Fund administers grants to BIPOC-led and BIPOC-serving nonprofits, and the Elevating Community Development Organization (ECDO) Fund specifically serves smaller BIPOC-led CDOs.

The first phase of the ECDO Fund was built from the success of the CDO Fund, recognizing that smaller organizations (annual budgets of <\$300K) experience unique operating, fundraising and sustainability challenges. In 2021, Enterprise convened the Ford Foundation, Hudson-Webber Foundation and Ralph C. Wilson, Jr. Foundation, pooling their funds and connecting them to six small, BIPOC-led CDOs with demonstrated records of service to their communities. The \$1.8 million ECDO Fund is a unique, collaborative model, coordinated and facilitated by Enterprise.

It provided each grantee with the following over the course of the two-year program pilot, between October 2021 and October 2023:

- Multi-year, flexible operating support of \$135,000
- Over \$41,000 in dedicated, flexible technical assistance funding, coupled with coaching support to help identify organizational needs and opportunities
- Special programmatic grant funding between \$40,000 and \$100,000 to put towards critical pipeline projects
- Peer-learning opportunities and programmatic collaborations with other members of the ECDO Fund cohort, as well as the CDO Fund cohort
- Mentorship provided by a handpicked member of the CDO Fund cohort based on relevant experience and overlapping areas of work
- Enterprise's deep networks and knowledge of relevant federal, state and local funding opportunities and community development resources



The ECDO Fund began with three overarching goals: facilitating peer networking and leadership development, supporting organizational sustainability, and building the capacity of organizations to scale their work. This evaluation found evidence that the Fund achieved success in each area across all participating organizations.

Facilitating peer networking and leadership

development: Participating CDOs took advantage of the many facilitated learning opportunities, forging relationships with other cohort members, going on site visits and learning trips to see examples from the field, and meeting regularly with CDO Fund mentors to discuss strategy and growth.

Supporting organizational sustainability: ECDO Fund participants shared myriad examples of the fundraising challenges they face as smaller community-based organizations. General operating support is hard to secure, especially for emerging nonprofits. The multi-year commitments and flexibility of the grants relieved CDOs of their worry about not making payroll, and allowed them to focus on expanding their services, crafting long-term strategy, and exploring new fundraising opportunities.

Building capacity to scale their work: The ECDO Fund's flexibility allowed organizations to increase staffing and capacity, which led to expanded programs and services to their communities, while also fostering deeper community engagement and participation. CDOs implemented over \$5 million in projects and programs for their communities, and the majority were able to expand programming thanks to the ECDO Fund.

This second iteration of Enterprise's unique CDO funding and capacity building model has demonstrated that it is possible to overcome the systemic challenges that small, BIPOC-led nonprofits face. Flexible funding can lead to sustainability and capacity building, and improved and expanded services to communities, while collaboration can further unlock the potential of emerging organizations.

Highlights of Program Success

- The ECDO Fund allowed grantees to fund eight full-time positions.
- Grantees implemented 34 unique projects and programs, a collective investment of over \$5.6 million to support their communities.
- All grantees received technical assistance (TA) that met their organization's unique needs. Grantees used their TA to support programmatic goals, and for marketing and organizational development.
- All grantees made progress in their ability to fundraise. Independent project were funded as a result of their involvement in the ECDO Fund.



Introduction

Decades of neglect, declining population, and inadequate investment in essential urban services and infrastructure created gaps in the social fabric of Detroit’s neighborhoods. Throughout this era of decline, community-centered nonprofits, driven by residents and grassroots efforts, stepped in to fill those voids. The community development¹ movement gained footing in the 1980s and 1990s through the formation of numerous organizations, giving voice to residents and creating opportunities to support economic development, housing and resident services.

Despite impressive growth of many CDOs, some areas of Detroit remain unserved. In the past 10 years, local leaders have emerged from these underserved areas, making significant progress in revitalizing their neighborhoods. However, they have generally lacked the philanthropic support of large grants that would allow them to sustain and scale their work. Recognizing that these frontline groups are best positioned to bring community solutions to local challenges, Enterprise launched the Community Development Organization (CDO) Fund in 2020 with initial support from the Ford Foundation, Kresge Foundation, Ralph C. Wilson Jr.

Foundation, and W.K. Kellogg Foundation. This three-year, flexible funding mechanism provided critical operating support to a cohort of 25 CDOs in Detroit, along with technical assistance and learning opportunities.

In the process of launching the CDO Fund, it became clear that there was a specific need to focus on the unique challenges and opportunities facing smaller, BIPOC-led CDOs, which led to the creation of the Elevating Community Development Organization (ECDO) Fund.

¹ Community Development Corporation, or CDC, is an earlier term used in Detroit for Community Development Organizations (CDOs). This change in terminology was to distinguish these organizations from Detroit’s government sponsored “Citizens District Councils.”



Launch of the ECDO Fund

Enterprise launched the ECDO Fund in 2021 with support from the Ford Foundation, Hudson-Webber Foundation and Ralph C. Wilson, Jr. Foundation. Like the CDO Fund,² the ECDO Fund provides flexible operational grants and technical assistance support. In contrast to the CDO Fund, the ECDO Fund intentionally selects a cohort of smaller or “emerging” BIPOC-led CDOs in recognition of the unique challenges these organizations face in building their organizational sustainability and scaling their work, and in some cases becoming nonprofit organizations. These are organizations that, because of their size and the historic distribution of philanthropic funding, typically have limited staff capacity (1-2 employees, some with no full-time staff) and resources, modest budgets (under \$300K annually), and less access to grant funding.

Largely, the two Funds operate in a similar fashion –pooling financing from multiple foundations and distributing it to grantees through Enterprise, which acts as an intermediary in managing the Funds and working closely with grantees. Both funders and grantees save substantial time and resources, especially in the application and reporting processes, because these administrative tasks are managed by Enterprise.

Grantees are able to access grant dollars from multiple donors, including some they made not have had an existing relationship with prior to joining the EDCO Fund cohort. Additionally, each Fund is a multi-year, multi-round grant, meaning the grantees receive an allocation of funds each year over a two-to three-year period. Multi-year funding has several benefits for small nonprofits and allows them to operate without interruption while working towards strategic goals.

Both Funds are structured around a cohort model, where CDOs meet regularly and participate in learning and capacity building activities with peer organizations. This model allows organizations to communicate, learn and form collaborative projects.

The ECDO Fund builds on the successes of the CDO Fund by gearing cohort activities and capacity building towards emerging CDOs, including a smaller cohort size. They pair each executive director with a mentor from the CDO Fund, and bring in the support of the Michigan Nonprofit Association and Michigan Community Resources to work with each grantee on their technical assistance needs, thereby helping to dismantle the barriers smaller organizations face in scaling up and becoming more sustainable.

² Enterprise Community Partners. (2021, April 21). *Detroit Nonprofits to Share \$11 Million in Operating Support* [Press release]. https://www.enterprisecommunity.org/news-releases/2021-04_detroit-nonprofits-share-11-million-operating-support



Six Detroit CDOs were invited to participate in the inaugural ECDO Fund:

- 360 Detroit, Inc.
- Bailey Park Neighborhood Development Corporation
- Dream of Detroit
- North Corktown Neighborhood Association
- Northend Christian CDC
- Northwest Goldberg Cares

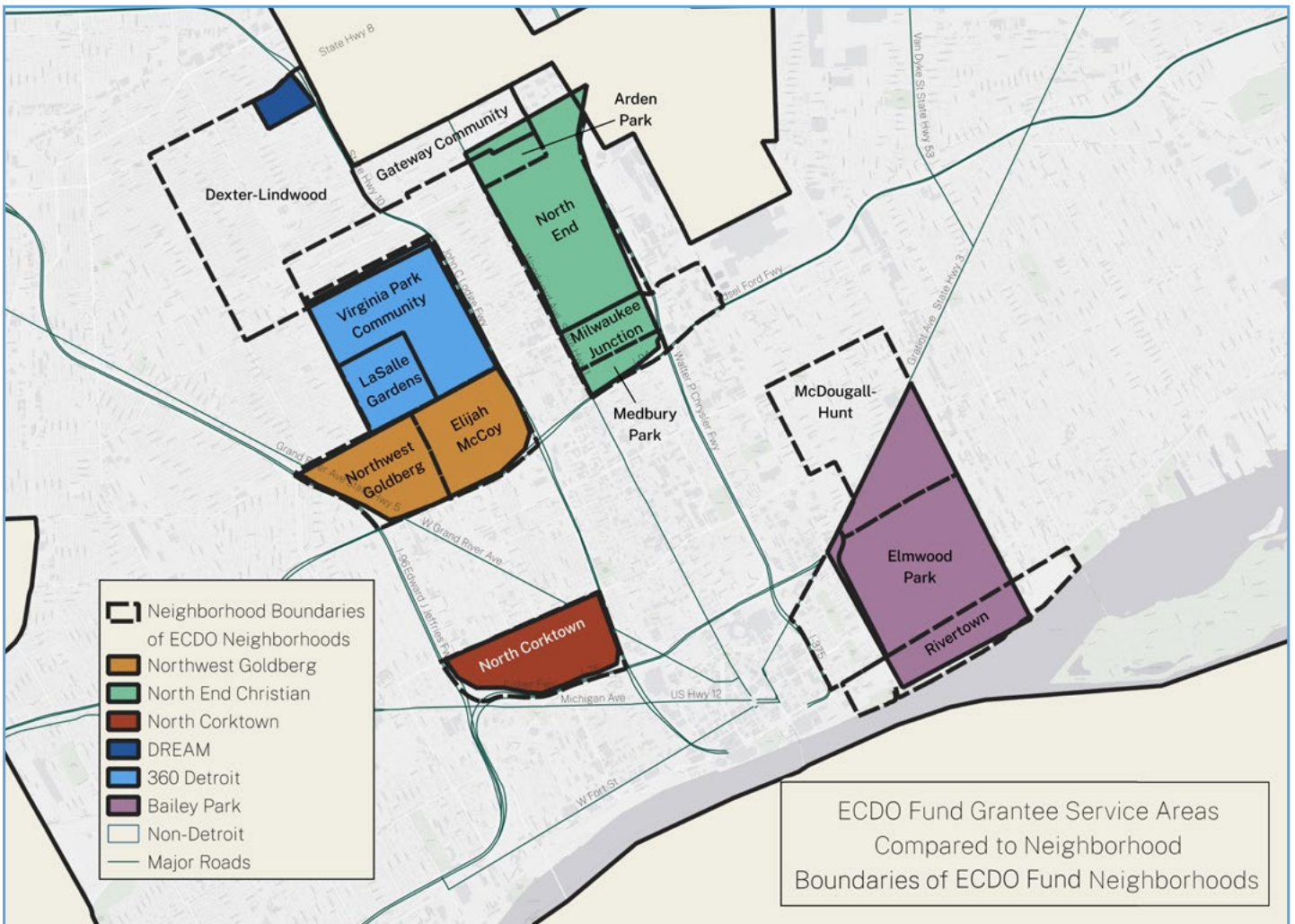


Figure 1: ECDO Fund service areas and Detroit neighborhood boundaries

The ECDO Fund expanded the footprint of areas covered by the CDO Fund, as several ECDO Fund grantees work in neighborhoods not serviced by grantees of the CDO Fund.

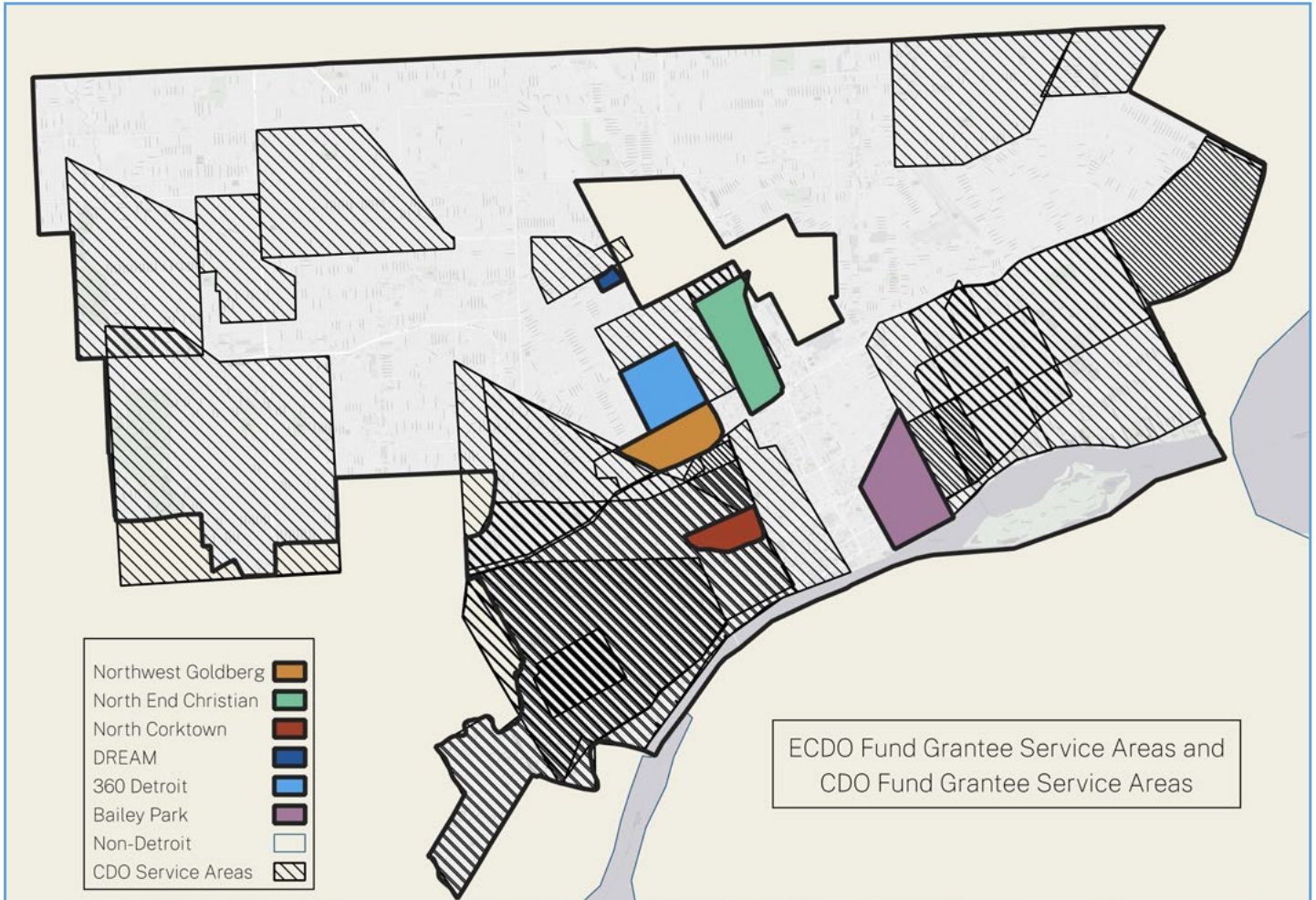


Figure 2. ECDO Fund grantee service areas and CDO Fund grantee service areas

To better understand and document the impact the ECDO Fund has on participating organizations and the communities they serve, Enterprise’s Impact and Evaluation team conducted an outcomes evaluation. In particular, the team sought to determine how the provision of operational funding, technical assistance and peer networking could contribute to greater organizational sustainability, and ultimately strengthen the capacity of grantees to help them better serve their communities long term.

ECDO Fund Timeline of Key Activities



ECDO Fund communities face inequitable investment

The grantees of the ECDO Fund serve critical roles in economic and community development in the city's predominantly Black neighborhoods, which have long suffered from public and private disinvestment and population loss. Grantees described how their neighborhoods were affected by urban renewal projects, population loss, the subprime lending and foreclosure crisis, and the city's overtaxing of homeowners.³

The impact of these crises on the intergenerational wealth of Black families and the structure of their communities has been significant. These impacts are evidenced by tax assessor data, which shows the extremely high percentage of residential parcels that remain vacant.

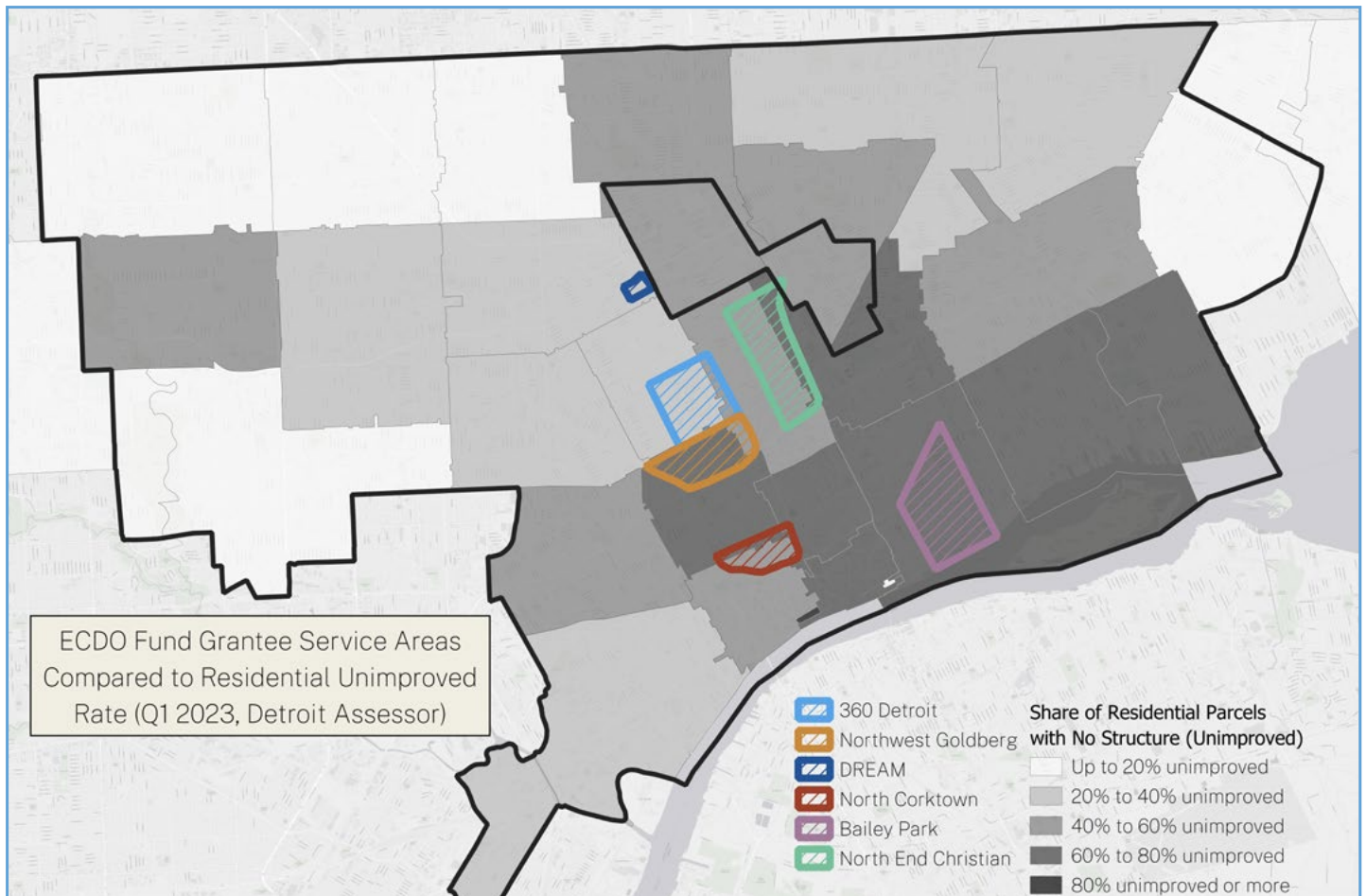


Figure 3: ECDO Fund service areas and residential unimproved rate (source: Detroit assessor). Unimproved parcels are those with no structures on them, which is different from vacant buildings on parcels.

The city of Detroit initiated several major public redevelopment programs in response; however, some of the development bypassed neighborhoods served by the organizations participating in the ECDO Fund.

In 2013, the city began to implement the Hardest Hit Fund (HHF), a state-led effort using federal funding to spur economic growth and reduce blight through acquisition, demolition, rehabilitation and redevelopment of abandoned or dilapidated properties.⁴ The HHF identified six target neighborhoods for this program. There is limited overlap between the ECDO Fund service areas and the HHF priority investment areas with the exception of the North End neighborhood.

³ Stein, E. (2022, January 22). Detroit overtaxed homeowners \$600M. Years later, advocates still seeking reparations. *Detroit Free Press*. <https://www.freep.com/story/news/local/michigan/detroit/2022/01/22/detroit-overtaxed-homeowners-600-million/6620156001/>

⁴ City of Detroit. (2018). *Detroit Hardest Hit Fund Strategic Plan*. <https://detroitmi.gov/sites/detroitmi.localhost/files/2018-04/Hardest%20Hit%20Funds%20Strategic%20Plan.pdf>

Another example of a citywide program for public redevelopment is the \$172 million allocated to the Strategic Neighborhood Fund (SNF). The fund serves as a catalyst for neighborhood investment through collaborative efforts involving Invest Detroit, local residents and corporate contributors.

The SNF began in 2014 with \$42 million in contributions in three neighborhoods and was expanded to seven neighborhoods with an additional \$130 million. The funds were used for projects supporting park improvements, streetscape improvements, commercial corridor development, and single-family home stabilization. At the time that the ECDO Fund started, none of the SNF target neighborhoods overlapped with grantee service areas.⁵

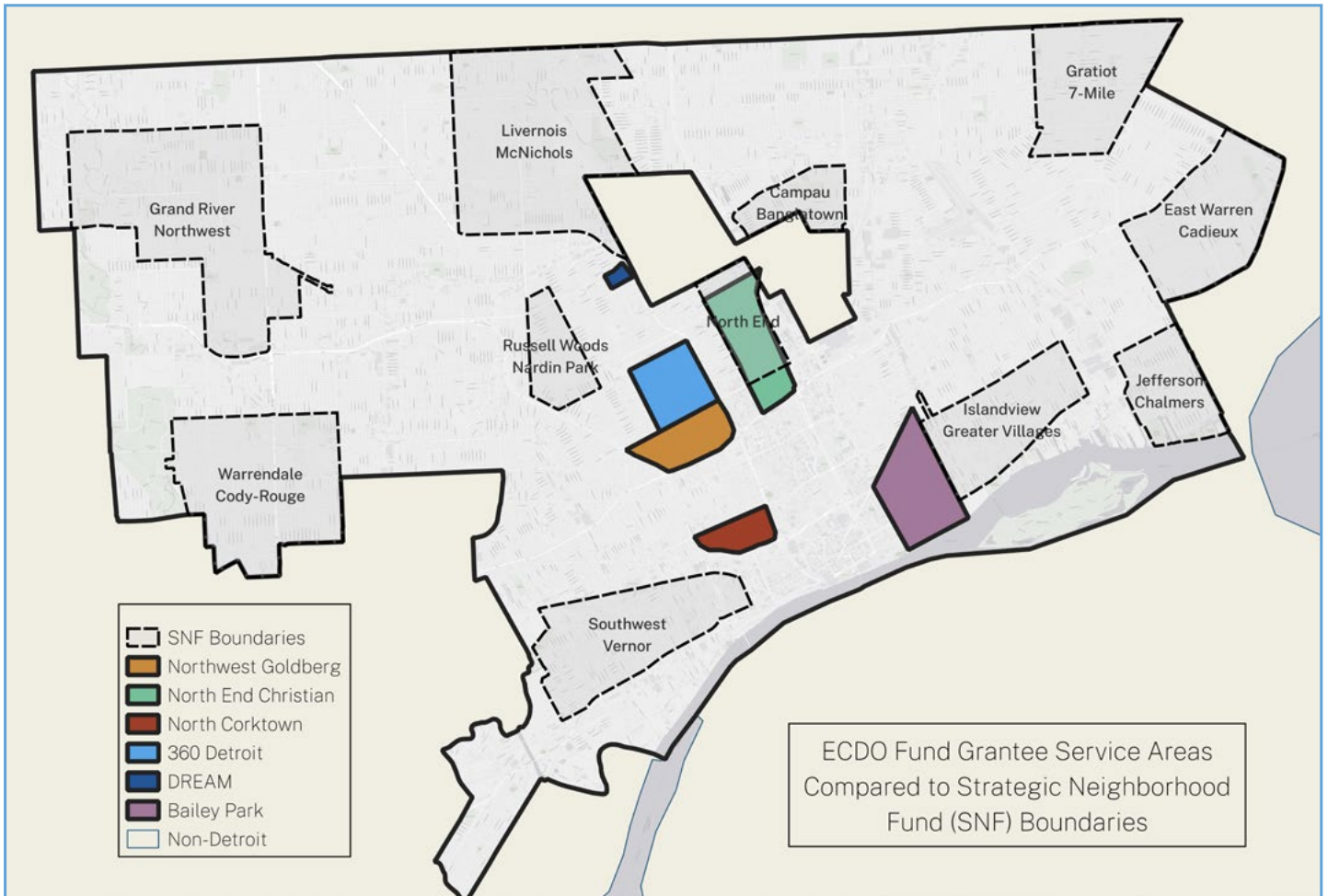


Figure 4: ECDO Fund service areas and strategic neighborhood fund investment zones.

⁵ The North End Framework plan kicked off in Q3 2022, after the launch of ECDO Fund.

In 2017, the city of Detroit was awarded a grant from the Ralph C. Wilson Jr. Foundation to fund the framework for the Joe Louis Greenway, a 27.5-mile recreational pathway that will connect parks and neighborhoods across Detroit. Volume 1 of the framework was published in 2021, and the project is currently in phase one of construction.

The project’s goals are, in part, to “re-energize neighborhoods formerly separated by freeways and provide access to affordable housing and economic opportunities, while promoting job creation and small business development.”⁶ The map below of a half-mile buffer around the greenway shows that there is some overlap between the greenway and the neighborhoods served by the ECDO Fund grantees, which may impact those neighborhoods.

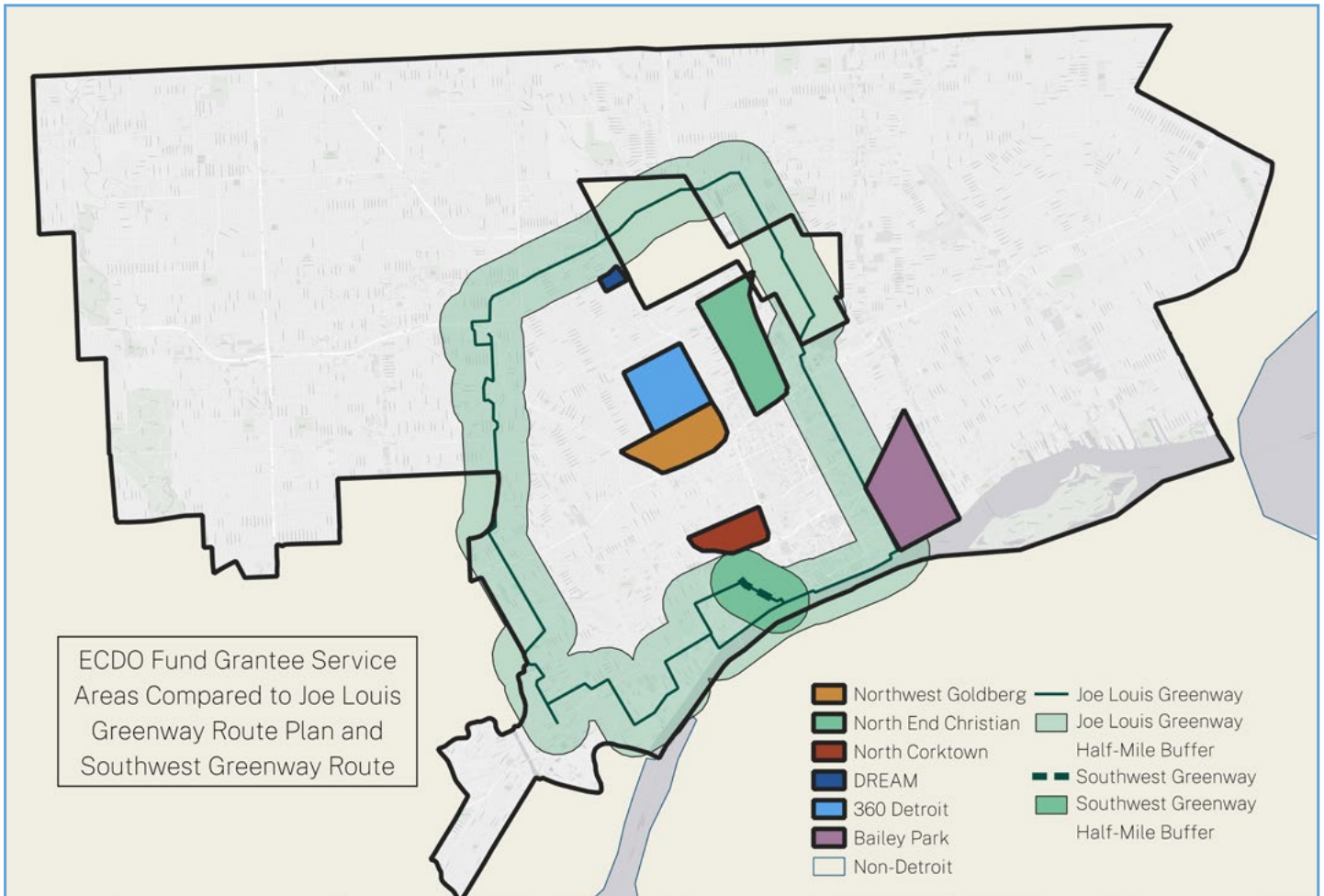


Figure 5: ECDO Fund service areas and the Joe Louis Greenway (with a half-mile buffer to show areas where investments are likely to occur).

⁶ City of Detroit General Services Department. (2021). Joe Louis Greenway Framework Plan Volume 1: The Vision. <https://detroitmi.gov/sites/detroitmi.localhost/files/2022-04/JLG%20Framework%20Plan%20Vol1%20The%20Vision%20040822.pdf>

In addition to revitalization, speculation is also on the rise in Detroit. The low cost of land caused by decades of disinvestment presents outside developers and speculators⁷ with opportunities to purchase land at a low cost, and either hold onto it until the land increases in value, or develop housing that is unaffordable to current residents. In 2016, Property Praxis, an online mapping tool showed that nearly 20% of all land parcels in the city are owned by speculators.⁸

When new development occurs, it is often targeted towards the residents at the higher end of the market. Leaving historic residents out of planning, and limiting new investments to those serving higher income populations risks displacing the people, businesses and culture of these neighborhoods.

Local developers, especially BIPOC developers, represent a better alternative to these speculators or high-end developers, but they have struggled with a lack of access to capital.⁹ This makes it challenging for minority for-profit developers and nonprofit CDOs to scale their operations and develop housing, amenities, and businesses that serve existing residents.¹⁰

In addition to investment inequities faced at a community level, philanthropic grantmaking has historically favored larger and predominantly white organizations. The long-term sustainability of smaller BIPOC-led CDOs is challenged by their inability to access financial resources.¹¹ The ECDO Fund addresses these inequities by assisting these organizations in three primary focus areas:

- **Supporting organizational sustainability**
- **Building the capacity of organizations to scale their work**
- **Facilitating peer networking and leadership development**



⁷ Speculators are investors that buy up property and hold onto it, without making any improvements, in the hope that land values will increase over time.

⁸ University of Michigan-Dearborn. (2016, May 9). *Mapping Detroit: New Tool Aims to Identify Property Speculation in the Motor City*. <https://umdearborn.edu/news/mapping-detroit-new-tool-aims-identify-property-speculation-motor-city>

⁹ Capital Impact Partners. (2021, December 4). *A Decade of Investment in Detroit's Revitalization: An Oral History of Our Journey – Capital Impact Partners in Detroit*. <https://www.capitalimpact.org/capital-impact-decade-investment-detroit-revitalization/>

¹⁰ The ECDO Fund, supporting BIPOC developers, is one component of Enterprise's strategy to tackle this issue. Read more about the \$3.5 billion Equitable Path Forward (EPF) initiative here: <https://www.enterprisecommunity.org/impact-areas/racial-equity/equitable-path-forward>

¹¹ ArcGis. (2021). *Nonprofit Leadership Census Results*. <https://storymaps.arcgis.com/stories/666ce58d862e46acac6e18da954ae04a>

Key components of the ECDO Fund

The ECDO Fund is a \$1.8 million fund¹² that provides grantees with general operating support, technical assistance, training and other activities. Each grantee is given \$41,667 in technical assistance dollars, which can be used to contract with consultants or external services over the two-year grant period. ECDO Fund partner, Michigan Community Resources (MCR), offers resource navigation services to help each organization choose technical assistance topics and providers best suited to their needs.

Direct Operating Support Year 1	Direct Operating Support Year 2	Technical Assistance Support Years 1&2
\$60K per grantee	\$75K per grantee	\$41,667

The Fund incorporates non-monetary resources and benefits within its structure, delivering comprehensive and interconnected support to ensure organizations can access the essential resources, networks and knowledge required to develop their programming, sustainability and connections. These non-monetary components of the ECDO Fund's structure are summarized below and discussed in greater detail in the evaluation report of the CDO Fund published earlier this year: Foundational Change: How the Detroit CDO Fund is Transforming the Ecosystem for BIPOC-led and BIPOC-serving Nonprofits.¹³

The **collaborative funding design** of the CDO and ECDO Funds streamlines the distribution of operating support by pooling donations from multiple funders and distributing them through an intermediary: Enterprise. This reduces the administrative burden on funders and grantees. Grantees apply to Enterprise, rather than to multiple funders; the Enterprise Detroit office staff manage the Fund, interacting regularly with grantees

and reducing their reporting burden. The funders do not have to manage grantees, and any issues or concerns that arise are resolved by Enterprise staff working directly with the grantees. This unique model allows funders to pool their resources and capitalize on Enterprise's deep local knowledge and relationships to invest philanthropic capital where it can make the greatest difference.

Promoting **racial equity** is a key component of this Fund, as evidenced by its explicit focus on BIPOC-led and BIPOC-serving organizations. This coincides with a focus on smaller emerging organizations, which otherwise may not have had access to critical philanthropic funding.

Flexible operating support provides unrestricted funding, allowing grantees to prioritize how they use their grant dollars, rather than restricting funds to specific programs or purposes determined by the foundations. This past year, grantees used funds for a variety of purposes including increasing their programming scope (e.g., expanding existing programs, offering new programs) and strengthening their organizational development (e.g., staff hiring, financial accounting, strategic planning).

Participation in the ECDO Fund provided grantees access to local and state **technical assistance providers**. The Michigan Nonprofit Association (MNA) and Michigan Community Resources (MCR) worked with each grantee to identify their organizational strengths and needs, then connected grantees to TA providers, as well as opportunities to strengthen their organizational stability and scale their work.

¹² Phase one, 2020-2022.

¹³ Enterprise Community Partners. (2023). *Foundational Change: How the Detroit CDO Fund Is Transforming the Ecosystem for BIPOC-Led and BIPOC-Serving Nonprofits*. <https://www.enterprisecommunity.org/sites/default/files/2023-08/2023-Detroit-CDO-Fund-Report-Fund.pdf>

The Fund is set up as a **cohort model**, which is designed to foster collaboration among local organizations and contribute to the growth of a coordinated, well-functioning community development ecosystem. Grantees were regularly convened to discuss their existing work, operational challenges, and strategies for growth and sustainability. Over the course of the two-year program, each grantee had monthly meetings with a resource navigator, monthly meetings with a CDO Fund mentor, and access to various professional development opportunities such as learning trips, conferences, and individual skill building.

The Fund also provides grantees with more direct access to **Enterprise’s networks** and its resources, giving them knowledge of and access to potential new funders and other grant programs. Three ECDO Fund grantees received Section 4 grants through Enterprise: Bailey Park NDC, Dream of Detroit, and NW Goldberg Cares. Dream of Detroit also received a Thome Aging Well grant from Enterprise.



Meet the ECDO Fund Grantees

The six CDOs selected to participate in the ECDO Fund cohort are geographically diverse and serve their communities in different ways. Yet their missions are similar: to improve the quality of life for residents and create strong neighborhoods.



360 Detroit, Inc.

- **Mission:** “To revitalize Detroit by catalyzing change, empowering people, and improving quality of life.”
- **Vision:** “To be a catalyst for safe, vibrant neighborhoods driven by a strong sense of community inclusion, connectedness, and hope.”

360 Detroit was started in 2014 primarily to address blight in the Virginia Park neighborhood. The organization began by mowing overgrown lots and boarding up vacant buildings. In addition to continuing efforts around community green space development and housing rehabilitation, their work has expanded to include a robust offering of community programming including arts and leisure activities. Many of 360 Detroit’s community programs are run through the Art House, which also serves as their office. The organization is currently expanding its presence in the neighborhood through the rehabilitation and opening of a new community space and office that can accommodate ongoing neighborhood activities.



Bailey Park Neighborhood Development Corporation

- **Mission:** “We empower McDougall-Hunt residents to use their voices and take action through opportunities to identify their wants/needs and resource gaps, and to create plans that innovate for the future, and lead to revitalization of the community.”
- **Vision:** “A revitalized McDougall-Hunt community with high-quality affordable housing options for current and new residents, sustainable, creative use of open spaces, and thriving commercial areas serving the needs of residents. We envision a caring, cohesive community that supports inclusion, equity, and opportunity for all.”

Established in 2014, the Bailey Park Neighborhood Development Corporation (BPND) serves the McDougall-Hunt neighborhood of Detroit through grassroots services that meet the needs and desires of residents by providing hot meals, vacant lot management, community programming and technology training. The BPND Resilience Hub (“The Hub”) is the center of their community programming and serves as an office space and venue for community meetings and events. The Hub is home to BPND’s Innovation Lab where computer training and technology courses are held. In 2014, they completed the McDougall-Hunt Neighborhood Sustainable Implementation Plan – a sustainable set of strategies that work together to envision a holistic future that is driven by McDougall-Hunt community members.



Dream of Detroit

- **Mission:** “Dream of Detroit is combining community organizing with strategic housing and land development to build a healthy community and revitalize our neighborhood on the Westside of Detroit.”
- **Vision:** “We envision a city anchored in its sustainable neighborhoods; a city where homeownership, small business development and cooperative economics, local food sourcing, and access to education and the arts are priorities of every neighborhood; and a city where neighborliness is a shared value.”

Dream of Detroit started as a volunteer-led housing organization in 2013 when they rehabilitated their first home in the Westside neighborhood of Detroit. It has since expanded its focus to include economic development and community organizing on the Westside of Detroit. The organization is rehabilitating vacant and unmaintained single-family housing in the neighborhood to provide affordable housing, and is hoping to make the jump from single-family rehabilitation to new construction. They have also contributed to neighborhood revitalization and beautification through the planting of more than 100 trees, the creation of pocket parks, and the installation of solar lights in alleys. Dream of Detroit also promotes economic development through an annual street fair and entrepreneurship trainings.



North Corktown Neighborhood Association

- **Mission:** “North Corktown Neighborhood Association exists to combine our efforts for the purpose of: Promoting a greater sense of cooperation among us, promoting the quality of life, maintaining and improving properties in our neighborhood, and establishing a legal organization that would represent the residents and property owners of North Corktown in dealing with the City of Detroit and the various entities that are doing planning and development in our neighborhood.”

The North Corktown Neighborhood Association (NCNA) has been an advocate and service provider to their community since 2013. By facilitating community engagement, NCNA ensures that the community’s voice is represented at the City Planning Department, to developers, and in federal programs such as the Choice Neighborhood Initiative. NCNA helps to guide that change in a way that ensures residents see some of the benefits of growth and development in their neighborhood. NCNA has worked with developers to ensure that all developments include some units that can serve lower income residents. They have always emphasized community connection and representation, so when COVID struck and they could no longer use a church as a regular meeting place, they activated green spaces to hold outdoor community engagement events for residents and businesses. To ensure that community voice and affordability can be maintained despite neighborhood change, NCNA is in the process of establishing a community land trust as a subsidiary of the organization, which will provide housing, green space and a bird sanctuary. In addition to their advocacy and community engagement, they offer myriad programs and services to residents including a home repair grants program and the development of pocket parks.



Northend Christian CDC

- **Mission:** “To contribute to the sustainability of the Northend Historic Community by providing a healthy lifestyle with diverse cultural, physical, social, and educational programs.”
- **Vision:** “We intend to develop the Northend Historic Community by implementing interactive youth development programs for students ages 12 to 24, developing green jobs and providing quality housing, providing resources for underserved and supporting healthy lifestyles through sustainable agriculture, education, and beautification of the community.”

Northend Christian CDC has been serving residents and businesses of the historic Northend for more than 20 years. Their Oakland Avenue Farm is an urban farm that aims to address the neighborhood’s food insecurity challenges by growing local, healthy food. The establishment of the urban farm led to employment and educational opportunities, as well as a community gathering space and outdoor art space. Northend Christian CDC is now looking to expand its assistance into broader community development, including housing, through numerous new and ongoing projects. One such project is the redevelopment of the historic Red’s Jazz Shoe Shine Parlor, transforming the building into a new community hub that will sell food from the Oakland Avenue Urban Farm, as well as serving as a community event and cultural space.



Northwest Goldberg Cares

- **Mission:** “NW Goldberg Cares, a community development corporation located in the heart of Detroit’s NW Goldberg neighborhood, aims to improve upon the lives of residents in the predominantly African American community by incubating neighborhood businesses, building a strong community and ensuring a family-friendly neighborhood.”

Northwest Goldberg Cares is a multi-faceted community development corporation that manages a myriad of programs and services for residents of Detroit’s NW Goldberg neighborhood. Their programs include youth in the arts, athletics and education; creating access to safe spaces for outdoor play; and community activities and events. They have a growing single-family home rehabilitation program, and a program that helps residents increase the energy efficiency of their homes through a tax rebate program. Northwest Goldberg Cares has activated formally vacant lots and unmaintained spaces, transforming them into useable spaces for the community. Their largest community space project, Curtis Jones Park, provided the neighborhood with an NBA-sized basketball court and event space. They are also in the process of renovating several single-family homes in the neighborhood and transferring them from the Detroit Land Bank to attract residents to the neighborhood and provide affordable housing.



Evaluation Approach

Evaluation of the ECDO Fund used a mixed-methods approach to assess the Fund's progress in achieving its three goals around organizational sustainability, capacity to scale, and peer networking and leadership development. This approach drew on primary and secondary data collection and program documentation.

The evaluators collected primary qualitative data through interviews, site visits and regular check-ins with the program implementation team. The qualitative data was augmented with document review and data from the participating organizations and included trends in staffing, finances related to project budgets and surveys.¹⁴

Foundations participating in the ECDO Fund believed it was important to understand the impact of this collective funding model on some of Detroit's smaller, less-established CDOs. The evaluation builds on that previous work, describing the many benefits that an innovative and streamlined funding model offers to emerging and growing CDOs, as well as some of the challenges encountered during its implementation.

The evaluation of the ECDO Fund contributes to a national body of evidence on how supporting local community-based nonprofits through capacity building and flexible operational grantmaking allows them to sustain and grow their organizational foundations

and programs^{15, 16, 17} and achieve positive changes in their communities.¹⁸ While this evaluation documents the work of the six organizations in the ECDO Fund, it is intended to be a self-reflective investigation of whether the Fund enabled organizations to support their organizational sustainability, scale their programming, and access a peer network that ultimately will further strengthen their communities.

The impacts of community development are often complex and interconnected and may take years or even decades to manifest. Because of this, the evaluation approach relies on illustrative examples to assess the impact of the ECDO Fund in a way that acknowledges the countless external factors at play in a community. Hence, the evaluation highlights specific instances in which the ECDO Fund is helping to advance the work of its six participants in meaningful and sustainable ways. The evaluation also assessed how the ECDO Fund, in conjunction with the CDO Fund, is helping to create a coordinated, well-functioning community development ecosystem in Detroit.

¹⁴ Enterprise's Impact and Evaluation Department conducted a similar evaluation of the CDO Fund and published its findings in early 2023. Enterprise Community Partners. (2023). *Foundational Change: How the Detroit CDO Fund Is Transforming the Ecosystem for BIPOC-Led and BIPOC-Serving Nonprofits*. <https://www.enterprisecommunity.org/sites/default/files/2023-08/2023-Detroit-CDO-Fund-Report-Fund.pdf>

¹⁵ Fleming, K., Abril, A.M., & Bradach, J. (2023). The Impact of Large, Unrestricted Grants on Nonprofits: A Five-Year View. *The Center for Effective Philanthropy*. <https://cep.org/the-impact-of-large-unrestricted-grants-on-nonprofits-a-five-year-view/>

¹⁶ Parks, D. (2022, April 12). *General Operating Support Is Vital to Advancing Equity, Strengthening Nonprofits, Say Leaders*. The Chronicle of Philanthropy. <https://www.philanthropy.com/article/general-operating-support-is-vital-to-advancing-equity-strengthening-nonprofits-say-leaders>

¹⁷ Etzel, M. & Prasad, S. (2016, May 15). *Pay-What-It-Takes Philanthropy*. The Bridgespan Group. <https://www.bridgespan.org/insights/pay-what-it-takes-philanthropy>

¹⁸ *Here's What Happened When We Gave Flexible Capital to Small Nonprofits*. (n.d.). Nonprofit Finance Fund. <https://nff.org/story/heres-what-happened-when-we-gave-flexible-capital-small-nonprofits>



Evaluation Methods

MNA Principles and Practice Assessment

Identified organizational needs at start of program

Surveys

Assessed organizational growth and needs over life of program

Program Documents

Reviewed ECDO Fund's work and program activities over life of program

Interviews

Collected stories of impact and organizational growth

Site Visits

Visited project sites and neighborhoods

To assess any change in organizational capacity resulting from participation in the ECDO Fund, it was important for the evaluators to benchmark the CDOs at the beginning of the program. Each CDO completed the MNA Principles and Practices Assessment, developed by the Michigan Nonprofit Association, which provided a baseline understanding of each CDO's size, organizational structure and potential growth areas.

The evaluators then designed and administered a bi-annual survey to assess changes in organizational capacity related to key areas including staffing, technology and fundraising, among other topics. The bi-annual survey allowed the evaluators to monitor trends over the course of the program and identify areas of greatest reported capacity improvement among the grantees. The evaluators also drew from program

documents, including check-in notes and program reporting, to understand the work of the six CDOs and how grant dollars and changes in organizational capacity were impacting programmatic work.

To conclude the evaluation, they conducted site visits and interviews with each grantee in the neighborhood(s) they serve in Detroit. The site visits afforded the evaluators the opportunity to better understand the CDOs' work and the communities they serve. In the interviews with grantees, leaders from each of the CDOs were asked how participation in the Fund supported the key goals of the program: organizational sustainability, capacity of organizations to scale their work, and peer networking and leadership development.



Impacts of the ECDO Fund on Grantees

The evaluation found that the ECDO Fund was successful in building the operational capacity of participating grantees over the last two years, as evidenced by expanded services for communities. As with the CDO Fund, these findings suggest that multi-year, flexible capacity building grants and technical assistance funding can have a pronounced positive impact on community-focused nonprofits like the ECDO Fund grantees, particularly when administered through a hands-on intermediary in a peer-learning, cohort-based model.

Over the life of the two-year grant, the ECDO Fund contributed to building the pipeline of BIPOC CDO leaders in Detroit through its three primary goals:

- **Facilitating peer networking and leadership development**
- **Supporting organizational sustainability**
- **Building the capacity of organizations to scale their work**

The following sections illustrate how the Fund has been successful in advancing the grantees towards each of the three goals. It is important to note that many of the activities and themes that arose during the evaluation process can impact more than one of these goals. For example, board development can both build the capacity of an organization to scale its work and support long-term sustainability.

Goal 1: Peer networking and leadership development

Building capacity through cohorts can improve the critical capacities of individual organizations and leaders. Moreover, it can contribute to broader societal transformation by establishing strategic connections and nurturing extensive networks. This model also has the benefits of amplifying the program impact and supporting the foundations' goals.¹⁹ Enterprise designed the ECDO Fund with this cohort model in mind, which integrated peer learning and collaboration, mentorship, partnerships and learning exchanges.



ECDO Fund strengthened the social capital of grantees

One key outcome of the goal of peer networking and leadership development through the ECDO Fund was the expansion of social capital among grantees. All of the grantees reported making some or significant progress in forming or leveraging partnerships as part of the cohort, especially within the community development ecosystem of Detroit. When asked how being part of the Fund helped with partnerships, leaders reported that the cohort enabled them to gain access to new networks and form new partnerships, which afforded new opportunities, knowledge and resources critical to future organizational development and growth. This access inspired the organizations to pursue larger projects despite future challenges to growth and sustainability.

ECDO Fund grantees also gained access to Enterprise's network, as well as key players in the Detroit community development ecosystem, through which they learned of additional funding opportunities. Northend Christian CDC likened the connections formed in the ECDO Fund to "being part of a club," and noted the significant networks they had established. New partnerships formed with other CDOs, law clinics and local authorities helped Northend Christian CDC expand their work in creating a community land trust.

The strong relationship with Enterprise also proved to be a catalyst for organizations. For example, when project talks between North Corktown Neighborhood Association and Detroit city departments stalled, support from Enterprise opened those conversations back up.

¹⁹ ORS Impact. (2018). Building Capacity Through Cohorts: What the Packard Foundation Is Learning. The Packard Foundation. <https://www.packard.org/wp-content/uploads/2018/08/Building-Capacity-Through-Cohorts-2018-ORS-Impact.pdf>

Small cohort size created opportunities for learning and collaboration

The ECDO Fund enabled leaders from the six grantee organizations to convene on a monthly basis to exchange learnings, challenges and best practices. The small cohort size gave grantees a safe space in which to express themselves freely, sharing experiences and identifying common barriers and solutions. Cohort members, many of whom were new to the role of executive director, had input on what topics would be covered during these sessions. Topics included federal funding and resources for housing, preserving open space in neighborhoods (securing land), and technology (access, organization management software). All participants reported that these meetings were either somewhat or greatly helpful in meeting their organizational needs.

“ I’ve made connections with Woodbridge [Neighborhood Development] ... Woodbridge is a much bigger community, and they have a home development arm, and [the executive director] already transitioned from being a board member to an executive director. So that was a great connection.”

– TRICIA TALLEY
NORTH CORKTOWN NEIGHBORHOOD ASSOCIATION





Mentorship with larger CDOs expanded networks and inspired growth

In addition to peer learning, the ECDO Fund also facilitated connections between leaders of larger CDOs in Detroit and the leaders of the six emerging CDOs. Each executive director in the ECDO Fund was paired with a mentor from the CDO Fund. Mentors and mentees met monthly, or as needed, and the Enterprise Detroit program director documented any specific organizational needs that arose from these conversations. The mentorship provided a unique opportunity for the ECDO Fund executive directors to learn from those who have already moved their organizations along the path towards sustainability and growth.

The mentorship program was highly individualized to each grantee's needs. For example, Angie Gaabo, executive director of Woodbridge Neighborhood Development Corporation mentored Tricia Talley of North Corktown Neighborhood Association through her transition from the board of directors to a full-time executive position. The two leaders met monthly to discuss the transition, as well as other topics such as staffing needs, legal services, social media and board recruitment.

Lisa Johanon of Central Detroit Christian CDC was the mentor for Northwest Goldberg Cares. She helped the organization access the Detroit Energy Efficiency Rebate program and identified other new funding and leverage opportunities that would help

the organization scale their work. Also a mentor for Northend Christian CDC, Lisa urged the organization to develop a strategic plan and met with them monthly to talk about how to scale and grow their work; pursue new revenue opportunities like small family foundation donations rebate programs; and leverage their budgets for more funding.

Grantees reported learning about the affordable housing process, nonprofit management and problem solving, among other skills from their mentors. According to grantees, the mentorship program allowed them to learn about new or unfamiliar topics and challenges that the peer cohort may have lacked the capacity to address. For some, working with a mentor was inspirational. As noted by Mark Crain from Dream of Detroit, having access to mentorship from more established organizations gave them “something to aspire to” and illustrated that working at a larger scale was possible. All the grantees reported that the mentorship was beneficial.

It was discovered that mentorship had an impact on expanding grantees' networks with service providers and the community development sector more broadly. Because mentors are also part of the Detroit community development ecosystem, they were able to connect grantees with people, other organizations and relevant resources to support their organizational development; for example, when transitioning into new sectors such as housing development.

Mentorship Provided Needed Advice and Resources to Pursue Housing Rehabilitation

Several grantees are interested in starting or growing their organization's housing development and rehabilitation portfolios. This requires a specific knowledge set that newer CDOs may lack, including how to work through the city bureaucracy.



Northend Christian CDC is primarily a volunteer-based organization, making it difficult to devote the staff time and resources necessary to move into housing development. Simultaneously, they struggled to find operational funding to hire staff or experts in this area because most donors wanted to fund specific project-based work. Through their mentor, Central Detroit Christian CDC, and with the TA dollars they received through the Fund, Northend Christian CDC was able to find a TA provider to support their housing development goals. The TA provider had conducted a neighborhood analysis for Central Detroit Christian CDC in the past and is now assisting Northend Christian CDC in creating its housing development plans.



Bailey Park Neighborhood Development Corporation also noted the invaluable support that their mentor provided regarding the affordable housing process. Their mentor, Linda Smith from U-SNAP-BAC “provided a great deal of insight and guidance, helping to ensure the correct housing information was included in our baseline housing study. In addition, with her extensive knowledge and experience in the field, she generously shared her insights, perspectives, and best practices.” Mentorship was crucial to Bailey Park’s ability to expand into the affordable housing sector. Linda offered advice based on her personal experience and connected the organization to resources that will make their goals more achievable.



Learning trips enhance networking and learning opportunities

The ECDO Fund afforded grantees the chance to take trips with their fellow program grantees and grantees of the CDO Fund, including a learning trip to New Orleans and participation in a conference in Chicago. The trips provided an environment for cultivating connections among members of the Detroit cohort and for broadening their networks to include members of the CDO Fund in New Orleans — a similar funding collaborative overseen by Enterprise’s Gulf Coast office. These trips also offered a platform for professional development and learning opportunities.

Traveling to New Orleans allowed ECDO Fund members to see firsthand the type of work that other CDOs and community development corporations are pursuing. Grantees found many similarities in the challenges faced by organizations in New Orleans to those they face in Detroit, including flooding mitigation, population loss and vacancy. They also toured successful affordable housing sites, environmental resilience projects and cultural sites.

Northend Christian CDC connected with a CDO leader from New Orleans who shared their experience developing affordable housing through a mixed-income housing approach. The advice provided helped Northend Christian CDC make some critical decisions as to how they should pursue housing development in the future.

The New Orleans trip incorporated an initial session designed to identify areas of particular interest. This was intended to provide newer CDOs with the opportunity to gain insights from more established organizations. For instance, Daniel Washington of Northwest Goldberg Cares emphasized the importance of addressing succession planning and involving the next generation of BIPOC leaders, so that when he is ready to step out of the role, there is a pipeline of BIPOC leaders ready to step in.

“ For me, it’s about succession planning. I think that the talent is here, but unfortunately, there is not enough being done to bolster the pipeline with youngsters in communities.”

— DANIEL WASHINGTON
NORTHWEST GOLDBERG CARES

This proved to be a common concern among the ECDO Fund organizations. Throughout the New Orleans learning trip, the newer CDOs were able to connect with larger, more experienced organizations that had already experienced leadership change.

Learning trips also provided time for executive directors to rest and recharge — a rare and welcome opportunity in their line of work. All grantees reported that the New Orleans learning trip was extremely useful, and several of the executive directors interviewed are looking forward to planned site visits to other CDOs in Detroit to get a hyper-local perspective on the work happening within their own city.

Goal 2: Organizational sustainability

The ECDO Fund's provision of general operating support and technical assistance played a crucial role in positioning grantees organizations for sustained long-term viability. General operating support provides the flexibility and resources needed to overcome structural barriers to organizational sustainability and growth. Meanwhile, technical assistance empowers grantees to develop specific capabilities. The combination of these two elements allowed grantees to enhance their capacity, reallocate resources strategically, and improve their ability to leverage funding.

Grantee Progress Toward Addressing Key Needs

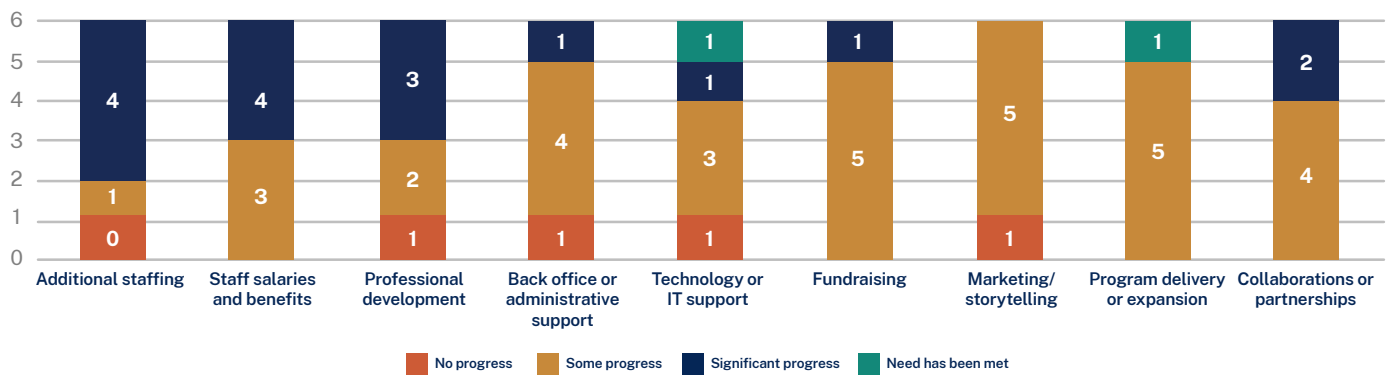


Figure 6: Grantee progress toward addressing key needs (based on final survey results).

Grantees made progress in addressing their key needs

The evaluation examined grantees' progress in developing key operational skills needed to build long-term organizational stability including hiring additional staff, fundraising, establishing partnerships and improving collaboration among CDOs. Grantees consistently reported making some or significant progress. Some of the greatest gains were made in staffing, salaries and benefits. There is an additional opportunity to strengthen support for marketing and storytelling in Round 2 of the Fund. The figure above illustrates the reported progress grantees made regarding organizational sustainability needs based on survey responses.

“The funds are important to keeping the staff on so we can keep the programs running and accessible to the community ... a lot of things we offer [are] community driven ... so being able to accommodate that is important.”

– GEORGE ADAMS, JR.
360 DETROIT, INC.

Flexible operational funding allowed grantees to hire staff

Unrestricted, general operating support from the ECDO Fund allowed grantees to lay the groundwork for sustainability and future program scaling by building their internal processes and procedures. This type of funding allows grantees to conduct studies, build staff capacity and develop internal structures, but it is rarely a focus of programmatic grantmaking.

The CDO Fund evaluation illustrated how scarce and valuable unrestricted funding can be, especially to small and BIPOC-led CDOs. Further, results from a 2022 survey conducted by the Nonprofit Finance Fund found that white-led organizations are more likely than Black-led ones to receive at least half of their funding without restrictions.²⁰

One of the primary uses of flexible funding from the ECDO Fund was increasing the number of paid staff. In every interview, grantees reported that the ECDO Fund's operational funding was critical to their sustainability and growth because it allowed them to hire new people or transition existing part-time staff and volunteers to full-time employees to better meet growing community needs.

At the start of the program, all six organizations noted that they needed some or a great deal of support with additional staffing. By the end of the program, four out of six organizations indicated significant progress in meeting their staffing needs. Table 1 highlights the staffing changes each organization underwent as a result of the funding.

New positions brought new expertise and enabled CDOs to take on more complex work. For example, Northend Christian CDC noted that the operational funding provided peace of mind around making payroll, allowing them to instead focus their time and energy on new projects and funding opportunities. Similarly, the ECDO Fund enabled the North Corktown Neighborhood Association to transition the board president to full-time executive director and hire a project manager and an accountant. These staffing changes made it possible for North Corktown Neighborhood Association to file the necessary paperwork to set up a community land trust as a subsidiary of the organization.

Table 1: Staffing changes 2021-2023, as reported on applications and surveys.

Organization	Full-time Staff (2021)	Part-time Staff (2021)	Volunteer Staff (2021)	Staffing Changes Enabled by ECDO Fund (2023)
360 Detroit	1	0	3	Hired director of programming
Bailey Park NDC	2	8	1	ED became full-time, hired project manager
Dream of Detroit	1	0	0	Created 3 full-time positions
North Corktown	0	0	0	Board president became full-time ED; hired project manager and accountant
Northend Christian	3	5	Variable	Hired more summer seasonal employees
NW Goldberg Cares	2	0	0	ED and program director became full-time

2021 staffing numbers are taken from initial application materials.

²⁰ Nonprofit Finance Fund. (2022). *2022 Survey: A Focus on Racial Equity*. <https://nff.org/2022-survey-focus-racial-equity>

Technical assistance addressed key operational gaps among grantees

Technical assistance (TA) provided by the Fund further developed grantees' organizational capacity and planning. The goal of TA is to improve the skills, knowledge and efficacy of the grantees, resulting in positive, measurable outcomes. At the start of the ECDO Fund program, each grantee completed a survey developed and administered by the MNA. The results of this survey helped leaders identify where additional organizational support was needed. Enterprise connected grantees to TA providers with assistance from MCR, which served as a resource navigator to grantees.

The flexibility of the TA and the support of MNA and MCR allowed each grantee to identify their needs and select the type of TA and TA provider that would best meet those needs. Grantees also connected with TA providers through their relationships with their mentors and other cohort members. Table 2 lists the topics and services for which grantees used their TA support.

Half of the grantees used their TA funds for accounting services that support financial health. For example, 360 Detroit and Bailey Park NDC procured software related to financial accounting and recordkeeping, such as QuickBooks and Salesforce. By adopting Salesforce to track grants and programming, Bailey Park NDC also discovered they were serving many more people than they thought, reaching around 70% of the neighborhood. Use of this data tracking and management system allowed the organization to better monitor its open grants and the number of residents it serves, important metrics in grant application and reporting. This awareness can help Bailey Park NDC better tell their story and potentially increase their competitiveness for new funding sources.

Table 2: TA requests by ECDO Fund grantees as reported on TA request forms.

Grantee	Technical Assistance Requested
360 Detroit	<ul style="list-style-type: none"> • Upgrading and replacing technology • Accounting Services (audit and accounting software) • Digital marketing and media
Bailey Park NDC	<ul style="list-style-type: none"> • Housing market study • Accounting services (Salesforce)
Dream of Detroit	<ul style="list-style-type: none"> • Digital marketing and media
North Corktown	<ul style="list-style-type: none"> • Develop community engagement strategy • Design and site plan for Bird Sanctuary
Northend Christian	<ul style="list-style-type: none"> • Neighborhood housing needs assessment
NW Goldberg Cares	<ul style="list-style-type: none"> • Accounting services (auditing and bookkeeping)

“ We had someone come in to set up Salesforce because that’s just super huge as far as being organized, tracking your grants, tracking all the people and everything that you do ... we found out we actually service a lot more people ... probably 70% of the people who live in this neighborhood.”

– NATOSHA TALLMAN
NORTHEND CHRISTIAN CDC

360 Detroit and Northwest Goldberg Cares also used the funds to have an audit conducted, which improved their financial management processes and allowed them to apply for grants that required audited records. Prior to the ECDO Fund, Northwest Goldberg Cares struggled to manage their books, a process the executive director described as exhausting their time and resources. However, bringing on an auditor, bookkeeper and accountant and using QuickBooks helped them organize their finances and make it a manageable, daily process. The audited financials help distinguish Northwest Goldberg in funding applications, as it adds credibility to grant applications.

Five out of six grantees used TA funds to support programmatic goals, from conducting long-term studies that can inform future services to improving digital marketing and media. Northend Christian CDC and Bailey Park both contracted housing studies for their neighborhoods. Bailey Park was able to use the results of the housing study to leverage conversations with developers and the city. Northend Christian CDC brought on a consultant to plan a rezoning of their neighborhood to allow for homesteads and urban farming. The rezoning plan is now with the city of Detroit for approval and its passage will allow Northend Christian CDC to take on larger-scale work that will be transformational for the neighborhood’s housing and food access.

360 Detroit and Dream of Detroit also used their TA dollars for improving their marketing, media and web presence. This can help CDOs gain more visibility in their communities and attract funding dollars. Dream of Detroit has traditionally been known as a Muslim-led organization that serves all members of their community. Through their marketing campaign, they are reaching out to new audiences to emphasize that their organization is inclusive of all residents, regardless of religious affiliation, and to highlight the important work they are doing to the benefit of all community residents.

Through North Corktown’s Board development process, they realized that they did not have a strategic plan, something they are working on now. Similarly, Bailey Park is building a strategic plan for the organization that includes diversity, equity, and inclusion planning. In the next round of the ECDO Fund there will be greater focus on succession planning and strategic planning as a next step after Board development.





Grantees leveraged their new capacity to grow funding

Nonprofits require resources such as staff, time, grant-writing skills, and knowledge of grant opportunities in order to access funding. At the conclusion of Round 1 of the ECDO Fund, all six grantees reported making some or significant progress in their fundraising ability, and five grantees reported that they were able to leverage the ECDO Fund dollars to secure additional funding.

Participation in the ECDO Fund enabled these emerging CDOs to build the capacity necessary to apply for new sources of funding. Daniel Washington from Northwest Goldberg Cares, noted that the grant dollars from the ECDO Fund allowed them to become more competitive and qualify for more grants because they now have financial audits. Dream of Detroit was able to apply for grants from organizations like the Kresge and Luce Foundations. Without the ability to place greater emphasis on and dedicate staff time to grant writing, such resources would be out of reach for a primarily volunteer-run organization.

Technical Assistance Provided Critical Support for Board Development

One of the common needs identified by all grantees in the Michigan Nonprofit Association assessments was the need for board development. Enterprise partnered with The Leadership Group to administer mentoring and group training around board development and succession planning. The Leadership Group began with an assessment of each grantee's strengths, weaknesses, opportunities and threats around board structure, governance and succession planning. Common findings were the need to develop specialized and differing skill sets on the CDOs' boards, distinguish the role of the board from the executive director, and develop leadership succession plans. The Leadership Group then provided two group trainings to the ECDO Fund cohort, the first around board roles and responsibilities and what makes a board effective, and the second around developing succession plans. They also provided each ECDO Fund grantee with individualized support based on the findings of the initial assessment. At the conclusion of the training, The Leadership Group had created a Board Action Development Plan with each grantee to guide their board development moving forward.

Five ECDO Fund grantees reported that, beyond providing the staff time to pursue new funding sources, participating in the Fund also expanded their awareness of and access to fundraising opportunities by establishing new relationships with funders. Several grantees stated that the support provided by Enterprise was extremely helpful in making connections with new funders and funding opportunities. For example, the ECDO Fund connected the North Corktown Neighborhood Association to supplementary grants for their park project including a supplemental grant of \$25,000 from the Skillman Foundation to cover the cost of inflation and increased prices during the pandemic.

The ECDO Fund had a profound impact on the funding potential of grantees overall. However, only two organizations reported that the assistance improved their experience or comfort with fundraising, suggesting that additional support or training could help these organizations become more comfortable and even more successful with this process. Grantees expressed that many of them are still building relationships with funders whom they had no previous relationship with. In addition, they expressed that competing with larger CDOs for grant dollars and programmatic funds was still challenging, but that their confidence was growing.



Dream of Detroit Spotlight

Dream of Detroit was uncertain as to how they were going to grow. With ECDO Fund resources, they were able to hire full-time employees, and the ECDO Fund cohort and mentorship opportunities allowed them to see how other organizations had previously or were currently navigating the same growth challenges. The executive director, Mark Crain, noted that they had a strong volunteer network prior to participating in the ECDO Fund but lacked strong connections to other CDOs throughout Detroit. Through the cohort and their mentor, they were able to connect with and learn about other CDOs' visions for their communities and their partners. Bringing on full-time employees has allowed Dream of Detroit to learn how to work with CDFIs, apply for funding, and identify diverse funding sources. This full-time commitment to the organization's work has already translated into greater opportunity through the Ford Foundation, Kresge Foundation, and Pillars Fund, among others, and allowed Dream of Detroit to access capital that otherwise would have been inaccessible. Crain said that the ECDO Fund support had "... a multiplier effect in terms of our ability to approach resources and maintain relationships to keep those resources sustainable."

Goal 3: Capacity building to scale their work

The investments in organizational capacity and sustainability from the ECDO Fund paid dividends in terms of grantees' ability to scale their community services and programs. While the ECDO Fund prioritized operational funding, this evaluation demonstrates how investments in operational capacity and sustainability can position organizations to grow their programmatic work.



North Corktown Neighborhood Association Spotlight

Resident priorities are a primary focus of North Corktown Neighborhood Association and are informed through numerous resident engagement activities. Grant dollars from the ECDO Fund helped the organization engage the community and encouraged inclusive neighborhood planning with elected officials. Utilizing the neighborhood outdoor spaces is emblematic of the community's priority to preserve and protect its open spaces. North Corktown Neighborhood Association currently owns 11 open lots, some of which have already been activated into pocket parks. They are also creating a bird sanctuary and a community land trust in the neighborhood.

Emerging CDOs address critical service gaps

The continuation and expansion of the grantees' work is critical because they are grounded in community and informed by resident priorities. Their work addresses challenges through holistic and integrated approaches to community development, playing to their organizations' strengths and the needs of their communities. Yet, many of the grantees reported having to make tradeoffs or limit their programming prior to their participation in the ECDO Fund because they lacked sufficient resources to consistently make payroll or address other operational needs.

“ For years we had been a volunteer run organization – hundreds of folks over the years ... but we were ready to make this turn to being a more professionalized CDO, but I don't think we entirely knew how we'd get there. There's a lot of risk with that ... [The ECDO Fund] provided not only the material support we needed to be able to go full-time, but also a level of validation.

– MARK CRAIN
DREAM OF DETROIT

ECDO Fund grantees perform many critical functions in their neighborhoods and are often asked to fulfill multiple roles where there are gaps in services or community needs. **The programming categories that ECDO Fund grantees support include:**

- **Community and civic engagement:** Every organization in the ECDO Fund fulfills this role. Some provide spaces for community meetings and events, while others collect resident feedback and represent the community in municipal planning and development activities.
- **Small business and workforce development:** Several grantees conduct workforce development training for their residents in specific areas such as landscaping; others support existing small businesses through grants.
- **Green space activation or beautification:** Nearly every grantee works to improve the green space in their community through tree planting, maintaining vacant lots, neighborhood cleanups, stormwater management or other green infrastructure projects.
- **Youth programming:** Most grantees provide youth services such as tutoring, summer camps, employment, reading and park activities.
- **Affordable housing and home repair:** Most ECDO Fund grantees build, repair or redevelop affordable housing, bringing investment back into neighborhoods and reducing the risk of displacement for long-time residents. Grantees that do not provide housing services for their communities are building their capacity to do so through the ECDO Fund.
- **Resource distribution:** Grantees connect their residents with resources such as a food pantry or farmers market program, PPE during COVID-19, gun locks, school supplies or car seats.
- **Community planning:** Some grantees organize community gatherings and forums for community planning.
- **Art programming and events:** Half the grantees provide art programming, which includes art walks and supporting artists in residence.
- **Community ownership:** Two grantees are creating community land trusts, and one is negotiating access to land bank parcels for community development.
- **Adult education and training:** Grantee programs include academic assistance, technology programs, nutrition and health education, and food safety training.
- **Internet services:** One grantee runs an internet services program providing free Wi-Fi and computers to residents.



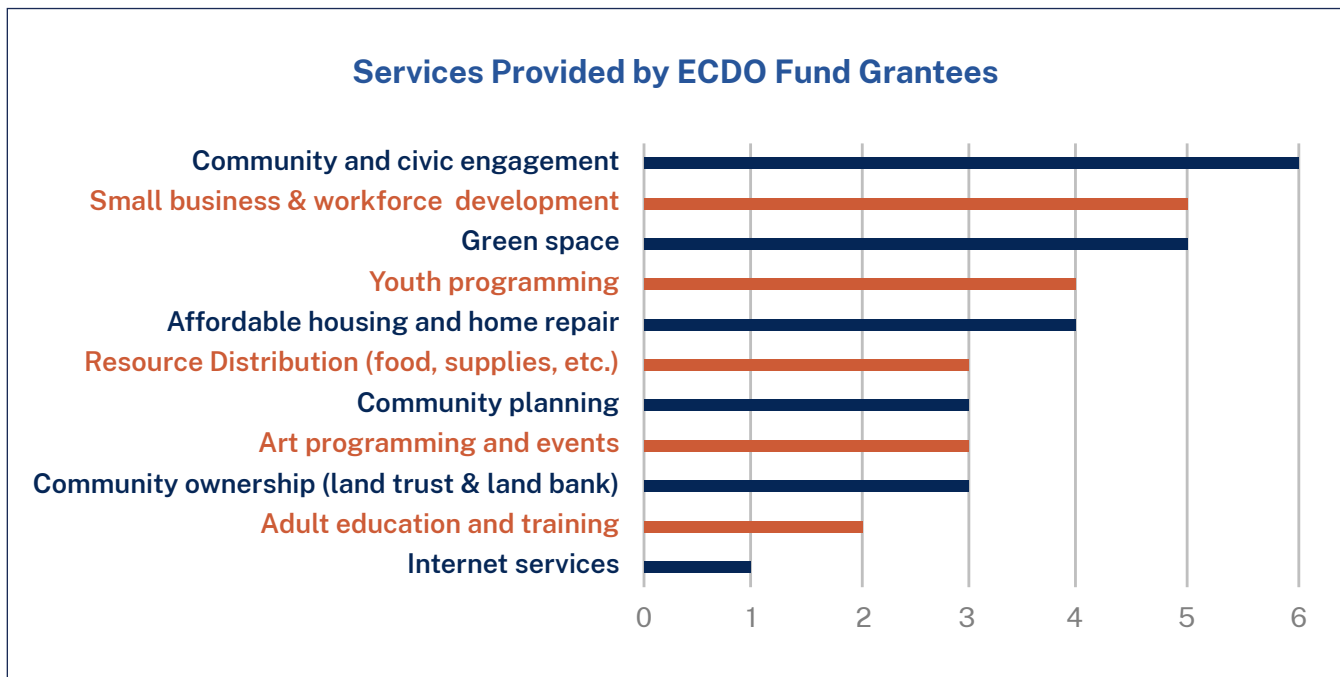


Figure 7: Services provided by the six ECDO Fund grantees.



Northwest Goldberg Spotlight

Curtis Jones Park, or “CJ Park,” is one of Northwest Goldberg Care’s biggest projects, and the organization has raised more than \$420,000 for its development. Named after “famed but often forgotten Northwestern High School basketball legend Curtis Jones,” CJ Park consists of a full-sized NBA basketball court with six hoops that becomes a skating rink in the winter, and a year-round playground, walking path and pavilion. The neighborhood lacked a basketball court or playground for more than 15 years, and both were something the residents in the neighborhood wanted to see again. The basketball court is no ordinary park court – the pavement of the court is painted vibrant colors by renowned artist Bisco Smith with a theme of “read the past and write the future.” The organization wanted to adorn the court with the artwork of Bisco Smith to invoke pride and to remind residents that they deserve to have world-class spaces. “There’s pride in that the kids can now play basketball on a court [with] over \$120,000 worth of art ... and they’re playing on it!”



ECDO Fund grantees implement \$5.6 million in projects during program

Over the two-year grant period, grantees implemented 34 unique projects and programs, ranging from community greening to housing development to small business support. Collectively, over \$5.6 million was invested in their communities.²¹ They also leveraged over \$1.7 million in additional funding from other sources to support these projects. Figure 8 outlines the categories of the projects ECDO Fund grantees implemented over Phase one of the program. Note that some projects span multiple categories.

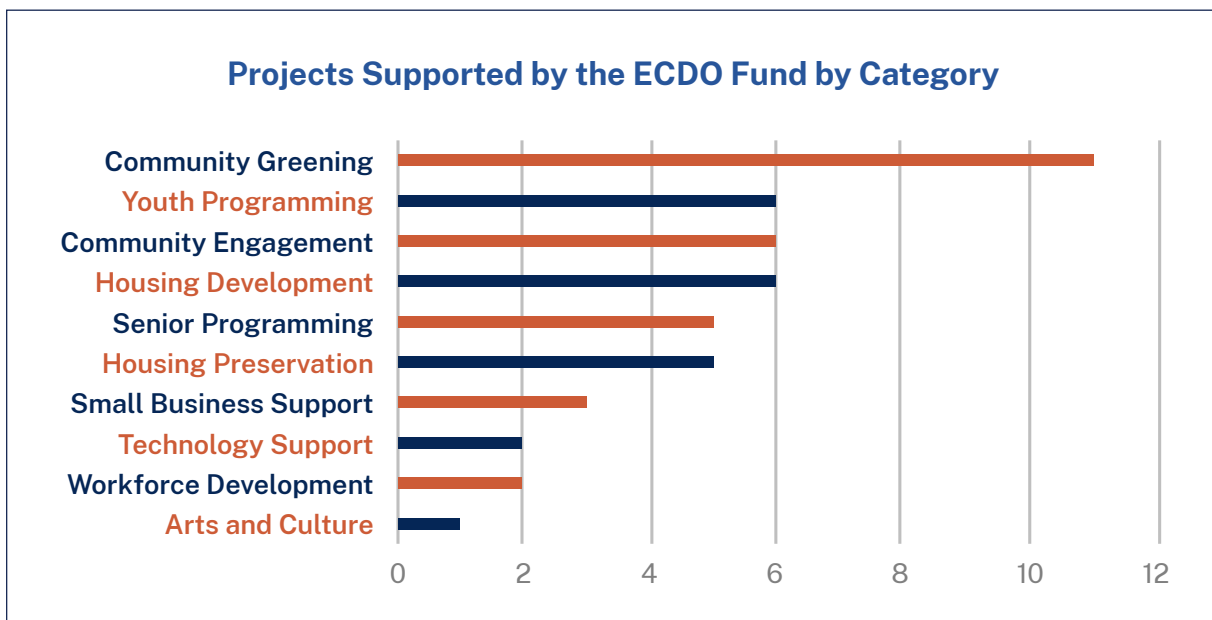


Figure 8: Categories of the projects ECDO Fund grantees implemented over the life of the program as reported in applications and surveys.

²¹ This figure is based on total project costs reported by individual CDOs. Project funding includes ECDO and non-ECDO funds.

ECDO Fund support enabled program and service expansion

The ECDO Fund helped grantees scale up their programming to better meet the needs of their communities by expanding existing services and programs and adding new ones. This is evidence of how investments in the operations and sustainability of organizations can contribute to expanded services and programming. At the start of the program, five grantees had planned to expand programming. By the conclusion of their grant, the same five grantees reported that they had developed new programs, expanded services, or modified their existing programs due to the ECDO Fund.²² All of the grantees believe that their newly expanded programming will be sustained following the conclusion of the ECDO Fund.

“Being able to receive the funding helped us scale up to a whole different level.”

– KATRINA WATKINS
BAILEY PARK NEIGHBORHOOD
DEVELOPMENT CORPORATION

Notably, grantees demonstrated significant growth in housing development and rehabilitation programs. Achievements include the following:

- 360 Detroit rehabbed 18 duplex houses (36 total units) of affordable housing (60-80% AMI).
- Northwest Goldberg Cares is working on the renovation of three homes. In addition, the executive director and program director lived in and renovated homes in the neighborhood through their own sweat equity. They intend to sell their homes and donate the proceeds back into the organization to generate more funds for housing renovation.
- Dream of Detroit is exploring the possibility of moving from single-family rehabilitation to multi-family development, a significant jump for the organization.
- Bailey Park NDC is exploring a move into the housing space. They conducted a housing study to assess the landscape of existing housing in their service area with the guidance of a mentor, which was something they had wanted to do for many years but lacked the resources to accomplish.



Northend Christian CDC Spotlight

Northend Christian CDC wanted to boost the neighborhood's self-determination through the creation of a community land trust in Detroit – Detroit Cultivator Community Land Trust. The goal of this program is to transfer property into the land trust to be put towards community priorities, addressing displacement through gentrification. The land trust has secured nearly six acres of land for the permanent benefit of the community. Additionally, Northend Christian CDC is working with the City of Detroit to rezone land to allow homesteading, which will increase the presence of urban agriculture and greening.

²² One grantee noted that they had not begun to offer specific programs but that the grant allowed them to expand their in-person community engagement efforts.



360 Detroit Spotlight

The 360 Park in Virginia Park is 360 Detroit's largest revitalization project and serves as the nucleus for the organization's work in the neighborhood. The park sits on several formerly vacant parcels on the corner of two quiet residential streets and provides play structures for children, bike repair and pump stations, garden beds, multi-use grassy space, water tanks to water trees, and tables with solar power provided in cooperation with Northend Woodward Community Coalition. Next door to the park, 360 Detroit is rehabilitating a home that will serve as a community art house and event space. The house will be a hub for 360 Detroit's arts programming while also providing indoor space for other community events and activities, and the second floor of the building will serve as the organization's offices.

Additional funding for special projects catalyzed growth

The Enterprise Detroit team saw an opportunity to advance grantees' projects using special projects funding, where filling a small financial gap could have a major impact on their success. Special projects funding differed from general operating support because it targeted specific programs, but was part of the overall \$1.8 million in the Fund. For emerging CDOs, even a small financial gap can stall a project indefinitely, and finding the resources to fill such gaps can be difficult when projects are already underway. Grantees submitted brief applications for these additional funds; the awards ranged from \$30,000 to \$100,000, and all requests were met.

As one example of a special project, 360 Detroit received funding to complete renovations on a two-unit property, the first of seven properties in their West Euclid Gateway Affordable Housing program. This program is part of a collaborative effort with Central Detroit Christian CDC, a CDO Fund grantee and is an example of CDO collaboration that is now happening organically to support neighborhood stabilization. The property will serve as a model for the remaining units and provide a foundation for raising the capital necessary to complete the remaining homes. 360 Detroit and Central Detroit Christian CDC are seeking additional funding opportunities and will share resources to advance the program. See Appendix B for descriptions of other special projects.



Bailey Park Spotlight

With the help of the ECDO Fund, Bailey Park CDC has been able to fully realize its priority project: The Innovation Lab. The Lab provides space for community members to learn key technology skills – from basic computer skills to more advanced training in web development and Salesforce administration, as well as entrepreneurship. The Lab will serve those just getting started in the professional world, as well as those wanting to launch new careers. TA through the ECDO Fund played a significant role in setting up the Innovation Lab.



Conclusion

Over the last two years, the ECDO Fund has had a tremendous impact on the grantees. This can be seen in the progress that each organization made, and in the ways the Fund helped strengthen the community development ecosystem in Detroit.

Both indirect and direct impacts of the Fund can be seen in these six communities. Some of the impacts are highly visible – the new community parks, technology centers, homes and community spaces – while others are more subtle – a neighborhood block party, soccer game or art class. The ECDO Fund has catalyzed new initiatives and elevated existing community development work across the six neighborhoods.

The ECDO Fund set out to challenge the status quo of inequitable neighborhood development – all of Detroit’s neighborhoods must thrive if the city is to thrive. The Fund achieved its objectives in many demonstrable ways including the following:

- Bringing racial equity to the forefront of community development:** The Fund supports BIPOC-led and BIPOC-serving organizations that are working to amplify the needs and aspirations of their communities, elevating those priorities, and bringing resources home.
- Addressing the unique challenges of smaller organizations:** The Fund strengthened emerging CDOs by providing general operating support, technical assistance, connections to key networks and relationships, and the knowledge and expertise to explore new sectors and revenue streams. Nonprofits find it difficult to build organizational capacity and infrastructure due to the challenges of securing funding for those investments. The prevailing scarcity mindset has a significant impact on the sector’s long-term sustainability.²³ Smaller organizations face unique challenges in that their primary access to funding is through program grants, which rarely allow them to cultivate their organization’s internal needs to grow programs. Programmatic funding is more prevalent and accessible to organizations, but this type of funding often does not account for the actual overhead costs of operating a CDO and planning its future programming and growth, leaving organizations unable to sustainably scale their work.

²³ Culverhouse, J. (2023, March 20). The Data Is In: Nonprofits Are Getting More Operational Support. *Blue Avocado*. <https://blueavocado.org/fundraising/operational-funding/>

- **Leadership development:** Through mentorship and TA, the Fund provided opportunities for leadership development of the organizations' executive directors, some of whom became full-time and/or paid executive directors during their time as grantees. By investing in leadership, the Fund was intentional in its effort to create lasting and durable change in communities.
- **Enhanced collaboration:** The Fund fostered collaboration among ECDO and CDO Fund grantees through mentorship, learning trips, and collaboration on projects and programs. Enterprise was instrumental in providing the knowledge, space and resources to incentivize and facilitate collaborations that elevated organizational capacity and strategy. All grantees indicated they made some or significant progress with collaborations or partnerships during the first phase of the ECDO Fund. The cohort model of the CDO and ECDO Funds led to increased collaboration and connection between CDOs, funders, other grant-making institutions and the city government. The small cohort size of the ECDO Fund allowed program activities and learning opportunities to be more tailored and responsive to the grantees' needs.
- **Building the seeds of organizational stability:** The ECDO Fund was designed to help grantee organizations move towards long-term sustainability by providing the necessary building blocks in the form of TA and leadership development for capacity building; flexible funding to scale their staff, programs and services; and networking opportunities with other community development organizations and funders.

The ECDO Fund's impact can be understood best through these six organizations' eyes. Their stories bring meaning to the ECDO Fund model and its ability to stabilize and strengthen newer and smaller CDOs. What these six organizations have accomplished in such a brief time is remarkable. The benefits to their communities will be felt for generations to come. But the work is not over. The second phase of the ECDO Fund will continue to provide much-needed resources to the emerging CDOs of Detroit.

The following recommendations are based on what we learned in phase one.





Recommendations

- Continue support for Detroit’s emerging CDOs:** As described in Enterprise’s evaluation of the CDO Fund, we recommend continuing support for Detroit’s emerging CDOs given their substantial achievements during the first phase of funding. While this program represents a powerful shift in the right direction, the disparity in funding for BIPOC-led and smaller organizations remains a systems-wide issue. 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 ECDO Fund puts these six organizations on a path of growth and sustainability, but additional support will be essential over the next several years to ensure their continued success.
- Earmark additional support for new technology:** Although some CDOs used their TA dollars for new technologies, survey responses and interview findings revealed additional requests for technology support (hardware and software). Providing separate funding for technology would allow grantees to purchase needed hardware and software, as well as training, and preserve their TA budgets for other organizational needs.
- Continue to support ECDO Fund grantees in building capacity by working with groups like MCR through Detroit’s newly founded TA delivery system:** ECDO Fund grantees benefited from working with MCR. This relationship should be maintained through the next round of the grant fund to provide resource navigation to the grantees, and should include a focus on succession planning. As these organizations grow and mature, the current leaders would benefit from learning how to plan for eventual leadership transitions, how to create a pipeline of new leaders, and how to weather major leadership changes.
- Continue board development with The Leadership Group:** Many of the ECDO Fund grantees would benefit with continued board development, specifically around strategic planning. This is planned for phase two of the ECDO Fund, and will help leaders plan for future transitions in board leadership.

Appendix A | Evaluation Theory of Change

Activities/Interventions	Expected/Targeted Outcomes	Long-Term Impact
Multi-year, flexible (unrestricted) funding	<ul style="list-style-type: none"> Organizations have a sense that they are more stable (self-reported) and have increased sustainability Able to pay additional part-time or full-time staff and maintain those staff long term Organizations have the capacity to scale their work 	<ul style="list-style-type: none"> CDO services meet community needs and are responsive to strengths and challenges in the neighborhoods they serve CDOs achieve long-term sustainability and resilience The ECDO Fund serves as an example of how to effectively apply a racial equity lens to grantmaking
Prioritize equitable grantmaking to BIPOC-led and BIPOC-serving organizations	<ul style="list-style-type: none"> Organizations in the Fund have BIPOC leadership and are serving majority BIPOC communities 	
Provide additional resources for TA through a well-organized TA system	<ul style="list-style-type: none"> Organizations have the capacity to scale their work Organizations have their learning and training needs met Grantees expand their funding base or other sources of income 	
Create a cohort model for grantees in the Fund	<ul style="list-style-type: none"> Facilitating peer networking and leadership development Greater CDO collaboration 	

Measures of success

- Number of CDOs in Fund with BIPOC leadership**
- Number of CDOs in Fund serving majority-BIPOC communities**
- CDOs' sustainability and resilience**
 - Dollars in fundraising
 - Number of CDOs that developed new relationships with funders and/or raised additional outside funding
 - Staff retention
- Expansion of the Fund to fill identified gaps (service areas)**
 - Number of new programs serving community needs
- Increased collaboration among CDO grantees and other organizations**
 - Number of CDOs that developed new partnerships or collaborations
 - Number of collaborations with other CDOs
- Increased capacity of CDOs**
 - Number of CDOs that report progress towards meeting their capacity building goals
 - Number of new staff hired
 - Number of CDOs that used TA
 - What was TA used for?
 - TA used for board development, succession planning, etc.
 - Program or services increased to meet neighborhood needs or organizational plans
 - Increase in service area

Appendix B | Special project catalytic funding



360 Detroit received funding to complete the rehab of the first of seven properties they own as part of their West Euclid Gateway Affordable Housing program (in collaboration with **Central Detroit Christian CDC**, a CDO Fund grantee), providing two units of affordable housing to the neighborhood. This initial property will serve as a model for the remaining units and provide a foundation for raising the capital necessary to complete the remaining homes. The two organizations are collaboratively seeking funding opportunities and will share resources to advance the program.



Bailey Park and **North Corktown Neighborhood Association** are collaborating to expand their home repair services in their respective neighborhoods. These organizations received funding allowing them to finance part of a program manager's salary, complete minor home repair services and conduct outreach and community engagement about their programs. This relationship provides the mutual benefit of sharing expertise in managing a home repair program and collaborating on a referral process to ensure that residents obtain the assistance they need.



Dream of Detroit will use catalytic funding for pre-development costs (consultants, schematic design, and construction documents) for the DREAM Center, which will serve as their office, a digital literacy lab, a pop-up space and community courtyard, catalyzing economic development along a long-neglected neighborhood corridor. This type of early pre-development funding is critical to effective planning and phased execution of this project, which will have a total development cost of \$500,000.



Northend Christian CDC required additional funding to complete the rehab of The Landing, their bed and breakfast, community engagement center and artist boutique. This will help to complete a revenue-generating project that will also provide collective community space for cultural preservation and engagement.



Northwest Goldberg Cares will use gap funding to complete a pilot home rehab for their single-family home renovation program. The comprehensive project includes a full-gut renovation, plumbing, electrical, HVAC, insulation, drywall, windows, flooring, tile and trim. The intention behind this project is to demonstrate the quality of their work, and then, through the sale of the property, provide them with the funds to invest in four additional home rehabs of properties they have acquired. Finally, they plan to use a portion of the revenue from the sale to launch a home repair program for residents, with low-barrier grants for homeowners in need of upgrades.



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 [enterprisecommunity.org](https://www.enterprisecommunity.org).