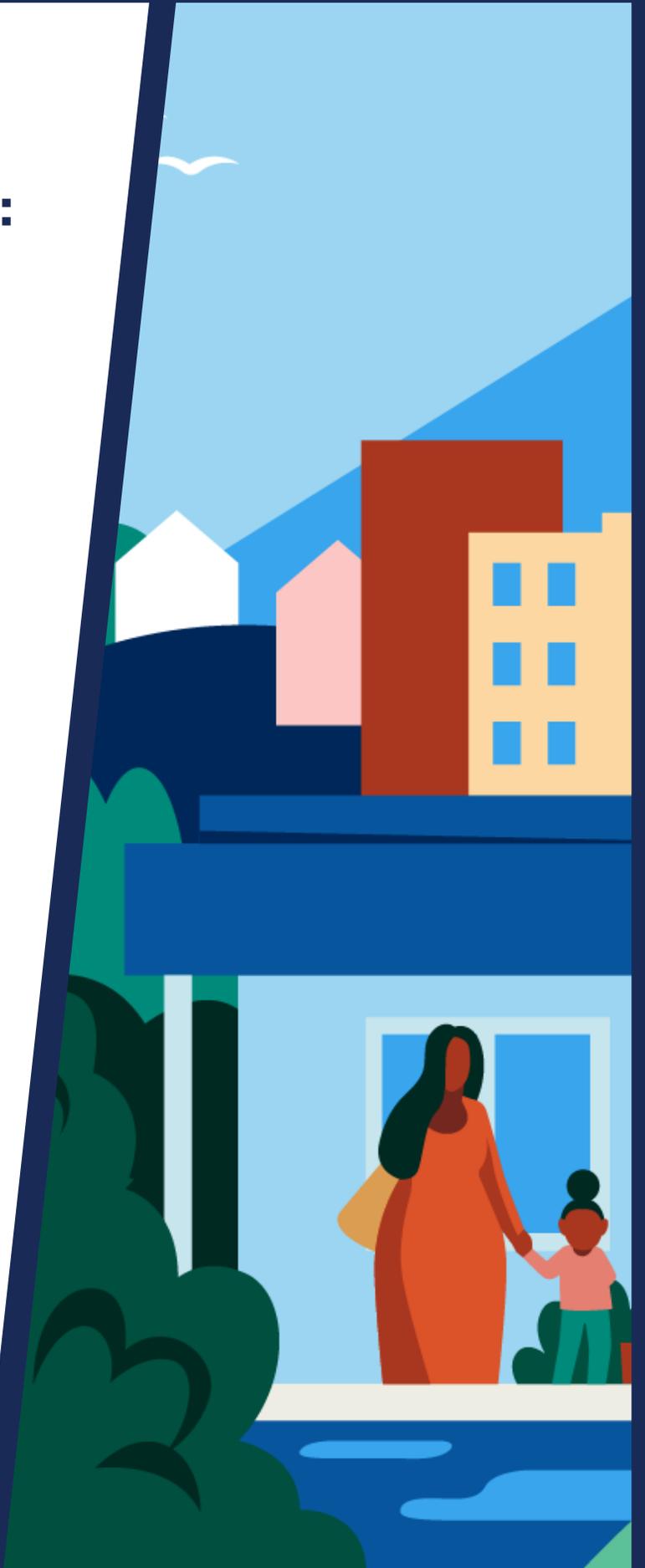


# A Decade of Impact: Strengthening Puerto Rico's Nonprofits for Growth and Resilience

December 2024

An evaluation of the impact of Enterprise's capacity building efforts on nonprofit housing and community development organizations in Puerto Rico from 2014 to 2024.



## Acknowledgements

Enterprise Community Partners is grateful for the partnership with local and national entities, government partners, philanthropy and financial institutions and experts over the years that have worked with us to support the nonprofit community in Puerto Rico in their provision of services and affordable housing to low-income and vulnerable populations across the island. Additionally, we want to acknowledge that this report would not be possible without the testimonials of the nonprofit sector that informed this report but also provided their sincere perspectives and shared their challenges and successes with us. We are grateful to be part of this community.

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## Executive Summary

Over the past ten years, Puerto Rico’s non-profit housing and community development organizations (HCDOs) have made remarkable strides in growing their organizations, building community resilience, and addressing critical housing challenges. These accomplishments are a testament to the dedication of the HCDOs themselves, supported by tailored capacity building resources provided in partnership with Enterprise Community Partners (Enterprise). These capacity building efforts, designed and delivered by Enterprise’s Advisors’ team, included, strategic investments through financial resources, technical assistance, leadership development, and development support.

*“Enterprise has been there for us. From the difficult times to the happiest times, we call on them, and they hear us.”*

- Instituto para el Desarrollo Socioeconomico y de Vivienda (INDESIVI)

### Evaluation Approach

This evaluation, conducted by Enterprise’s Impact and Evaluation team (I&E), examines the effectiveness and impact of Enterprise’s capacity building efforts in Puerto Rico from 2014 to 2024. The evaluation highlights both the achievements of the HCDOs, supported by Enterprise’s capacity building efforts, and the remaining gaps, calling for a strengthened commitment to support non-profits as they strive to meet the rising demands of their communities. To achieve this, the evaluation utilized a multi-method approach, including document review, staff interviews, an HCDO survey, and in-depth HCDO interviews.

### Enterprise’s Capacity Building Efforts

Enterprise provided critical resources and guidance to HCDOs in Puerto Rico through the following supports:

- **Financial grants to HCDOs:** Supported 17 organizations with 52 grants totaling over \$2.16 million, enabling nonprofits to enhance their operations and disaster resilience effort.
- **Provided tailored technical assistance,** including strategic planning and learning opportunities, to help nonprofits navigate complex systems and access federal funding.
- **Delivered leadership development initiatives,** such as the Puerto Rico Nonprofit Leadership Development Initiative, to strengthen organizational management and sustainability.
- **Provided development support** through assistance in financial management, grant writing, and compliance to support HCDOs in accessing and maintaining additional funding streams. Introductions to key funders and stakeholders were made to increase access to resources and advocacy networks to promote support around community needs.

Many HCDOs reported utilizing multiple Enterprise capacity-building programs in tandem. In open-ended survey responses, partners reported finding every form of capacity-building helpful and gave credit to workshops and training and financial support as particularly useful.

## HCDOs' Achievements

HCDOs in Puerto Rico, with support from Enterprise's tailored capacity building, have achieved significant milestones. HCDOs:

- **Navigate complex challenges**, like gaps in funding, leadership development, and retention practices to launch new programs and funding mechanisms and grow their organizations.
- **Expand capabilities**, through organizational restructuring and staff and program growth. For example, in the case of Ponce Neighborhood Housing Services (Ponce NHS), launch a new affordable housing department, significantly enhancing their community impact.
- **Improve disaster preparedness and response**, including the ability to secure and deploy federal resources quickly and effectively after a disaster, have and execute on disaster recovery plans, and fostering a culture of readiness and adaption within their organizations.
- **Build connections** across the nonprofit and government sectors that fostered shared solutions to common challenges and strengthened the nonprofit ecosystem in Puerto Rico.
- **Secure federal funding streams** and sustain operations by applying to competitive grant opportunities and completing training around and staying in compliance with federal grant opportunities.

## Persistent Challenges

Alongside these accomplishments, barriers remain for HCDOs in fully supporting their mission and communities. These include:

- Funding constraints caused by cyclical or inflexible funding opportunities and limited resources for development.
- Staffing and retention challenges that include a difficulty in attracting young professionals into the non-profit sector in Puerto Rico paired with staff burnout or inexperience.
- A set of additional challenges, including the need for increased collaboration across non-profits, government agencies, and others; complex compliance requirements; and barriers to opportunities and resources; and the compounding impact of natural disasters and public health vulnerabilities.

## Recommendations for Enterprise and Other Capacity Building Efforts in Puerto Rico

- Continue and scale Enterprise's capacity-building efforts in Puerto Rico.
- Expand flexible, long-term funding options to address staffing and operational gaps and ensure sustainability.
- Advocate for policy changes to streamline compliance processes and improve funding accessibility.
- Deepen disaster resilience efforts by investing in comprehensive resilience plans and enhancing emergency preparedness resources.
- Continue fostering collaboration and peer learning to build a stronger, more cohesive housing ecosystem.
- Provide targeted support for staff retention, professional development, and financial and grant management.
- Expand technology and infrastructure support to HCDOs.

This evaluation highlights the ingenuity and commitment of Puerto Rico's HCDOs in navigating challenges while delivering meaningful housing programs, and services to their communities. These successes reflect a strong foundation built on tailored capacity-building supports. Challenges remain; by addressing these priorities, Enterprise can amplify its impact, helping nonprofits not only meet growing community needs but also create a more equitable, resilient future for Puerto Rico. The accomplishments of the past decade showcase how Enterprise supports HCDOs in delivering meaningful change, but the challenges ahead require sustained commitment and innovation to ensure lasting impact.





## Introduction

In Puerto Rico, nonprofit housing and community development organizations (HCDOs)<sup>1</sup> have taken on critical roles in supporting their communities, especially in the aftermath of natural disasters and amid ongoing socio-economic challenges. They provide affordable housing, economic development, and disaster preparedness services, often filling gaps left by strained government resources.

Enterprise has sought to empower these organizations and strengthen their ability to meet community needs through a variety of capacity-building initiatives.

Enterprise's role and history in Puerto Rico date back to 1967 when Enterprise founder Jim Rouse delivered a keynote speech at the Lions International/ University of Puerto Rico symposium titled "City of the Future." In his address, Rouse emphasized the need for thoughtful urban planning that prioritizes community well-being, human dignity, and sustainability over fragmented and inefficient development. HCDOs across Puerto Rico share this vision and work to build resilient, human-centered communities, and Enterprise supports them in this effort.

**Section 4 Funding:** The Section 4 program, funded by the U.S. Department of Housing and Urban Development (HUD), strengthens the capacity and technical skills of Community Development Corporations (CDCs) and Community Housing Development Organizations (CHDOs) to implement community development and affordable housing projects for low-income individuals and families (at or below 80% AMI). These funds aim to provide organizational stability and bolster capacity for executing community initiatives. Enterprise is a steward of these critical government resources.

This evaluation shares more about Enterprise's transformative efforts in serving HCDOs in Puerto Rico, the progress HCDOs have achieved, and the persistent challenges facing HCDOs. It also recommends a path forward with enhanced support. The evaluation focuses on the voices and lived experiences of those organizations serving on the front lines of community service in Puerto Rico.

<sup>1</sup> The term "nonprofit housing and community development organizations (HCDOs)" is used in this report to encompass a broad range of organizations engaged in affordable housing and community development work in Puerto Rico. While not all of these organizations fit the formal HUD definitions of Community Housing Development Organizations (CHDOs) or Community Development Corporations (CDCs), all organizations funded through Section 4 grants met one of these two definitions.

## A Brief Overview of Enterprise’s History in Puerto Rico

### 2011

Enterprise, through Enterprise Advisors, began offering capacity-building grants through the Department of Housing and Urban Development’s (HUD) Section 4 to strengthen local housing and community development organizations’ capacity and technical capabilities.

### 2020

Enterprise and other partners launched the Puerto Rico Nonprofit Leadership Development Initiative.

### 2023

Enterprise engaged in HUD's Distressed Cities Technical Assistance (DCTA) program and provided capacity building to Puerto Rico municipalities.

### 2001

Enterprise invested in affordable housing in Puerto Rico by developing 158 housing units under the Low-Income Housing Tax Credit (LIHTC) program and building the capacity of local housing organizations.

### 2018

Enterprise launched the Climate Strong Islands Initiative (CSII)<sup>2</sup> to support HCDOs in their resilience efforts following Hurricanes Irma and María. Significant projects associated with this included *Keep Safe – A Guide to Resilient Housing Design in Island Communities*. Funded by The NY Community Trust, The National Fish and Wildlife Fund, Unidos Por Puerto Rico, and private philanthropy

### 2021

Enterprise received a \$6 million contract with the Puerto Rico Department of Housing (PRDOH) to provide technical assistance to PRDOH’s subrecipients in CDBG-DR.

## About This Evaluation

### Evaluation Objectives

This evaluation was prepared by Enterprise’s Impact and Evaluation team (I&E), in partnership with Enterprise Advisors staff serving Puerto Rico. Enterprise’s I&E team designs evaluations to:

- Inform program design by identifying intended outcomes and identifying leading indicators
- Allow ongoing assessment of program implementation
- Document key learnings to improve program delivery and potential scaling opportunities.

This evaluation examines Enterprise’s work in Puerto Rico over the past decade, from 2014 to 2024, which includes multiple major natural disasters and a global pandemic. It examines the breadth of our initiatives while taking a closer look at the impact of these initiatives on the HCDOs that participated.

The primary objectives of this evaluation are to:

- Identify the types of capacity-building support provided by Enterprise in Puerto Rico.
- Assess the effectiveness and impact of Enterprise’s capacity-building support on HCDOs in Puerto Rico.
- Highlight ongoing challenges that HCDOs continue to face in Puerto Rico.
- Gather insights and provide recommendations to enhance the resilience and sustainability of HCDOs in Puerto Rico.

These objectives were guided by **Key Research Questions (Appendix A)** that focus on evaluating the forms, impact, and outcomes of Enterprise’s capacity-building efforts, including how these initiatives influenced organizational capabilities, disaster preparedness, and access to federal funding for the HCDOs in Puerto Rico. Questions also explored the impact of Enterprise’s efforts on the organizations’ ability to engage with the community and collaborate with stakeholders, along with any barriers they faced or continue to face in these efforts.

<sup>2</sup>The creation of CSII emerged after the 2017 hurricanes to support resilience and equitable recovery. It brings together community leaders and organizations to address infrastructure challenges and foster opportunities for low-income families. CSII focuses on long-term recovery strategies that strengthen island communities against future climate risks.



## Evaluation Methods

To meet the objectives of the evaluation, Enterprise used a multi-method approach across four main tasks:

### Task 1: Review of Existing Documents

- Impact and Evaluation staff reviewed grant scopes and qualitative information from grant reports for 52 grants issued to HCDOs in Puerto Rico between 2014 and 2024 to identify preliminary themes in uses and potential impacts of grant funds. These observations guided the development of interview tools and survey guides. To supplement this analysis, I&E examined the biannual grant progress reports of five organizations awarded Section 4 grants in 2022. I&E also reviewed other background documents prepared by Enterprise Advisors on their capacity building efforts in Puerto Rico.

### Task 2: Semi-structured Interviews with Enterprise Staff

- Impact and Evaluation staff conducted qualitative interviews with three Enterprise staff members and one long-term consultant involved in the capacity-building initiatives for Puerto Rico's HCDOs. These semi-structured interviews focused on the strategic goals, decision-making processes, and perceived challenges from the perspective of the Enterprise Advisors team.

### Task 3: Survey of HCDOs served in Puerto Rico

- A survey was administered to gather quantitative and supplemental qualitative data from 16 staff members at 14 community development organizations (one organization submitted responses from three key staff members).
- The survey focused on gathering information about the types of support received from Enterprise, the impact on organizational capacity, and ongoing challenges.

### Task 4: In-Depth Interviews with Four HCDOs

- To supplement survey data with deeper qualitative insights, Enterprise staff conducted in-depth interviews with four of the surveyed organizations: Ponce Neighborhood Housing Services (PonceNHS), INDESOVI, Fundación de Desarrollo Comunal de Puerto Rico (FUNDESCO), and One Stop Career Center of PR. These organizations were selected as representative cases based on their experiences and varying lengths of partnership with Enterprise.
- Two of these interviews were conducted in English, while the other two were conducted in Spanish and later translated into English for analysis.

## Data Analysis

### Qualitative Analysis

All qualitative data from the interviews (Tasks 2 and 4) were analyzed using a thematic analysis approach. Coding was conducted deductively using a priori codes and predetermined themes (e.g., funding needs, staff retention) and inductively to capture emergent themes (e.g., community trust, inter-organizational collaboration). The coding process emphasized capturing the unique voices and experiences of each organization, allowing themes to emerge naturally. This thematic analysis provided insights into both the successes and limitations of Enterprise's support, and the analysis was corroborated through iterative discussions within the evaluation team.

# The Evolution of Enterprise’s Capacity-Building Support

From 2014 to 2024, Enterprise Community Partners provided a range of capacity-building support to strengthen Puerto Rico’s non-profit housing and community development organizations. Capacity building can have a wide definition. For the purposes of this report, Enterprise’s capacity-building efforts included 1) financial grants to HCDOs; 2) technical assistance (TA) to enhance operational practices; 3) leadership development programs to empower organizational leaders; and 4) support in development, including technical assistance for grant writing, network building, storytelling and compliance. Enterprise’s capacity-building support was typically tailored to address the specific needs of each organization, ensuring that capacity-building interventions were relevant and impactful for long-term growth and sustainability. Together, this approach bolstered the effectiveness and resilience of local organizations serving communities across Puerto Rico.

## Grant Making

In the past decade, Enterprise supported 17 partner organizations with a total of 52 grants. These grants represent a total value of \$2.16 million, for an average of \$41,500 per grant. Enterprise’s capacity-building strategy in Puerto Rico prioritizes long-term partnerships and repeated investments. This strategy was developed based on Enterprise’s understanding of Puerto Rico’s HCDO landscape, which includes limited availability of capacity-building resources and, typically, smaller organizations.

The grant portfolio reflects these aims, with 10 of the 17 organizations receiving multiple grants in the 10-year period. The table below indicates the distribution of grant funding across the three main grant programs active in Puerto Rico between 2014 and 2024.

Grant Category	Number	Total Amount	% of Total
Section 4 (general)	35	\$1,686,433	78%
Hurricane Community Recovery Fund	8	\$269,500	12%
Puerto Rico Nonprofit Leadership Initiative	7	\$145,659.70	7%
Other	2	\$56,500	3%
<b>Total</b>	<b>52</b>	<b>\$2,158,093</b>	<b>100%</b>

These grants helped organizations build their capacity through activities such as purchasing software for communication and operations, attending leadership development training, receiving counseling services, and support expenses related to coordination for a 32-unit affordable housing project in Utuado. A summary of all Section 4 recipients is shared in **Appendix B** and provides more detail about the use of their funds.

## Technical Assistance

Enterprise plays an important role in strengthening the capacity of community-serving organizations through a range of targeted technical assistance initiatives. By offering tailored one-on-one technical assistance, we address specific challenges and develop customized solutions that drive meaningful impact.

Notable examples include assisting CONSUR—a consortium of six municipalities managing an earthquake recovery program—by helping establish strategic plans, policies, and procedures and laying the groundwork for its transition into a 501(c)(3) organization. The CONSUR technical assistance was established through the Distressed Cities Technical Assistance (DCTA)<sup>3</sup> program, and the work plan was valued at \$210,000. This 9-month technical assistance engagement provided substantive support in transitioning to a new organization that now plays a critical role in earthquake recovery in those six municipalities. Similarly, Enterprise supported One Stop Career Center, Inc. in creating Resilience Plans with three communities in Caguas: Tomás de Castro, Cañaboncito, and Borinquen. This effort later led to the organization securing a \$2,000,000 CDBG-DR allocation for the Whole Community Resilience Planning Program.

As part of Enterprise’s Section 4 workshop initiatives in 2023, four workshops were designed to address critical topics for grantees. All workshop sessions resulted in an increased understanding of the topic being discussed by program participants. The sessions included *A Dialogue with Enterprise*, where participants collaborated to prioritize workshop topics, share accomplishments, and discuss

<sup>3</sup>The DCTA program is designed to build capacity of local governments experiencing economic distress and assist local governments and their nonprofit partners in alleviating persistent poverty in specific areas (census tracts). Through DCTA, HUD provides technical assistance (TA) directly to entities serving smaller communities with populations under 50,000. <https://www.huduser.gov/portal/ota/distressed-cities-and-persistent-poverty-ta-program.html>

barriers they faced, fostering a collaborative and solutions-focused environment. In the *Human Resources Management* workshop, 60% of participants initially reported having an average understanding of the topic, while 90% left the session with a high level of understanding. In the *Operating Budget and Cash Flow* session, 86% of participants entered with an average understanding, and by the end, 100% felt they had a high understanding of the subject. The *Financing for Affordable Housing Development* session showed the most significant improvement, as 44% of participants started with a low understanding. Of this group, 86% left with an average understanding, 12% achieved a high understanding of the topic, and three entities were inspired to pursue a new source of financing. In total, 84 participants engaged in these impactful workshops, including representatives from eight past grantee entities and six current grantee organizations, further strengthening their capacity to achieve meaningful results for their communities.

## Leadership Development

Leadership development has been a cornerstone of Enterprise's capacity-building efforts, empowering nonprofit leaders to strengthen their organizations and effectively serve their communities. Through targeted programs like the Puerto Rico Nonprofit Leadership Development Initiative, launched in 2020 in collaboration with NeighborWorks America and Fundación Comunitaria de Puerto Rico, Enterprise provides tools and mentorship to help leaders navigate complex organizational challenges and implement sustainable practices. The initiative equips nonprofit leaders with the knowledge and support needed to manage their organizations more effectively. Despite the challenges posed by the COVID-19 pandemic, Enterprise successfully adapted the Institute to a virtual format, ensuring its continued operation and impact during this critical time. Six organizations participated and shared that the initiative provided invaluable networking and training opportunities. Groups were able to connect with mentors, build relationships, and have both in-person and virtual conversations.

Additionally, Enterprise developed a series of sessions to support HCDOs on topics designed to enhance the strategic and operational capacities of nonprofit leaders. In sessions on *Nonprofit Financial Management and Building Your Best Board*, HCDOs gained insights into effective financial reporting techniques to engage their boards as strategic partners. Enterprise also held sessions exploring topics on *Joint Venture Partnerships and Relationship Building*, sharing the advantages of collaborative

partnerships in housing development projects, along with the various structures and agreements that can facilitate successful joint ventures. Finally, workshops on human resource procedures addressed what HCDOs were already doing and in which areas they needed further support.

## Development Support

Many HCDOs in Puerto Rico face ongoing challenges in securing sustainable funding and maintaining compliance with complex funding requirements. To address these hurdles, Enterprise has delivered critical support equipping partners with additional training and tools to enhance their capacity to take on these challenges.

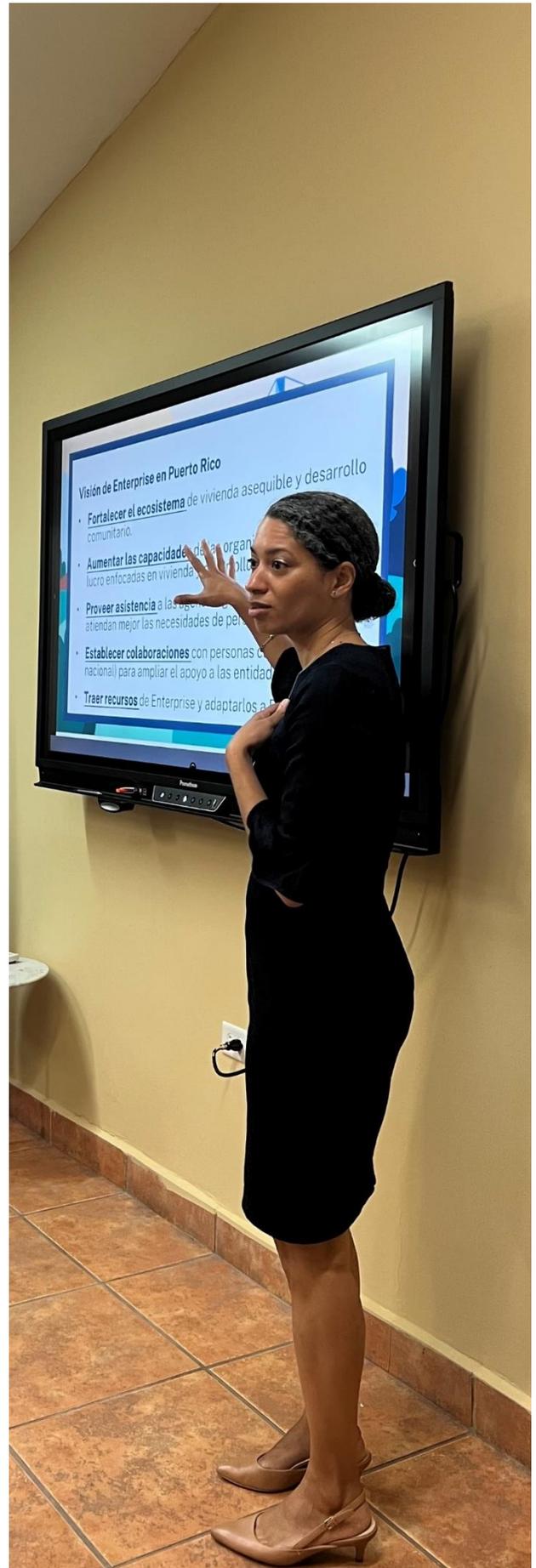
**Grant writing support:** HCDOs participated in a series of 9 trainings in the fall of 2024 offered by Enterprise to help craft competitive grant proposals and create well-structured budgets. Hands-on exercises, peer review, and tailored guidance provided to Centro Reconstrucción del Hábitat (CRH), Fideicomiso de la Tierra del Caño Martín Peña, and FUNDESCO, supported HCDOs in submitting strong proposal by the end of 2024.

**Connection to funding sources:** Access to and awareness of funding opportunities is critical to successfully fundraising for on-going work. Enterprise has fostered new connections for HCDOs, including introduction to HUD officials and representatives from the Federal Home Loan Bank of New York. These connections have led to long-term relationships that enhance funding opportunities and collaboration. For example, HCDOs are currently collaborating with HUD as a sounding board and connection to resources, with the goal of creating a working group dedicated to developing solutions to effectively participate in the HOME and CDBG funding programs.

**Branding and communication support:** HCDOs know the power of branding and communication to tell the story of impact of their work. Enterprise has disseminated a social media marketing guide, comprehensive profiles of the HCDOs and their work, and celebrated HCDO achievements using Enterprise's national social media platforms (LinkedIn and Facebook).

**Compliance training:** As HCDOs navigate federal and other complex funding sources in Puerto Rico there is a need for tools and trainings on navigating federal funding programs effectively. Enterprise has been instrumental in building compliance capacity. Through a contract with the Puerto Rico Department of Housing (PRDOH) to support their CDBG-DR/MIT program for recovery from Hurricanes Irma and María, Enterprise developed 16 e-learning courses on a wide range of topics, including foundational concepts of

CDBG-DR and CDBG-MIT, Fair Housing and Equal Opportunity (FHEO) compliance, grant management, procurement processes, and effective record-keeping practices. These resources were designed to equip participants with the skills necessary to navigate complex funding mechanisms, strengthen their operational capacities, and meet the compliance requirements outlined in their subrecipient agreements. As part of this work, Enterprise developed and facilitated more than 21 CDBG-DR/MIT<sup>4</sup> courses over two and a half years, reaching 4,732 individuals. To deepen the understanding of these topics, Enterprise also conducted 78 in-person workshops during the same period, providing hands-on learning experiences to 846 participants. During this time, Enterprise led and facilitated three tailored bootcamps for the Small Business Incubator and Accelerator (SBIA), Social Interest Housing (SIH), and Workforce Training Program (WTP), effectively engaging and impacting 170 participants over the course of eight months. Collectively, these initiatives have empowered HCDOs to strengthen their operations and navigate funding requirements.



<sup>4</sup>Catálogo de Ofrecimientos

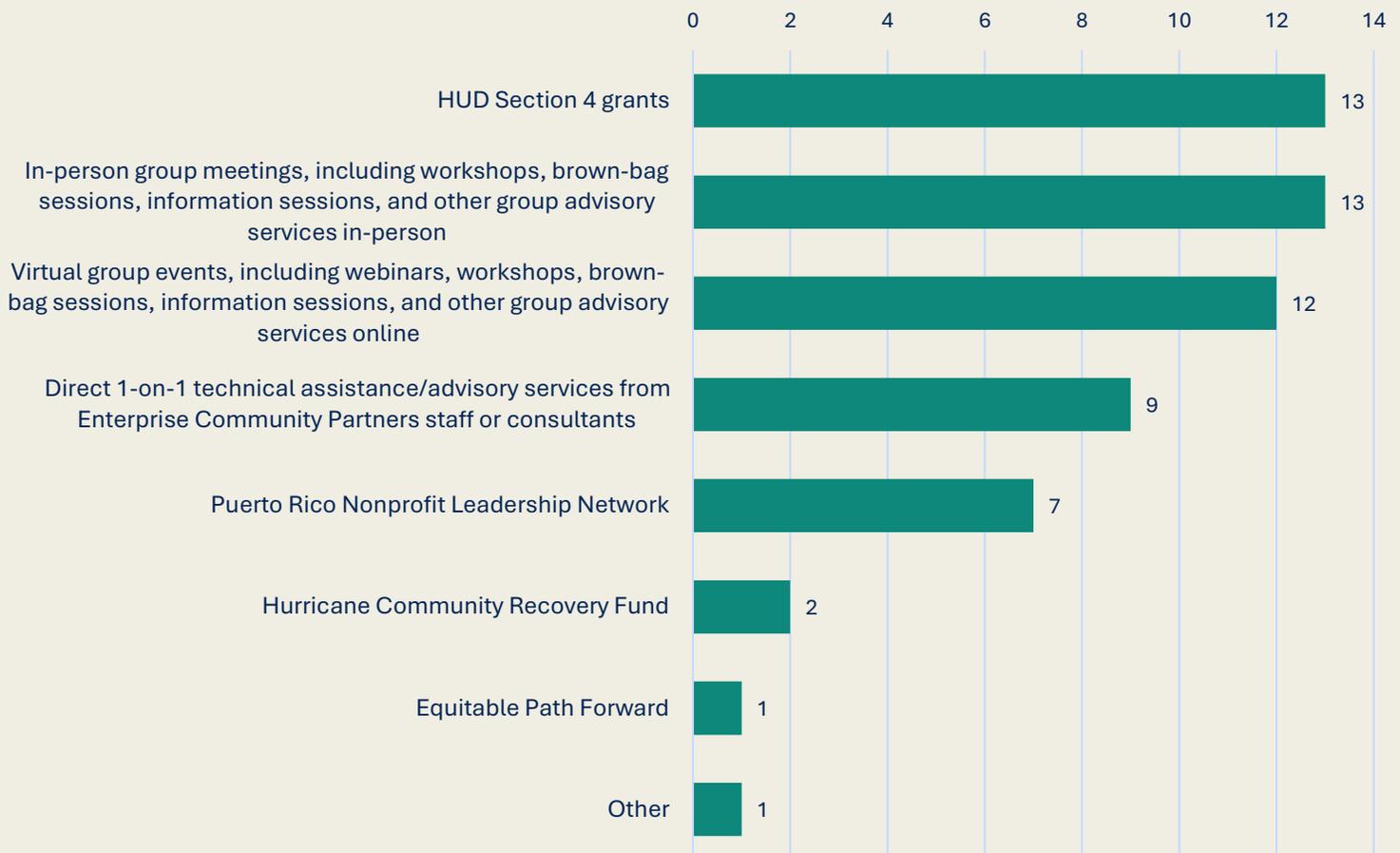
# Enterprise's Impact on HCDO Growth

Enterprise's capacity-building initiatives have assisted HCDOs in making transformative change in Puerto Rico's nonprofit sector and in meeting critical community needs. Enterprise has helped HCDOs navigate complex challenges while improving their internal systems and processes through a multifaceted approach that combines grant-making, technical assistance, leadership development and development supports. In conversations for this evaluation, HCDOs have strongly emphasized the substantial lasting impacts of Enterprise's support on their ability to meet community needs.

Enterprise's capacity-building support for organizations in Puerto Rico includes grant funding, in-person and virtual workshops, direct 1-on-1 technical assistance, and other tailored networks, funds, programs and fellowships. As shown in the chart below, 13 of 16 respondents have utilized HUD Section 4 grants through Enterprise. 13 have attended in-person sessions and 12 have attended virtual sessions. In open-ended survey responses, partners reported finding every form of capacity-building helpful but reported workshops and training and financial support to be the most supportive.

The pathways for this impact are highlighted in the sections that follow.

**Number of Respondents Who Have Used Each Enterprise Capacity Building Program**



## Tailored Support

*“Enterprise has been there for us”*

*- PONCE NHS*

This sentiment was expressed in all four interviews with HCDOs in Puerto Rico. Driven by a comprehensive understanding of the challenges and needs of HCDOs, Enterprise tailored capacity-building support to address the evolving needs of HCDOs. When Enterprise identified critical challenges, such as fundraising and talent retention, it worked to address them in a strategic manner. For instance, through working closely with HCDOs, Enterprise recognized the pressing need to strengthen current and future leaders of Puerto Rico’s HCDOs. In response, Enterprise developed the Puerto Rico Nonprofit Leadership Development Initiative to address this need.

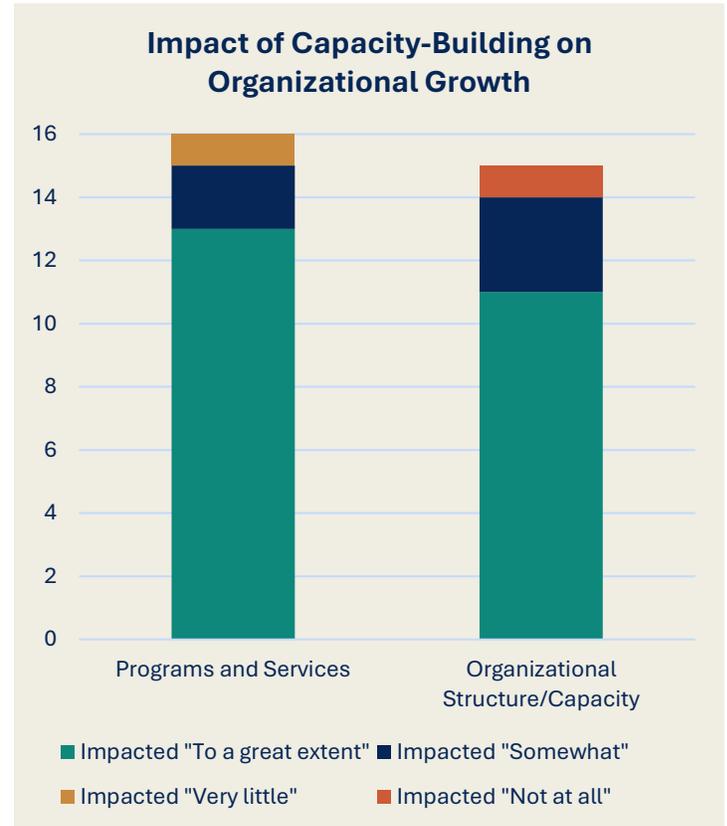
The impact of this approach is also highlighted by the HCDOs. In one HCDO interview, a PonceNHS staff member made note of the importance of the coaching and mentoring available to them through Enterprise, sharing that the personal relationships formed through these activities have been one of the most impactful results of working with Enterprise.

One Enterprise Advisors staff member sees tailored technical assistance as one of the most effective forms of support, enabling organizations to address specific gaps and implement meaningful change. *“In one of the projects, we worked one-on-one providing in-depth support to a specific organization on their strategic plan and human resources procedures,”* the staff member noted, emphasizing how these efforts have resulted in long-term improvements in organizational efficiency and leadership. This individualized approach allows Enterprise to meet organizations where they are, fostering incremental growth that aligns with each HCDO’s unique needs and priorities.

Furthermore, through their grant reporting, several HCDOs highlighted the ability to use their grant resources nimbly to respond to key challenges. For example, the Latino Economic Development Corporation sought to provide advisory services to businesses in Puerto Rico but learned that many businesses first needed baseline support in record-keeping and accounting. Based on this, they increased the amount of time necessary for each TA engagement and added accounting and record-keeping workshops. These HCDO grant reports revealed that several grantees identified key challenges early in their grant periods of performance and were then able to use the flexibility afforded by capacity-building resources to respond to these challenges.

## Fostering Organizational Growth

From the perspective of HCDOs, Enterprise’s support has been instrumental in fostering organizational growth and innovation. HCDOs consistently expressed appreciation for Enterprise’s capacity-building support, describing it as a lifeline in times of need and a major asset to their work. The chart below illustrates the impact of Enterprise’s capacity building on organizations’ programs and services and structure and capacity based on survey responses.



One Stop Career Center of Puerto Rico, for example, emphasized how Enterprise’s support has enabled them to develop comprehensive operational systems and train their staff in critical areas, such as resiliency planning and building community trust. *“The trainings and technical support [we] received from Enterprise allowed [us] to formalize our processes and create a stronger foundation for our work,”* mentioned a One Stop Career Center representative. They also noted that Enterprise’s funding played a crucial role in building their disaster preparedness capacity, enabling them to adapt their programs to meet evolving community needs during crises like Hurricane Maria. *“Without Enterprise, we wouldn’t have been able to pivot so quickly and effectively when disaster struck.”* These capacity-building efforts have not only increased the operational scope of organizations like One Stop Career Center but have also strengthened their resilience and ability to serve their communities effectively.

## Impact Spotlight: INDESOVI Uses Capacity-Building to Become More “Efficient and Adaptable”

“El desarrollo de capacidades ha permitido a INDESOVI ser más eficiente y adaptable. Esto incluye la creación de equipos multifuncionales que mejoran la colaboración y la toma de decisiones. A través de programas de capacitación y desarrollo, el personal ha mejorado sus habilidades técnicas y gerenciales. Esto no solo aumenta la productividad, sino que también mejora la moral y la retención de talento.”

*Translation: “Capacity building has enabled INDESOVI to become more efficient and adaptable. This includes the creation of cross-functional teams that improve collaboration and decision-making. Through training and development programs, staff have improved their technical and managerial skills. This not only increases productivity, but also improves morale and talent retention.”*

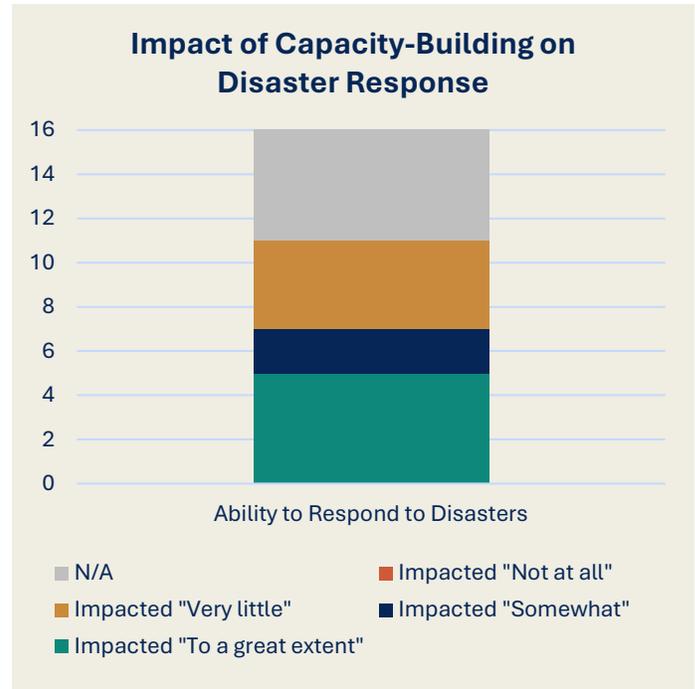
Organizations experienced substantial impacts related to each of five staffing challenges discussed on the survey, five with majorities reporting that each challenge impacted their operations “somewhat” or “to a great extent.” Staff recruitment and retention were particularly acute issues, with three quarters of respondents reporting significant impacts. In one interview, FUNDESCO’s leadership shared, Enterprise’s training programs were described as “eye-opening,” offering the organization the tools to enhance leadership and operational effectiveness. Similarly, as INDESOVI described in their survey response, partners have relied on Enterprise’s capacity-building support to hire staff, build skills, address burnout, and promote retention. This speaks to the need and benefit to provide training coupled with resources to address limited staff and financial stability, a sentiment shared by many organizations.

These outcomes help illustrate the powerful impact of Enterprise’s approach to capacity building, highlighting the transformative potential of sustained investment in organizational capacity, with Enterprise serving as a key partner in their journey toward sustainability and impact.

### Strengthening Disaster Resilience

Recognizing the island’s vulnerability to natural disasters, Enterprise has provided tailored resources and expertise to help organizations prepare for and respond to crises. HCDOs see these services making substantial impact in their work. As shown in the chart, *Impact of Capacity Building on Disaster Response*, out of eleven HCDOs that responded to the organizational survey and participate in disaster response work, seven indicated Enterprise’s efforts have impacted their ability to respond to disasters “somewhat” or “to a great extent.”

Based on the review of 10-years of grant reporting from HCDOs to Enterprise, HCDOs highlighted the catalytic impact of Enterprise’s capacity-building supports on their ability to deploy resources, particularly in disaster



mitigation and recovery. Enterprise’s capacity-building work has filled a vital ecosystem role by positioning grantees and their partners to be able to secure and execute larger federal contracts. Federal disaster response programs rely on a strong local web of organizations ready to deploy resources quickly. Enterprise’s capacity-building work gives partners the resources they need to identify and repair gaps in that web, as shown in the Impact Spotlight below.

In addition to deploying critical resources during and after a disaster, Enterprise has emphasized customized resilience plans that integrate both proactive measures and post-disaster recovery strategies. “We developed a disaster preparedness manual with Enterprise’s guidance, which has become our go-to resource for emergencies,” shared a representative from INDESOVI. This proactive planning has enabled HCDOs to anticipate challenges and implement structured responses, reducing disruption to their communities during emergencies.

<sup>5</sup>The challenges listed were staff recruitment, staff retention, burnout/fatigue, compensation, and skillset.

Enterprise’s impact extends beyond plans and protocols; it includes fostering a culture of readiness and adaptation. HCDOs credited Enterprise with supporting efforts to secure vital supplies, build emergency communication systems, and implement staff training on disaster response. *“Enterprise doesn’t just provide funding; they ensure we know how to use it”* noted a staff member from FUNDESCO. Moreover, Enterprise has facilitated peer-to-peer knowledge exchanges, enabling organizations to collaborate and refine their approaches to disaster resilience. By equipping nonprofits with these tools, Enterprise has strengthened the safety net for communities across Puerto Rico, ensuring that organizations are better prepared to mitigate the impacts of future crises and maintain their critical services under pressure.



## Impact Spotlight: Enterprise Capacity Building Grants Unlock A Revolving Bridge Loan Fund to Ease CDBG-DR Deployment

Affordable Housing Fund for Puerto Rico, the non-profit affiliate of El Fideicomiso de Vivienda y Desarrollo Humano de Puerto Rico (FIDEVI) used a Section 4 capacity-building grant from Enterprise to develop a revolving bridge loan fund for Community Development Block Grant for Disaster Recovery (CDBG-DR) grantees in Puerto Rico.

After Hurricane Maria, Puerto Rico’s Department of Housing allocated nearly \$30 million to 12 housing organizations through CDBG-DR. The program operates on a reimbursement basis, requiring grantees to expend resources before seeking payment. This can pose cash-flow challenges to small community-based organizations. FIDEVI identified that many organizations needed bridge loans to maintain operations until reimbursement. In 2022 and 2023, FIDEVI used an Enterprise Section 4 grant to develop procedures to guide this new fund, hold conversations with partner organizations and the Department of Housing of Puerto Rico, train staff, and prepare their credit manual for the partner bank to then be able to obtain a loan to start the fund.

Enterprise continued to support this work in 2021 as the revolving loan fund launched and began making loans. In this time, the fund sought and received a 2022 CDFI-TA award from the Department of Treasury and is on track to apply for CDFI certification in 2025, which will increase their access to lending streams and programs offered through the Department of the Treasury’s CDFI Fund. Capacity-building resources helped FIDEVI smooth the deployment of federal disaster recovery resources while building lasting organizational and ecosystem infrastructure for community lending in Puerto Rico.

## Promoting Collaboration

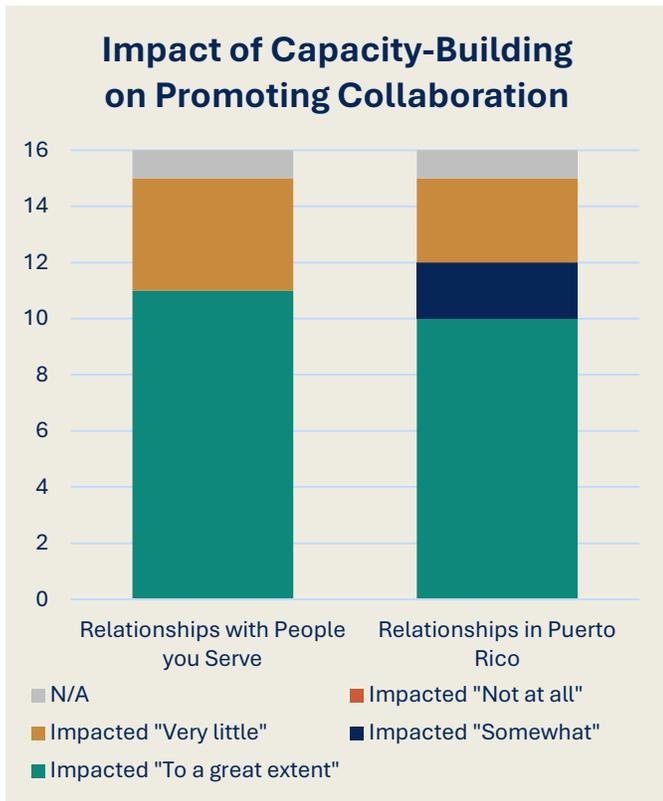
HDCOs have fostered a collaborative network across nonprofit organizations in Puerto Rico. This has been supported through networking events, peer-learning workshops, and strategic convenings hosted by Enterprise. In these spaces, organizations share experiences, best practices, and build collective solutions to address pressing challenges. One survey respondent emphasized, *“Enterprise’s activities / meetings / forums have helped me connect with a large number of leading individuals from community organizations and municipalities.”*

Organizations expressed the value of learning from other organizations doing similar work. These opportunities have empowered organizations to draw inspiration from their

peers and apply innovative strategies to their own contexts.

A significant example of this collaborative spirit emerged from Enterprise’s efforts to convene organizations for disaster preparedness discussions following Hurricane Maria. By acting as a facilitator, Enterprise fostered a sense of community and solidarity among nonprofits working in different sectors and aligned in their mission to support Puerto Rico’s most vulnerable populations. The impact of these collaborations will extend beyond immediate outcomes as Enterprise staff highlighted their commitment to creating enduring partnerships. This collaborative ecosystem has enhanced the capacity of nonprofits to address systemic issues, reinforcing the idea that working together amplifies their collective impact. This initiative and

other investments in collaboration reflect Enterprise’s strategic role as both a capacity builder and a connector in Puerto Rico’s nonprofit ecosystem.

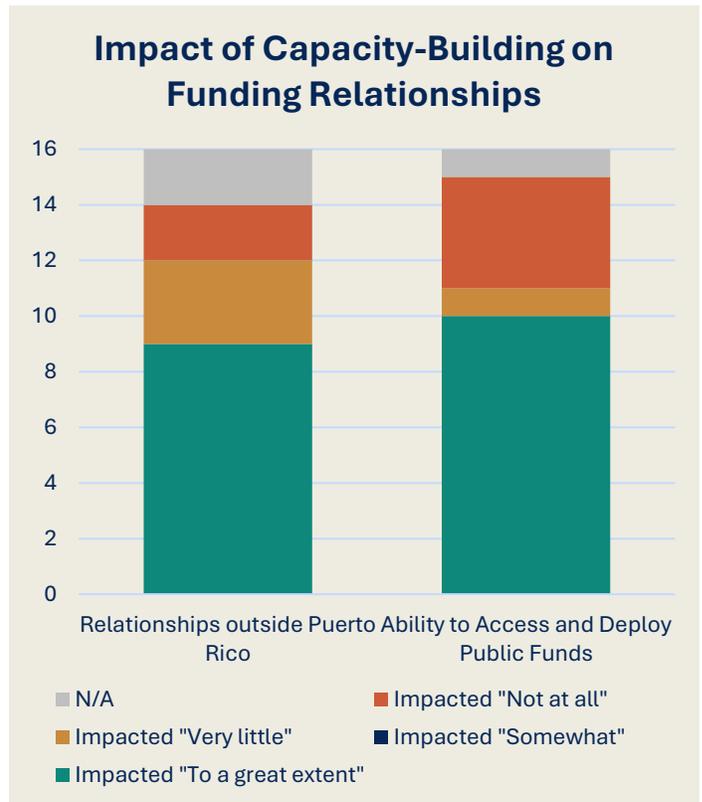


### Securing Additional Funding

HCDOs report that both Enterprise’s capacity-building programs and financial resources have been essential in securing and leveraging additional funding (as shown in the chart, Impact of Capacity-Building on Funding Relationships). These efforts include support in grant writing, filling gaps during funding delays or waiting for reimbursement, and replacing expiring sources.

Most organizations also reported that Enterprise provided significant support in building their relationships outside Puerto Rico. These relationships were lifted up in two of the four HCDO interviews as essential to unlocking and securing future funds for Puerto Rico.

Interviewees also expressed that Enterprise’s support has been pivotal in helping HCDOs secure additional funding, which many organizations cited as one of their most critical needs. Several HCDO representatives highlighted that Enterprise provided targeted assistance in identifying funding opportunities and refining grant proposals, enabling them to successfully apply for larger and more competitive funding streams. These efforts not only bridged immediate funding gaps but also enhanced the long-term financial resilience of the organizations.



Enterprise also supported organizations in grant compliance, which helped organizations in obtaining repeat funding opportunities. Through targeted assistance, Enterprise equips organizations in identifying funding sources, crafting compelling grant applications, and managing the complexities of compliance requirements. One Enterprise staff member explained, *“People and money are the two main [components]. With money it goes from identification of funding sources then how to apply, grant writing and all of that, and then how to manage that money. [Also] compliance and having the internal capacity to deal with requirements for departments....”*

### Impact Spotlight: Enterprise Helps HCDOs Navigate Government Funds

“El equipo de Enterprise, en sus presentaciones, nos ayudó a entender mejor los distintos programas de fondos. Gracias a su orientación, hemos podido saber hacer mejores acercamientos e iniciar conversaciones y estar mejor preparados para solicitudes de fondos, como los de CDBG DR y MIT del Departamento de la Vivienda.”- One Stop Career Center

*Translation: “The Enterprise team, in their presentations, helped us better understand the different funding programs. Thanks to their guidance, we have been able to make better approaches and initiate conversations and be better prepared for funding requests, such as CDBG DR and MIT from the Department of Housing.”- One Stop Career Center*

## Case Study: Ponce Neighborhood Housing Services

### *From Seven to Thirty-Three: A Journey of Growth Through Enterprise's Support*

#### Background

Ponce Neighborhood Housing Services (Ponce NHS) has been a cornerstone of community development in Puerto Rico for decades, working to improve housing conditions and strengthen neighborhoods. Over the past seven years, Ponce NHS has undergone a remarkable transformation, scaling its impact and organizational capacity in ways that have fundamentally changed its ability to serve the community. This growth has been made possible through the sustained partnership and support of Enterprise.

From growing their team from 7 to 33 employees to launching a new affordable housing development department, Ponce NHS exemplifies how Enterprise's capacity-building efforts can catalyze organizational transformation and drive community change.

#### Scaling Up: Building a Stronger Organization with Greater Reach

When the current Executive Director of Ponce NHS began his role seven years ago, the organization was operating with just seven staff members. Ponce NHS has now grown to a team of 33 employees, organized into five departments and shared the important role Enterprise's technical assistance, grant funding, and capacity-building support has played in their growth.

*"I have to be very candid – and disclose that when I started as an ED 7 years ago, we were 7 people and now we are 33. Enterprise has been a huge part of this growth because of all the support we have been receiving from them,"* the Executive Director shared.

This growth has not been incidental—it reflects a deeper reorganization and strategic vision for the organization. With Enterprise's training, support, and advisory services, Ponce NHS restructured its operations, identifying areas for improvement and new opportunities for impact.

#### Launching an Affordable Housing Development Department

One of the most significant advancements for Ponce NHS has been the launch of their affordable housing development department. The department represents a bold step forward in the organization's mission to address the pressing need for affordable housing in Puerto Rico.

*"Enterprise helped us last year by giving us funds to sustain these staff. As you know, the identification of funds for pre-development to develop these types of projects are very scarce and most of the time organizations don't get the funds to pay the staff needed to do the pre-development. This has been a huge help because thanks to that – we had the opportunity to have these experts to be working on our projects."*

Ponce NHS secured the resources to recruit and retain staff with the expertise needed to navigate the complex processes of housing development. These professionals have been critical in advancing projects that would otherwise have been stalled by a lack of capacity.

*"Our projects have been moving on thanks to these supports and these funds,"* noted the Executive Director.

## Identifying Strengths and Improving Operations

Enterprise's capacity-building efforts have gone beyond financial support, offering tailored training and strategic insights that have empowered Ponce NHS to strengthen its internal systems. This has included rethinking organizational structures, creating new layers of leadership, and formalizing processes to increase efficiency and effectiveness.

*"Because of the training and capacity building from Enterprise, we were able to identify pockets of opportunity, things we need to improve, things that were our strengths, and as a result we have five departments with 33 employees. This is because of Enterprise's support. They have been helping us in the process and giving us tools and another side of how to do things in an effective and assertive manner in the process."*

## Expanding Community Impact

The impact of these organizational improvements is far-reaching. With a larger, more specialized team and the launch of their housing development department, Ponce NHS has expanded its capacity to deliver services to the community. The organization is now better positioned to address the housing needs of vulnerable populations and engage in long-term community development projects.

*"Enterprise has not just been a funder for us. They've been a partner in every sense of the word. They've helped us grow, helped us understand how to do things better, and helped us dream bigger for our community."*

## Conclusion: Growth and Partnership in Action

The story of Ponce NHS is a testament to what is possible when capacity-building initiatives are tailored to meet the unique needs of community development organizations. Ponce NHS grew from a small, understaffed organization into a thriving, multi-departmental operation capable of making a meaningful difference in the lives of Puerto Ricans, and credits Enterprise as playing a catalytic role in that growth.

While challenges remain, the growth of Ponce NHS demonstrates the transformative potential of sustained support and strategic investment. With partners like Enterprise, Ponce NHS is not only meeting immediate needs but also building a stronger foundation for long-term impact.

As the Executive Director put it: *"We are here today, making a difference for our community, because of what Enterprise has done for us."*

# Persistent Challenges

Over the last 10 years, Enterprise worked to strengthen HCDOs in Puerto Rico supporting their growth, staff, financial stability, and networks. Through a flexible approach, Enterprise leveraged available resources to tailor funding, technical assistance, and other capacity-building efforts to meet the HCDOs where they are. As Enterprise looks to the future, it is essential to assess the ongoing needs and, despite significant progress, systemic challenges that persist.

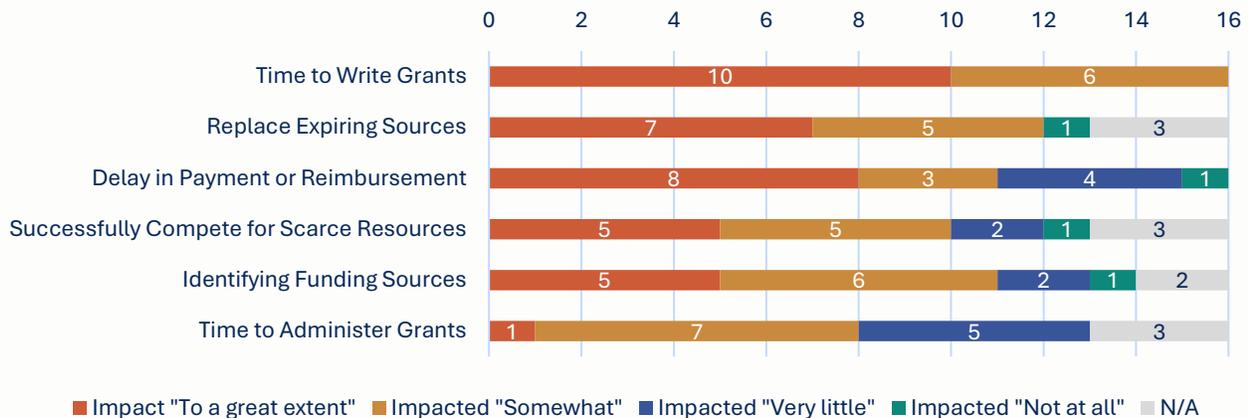
The qualitative interviews with Enterprise staff and HCDOs, combined with survey data, reveal a complex landscape of

challenges faced by organizations striving to address critical community needs in Puerto Rico. As INDESovi noted in an interview, *"Enterprise's capacity-building helps, but we're still struggling to keep up with operational demands."* Organizations report that while Enterprise's efforts have positive effects, especially in organizational growth, disaster preparedness, and staff training, wider systemic needs remain. These needs span funding, staffing, compliance, and external dynamics, posing significant barriers to their sustainability and effectiveness.

## Funding Constraints

- Inconsistent and Limited Resources:** Many HCDOs struggle with the cyclical nature of grant funding and limited access to flexible financial resources. These constraints hinder their ability to sustain operations and launch long-term initiatives. Additionally, when asked about challenges in accessing and deploying funds, staffing drove the top challenge partners experience related to fundraising. As shown in the chart below, all 16 survey respondents indicated they have a lack of time to write grants. HCDOs also reported they struggled to replace expiring sources of funds.
- Resource Scarcity for Pre-Development:** The lack of resources for pre-development planning prevents organizations from effectively initiating new affordable housing projects or scaling their services.
- Reimbursement-Based Models:** Federal funding programs that require upfront expenditures create cash-flow challenges for smaller organizations, limiting their capacity to act swiftly in critical moments. Fifty percent of survey respondents listed delays in payment or reimbursement as a substantial challenge impacting their organizations.

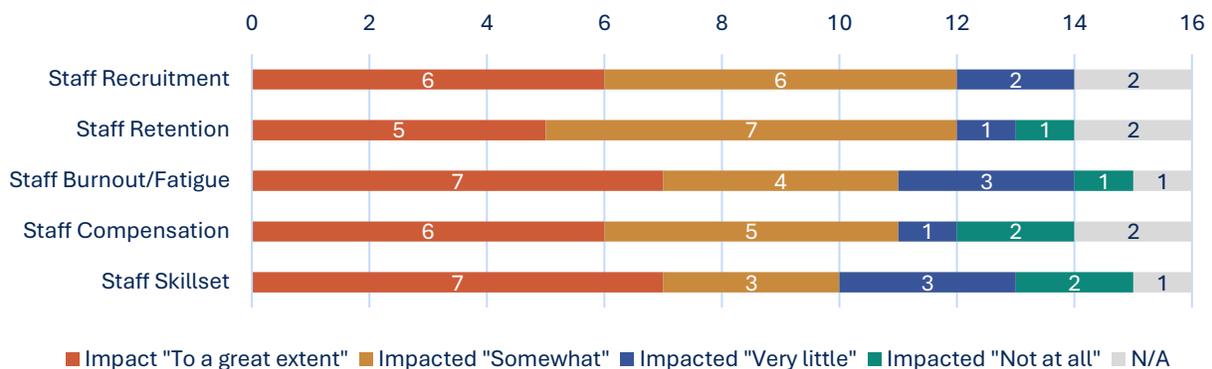
### Funding Challenges and their Impacts On Organizations



## Staffing Challenges

- **Generational Gaps:** Organizations report challenges in attracting younger professionals who are willing to embrace the multifaceted and demanding nature of nonprofit work.
- **Leadership Succession Planning:** Long-standing leaders in HCDOs often lack clear successors, leaving organizations vulnerable to disruptions when leadership transitions occur.
- **High Turnover Rates:** Many HCDOs have trouble retaining qualified staff, particularly due to low salaries and high job demands in the nonprofit sector. As shown in the chart below, survey respondents report that their HCDOs experience substantial negative impacts from challenges in staff recruitment and retention, and from

### Staffing Challenges and their Impacts on Organizations



## Additional Challenges

- **Complex Compliance Requirements:** Navigating federal and state compliance requirements places a significant administrative burden on HCDOs, often diverting valuable resources away from direct service delivery. This challenge is particularly acute for smaller organizations, which often lack the internal expertise or dedicated staff needed to manage the extensive documentation and reporting processes tied to grants and contracts.
- **Barriers in Access to Opportunities:** Limited collaboration with municipalities and state agencies creates inefficiencies in deploying resources and aligning efforts with larger policy objectives. For example, when HCDOs are not consulted in their role in developing affordable housing or are forced to compete with the private sector for the profitable parts of affordable housing development, this can exacerbate resource needs.
- **Operational Challenges in Disaster Preparedness:** Natural disasters and the COVID-19 pandemic have compounded preexisting challenges, disrupting operations and further straining organizational capacity. This includes a gap in resources for future resiliency planning. Organizations generally feel more prepared for natural disasters than they were prior to Hurricane Maria; however, they continue to lack the funding and infrastructure needed to maintain robust disaster preparedness plans.
- **Inter-Organizational Collaboration Needs:** HCDOs expressed a desire for more frequent and structured forums to collaborate and share best practices. Without regular interaction, organizations often miss opportunities to learn from peers who face similar challenges or have developed innovative solutions.

These challenges underscore the need for sustained and flexible support systems to empower HCDOs to effectively address their communities' needs. Addressing these barriers is critical to enhancing the resilience and sustainability of Puerto Rico's nonprofit ecosystem.



## Call to Action: A Lifeline for Puerto Rico's Nonprofits

This section outlines key areas for future investment. The section includes an in-depth look at INDESOVI's story to illustrate the urgent need for comprehensive support around many of the challenges listed in the previous section.

### Recommendations for Building on Successes and Addressing Continued Needs

Drawing on the themes identified across the data collection tasks, the following recommendations are proposed to enhance Enterprise's support for community-based organizations in Puerto Rico.

#### Enterprise should continue and scale their capacity-building efforts in Puerto Rico

Enterprise should continue and scale their capacity-building efforts in Puerto Rico utilizing their tailored approach and ability to meet needs as they arise. The additional recommendations provide guidance to Enterprise and other stakeholders in the field on how they can best support the overwhelming needs that exist among HCDOs in fulfilling their missions and meeting the needs of the community.

#### Increase Flexible Funding Options and Financial Support

Organizations consistently reported the need for more flexible funding options that can be allocated based on emerging priorities and operational gaps. Enterprise and other funders in the field could consider developing grant programs that provide less restrictive funding, allowing HCDOs to direct resources toward their most pressing needs, such as staffing, technology, and emergency preparedness. Additionally, increasing the availability of multi-year funding could help stabilize organizations that struggle with the uncertainty of annual grants. Furthermore, Enterprise recognizes traditional grant making practices can inadvertently disadvantage organizations in Puerto Rico due to factors like language barriers, access to grant writers, or adverse experiences with federal funds. Despite this, the HCDOs have demonstrated exceptional management of grants and impact. Flexible funding in this case should apply to the application process and compliance to support leveling the playing field.

### **Foster Continuous Professional Development and Staff Retention Strategies**

To address staff turnover and retention challenges, Enterprise might explore partnerships to provide targeted training programs that develop staff capacity in specific skill areas, such as grant writing, financial management, and program evaluation. Developing a mentorship program for emerging leaders in the nonprofit sector could also enhance retention by providing a career development pathway. Furthermore, offering workshops on nonprofit staff retention strategies would help organizations design policies that support long-term engagement and job satisfaction.

### **Enhance Disaster Preparedness and Response Capabilities**

The capacity of HCDOs to prepare for and respond to natural disasters remains a top priority. Enterprise should consider deepening its investment in disaster resilience by supporting the development of comprehensive, community-specific resilience plans. These plans could include funding for emergency supplies, regular disaster response drills, and formalized partnerships with local emergency services. Additionally, Enterprise should continue to support organizations—both those it has worked with and new partners—in accessing federal funding for disaster preparedness and recovery. This could include providing guidance on navigating complex federal funding mechanisms, such as CDBG-DR and CDBG-MIT, and offering technical assistance to ensure compliance and successful funding utilization.

### **Promote Regular Collaboration and Knowledge Sharing**

Enterprise and other intermediaries serving Puerto Rico should consider facilitating regular regional and sector-specific forums that enable organizations to share best practices, discuss challenges, and develop collaborative solutions. Enterprise has served in this role in the past and HCDOs expressed the value of this work and the need for it to be ongoing and expanded. Creating a structured network for ongoing communication among HCDOs would foster a more resilient nonprofit ecosystem. Such forums could also include representatives from government agencies to improve public-sector collaboration and promote shared understanding of HCDOs' roles and needs.

### **Provide Targeted Support for Financial and Grant Management Capacity**

Organizations highlighted the need for better access to training and resources for financial and grant management.

Enterprise could consider expanding its training modules on these topics, as well as offering one-on-one technical assistance for organizations with limited experience in managing large grants. Additionally, supporting the development of standardized financial protocols would enhance organizations' compliance with federal and state funding requirements, positioning them to secure additional funding streams.

### **Advocate for Policy and Ecosystem Changes**

Many organizations face barriers such as complex compliance requirements, limited access to sustainable funding, and inconsistent support from local and federal agencies. Enterprise is uniquely positioned to leverage its expertise and relationships to advocate for policies that streamline grant processes, ensuring equitable distribution of resources. By influencing policy at both the local and national levels, Enterprise can help create a more supportive ecosystem for HCDOs, enabling them to focus on their core missions without being overburdened by structural inefficiencies.

### **Expand Technology and Infrastructure Support**

Given the reliance on technology for efficient operations, disaster response, and data management, Enterprise should consider expanding support for technological capacity building. This could include grants for purchasing essential software and hardware, as well as training for staff on using new tools effectively. Investment in technology would not only streamline operations but also strengthen organizations' abilities to respond to emergencies and manage programs more effectively.

These findings and recommendations reflect the pressing needs and aspirations of community-based organizations in Puerto Rico. Addressing these recommendations could significantly enhance their capacity to serve vulnerable populations, foster community resilience, and build a stronger, more sustainable nonprofit sector across the island.

## Case Study: INDESOVI

### Addressing Community Needs While “Drowning in Demands”

#### Background

The Instituto para el Desarrollo Socioeconomico y de Vivienda (INDESOVI) is one of Puerto Rico’s leading community development organizations focused on affordable housing and community resilience. For years, INDESOVI has partnered with Enterprise Community Partners to enhance its organizational capacity, utilizing resources such as Section 4 grants, technical assistance, and training. Through this partnership, INDESOVI has been able to develop a housing counseling office, create cross-functional teams, and foster critical connections with local government entities and other nonprofits.

While INDESOVI has built a strong foundation, they shared the urgent needs for more expansive support to enable them to run a successful HCDO that meets the growing needs of their organization and the community.

#### Impact of Enterprise’s Support

INDESOVI has used Enterprise capacity-building support to make strides in certain areas:

- Strengthened Organizational Capacity:** Enterprise’s grants and technical assistance enabled INDESOVI to enhance staff training, improve project management skills, and establish efficient internal structures. *“For us, our relationship with Enterprise has been crucial from the beginning. They teach us a lot and they help us find a way,”* said INDESOVI’s Executive Director. INDESOVI describes learning how to build an agile structure that could pivot in response to emergencies.
- Community Engagement and Knowledge Sharing:** INDESOVI has participated in workshops and networking events hosted by Enterprise, where they shared best practices with other organizations and stayed informed on issues impacting the Puerto Rican housing market. *“Enterprise speaks to the same people we speak to and they understand our problems. They get it,”* shared the Project Director at INDESOVI, highlighting how valuable these connections have been, especially in times of crisis.
- Disaster Preparedness and Response:** Given Puerto Rico’s vulnerability to natural disasters, Enterprise’s capacity-building initiatives in disaster response planning have been particularly beneficial. INDESOVI staff emphasized the response plans for hurricanes that INDESOVI has developed has integrated learnings from the trainings they received from Enterprise. These plans have been essential in the organization’s emergency operations.

The partnership INDESOVI has with Enterprise goes beyond financial and education support. INDESOVI reports that Enterprise has met them where they are and goes the extra mile to help where it is really needed.

- “...this is a little emotional, because in 2017 when [Hurricane Maria] happened, [only] one of our offices did have power. I remember one day at 3 pm – a rainy-day mid-afternoon and I saw two Enterprise staff coming with a bag of stuff to help the people that we were trying to help. If they represent Enterprise, to me, that means a lot.”*- INDESOVI’s Project Director

## Persistent Challenges and Overwhelming Needs

Even in light of these successes, the organization continues to face immense challenges that are not fully addressed by the current capacity-building supports available:

- **Funding Limitations:** INDESOVI’s budget remains insufficient to cover all operational needs. INDESOVI representatives stressed that Enterprise’s grants helps, but they still struggle every day to secure enough funding to keep their programs running. The costs associated with compliance, reporting, and administrative tasks are considerable, often pulling staff away from direct service work.
- **Staffing Constraints and Retention Issues:** Like many nonprofits, INDESOVI faces high turnover and difficulties retaining skilled staff. As one representative shared, *“Retaining people is a difficult part. Not everyone knows or understands how to work in a nonprofit, so we have to help the employees get used to this... but once they see how much work it is, they leave.”* This cycle of turnover creates inefficiencies and weakens the organization’s institutional knowledge.
- **Drowning in Compliance and Bureaucratic Requirements:** INDESOVI expressed frustrations about the administrative burdens associated with grant funding. Although Enterprise provides some support in navigating these requirements, the staff often find themselves overwhelmed. Compliance demands are described as a full-time job on their own, especially for smaller organizations.

## INDESOVI’s Call for a Lifeline

INDESOVI’s case exemplifies the theme that emerged across interviews and survey responses: organizations are grateful for the capacity building supports they receive and take part in but are ‘drowning in demands.’ Organizational and community needs are more than the current capacity-building structure can provide. INDESOVI is asking for a lifeline—expanded and sustainable opportunities that acknowledges the depth of need on the island and the important roles that HCDOs can play.

Organizations cannot survive on temporary grants. They need long-term partnerships, advocacy for more inclusive policies, and resources that can retain staff and scale programs sustainably. Without such comprehensive support, INDESOVI risks being left behind as it attempts to stay afloat in an environment that demands more than it can consistently deliver.

## Conclusion

The story of INDESOVI illustrates the urgent and ongoing needs that remain for HCDOs aiming to serve the growing needs for affordable, resilient housing in Puerto Rico. INDESOVI, like many of its peers, has shown resilience, adaptability, and a strong commitment to community service. However, to truly thrive and address the scale of need in Puerto Rico, organizations like INDESOVI require enhanced support that encompasses both financial stability and operational flexibility.

In sharing INDESOVI’s story, this case study underscores the message resonating across Puerto Rico’s nonprofit sector: *“We need a lifeline.”* Organizations are committed to the work, but without more robust, long-term investments, they remain in danger of being overwhelmed by the scale of need.

Despite these needs, INDESOVI expresses a deep sense of gratitude for Enterprise and staff that truly cares about the success of their organization.

*“Not only with money, we are very grateful to be here with Enterprise. In the difficult times [and] in the happiest times, we call Erika [Sr. Director, Enterprise Advisors]. She hears us. Enterprise has been there for us. From our heart, thank you very much.”* – INDESOVI’S Project Director

## Conclusion

Overall, the information collected through this evaluation demonstrates that Enterprise plays a pivotal role in strengthening nonprofits' ability to serve their communities, including through strategic investments, capacity-building initiatives, and a deep understanding of the unique challenges faced by organizations on the island, from providing critical resources for disaster preparedness to fostering collaboration and funding innovative housing development projects, Enterprise's support has had a catalytic effect on HCDOs, enabling them to broaden their influence, access resources that were previously out of reach, and better prepare for future challenges. Enterprise's investment has included:

- More than \$2.16 million in capacity-building grants in Puerto Rico since 2014.
- 52 total grants made to Puerto Rico HCDOs.
- 17 unique Puerto Rico HCDOs receiving grants.

The stories shared by organizations like INDESOMI, PONCE NHS, and others illustrate the transformation HCDOs have achieved, and the vital role they attribute to Enterprise's partnership. These organizations have expressed heartfelt gratitude for the tools, resources, and expertise provided by Enterprise, which have helped them expand their services, retain key staff, and navigate complex challenges.

*"Enterprise has been there for us. From the difficult times to the happiest times, we call on them, and they hear us,"* one organization shared, encapsulating the sentiment of many others.

Yet even in light of this success, the challenges facing Puerto Rico's HCDOs remain vast and systemic. Funding limitations, administrative burdens, workforce retention struggles, and an ever-growing demand for services have stretched organizations thin. Despite their resilience and determination, HCDOs require more robust and sustained support to truly thrive and meet the scale of community needs.

In partnership with HCDOs in Puerto Rico, Enterprise has laid an essential foundation for capacity building, and the recommendations in this report offer a roadmap for building on these successes. By expanding flexible funding options, enhancing disaster preparedness, fostering deeper collaboration, and advocating for policy changes that favor nonprofit sustainability, Enterprise is uniquely positioned to help Puerto Rico's HCDOs overcome persistent barriers and achieve greater impact.

The call to action is clear: to sustain and scale the progress made, Enterprise must deepen its partnerships, adapt its strategies, and continue advocating for equitable investment in nonprofit ecosystems. By doing so, Enterprise can ensure that Puerto Rico's HCDOs are not just surviving but thriving—equipped with the resources, connections, and resilience needed to build stronger, more equitable communities.

Throughout this evaluation, HCDOs consistently emphasized the meaningful difference Enterprise has made. Additional investment and a continued commitment to innovation and collaboration can transform these stories of resilience into a larger narrative of sustainable growth and community empowerment. Together, the future of Puerto Rico's nonprofits—and the communities they serve—can be one of hope, strength, and enduring impact.



# Appendix A: Key Research Questions

The following research questions guided our evaluation of Enterprise's capacity building efforts in Puerto Rico from 2014 through 2024.

## Primary Research Questions

1. What forms of capacity building were offered to the HCDOs by Enterprise Community Partners in Puerto Rico between 2014 – 2024? Which forms were more effective at building the capacity of HCDOs?
2. How has Enterprise's capacity-building impacted the programs and services offered to HCDOs in Puerto Rico?
3. How has Enterprise's capacity-building impacted the overall organizational structure and capabilities of HCDOs in Puerto Rico?
4. How, if at all, has Enterprise's capacity-building influenced HCDOs' ability to access and deploy other federal funds?
5. How have Enterprise's capacity building opportunities facilitated collaboration and networking among HCDOs and other stakeholders in Puerto Rico?
6. What barriers did HCDOs in Puerto Rico encounter in their capacity-building efforts and how were these overcome?

## Legal and Policy Questions

1. How, if at all, has Enterprise's capacity-building influenced HCDOs' preparedness to respond to major disasters?
2. How did Enterprise's technical assistance support HCDOs in Puerto Rico?
3. How have Enterprise's capacity-building opportunities enhanced the ability of HCDOs to engage with their communities?
4. What monitoring and evaluation mechanisms were put in place to assess the effectiveness of capacity-building activities?

## Appendix B: Section 4 Grantees in Puerto Rico (2014-2024)

Organization	Multi-Year Recipient Of Enterprise Funding	Description of Use of Grant Funds
Affordable Housing Fund for Puerto Rico Inc		Support consultant expenses related to the building and implementing their new bridge financing loan program.
Centro para la Reconstrucción del Hábitat		Support with organizational costs essential for implementation of the Desarrollos CRH initiative, which aims to acquire, rehabilitate, sell, and/or rent neglected properties in Puerto Rico.
Corporación Para El Desarrollo Económico De Trujillo Alto, C.D. (CDETA)	Yes	Support office operations, professional development for staff, hurricane recovery, and predevelopment work for their affordable housing project for the elderly in Centro Salvador.
Esperanza para la vejez (ESPAVE)		Bolster staff capacity by purchasing new software and training to support organizational programs and services.
Fideicomiso de la Tierra del Caño Martín Peña	Yes	Support staff and consultant expenses post Hurricane María, to implement Project Development Capacity Building program, and develop conceptual designs for two facilities that are planned to be redevelopment as part of the replacement housing development and community revitalization program.
Foundation for Puerto Rico		Support staff and professional services salaries to cover the design, procedures, and implementation of their Whole Community Resilience Program and participate in an in-person fellowship program in the continental United States.
Fundación de Desarrollo Comunal de Puerto Rico, Inc. (FUNDESCO)	Yes	To expand operational programs by hiring key personnel such as an accountant, case manager, and consultants, and acquiring software to continue operating and advance comprehensive institutional capacity-building efforts started by Enterprise in 2014.
Habitat for Humanity of PR		Support staff expenses for their Executive Director and Project Manager. As a small organization the salary support for key positions, freed up other revenue to hire additional staff for housing development initiatives.

Organization	Multi-Year Recipient Of Enterprise Funding	Description of Use of Grant Funds
Instituto para el desarrollo socioeconómico y de vivienda de Puerto Rico, Inc. (INDESOVI)	Yes	Support rental housing development in Puerto Rico through staff training, property management software acquisition, and the creation of a Housing Acquisition and Development Strategy. They also funded salaries, technical training, and organizational strategic planning to aid recovery efforts for homeowners and renters in Mayagüez. Additional uses included purchasing client management software, and necessary office equipment, implementing a digital outreach program to assess housing needs, conducting educational workshops for homebuyers, and hiring two full-time Administrative Assistants to support office administration, customer service, property management, and proposal development.
Latino Economic Development Corporation of DC	Yes	Support the expansion of its lending program to western Puerto Rico where it will serve 19 municipalities through a loan officer position, continue small business coaching and education for business and individuals, and by supporting staff and consultants salaries as they provide one-on-one small business technical assistance on topics such as business registration, business plan development, permitting and licensing, credit building, financing, and access to capital coaching and identifying resources offered by local service partner organizations.
Lucha contra el Sida, Inc. (LUCHA)		Help offset the costs of the hurricane relief efforts undertaken at six of their housing and supportive services facilities. Specifically, covering staff time as they continue to provide power, necessities, supportive services, and other emergency assistance to over 800 clients with special needs and conditions.
One Stop Career Center of PR, Inc.	Yes	To cover staff and administrative costs during hurricane recovery efforts. The funding also supported staff salaries and the acquisition of software to strengthen the organization's capacity to lead and deliver impactful projects effectively.

Organization	Multi-Year Recipient Of Enterprise Funding	Description of Use of Grant Funds
Pathstone	Yes	Support staff salaries and operational costs for various housing and recovery initiatives in Puerto Rico. These included salaries for key roles such as the Director of Housing Programs, Real Estate Developer, and Senior Housing Administrator, as well as consultants providing development management expertise. Specific activities included: leading recovery efforts for communities affected by Hurricane Maria, implementing a Housing Emergency and Rehabilitation Program, developing affordable housing projects, coordinating the development process for affordable housing projects, and supporting a long-term goal to develop 150 affordable housing units over three years.
Ponce Neighborhood Housing Services Inc	Yes	Support staffing, capacity building, and operational needs for key initiatives focused on housing, community development, and disaster recovery. The funds were used to oversee the reconstruction of their main office as well as the construction of 24 affordable housing units, to purchase computers, and provide training to enhance staff productivity, skills, and knowledge in inclusion, housing, and community development.
PROTECHOS, INC		Support the time of PROTECHOS' Foreman and Apprentice, cover fringe benefits, and fund Construction Manager Certification training for the supervisor. These efforts align with their mission to provide a vocational training program in practical carpentry for residents of disadvantaged communities while simultaneously repairing roofs in those communities.
Solo por Hoy	Yes	Fund a Case Manager position and procure office supplies to support hurricane recovery efforts, address the impact of COVID-19 on the organization, and develop a gender violence app specifically for Puerto Rico.
Volunteers of America		To cover food, drinking water, cleaning supplies, medication, and doctor visits as well as an insurable deductible for the residents of the Victor Hernandez Elderly Housing Community in Aguadilla, PR.

# Appendix C: Survey of HCDOs Served in Puerto Rico

*The first section of the survey addresses how your organization has utilized capacity building support from Enterprise from 2014 to 2024. Enterprise’s capacity building is inclusive of the grants, programs, and opportunities outlined in question 1 of the survey.*

Please check off which of the following sources of capacity building support you have received from Enterprise Community Partners since 2014:

- HUD Section 4 grants
- Puerto Rico Nonprofit Leadership Network
- Hurricane Community Recovery Fund
- Enterprise Rose Architectural Fellowship
- Equitable Path Forward
- Direct 1-on-1 technical assistance/advisory services from Enterprise Community Partners staff or consultants
- Virtual group events, including webinars, workshops, brown-bag sessions, information sessions, and other group advisory services online
- In-person group meetings, including workshops, brown-bag sessions, information sessions, and other group advisory services in-person
- Other: \_\_\_\_\_

Has Enterprise’s capacity-building impacted the **programs and services** you are able to provide?

- To a great extent
- Somewhat
- Very little
- Not at all

*If “to a great extent” or “somewhat”: Please provide 1-3 examples (open response).*

Has Enterprise’s capacity-building impacted your **ability to access and deploy other government funds**?

- To a great extent
- Somewhat
- Very little
- Not at all

*If “to a great extent” or “somewhat”: Please provide 1-3 examples (open response).*

Has Enterprise’s capacity-building impacted your **organizational structure, staff capacity, and other capabilities**?

- To a great extent
- Somewhat
- Very little
- Not at all

*If “to a great extent” or “somewhat”:* Please provide 1-3 examples (open response).

Has Enterprise’s capacity-building impacted your **collaboration and relationships with other public and nonprofit organizations in Puerto Rico**?

- To a great extent
- Somewhat
- Very little
- Not at all

*If “to a great extent” or “somewhat”:* Please provide 1-3 examples (open response).

Has Enterprise’s capacity-building impacted your **collaboration and relationships with other public and nonprofit organizations outside of Puerto Rico**?

- To a great extent
- Somewhat
- Very little
- Not at all

*If “to a great extent” or “somewhat”:* Please provide 1-3 examples (open response).

Has Enterprise’s capacity-building impacted your **collaboration and relationships with the people you serve**?

- To a great extent
- Somewhat
- Very little
- Not at all

*If “to a great extent” or “somewhat”:* Please provide 1-3 examples (open response).

Has Enterprise’s capacity-building impacted your **ability to respond to and recover from disasters**?

- To a great extent
- Somewhat
- Very little
- Not at all

*If “to a great extent” or “somewhat”:* Please provide 1-3 examples (open response).

Which type of capacity building has been most impactful? Least impactful?

The second section of the survey addresses what challenges you are still experiencing and your recommendations for future capacity building.

Many organizations face staffing-related challenges. Please rate the following challenges based on whether they have impacted your organization to a great extent, somewhat, very little, or not at all

Staffing-related challenge	To a great extent	Somewhat	Very little	Not at all
Compensation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Retention	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Burnout/fatigue	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Recruitment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Skillset	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Many organizations face challenges in accessing and deploying funds. Please rate the following challenges based on whether they have impacted your organization to a great extent, somewhat, very little, or not at all

Funding challenge	To a great extent	Somewhat	Very little	Not at all
Being able to compete successfully for scarce resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Identifying funding sources or grant opportunities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Being able to replace expiring grant funding or other critical resources	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Having time to write grant proposals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Having time to administer grants after receiving them	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Delays in payment or reimbursement of grant funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Are there any other challenges that you are still facing that you would like to describe?

Are there any other requests or recommendations you would like to make for Enterprise's capacity building work in Puerto Rico?

# Appendix D: Semi-Structured Interview Guide for In-Depth Interviews with HCDOs

**Objective:** To collect feedback from HCDOs on their experiences with Enterprise’s capacity-building efforts.

## Introduction:

Thank you for participating in this interview. We are conducting an evaluation of Enterprise’s capacity-building initiatives in Puerto Rico between 2014 and 2024. We would like to understand your experiences, challenges, and outcomes of working with Enterprise during this period. Your feedback is critical to help improve future initiatives.

With your permission, we will record and transcribe our conversation today. Only members of our evaluation team will have access to the recording and transcriptions.

## Capacity Building Overview

- Can you describe the forms of capacity-building support your organization received from Enterprise Community Partners between 2014 and 2024?
  - Can you give some examples of capacity building (instead of an exhaustive list)
- Were these support efforts tailored to your organization’s specific needs? If yes, how so?

## Impact on Organizational Capacity

- How have these capacity-building efforts impacted your organization’s ability to execute projects, especially in affordable housing and community development?
- Have you seen any noticeable changes in your organization’s structure, leadership, or financial systems as a result of these efforts?

## Program Expansion and Community Engagement

- How has the capacity-building you received helped you expand or enhance the programs and services you offer to your community?
- In what ways has Enterprise’s support improved your organization’s ability to engage with the community?

## Challenges and Barriers

- Can you identify any specific challenges or barriers you faced when implementing the capacity-building strategies offered by Enterprise?
  - Probe: succession planning and staff retention?
- How did your organization overcome these barriers, if at all?
  - Probe: What additional support or types of capacity-building would have been helpful for your organization?
  - Probe: Are there any gaps in the capacity-building initiatives that you believe still need to be addressed?

## Access to Federal Funds/ Resources

- Did the capacity-building efforts help your organization access and deploy other federal or local resources? If yes, can you provide examples?
- Were there any obstacles in leveraging these funds that the capacity-building efforts could have addressed better? (likely embedded in response to challenge and barriers- use as a probe in challenges/barriers)

**Closing:**

Is there anything else you would like to add regarding your experience with Enterprise’s capacity-building efforts?

Thank you for your time and insights.

**Additional Follow-Up (if time permits)**

**Disaster Response Preparedness**

- Did Enterprise’s capacity-building initiatives improve your organization's preparedness for responding to major disasters like Hurricane Maria? If yes, how?

**Collaboration and Networking**

- How has Enterprise facilitated collaboration between your organization and other CDOs or stakeholders in Puerto Rico?
- Can you share any examples where this collaboration helped you achieve success in your projects?





## 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 [www.enterprise.org](http://www.enterprise.org).