

# Transforming Neighborhoods with Government Partners

---

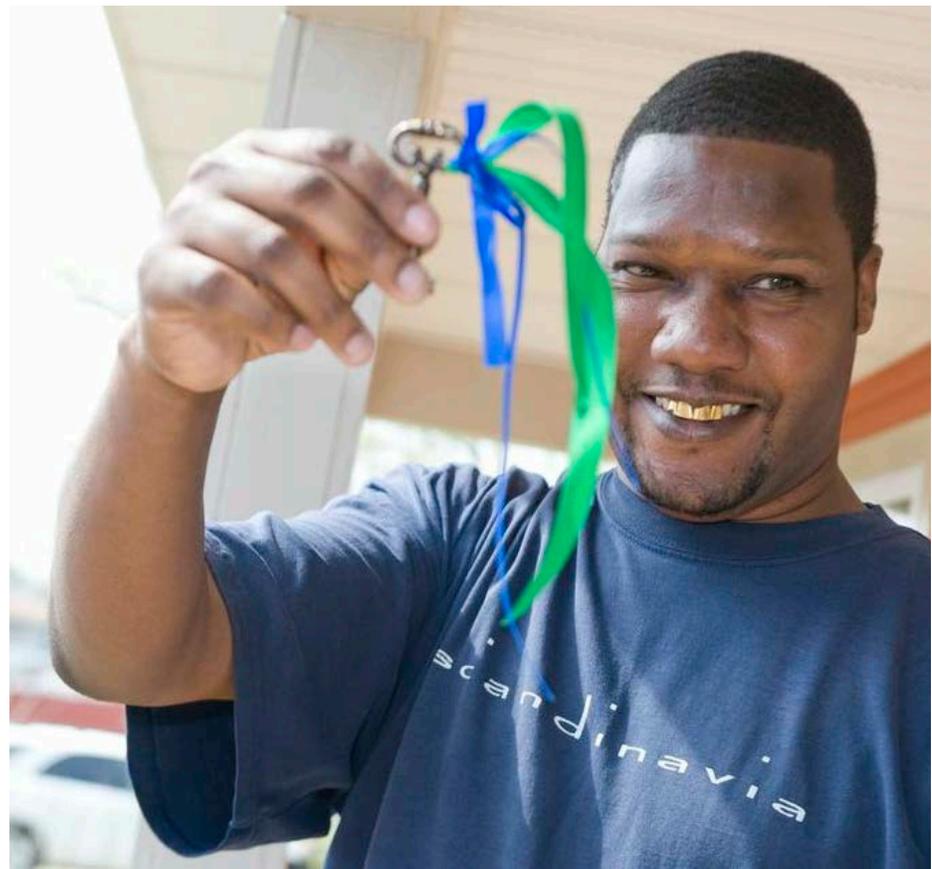
## A Guide for Habitat for Humanity

Molly M. Scott

Thomas A. Callan

Jennifer Beiss

Saunji Fyffe



Copyright © 2013. The Urban Institute. All rights reserved. Except for short quotes, no part of this report may be reproduced or used in any form or by any means, electronic or mechanical, including photocopying, recording, or by information storage or retrieval system, without written permission from the Urban Institute.

The Urban Institute is a nonprofit, nonpartisan policy research and educational organization that examines the social, economic, and governance problems facing the nation. The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders.

# Transforming Neighborhoods with Government Partners

---

A Guide for Habitat for Humanity

Molly M. Scott

Thomas A. Callan

Jennifer Beiss

Saunji Fyffe



URBAN INSTITUTE  
2100 M Street, NW  
Washington, DC 20037  
(202) 833-7200  
<http://www.urban.org>

## **Acknowledgments**

The Urban Institute

Rolf Pendall

Diane Levy

Serena Lei

Habitat for Humanity International

Stephen Seidel

Lisa Heintz

Special thanks to all the local Habitat affiliates and local government elected officials and staff who made this work possible.

## Contents

1. Introduction .....	1
2. Methodology.....	4
3. Snapshot of NRI Affiliates .....	8
4. Plan.....	11
5. Build .....	20
6. Sustain.....	31
7. Conclusion.....	38
Appendix A. Review of Literature .....	41
Appendix B. Exploratory Interview Protocol.....	50
Appendix C. Exploratory Phase Summary Memo .....	53
Appendix D. Web Survey Instrument .....	59
Appendix E. Site Visit Interview Guides .....	86
Appendix E1. NRI Affiliate Staff Interview Guide .....	87
Appendix E2. Elected Official Interview Guide.....	93
Appendix E3. Government Agency Staff Interview Guide.....	97
Appendix F. Affiliate Case Studies.....	101
Appendix F1. Northeastern Affiliate Case Study .....	102
Appendix F2. Southern Affiliate Case Study.....	108
Appendix F3. Western Affiliate Case Study.....	114
References .....	120
About the Authors .....	122

# 1. Introduction

---

The Great Recession and the corresponding collapse of the housing market have had far-reaching effects on communities across the country. Poverty rates continue to grow, leaving more individuals and families struggling to make ends meet. Neighborhoods that once enjoyed exciting prospects for large-scale, new affordable housing development now find themselves struggling with foreclosed homes, distressed properties, and unfinished subdivisions.

Local governments have seen their tax base shrink drastically, and federal programs are facing times of austerity. Similarly, the nonprofit sector has had to simultaneously respond to both increasing need and diminishing resources. In the process, many nonprofits have adapted their missions to better meet the evolving needs of their communities, reaching out more deliberately to both local government and nonprofit partners.

Habitat for Humanity International (HFHI), a nonprofit ecumenical Christian housing ministry, has developed affordable housing for low-income households in the United States and abroad since 1976 through a combination of mostly private donations, volunteer labor, and the “sweat equity” of future homeowners. Operating in over 80 countries worldwide, HFHI also has a strong presence in the United States: more than 1,500 local affiliates strive to address the housing needs of low-income families within their distinct service areas.

In 2009, HFHI launched a new paradigm for serving low-income families: the Neighborhood Revitalization Initiative (NRI). NRI represents an expansion beyond the traditional “one house, one family at a time” model, which affiliates have long deployed, to one that aims to transform entire neighborhoods. Currently, more than 200 local affiliates are implementing NRI in their local communities by utilizing a diverse range of housing solutions to meet community needs.

In just three years, NRI has enabled HFHI to serve more families in the United States than ever before. While new home construction continues to play a vital role in affiliates’ work, so do critical home repair, rehabs, and weatherization. As these NRI affiliates increasingly engage in more holistic community revitalization efforts, HFHI needs to better understand how these affiliates interact with local governments and build successful collaborations in order to better support NRI affiliates and the HFHI network more broadly.

To this end, HFHI partnered with the Urban Institute (UI)—a nonprofit, nonpartisan research organization based in Washington, DC—to conduct an in-depth study of collaboration between NRI affiliates and local governments. This final report describes these efforts and synthesizes the lessons learned in order to offer concrete suggestions to affiliates working with local governments in a wide array of contexts.

The report is broken down into several sections:

**Methodology:** describes in detail the ways in which UI engaged with the network of NRI affiliates to gather information about their organizations, their communities, and their collaboration with local government.

**Snapshot of NRI Affiliates:** uses data from the web survey to provide an overview of the basic characteristics of NRI affiliates across the country.

**Plan:** identifies strategies that NRI affiliates can use to prepare their organizations for successful collaboration, including building internal capacity, aligning goals with local needs and priorities, and crafting clear messaging.

**Build:** outlines key components of an approach to building relationships with local government. Among these components are leveraging the support of the larger community, mapping out how decisions are made, reaching out to decision-makers, and recognizing both opportunities and constraints.

**Sustain:** lays out strategies for making the most of collaborations with local government, including being adaptable and responsive, effectively managing projects and relationships with government, and deploying media strategies to highlight the role of government in successful projects.

**Conclusion:** provides a big-picture overview of the lessons learned from this study and describes the ways in which HFHI will support the work of NRI affiliates to plan, build, and sustain successful relationships with the local governments in their service areas.

It is important to recognize that this report's three keycalls to action—"plan," "build," and "sustain"—are not one-time occurrences, but a constant, iterative process requiring NRI affiliates to engage with many different actors in various evolving contexts. Consequently, the aim of this report is not to provide a narrow set of recommendations, but rather to suggest a framework for how best to tailor strategies to unique circumstances over time. We hope that this framework will be helpful in bringing NRI affiliates and local governments together to address the affordable housing needs of communities across the country.

## 2. Methodology

---

With monthly input from key HFHI leadership, UI designed and implemented multiple research methods in order to study collaboration between NRI affiliates and local governments. The body of this report pulls information from all of these methods to synthesize cross-cutting lessons about how to plan for, build, and sustain these collaborations. This chapter provides an overview of the methods used.

## Literature review

In order to identify potential external and internal factors that might shape affiliate–local government collaboration, the characteristics of ideal collaboration, and best practices for developing these types of relationships, UI completed a detailed literature review on collaboration between nonprofit and government entities as a first step. The complete literature review can be found in appendix A.

## Exploratory interviews

Next, UI used the literature review to develop a protocol (appendix B) for exploratory phone interviews with members of HFHI’s U.S. Affiliate Enhancement Committee, which is comprised of affiliate leaders. Research staff spoke with four committee members about their experiences with government collaboration. The affiliates these members represented ranged from one serving a high-priced, densely urbanized city jurisdiction with complex subcity leadership structures to affiliates serving multiple counties and more than 20 different cities in urban, suburban, and rural areas. UI staff also spoke with the NRI director at HFHI to gain insight into the history and context of the NRI program. A summary of findings from this phase of the research can be found in appendix C.

## Web survey

UI staff then used the information gathered from the literature review and the exploratory interviews to design a web survey of all NRI affiliates (appendix D). HFHI leadership and UI staff piloted the web survey to make sure it took no longer than 30 minutes to complete. The first section asked about the general characteristics of the NRI affiliate. The second section asked a series of questions about experiences in the jurisdiction where the affiliate had had the most success in collaborating with government in the last three years. The third section repeated the same series of questions about the jurisdiction where the affiliate had had the least success. Finally, the fourth section posed questions about jurisdictions where the affiliate had had no contact at all in the last three years.

UI fielded the web survey of NRI affiliates for approximately five weeks in 2012, from May 11 to June 22. Of the 164 NRI affiliates in the United States at the time the survey was administered, a total of 119 responded to the survey, for a response rate of 73 percent.<sup>1</sup> Response rates differed modestly by

---

<sup>1</sup> Note that the total number of observations varies across different subsections of the survey. All 119 affiliates responded to the questions in the first section. For the second and third sections, five of the 119 affiliates that responded to the web survey provided unusable data, having

average yearly production and sources of funding. Very large and very small affiliates tended to respond less often than did average-size affiliates, as is common in these types of web surveys of nonprofits.

Researchers also noted that the response rate was higher among affiliates participating in HFHI's A Brush With Kindness (ABWK) program or those receiving Neighborhood Stabilization Program 2 (NSP2) dollars directly through HFHI. To ensure that these biases in response do not affect the analyses, researchers created weights to adjust for these characteristics among responding affiliates.

## Site visits

While the web survey helped identify interesting trends in government collaboration among NRI affiliates, it could not provide answers to important "how" and "why" questions. To better understand these subtleties, UI conducted site visits to three different communities to talk with NRI affiliate staff, elected officials, and local civil servants (see appendix E for interview protocols).

UI selected these communities via a multi-step process. First, UI used the web survey to identify affiliates that were knowledgeable about government decisionmaking, received more benefits from collaboration (e.g., funding, changes to code, expedited processes) than the average NRI affiliate, and frequently used at least three different strategies to engage with local elected officials and civil servants. This yielded a list of 14 potential affiliates. UI then selected seven of them for screening calls, making sure this group reflected geographic diversity, a variety of affiliate sizes, a mix of NRI activities (e.g., ABWK, weatherization, critical home repairs), and varying degrees of community support for affordable housing and government capacity.

The three high-capacity affiliates selected for site visits represent all of this diversity, and all NRI affiliates should be able to identify with some part of their experiences. The first affiliate, a smaller one, serves a portion of a largely suburban county in the Northeast. The affiliate has used the broadened scope of activities under NRI to better meet community needs and make inroads with local government, elected officials, and staff. The second affiliate is a medium-size affiliate in the South. Its service area covers a largely rural county; however, the affiliate does the majority of its work in the county's largest city, which has a greater share of low-income residents and an institutional commitment to eliminate substandard housing within the city. The affiliate uses a range of communication and community involvement strategies to develop and maintain relationships with those in local government. The third affiliate, in the West, is a large organization serving a large service area with a combination of urban, suburban, and rural communities. The affiliate's primary activity is building large-scale developments, but the affiliate works flexibly with governments to ensure that its activities respond to community need. In-depth case studies of each of these communities are included in appendix F.

---

compared agencies within the same jurisdiction rather than two distinct cities, counties, or regions. For this reason, the number of observations in the analyses for those sections totals 114 affiliates. Additionally, while all 114 respondents provided answers to the series of questions on the most successful jurisdiction, only 99 did so for the least successful jurisdiction. Those declining to answer the second series primarily did so because they had contact with only one city or county.

**Figure 2.1. Site Visit Affiliate Characteristics**

Affiliate	Key characteristics
Northeastern affiliate	<ul style="list-style-type: none"> <li>• Small-size affiliate, transitioning from an all-volunteer to paid staff</li> <li>• Service area mostly suburban</li> <li>• Significant resistance to affordable housing development</li> <li>• Main activities: ABWK, new construction</li> </ul>
Southern affiliate	<ul style="list-style-type: none"> <li>• Medium-size affiliate</li> <li>• Service area largely rural with one main urban center</li> <li>• City supportive of affordable housing; outlying areas view it unfavorably</li> <li>• Main activities: Critical home repair, weatherization, demo/rehab/salvage, new construction</li> </ul>
Western affiliate	<ul style="list-style-type: none"> <li>• Large, well-established affiliate</li> <li>• Service area contains a mixture of urban, suburban, and rural areas</li> <li>• Community generally supportive of affordable housing</li> <li>• Main activities: New construction, demo/rehab/salvage</li> </ul>

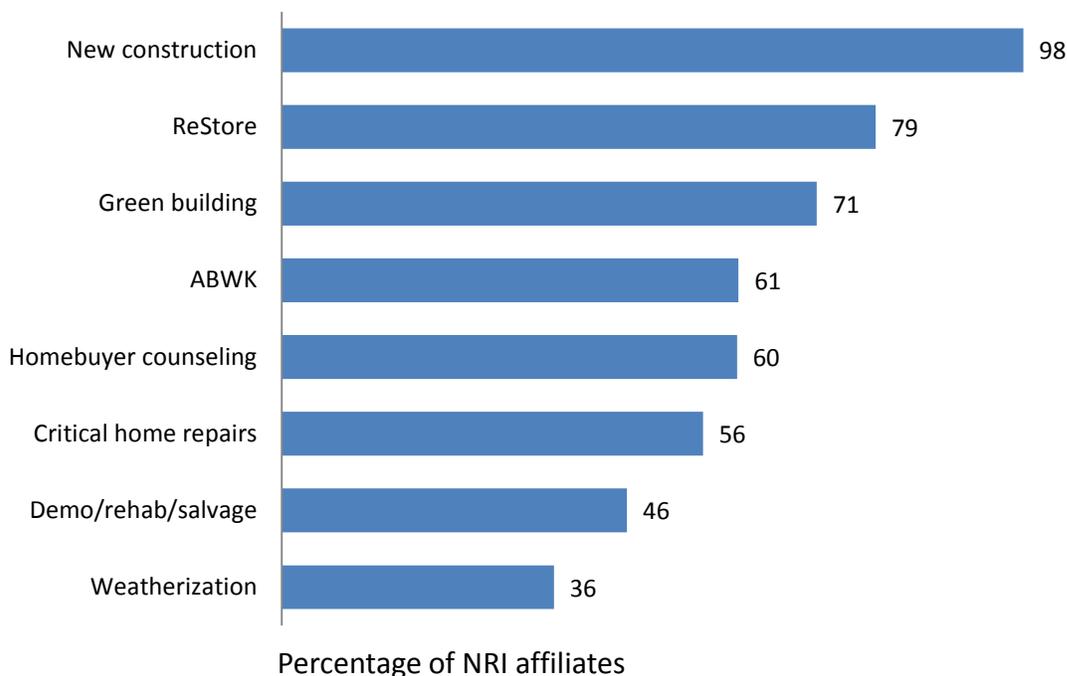
### 3. Snapshot of NRI Affiliates

---

NRI affiliates represent a diverse group of affordable housing nonprofits. According to the web survey, they averaged about \$1.5 million in funding in 2011, but the bottom 10 percent registered funding levels of less than \$100,000 while the top 10 percent managed funds exceeding \$3.3 million. Staff size reflects this wide variation in funding: although staffs average about 16 paid full-time employees, staff size ranges from no paid employees to 100.

True to the NRI approach, affiliates engage in a variety of activities beyond traditional home construction (figure 3.1). For example, more than half of NRI affiliates consider critical home repairs, homebuyer counseling, ABWK, and/or green building among their core competencies. Overall, affiliates engage in an average of five different types of activities. HFHI production numbers indicate that the median NRI affiliate completes 10 houses, and 26 percent of affiliates had an average annual production of more than 20 houses for the 2010–2011 period.

**Figure 3.1. NRI Affiliate Core Competencies Extend Well Beyond New Construction**



Source: Web survey on NRI affiliate relationships with local government, 2012.

Service areas are also diverse. The largest group of affiliates—42.3 percent—is located in southern states; 23.3 percent are located in the West, 23.3 percent in the Midwest, and 11.1 percent in the Northeast. And the size of the populations within NRI affiliates’ service areas differs dramatically. More than half of affiliates have large service areas with populations of at least 250,000, but 41 percent serve areas with only 50,000 to 250,000. Five percent operate in areas with fewer than 50,000.

The sheer number of different government jurisdictions can present challenges. While about a third of NRI affiliates work in service areas with only one to three different government jurisdictions, another third have 11 or more jurisdictions with which they need to manage relationships.

Despite this wide variation in the number of government jurisdictions, NRI affiliates demonstrate high rates of engagement. Half report having worked on or completed projects in all or most of their jurisdictions, 28 percent in some, and 22 percent in few or none during the past three years. Although affiliates may not complete work in all of their jurisdictions, 67 percent of affiliates have had some kind of contact with all or most of the jurisdictions in their service areas. Seventeen percent of affiliates had contact with some of their jurisdictions, but only 15 percent had contact with few jurisdictions. Affiliates work with cities more frequently than any other jurisdictions, such as counties or regional governments.

In recent years, government funding has come to figure more prominently among NRI affiliates. On average, 39 percent of their funding comes from government sources. And over the past three years, nearly half of NRI affiliates report a substantial increase in government funding. Many of these dollars came from the U.S. Department of Housing and Urban Development's Neighborhood Stabilization Program (NSP). About 19 percent of NRI affiliates received these dollars through their local government under NSP1 and NSP3, another 3 percent through HFHI's NSP2 allocation, and 4 percent of affiliates receive dollars from both sources.

Regardless of whether NRI affiliates receive government funding, most report that building strong relationships with local government is important. Around 80 percent of affiliates have found that the "pros" of working with local government outweigh the "cons." Affiliates are less sure of the role HFHI should play in supporting these relationships. About 55 percent of affiliates agree that HFHI should work more closely with government in the future on a national level, while another 38 percent neither agree nor disagree.

## 4. Plan

---

- Put in place a strong organizational structure
- Bolster affiliate resources
- Value relationship-building skills
- Align your goals with local priorities
- Craft effective messaging

When it comes to paving the way for collaboration, there is no substitute for proper planning and preparation. Affiliates must equip themselves with the tools they need to be successful partners to local government long before they start trying to build relationships. The most successful affiliates make deliberate investments in the capacity of their organizations, carefully structuring their operations and seeking out staff and board members who help attract and manage resources as well as connect the affiliate to key players in the local community. Successful affiliates also align their goals closely to local needs and priorities, and they take the time to construct consistent, effective messaging to communicate with others about their mission and work to the larger community (Gazley 2008). This chapter details the ways that planning can help position NRI affiliates to access opportunities for collaboration.

## Put in place a strong organizational structure

NRI affiliates must have the **organizational capacity** to plan and implement their vision. In the literature, organizational capacity refers to the strength of a nonprofit's human resources (see de Souza Briggs 2004; Vidal 2001). This starts with having a staffing structure in place that allows the organization to function at a high level. Many of the respondents in the early exploratory interviews with U.S. affiliate council members pointed out that because affiliates' service areas often contain many different counties, cities, wards, and other types of government jurisdictions, maintaining relationships with all of them often requires larger staffs and, at a minimum, a full-time executive director (ED). Results of the web survey show that NRI affiliates employed an average of 16 paid full-time equivalents (FTEs). The middle 50 percent of affiliates employed between 6 and 20 FTEs, with the median affiliate employing 10 FTEs.

All three of the NRI affiliates selected for site visits felt strongly that the *structure* of the organization must actively pursue and support partnerships. For the small Northeastern affiliate, which was building its relationships with local governments largely from scratch, hiring an office manager to take on the administrative responsibilities part-time has made a tremendous difference. This office manager frees up the ED to spend most of her time outside of the office, attending meetings, speaking at events, advocating for policies, and taking the pulse of local conditions. Elected officials in the Western affiliate's service area agreed: "Organizations that have the capacity to have their CEO out there don't always do it or don't do it well. [The ED] does it really well." In fact, in the web survey, NRI affiliates cited lack of capacity as the number-one reason they are unable to have contact with all of the government jurisdictions within their service areas.

Having a strong structure also means having a well-functioning board. Staff at the Western affiliate found that transitioning from an operating board—one that got entangled in the weeds of everyday transactions—to a governing board that could think strategically made a big difference for the affiliate's performance. As the ED explained, "[The board] used to be made up of really well-intentioned volunteers who didn't have the skills that we needed to bring us to the next level." For the Northeastern affiliate, transforming its board has meant working with an HFHI board consultant to shake up a board whose members all worked for the same business and voted in lockstep.

In addition to a supportive structure, the most successful nonprofits cultivate leadership stability and institutional longevity (Vidal 2001). This may be particularly challenging for nonprofits primarily staffed by volunteers. During site visits, local government staff emphasized the importance of consistency in their everyday interactions with affiliate staffers, including construction managers and grant managers, among others. Not only should affiliates hire quality staff and provide essential professional development, but they also should retain these individuals over the long term. It takes considerable time to build relationships, and frequent turnover of staff can disrupt this process. One staff member at the large Western affiliate tapped for the site visits had this to say: “What’s helped us gain support, I think to them [government elected officials and staff], we look like we are gaining capacity. We are stable.”

## Bolster affiliate resources

NRI affiliates must also develop strong **resource capacity**—the ability to obtain and manage fiscal and property resources—to make themselves attractive partners (see de Souza Briggs 2004; Owens 2004; Vidal 2001). In today’s age of accountability coupled with shrinking government resources, many local governments are increasingly cautious about the organizations they fund. NRI affiliates need to prove that they will be good stewards of public resources. Stable funding over time can be an important external marker of resource capacity. In the web survey of NRI affiliates, only 23 percent reported a substantial decrease in overall funding in the past three years (a period covering the recent severe economic downturn), while 40 percent reported no change and a third reported a substantial increase. Outward appearances also matter. As one government staffer in the Western affiliate’s service area noted, “Nonprofits serve low-income people, but they still need to have professional office space.” The affiliate’s move from a converted house to a more established, commercial space for its offices and ReStore<sup>2</sup> has raised the affiliate’s profile substantially.

There are several different ways for NRI affiliates to develop resource capacity. First, they can hire staff with expertise in grant management. According to the survey of NRI affiliates, approximately 71 percent already have at least one such person on staff, and these affiliates are often able to access a greater variety of benefits from collaboration with local governments (e.g., expedited administrative processes, funding opportunities, and linkages to other organizations) than are other affiliates. Second, NRI affiliates should provide adequate training to the staff charged with grant management. On the site visit to the Western affiliate’s service area, local government staff commented on how highly they value the expertise that affiliate staff members have developed by attending formal trainings on the administration of federal HUD programs. Third, NRI affiliates can make sure their boards include members with substantial financial expertise. A little less than a quarter of affiliates report that their board has expertise in grant management, but accounting and other financial-sector experience figured prominently as key skills during the exploratory interviews. During the site visit to the Western affiliate,

---

<sup>2</sup> ReStores sell new and gently used home improvement goods, furniture, home accessories, building materials, and appliances to the public at a fraction of the retail price. The proceeds are used by local affiliates to help build and renovate more homes and communities.

staff stressed the importance of using these specialized board member skills not just to review the budget but also to think strategically about funding and leveraging.

Resource capacity is not just about money management; it is also about learning how to leverage private dollars. When venturing beyond its “one house, one family” model, the small Northeastern affiliate approached a local businessman to fund the start-up of its ABWK work—cleaning up, painting, weatherizing, and repairing 15 group homes for the disabled. The mayor of the largest municipality in the affiliate’s service area noticed this work, brought the municipality’s banner to the worksite, and passed a resolution supporting ABWK shortly after. Larger affiliates also recognize the value of leveraging private funds first. The Western affiliate, which mainly focuses on large new construction projects, received funding from the Home Depot Foundation and is using it to launch their ABWK program. Local government staff and elected officials note that they are closely watching how this work develops to identify future opportunities for collaboration in this area.

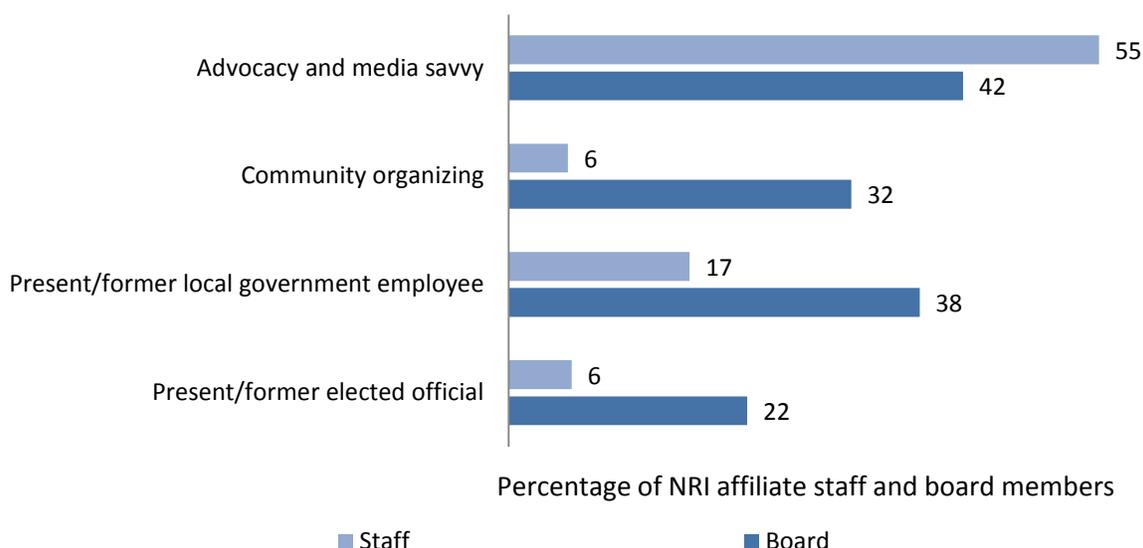
## Value relationship-building skills

NRI affiliates with strong **network** and **political capacity** are often better positioned to bring in resources as well as to build other types of collaboration with local governments. The literature defines network capacity as the ability of a nonprofit to establish relationships with stakeholders—such as elected officials or prominent community leaders—whose buy-in is necessary for effective collective action (Owens 2004). Political capacity, on the other hand, enhances an organization’s ability to mobilize support for its mission or goals from both specific stakeholders and the larger community (see de Souza Briggs 2004; Vidal 2001).

The EDs at the affiliates selected for site visits have many qualities that make them successful in building these types of capacity for their organizations. They have deep roots in their communities, long histories as local advocates and businesspeople, and exceptional interpersonal skills. For example, the ED at the Northeastern affiliate was a long-time homelessness advocate in her community and the ED at the Southern affiliate ran a bar in a local town. As one government staffer said of the Southern ED, “[He’s] unique, passionate, connected to people in the community. He’s lived here most of his life and has the right skill set to bring people together.” Another civil servant in the Western affiliate’s service area had similar words for her local ED: “She [ED] has always been vocal and always looked for avenues to find resources. She’s pretty resourceful. She’s great. Without her, the bond wouldn’t be as strong as it is.”

The staff and board bring to the table important expertise and experience to enhance the political and network capacity of their affiliates. More than half of the NRI affiliates surveyed have staff with specialized expertise in community organizing or advocacy and media savvy (figure 4.1). A slightly smaller proportion of affiliates also have board members with these kinds of expertise (32 percent and 42 percent, respectively). NRI affiliates report previous or current direct experience with government—either as a government employee or as an elected official—more frequently for board members than for affiliate staff.

**Figure 4.1. Staff and Board Members Bring Substantial Network and Political Capacity to the Table**



Source: Web survey on NRI affiliate relationships with local government, 2012.

Many affiliate staffers talked explicitly about recruiting board members to enhance their organization’s network and political capacity. Staff at the Western affiliate mentioned personal contacts and connections as a key selection criteria, saying, “Who has a big Rolodex?...You should be shooting high to get the best board members possible. What resources can they bring? And it doesn’t have to be fundraising—what contacts can they bring?” For the Southern affiliate, it was important to deliberately recruit low-income residents and be mindful of the racial composition of the board to gain local credibility. As one affiliate staff mentioned, “There was no diversity on our board, and I thought that was totally against what we are trying to do here, totally misrepresenting what we were supposed to be all about. Now we have great diversity [...] and reflect the community that we serve.”

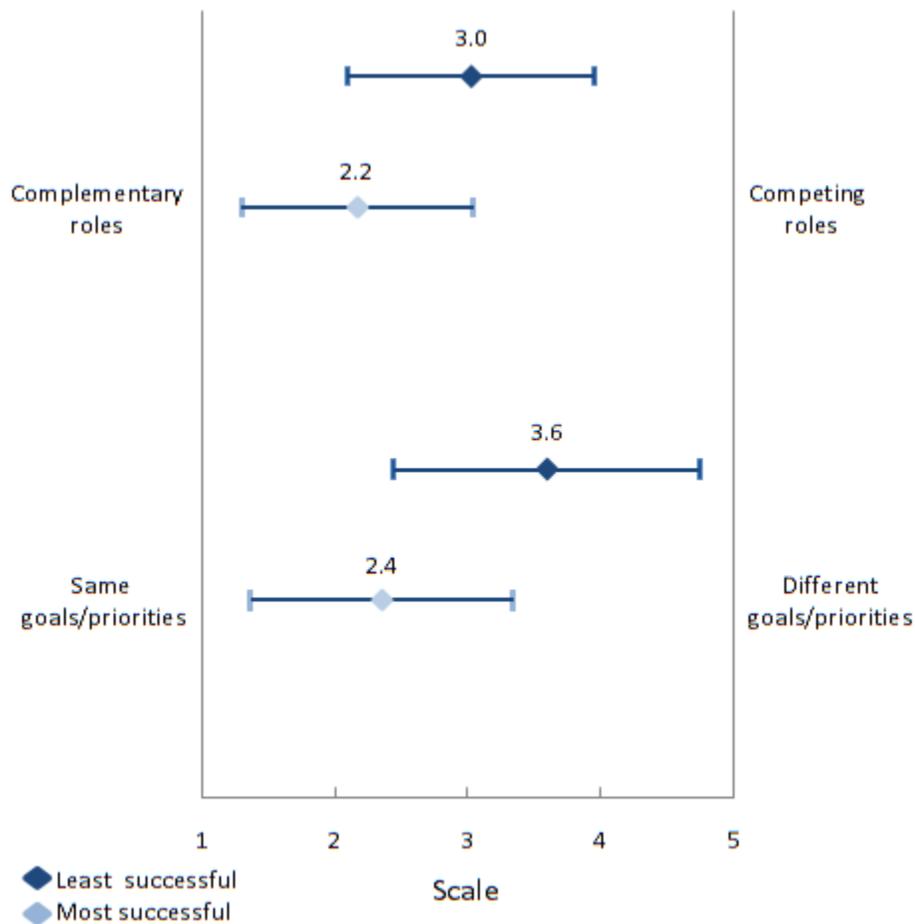
### Align your goals and projects with local priorities

The literature shows partners must have mutual goals to form a successful collaboration (see Gazley 2008; Najam 2000). The most positive relationships occur when the partners agree on both the means and the ends. However, constructive relationships can also occur when the partners prefer different means, provided they have similar end goals. When partners cannot agree on shared goals or means, the relationship between them takes on a more negative tone.

In HUD entitlement jurisdictions, the area’s consolidated plan is an excellent resource. It spells out specifically the housing needs local government has identified as well as how it intends to distribute its resources to meet these needs.

The survey of NRI affiliates explored these issues by asking affiliates to put their relationship on a continuum along several different dimensions: same versus different priorities and complementary versus competing roles (figure 4.2). Analysis reveals that, on average, affiliates rate their relationships more positively in the jurisdictions where they have had the most success collaborating with government. In these places, affiliates and their governments more frequently share common goals and priorities, and have more complementary roles.

**Figure 4.2. NRI Relationships with Government Are Better in Most Successful Jurisdictions**



Source: Web survey on NRI affiliate relationships with local government, 2012.

The most successful affiliates carefully align their goals with local priorities, which are often a mix of externally imposed obligations and locally set goals. For example, the Northeastern affiliate is located in a state that delegates responsibility for housing development to local municipalities and requires them to provide their fair share of affordable housing. The need to fulfill this obligation has created opportunities for the affiliate to establish its NRI neighborhood in a way that may not have been

possible otherwise. Some communities also observe local needs and respond with their own ambitious goals. The largest city in the Southern affiliate's service area set an ambitious goal in the late 1990s to eliminate substandard housing by 2020. This goal prompted the Southern affiliate to expand its portfolio beyond new construction to include housing rehab and weatherization work, long before HFHI launched NRI.

It is also important to understand the realities of how local attitudes about affordable housing shape local priorities. The literature shows that collaboration is more likely to be successful where there is broad community support for the partnership's goals (Rosenau 1999). In contrast, pervasive "not in my backyard" (NIMBY) attitudes among constituents may make it more difficult for governments to engage with nonprofits around affordable housing development in general (HUD 2005).

Unsurprisingly, the web survey reveals that support for affordable housing and community development that benefits low-income people is much stronger in the jurisdictions where affiliates have had the most success collaborating with government. Approximately four of five affiliates described this support as "strong" or "very strong" in their most successful jurisdictions, compared to only about one in three in their least successful jurisdictions. Among their most successful jurisdictions, more in-depth analyses also show that affiliates receive a wider variety of benefits from collaboration with local government in communities where support of affordable housing in general is stronger.

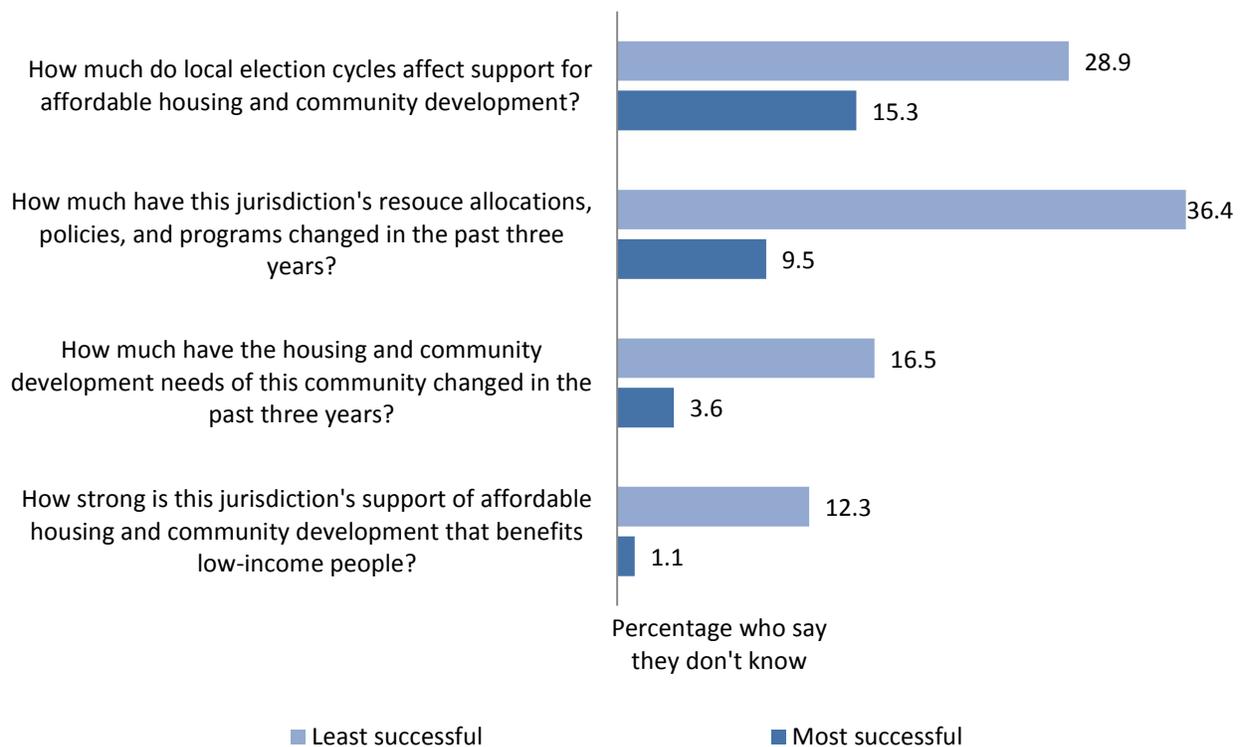
On the site visits, the research team found that the affiliates tailored their projects to adapt to local attitudes about affordable housing. In the Western affiliate's service area, an area relatively friendly to affordable housing, local elected officials and government staff alike express a preference for large-scale affordable housing developments that can visibly demonstrate impact in a neighborhood. Other jurisdictions, however, are not as receptive to these types of developments. The Northeast made inroads in these jurisdictions by focusing on dispersed ABWK work for low-income residents—in particular seniors, the disabled, and veterans.

It is important for NRI affiliates to understand all of these parameters—the local government's politics and priorities, the housing and community development needs of local communities, as well as general support of affordable housing. However, the web survey shows gaps in this knowledge (see figure 4.3). More than a third of NRI affiliates do not know how much resource allocations, programs, and policies have changed in the past three years in the jurisdictions where they have had the least success collaborating with local government, and a similar gap exists around election cycles. In their least successful jurisdictions, affiliates feel more confident in their assessments of changes in the housing and community development needs in the past three years as well as jurisdiction's level of support for initiatives that support low-income people. The magnitude of knowledge gaps is smaller in the jurisdictions where NRI affiliates have had the most success collaborating with government—a range from 1 to 15 percent.

In order to be successful, all staff and board must support this alignment of affiliate goals and projects with local priorities. In cases where there is fundamental disagreement, HFHI can be helpful in resolving these difficulties. When the ED at the Northeastern affiliate began trying to transition the organization

away from their “onehouse, one family” model, her plan to expand the mission of the affiliate was met with strong opposition from the board. The members even wrote to HFHI a letter requesting a program review. However, when the HFHI representative came for the site visit, she validated the new ED’s approach and provided needed support for changing the paradigm within the affiliate.

**Figure 4.3. Affiliates often do not fully understand local politics, priorities, needs, and support of affordable housing**



Source: Web survey on NRI affiliate relationships with local government, 2012.

### Craft effective messaging

The literature on public-private partnerships often stresses the importance of clearly defining and articulating goals as a step prior to engagement with local government (Sagalyn 2007). Affiliate staff, elected officials, and civil servants interviewed during the site visits all agreed. Once there is internal agreement on goals and projects, affiliates must craft messaging about the value they add to their communities. This messaging should run through the subtext of everyday conversations as well as formal proposals and applications. Many cities and counties are facing tight budgets and need to understand how their local affiliate can help them meet their own goals more efficiently.

Some strategies the affiliates participating in the site visits shared include:

- Clearly articulating the affiliate’s mission, core competencies, and innovations (e.g., green building, energy efficiency);
- Profiling Habitat families, their contributions to the community, their stability in Habitat homes, and their sweatequity;
- Communicating the volume of Habitat activities;
- Documenting the tax revenue generated by Habitat homes;
- Highlighting the affiliate’s ability to leverage government money with private dollars to make them go further;
- Calculating the cost savings generated by using a sweat-equity model;
- Minimizing administrative costs to maximize the dollars going to service; and
- Coordinating with other nonprofits to increase the amount of value provided.

The Southern affiliate does a particularly good job of using fact-based messaging to advance its mission. Its ED actively uses the annual statistical data that HFHI recommends affiliates gather to document his affiliate’s successes. For example, among other things, he highlights the number of houses built and Habitat households’ low foreclosure rate, and he readily provides data to illustrate how his affiliate compares to others throughout the state. He also further reinforces the affiliate’s value to the community by using data to demonstrate how his affiliate can help address unmet housing needs. He advises, “Go with true, verifiable facts: ‘Did you know that no other affiliate in [the state] outside [major city] has built more houses than our affiliate?’ ”

An elected official in the Western affiliate’s service area also suggests that affiliates consider how to craft messaging that is tailored to particular jurisdictions. He pointed out, “Most importantly, find the hot button issues. If you’ve got a council or a city government that’s really into environmental causes, talk about that and how you do it. If you’ve got someone dedicated to educational causes, talk about that. Do your homework and make sure you’re speaking the language beyond your core competency of just building housing.”

## 5. Build

---

- Garner wide-based community support
- Map how decisions are made
- Cultivate relationships with decisionmakers
- Understand local government resources and constraints

In addition to the detailed planning described in the last chapter, NRI affiliates need strategies to actively build relationships with local governments. In great part, building relationships depends on an intimate understanding of local context, including how decisions are made in different jurisdictions and what resources and constraints shape these decisions. However, NRI affiliates must also define concrete approaches to engage not only with elected officials and government staff, but also with influential actors in their local communities who can help build and sustain links between affiliates and local government partners. This chapter presents some of the strategies that many successful NRI affiliates have used to lay the foundation for solid collaboration.

## **Garner wide-based community support**

Armed with a strong network and political capacity and a well-crafted message (see section 4), affiliates must work to garner wide-based community support for their mission. This is particularly important because the literature shows us that opposition from community members can often thwart new initiatives, even those with political support (see Rohe, Bratt, and Biswas 2004; Tighe 2010).

The site visits revealed that relationships with people and organizations outside of government in local communities can be beneficial in many ways. First, affiliates, nonprofits, and community groups can work together to advance local and state policies that support affordable housing and provide supports for low-income households. Affiliates in all three communities visited for this study actively participate in these kinds of advocacy coalitions. The Western affiliate's participation in these efforts has led government to relax density requirements for affordable housing developers. The Southern affiliate's coalition works hard to advocate for a just distribution of the state's housing trust fund monies.

Influential community actors can also help affiliates make inroads with local governments in new communities. An elected official in the Western affiliate's service area suggested, "Don't build relationships with government first, but work with those who interact and already have good relationships with government. ... Relationships that start with an introduction are much more effective than relationships that start cold." The ED at the Southern affiliate took exactly this approach when he assumed responsibility for another affiliate's service area. He leveraged his personal relationship with a bank president in that city to make his initial connection to local government leadership. The Northeastern affiliate also has leveraged relationships in a similar way, aligning itself closely with a highly influential partner nonprofit already working in the affiliate's NRI community. Habitat's ED and the ED at this other nonprofit had known each other for years and had established a trusting relationship because of their advocacy work in the county. As a result, this well-connected partner advocates for the affiliate in his own conversations with the mayor and elected leadership, and keeps the affiliate abreast of upcoming items on city council and planning board agendas.

In addition, affiliates can leverage relationships to advocate in support of their funding proposals to local government. When funding rounds are particularly competitive, the Western affiliate asks its network of community supporters to send e-mails to the relevant decisionmaking bodies. As one staffer explained, "Even locally when we go in competitively for a project, we've done it a couple times when we knew it

was a very competitive round: we've asked folks to send e-mails to the participating jurisdictions... volunteers will send letters of support." Respondents from the exploratory interviews also cited similar examples. One interviewee confided that her affiliate had held government accountable for affordable housing and community development more generally by challenging elected officials in a public forum with local residents in the audience.

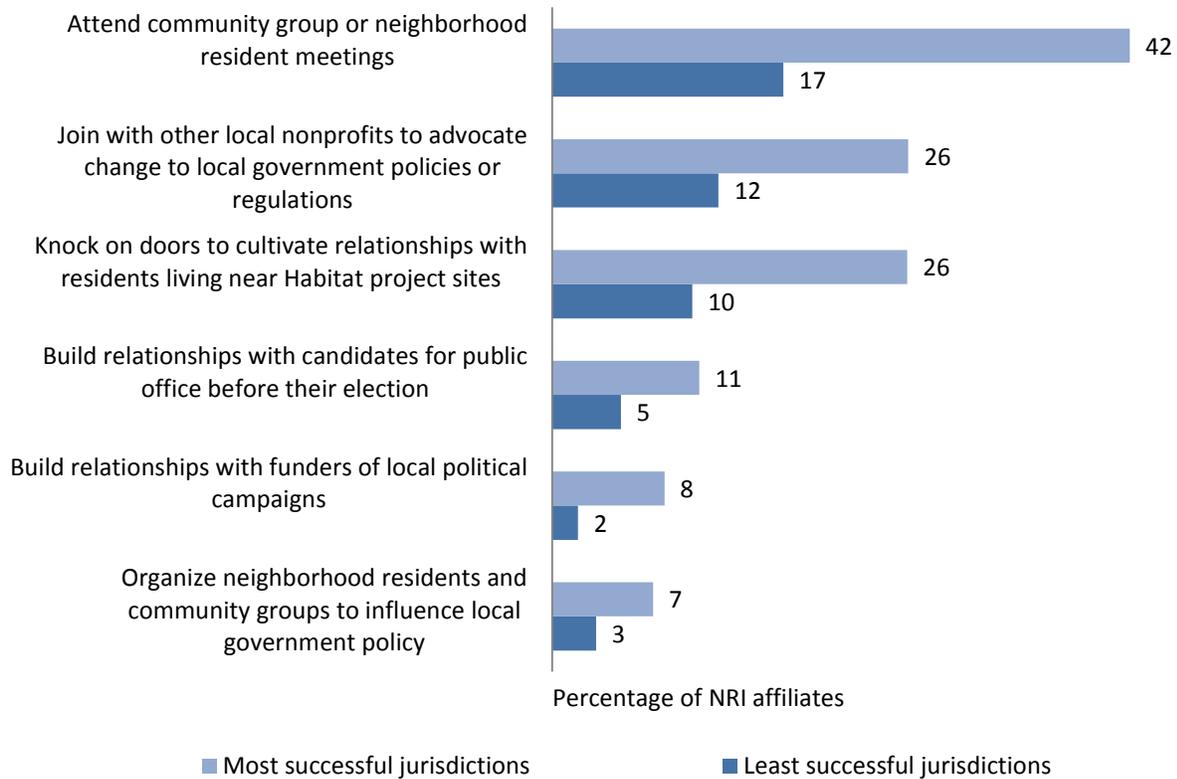
Relationships with other organizations also can help raise the profile of affiliates' work. The United Way publicly recognized the Southern affiliate for its contributions to the community. This recognition has become a great marketing tool for the affiliate and helps illustrate its value as a partner. One elected official in the Northeastern affiliate's service area put it this way, "You have to make your presence known and be upfront about what you're doing. Get to know all the other nonprofits and be a presence. To be successful in anything, you have to be known....I make the civic club circuit every other year... you just got to get out there and tell it [the Habitat story] every once in a while because leadership changes."

Affiliates may also find it advantageous to coordinate with other organizations when applying for funding. Exploratory and site-visit interviews revealed that many of the federal funding streams for affordable housing, such as Community Development Block Grant (CDBG), have been cut back substantially over the past few years, thereby increasing the competition among nonprofits. In this context, one government staffer in the Western affiliate's service area explained, "The issue in the past has been that there have been lots of applications, and we're doing less and less. We want five applications, not twenty. If you're going to provide services, you need to join with other organizations—one general application with subgrantees—so we can administer them more easily."

The web survey of NRI affiliates reveals that many affiliates actively build community support in their service areas (see figure 5.1).

Attending community group or neighborhood resident meetings is the most common strategy used, regardless of the affiliates' level of success collaborating with government in the jurisdiction. Other relatively common strategies include joining with nonprofits to advocate for changes to local government policies and going door to door in neighborhoods near project sites. More purposeful community organizing to influence local government policy seems much less common. Only 7 percent of NRI affiliates report using this strategy where they have had the most success collaborating with government and a mere 3 percent where they have had the least success. Some NRI affiliates also demonstrate substantial political savvy, building relationships with funders of local political campaigns and political candidates before their elections. Respondents in the exploratory interviews point out that using these types of strategies can help affiliates successfully navigate election cycles, particularly in politically volatile communities.

**Figure 5.1. NRI Affiliates Employ More Varied Strategies to Build Collaboration with Government in Their Most Successful Jurisdictions**



Source: Web survey on NRI affiliate relationships with local government, 2012.

## Map how decisions are made

In order to be strategic about relationship development, affiliates must understand how decisions are made. This includes knowing who has the authority to set policy, make funding decisions, and facilitate everyday interactions with local government, as well as the larger policies that shape these decisions.

The web survey shows that not all NRI affiliates are fully aware of these parameters, particularly in the jurisdictions where they have had the least success collaborating with government. In these areas, about a third do not know how often decisions about housing and community development are governed by a comprehensive or strategic plan; another third do not know how often these decisions are left to the discretion of elected officials or staff. However, lack of familiarity with the parameters of local decisionmaking is not exclusively an issue in jurisdictions where affiliates have had the least success building collaboration. About 1 in 10 affiliates do not know how often local planning processes, elected officials, or government staff affect the local decisions even in the jurisdictions where they have been most successful.

The literature suggests that the existence of more formal planning processes may provide structured opportunities for collaboration (Basolo 2000). The web survey of NRI affiliates bears this out. Approximately 60 percent of affiliates report that a comprehensive or strategic plan governs housing and community development decisions “always” or “often” in the jurisdictions where they have had the most success collaborating with government, as compared to only 30 percent in jurisdictions where they have had the least success. Analysis of the web survey also shows that affiliates receive more varied benefits from collaboration and more frequently report having the same goals and priorities with government when jurisdictions have an active planning process in place.

Respondents from the exploratory interviews pointed out that the structures and processes in place for decisionmaking vary substantially. For example, all HUD entitlement jurisdictions accepting Home Investment Partnership (HOME) funds are required to perform a comprehensive housing assessment and to solicit input for their consolidated plan; to accomplish this, many jurisdictions put together standing committees or hold public hearings in which affiliates can participate. In addition, some states, including California, require all incorporated cities and counties to have a comprehensive, long-term general plan for physical development. In such states, independent planning boards usually take the lead on establishing and enforcing land use and zoning policies. However, in other areas, decisions about housing and community development are solely at the discretion of local elected officials (i.e., mayors, city managers, city councils, and county boards).

Understanding the role of elected officials in decisionmaking is critical because in many cases these individuals are the ones with power to prioritize affordable housing over other concerns—for example, economic development or business priorities (see Basolo 2000; Bushman 2007). The respondents from the exploratory interviews emphasized that some of their most valuable relationships are with elected officials—including the mayor, county executive, or city council members—because these individuals are often the ones with the authority to make strategic policy decisions. However, in the three sites visited, the willingness of elected officials to make exceptions to local policies varied across jurisdictions, even within the service area of a single affiliate. The elected leadership in some jurisdictions simply prefers broader policy change when needed as opposed to a piecemeal approach. For example, one elected official said, “I don’t want one-off policymaking for special instances. It should be overall policies.”

Elected officials ultimately have to approve the funding allocations in their jurisdictions, but the extent of their involvement in the actual decisionmaking process varies. In the Northeastern and Southern affiliates’ service areas, government staffers receive applications, review them, and make recommendations directly to elected officials; however, things work differently in the Western affiliate’s service area. Civil servants support the decisionmaking of independent boards made up of local stakeholders who evaluate the merits of proposals and allocate HOME, CDBG, and state affordable housing fund dollars.

In all three communities visited, government staffers play a key role in behind-the-scenes decisionmaking. Elected officials and appointed boards often depend on government staff recommendations and assessments of incoming proposals and requested policy changes. Staff at the Western affiliate confided, “The council relies heavily on information from city staff. The fact that we

have a good relationship with the housing division in the city is helpful. When we submit an application and when they [city housing division staff] are informing the [local board in charge of spending decisions on affordable housing and community development], we wouldn't be as successful if we didn't have as good of a relationship. [City staff] give their recommendations to the [decisionmaking board], and their recommendations carry weight." Respondents from the exploratory interviews added that agency directors are particularly influential and often have the ability to sway their staff, their counterparts in other government agencies, and elected officials.

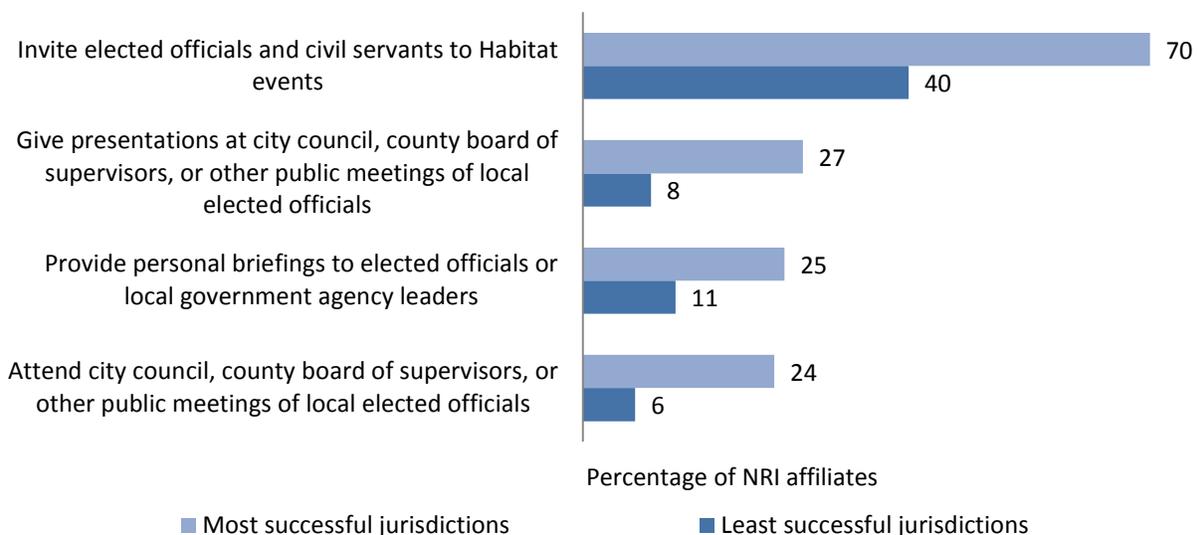
Government staff can also help affiliates understand and navigate local processes. Code inspectors, administrative staffers, and assessors often have the discretion to expedite permitting and other processes; and these workers can help affiliates understand how their departments share information (e.g., press releases, listservs, formal meetings) so that the affiliate can anticipate opportunities and be strategic in its approach to building relationships.

### Cultivate relationships with government decisionmakers

Once an affiliate has identified key government decisionmakers, it can deploy strategies to cultivate relationships with them. The literature indicates that having a strong reputation in the community is a crucial first step in fostering these relationships (Gazley 2008).

The web survey illustrates the many ways that affiliates seek to engage their local governments (figure 5.2).

**Figure 5.2. NRI Affiliates Employ More Varied Strategies to Build Collaboration with Government in Their Most Successful Jurisdictions**



Source: Web survey on NRI affiliate relationships with local government, 2012.

The “go-to” strategy most affiliates use to build collaboration consists of inviting elected officials and civil servants to events. Seventy percent of NRI affiliates in the most successful jurisdictions and 40 percent in the least successful ones report doing this “often.” Other less frequently employed strategies include attending and presenting at public meetings and providing personal briefings to elected officials or local government agency leaders.

The site visits revealed that attending scheduled meetings of elected officials and subcommittees relevant to the affiliate’s areas of interest can help elevate the profile of the affiliate’s activities and introduce affiliate staff to both elected officials and the civil servants who staff these meetings. The ED of the Northeastern affiliate talked about the time she invested to make her organization a key player on one of the community’s vital committees. “You have to be invited to be on the committees and councils, I think, because we [would] go to meetings, and we would be there, and everyone sits at a big huge table, but we would sit at peripheral tables and chairs, and they would ask you to identify yourself. We would go to all the meetings. Then we got there one day and my name was on the roster.”

More one-on-one contact with decisionmakers is also important, particularly when affiliates need to reboot their reputations. For example, when the ED of the Southern affiliate came on board, he took a personal approach to addressing issues that the city had had with the affiliate under different leadership. He shared: “I made a point to go to every city council person who was elected. I took them to lunch. One of them refused to go to lunch but would meet with me in his office.” Regular one-on-one meetings with elected officials and local government staff continue to occur, supplemented by phone conversations to update each other on current activities, undertakings, and accomplishments to ensure that the affiliate and the city continue to align their goals and work together.

Even when no relationship repair is needed, government staff highly value face time with their partners. As one staffer in the Western affiliate’s service areas put it, “You have to slow down and say, ‘I don’t need to e-mail. I need to talk to them directly to try to solve the problem.’ One-on-one conversations are critical. We don’t do it often enough, though.” Elected officials and government staff also like to attend “friendraiser” events where the affiliate can offer tours of properties, introduce its families, and transmit its carefully crafted message *without* asking for anything.

Because both affiliate staff and decisionmakers are often long-term community residents, it is not unusual for personal relationships to exist or to develop. According to the web survey, about two-thirds of affiliates report that their staff or board socializes outside of work with elected officials, local government agency leaders, and/or local agency staff “often” or “sometimes” in the jurisdictions where the affiliate has had the most success collaborating with government. In less successful jurisdictions, only about a third of affiliates report these types of interactions with decisionmakers.

During the site visits, both affiliate staff and government decisionmakers alike stressed the importance of keeping these relationships professional. As the ED of the Southern affiliate explained, “The mayor and I are high school friends. He’s one of my best friends and [the] councilman who you will meet, some of his district is on the West Side. We did a gorgeous house on the West Side. His brother and I have been friends for 30-plus years. Friendship is a wonderful thing when you’ve gotta get something done....

They [personal relationships] help you get in the door. [But] you sink or swim on the merits of what you've done. I would never ask them for favors. I can't do that."

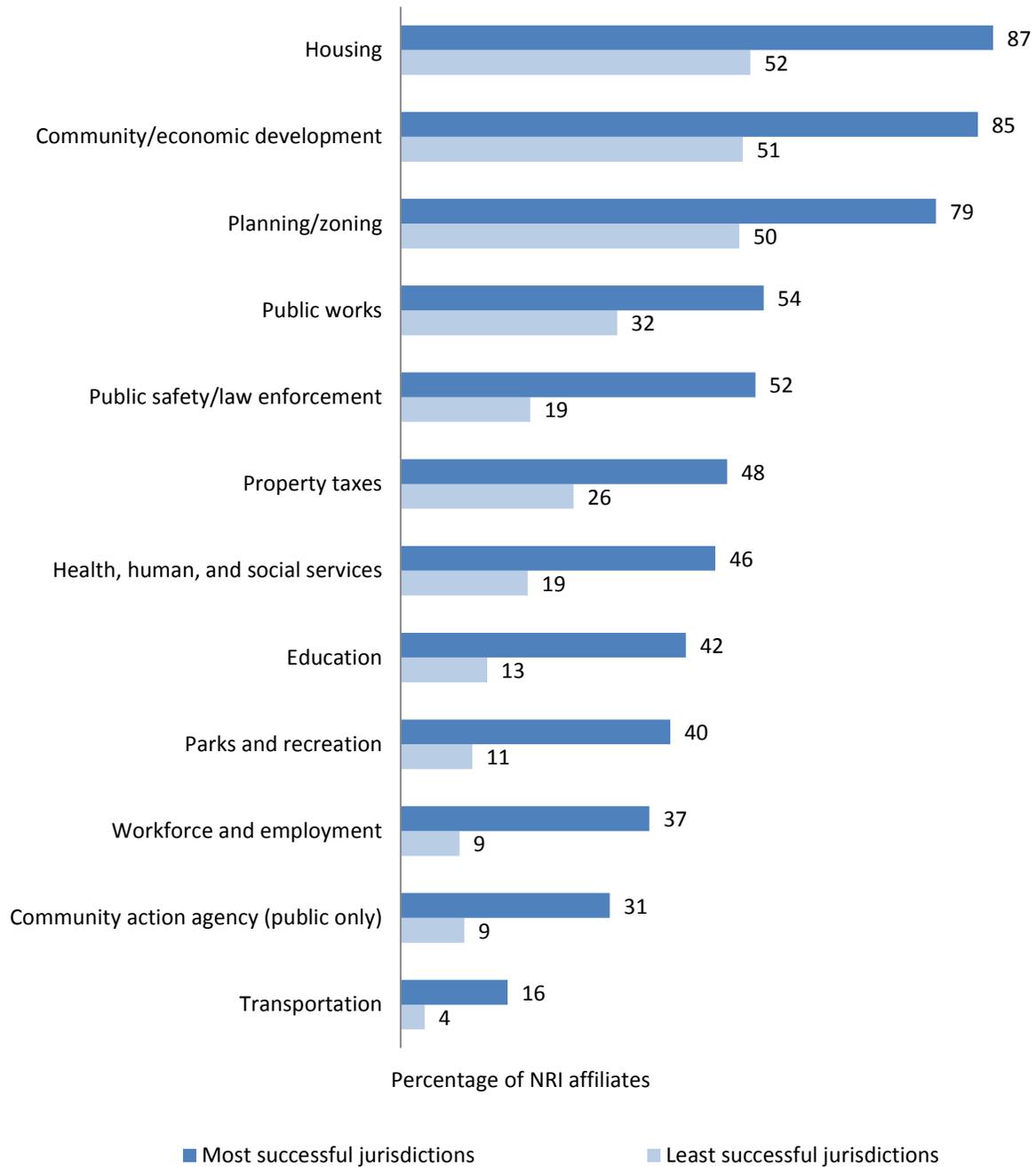
No matter what method of engagement they choose, affiliates should plan on engaging with decisionmakers regularly and often. Respondents from the exploratory interviews emphasized this point, as did many different types of individuals interviewed during the site visits. Speaking of the strengths of the government's relationship with its local affiliate, one government agency staff person noted, "We go back and forth at all stages of the project and even in between applications or between projects. I get calls from [affiliate staff] saying, 'We've been offered a deal and want to talk to you first about how this fits in terms of funding and timing.' Before they make any moves, they talk to us about how the plan might work: how we can work together to get it done and how it works with our federal guidelines and timelines." This regular communication allows the affiliate to coordinate its efforts with local needs and be seen a cooperative partner with government.

## **Understand local government resources and constraints**

During the site visits, affiliate and local government respondents alike recognized the importance of thinking beyond traditional partners. Collaboration with many departments other than planning, housing, and community development can have mutually beneficial results. The web survey demonstrates that affiliates have established relationships with all types of government agencies more frequently in their most successful jurisdictions than in their least successful ones (figure 5.3). On average, NRI affiliates also maintain relationships with twice as many agencies where they are most successful collaborating with government. Notably, the four most frequently named agencies (housing, community/economic development, planning/zoning, and public works) are the same in affiliates' most and least successful jurisdictions. The same can be said of the five least frequently named agencies (transportation, community action agency, workforce and employment, parks and recreation, and education).

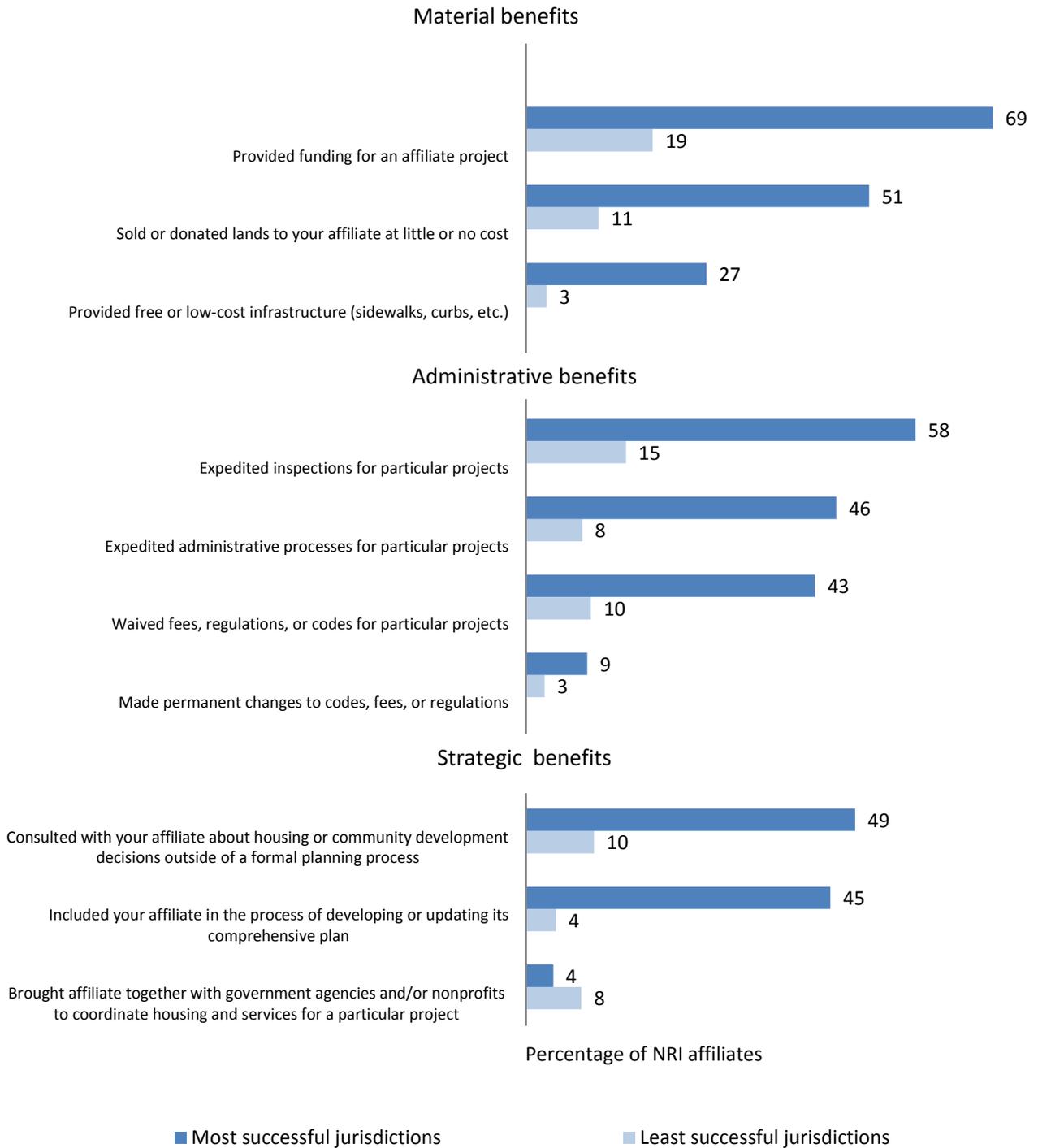
Funding is not the only thing government has to offer. The web survey shows that NRI affiliates enjoy a wider range of benefits from collaboration, particularly in the jurisdictions where they have had the most success collaborating with government in the past three years (see figure 5.4). Direct funding constitutes the most common type of benefit, but affiliates report receiving other material benefits from collaboration, including the sale or donation of land to the affiliate at little or no cost and free or low-cost infrastructure.

**Figure 5.3. NRI Affiliates Establish Relationships with All Types of Government Agencies More Often in Their Most Successful Jurisdictions**



Source: Web survey on NRI affiliate relationships with local government, 2012.

**Figure 5.4. In NRI Affiliates' Most Successful Jurisdictions, Local Government Furnishes a Wider Array of Benefits**



Source: Web survey on NRI affiliate relationships with local government, 2012.

One-time administrative benefits—such as expedited inspections and administrative processes and the waiving of fees, codes, or regulations for particular projects—also surface with some regularity, at least in the jurisdictions where affiliates have collaborated most successfully with government. It is making those changes permanent that appears to be a bigger challenge. NRI affiliates report that local government made these types of changes permanent in only 9 percent of their most successful jurisdictions and 3 percent of their least successful jurisdictions.

Affiliates have enjoyed substantial success gaining access to strategic benefits from collaboration with government, although this does not happen very frequently in their least successful jurisdictions. Nearly half of all local governments in the most successful jurisdictions have consulted with an NRI affiliate about housing and community development decisions outside a formal planning process, included the affiliate when developing or updating its comprehensive plan, or brought the affiliate together with other government agencies or nonprofits to work together.

The site visits also helped to identify other innovative ways that affiliates and government collaborate. For example, the Northeastern affiliate works closely with the local cities' senior support services department. This department provides the money for the short-term homeowners insurance needed to make ABWK repairs for seniors applying to the affiliate, and the affiliate provides ABWK services to clients the department refers. When the Western affiliate took ownership of a large property for redevelopment, it reached out to the local fire department to offer the site for a practice burn for structural fire-fighting training.

Despite all of these opportunities for collaboration, elected officials and government staff interviewed during the site visits all want affiliates to better understand their limitations. This has to do, in part, with increasing the resource capacity (see section 4) of affiliate staff to understand the restricted uses of the funding streams that local governments administer. It may also mean partnering with other local nonprofits to adapt to a more limited funding environment (see the first section of this chapter).

However, it is important to understand limits on the capacity of many government staffs, particularly in light of the dismal budget realities many counties and cities face. According to the web survey of NRI affiliates, 47 percent cite local government's lack of capacity as a factor in some or most cases where the affiliate does not maintain any contact. In addition, about a third of affiliates noted a substantial decrease in government capacity over the last three years in the jurisdictions where they have had the least success collaborating, and a fifth reported this trend even in their most successful jurisdictions.

Even so, decreases in capacity may actually create opportunities for affiliates to collaborate with government. The literature tells us that when faced with fiscal constraints, the public sector often seeks to leverage its capital to attract private-sector investment to meet its goals (Linder 1999). Consistent with this theory, analyses of the web survey reveal that affiliates receive more benefits from government collaboration when government capacity has increased or decreased substantially, relative to when capacity has remained constant.

## 6. Sustain

---

- Be flexible and prepared to take advantage of opportunities
- Start small and effectively manage government-funded projects
- Deploy strategies to highlight contributions of local government

For collaboration to be fruitful over the long term, NRI affiliates need to do much more than engage with local government: they must work to sustain and nurture the relationships that they build. This means being responsive to local government's needs and establishing a track record as a strong, effective, and responsible partner (Gazley 2008). Affiliates also should consider publicly promoting local government's contributions as a vital strategy for injecting energy and enthusiasm into standing relationships with elected officials and government staff alike. This chapter fleshes out these ideas for sustaining a meaningful collaboration that transcends individual projects and opportunities.

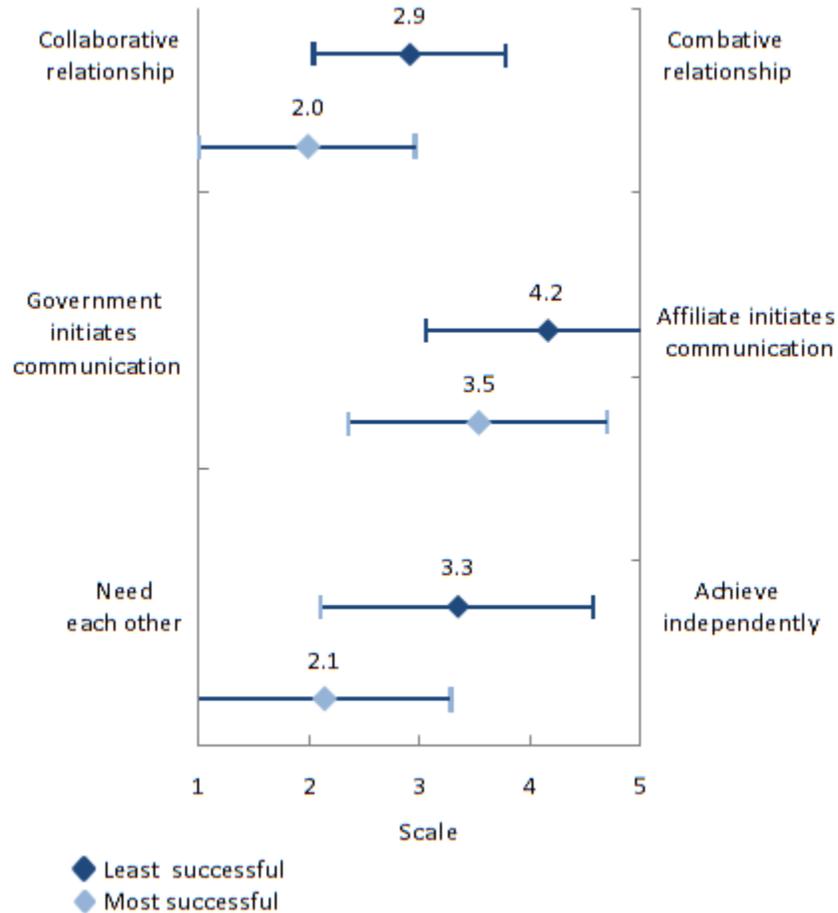
## **Be flexible and prepared to take advantage of opportunities**

Organizations choose to work together because they believe that by doing so they can achieve something they could not accomplish alone (see Gazley 2008; MacKintosh 1992; Sagalyn 2007). Consequently, in most successful collaborations, both parties depend on each other to meet their goals, engage in open-ended two-way communication, and are flexible in the decisions they make to advance their individual and shared goals (see Gazley 2008; MacKintosh 1992; Schaeffer and Loveridge 2002).

Many times affiliates are the ones making the "ask" but other times it is local government that does the asking, particularly if affiliates have done due diligence planning and building their approach to collaboration with government. Once government recognizes the value that NRI affiliates bring, it may come to depend on them to meet their own goals. These trends are reflected in the web survey of NRI affiliates which asked affiliates to rate their relationships with government along a continuum for three different dimensions: collaboration, initiation of communication, and mutual dependence (figure 6.1). In the jurisdictions where NRI affiliates have had the most success collaborating with government, the relationships are more collaborative, more mutually dependent, and better balanced in terms of initiation of communication.

All three NRI affiliates visited for this study spoke about the importance of being ready to respond when local governments open the door to opportunities. Since making the transition away from the "onehouse, one family" model, the ED of the Northeastern affiliate has often been called on help government meet its obligations on short notice. For example, when the ED presented the affiliate's plan to develop three properties in a low-income neighborhood at a local city council meeting, the mayor and council essentially were—without her knowledge—interviewing her on the spot as a development partner and recipient of affordable housing trust fund dollars. Similarly, because the ED had laid the groundwork with city staff, they called her immediately to see if the affiliate could step up its ABWK work when a natural disaster forced the city to reallocate its funding. On both occasions, the ED took on the challenge and used the opportunity to be responsive to the needs of the local community while simultaneously growing her affiliate's capacity.

**Figure 6.1 Relationships between Affiliates and Local Government Are More Collaborative and Interdependent in More Successful Jurisdictions**



Source: Web survey on NRI affiliate relationships with local government, 2012.

The Southern affiliate has had similar experiences. When the assistant city manager had the idea for the summer work camp program, she thought of the affiliate as a partner even though the scale of this effort was much larger than the affiliate’s typical volunteer operations at the time. The affiliate accepted the challenge and now trains and supervises more than 200 students from across the country to perform ABWK tasks during the summer to repair houses for elderly homeowners. Staff at the affiliate described how being responsive in this way has helped to cement the relationship with the city: “We, Habitat, have become the critical part of that in that we are the key wheel in the supervisory part. They send us to the jobs that have some nailing and hammering. We show the students what to do and how to do it, and keep them hydrated. And that’s a big, big thing with the city. That got us in their good stead.”

The Western affiliate has also been highly responsive to the needs of local government. Even though housing rehab lies outside of its core competencies, the affiliate embraced the opportunity to do this type of work when one of the cities in its service area received unexpected funding for rehab and offered it to the ED. Government staff explained, “We don’t have a lot of buildable land, so we’re anxious to see how this rehab model works. Rehabbing what’s existing is our future. We’re very anxious to see how we can make that program work.” Taking on this project has thus positioned the affiliate as a strong strategic partner.

Being able to make these types of adjustments requires a high degree of flexibility on the part of affiliates. Fifty-three percent of affiliates report changing their activities “a lot” over the past three years in their most successful jurisdictions, as opposed to only 37 percent in less successful areas. The web survey shows that NRI affiliates are matching their activities with local needs much more frequently in the jurisdictions where they’ve had the most success collaborating with government in the last year. In housing markets where there are many vacant, abandoned, or foreclosed properties, 77 percent of affiliates in their most successful jurisdictions participate in demolition, rehabilitation, and salvage/cherry-picking. Additionally, 76 percent of affiliates engage in ABWK, critical home repairs, and weatherization in their most successful jurisdiction when the housing market conditions include old housing stock or housing stock in bad repair.

Even so, being flexible does not mean just being responsive to government; it also means initiating and maintaining communication about the affiliate’s work. When considering a new project, it is important to engage local government in conversations early on. During the site visit interviews, the Western affiliate reported that staff in the city department of housing serves as a sounding board for potential proposals, offering guidance on the type or size of projects likely to be funded. This enables the affiliate to align its proposals with the government’s current needs and priorities, which, in turn, maximizes its chance of receiving funding. Staff at the city suggested, “Come into the city, folks, and say, ‘We’d like to do this project, but we want to hear about how you see the needs of the community.’”

Communicating with government from the very beginning also helps affiliates to avoid getting embroiled in problematic projects. Local government may have information about available land that can help affiliates make more informed choices about donated land or potential projects. Government staff in the Western affiliate gave this example: “They [the affiliate] got ahead of themselves on one project. Again, we’re talking about infill development. It required moving a sewer pipe, doing a street vacation, and redoing a building that was single family at one time and converting it back to single family. They also had to deal with parking and setbacks. I asked, ‘Why are you doing this? For one piece of property, this is going to suck up staff time.’ I didn’t want to do it. Ultimately, they dropped it.”

## **Start small and effectively manage government-funded projects**

The public-private partnerships literature suggests that each partner must meet its responsibilities in order to build trust among partners and to ensure the initiative’s ultimate success. As Corrigan et al. note, “Building trust incrementally through small efforts within the partnership creates a record of small

successes that support bigger strides. In other words, success breeds confidence, and confidence breeds trust” (Corrigan et al. 2005, 30). To build a strong funding relationship with a local jurisdiction, NRI affiliates should start small. As the Western affiliate’s ED suggested during the site visit: “Do one project, and do it extremely well. ... If people like it, you will get invited back. Start small and do the baby steps. Then you’ve got a working relationship.”

The Northeastern affiliate has definitely taken this approach in its transition from an independent to collaborative model. The local city planning department in this affiliate’s service area recommended a modest CDBG allocation of \$5,000 to test the affiliate’s capacity to spend down the money, complete the reporting that HUD requires, and properly administer a government grant. The mayor and the city council endorsed this decision. During that first year, the planning department monitored the affiliate and found it to be a responsible and effective subgrantee. Consequently, the next year, the municipality increased the affiliate’s CDBG allocation for ABWK to \$12,000. This led to \$20,000 and then an additional \$32,000 the same year, when the municipality had to reallocate CDBG dollars.

Effective management of government funds is just as critical for more established affiliates. This theme surfaced early on in the exploratory interviews conducted with members of the U.S. Affiliate Enhancement Committee. One ED confided, “You have to consistently prove to government that your affiliate delivers high-quality results.” The EDs from the site visits echoed this sentiment. For the Southern affiliate, meeting contract deadlines and maintaining frequent communication with government staff throughout the project period is essential to good project management, especially keeping the city informed of any obstacles that might affect the project timeline.

Mismanaging a project with one local government can have negative consequences for affiliate relationships with other jurisdictions. Staffers in neighboring jurisdictions talk to each other, and they know what projects the affiliate has already committed itself to in each jurisdiction as well as the deadlines for those projects. One government staffer noted, “All of us [local government jurisdictions]... have similar programs. All of us work closely together. All of us fund Habitat. We communicate and know what Habitat is doing in different areas.” Staff caution against taking on more than an affiliate can reasonably complete. The key to a lasting relationship is maintaining a high level of performance.

Proactive communication also can help affiliates anticipate potential points of contention, understand how these issues will shape the partnership process, and come to the table with strategies and a willingness to resolve disagreements. In conversations about negotiating disagreements with the Southern affiliate, one government staffer related this anecdote: “Naturally, there are issues that come up with building houses. One person was concerned with building driveways [for the houses], but they talked it out and got it worked out. They felt that driveways needed to be included and some limited landscaping, and Habitat for Humanity worked with them so now driveways are being poured and there’s some landscaping. This wasn’t a conflict, but an opportunity to sit down and share a concern and work out issues.”

## Deploy strategies to highlight contributions of local government

The literature on public-nonprofit partnerships stresses the importance of perpetuating a positive public image of the collaboration and the projects that derive from it in order to promote community-wide support for the collaboration and its projects (Sagalyn 2007).

Leadership at each of the three affiliates take this point a step further, adding that affiliates should specifically promote their government partners' contributions at every opportunity. Staff at the Southern affiliate suggested the following: "Win little battles and give them [government] all the credit. Do not let your ego get into it. Let them get their picture in the paper... thank them publicly. That kind of stuff goes a long way." Staff at the Western affiliate expressed many of the same sentiments, saying, "It's about making everyone look good. Get the elected officials out and thank them and give them an opportunity to speak. If you get the elected officials to shine, then everyone is in a good light as well."

There are many different ways that affiliates can raise the profile of local government partners in their work. One approach is to acknowledge government contributions regularly in all interactions with community stakeholders (see section 1).

Another approach all three affiliates take is to hold high-profile events—such as groundbreakings or ribbon-cutting ceremonies—to publically thank elected officials and government staff for their contributions to projects. Besides raising the visibility of elected officials and government staff in the community, these types of events can offer opportunities for government actors to show their own funders the difference they are making in their communities. As staff at the Western affiliate recounted, "For [a large development], we had an open house, and we invited all of our funders to be part of that open house and do a tour. It was an opportunity for the city to bring the HUD folks out. When we did the site tour and the open house, we had homeowners there for people to speak to. We sent the invitation to everyone, and if they couldn't come we sent them this flyer to show them the leveraging of private and public dollars that went into the development."

All three affiliates also emphasize not only holding events, but also planning a media strategy to raise the profile of their benefactors. At a minimum, this means putting out a press release and shopping the story to local media. Staff at the Northeast affiliate provided this insight: "The little local papers are the ones that people read over their coffee. They [HFH] work at getting [government supporters'] names in the paper, the PR/political piece. The mayor attends groundbreakings and wants to be affiliated with Habitat projects. Mayors love that—they love photo ops and it pays off and helps HFH." The Northeastern affiliate also cultivates relationships with local bloggers and online media.

The Western affiliate also takes a very deliberate approach to cultivating relationships with local media. Previously, the affiliate cultivated a relationship with a local columnist, who respondents refer to as their "embedded reporter" and who highlighted the organization's accomplishments and profiled families. The affiliate even sent the reporter on a Habitat Global Village trip, and the reporter wrote not only about her experiences on the trip but also related those experiences back to the affiliate's local work. Affiliate staff also note that television stations are often more interested in covering events when there

is a compelling human interest story. Because of the high number of active military in the Western affiliate's service area, staff successfully engaged the local television station to cover veterans' "build days" and highlight homes for veterans and their families.

## 7. Conclusion

---

With federal funding cuts looming and local budgets constrained by shrinking tax bases, local governments and nonprofits have struggled in the aftermath of the Great Recession and the accompanying housing crisis. However, in many ways, these circumstances have created great possibilities for inspired collaboration between affordable housing providers and their local government departments. By diversifying their portfolio of work and actively seeking to respond to the unique housing challenges in their communities, NRI affiliates have stepped up as full partners with local governments across the country. These kinds of collaborations will be critical to the success of housing and community development over the next decade.

This study demonstrates the tremendous level of collaboration that NRI affiliates have constructed with local governments. Despite the fact that two-thirds of NRI affiliates have service areas covering more than 3 local government jurisdictions and a third that serve 11 or more, half of our respondents report having worked on or having completed projects in all or most of these areas in the past three years. In addition, government funding plays a large role in sustaining the activities of affiliates. On average, 39 percent of affiliate funding came from government sources in 2011, and nearly half reported a substantial increase in government funding over the past three years.

Funding isn't the only thing government has to offer: nearly 60 percent of affiliates in our survey said government entities expedited inspections in the jurisdictions where collaboration has been most successful. Further, about half of government partners donated land, waived fees or codes, and included affiliates in both formal and informal decisionmaking in these same areas.

Getting involved in public planning processes, in particular, can yield big benefits. Affiliates that contribute to their community's comprehensive plan find that local government consults with them more frequently and helps them network with other community partners as well. These well-networked affiliates also receive an average of twice as many different kinds of benefits from collaboration with local government than do less involved affiliates.

Throughout this study of collaboration between NRI affiliates and local government, the remarkable thing has been how broadly these principles and practices apply across a wide range of local contexts. Neither radically different housing market dynamics nor local government structures of different sizes, capacity, and complexity predetermine the level of collaboration affiliates can achieve with their government partners. In many ways, this is a testament to the opportunities that the NRI's holistic approach creates. By expanding beyond new construction into a broader array of housing solutions, NRI affiliates and local government entities have the space to explore and customize the best ways to work together under very diverse and evolving circumstances.

NRI has also essentially leveled the playing field for small affiliates. No longer do they need to come to the table with the capacity to do large-scale new construction projects for government in order to be considered valuable housing and community development partners. Small NRI affiliates can respond to local needs and build their capacity through ongoing, sustainable relationships with their elected officials and government staff.

Similarly, the strategies this report suggests apply equally to all NRI affiliates, and to many affiliates in the broader HFHI network. The research team found that the same themes surfaced again and again in all of the methodologies used—the literature review, the exploratory interviews, the web survey, and the case studies. No matter how many staff an affiliate has or what its service area looks like, there are a common set of strategies affiliates can apply to plan, build, and sustain collaborative relationships with their local governments.

While this report provides a map of these strategies, HFHI itself has resources that can help support NRI affiliates' efforts to pave the way to collaboration. In addition to direct support and resources for affiliates on community development efforts, partnership, and evaluation from HFHI's NRI team, the Government Relations and Advocacy (GRA) office provides all affiliates with access to training, materials, and tools that help them better access government funding streams, establish and maintain relationships with state and local governments, and work with government agencies. GRA identifies and interprets laws and regulations that impact affiliated organizations, develops strategies to change or adapt to those policies, and disseminates this information to affiliates via various institutional avenues and direct outreach. GRA also provides direct support to affiliated organizations engaging their state and local governments and provides technical assistance on a variety of policy advocacy issues. This assistance includes technical help and capacity building, including advocacy planning at the state or local level; advocacy activity implementation and media engagement; input on proposed and introduced local or state legislation; and material creation and training resources.

In addition, GRA has created a State and Local Resource Center (SLRC)—a constantly evolving depository on HFHI's intranet that provides affiliated organizations with resources on state and local housing issues, government funding streams, initiatives, and policy solutions. Available resources include briefing papers, best practices, policy guidance, 50-state matrices, and case studies from successful or on-the-horizon initiatives. The SLRC fosters peer-to-peer learning and facilitates the modeling of successful housing policy solutions around the nation. Additionally, GRA holds an annual legislative and advocacy conference, *Habitat on the Hill*, and provides affiliates with up-to-date information on important legislative and congressional developments related to HFHI's legislative priority issues.

Constructing meaningful and sustainable collaborations with local governments can be challenging, but making this effort is vital. Successful and enduring collaborations can help unite affiliates, elected officials, and civil servants in a common effort to ensure the accessibility of quality affordable housing for communities across the country.

# Appendices

---

## Appendix A. Review of Literature

Habitat for Humanity International (HFHI), a nonprofit ecumenical Christian housing ministry, has developed affordable housing for low-income households in the United States and abroad since 1976 through a combination of mostly private donations, volunteer labor, and the “sweat equity” of future homeowners. Operating in more than 80 countries worldwide, HFHI also has a strong presence in the United States: 1,500 local affiliates strive to address the housing needs of low-income families within their distinct service areas. HFHI affiliates, like other locally operated nonprofit organizations (NPOs), have adapted to the changing conditions in their communities and have agilely responded to two complementary political shifts: privatization and devolution.

The privatization movement, which began during the 1980s, aimed to reduce the size of government by contracting out public services to private third parties (Marwell 2004). Often these third parties have been NPOs. This expansion of the role of private institutions in the provision traditionally provided by government entities required increased interaction between governmental and nongovernmental actors and a shift away from the largely adversarial tone prominent between the public and private sectors since the rise of big business in the late 19th century (Sagalyn 2007).

Additionally, in the 1980s, the Reagan administration promoted devolution, the process by which powers or responsibilities are transferred to progressively lower levels of government. This idea that “close government was good government” increased the power of county and municipal governments to design and implement their own social service programs (Shaw 2007, 107). Local elected officials and bureaucrats took on the responsibility of managing service contracts with nonprofit organizations for local programs and distributing federal block grant funds from programs like the Community Development Block Grant (CDBG) and the Home Investment Partnership (HOME) in accordance with their communities’ needs. Together, these two shifts have increased the need for public-private sector interaction and have moved the decisionmaking arena closer to the areas that NPOs, like HFHI affiliates, serve.

Although faith-based organizations (FBOs) like HFHI have long engaged with local government to meet common goals,<sup>1</sup> other recent changes in federal law have made it easier for FBOs to partner directly with the public sector (De Vita and Twombly 2006). The Personal Responsibility and Work Opportunity Act of 1996 included a key provision prohibiting discrimination against religious organizations in competitions for public funds; this is commonly referred to as “Charitable Choice.” Further, in 2001 George W. Bush’s administration created the White House Office of Faith-Based and Community Initiatives, which is responsible for identifying and eliminating barriers to public funding faced by FBOs.<sup>2</sup>

It is within this policy environment that HFHI has launched a new paradigm for serving low-income families with its Neighborhood Revitalization Initiative (NRI). Through NRI, HFHI has shifted some of its

---

<sup>1</sup> Also, a 1960s survey of faith-based service organizations found that 71 percent received public funds, a proportion similar to that of secular service providers (Chavez 2003). A 1982 study of religious-based service agencies in the Midwest found that public dollars accounted for approximately half of their budgets (Chavez 2003).

<sup>2</sup> Under the Obama administration, this office was renamed the Office of Faith-Based and Neighborhood Partnerships.

focus from the traditional house-building model, which focuses on individual families and houses, to the NRI model, which focuses on transforming communities and enhancing the quality of life for all residents in those communities. Because of the broadened scope of HFHI's work under this program, the NRI model emphasizes the importance of collaborating with a variety of local organizations, including local governments.

Such changes have spurred HFHI's growth in recent years. The organization obtained \$137.6 million in funds from Phase 2 of the Neighborhood Stabilization Program in 2010 and is increasingly partnering with local governments on a wide portfolio of different projects ranging from rehabilitation of distressed properties to weatherization and traditional new construction (Chavez 2003; HFHI 2010).

As NRI affiliates increasingly engage in these more holistic community revitalization efforts outside of their traditional housing construction role and collaborate more directly with government, an examination of the effectiveness of such partnerships and identification of best practices for nonprofit-government relationships in the arena of affordable housing and community development is urgently needed. To better understand the main issues around this topic, this literature review presents: the effect of regulation on affordable housing development, motivations for public-nonprofit collaboration, models of these collaborations, and the key determinants of their success.

### **Compulsory public-nonprofit interactions**

Regardless of the type of collaboration HFHI affiliates may cultivate with local government, all must comply with federal, state, and local policies that regulate both new construction and other activities. This requires regularly interacting with government agencies to understand complex regulations and navigate bureaucratic processes.

For instance, zoning policies reserve land for specific types of use (i.e., commercial, industrial, residential) and sometimes impose large lot size requirements that reduce the quantity of land available for housing (Schill 2005). Some municipalities use growth control ordinances to restrict the number of building permits granted each year, while others impose subdivision controls, which can mandate particularly wide streets and parking space requirements. Building codes, which dictate the minimum standards developers must meet when they construct housing, also drive development costs. This is a particular challenge in renovating existing housing. Building codes may require developers to use the most up-to-date technologies, which may not be overly burdensome in new construction but can be expensive and time consuming to install when renovating existing housing stock (Advisory Commission on Regulatory Barriers to Affordable Housing 1992).

Administrative processes and fees can also increase development costs, because they increase the time and cost required to complete development. Affordable housing developers often have to negotiate zoning changes and complete reviews of environmental impacts to obtain the appropriate building permits. Federal, state, and local governments have the power to impose their own requirements on developers; sometimes these regulations overlap and developers must get approval for similar requirements from multiple levels of government (Schill 2005). Where government regulations, bureaucratic processes, and fees increase development costs to prohibitive levels, they can stymy

affordable housing development. In part, Quigley and Raphael (2004) argue that increases in housing prices have outpaced the cost of development inputs partially because of these barriers.

### **Motivations for more collaborative public-nonprofit relations**

Public-nonprofit collaboration can take many forms because it must adapt to idiosyncratic local conditions. Despite this variation, there is scholarly consensus around one key feature of public-nonprofit collaboration: organizations choose to work together because they believe that by doing so they can achieve something they could not accomplish working alone (Gazley 2008; MacKintosh 1992; Sagalyn 2007). Collaboration can achieve this synergy because it allows each actor to capitalize on its comparative advantages. This can make the service or program more efficient, because each partner can take responsibility for the part of the program or service in which it has a comparative advantage (Gazley 2008; Koppenjan and Enserink 2009; Linder 1999; Rosenau 1999).

Public and nonprofit organizations may come together to address regulatory and administrative barriers to affordable housing development to streamline community-wide efforts (HUD 2005). At the state level, Florida has created a one-stop system to expedite the permitting process and provides grants to county governments to defray costs of coordinating their permitting process with the state's system (HUD 2005).

The desire to leverage resources may also motivate both government agencies and nonprofits to collaborate. When faced with fiscal constraints, the public sector often seeks to leverage its capital to attract private-sector investment to meet its goals (Linder 1999). This is not unique to government. Nonprofits likewise often enter into partnerships with the public sector to access additional funding to fulfill their missions (MacKintosh 1992). In addition, both parties may find that, by coming together, they can leverage their combined resources to attract third-party investment that would have been otherwise out of reach (MacKintosh 1992). Often, this third-party investor is a higher level of government. For example, a local government and a nonprofit organization may collaborate on a given project in order to be eligible to receive a grant under federal government program.

Further, partners sometimes engage in public-nonprofit collaborations with the goal of transformation. For example, elected officials and public agency leadership may work with the private sector to make the public sector more marketlike, or may privatize public services to decrease the size or role of government (Linder 1999). Similarly, nonprofits may opt to work more closely with government entities in order to influence the shape and scope of public programs or to change the way in which the organizations' activities are implemented (MacKintosh 1992).

### **Models of public-nonprofit relations**

Young (2006) provides a three-part theoretical framework for government-nonprofit relations while still accounting for idiosyncratic nature of these interactions. He posits that government-nonprofit relationships contain varying elements of three ideal relationship types: supplementary, complementary, and adversarial. In the supplementary model, the NPO autonomously provides a service that government does not provide. In the complementary model, nonprofits collaborate with government to deliver public goods and services. In the adversarial model, nonprofits lobby government

to make changes or hold them accountable for their responsibilities and commitments, while government affects nonprofits through regulatory power.

Feiock and Andrew (2006) expand on Young's framework to highlight the variation that exists within his three-part typology, particularly within the realm of complementary relations. They put forth the following categories:

- *Supplementary Relations*

1. **Autonomy:** Nonprofits provide services to some segment of the community and limit interaction with government to navigating regulatory policies.

- *Complementary Relations*

2. **Coordination:** Government activity complements nonprofit service provision (e.g., public emergency dispatchers serving volunteer fire departments).
3. **Contribution:** Government contributes to nonprofit service provision through grants, subsidies, tax exemption, or other in-kind support (e.g., providing office space or technical assistance).
4. **Contracting:** Government contracts out provision of public services to nonprofits.
5. **Partnership:** Government entities and nonprofits directly collaborate with each other. Nonprofits are not simply the implementers of policy or the providers of services; they also play a role in policy formation and evaluation.

- *Adversarial Relations*

6. **Advocacy:** The nonprofit lobbies government and advocates for its mission while providing members of the nonprofit with an avenue for civic engagement.

These types are by no means exclusive. For example, a nonprofit could simultaneously act autonomously in terms of part of its service portfolio while receiving a grant from a city for other activities and partnering with a county planning agency around community affordable housing issues. These relationships can be mutually reinforcing; one type of relationship might open the door to another type as positive interaction is likely to build trust between the two players (Linder 1999). However, all types vary along several important dimensions: formality, scope, and shared decisionmaking.

Relationships between government and nonprofits run the gamut of formality. *Contracting* relationships tend to be the most formal. Successful contracting relationships are based on legal contracts that lay out exactly how risk and responsibility for financial and social gains will be shared (MacKintosh 1992). Some of the other relationship types, such as *contribution* or *coordination*, may also involve formal documentation to account for financial allocations or to specify responsibilities; however, these activities could also occur without the presence of a binding written agreement. These more informal

arrangements are likely to be more successful in certain environments. Gazley (2008) finds that in smaller, more tightly knit communities, local mores and regular face-to-face contact with most community members can act as enforcing agents on public-private partnership. In those contexts the presence of a formal, written description of roles and responsibilities may be less necessary.

Moreover, some public-nonprofit relationships are narrowly focused on a particular project and timeline, while other relationships are open-ended (Schaeffer and Loveridge 2002). Contractual relationships tend to have a more limited scope because they lay out the timeline and responsibilities of each party in order to ensure that these provisions are enforceable. Less formal relationships often do not have an explicit schedule and have more flexibility to adapt to the parties' evolving goals.

Public-nonprofit relationships also fall along a continuum in terms of shared decisionmaking (Schaeffer and Loveridge 2002). On one end of the spectrum, when each acts completely *autonomously*, there is no room for the nonprofit and government to make decisions jointly. On the other end, *partnerships* facilitate true joint decisionmaking around common goals (MacKintosh 1992; Gazley 2008). For the other types of relationships, there may be opportunities for shared decisionmaking, but one or the other party may have the upper hand. For example, governments that contract out services may be highly prescriptive or issue requests for proposals (RFPs) to solicit the best ideas from local nonprofits.

## Key determinants of collaboration

Many different factors affect both the likelihood and the success of public-nonprofit collaboration. This section provides a framework of these factors including: community and political context; goals and methods; organizational capacity; as well as expectations, planning, and governance.

### Community and political context

In terms of cultivating healthy public-nonprofit relationships, the local political environment has been shown to have an impact (Rubin and Stankiewicz 2001; Basolo 2000). Collaboration is more likely to be successful where there is broad community support for the partnership's goals (Rosenau 1999). Pervasive "not in my backyard" (NIMBY) attitudes among constituents may make it more difficult for governments to engage with nonprofits around affordable housing development in general (HUD 2005). While some research suggests that religious community members might be more receptive to faith-based organizations that share the same religious roots, FBOs may have a more difficult time getting support from nonreligious residents or those who follow a different faith (de Souza Briggs 2004; Gazley 2008; Vidal 2001).

Fortunately, there are other community factors that may counteract these kinds of obstacles. For example, when local elected officials actively support public-nonprofit partnerships and are supportive of affordable housing and community development, they are more likely to succeed (Basolo 2000; Bushman 2007). In addition, the existence of formal planning processes may also provide structured opportunities for collaboration between the two sectors (Basolo 2000).

## Goals and methods

Gazley (2008) finds that a key component to successful collaboration is that the partners have mutual goals. Najam (2000) provides a theoretical framework to describe collaboration between public and nonprofit entities based on whether or not they agree on the goals and means of achieving those goals.

The most positive relationships occur when the partners agree on both the means and the ends they are working to achieve. However, constructive relationships can also occur when the partners prefer different means, provided they have similar end goals. As long as the organizations are both working toward the same or similar goals, they are likely to come to a mutually beneficial relationship. This suggests that while agreement on means is beneficial to successful collaboration, agreement upon goals is of greater importance.

When the partners cannot agree on shared goals, the relationship between them takes on a more negative tone. When the partners disagree on both means and ends, Najam contends that the relationship is most likely to be directly confrontational because they “consider each other’s goals and strategies to be antithetical to their own” (Najam 2000, 385). However, dissimilar means and ends could also encourage indifferent coexistence between the two parties in which nonprofits and government perform unrelated functions and interact minimally, with nonprofits lobbying government only on salient issues.

Situations also exist where partners prefer similar means but are trying to achieve different goals (Najam 2000). While Najam argues that such situations tend only to be temporary and are more common in the political structures of developing nations, when they do occur they can be negative in that the stronger partner can co-opt the other’s work and try to use it for their own purposes.

## Organizational capacity

In the most successful collaborations, well-functioning nonprofits demonstrate capacity in five areas: organizational, resource, programmatic, network, and political (Owens 2004).

- *Organizational capacity* refers to the strength of a nonprofit’s human resources (de Souza Briggs 2004; Vidal 2001). In addition to ensuring that those who work for or with the organization have the basic skills need to fulfill their responsibilities, the most successful nonprofits cultivate leadership stability and institutional longevity (Vidal 2001). This may be particularly challenging for nonprofits primarily staffed by volunteers.
- *Programmatic capacity* refers to a nonprofit’s ability to plan and implement activities that are in line with its mission or goals (Owens 2004). Strong nonprofits articulate a clear organizational strategy and make it happen (Vidal 2001).
- *Resource capacity* refers to a nonprofit’s ability to obtain and manage its own fiscal and property resources (de Souza Briggs 2004; Owens 2004; Vidal 2001). Strong organizations bolster their stability with sound fiscal planning and fundraising capacity.

- *Network capacity* refers to the ability of a nonprofit to build relationships with stakeholders whose buy-in is necessary for effective collective action (Owens 2004). This may mean reaching out to local politicians or government officials to serve on nonprofit boards, or it could mean participating in community planning processes or regional governance bodies to build cross-sector relationships.
- *Political capacity* refers to the organization's ability to mobilize support for its mission or goals from both specific stakeholders and the larger community (de Souza Briggs 2004; Vidal 2001). De Souza Briggs argues that this is a twofold process, which he refers to as the "inside game" and the "outside game" (de Souza Briggs 2004, 49). The inside game refers to cultivating relationships with and support from residents of the area the nonprofit serves. The outside game refers to networking with stakeholders external to the immediate neighborhood but whose buy-in is necessary for success. This includes reaching out to government officials, public agency bureaucrats, and other influential community players as well as participating in community planning processes or regional governance bodies to build relationships.

Strengthening these types of capacity helps position nonprofits to access opportunities for collaboration and make these efforts more successful. Substantial organizational, programmatic, and resource capacity make nonprofits attractive to governments looking to partner, especially when the nonprofits' capacity in some areas is greater than that of the government partner. Moreover, strong network and political capacity can also help surmount political barriers to affordable housing development in communities that are not already invested in or supportive of this effort (Gazley 2008).

Although the literature does not address this topic explicitly, it follows that government's capacity in these areas is likely to affect its efforts to work with nonprofits. In particular, governments need strong organizational capacity and leadership as well as political and network capital to enlist the support and resources needed to engage in meaningful and productive public-private collaboration.

### **Expectations, planning, and governance**

While the empirical evidence on this topic relies primarily on case studies, researchers have been able to identify best practices for public-nonprofit collaboration. Sagalyn (2007) identifies several important practices for successful collaboration. First, each partner should clearly define and articulate its own goals and choose strong leaders who can gain the support of other key stakeholders (Sagalyn 2007). Additionally, both public and nonprofit entities anticipate potential points of contention, understand how these issues will shape the partnership process, and come to the table with strategies and a willingness to resolve disagreements. Expecting to confront these types of challenges helps to minimize their impact. Partners should also be flexible so that the arrangement can change over time as circumstances change.

Several scholars note the importance of rigorous planning at the collaboration's outset. Rosenau (1999) finds that successful collaborations begin with a detailed planning process in which goals for the partnership are set and a concrete plan of action, which includes each partner's roles and responsibilities, is established. She also finds that successful collaborations specify the benchmarks that

will be used to measure success. Similarly, Corrigan et al. (2005) find that setting up a clear organizational structure and agreeing upon a clear and rational decisionmaking process to guide the initiative going forward are important steps.

While collaborations are underway, Rosenau (1999) finds that successful collaborations monitor progress toward their goals and hold each partner accountable. Sagalyn (2007) also notes the importance of perpetuating a positive public image of the collaboration and the projects that derive from it in order to promote community wide support for the collaboration and its projects.

### **Next steps**

The next stage will be to explore these themes with leading HFHI affiliates during a series of phone interviews. These interviews will seek to better understand the challenges and models particular to local affiliates as well as the relative importance of determinants for success, among other topics. The key topics from this literature review and the interviews will guide the construction of the Tier 2 web survey.

## Appendix B. Exploratory Interview Protocol

Thank you so much for agreeing to talk with us today. As you may have heard from the e-mail HFHI sent out a couple of weeks ago, the Urban Institute is working with Habitat for Humanity to study the effectiveness of relationships between local HFHI affiliates and government agencies. During this first stage, we're talking to several members of the U.S. Affiliate Enhancement Committee like you to clearly identify key issues around affiliate-local government collaboration. What you share with us will help frame these issues and inform the design of a web survey of HFHI affiliates associated with the Neighborhood Revitalization Initiative (NRI) and subsequent case studies in several communities across the country. Nothing you say will be directly attributed to you or your affiliate, so please feel free to speak candidly about your experiences. My colleague [INSERT NAME] will be taking notes during our conversation to make sure we accurately capture all the information you provide. Do you have any questions before we get started?

### Basic information about respondent

I'd like to start out by hearing a little bit about you.

1. How long have you been involved with HFHI?
2. What is your role on the U.S. Affiliate Enhancement Committee?
3. What is your role at your local HFHI affiliate?

### Local affiliate characteristics

Now, let's talk a little about your local HFHI affiliate.

- What area does your affiliate serve?
  - How many different government jurisdictions?
  - Urban/suburban/rural?
  - How similar or different is this from other affiliates in your region? Other NRI affiliates?
- In what type of activities does your affiliate engage (new construction, weatherization, rehab)?
  - How similar or different are these activities from the ones run by other HFHI affiliates?
  - From other NRI affiliates' activities?
- How many paid staff, if any, does your affiliate have?
  - Full time? Part time?
  - How similar or different is this from other HFHI affiliates?
  - NRI affiliates?

- How has your affiliate's activities and staffing changed in the past five years?
  - Why have these changes taken place?

## Affiliate collaboration with local government

Now let's turn to your local affiliate's experiences with government.

- In what ways does your affiliate collaborate with local government?
  - With which agencies/officials do you primarily interact?
  - Person to person? Agency to agency?
  - Are there differences by jurisdiction?
- How similar are your affiliate's goals to those of local government?
  - Are there differences by jurisdiction?
- How formal is your collaboration?
  - Is it a contract? Grant? Other type of agreement?
- How did this/these collaboration(s) come about?
  - Which organization/person initiated the collaboration?
  - What goals do you hope to achieve by working together (discrete tasks vs. open-ended)?
- How easy or difficult was it to put together this collaboration?
  - What were the key issues/points of contention?
  - How did you resolve these issues?
  - How did the larger community context influence the process?
  - Was there anything in particular that either party did that helped facilitate the process?
- How easy or difficult is it to sustain this collaboration?
  - What are key issues/points of tension?
  - How do you resolve these issues?
  - How does the larger community context influence the process?
  - Was there anything in particular that either party did that helped facilitate the process?
- How has your collaboration with local government changed over time?
- In what ways is the collaboration of value to your affiliate?
  - To local government?

## Reflections on experience

Now we'd like to ask you to put your local affiliate's experience in the context of HFHI affiliates more generally.

- How typical is your affiliate's experience building relationships with local governments?
  - How do other affiliates' experiences differ?
- What type of collaboration do you see as ideal?
- What do you view as the biggest barriers to collaboration with local government for HFHI affiliates?
- What type of affiliate is most likely to be successful (probe: characteristics of staff and organization)?
- What advice would you give affiliates interested in developing more collaborative relationships with their local government?
- What are some key pitfalls affiliates should avoid?

## Closing

Thank you so much for taking time to talk to us today. What you've shared has been so helpful and will help shape our study on HFHI affiliate-government relations going forward. Do you have any questions for us?

## Appendix C. Exploratory Phase Summary Memo

### Overview

During these first few months, the Urban Institute has completed the exploratory work needed to better understand the external and internal factors that shape Habitat for Humanity (HFHI) affiliate-government collaboration, the key government actors in Neighborhood Revitalization Initiative (NRI) affiliates' work, the different benefits government can offer affiliates, the characteristics of ideal collaboration, and best practices for developing these types of relationships.

We have gleaned this information from several different sources. First, we completed a detailed literature review on collaboration between nonprofit and government entities (see appendix A). Next, we used this work to develop a protocol (see appendix B) for exploratory phone interviews with members of the U.S. Affiliate Enhancement Council. We spoke with four council members about their experiences with government collaboration. Their affiliates ranged from one serving a high-priced densely urbanized city jurisdiction with complex subcity leadership structures to affiliates serving multiple counties and more than 20 different cities in urban, suburban, and rural areas. Lastly, we spoke with Rebecca Hix, NRI Director at HFHI, to gain insight into the history and context of the NRI program.

This memo summarizes our main take-away points from this stage of research, which will guide development of a web-based survey instrument to be administered to all NRI affiliates in the coming months.

### Examples of themes identified during Tier 1

#### External drivers of variation

Many external factors can affect affiliates' ability to develop effective relationships with local government agencies. Among them, are:

- **Local priorities:** Local governments' priorities align with HFHI affiliates' core competencies, target population, and focus on homeownership to differing degrees. These priorities are also affected by housing market dynamics, local election cycles, and the volatility of local leadership.
- **Niche for HFHI activities:** Affiliates who face substantial competition serving their target population and engaging in their core competencies may have a more difficult time developing relationships with local governments than affiliates in less competitive service areas.
- **Funding environment:** Where there are fewer local resources allocated for affordable housing and community development, the competition among affordable housing and community development providers is greater.
- **Complexity of government actors in service area:** An affiliate's service area often contains many different counties, cities, wards, and other types of government jurisdictions. Maintaining

relationships with all of them requires an affiliate to have more capacity, often in the form of larger staffs and a full-time executive director. Affiliates must also work within each government's complex bureaucratic structure. The more complex this system, the more time is required to negotiate regulatory procedures and decisionmaking structures. Areas in which local governments come together to agree on regional housing and community development goals may counterbalance this by streamlining processes and strategies across jurisdictions.

- **Formality of housing policy:** Some governments have formal housing plans and planning processes, many of which are imposed by federal or state guidelines. For example, all HUD entitlement jurisdictions accepting HOME funds are required to perform a comprehensive housing assessment and states like California require all incorporated cities and counties to have a comprehensive, long-term, general plan for physical development. However, in other areas, decisions about housing and community development are at the discretion of local elected officials (i.e., mayors, city managers, city councils, and county boards). Each of these approaches has its own benefits and drawbacks.

### Internal drivers of variation

Our interviewees also identified several traits of affiliates that shape relationships with local governments. Some of the most salient include:

- **Attitude toward role of government:** Some affiliates see government solely as a funder while others see government more as a community partner. These perspectives shape affiliates' efforts to work with local government agencies and elected officials.
- **Mix of core competencies:** Affiliates with a wider set of core competencies (e.g., beyond new construction) are better able to adapt to the needs of local communities and align with governments' policy priorities.
- **Leveraging capacity:** The ability to generate a strong match for public dollars, including private funds and volunteer hours, can make affiliates attractive partners for local government.
- **Professionalism:** Affiliates that have full-time, paid, professional staff specialized in real estate, law, accounting, fundraising, etc., and actively work to recruit professionals with a similar array of backgrounds to their board of directors are better positioned to navigate the complex process of development, complete quality projects on time and on budget, and build wide networks of relationships.
- **Roots in the community:** Affiliates with leaders who have long-standing existing relationships with local elected officials and civil servants can leverage personal connections to their advantage.

- **Government designations:** Affiliates that become certified Community Housing Development Organizations (CHDO) or attain similar designations gain access to additional funding sources and position their organizations as a key “go-to” partners for local governments.
- **Affiliate budget realities:** In high-cost areas where affordable housing development is virtually impossible without government subsidy, government-affiliate funding relationships are indispensable. Affiliates that have experienced significant reductions in private contributions during the recession might also prioritize government collaboration more than they might otherwise.

### Key types of government actors

The NRI model focuses on transforming entire communities rather than just building single family homes in areas where land is available. HFHI recognizes that this paradigmatic shift requires greater collaboration with an array of community players and strongly encourages NRI affiliates to build relationships with government. Some of the most valuable relationships are with elected officials and government bodies including the mayor, county executive, or city council members because these individuals are often the ones with the authority to make strategic decisions.

Affiliates also develop relationships with a variety of local government agencies, including

- Housing (codes, inspections, etc.)
- Community and economic development
- Planning
- Parks and recreation
- Public safety (police, sheriff)
- Infrastructure (sidewalks, streets, roads)
- Transportation
- Property taxes (appraiser’s office)
- Education
- Work force and employment

Affiliates find it useful to know both agency leaders and line staff. The agency directors often have the ability to influence their staff, their counterparts in other government agencies, as well as elected officials. Relationships with lower-level staff, including code inspectors, administrative staff, and appraisers, help affiliates streamline the government processes required to execute HFHI projects in the community.

## Benefits of government collaboration for affiliates

Interviewees noted several different kinds of benefits that accrue to affiliates that collaborate effectively with local government.

- **Funding:** HFHI affiliates receive funding from a variety of sources through their local governments:
  - Federal Funds: HOME, CDBG, NSP1, NSP3, CSBG, LIHEAP, Section 4
  - State Funds: Programs like Colorado’s State Housing Investment Program (SHIP), a state trust fund from a tax on intangibles; State Affordable Housing Corporations
  - Local Funds: Housing Preservation and Development Money, Capital Investment Money, Grants/earmarks for special purposes
- **Land:** Local government donates or sells land at low cost to affiliates.
- **Free or low-cost infrastructure:** This can include utility hook-ups, sidewalks, etc.
- **Increased responsiveness:** Affiliates might benefit from more timely inspections or streamlined administrative processing related to a project.
- **Changes in regulations, codes, or fees:** These changes can include waiving requirements for specific projects or more permanent changes to local development ordinances and other regulations pertaining to affordable housing development or other HFHI activities.
- **Inclusion of HFHI in planning of broader strategies:** This benefit can include opportunities for multi-agency collaboration as well as comprehensive planning for housing and community development.

## Characteristics of most successful collaborations

The most successful collaborations with local government described by the interviewees had several key characteristics, including:

- **Perception of mutual dependence:** Both parties equally need each other to accomplish their goals.
- **Flexible goals:** Affiliates’ and governments’ goals evolve to best address community needs.
- **Two-way communication:** Both government officials and affiliates initiate contact and propose potential areas of collaboration.
- **Open-ended timeline:** Investments in relationships are not limited to individual projects.
- **Comprehensive solutions:** Both parties may address problems on a project-by-project basis but actively work to adapt larger policies to support the accomplishment of mutual goals.

## Best practices in cultivating and maintaining government collaboration

Interviewees shared the strategies they have found to be most successful in initiating and sustaining successful interactions with government. These best practices generally fall into the following categories:

- **Maintaining a high-level performance:** Interviewees emphasized the importance of consistently proving to government that affiliates deliver high-quality results. One interviewee had a positive experience in which his affiliate successfully took on a project that other developers would not. This increased government's respect for HFHI work and led to other collaborative projects.
- **Staying in regular communication with government:** Multiple interviewees often have to educate local government about what their affiliates do in the community and about HFHI's mission. Interviewees stressed the importance of remaining in regular contact with both elected officials and paid staff in government agencies. One experienced affiliate recommended setting up regular briefings with government actors on affiliate progress on government-funded projects. He also stressed regularly preparing written documents or "white papers" to clearly articulate the impact of HFHI work on the community.
- **Engaging with residents and the broader community:** Interviewees also noted the importance of being involved with the residents in the neighborhoods where HFHI projects are located as well as with the broader community. These efforts take a variety of forms, including meeting regularly with neighborhood associations or other community groups, serving on the boards of other nonprofits in the community (e.g., community governance and advocacy groups), and maintaining a visible presence near HFHI sites by walking around neighborhoods and getting to know residents. All of these activities build the trust of the community.
- **Being politically savvy:** All interviewees recognized that affiliate leaders must be politically savvy in interacting with government. It is important to keep elected officials engaged with and informed about HFHI activities. This includes inviting officials to events and providing officials with opportunities to gain positive publicity through their interactions with HFHI. In order to successfully navigate election cycles, interviewees emphasized the importance of cultivating relationships with community members who influence elected officials as well as developing personal connections with candidates before they are elected. Affiliates also reported recruiting well-connected board members and leveraging these relationships to promote HFHI. Mobilizing residents in neighborhoods where HFHI works can also be an effective strategy. One interviewee has achieved good results by challenging elected officials in a public forum with local residents in the audience to both promote HFHI and hold government accountable for affordable housing and community development more generally. Many local affiliates also make concerted efforts to be involved in government efforts around affordable housing (e.g., development of comprehensive plans for affordable housing) to ensure that their HFHI's views are represented.

## Next steps

The next stage for this research is to use the themes identified through the literature review and exploratory interviews to develop the web-based survey instrument. While the exploratory interviews provided rich context on government-affiliate collaboration, they also shed some light on potential challenges we may face in administering the web-based survey. Interviewees commented that affiliates respond to many different surveys and may be experiencing burnout with these methods. Also, given the level of burden the survey may represent, it may be difficult to ensure the right person provides the answers to the questions, especially if the other NRI affiliates have as many professional staff as the affiliate staff interviewed during Tier 1 work. HFHI and the Urban Institute will need to further explore these issues as we move into the next phase of this research.

## Appendix D. Web Survey Instrument

Page 1 of 12

**This jurisdiction:** References the response given to the question “Thinking about the local jurisdictions with which your affiliate has had at least some kind of contact *in the past three years*, what is the name of the one where your affiliate has had the *most success* collaborating with government?”

**This jurisdiction:** References the response given to the question, “Thinking about your affiliate’s experiences *in the past three years*, what is the name of the jurisdiction where your affiliate has had the *least success collaborating with government*?”

**Please *do not* name any jurisdictions with which your affiliate has not had any contact at all in the past three years.”**



Page 2 of 12

The Urban Institute, an independent, nonprofit research organization in Washington, D.C., is conducting a web survey of Habitat for Humanity affiliates as part of a larger research project commissioned by Habitat for Humanity International to better understand the effectiveness of relationships between affiliates and local governments.

The survey collects information about your organization—your funding and core competencies, as well as the expertise of staff and board members and other topics. It will also collect information about the local governments in your service area and your relationships with them.

All of your answers will be kept confidential and will be accessible only to the Urban Institute research team, all of whom have signed a staff pledge of confidentiality to safeguard the information you share. No individual-level data will be shared with Habitat for Humanity International or anyone else.

Once we have received responses from the survey, the Urban Institute research team will write a report on what we have learned. Our hope is that this information will be useful to you and your organization in identifying best practices and successful strategies for working with local governments. The report will only include summary-level aggregated responses from the web survey to ensure your organization’s confidentiality.

We appreciate the time you are taking to answer the survey today. The survey should take about 30 minutes to complete. With the use of your password, you can stop the survey and come back to complete your responses at a later time if you need to without starting again from the beginning. Your participation, of course, is completely voluntary, but your help will be invaluable to this effort.

If you have any questions, please contact either Diane Levy ([dlevy@urban.org](mailto:dlevy@urban.org)) or Molly M. Scott ([mScott@urban.org](mailto:mScott@urban.org)).

**\* Do you consent to participate?**

Yes

No

Page 3 of 12

**\* A.1. What is your job title at your affiliate?**

- Executive Director, CEO, COO, or CFO
- Construction/Project Manager
- Community Relations/Development Manager
- Client Services Manager
- Volunteer Coordinator
- Administrative Assistant
- NRI Manager
- Other, Specify:

**\* A.2. How long have you worked for this affiliate?**  
(In years)

**\* A.3. How many paid full-time equivalents, total, did your organization employ at the end of 2011?**

**A.4. What specialized expertise or background does your affiliate have?**  
Check all that apply

	Staff	Board
Present/former elected official	<input type="checkbox"/>	<input type="checkbox"/>
Present/former local government employee	<input type="checkbox"/>	<input type="checkbox"/>
Advocacy	<input type="checkbox"/>	<input type="checkbox"/>
Community organizing	<input type="checkbox"/>	<input type="checkbox"/>
Government grant management	<input type="checkbox"/>	<input type="checkbox"/>
<input type="text" value="Other (Specify)"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="text" value="Other (Specify)"/>	<input type="checkbox"/>	<input type="checkbox"/>

**\* A.5. Is your organization a HOME Community Housing Development Organization?**

- Yes
- No
- Don't Know

**\* A.6. What types of projects do you consider among your affiliate's core competencies?**

Check all that apply.

- New construction
- A Brush With Kindness (exterior painting and minor repair)
- Critical home repairs (repairs to alleviate health, life, and safety/code issues)
- Weatherization
- Demolition, rehabilitation, salvage/cherry picking
- Building to green standards (LEED, etc.)
- Homebuyer counseling
- ReStore
- Other:

**\* A.7. In 2011, approximately how much grant and donation funding did your organization receive from government and private funds?**

\* Approximate dollar (\$) amount

Government (including local, state, and federal government funds)

Private (including corporate, individual, and private foundation donations)

**\* A.8. How has your organization’s funding changed over the past three years?**

	* Substantially decreased	Remained the same	Substantially increased	Don't receive these types of funds	Don't know
Government	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Private	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Total	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**\* A.9. How many different government jurisdictions (i.e., cities and counties) fall within your affiliate’s service area?**

- 1–3
- 4–6
- 7–10
- 11–20
- >20
- Don't know

**\* A.10. In the past three years, in how many of these government jurisdictions has your affiliate worked on or completed projects?**

- All of them
- Most of them
- Some of them
- Few of them
- None of them
- Don't know

**\* A.11. In the past three years, with how many of these local jurisdictions has your affiliate had at least some kind of contact?**

- All of them
- Most of them
- Some of them
- Few of them
- None of them
- Don't know

Page 4 of 12

## **B. REFLECTIONS ON YOUR MOST SUCCESSFUL GOVERNMENT COLLABORATION**

**\*Thinking about the local jurisdictions with which your affiliate has had at least some kind of contact *in the past three years*, what is the name of the one where your affiliate has had the *most success* collaborating with government?**

Now we'd like to know a little more about this jurisdiction, your activities in this jurisdiction, and your relationship with government there.

**OVERVIEW**

First, we want to know a little about the government agencies and elected officials in this jurisdiction.

**\* B.1. Which type of government is primarily responsible for housing and community development policy in this jurisdiction?**

- Regional government
- County government
- Municipality/city/town government
- Don't know
- Other:

**B.2. Compared to other jurisdictions in your service area, how would you characterize this jurisdiction's housing and community development bureaucracy?**

\*



\*



**\* B.3. How often does this jurisdiction's community or economic development comprehensive/strategic plan govern local government funding and project decisions?**

- Always
- Often
- Sometimes

- Rarely
- Never
- Don't know
- Not applicable—this jurisdiction doesn't have such a plan

**\* B.4. How often are the local jurisdiction's funding and project decisions left to the discretion of elected officials or staff?**

- Always
- Often
- Sometimes
- Rarely
- Never
- Don't know

**\* B.5. In general, how strong is this jurisdiction's support of affordable housing and community development that benefits low-income people?**

- Very strong
- Somewhat strong
- Not very strong
- This jurisdiction doesn't support affordable housing and community development at all
- Don't know

**\* B.6. How much do local election cycles affect this jurisdiction's support for affordable housing and community development?**

- A lot
- Some
- A little
- Not at all
- Don't know

**HOUSING MARKET**

Now we'd like to ask you a little bit about your affiliate's activities and the local housing market in this jurisdiction.

**B.7. In this jurisdiction, what types of activities, including all projects both completed and in progress, did your affiliate work on *in 2011*?**

CHECK ALL THAT APPLY AND ESTIMATE # OF UNITS

	Yes	Estimated # of units worked on in 2011?
New construction	<input type="checkbox"/>	<input type="text"/>
A Brush with Kindness (exterior painting and minor repair)	<input type="checkbox"/>	<input type="text"/>
Critical home repairs (repairs to alleviate health, life, and safety/code issues)	<input type="checkbox"/>	<input type="text"/>
Weatherization	<input type="checkbox"/>	<input type="text"/>
Demolition, rehabilitation, salvage/cherry picking	<input type="checkbox"/>	<input type="text"/>
Building to green standards (LEED, etc.)	<input type="checkbox"/>	<input type="text"/>
Homebuyer counseling	<input type="checkbox"/>	<input type="text"/>
ReStore	<input type="checkbox"/>	<input type="text"/>
Other: <input type="text"/>	<input type="checkbox"/>	<input type="text"/>
None of the above; affiliate has not engaged in any activities in this jurisdiction	<input type="checkbox"/>	<input type="text"/>

**\* B.8. How much have your affiliate's activities changed *in the past three years*?**

- A lot
- Some
- A little
- Not at all
- Don't know

**B.9. Which of the following, if any, characterize the housing market in this jurisdiction?**

CHECK ALL THAT APPLY

- Little or no available development-ready land to build on
- Lots of vacant, abandoned, or foreclosed properties

- Prohibitively expensive to build new homes
- Steep competition from other developers or organizations
- Old housing stock
- Housing stock in bad repair

**\* B.10. How much have the housing and community development needs of this community changed *in the past three years*?**

- A lot
- Some
- A little
- Not at all
- Don't know

**\* B.11. How much have this jurisdiction's resource allocations, policies, and programs changed *in the past three years*?**

- A lot
- Some
- A little
- Not at all
- Don't know

## AFFILIATE STRATEGIES

Now we'd like to ask you a little about the strategies your affiliate might have used to build support for its activities.

**\* B.12. How often did your affiliate's staff or board members engage in the following activities in this jurisdiction *in 2011*?**

	Often	Sometimes	Rarely	Never	Don't know
Join with other local nonprofits to advocate change to local government policies or regulations.	<input checked="" type="radio"/>				
Attend community group or neighborhood resident meetings.	<input checked="" type="radio"/>				
Organize neighborhood residents and community groups to influence local government policy.	<input checked="" type="radio"/>				
Knock on doors to cultivate relationships with residents living near HFHI project sites.	<input checked="" type="radio"/>				
Give presentations at city council, county board of supervisors, or other public meetings of local elected officials.	<input checked="" type="radio"/>				
Prepare formal documents for elected officials that highlight your affiliate's accomplishments in this jurisdiction.	<input checked="" type="radio"/>				
Provide personal briefings to elected officials or local government agency leaders.	<input checked="" type="radio"/>				
Attend city council, board or supervisors, or other public meetings of local elected officials.	<input checked="" type="radio"/>				
Invite elected officials and civil servants to HFHI events.	<input checked="" type="radio"/>				
Build relationships with funders of local political campaigns.	<input checked="" type="radio"/>				
Build relationships with candidates for public office before their election.	<input checked="" type="radio"/>				

**\* B.13. How often do you, other staff, or board members socialize outside of professional settings...**

	Often	Sometimes	Rarely	Never	Don't know
... with elected officials?	<input checked="" type="radio"/>				
... with local government agency leaders and managers?	<input checked="" type="radio"/>				
... with other local government agency staff?	<input checked="" type="radio"/>				

**GOVERNMENT COLLABORATION**

Now we'd like to ask more about the relationships your affiliate has with government agencies and elected officials in this jurisdiction.

**\*B.14. With which types of government agencies in this jurisdiction has your affiliate worked *in the past three years*?**

CHECK ALL THAT APPLY

- Community action agency (government-run only)
- Community development/economic development
- Education
- Health, human, and social services
- Housing
- Parks and recreation
- Planning/zoning
- Property taxes
- Public safety/law enforcement
- Public works
- Transportation
- Workforce and employment
- None of the above; our affiliate has not worked with any agencies in the jurisdiction in the past three years.
- Other:

**\* B.15. How has this jurisdiction's government agencies' capacity to support HFHI or other community development activities changed over *the past three years*?**

- Substantially decreased
- Remained the same
- Substantially increased
- Don't know

**\* B.16. Which of these benefits, if any, has your affiliate obtained through its collaboration with government in this jurisdiction *in the past three years*?**

CHECK ALL THAT APPLY

- Local government sold or donated lands to your affiliate at little or no cost.
- Local government provided free or low cost infrastructure (sidewalks, curbs, etc.) to support your affiliate's projects.
- Local government expedited inspections for particular projects.
- Local government expedited administrative processes for particular projects.
- Local government waived fees, regulations, or codes for particular projects.
- Local government made permanent changes to codes, fees, or regulations that benefit your affiliate.
- Local government included your affiliate in the process of developing or updating its comprehensive plan.
- Local government consulted with your affiliate about housing or community development decisions outside of a formal planning process.
- Local government provided funding for an affiliate project.
- Local government brought your affiliate together with government agencies and/or nonprofits to coordinate housing and services for a particular project.
- None of the above; this local jurisdiction did not support our affiliate in any way in the past three years.
- Other, specify:

**\* B.17. In the past three years, how likely is it that your affiliate would have conducted the same activities in this jurisdiction without the kinds of government collaboration you named in B.13?**

- Likely
- Neither likely nor unlikely
- Unlikely
- Don't know
- Not applicable; our affiliate did not conduct any activities in this jurisdiction in the past three years.

**\* B.18. Which type of activity has garnered the *most* collaboration from this jurisdiction over the past three years?**

- New construction
- A Brush With Kindness (exterior painting and minor repair)
- Critical home repairs (repairs to alleviate health, life, and safety/code issues)
- Weatherization
- Demolition, rehabilitation, salvage/cherry picking
- Building to green standards (LEED, etc.)
- ReStore
- Homebuyer counseling
- None of the above; affiliate has not engaged in any activities in this jurisdiction in the past three years
- Other:

**B.19. How would you describe how your affiliate related to the local government in this jurisdiction *in the past three years?***

\*

Affiliate and local government have same goals/priorities



1



2



3



4

Affiliate and local government have different goals/priorities



5



N/A

\*

Affiliate and the local government have complementary roles



1



2



3



4

Affiliate and the local government have competing roles



5



N/A

\*

Affiliate and local government need each other to achieve goals



1



2



3



4

Affiliate and local government achieve goals independently



5



N/A

\*

Government initiates communication and proposes projects



1



2



3



4

Affiliate initiates communication and proposes projects



5



N/A

\*

Affiliate and local government have collaborative relationship



1



2



3



4

Affiliate and local government have combative relationship



5



N/A

**\* B.20. Thinking about your affiliate’s relationship with this jurisdiction as described in the question above, would you say this relationship is...**

- Like most of your relationships with other jurisdictions in your service area?
- Like some of your relationships with other jurisdictions in your service area?
- Like a few of your relationships with other jurisdictions in your service area?
- Unlike any of your relationships with other jurisdictions in your service area?
- Don’t know
- Not applicable; your service area only includes one jurisdiction

<< Back	Next >>
---------	---------

Page 6 of 12

### **C. REFLECTIONS ON YOUR LEAST SUCCESSFUL GOVERNMENT COLLABORATION**

**Affiliates often have more success collaborating with government in some jurisdictions than in others. Sometimes affiliates have conversations with local government officials that don’t lead to concrete projects. Other times, affiliates work in a jurisdiction but only interact with local government to get their building permits. And still other times, affiliates might find themselves in conflict with government in some way.**

**\*Thinking about your affiliate’s experiences *in the past three years*, what is the name of the jurisdiction where your affiliate has had the *least success collaborating with government*?**

**Please *do not* name any jurisdictions with which your affiliate has not had any contact at all in the past three years.**

<input type="text"/>	
<< Back	Next >>



**\* C.3. How often does this jurisdiction’s community or economic development comprehensive/strategic plan govern local government funding and project decisions?**

- Always
- Often
- Sometimes
- Rarely
- Never
- Don’t know
- Not applicable—this jurisdiction doesn’t have such a plan

**\* C.4. How often are the local jurisdiction’s funding and project decisions left to the discretion of elected officials or staff?**

- Always
- Often
- Sometimes
- Rarely
- Never
- Don’t know

**\* C.5. In general how strong is this jurisdiction’s support of affordable housing and community development that benefits low-income people?**

- Very strong
- Somewhat strong
- Not very strong
- This jurisdiction doesn’t support affordable housing and community development at all.
- Don’t know

**\* C.6. How much do local election cycles affect this jurisdiction's support for affordable housing and community development?**

- A lot
- Some
- A little
- Not at all
- Don't know

**HOUSING MARKET**

Now we'd like to ask you a little bit about your affiliate's activities and the local housing market in this jurisdiction.

**C.7. In this jurisdiction, what types of activities, including all projects both completed and in progress, did your affiliate work on *in 2011*?**

CHECK ALL THAT APPLY AND ESTIMATE # OF UNITS

	Yes	Estimated # of units worked on in 2011?
New construction	<input type="checkbox"/>	<input type="text"/>
A Brush With Kindness (exterior painting and minor repair)	<input type="checkbox"/>	<input type="text"/>
Critical home repairs (repairs to alleviate health, life, and safety/code issues)	<input type="checkbox"/>	<input type="text"/>
Weatherization	<input type="checkbox"/>	<input type="text"/>
Demolition, rehabilitation, salvage/cherry picking	<input type="checkbox"/>	<input type="text"/>
Building to green standards (LEED, etc.)	<input type="checkbox"/>	<input type="text"/>
Homebuyer counseling	<input type="checkbox"/>	<input type="text"/>
ReStore	<input type="checkbox"/>	<input type="text"/>
Other: <input type="text"/>	<input type="checkbox"/>	<input type="text"/>
None of the above; affiliate has not engaged in any activities in this jurisdiction.	<input type="checkbox"/>	<input type="text"/>

**\* C.8. How much have your affiliate's activities changed *in the past three years*?**

- A lot
- Some
- A little
- Not at all
- Don't know

**C.9. Which of the following, if any, characterize the housing market in this jurisdiction?**

CHECK ALL THAT APPLY

- Little or no available development-ready land to build on.
- Lots of vacant, abandoned, or foreclosed properties.
- Prohibitively expensive to build new homes.
- Steep competition from other developers or organizations.
- Old housing stock.
- Housing stock in bad repair.

**\* C.10. How much have the housing and community development needs of this community changed *in the past three years*?**

- A lot
- Some
- A little
- Not at all
- Don't know

**\* C.11. How much have this jurisdictions resource allocations, policies, and programs changed *in the past three years*?**

- A lot
- Some
- A little
- Not at all
- Don't know

**AFFILIATE STRATEGIES**

Now we'd like to ask you a little about the strategies your affiliate might have used to build support for its activities.

**\* C.12. How often did your affiliate's staff or board members engage in the following activities in this jurisdiction *in 2011*?**

	Often	Sometimes	Rarely	Never	Don't know
Join with other local nonprofits to advocate change to local government policies or regulations.	<input checked="" type="radio"/>				
Attend community group or neighborhood resident meetings.	<input checked="" type="radio"/>				
Organize neighborhood residents and community groups to influence local government policy.	<input checked="" type="radio"/>				
Knock on doors to cultivate relationships with residents living near HFHI project sites.	<input checked="" type="radio"/>				
Give presentations at city council, county board of supervisors, or other public meetings of local elected officials.	<input checked="" type="radio"/>				
Prepare formal documents for elected officials that highlight your affiliate's accomplishments in this jurisdiction.	<input checked="" type="radio"/>				
Provide personal briefings to elected officials or local government agency leaders.	<input checked="" type="radio"/>				
Attend city council, county board of supervisors, or other public meetings of local elected officials.	<input checked="" type="radio"/>				
Invite elected officials and civil servants to HFHI events.	<input checked="" type="radio"/>				
Build relationships with funders of local political campaigns.	<input checked="" type="radio"/>				
Build relationships with candidates for public office before their election.	<input checked="" type="radio"/>				

**\* C.13. How often do you, other staff, or board members socialize outside of professional settings...**

	Often	Sometimes	Rarely	Never	Don't know
... with elected officials?	<input checked="" type="radio"/>				
... with local government agency leaders and managers/	<input checked="" type="radio"/>				
... with other local government agency staff?	<input checked="" type="radio"/>				

**GOVERNMENT COLLABORATION**

Now we'd like to ask more about the relationships your affiliate has with government agencies and elected officials in this jurisdiction.

**\* C.14. With which types of government agencies in this jurisdiction has your affiliate worked *in the past three years*?**

CHECK ALL THAT APPLY

- Community action agency (government-run only)
- Community development/economic development
- Education
- Health, human, and social services
- Housing
- Parks and recreation
- Planning/zoning
- Property taxes
- Public safety/law enforcement
- Public works
- Transportation
- Workforce employment
- None of the above; our affiliate has not worked with any agencies in the jurisdiction in the past three years.
- Other:

**\* C.15. How has this jurisdiction's government agencies' capacity to support HFHI or other community development activities changed over the past three years?**

- Substantially decreased
- Remained the same
- Substantially increased
- Don't know

**\* C.16. Which of these benefits, if any, has your affiliate obtained through its collaboration with government in this jurisdiction *in the past three years*?**

CHECK ALL THAT APPLY

- Local government sold or donated lands to your affiliate at little or no cost
- Local government provided free or low cost infrastructure (sidewalks, curbs, etc.) to support your affiliate's projects
- Local government expedited inspections for particular projects
- Local government expedited administrative processes for particular projects
- Local government waived fees, regulations, or codes for particular projects
- Local government made permanent changes to codes, fees, or regulations that benefit your affiliate
- Local government included your affiliate in the process of developing or updating its comprehensive plan
- Local government consulted with your affiliate about housing or community development decisions outside of a formal planning process
- Local government provided funding for an affiliate project
- Local government brought affiliate together with government agencies and/or nonprofits to coordinate housing and services for a particular project
- None of the above; this local jurisdiction did not support our affiliate in any way in the past three years
- Other, specify:

**\* C.17. In the past three years, how likely is it that your affiliate would have conducted the same activities in this jurisdiction without the kinds of government collaboration you named in C.13?**

- Likely
- Neither likely nor unlikely
- Unlikely
- Don't know
- Not applicable; our affiliate did not conduct any activities in this jurisdiction in the past three years.

**\* C.18. Which type of activities have garnered the *most* collaboration from this jurisdiction over the past three years?**

- New construction
- A Brush With Kindness (exterior painting and minor repair)
- Critical home repairs (repairs to alleviate health, life, and safety/code issues)
- Weatherization
- Demolition, rehabilitation, salvage/cherry picking
- Building to green standards (LEED, etc.)
- ReStore
- Homebuyer counseling
- None of the above; affiliate has not engaged in any activities in this jurisdiction in the past three years.
- Other:

**C.19. How would you describe how your affiliate related to the local government in this jurisdiction *in the past three years*?**

\*

Affiliate and local government have same goals/priorities



1



2



3



4



5



N/A

Affiliate and local government have different goals/priorities

\*

Affiliate and the local government have complementary roles



1



2



3



4



5



N/A

Affiliate and the local government have competing roles

\*

Affiliate and local government need each other to achieve goals



1



2



3



4



5



N/A

Affiliate and local government achieve goals independently

\*

Government initiates communication and proposes projects



1



2



3



4



5



N/A

Affiliate initiates communication and proposes projects

\*

Affiliate and local government have collaborative relationship



1



2



3



4



5



N/A

Affiliate and local government have combative relationship

**\* C.20. Thinking about your affiliate's relationship with this jurisdiction as described in the question above, would you say this relationship is...**

- Like most of your relationships with other jurisdictions in your service area?
- Like some of your relationships with other jurisdictions in your service area?
- Like a few of your relationships with other jurisdictions in your service area?
- Unlike any of your relationships with other jurisdictions in your service area?
- Don't know

Page 8 of 12

**\* Earlier in the survey, you indicated that there was *at least one jurisdiction* within your service area where your affiliate has had *no contract at all* with the local government *in the past three years*. Is that correct?**

- Yes
- No

Before going on to the past section, we want to ask you a few brief questions about these jurisdictions.

**D. REFLECTIONS ON GOVERNMENT JURISDICTIONS WITH WHICH AFFILIATE HAS NO CONTACT**

**\* D.1. How often are the following statements true when you think about why your affiliate has not had any contact with these jurisdictions *in the past three years*?**

	True in most cases	True in some cases	True in no cases	Don't know
The housing and community development needs in these jurisdictions are incompatible with your affiliate's activities.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
There is too much competition from other developers or organizations in these jurisdictions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your affiliate would like to have more contact but doesn't have the time or capacity to build relationships in these jurisdictions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Your affiliate tried to have more contact in the past but encountered significant resistance or rejection.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local government doesn't have the capacity to work with your affiliate.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Local government is not interested in working with your affiliate.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**\*D.2. How important for your affiliate is reaching out in the future to these jurisdictions?**

- Very important
- Somewhat important
- Not at all important
- Don't know

**E. WRAP-UP**

**\*In closing, please indicate how much you agree or disagree with the following statements.**

	Agree	Neither agree nor disagree	Disagree	Don't know
HFHI's U.S. office should work more closely with government in the future.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The "pros" of working with government outweigh the "cons."	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Is there anything else that you'd like to share about your affiliate's experience working with local governments?**

**Once you've clicked on the "Finish" button below, you'll be unable to go back and alter your answers, so please make sure all of your answers are complete and accurate before proceeding.**

**Thank you for participating in the web survey on NRI affiliate relationships with local government.**

## **Appendix E. Site Visit Interview Guides**

- Appendix E1. NRI Affiliate Staff Interview Guide
- Appendix E2. Elected Official Interview Guide
- Appendix E3. Government Agency Staff Interview Guide

## Appendix E1. NRI Affiliate Staff Interview Guide

Hello, my name is \_\_\_\_\_, and I am part of a team of researchers from the Urban Institute, a nonprofit, nonpartisan research organization based in Washington, DC. We're currently working on a study for Habitat for Humanity International (HFHI) on collaboration between HFHI Neighborhood Revitalization Initiative affiliates and their local governments.

- HFHI's Neighborhood Revitalization Initiative focuses on engaging with local government and contributing to broader community revitalization efforts. For example, rehabilitation of vacant and foreclosed properties, house repairs for low-income homeowners, and weatherization to existing homes to make them more energy efficient.
- Affiliates need to know how to build successful collaborations with government under this new paradigm, so HFHI contracted this study.
- This study has three phases.
  - In the first phase, we reviewed the literature on government-nonprofit collaboration and interviewed members of HFHI's U.S. Affiliate Enhancement Committee to get a basic understanding of the issues at play in affiliate-government collaboration.
  - For the second phase, we conducted a web survey of NRI affiliates to understand to what extent affiliates are interacting with local governments.
  - The third phase is a series of three site visits, for which your community has been selected. During these visits, we want to learn more about how collaboration works at the local level.
- We have questions about background and your role in this organization/agency/elected body, your community and/or organization/department, the relationship between the NRI affiliate and the local government, and advice for affiliates when working with government.
- The information collected during the study will be used to help affiliates build stronger relationships with their local governments.
- We will publish a summary brief, combining finding from all three communities, as well as individual case studies in the final report
- We understand that relationships between nonprofit organizations and government can be sensitive, so the identity of your community will be kept confidential; we will not identify your community in any reports.
- Your participation in this interview is voluntary, and you can choose not to answer any questions.
- All the information you provide will be confidential, and we will not share it with anyone except for research staff working on the study.
- We will not quote you by name in project case studies or reports.
- Everyone working on the research team has signed a confidentiality form agreeing to these terms.
- Do you have any questions?

Okay, let's get started.

Let's start by talking a little bit about you and your role at the affiliate.

- What is your job title?
  - How long have you been in this position?
- What are your main responsibilities?
  - What does a typical day look like for you?
- What did you do before you came to HFHI?
- How long have you lived in this community?

## Overview of affiliate characteristics and service area

**[Leadership staff: Executive director; board members]**

Now let's talk a little more about your affiliate.

- Tell me a little about your staffing.
  - How many employees work at your affiliate?
  - What do they do?
- Now tell me a little about your board.
  - How many board members?
  - What mix of experience and expertise do they have?
- Where does your affiliate get its funding?
  - How has its funding changed in the past couple of years?
  - How has this affected your affiliate's projects and activities?
- What are your affiliate's main activities?
  - How have they changed in the past couple of years?
- What role does advocacy play in your affiliate's mission?
- When did your affiliate become part of the Neighborhood Revitalization Initiative (NRI)?
  - Why did your affiliate make this decision?
- How do you decide what projects/activities your affiliate will undertake?
  - Who is involved in decisionmaking?
- What's your service area like?
  - Urban/suburban/rural?
  - How many different government jurisdictions does it include?

## Working relationships with individual jurisdictions

[All]

Affiliates' experiences working with government can vary pretty widely across their services areas. We really want to understand the unique dynamics of different individual jurisdictions. We may not have time to talk about all of the jurisdictions in your service area, but we'd like to talk about some of them individually.

- In which jurisdictions have you worked on projects in the past few years?

Okay, let's start with [insert name of jurisdiction]. I'm going to ask you a series of question about that community, your work, and your relationships there. Then we can circle back and talk about the other jurisdictions you mentioned.

**[NOTE: make sure to loop through the same questions for all jurisdictions mentioned]**

## Specific projects and activities

Let's start by talking about a little about the work you've done in [insert name of jurisdiction] in the past few years.

- Do you have an NRI target neighborhood in this community? [If yes] ...
  - Can you please describe it for me?
- What projects have you worked on in this community in the past few years?
- How did local government support this work?
  - Funding?
  - Land?
  - Expedited processes?
  - Waived fees?
  - Changes to codes or policies?
  - Linking to other agencies or nonprofits?
- How did this support come about?

## Relationships with nongovernmental actors

Let's step back now and talk a little about this community more generally.

- In your experience, how supportive of affordable housing and community development are the residents of this community?

- Sometimes communities engage in comprehensive planning processes to make decisions about housing and community development. Have you been involved in a process like this? [If yes]...
  - How have you participated?
  - What outcomes, if any, has this participation had for your affiliate?
- What community groups do you participate in?
  - What outcomes, if any, has this participation had for your affiliate?
- In what ways, if any, have you collaborated with other nonprofits? [Probe: advocacy]
  - What outcomes, if any, has this collaboration had for your affiliate?
- How would you describe your relationships with residents in your NRI target neighborhood?
  - How do residents support your work in this neighborhood?
  - What outcomes, if any, has this support had for your affiliate?
- Sometimes NRI changes the way affiliates think about building relationships with community groups, other nonprofits, and residents. In what ways, if any, has NRI changed your approach?

## Relationships with government agencies

Now let's switch gears a little and talk about your relationship with folks in local government agencies in more general terms.

- In your experience, how much discretion do staff at these agencies have to make decisions...
  - Funding?
  - Land?
  - Expedited processes?
  - Waived fees?
  - Changes to codes or policies?
- With which government agencies do *you* primarily interact?
  - In what ways do you interact with these agencies?
- How would you describe your relationships with staff at these government agencies?
  - Same goals versus different goals
  - Who initiates contact?
  - How have you built them over the years?
- Sometimes NRI changes the way affiliates interact with staff at government agencies. In what ways if any, has NRI changed your approach?

- Sometimes government agencies face re-organization or cut-backs in staff and resources, especially in hard economic times. To what degree have you observed these types of changes in these local government agencies?
  - How do you think this has affected their ability to support your affiliate's work?

## Relationships with elected officials

Now let's talk a little about elected officials in this jurisdiction.

- In your experience, how much influence do elected officials have on decisions about...
  - Funding?
  - Land?
  - Expedited processes?
  - Waived fees?
  - Changes to codes or policies?
- With which elected officials do *you* primarily interact?
  - In what ways do you interact with them (attend public meetings, private briefings, etc.)?
- How would you describe your relationships with these elected officials?
  - Same goals versus different goals
  - Who initiates contact?
  - How have you built these relationships over the years?
- Sometimes NRI changes the way affiliates interact with elected officials. In what ways if any, has NRI changed your approach?
- How much do election cycles affect your relationships with elected officials?
- Sometimes political conditions make it difficult for elected officials to support affordable housing. How much have you observed this as an issue in your community?
  - What strategies do you use to overcome this obstacle?

## Reflections on experiences in this jurisdiction

- How typical are your experiences with this jurisdiction of your experiences in your service area more broadly?
  - How is this jurisdiction different?
- What you consider your biggest success collaborating with government in this jurisdiction?
- How do you think NRI has shaped your work with these jurisdictions?

- Sometimes, even when relationships between local government and affiliates are good, there are opportunities for collaboration that just don't work out. In which areas have you struggled?
  - Which government agencies have been hardest to collaborate with? Why?
  - Which elected officials have been hardest to collaborate with? Why?
- What things might you do differently in this jurisdiction going forward?

## Jurisdictions where affiliate is inactive

**[Leadership staff: executive director; board members]**

Sometimes there are particular jurisdictions where affiliates don't do any work at all. Are there any jurisdictions like that in your service area? [If yes, then ask the following questions]

- Why doesn't your affiliate work in these jurisdictions?
  - Probe: lack of interest, capacity, unfriendly attitudes, etc.
- How much of an effort have you made to build relationships in this jurisdiction?
  - What did you do?
- What would have to change for your affiliate to starting working there?

## Wrap-up

**[All]**

Thanks so much for sharing all of these experiences with us. We're almost done. I just have a couple of big-picture questions to ask you to close.

- What would the ideal type of collaboration between affiliates and local government look like?
- What advice would you give affiliates interested in developing more collaborative relationships with their local government?
- What are some key pitfalls affiliates should avoid?

Thank you so much for taking time to talk to us today. What you've shared has been so helpful and will help shape our study on affiliate-government relations going forward. Do you have any questions for us?

## Appendix E2. Elected Official Interview Guide

Hello, my name is \_\_\_\_\_, and I am part of a team of researchers from the Urban Institute, a nonprofit, nonpartisan research organization based in Washington, DC. We're currently working on a study for Habitat for Humanity International (HFHI) on collaboration between HFHI Neighborhood Revitalization Initiative affiliates and their local governments.

- HFHI's Neighborhood Revitalization Initiative focuses on engaging with local government and contributing to broader community revitalization efforts. For example, rehabilitation of vacant and foreclosed properties, house repairs for low-income homeowners, and weatherization to existing homes to make them more energy efficient.
- Affiliates need to know how to build successful collaborations with government under this new paradigm, so HFHI contracted this study.
- This study has three phases.
  - In the first phase, we reviewed the literature on government-nonprofit collaboration and interviewed members of HFHI's U.S. Affiliate Enhancement Committee to get a basic understanding of the issues at play in affiliate-government collaboration.
  - For the second phase, we conducted a web survey of NRI affiliates to understand to what extent affiliates are interacting with local governments.
  - The third phase is a series of three site visits, for which your community has been selected. During these visits, we want to learn more about how collaboration works at the local level.
- We have questions about background and your role in this organization/agency/elected body, your community and/or organization/department, the relationship between the NRI affiliate and the local government, and advice for affiliates when working with government.
- The information collected during the study will be used to help affiliates build stronger relationships with their local governments.
- We will publish a summary brief, combining finding from all three communities as well as individual case studies in the final report
- We understand that relationships between nonprofit organizations and government can be sensitive, so the identity of your community will be kept confidential; we will not identify your community in any reports.
- Your participation in this interview is voluntary and you can choose not to answer any questions.
- All the information you provide will be confidential, and we will not share it with anyone except for research staff working on the study.
- We will not quote you by name in project case studies or reports.
- Everyone working on the research team has signed a confidentiality form agreeing to these terms.
- Do you have any questions?

Okay, let's get started.

**[All]**

Let's start by talking a little bit about your role in local government.

- What elected office do you hold?
  - What geographic area do you represent?
  - How long have you held this office?
- What's your professional background?
- How long have you lived in this community?

## **Community overview**

- How supportive is this community of affordable housing and community development in general?
- What are the community's priorities in these areas?
  - Rental housing, affordable home ownership, economic revitalization, etc.
- What role do nonprofits play in affordable housing and community development?
  - Local affiliate in particular?

## **Role in housing and community development**

**[prioritize with limited time]**

- What is your role in decisionmaking about affordable housing and community development?
  - Oversight of federal, state, or local funding
  - Oversight of government agencies
  - Oversight of land acquisition
  - Changes to codes or regulations
- Who else is involved in these decisions?
  - Local government departments?
  - Other elected officials?
  - Community groups?
- How much discretion do you or your elected body have to make these decisions?
- What processes or procedures govern your decisionmaking?
  - Probe: comprehensive planning process, regulations, etc.
- What are your priorities in terms of affordable housing and community development?
  - How closely do these priorities align with other elected officials' priorities in your jurisdiction?

- How much do election cycles affect decisionmaking around housing and community development issues?
- How would you describe your relationship with local government departments?
  - With staff in these departments?
- How would you describe your relationship with local nonprofits working on affordable housing and community development issues?

## Relationship with local affiliate

**[prioritize with limited time]**

Now let's turn to your relationship with the local affiliate.

- On what projects have you collaborated with your local affiliate in the past few years?

## Questions about working relationships

**[Only if have collaborated on projects]**

Great. Let's talk a little more about these projects.

- How did you support this work?
  - Funding?
  - Land?
  - Expedited processes?
  - Waived fees?
  - Changes to codes or policies?
  - Linking to other agencies or nonprofits?
- How did this come about?

## General questions

**[All]**

Now let's switch gears a little and talk about your relationship with the local affiliate in more general terms.

- What are your general impressions of your local affiliate?
- How would you describe your relationship?
  - Same goals versus different goals
  - Competing versus complementary goals
  - Who initiates contact?

- How did this relationship come about?
- How has this relationship changed in the past few years?
- Which affiliate staff or board members do you interact with?
  - Please describe these interactions (context, frequency, etc.).
  - How personal are these relationships?
- Affiliates and elected officials don't always see eye to eye.
  - What are some of the areas where there's a disconnect?
- What factors make it hard for you to collaborate with your local affiliate?
  - What could the affiliate do to make it easier?

## Wrap-up

Thanks so much for sharing all of these experiences with us. We're almost done. I just have a couple of big-picture questions to ask you to close.

- What you consider the biggest success of collaboration with your local affiliate?
- What advice would you give affiliates interested in developing more collaborative relationships with their elected officials?
- What are some key pitfalls affiliates should avoid?

Thank you so much for taking time to talk to us today. What you've shared has been so helpful and will help shape our study on affiliate-government relations going forward. Do you have any questions for us?

## Appendix E3. Government Agency Staff Interview Guide

Hello, my name is \_\_\_\_\_, and I am part of a team of researchers from the Urban Institute, a nonprofit, nonpartisan research organization based in Washington, DC. We're currently working on a study for Habitat for Humanity International (HFHI) on collaboration between HFHI Neighborhood Revitalization Initiative affiliates and their local governments.

- HFHI's Neighborhood Revitalization Initiative focuses on engaging with local government and contributing to broader community revitalization efforts. For example, rehabilitation of vacant and foreclosed properties, house repairs for low-income homeowners and weatherization to existing homes to make them more energy efficient.
- Affiliates need to know how to build successful collaborations with government under this new paradigm, so HFHI international contracted this study.
- This study has three phases.
  - In the first phase, we reviewed the literature on government-nonprofit collaboration and community developed and interviewed members of HFHI's U.S. Affiliate Enhancement Committee to get a basic understanding of the issues at play in affiliate-government collaboration.
  - For the second phase, we conducted a web survey of NRI affiliates to understand to what extent affiliates are interacting with local governments.
  - The third phase is a series of three site visits, for which your community has been selected. During these visits, we want to learn more about how collaboration works at the local level.
- We have questions about background and your role in this organization/agency/elected body, your community and/or organization/department, the relationship between the NRI affiliate and the local government, and advice for affiliates when working with government.
- The information collected during the study will be used to help affiliates build stronger relationships with their local governments.
- We will publish a summary brief, combining finding from all three communities, as well as individual case studies in the final report
- We understand that relationships between nonprofit organizations and government can be sensitive, so the identity of your community will be kept confidential; we will not identify your community in any reports.
- Your participation in this interview is voluntary and you can choose not to answer any questions.
- All the information you provide will be confidential, and we will not share it with anyone except for research staff working on the study.
- We will not quote you by name in project case studies or reports.
- Everyone working on the research team has signed a confidentiality form agreeing to these terms.
- Do you have any questions?

Okay, let's get started.

Let's start by talking a little bit about you and your role in this department.

- What is your job title?
  - How long have you been in this position?
- What are your main responsibilities?
  - What does a typical day look like for you?
- What did you do before you worked in this department?
- How long have you lived in this community?

## Overview of department

- Now let's talk about your local government. How is it structured?
  - How does your department fit in?
- Tell me a little about your staffing.
  - How many employees work in your department?
  - What do they do?
- How is your department funded?
  - How has its funding changed in the past couple of years?
  - How has this affected your operations?
- What are your department's key functions? [Probe the following]
  - Oversight of federal, state, or local funding for affordable housing or community development
  - Land acquisition
  - Permitting, inspections, etc.
- How much discretion does your staff have in performing these functions?
- What processes or procedures govern your staff's decisionmaking?
  - Probe: comprehensive planning process, RFPs, etc.
- What agencies or elected officials provide oversight of your department's activities?
  - How involved are they in day-to-day decisionmaking?
- How much do election cycles affect your department's activities?
  - In what ways do election cycles affect you?

## Community overview

- What geographic area does your department serve?
- How supportive is this community of affordable housing and community development in general?
- What are the community's priorities in these areas?
  - Rental housing, affordable home ownership, economic revitalization, etc.
- What role do nonprofits play in affordable housing and community development?
  - Local affiliate in particular?

## Relationship with local affiliate

Now let's turn to your relationship with the local affiliate.

- On what projects have you collaborated with your local affiliate in the past few years?

## Questions about working relationships

[Only if have collaborated on projects]

Great. Let's talk a little more about these projects.

- How did your department support this work?
  - Funding?
  - Land?
  - Expedited processes?
  - Waived fees?
  - Changes to codes or policies?
  - Linking to other agencies or nonprofits?
- How did this come about?

## General questions

[All]

Now let's switch gears a little and talk about your relationship with the local affiliate in more general terms.

- What are your general impressions of your local affiliate?
- How would you describe your relationship?
  - Same goals versus different goals
  - Competing versus complementary goals
  - Who initiates contact?

- How did this relationship come about?
- How has this relationship changed in the past few years?
- Which affiliate staff or board members do you or your staff interact with?
  - Please describe these interactions (context, frequency, etc.).
  - How personal are these relationships?
- Affiliates and government don't always see eye to eye. What are some of the areas where there's a disconnect?
- What factors make it hard for your department to collaborate with your local affiliate?
- What could the affiliate do to make it easier?

## Wrap-up

Thanks so much for sharing all of these experiences with us. We're almost done. I just have a couple of big-picture questions to ask you to close.

- What you consider the biggest success of collaboration with your local affiliate?
- What advice would you give affiliates interested in developing more collaborative relationships with their local government?
- What are some key pitfalls affiliates should avoid?

Thank you so much for taking time to talk to us today. What you've shared has been so helpful and will help shape our study on affiliate-government relations going forward. Do you have any questions for us?

## **Appendix F. Affiliate Case Studies**

- Appendix F1. Northeastern Affiliate Case Study
- Appendix F2. Southern Affiliate Case Study
- Appendix F3. Western Affiliate Case Study

## Appendix F1. Northeast Affiliate Case Study

### *Using NRI to Grow Affiliate Capacity and Forge New Relationships with Local Government*

Until recently, this small affiliate in the Northeast was an all-volunteer operation focused exclusively on supporting its annual “one house-one family” new construction project with its ReStore. However, when its first executive director (ED) came in, she recognized that Neighborhood Revitalization Initiative (NRI) activities could be a way of making lasting inroads in multiple communities and deployed a multifaceted strategy to achieve results: expand the affiliate’s activities to respond more directly to the needs of local residents, raise the profile of the affiliate’s work, partner with other nonprofits, and regularly attend local county and municipality meetings. These efforts have yielded many positive benefits from collaboration from local government, including referrals to affiliate programs, technical expertise on veterans and senior issues, and funding for A Brush With Kindness (ABWK) and new construction projects. However, the shape and extent of collaboration has varied substantially across the various jurisdictions in the affiliate’s service area. This section cases study highlights how relationships have developed in several key jurisdictions.

### **Service area needs and characteristics**

The affiliate serves about half of the geographic area of a largely suburban county with a population about half a million people in the Northeast.<sup>1</sup> The county poverty rate registers around 10 percent, comparable to the state’s, but county median household income reaches nearly \$70,000, almost \$20,000 higher than the state as a whole. In part, the trend results because of the large proportion of retirees who live in the area. More than 1 in 5 residents are 65 or older, as compared to little more than 1 in 10 statewide. The majority of residents are non-Hispanic whites, although the county is also home to a long-standing African American community, a burgeoning Hispanic population, and a vibrant Jewish enclave.

The county boasts a particularly high ownership rate, with more than 4 out of 5 households living in a home of their own. Single family homes also dominate the landscape; only a little more than 1 in 10 housing units are located in multifamily structure, as opposed to more than 1 in 3 statewide. Despite these strong housing indicators, the working poor struggle to meet their housing needs. Many low-income homeowners living in the pockets of poverty throughout the county cannot afford to maintain their homes or even pay for home insurance. Some even live in mobile home parks. The county also has difficulty meeting the need for decent, affordable housing more generally because of long-standing “not-in-my-backyard” (NIMBY) attitudes among residents, a contentious history of racial segregation, and relatively high cost for development.

---

<sup>1</sup> All descriptive statistics taken from Quick Facts for the relevant county available through the Census Bureau’s Fact Finder website.

## Background on affiliate

Volunteers, mostly local retirees, ran the affiliate until for most of its history. Under this leadership, the affiliate generated funds exclusively from its ReStore and used all the profits each year to buy one piece of land and build one new home for one family. In 2008, the affiliate hired its first ED with a strong background in advocacy around homelessness and affordable housing issues. Early on, she attended a mission trip with staff from other affiliates and began thinking about what the NRI might mean for her affiliate. Upon her return, she started began advocating and planning for an expansion of the affiliate's activities to better serve the community.

In order to find the money to launch ABWK, the new ED began looking for community partners. One local businessman confided that he had wanted to collaborate with the affiliate before but had not made an investment because he fundamentally disagreed with the "one house-one family" model. Excited about ABWK's potential to make a larger impact on the community, this businessman wrote a \$5,000 check on the spot and was inspired to start his own foundation, which provides \$15,000 annually to sustain ABWK activities. The new ED also negotiated "in-kind" donations to lower the cost of new construction projects and make funds available for other uses.

Despite these efforts by the ED, her plan to expand the mission of the affiliate met with strong opposition from the board. They were happy with the scope of the affiliate's activities and did not want to have to start drumming up additional resources by grant-writing or working with local government. All of its members worked for the same business outside of the affiliate and all voted together. "Instead of six votes, there was really only one," the ED confided. The board even wrote a letter to Habitat for Humanity International (HFHI), requesting a program review. However, when the HFHI representative came for the site visit, she validated the new ED's approach and provided needed support for switching the paradigm within the affiliate.

Slowly, the new ED worked with an HFHI board consultant to develop a diversified and supportive board. The businessman who pledged support for ABWK stepped up to serve as board president, bringing with him his business acumen and connections in the community. The board also boasts a young attorney, a local professor, a business manager from a large national home construction supply company, and a well-connected pastor from a local church. The affiliate also took special care to construct a politically neutral board that builds bipartisan support for HFHI's work.

The staff of the affiliate has started to change as well. When the new ED started, she, along with the ReStore manager and two truck drivers were the only people on staff. Today, the affiliate has also has a full-time construction coordinator, a part-time construction supervisor, an ABWK coordinator, a part-time bookkeeper/office manager, and a per diem grant-writing person. Hiring an office manager was particularly important to the affiliate's long-term strategy because it enabled the ED to spend most of her time out attending community meetings and developing relationships. The affiliate also takes its financial integrity very seriously and gets a professional audit done every year.

## **Government policies and structure**

Federal policy shapes the many of the resources that are available for local housing and community development activities. As an urban entitlement community, the county is the lead agency responsible for the administration and monitoring of the CDBG and HOME programs. All municipalities in the county participate in these programs, including the four particular municipalities that each receive their own CDBG funding directly.

State policies also shape affordable housing in the affiliate's service area. For example, state law devolves regulatory authority for most land use decisions to municipalities through their local master plans and zoning ordinances. In addition, the state requires municipalities' master plans to ensure the provision of their fair share of low and moderate income housing. Even so, many municipalities often find it difficult to comply because nearly 60 percent of land in the county is off limits because of strong state environmental and farmland preservation regulations.

Political leadership in the county and the approximately 18 municipalities in the affiliate's service area is remarkably stable. All of the county government's funding and policy decisions are approved by the county's five board members who have all served in these positions for at least 20 years and belong to the same political party. Municipalities typically have a mayor-council form of government and experience very little change in the dynamics of governance from election to election, even when the party affiliation of elected officials changes.

Civil servants generally provide guidance on policy and recommendations for funding applications to elected officials, but they also often have discretion to expedite inspections, lean on outside professionals to minimize time spent revising applications to reduce cost, etc. Even so, municipalities vary substantially in the degree of professionalization among civil servants and downsizing by attrition has spread staff thin in the offices of the county and some municipalities.

## **Affiliate's experiences collaborating with local government**

The affiliate's strategies and success have varied substantially across its many local government jurisdictions. This section highlights how the affiliate's work has developed in several different communities within its service area.

### **Municipality 1: Do the right thing and the money will follow**

When it comes to collaboration with local government, the affiliate has experienced its greatest success with the largest municipality in its service area. Just as the affiliate was gearing up to launch its ABWK program, a nonprofit that runs 15 different group homes for the disabled in the area lost its funding for repairs and was experiencing a lot of pressure from neighborhood groups to clean up their properties. The affiliate answered the community's call for help and stepped up to do cleanup, painting, weather-sealing, and other needed repairs to the group home properties. This work got the affiliate on the radar of the mayor of the largest municipality in the county. A prominent advocate for the disabled, the mayor brought the municipality's banner down to the worksite to support the affiliate's work and shortly after introduced and passed a resolution supporting ABWK in the municipality.

With this precedent, the mayor gladly turned-out to help promote the affiliate's work to rehabilitate 10 homes in the municipality for veterans. The affiliate organized a ceremony featuring the mayor, the homeowner, and the HFHI team, which garnered lots of positive local media attention. Unfortunately, shortly afterwards the affiliate learned that the homeowner was not a qualified veteran. Under other circumstances, this might have jeopardized collaboration between the mayor and the affiliate, but because the affiliate had already earned the mayor's trust, this situation actually led to a different form of collaboration. The mayor referred the ED to a contact at the veterans' affairs office at the county who could provide needed expertise for NRI projects involving veterans going forward.

At the same time the ED was building her relationship with the mayor, she was attending xxx meetings and began thinking about how to approach the municipality for ABWK funding. She made an appointment with staff in the planning department and asked lots of questions about the resources available, the municipality's constraints, and the processes it used to allocate money. The ED then submitted the affiliate's first CDBG application, being careful to not put in any money for administration in the proposal so as to maximize the benefit to families in the municipality.

The staff in the planning department positively received the affiliate's solid proposal and felt comfortable with the affiliate because of the reputation it had built with its ABWK work. As a result, the planning department recommended a modest CDBG allocation of \$5,000 to test the affiliate's capacity to spend down the money, complete the reporting that HUD requires, and properly administer a government grant. The mayor and the city council endorsed this decision. During that first year, the planning department monitored the affiliate and found it to be a responsible and effective subgrantee. Consequently, the next year, the municipality upped the affiliate's CDBG allocation for ABWK to \$12,000. This increase in funding has substantially increased the volume of ABWK and critical repair projects within the municipality from around three per year to between 30 and 40.

In a more recent instance, the affiliate took the initiative to resolve a community problem and enlisted the municipality's support. A home located next to a local school suffered significant fire damage and the working mother living there was unable to make repairs because she had been unable to sustain her homeowner's insurance. When the woman's sister called the ED looking for help, the affiliate did not have the resources needed to do the work but stepped in and do what it could anyway. The ED put a sign in the front yard of the property asking the community to help HFHI repair the home; people started coming forward to offer in-kind donations. The ED also talked to the mayor about the situation and he responded by sending a dumpster free of charge for the affiliate's construction crew to use during the project. Around the same time, planning department staff made it known at one of the municipality's routine meetings that they had CDBG funds they needed to repurpose in order to successfully spend down the money by the end of the fiscal year. The ED was in attendance that day and raised her hand to ask for the remaining \$20,000 needed to complete the project; the municipality subsequently awarded these funds.

## **Municipality 2: Always be prepared and align yourself with established nonprofit partners**

Parallel to its work with ABWK, the affiliate continued looking for opportunities to develop new affordable housing in its service area. It identified three lots in one municipality that looked particularly promising and went to the local city council meeting to seek assistance purchasing these lots. What affiliate staff did not know walking in that day was that the purpose of this particular council meeting was to make decisions about the allocation of the municipality's affordable housing trust fund money. The relatively new mayor and the city council found themselves under substantial pressure from the state to spend down this source of funding and local media and community residents had called a lot of attention to deteriorating conditions in precisely the neighborhood where the affiliate had identified potential construction sites. Because of the ED's excellent and timely presentation, the municipality committed \$100,000 to fund HFHI's new construction projects in this area, which has become the affiliate's new NRI neighborhood.

Long-term success in this neighborhood depends heavily on relationships not only with government, but with local residents and the other nonprofits and developers already building low-, moderate-, and high income homes in the area. The ED reached out to the local faith community and made the decision to hire local people as much as possible, including bringing on an electrician from the neighborhood. The affiliate also aligned itself closely with one of the other highly influential partner nonprofits already working in the community. The well-connected ED of one of these nonprofits advocated for HFHI in his own conversations with the mayor and elected leadership, and provided inside-track information to the affiliate about upcoming items on city council and planning board's agendas.

As the affiliate's work in its new NRI neighborhood got underway, the ED was careful to provide local elected officials opportunities for the positive media exposure they need to deflect the criticism they have experienced from the community. She invited the mayor as well as all council members to the ground-breaking at the first construction site; 50 people attended and local newspapers covered the event.

Political support for the affiliate's work in its NRI community is strong. Even local civil servants are excited about HFHI's flagship project there since it directly benefits a current municipal employee. However, as with any new jurisdiction, the affiliate staff still have to figure out how best to navigate day-to-day interactions with the municipality. For example, the affiliate had wanted to have the building permit in hand the day of the ground-breaking, but this did not materialize despite the ED's direct phone calls to the mayor. Both the affiliate and local government are just beginning to learn to work together.

## **The county and other municipalities: Learn how to transition from outside advocate to partner**

Before the new ED came on board, the affiliate's contact with the county was minimal. No one at the affiliate had even attended a county meeting. Because of her long history of advocacy around homelessness, the new ED began to build relationships with the county through the social services department. She actively participates in their public planning meetings and has looked for funding

opportunities through the local Continuum of Care (CoC). Because of strict HUD definitions of homelessness,<sup>2</sup> the social services department has been unable to fund the affiliate's activities. However, the ED's persistence has put the affiliate on the radar as a potential partner rather than just a community advocate. The social service department has even extended the opportunity for the ED to serve on the CoC's selection. This opportunity has allowed the ED to understand the application process from the other side of the table and begin establishing a reputation as a constructive partner. The department of social services now sees the affiliate as a local resource and regularly refers potential clients for assistance. It also lends the affiliate its technical expertise with veteran and senior populations.

As the affiliate rolls out ABWK throughout its service area, the affiliate makes sure to keep both elected officials and civil servants abreast of the housing issues uncovered. The ED recently called the mayor's secretary and set up meetings with mayor, chief of police, code enforcer to call attention to an aging mobile home park where the affiliate had had to turn down two applications because the structures were too dangerous to bring in volunteers. The affiliate also sat down with the mayor and briefed him personally on the affiliate's program to repair homes for local veterans.

This communication has started to bear fruit in some small but important ways. For example, the affiliate's ABWK coordinator approached the head of social services to seek assistance for a local senior who needed ABWK assistance but did not have the homeowner's insurance to take advantage of the program. The civil servant found a policy for the homeowner so that the affiliate's ABWK work could proceed. With that precedent, the social services department now provides that kind of assistance for any resident over 55 who is in need to ABWK repairs. On another occasion, the department provided insurance to a non-senior just for the quarter that the affiliate was working on the roof repair to his home. The ABWK coordinator now regularly meets with senior services to leverage the department's expertise on senior issues and both parties benefit from a two-way referral mechanism to better serve local residents.

## **The road ahead**

The affiliate plans to continue to grow over the next few years, ramping up new construction efforts in its NRI neighborhood and responding to increased demand for ABWK and critical repairs work in the wake of a recent natural disaster.

One of the biggest challenges going forward will be the ongoing rebranding of the affiliate. The ABWK program is less than three years old and the affiliate only recently was able to make the staffing changes needed to craft a public relations strategy and free up the ED to spend her time cultivating relationships out of the office. As a result, many people in the community, including some current partners, still do not have a complete understanding of the affiliate's expanded capacity.

---

<sup>2</sup> HUD's definition of homelessness does not include many of the people that Habitat serves, namely homeowners and families who are doubled-up with friends or relatives.

## Appendix F2. Southern Affiliate Case Study

### *Using a Mix of Strategies to Cultivate Successful Partnerships with Local Government*

The southern affiliate actively seeks out opportunities to collaborate with local organizations and serves as an example of how affiliates can form mutually beneficial partnerships<sup>3</sup> to provide affordable housing to low income individuals and families. This affiliate has a long history of engaging in a range of partnerships with various community and local government entities. In particular, the executive director's (ED) ability to form successful collaborations has expanded the affiliate's capacity to serve the local community. Some outcomes of successful collaboration include exclusive opportunities to acquire land at low cost; strengthened capacity to host successful large and small scale community builds; increased access to funding; and becoming the primary client referral source based on a proven track record rehabilitating and repairing homes. The strong networks developed by this affiliate coupled with their involvement in community activities that extend beyond HFHI's traditional home construction model served as a good foundation when making the decision to participate in the Neighborhood Revitalization Initiative (NRI).

### **Service area needs and characteristics**

The affiliate's greater service area is considered a main commercial, educational and manufacturing center in the south and contains several large public institutions, which contribute to a growing and robust economy. The primary service area covers the city in which the affiliate is located, as well as a few neighborhoods in the surrounding county.

The city in which the affiliate is located has a population of 55,000,<sup>4</sup> which is roughly half the population of the entire county. Overall, 10 percent of the service area population is 65 years and older. The city's racial demographics show an African American majority, followed by non-Hispanic whites, while the opposite is true for both the county and the state.

Compared to the state, the city and county show poorer populations. The median household income in both the county and city is lower than the state as the city reflects a median income of \$32,000, and the county \$39,000. Furthermore, nearly 30 percent of the city's population is below the poverty level, which is almost double the state percentage, while the county's population living below the poverty level is a little more than 20 percent. As income is a key indicator of housing, it makes sense that the homeownership rate is lowest in the city (less than 50 percent) compared to the county and state rates. In general, single family units are the most common form of housing; however, multiunit housing structures are 10 percent more likely to be found in the city than in the county and state.

---

<sup>3</sup> The terms partnership and collaboration are used interchangeably.

<sup>4</sup> All descriptive statistics taken from Quick Facts for the relevant locality available through the Census Bureau's Fact Finder website.

The affiliate's service area was somewhat shielded from the immediate effects of the Great Recession due to its location in a major commercial center with several manufacturing plants and public institutions that provide a certain level of stability. Only recently has the service area experienced some delayed effects of the recession. Nevertheless, the need for affordable and improved housing for low income elderly and working families is a long-standing issue and continues to exist. Many low-income homeowners are living in substandard housing because they cannot afford to maintain their homes. Depending on the specific neighborhood or service area, the rising cost of development or a history of racism and de facto segregation makes it difficult to meet the widespread need for decent, affordable housing.

## **Background on affiliate**

This affiliate was founded in 1987 and has 10 paid staff including the ED who was hired in 2004. The ED places a strong emphasis on outreach to improve the affiliate's visibility and cultivate successful partnerships with government agencies, faith based groups, other nonprofits and area businesses. For example, the affiliate donates paint and other supplies to local projects, helps local churches with simple repairs, does construction and rehab work on a local shelter and works with a transitional housing program for women. The ED even volunteers to help other organizations with their fund raising events because he understands that doing this type of work will help spread the word about the affiliate's good work and reputation.

In addition, the affiliate has a history of partnering with the city government that goes back to the late 1980s, when the first HFHI house was built. Currently, the affiliate experiences great success collaborating with the city government in its direct service area; however, this has not always been the case. The relationship with the city was strained due to questions about the use of funds and significant issues surrounding a high-profile HFHI build. The ED worked hard to repair the relationship by personally meeting with key government staff and each city council member until these issues were resolved. Although the relationship has been restored and the affiliate is considered a critical partner of the city both sides acknowledge that continued open and frequent communication further enhances the partnership arrangement.

The composition of the affiliate's board of directors is diverse, representing a range of backgrounds and experiences. The affiliate makes an effort to strategically target board members that fit their needs and reflect the community that it serves. When the ED was hired there was little to no diversity on the board. Nowadays the board includes unemployed members from the community who are struggling, stockbrokers, bank executives, employees from the local power company, university professors, and members of the military.

Moreover, the affiliate has a diverse mix of revenue. The majority of the affiliate's revenue comes from ReStore sales followed by mortgage payments. The affiliate's model is to have enough mortgages in place to fund the next cycle of houses. Essentially, their aim is to be able to build enough houses so that they do not have to rely so heavily on private donations, which make up the third-highest revenue source. The affiliate has a good base of continual donors and they receive donations from several local

churches. Because Restore sales have decreased greatly over the past few years the affiliate started a new capital campaign to increase private donations. Federal funding is probably fourth or fifth on the list of revenue streams and is steadily decreasing. The affiliate receives around four different types of federal funding (from the Children’s Health Insurance Program, the Self-Help Homeownership Opportunity Program, Community Development Block Grants, and federal home loan funds).

In line with the city’s philosophy that home ownership is the best of all options; the affiliate’s programmatic model supports building between seven and twelve homes a year and they have even been successful coordinating volunteers to construct several subdivisions. However, the number of builds has decreased by half due to reduced ReStore sales and federal funding. Meanwhile, the affiliate has undertaken housing rehabilitation and weatherization work, which neatly aligns with the city council’s goal to eliminate substandard housing by 2020. The affiliate partners with a local bank to secure federal home loan funds to perform housing revitalization for veterans and elderly residents as well as weatherization jobs, like replacing windows, doors, and insulation. Furthermore, the affiliate partners with the city government to offer A Brush With Kindness (ABWK) services. Basically, each summer the affiliate supervises and trains more than 200 students from across the country to repair houses for elderly homeowners. In effect, the affiliate’s unique ability to develop and nurture an extensive and diverse network of partners across their service area contributed to their decision to participate in NRI and enables it to successfully provide NRI services to low-income homeowners.

## **Government policies and structure**

The affiliate primarily works with two jurisdictions, a county and a city government. The county has a typical county manager form of government with an elected board of commissioners and a county manager appointed to handle administrative operations. The city has a council-manager form of government in which the authority to set policy rests with an elected city council that includes the mayor. The mayor and the council make policy decisions and provide general guidance to the city manager, who oversees day-to-day administrative operations. In both jurisdictions, turnover among elected officials and key government staff is low, yet staff attrition has slightly increased.

With regard to the county, the Engineering Division has responsibility for land use regulations, site plan review, construction of private subdivisions and the comprehensive plan that identifies affordable housing needs. The plan is updated every 10 years and incorporates input from various community stakeholders such as nonprofits, businesses and homeowners associations. Even though the county manager has discretion to make decisions, the board of commissioners approves policy decisions related to affordable housing and community development. When possible the county helps the affiliate with land acquisition and has awarded CDBG funds in the past.

When it comes to the city, which is an entitlement community, a consolidated plan is prepared every five years and requires input from community organizations. To accommodate this requirement city staff invites community groups to attend public hearings, participate in focus groups and provide their concerns or ideas via a public feedback process. Moreover, the city council conducts an annual planning retreat during which they assess prior year progress and set goals and objectives for the next. City

employees are responsible for developing and implementing programs designed to achieve the affordable housing goals established by the council. To distribute CDBG funds city staff conducts a public hearings process and then makes recommendations to the council. However, it is ultimately the city council's discretion how CDBG will be spent. Lastly, to manage and develop vacant, abandoned, and tax-foreclosed property the city has a land bank authority that acquires land that must be used for low-cost affordable housing. Because the land bank authority is not required to accept the highest bid when it auctions land, the City can direct the outcomes of the land and deed it directly to HFHI at a low cost.

## **Affiliate's experiences collaborating with local government**

The effectiveness of the affiliate's partnerships has varied substantially across the two local jurisdictions in its service area. Although the affiliate has strong partnership arrangements and has achieved a high degree of success working with the city government in its service area, forming a collaborative arrangement with the county has proven to be a bit more challenging.

This section highlights some of the affiliate's promising strategies for collaborating with local government.

### **Municipality 1: Utilize a range of strategies to develop and cultivate successful partnerships**

The affiliate has experienced great success collaborating with the city government in its service area. Developing and maintaining effective partnerships entails a range of strategies. Three promising practices shared by the affiliate are discussed below.

First, one-on-one communication is key to developing successful partnerships. When the ED was hired in 2004, the affiliate's relationship with the city was strained. The ED knew that he had to mend relationships with the city because "no affiliate can make it without the dominating local government being a part of what they do." So, to repair these damaged relationships the willingness of the ED to communicate openly and frequently in-person proved to be very important. He made a point to meet face-to-face with every city council person to have a frank discussion about what transpired before his arrival, his goals for the affiliate, and how they can work together to build homes. These conversations helped to build the positive relationships that are in place today and the ED continues to meet one-on-one with city officials as often as he can to keep them abreast of the housing issues and the work of the affiliate.

On another occasion the ED was having one of his routine meetings with a key city official when she received notification that the city would be awarded HUD funds to build affordable homes. The ED took advantage of being in front of the city official and suggested that it would be more cost effective for the city give the funding to the affiliate to build the homes. The city official agreed to the arrangement and it worked out that the affiliate was able to earn enough funds to build a HFHI house for every two homes they built for the city.

Second, leverage personal relationships, but keep it professional. To cultivate and strengthen relationships with the city, the ED works to establish and maintain both professional and personal connections. Because many of the players are lifelong residents of the area, it is natural for personal relationships to exist or develop. The ED understands that these relationships may help him get his organization in the door, but the affiliate will sink or swim on its own merits. Although he interacts regularly with city staff and is likely to engage in more personal discussions, he does take the opportunity to keep them updated on the current activities, undertakings, and/or accomplishments of the affiliate as well as he tries to get a sense of what is happening in city government. Through one of his regular interactions with a key city official, the ED made sure to provide information on the affiliate's ABWK services. So when the city had the idea for a summer work camp program the affiliate was immediately considered to serve as a general contractor on this project every summer. Essentially, the ED leveraged his personal relationship to help him position the affiliate to become the primary partner in this effort.

Third, recognizing local partners publicly is important. In the affiliate's case formal and informal acts of gratitude have proven to be an important strategy for strengthening partnerships. When it comes to working with government the ED advises other affiliates to give public officials credit and to remember to thank them publicly because "that kind of stuff goes a long way." The ED invites political officials to ribbon cutting ceremonies and he recognizes and thanks city officials whenever he gives a speech. After attending a state Habitat on the Hill event the ED made a point to send a personal memento to the state elected officials to show his appreciation for their support of HFHI. The ED had a box of hammers that were damaged and could not be used to work on houses, so he affixed each hammer to a stand and had the gifts personally engraved for the state representatives that represent the localities in the affiliate's service area.

### **The county and other municipalities: Be persistent when trying to establish relationships, don't get discouraged**

In contrast, forging a working relationship with the county has been more difficult for this affiliate. The county is considered rural; however, growing commercial and manufacturing industries and the attraction of better schools have significantly increased the price of land, which limits the amount of work that this affiliate can pursue. Moreover, the county structure is smaller than the city and recently has experienced reductions in staff. In spite of this, the affiliate recognizes that substandard and affordable housing remains an issue, and therefore continues to work at outreach and building relationships with the county.

In efforts to develop a relationship with the county the ED strives to communicate the benefits of engaging in a partnership with HFHI. Despite his efforts, the results have been nominal at best. One reason is the county's perceived stigma attached to the design of HFHI homes. To combat this stigma, the ED tries to schedule appointments with elected officials and county staff and he constantly invites them to HFHI events. One strategy he tried was inviting county officials to tour the HFHI houses in the area as a way to inform them about the work of the affiliate. Unfortunately, no one accepted his invitation.

The affiliate's efforts to show the benefits of partnering are further hampered by a lack of support. On the whole, county neighborhoods are predominantly white with higher median incomes, lower levels of poverty and higher home values and homeownership rates than in the city. Hence, low income neighborhoods tend to be isolated in areas rarely frequented by affluent residents so their needs are often overlooked. Despite county officials and the affiliate having different philosophies and values concerning affordable housing and community development, the ED continues to reach out to county commissioners and staff to help them understand the housing problems in their jurisdiction. For example, the ED reaches out to county officials via e-mail and telephone, and he has even made in-person visits to discuss substandard housing or a particular piece of property in the county. In some instances the county has responded by facilitating the removal of tax liens to assist the affiliate in land purchases. The ED is persistent in his efforts because he is confident one day things will eventually turnaround and the mindset of the policymakers will change.

## **The Road Ahead**

The affiliate plans to grow over the next few years in several ways. First, it is looking to grow the board. Currently, there are three vacancies on the board. As mentioned above, the affiliate targets organizations that fit its needs and reflect the community that it serves. After assessing the current needs of the board the affiliate is seeking to add members with legal and construction backgrounds. Second, the affiliate is looking to expand NRI services. Accordingly, one of their organizational goals is to create a new division called Habitat Rehab which would be responsible for NRI. Lastly, the affiliate is working on expanding its programs and services to a new location. About three years ago the affiliate was asked to take over for an HFHI office in a nearby city. Currently, activity in this city is limited to collecting mortgages, but the ED is working to set up one-on-one meetings to get to know the key city officials and he is seeking out opportunities to tell the HFHI story so that the community will be informed about the affiliate's programs and services.

## Appendix F3. Western Affiliate Case Study

### *Use Key Projects that Meet Local Government Needs to Highlight Affiliate Capacity*

This large affiliate in the West has been a longstanding presence in its community. Under the current executive director's (ED's) tenure, the affiliate has become a high capacity developer of affordable housing, and is one of the lead developers of affordable homeownership housing in the area. The affiliate primarily interacts with local government through its efforts to win federal and state funds to finance its developments. As such, some of its relationships with local government are more formal in nature. The affiliate employs several strategies to maximize the effectiveness of its relationships with government. These strategies will be the primary focus of this case study.

### **Service area needs and characteristics**

The affiliate's service area covers one entire county, which includes a mixture of urban, suburban, and rural areas, and has a total population of over 750,000.<sup>5</sup> The county includes more than 30 cities and towns, but the affiliate primarily works with two municipalities in addition to the county government: the first municipality is the county's largest city, and the second is a large suburb. The county, particularly in its unincorporated areas, is more rural.

The two municipalities have lower rates of homeownership, lower average household incomes and higher poverty rates than the county as a whole.<sup>6</sup> Housing prices have declined with the countywide economic downturn. Despite this, homes are still unaffordable to many first time home buyers.<sup>7</sup> Further, because the large municipality has a shortage of available, undeveloped land. Because of this, a primary need in this area is rehabilitating its existing housing stock. The county has also been hard hit by the foreclosure crisis, and the community has expressed concern about vacancies due to foreclosure.

### **Background on the affiliate**

This affiliate was founded in mid 1980s and decided to join the Habitat for Humanity International (HFHI) Neighborhood Revitalization Initiative (NRI) the late 2000s. The affiliate has a large, professionalized and diversified staff. The affiliate maintains a staff of 21 full-time, 3 part-time, and 13 stipend employees. The staff is primarily divided among the affiliate's six organizational departments: site development and construction, finance, fund development, family services, volunteer services, and the ReStore. Each of the six departments has its own director, and together, the six directors form the executive director's management team.

---

<sup>5</sup> U.S. Census Bureau, Decennial Census 2010 (from Census Quick Facts).

<sup>6</sup> U.S. Census Bureau, American Community Survey 2006–10, Five-Year Estimates (from Census Quick Facts)

<sup>7</sup> This affordability calculation was done in the community's consolidated plan and was based on 85 percent of the median home price, 70 percent of the median household income, a 10 percent down payment, and a 30-year fixed mortgage with private mortgage insurance.

The affiliate also benefits from a large volunteer base: thousands of volunteers work with the affiliate each year, and at least 100 new volunteers each month. The affiliate leverages its large volunteer and donor base as a pool of advocates for its projects. Affiliate staff note that community members that volunteer with them or donate to them are more engaged and active in the community and that government sees them as active constituents and very likely voters. Because of this, the affiliate asks them to write letters of support to the board or authority reviewing a proposal for a new project.

Prior to the current executive director's tenure, the affiliate, the affiliate's board was comprised entirely of volunteers. While dedicated to the organization, they were committed to the traditional HFHI model and more focused with monitoring day-to-day operations than thinking strategically on how to develop the affiliate. The executive director worked to change this. The affiliate now has a large board with strategically recruited board members that give the affiliate access to a range of professional experiences and social networks. Members include a certified public accountant (CPA), a lawyer, as well as engineering and construction firms. Along with other community members, the board members also participate in committees that specialize in certain areas (e.g., finance) to provide the board as a whole with additional expertise. The affiliate leverages its relationships to maximize its success. The executive director cites the importance of having well-connected board members. Because they have been strategic in developing the composition of their board, their social network reaches into many relevant domains. The executive director recommends that when an affiliate needs to contact a new organization—government or otherwise—it should find out if anyone on the board has a contact and use that connection to initiate the relationship. By using those connections wherever possible the affiliate has been able to get requests to the right person quickly. Local government staff and elected officials agree that finding an “in” with someone at local government through a mutual contact is better than trying to approach government without that bridge.

The affiliate has also made investments in its public image by purchasing a more appropriate space for its offices and ReStore. Previously, the affiliate had its offices in a converted house separate from its ReStore rather than in more traditional office space. However, now that the affiliate has moved to a larger, more commercial space where it can have its ReStore attached to the office with conference rooms that enable them to host meetings when necessary, the affiliate is seen as more professional and having more capacity. The affiliate also set up a subsidiary that is a HUD-approved Community Housing Development Organization (CHDO) so the affiliate can access additional funds through its local government jurisdictions' HOME Investment Partnerships Program (HOME) funds. While the above sections highlighted each jurisdiction's individual relationships with the affiliate, there are additional strategies that the affiliate employs across all three jurisdictions.

The affiliate's primary activity is new construction, though it has begun to do some rehab and repair work and will soon be taking on its first large contract to do rehab and repair on foreclosed homes in one of the communities in its service area. While the affiliate had focused on building houses one or two at a time for most of its history, in the mid-2000s, the affiliate started to engage in larger-scale developments. They routinely build developments with anywhere from 10 to 30 homes. The affiliate supports this work by leveraging funding from federal programs (e.g., HOME, the Community

Development Block Grant (CDBG), and Neighborhood Stabilization Program (NSP) I and III) as well additional state funding sources with its donations from private donors and nonprofit organizations.

Further, affiliate does not shy away from advocating for policy changes to local government elected officials and staff, and it has been able to do this while still maintaining good relationships with them on their projects. The executive director is an active member of local groups that advocate for affordable housing in the area and has worked to pass a package of incentives for affordable housing development. While advocating to government on policy positions or changes can often be seen as being at odds with working collaboratively with government, the affiliate's experience highlights that these two goals may be competing, they are not mutually exclusive. The executive director's ability to take on this advocacy function while the organization maintains solid working relationships on their current projects is in part a function of the affiliate's reputation and the professionalization of the affiliate's staff. They continue to complete high-quality products, which garners them increasing levels of respect in the community and with government.

## **Government policies and structure**

The county and municipal governments have organized themselves into two consortia for the purpose of receiving federal funds for housing and community development. One consortium consists of two of the more populous municipalities in the county. The other consortium, led by the county government, includes the rest of the municipalities in the county and the unincorporated county. Because of this, the affiliate works primarily with the two municipalities in the first consortium and the county government. Both municipalities have city manager forms of government in which elected mayors and city councils make policy decisions, but day-to-day operations are handled by the city manager and city staff. The county government has a county council with an elected county executive. While an elected position, the county executive plays the same role as the city manager in the municipal jurisdictions.

What is unique about governments in the affiliate's service area, however, is that many decisions around affordable housing and community development are made by separate boards or authorities comprised of citizens rather than by elected officials or government staff. This structure was put in place to depoliticize funding decisions about these issues. Elected officials approve overall "action plans" and set the policy vision, while local boards engage in debating the merits of funding specific projects. Housing and community development government staff make recommendations to these boards about which projects to fund, and respondents note that these recommendations carry weight. Because of this structure, change in city staff has a more direct effect than turnover in elected officials. Being able to develop long-standing relationships with government staff, become well-versed in the process, and get on their radar of "usual suspects" has been beneficial for the affiliate.

The primary way this affiliate interacts with government is through the procurement of funds. As mentioned above, the affiliate receives grants from HOME, CDBG, NSP I, NSP III, a state affordable housing fund, and a state housing trust fund, and will soon be the recipient of a special fund dedicated to the repair and rehab on foreclosed homes. Because most of these are federal funding sources, a key strain has been decreasing levels of funding for these programs nationwide. In the face of these

dwindling allocations, the affiliate notes that it applies for every source of funding it can, and has been successful getting funds from all three of their jurisdictions, though to a lesser extent in the county. Access to HOME funds through the county is more difficult than in the other jurisdictions because of the county's priorities for its HOME funds. The county prefers to use its HOME funds, except for the 15 percent that must be set aside for CHDOs, to fund programs it runs internally. Because of this, it was not until the affiliate developed its CHDO subsidiary that it was able to access HOME funds from the county.

Beyond funding allocation processes, decisionmaking about local codes, zoning and permitting procedures are generally made by elected officials. In the larger of the two municipalities, city staff say they have no discretion to make decisions on these issues. In the smaller of the two municipalities, city staff have somewhat more latitude. While elected officials must approve changes to codes or zoning laws, city staff can expedite permitting and other processes without elected official involvement. However, the economic downturn has required the jurisdictions to cut staff, reduce staff size by attrition, or not hire additional personnel to help administer programs, which could slow down these processes. However, government staff note the simultaneous drop-off in development has partially counterbalanced the negative effects of smaller staff sizes.

## **Affiliate's experiences collaborating with local government**

This section documents the ways this affiliate has worked with its three primary local governments across several different strategy areas.

### **Larger municipality: Be flexible to meet local perspectives and needs and have an executive director actively engaged in the community**

In the larger of the two municipalities, the affiliate has built several large-scale developments, including a HOPE VI redevelopment project, and will soon be beginning a new rehab and repair initiative with them. The affiliate has been building in the jurisdiction since its inception, but has been flexible in both the product it produces and the way it presents itself to take the better advantage of this long-standing relationship. One example of this is the affiliate's willingness to work on the rehab and repair initiative. While these activities are outside its main focus, it embraced the opportunity when approached by the municipality. The city sees rehabbing existing housing as an important avenue for developing and maintaining its housing stock, because it is more urban and does not have much land on which to build new homes. The affiliate is stepping in to meet this need. Further, the affiliate now builds all of its homes to energy efficient standards after affiliate staff recognized that funding opportunities and local priorities would increasingly stress green building.

Additionally, when it needed existing structures demolished on a recently acquired property, the affiliate approached the city's fire department to do a practice burn on the premises. The executive director learned that the fire department staff was in need of practice opportunities, realized that the property was ideal for their needs, and contacted them about the opportunity. The affiliate not only avoided incurring the costs of they would have otherwise paid for demolition, but also won recognition from city elected officials for forming this mutually beneficial partnership.

The executive director's ability to identify such opportunities is a function of her strong effort to be visible and engaged in the community. Respondents note that not all nonprofits have the capacity to have their executive directors out actively engaging in the community, and often even the ones that have the capacity do not do this effectively. But the affiliate's executive director is seen as doing this very well, and city staff note that the relationship with the affiliate would not be as strong without her efforts. By being so engaged in the community, the executive director also knows those currently involved in government, and if new people run for office she often already has preexisting relationships with them. She further cultivates those relationships by meeting informally with elected officials as needed.

### **Smaller municipality: Prove capacity and gains will follow**

The affiliate is currently undertaking its first large development in the smaller of the two municipalities. Prior to this development, the affiliate had only built a few houses in the jurisdiction. But when the municipality received NSP I and III funds, the city decided to use the funds to make substantial changes in one particular neighborhood that had more than 60 percent rental units and issues with unaccountable landlords. A city council member was already familiar with the affiliate's executive director and had seen other HFHI developments that had turned out well. Because of this, the city approached the affiliate to use its NSP funds to redevelop this neighborhood. Because the affiliate had a proven track record, they were seen as the best partner for the project and did not have to compete with other developers. The neighborhood has since become the affiliate's NRI target neighborhood.

Because of its joint commitment to the project, the city has taken a more active role in supporting the affiliate's work. The city has increased code enforcement efforts there and granted the affiliate funds with which to purchase condemned properties. Also, the city management staff have convened staff from other departments in order to resolve issues with the development. Affiliate staff note that the city management staff have been effective at getting the right players at the table and facilitating discussions to work through solutions to issues.

### **County: Know the rules of the game and maximize your niche**

While the affiliate has done other, smaller projects in the county, it is also currently undertaking its first large development in the unincorporated county, a 30-home planned development with recreational space. Unlike the relationship with the smaller municipality though, the relationship with the county is more formal and strictly based around allocating funds and monitoring the project to make sure it is in compliance with the regulations attached to those funds. Understanding and conforming to all of the regulations was cited as an area of tension between the affiliate and the county government staff. While the affiliate has sent some of its staff to receive HOME funding training and one of the other jurisdictions expressed satisfaction with the staff's knowledge of regulations, this has not been the case with the county, which affiliate staff note is more stringent on these matters. While this lack of knowledge has not kept the affiliate from working in the county, it has served as a point of frustration. Additional investments in educating affiliate staff on these regulations could improve the relationship between the affiliate and the county government. Further, as mentioned above, the county prefers to allocate its HOME funds primarily to internally run programs, except for the CHDO set-aside. While the

affiliate staff stressed that this was not the only consideration in its decision to form a CHDO subsidiary, by understanding the county's stance on this issue and adapting its structure to align with its rules, the affiliate has been able to open up a new revenue stream they had previously been unable to access.

The county government does, however, see the affiliate as a key provider of low-income affordable homeownership housing. While most of the county's requests for proposals (RFPs) for affordable housing and community development projects are more general (stating the amount of money available and giving applicants wide latitude in what they can propose), for a previous project, the county housing and community development department wrote an RFP specifically for funds to acquire land to build homeownership housing because they knew the affiliate had interest in the project. While technically any developer could have put in a proposal for the project provided it was for homeownership, few other organizations build affordable homeownership housing, so the affiliate was the natural fit for the project. The affiliate seems to have been able to corner the market on its core competency, building large-scale affordable ownership developments, and the respect for their work and the quality of the product pays dividends.

### **The road ahead**

The affiliate has successfully established itself as a major player in affordable housing development in the community and developed relationships with key decisionmakers in all three of the jurisdictions in which it works. The affiliate has continues to prove itself to be a developer of large-scale communities providing low-income households opportunities to purchase high-quality homes. Respondents suggest that when working with government it is also imperative to maintain a high level of performance in order to keep the relationship going. Going forward, the affiliate must be careful to monitor timeline requirements for federally funded projects and take on only those projects that it can complete within those timeframes. By doing this, the affiliate will maintain its rapport with elected officials and government staff in the jurisdictions in which they work and continue to be seen as one of the primary developers of affordable homes for low-income households in the community.

## References

- Advisory Commission on Regulatory Barriers to Affordable Housing. 1991. *"Not in My Backyard": Removing Barriers to Affordable Housing*. Final Report. Washington, DC: U.S. Department of Housing and Urban Development.
- Basolo, V. 2000. "City Spending on Economic Development versus Affordable Housing: Does Inter-city Competition or Local Politics Drive Decisions?" *Journal of Urban Affairs* 22(3): 317–32.
- Bushman, J. E. 2007. "Affordable Housing in Columbus, Ohio." *National Civic Review* 96(1): 55–56.
- Chavez, M. 2003. "Debunking Charitable Choice: The Evidence Doesn't Support the Political Left or Right." *Stanford Social Innovation Review* 1(2).  
[http://www.ssireview.org/articles/entry/debunking\\_charitable\\_choice](http://www.ssireview.org/articles/entry/debunking_charitable_choice).
- Corrigan, M. B., J. Hambene, W. Hudnut III, R. L. Levitt, J. Stainback, R. Ward, et al. 2005. *Ten Principles for Successful Public/Private Partnerships*. Washington, DC: Urban Land Institute.
- de Souza Briggs, X. 2004. "Faith and Mortar: Religious Organizations and Affordable Housing Strategy in Urban America." *Building the Organizations that Build Communities: Strengthening the Capacity of Faith- and Community-Based Development Organizations*. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.
- De Vita, C., and E. C. Twombly. 2006. "Nonprofits and Federalism." In *Nonprofits and Government: Collaboration and Conflict*, 2nd ed., edited by Elizabeth T. Boris and C. Eugene Steuerle (257–76). Washington, DC: Urban Institute Press.
- Feiock, R. C., and S. A. Andrew. 2006. "Introduction: Understanding the Relationships between Nonprofit Organizations and Local Governments." *International Journal of Public Administration* 29:759–67.
- Gazley, B. 2008. "Beyond the Contract: The Scope and Nature of Informal Government-Nonprofit Partnerships." *Public Administration Review* 68(1): 141–54.
- Habitat for Humanity International (HFHI). 2010. *What We Build: Habitat for Humanity International Annual Report FY2010*. Americus, GA: Habitat for Humanity International.
- Koppenjan, J. F. M., and Enserink, B. 2009. "Public–Private Partnerships in Urban Infrastructures: Reconciling Private Sector Participation and Sustainability." *Public Administration Review* 69(2): 284–96.
- Linder, S. H. 1999. "Coming to Terms with the Public-Private Partnership: A Grammar of Multiple Meanings." *American Behavioral Scientist* 43(1): 35–51.
- MacKintosh, M. 1992. "Partnership: Issues of Policy and Negotiation." *Local Economy* 7(3): 210–24.
- Marwell, N. P. 2004. "Privatizing the Welfare State: Nonprofit Community-based Organizations as Political Actors." *American Sociological Review* 69(2): 265–91

- Najam, A. 2000. "The Four-C's of Third Sector-Government Relations: Cooperation, Confrontation, Complementarity, and Co-optation." *Nonprofit Management & Leadership* 10(4): 375–96.
- Owens, M. L. 2004. "Capacity Building: The Case of Faith-Based Organizations." *Building the Organizations that Build Communities: Strengthening the Capacity of Faith- and Community-Based Development Organizations*. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.
- Quigley, J. M., and S. Raphael. 2004. "Is Housing Unaffordable? Why Isn't It More Affordable?" *Journal of Economic Perspectives* 18(1): 191–214.
- Rosenau, P. V. 1999. "Introduction: The Strengths and Weaknesses of Public-Private Policy Partnerships." *American Behavioral Scientist* 43(1): 10–34.
- Rohe, W.M., R. Bratt, and P. Biswas. 2004. "Learning from Adversity: The CDC School of Hard Knocks." *Building the Organizations that Build Communities: Strengthening the Capacity of Faith- and Community-Based Development Organizations*. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.
- Rubin, J. S., and G. M. Stankiewicz. 2001. "The Los Angeles Community Development Bank: The Possible Pitfalls of Public-Private Partnerships." *Journal of Urban Affairs* 23(2): 133.
- Sagalyn, L. B. 2007. "Public/Private Development: Lessons from History, Research, and Practice." *Journal of the American Planning Association* 73(1): 7–22.
- Schaeffer, P. V., and S. Loveridge. 2002. "Toward an Understanding of Types of Public-Private Cooperation." *Public Performance & Management Review* 26(2): 169–89.
- Schill, M. H. 2005. "Regulations and Housing Development: What We Know." *Cityscape: A Journal of Policy Development and Research* 8(1): 5–19.
- Shaw, G. M. 2007. *The Welfare Debate*. Westport, CT: Greenwood Press.
- Tighe, J. R. 2010. "Public Opinion and Affordable Housing: A Review of the Literature." *Journal of Planning Literature* 25(1): 3–17.
- U.S. Department of Housing and Urban Development (HUD). 2005. "Why Not in Our Community?" *Removing Barriers to Affordable Housing: An Update to the Report of the Advisory Commission on Regulatory Barriers to Affordable Housing*. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.
- Vidal, A. C. 2001. *Faith-Based Organizations in Community Development*. Washington, DC: U.S. Department of Housing and Urban Development, Office of Policy Development and Research.
- Young, D. R. 2006. "Complementary, Supplementary, or Adversarial? Nonprofit-Government Relations." In *Nonprofits and Government: Collaboration and Conflict*, 2nd ed., edited by Elizabeth T. Boris and C. Eugene Steuerle (37–79). Washington, DC: Urban Institute Press.

## About the Authors

**Molly M. Scott** is a research associate I in the Metropolitan Housing and Communities Center at the Urban Institute

**Thomas A. Callan** is a research associate II in the Income and Benefits Policy Center at the Urban Institute.

**Jennifer Biess** is a research associate II in the Metropolitan Housing and Communities Center at the Urban Institute.

**Saunji Fyffe** is a research associate I in the Center on Nonprofits and Philanthropy at the Urban Institute