

Mapping Nonprofits in Philadelphia, Pennsylvania

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Executive Summary

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Background and Research Questions

Improving local neighborhoods used to mean identifying and combating local problems. Today, a new approach is being used by a number of foundations, public officials and activists to build the capacity of local communities. Based on asset-building theory, these models target the institutional strengths of local areas to promote the economic and social viability of the community. Because nonprofit and community-based groups are often viewed as neighborhood assets, the John S. and James L. Knight Foundation asked the Center on Nonprofits and Philanthropy (CNP) at the Urban Institute to analyze the size, scope and spatial dimensions of the nonprofit sector in Philadelphia, Pennsylvania.

Three key questions guide this research:

- What types of community-based, organizational resources are located in Philadelphia?
- Are these organizations evenly distributed across the county or are some areas underserved?
- Is there a spatial mismatch between the location of community-based groups and the needs of the most disadvantaged residents of Philadelphia?

To address these questions, CNP built a database of community-based nonprofit organizations in Philadelphia and supplemented it with information on for-profit firms, public and private schools, libraries, and other public institutions in the community. Socioeconomic information from the U.S. Bureau of the Census was also compiled. Together, these data provide the Knight Foundation with important insights into potential assets and gaps for building the capacity of community-based groups in Philadelphia. The data can be used by the Foundation for planning its grantmaking strategies and working with the community to identify and prioritize local needs.

Key Findings

Poverty is particularly vexing in Philadelphia because it is heavily concentrated in a relatively small geographic area, which contains the Upper North, Lower North, and University City districts of Philadelphia. Poverty also disproportionately affects African

Americans and children in Philadelphia. Nearly two-thirds of the population in high poverty neighborhoods are African American and more than 40 percent of all children in Philadelphia reside in these distressed neighborhoods. Although socioeconomic indicators show that Philadelphia has concentrations of deep poverty and substantial need, it also has the rudiments of an active civic infrastructure that perhaps can be nurtured to build local capacity and leverage change in the city.

Characteristics of the nonprofit sector in Philadelphia

Working from an asset model, CNP analyzed the characteristics of the nonprofit sector in Philadelphia. The findings suggest a small and financially stressed sector.

- **The nonprofit sector in Philadelphia is relatively large and geographically dense.** There are 4,211 nonprofits in Philadelphia. The majority (53 percent) are secular in nature, while the remaining 2,001 are faith-based groups. The combination of secular and faith-related nonprofits forms a dense nonprofit sector relative to the population of Philadelphia. Indeed, there are more than 14 secular groups for every 10,000 residents, compared with eight nonprofits per 10,000 persons nationally. If religious organizations are added, the density increases to nearly 27 community-based organizations per 10,000 residents in the city.
- **Two of every three nonprofit groups in Philadelphia focus on one of the Foundation's seven program categories.** The Foundation's seven program areas cover a wide array of activities, including arts and culture, education, children and social welfare services, literacy, community development, citizenship, and homelessness. Of the 2,211 secular nonprofits in Philadelphia, 1,439 groups (65 percent) provide services in one of these program categories.
- **Among the Foundation's seven program areas, the three most common types of nonprofits in Philadelphia are arts and culture, children and social welfare services, and education.** More than 600 organizations offer an arts-related program as their primary service activity. The relatively high number of arts-related nonprofits correlates fairly well with attendance of Philadelphia residents at arts and cultural events. The second most common type of provider focuses primarily on children and social welfare. About one-quarter of the nonprofit organizations (346 groups) provide youth-related and social welfare services, such as job training, youth centers, food banks, and more. One in six nonprofits (236 groups) offers educational services as their primary service activity. These groups include preschools, private primary and secondary schools, and colleges and universities.
- **Nonprofits in Philadelphia tend to operate on relatively large budgets.** Of the nonprofit organizations in Philadelphia that reported financial information to the IRS in 1998, their median revenues were around \$293,000, and their median expenses were roughly \$257,000. Assets for these organizations were approximately \$397,000.

- **The typical nonprofit organization that fits into the Foundation’s program areas is larger—but not fiscally healthier—than other community-based organizations in Philadelphia.** The median revenues and expenses of groups in the Foundation’s seven program areas were slightly larger than other types of nonprofits in Philadelphia. The median revenues for program-related groups in Philadelphia were \$295,000, compared to \$287,000 for the remainder of nonprofits in the city. Despite their larger size, nonprofits that engage in activities that the Foundation supports are more likely to be financially weaker than other groups in Philadelphia. Nearly 64 percent of nonprofits in the seven program areas, compared with 70 percent of the remainder of the Philadelphia nonprofit sector, reported positive balance sheets in which revenues exceeded expenses at the close of 1998. This finding suggests that about one-third of program-related nonprofits are financially stressed and may have difficulty withstanding unexpected shifts in their funding streams.

Spatial patterns of community-based organizations in Philadelphia

The ability of nonprofits to positively impact and improve local communities is linked in part to their ability to reach local residents. Access to residents comes in many forms: via websites, through mobile units, and at fixed locations. Because most nonprofits provide programs at fixed locations, these sites need to be known by residents and within a reasonable distance to travel. The spatial distribution of nonprofits in Philadelphia *vis-à-vis* local socioeconomic conditions showed the following patterns.

- **Community-based organizations are densely clustered in two areas of downtown Philadelphia: Center City and University City.** Nonprofit organizations are located throughout Philadelphia, but they are primarily sited in a tight geographic area in downtown Philadelphia known as the Center City. Roughly one of every five nonprofits is located in the Center City, even though the district contains less than 2 percent of the total land area of the city. Nonprofits also tend to cluster in University City, an area immediately west of the Center City. Roughly one in ten community-based groups are located in this part of Philadelphia, which contains the University of Pennsylvania, Drexel University and a host of businesses and nonprofit associations that cater to the university community.
- **Nearly half of the groups that are of primary interest to the Foundation are in downtown Philadelphia.** About 37 percent of the groups that focus on one of the Foundation’s seven program areas are located in Center City of Philadelphia; another 12 percent are sited in the University City neighborhood. Thus, nearly half of the groups which the Foundation might consider supporting, given current program areas, are located in a five square mile radius of downtown Philadelphia. In contrast, only 20 percent of other nonprofits are located in these two districts of the city.
- **The majority of educational providers are located in neighborhoods with relatively few children.** Nonprofit educational organizations tend to cluster in the downtown area. Only one in ten is sited in neighborhoods that have more than 1,500 children. In contrast, nearly 60 percent are in areas in which fewer than 500 children live. This pattern mirrors the geographic distribution of Philadelphia’s primary and secondary public schools.

Roughly 60 percent of both nonprofit educational providers and public schools are sited in moderate or higher income neighborhoods—areas that tend to have fewer children.

- **The Center City is the cultural and artistic hub of Philadelphia.** With a mix of historic neighborhoods and tourist attractions, the Center City has a very dense cluster of nonprofits that specialize in arts and cultural activities. Roughly 45 percent of arts-related groups are sited in this 2.4 square mile area. This compact distribution yields an organizational density of 99 arts and cultural organizations per square mile in Center City. In contrast, the rest of Philadelphia has two arts and cultural groups per square mile.
- **About one-third of child-related and social welfare organizations are located in high poverty neighborhoods of Philadelphia.** Nonprofit groups that are located outside the Center City are more likely than those located downtown to provide direct services such as Meals on Wheels, child care, or women’s centers. A substantial number of child-related and social welfare organizations is located in the neediest areas of the city. Roughly one-third of these nonprofits are located in Philadelphia’s high poverty neighborhoods, which suggests that the seeds for developing a community-based infrastructure designed to help low-income residents may already be in place.
- **Groups that focus on community development, services for the homeless and literacy have a strong presence in lower income neighborhoods.** More than half of the nonprofit service providers that focus on community development, services for the homeless, and literacy programs are sited in areas where the poverty rate exceeds 30 percent. A large number of these groups are in Lower North Philadelphia and along major transportation routes, such as North Broad and Market Streets. This finding suggests a good fit between the location of nonprofits and community need. Effectiveness of services cannot be measured with these data, however.

Conclusion

The nonprofit sector is vibrant and deeply engrained in Philadelphia, providing an attractive option as a potential partner in community building strategies. Nonprofits not only provide important goods and services, but also foster civic engagement and community mobilization. The density of nonprofits in Philadelphia bodes well as a potential agent for change, but two factors must be noted: 1) half of the nonprofit groups are clustered in the downtown area; and 2) there appears to be a spatial mismatch between the location of some types of service providers, such as direct educational providers, and community need.

Center City and University City are the heart of Philadelphia’s nonprofit sector. While the clustering of nonprofits in the downtown core may provide synergy and facilitate collaboration, it also makes these organizations geographically removed from the neighborhoods in which most people live. This pattern is tempered, in part, because many of the nonprofit groups found in the downtown core are professional or membership organizations rather than direct service providers. Nonprofit groups that provide direct service are more likely to be located in the surrounding neighborhoods.

Even though direct service providers are scattered throughout the city, it is not clear if residents are receiving the types or amount of services that they need. Educational services, for example, tend to be sited in sections of the city where there are relatively few children. Low-income areas are particularly bereft of direct educational services, especially given the large number of children in many of these neighborhoods. The relatively high concentration of universities and other nonprofits in the University City district, however, may provide avenues for collaboration. Educational or direct service providers in underserved areas could also become partners for expanding after-school programs and addressing the needs of the city's youth.

Understanding the geographic distribution of nonprofits is a helpful starting point for developing a community building strategy. It provides a basis for identifying the potential resources that exist in the community and their geographic proximity to local needs. Further exploration of these issues and dialogue with community residents can help formulate the next steps in the community building strategy for Philadelphia.

A copy of the full report is available by contacting The Knight Foundation (2 Biscayne Boulevard, Miami, FL 33131) or the authors at the Urban Institute (2100 M Street NW, Washington, DC 20037).

Background

To better understand the 26 communities in which it makes local grants, the John S. and James L. Knight Foundation established the Community Indicators Project to document the social and economic health of these communities. As part of this broad initiative, the Foundation asked the Center on Nonprofits and Philanthropy (CNP) at the Urban Institute to identify and inventory the nonprofit and other community-based organizations in four communities and to analyze their resources. These communities include Summit County (Akron), OH; Bibb County (Macon), GA; Lake County (Gary), IN; and Philadelphia County, PA, that encompasses all of the city of Philadelphia. The purpose of this research is to provide the Foundation with information on the size, scope, and spatial dimensions of the nonprofit sectors in these areas. This information will help the Foundation identify the locally based assets in each community and the possible gaps in service.

This report presents the findings of the organizational and spatial analysis of community-based groups in Philadelphia, Pennsylvania. The report is organized into three sections. First, it explores the environmental conditions of the Philadelphia. Second, it analyzes the number and finances of community-based organizations in the city. Finally, groups are categorized by the Foundation's seven program areas, and the locations of these organizations are viewed vis-à-vis the socioeconomic needs of Philadelphia.

The report is guided by three research questions:

- What are the community-based organizational resources in Philadelphia?
- Are community-based organizations evenly distributed across Philadelphia, or are some areas underserved?

- Is there a spatial mismatch between the location of community-based groups and the needs of the most disadvantaged residents of Philadelphia?

The findings of this report, coupled with the Organizational Database of Selected Counties,¹ provide the Knight Foundation with detailed information on potential assets and gaps in community-based programs in Philadelphia. This information can be used by the Foundation for planning its grantmaking strategies and for working with the community to identify and prioritize local needs.

The Socioeconomic Conditions of Philadelphia

Residents of Philadelphia generally consider it a good place to live. In a recent survey, 59 percent of city residents called it an “excellent” or “good” place to live, and three of every five residents said that they were happy living in the city and would probably stay for the next five years (Princeton Survey Research Associates, 1999). Moreover, Philadelphia residents have a strong sense of community and civic efficacy. Nearly four of every five residents know the names of their neighbors who live close to them, while nearly three-quarters of city residents believe that they can have a big or moderate impact on the community. Nearly 90 percent of city residents gave money to charity during the past year, while roughly 60 percent donated their time to local causes.

Despite the positive signs of civic engagement, socioeconomic indicators suggest that Philadelphia lags behind state and national norms on several dimensions (see table 1).

¹A related component of this project was the development of a database of community-based organizations, primary and secondary schools, and selected for-profit and public institutions in the four pilot communities. The sources and methodology used to construct the database are provided in Appendix A. The types of for-profits and public organizations in the database are given in Appendix B.

Median household income in the city (\$26,854) is roughly 20 percent less than comparable measures for the state of Pennsylvania (\$34,437) and the nation (\$34,076). Educational attainment also is relatively low in the city. In 1990, 64 percent of Philadelphia residents, age 25 or older, had received a high school diploma, compared with approximately 75 percent in Pennsylvania and the nation. Roughly 15 percent of Philadelphia residents have obtained a college degree, which is somewhat smaller than the share of college graduates in the state (18 percent) and the nation (20 percent).

Other measures of the health and well-being in Philadelphia also suggest that standards of living in the community could be improved. The infant mortality rate in the county (12.7 deaths per 1,000 live births) is roughly 60 percent higher than the state norm (8.0) and 75 percent greater than the national rate of 7.3. Rates of poverty are also quite high in Philadelphia. Roughly 24 percent of Philadelphia residents live in poverty, compared with 11 percent in the state, and almost 14 percent in the nation as a whole. The problem of child poverty is particularly acute. More than 37 percent of children in the city live in poverty, which is more than double the rate in the state (17 percent), and more than one and a half times as great as the national average (21 percent).

Table 1. Socioeconomic and Health Indicators for Philadelphia, the State of Pennsylvania, and the United States

Socioeconomic/Health Indicator	Philadelphia	Pennsylvania	United States
Median Household Income (1995)	\$26,854	\$34,437	\$34,076
% High School Graduates (1990)	64	75	75
% College Graduates (1990)	15	18	20
Infant Mortality Rate (1996)	12.7	8.0	7.3
% Living in Poverty (1995)	23.8	11.4	13.8
% of Children in Poverty (1995)	37.4	17.3	20.8

Source: U.S. Bureau of the Census, various years.

Although these findings suggest that Philadelphia has considerable social and economic needs, most of the poverty is found in a relatively small geographic area (see map 1). Almost one-quarter of the census tracts in the city (84 of 367 tracts) had poverty rates of 30 percent or more. Yet more than half of these tracts (44 in total) are located in a roughly 15 square-mile area near the center of Philadelphia. This area contains the Upper North, Lower North and University City districts of Philadelphia.² Nine of the 16 census tracts in Upper North Philadelphia, and six of the ten neighborhoods in University City, have poverty rates of at least 30 percent. Poverty is most concentrated in Lower North Philadelphia. Of the 40 census tracts that comprise Lower North Philadelphia, nearly 75 percent of them had poverty rates above 30 percent, and almost 60 percent had poverty rates of 40 percent or more.

The concentration of poverty in the city has a disproportionate effect on children and African Americans. Children and blacks are much more likely to live in high poverty neighborhoods than adults or white residents in Philadelphia. While about one in three city residents lives in neighborhoods where the poverty rate is at least 30 percent, more than 40 percent of children reside in these areas. Nearly two-thirds of the population in high poverty neighborhoods are African American in Philadelphia (see map 2). Moreover, three in five black residents live in high need areas in the city, compared to roughly one in ten white residents.

² For the purpose of this analysis, we follow the geographic definitions of Upper and Lower North Philadelphia districts used by the Philadelphia City Planning Commission. Upper North Philadelphia is generally bounded by Wingohocking Street, Whitaker Avenue, 8th Street, Lehigh Avenue, and the Schuylkill River. Lower North Philadelphia is bounded by Lehigh, Kensington, and Frankford Avenues, Vine Street, and the Delaware and Schuylkill Rivers. The University City boundaries correspond to those used by the University City District, a local community-based civic group. University City is bounded generally by Spring Garden Street to the north, 50th Street to the west, Woodlawn Avenue to the south, the Schuylkill River to the east.

Community-Based Organizations in Philadelphia

The geographic concentration of poverty and its relationship to the residential patterns of children and African Americans in Philadelphia highlight the need to assess the community-based assets that can be used to leverage change in the city. Indeed, developing a clear understanding of the size and scope of local resources in the county is a first step to determine how to target grantmaking activities to address local needs. Because nonprofit organizations are often seen as the anchors or glue to community life, they are a critical starting point for assessing local resources. Four key factors stand out from the analysis of nonprofit groups in Philadelphia.

The nonprofit sector in Philadelphia is relatively large and geographically dense.

Counting both secular and faith-based organizations, there are 4,211 nonprofits in Philadelphia. The majority (53 percent) are secular groups, while the remaining 2,001 are religious congregations and other faith-based groups. Although religious organizations comprise nearly half of the community-based groups in Philadelphia, there is very little systematic information about their social ministry programs. Unlike the secular nonprofit organizations, religious congregations are not required to obtain tax exempt status and to report their financial activities to the Internal Revenue Service (IRS). Consequently, very few congregations do so. This leaves a void in determining what they do, who they serve, or the level of financial support used to sustain their program activities. As a result, most information about the nonprofit sector in Philadelphia (and other communities) relates to secular nonprofit groups. While there is great interest among many policymakers to explore new partnerships with the faith community, there is little empirical evidence to understand

how these groups currently complement, substitute, or supplement the activities of other nonprofits and government agencies.

An examination of only the secular nonprofit organizations in Philadelphia reveals that they are relatively numerous. In fact, the density of secular nonprofit organizations in the city is more than 80 percent greater than the national average (see Stevenson et al., 1997). In Philadelphia, there are more than 14 secular groups for every 10,000 residents, compared with eight nonprofits per 10,000 persons nationally. If religious organizations are added, there are nearly 27 community-based organizations per 10,000 residents in the city.

Nearly two-thirds of 501(c)(3) organizations in Philadelphia operate in one of the Foundation's seven program categories. The Foundation's seven program categories cover a wide array of activities, including arts and culture, education, children and social welfare services, community development, literacy, citizenship and homelessness. Of the 2,211 secular nonprofits in Philadelphia, 1,439 groups (65 percent) provide services in one of these program categories.

Arts and culture is the program area with the most nonprofits in Philadelphia (see table 2). More than 600 organizations (about two in five nonprofits in the city) offer an arts-related program as their primary service activity. This category includes a wide range of groups, such as museums, operas, symphonies, and performing arts organizations. While we cannot disentangle whether the prevalence of arts and cultural nonprofits in Philadelphia has led to strong attendance or if good attendance has created a demand for multiple arts and cultural groups, the two factors appear to be strongly correlated. According to a recent survey, about two-thirds of city residents attended at least one cultural event in the past year (PSRA, 1999). This is about the same percentage as saw a movie in the past 12 months (68

percent) and higher than the percentage who went to a sports event (44 percent). For some residents, attendance at an arts venue is more frequent. About one-quarter of survey respondents said that they had attended some type of theater performance three or more times within the last year.

Table 2. Distribution of Nonprofit Organizations by Knight Foundation's Program Categories in Philadelphia

Program Area	Number	Percentage
Arts and Culture	614	42.7
Children and Social Welfare	346	24.0
Education	236	16.4
Community Development	171	11.9
Citizenship	35	2.4
Homelessness	27	1.9
Literacy	10	0.7
Total	1439	100.0

Source: Organizational Database of Selected Communities, prepared for the Knight Foundation, August 2000.

Nonprofits that focus primarily on children and social welfare issues also are numerous in Philadelphia. About one-quarter of the secular nonprofit organizations in the city (346 groups) provide youth-related and social welfare services. This category includes a wide range of groups such as job training providers, neighborhood youth centers, and delinquency prevention services. Some of the organizations are local chapters of national organizations, such as the Boy Scouts, the Boys and Girls Clubs, and the American Red Cross. Others have their origins in the neighborhoods of the city.

Child-related and social welfare nonprofits also are quite diverse in terms of their size. More than 100 groups had revenues of at least \$1 million in 1998. Two nonprofits, including Resources for Human Development and the Philadelphia Corporation for Aging,

had revenues in 1998 of more than \$60 million, placing them among the largest nonprofits in the city. In contrast, 62 youth-related and social welfare nonprofits operated on relatively modest budgets with revenues of less than \$50,000.

The third largest group of nonprofit organizations in Philadelphia offers educational services as their primary service activity. One in six nonprofits in Philadelphia fits into this category. These groups include preschools, private primary and secondary schools, and colleges and universities. Philadelphia has a large university presence. Thirteen colleges and universities operate within the city limits. Many of these are nationally known universities, such as Temple University, the University of Pennsylvania, and Drexel University. Community residents tend to be fairly supportive of educational institutions. Forty percent of Philadelphia residents indicated that they gave money to schools, colleges, or other education organizations in the past year (PSRA, 1999).

Roughly 12 percent of secular nonprofits in Philadelphia (171 groups) engage primarily in community development initiatives, such as housing development, housing rehabilitation, and homeowners and tenant associations. This category includes several large groups, such as the Philadelphia Housing Development Corporation. With revenues in 1998 of roughly \$48 million, this organization is one of the largest nonprofits in the city.

The remaining three Foundation program areas—citizenship, homelessness, and literacy—contain considerably fewer community-based groups. Thirty-five nonprofits focus primarily on the issue of citizenship. These groups include several community action groups and neighborhood associations with relatively small budgets, although one citizenship group—the Greater Philadelphia Urban Affairs Coalition—operates with a considerable

budget. With revenues of roughly \$20 million in 1998, it is the thirtieth largest nonprofit in the city.

Philadelphia residents do not regard homelessness as a pressing problem. Nearly half of the survey respondents said that it was “not a problem,” while only one in four regard it as a “big problem” (PSRA, 1999). Indeed, homelessness ranked near the bottom in a list of problems confronting the city. Whether these perceptions reflect reality cannot be measured with these data, but they suggest the need for a more formal needs assessment study. There are, however, 27 organizations (about 2 percent of secular nonprofits in the city) that focus primarily on the issue of homelessness. The majority of these providers are located in high poverty areas, suggesting that they are physically located in neighborhoods where need may be greatest. The abundance of religious congregations in these high poverty areas also suggests another resource that may be serving the homeless population. What cannot be measured with these data is whether the types of services provided and the level of financial resources used are adequately meeting the needs of Philadelphia’s homeless population.

Ten nonprofits in Philadelphia work extensively on literacy issues. These groups include two libraries that are affiliated with local universities, such as the Jenkins Memorial Law library and the Health Science Library Consortium, as well as groups that focus on literacy promotion throughout the city. Like homelessness, illiteracy is not considered a major problem by Philadelphia residents. Survey respondents ranked illiteracy near the bottom of a list of 12 important issues facing the city (PSRA, 1999).

Nonprofits in Philadelphia tend to operate on relatively large budgets. Not only are nonprofit organizations in Philadelphia quite numerous, the typical nonprofit group in the city operates on a fairly substantial budget. Of those reporting financial information to the

IRS in 1998³, median revenues were around \$293,000, and median expenses were roughly \$257,000. Assets for these organizations were approximately \$397,000—significantly higher than both revenues and expenditures.

Comparative financial data on nonprofit organizations in different municipalities is quite limited, however, a few studies are beginning to emerge. These studies tend to illustrate that the budgets of nonprofit organizations are strongly associated with (although not perfectly correlated with) the size of the area's population. That is, the larger the community, the more likely it is that nonprofit organizations will have larger budgets. Smaller urban communities with populations of 500,000 or less, such as Summit County (Akron), Ohio, and Bibb County (Macon), Georgia, operate on much smaller budgets than a large urban area, such as Philadelphia with over 1 million residents. The median revenues for Summit and Bibb Counties were between \$140,000 and \$153,000, respectively (see Twombly et al., 2000a; Twombly et al., 2000b). In contrast, the typical nonprofit organization in Washington, D.C., reported median revenues of \$408,000, median expenditures of \$251,000, and assets of \$251,000 in 1996 (see De Vita et al., 2000). These figures are closer to those of Philadelphia, although Washington, D.C., is one-third the size of Philadelphia (500,000 residents compared with 1.5 million residents, respectively) and has the national headquarters of many nonprofit groups located in the nation's capital.

The typical nonprofit organization that fits into the Foundation's program areas is larger than other community-based organizations in Philadelphia. In 1998, the typical (or median) nonprofit in Philadelphia had revenues of \$293,000. Of the 870 groups that had revenues above the median value, 57 percent fit into one of the Foundation's program areas.

³Roughly 41 percent of community-based organizations (1,738 groups) in Philadelphia reported financial information on Forms 990 to the Internal Revenue Service in 1998.

The median revenues and expenses of nonprofits in the Foundation's seven program areas were \$295,000 and \$282,000, respectively, in 1998. In contrast, comparable median revenue and expenditure levels for the remainder of nonprofit organizations in Philadelphia were roughly \$287,000 and \$220,000.

Despite their larger size, community-based groups that engage in activities that the Foundation supports are more likely to be financially fragile than other nonprofit groups in Philadelphia. Nearly 64 percent of groups in the seven program areas, compared with 70 percent of the remainder of the Philadelphia nonprofit sector, reported positive balance sheets in which revenues exceeded expenses at the close of 1998.

An examination of the net income of these organizations (that is, the difference between revenues and expenditures) reveals that the groups which primarily provide services in the Foundation's program areas tend to have smaller "cushions" in their budgets than nonprofits providing other types of services. Median net income for organizations in the Foundation's seven program areas was 4 percent of total revenues compared with 7 percent for other nonprofits. This finding suggests that although program-related nonprofits tend to be somewhat larger fiscally than other groups in Philadelphia, they also may be less able to withstand unexpected shifts in their funding streams. We are unable to determine, however, if this cushion is the result of the types of services provided, sources of funding, management practices, or the economic conditions of Philadelphia in the late 1990s.

The budgets of organizations in the Foundation's seven program areas vary widely. Roughly one in five program-related groups (or 269 nonprofits) had revenues of at least \$1 million in 1998, while one in ten (138 groups) received income of less than \$50,000.

Nonprofits that provide literacy programs had the highest median revenues (\$1.4 million) and expenditures (\$1.1 million) in the city (see table 3). This group includes several libraries that are affiliated with local universities, but it also includes literacy groups that target their services to low-income populations within the city. The budgets of these groups span a considerable range. For example, the Children’s Literacy Initiative, which had revenues of nearly \$2 million in 1998, works to reduce functional illiteracy of children in the city by providing training to parents, teachers, and caregivers. On the other hand, the I.H.M. Center for Literacy, with revenues of \$74,000, targets its services to adults in the city by supplying ESL, GED preparation, and basic education services.

Table 3. Financial Characteristics of Community-Based Organizations in Philadelphia in 1998, by the Foundation’s Program Areas

Program Area	Median Revenues	Median Expenditures	n
Literacy	\$1,376,000	\$1,130,000	8
Children and Social Welfare	419,000	398,000	315
Homelessness	408,000	400,000	26
Education	321,000	268,000	192
Community Development	279,000	231,000	146
Arts and Culture	221,000	208,000	252
Citizenship	197,000	182,000	33
All program areas	295,000	282,000	972

NOTE: Financial data are rounded to thousands of dollars.

Source: Organizational Database of Selected Communities, prepared for the Knight Foundation, August 2000.

Within the seven program areas, nonprofit organizations that focus on building citizenship had the smallest operating budgets in 1998, with median revenues of roughly \$197,000 and median expenses of \$182,000. Within this program area, however, budgets vary substantially. The Greater Philadelphia Urban Affairs Coalition, for example, reported

revenues and expenditures in 1998 of roughly \$20 million, while the Woodstock Civic Association operated on a budget of \$30,000.

Nonprofit groups that operate in other program areas which the Foundation supports had median budgets ranging from approximately \$420,000 (children and social welfare services) to \$220,000 (for arts and cultural organizations). Nonprofits that specialized in educational services typically had budgets in the middle of this range at \$320,000.

In general, these financial data must be interpreted with caution. In some program areas, financial data were available for only a small proportion of groups that offer this service. Missing data could obscure the “true” financial base of the program area. In other program areas, the data may reflect the entire budget of the organization rather than any specific program area. A library, for example, may report its entire budget, not simply the portion that goes toward literacy activities.

Findings of the Spatial Analysis of Community-Based Organizations in Philadelphia

Community-based organizations deliver vital services and goods to local residents. Indeed, beginning with the War on Poverty, nonprofit institutions became the preferred vehicles to supply health and human services as governments expanded and privatized their social service systems. In addition, nonprofits contribute to localities through activities that enhance or maintain community stability and build linkages between residents and their elected leaders. As problem-solving initiatives continue to devolve to local areas, many public officials and grant makers have become increasingly interested in building the capacity of these organizations.

The ability of nonprofits to positively impact and improve local communities is linked, in part, to their accessibility to local residents. Access to local residents comes in

many forms. Some nonprofits now operate solely in cyberspace, through websites and the Internet. Others follow a more traditional way of reaching people, that is through direct contact, either by mobile services (such as Meals on Wheels or hospice care that go to clients) or at a fixed location (such as a museum, YMCA, or halfway house where clients come to a location to receive services).

The locational decisions of nonprofits are driven by many factors, including the types of services provided, the intended audience, the availability of affordable office space, public safety, the proximity to major transportation routes, and public policies such as zoning restriction. Choices also are predicated on the number of other organizations operating in a particular geographic area and the relative generosity of the community (Wolpert, 1989; McPherson & Rotolo, 1996). But a significant consideration of many nonprofits, particularly education, youth-related and social welfare providers, is to be located near potential clients and community needs (Bielefeld et al., 1997). Indeed, Wolch and Geiger (1983) found that the locations of nonprofit social welfare and community service organizations in Los Angeles County were related positively to need-based community variables, such as infant mortality rates, crime rates and the percentage of the population in certain age groups—the elderly or children, for example.

To examine the spatial dimensions of community-based organizations in Philadelphia *vis-à-vis* local socioeconomic conditions, we used information from the Organizational Database of Selected Communities. More specifically, we compared the locations of nonprofit groups in relation to community indicators of need, such as median household income and rates of poverty. The analysis revealed seven key findings.

1. Community-based organizations are densely clustered in two areas of downtown Philadelphia: Center City and University City. Nonprofit organizations are located throughout Philadelphia, but they are primarily sited in a tight geographic area in downtown Philadelphia known as the Center City⁴ (see map 3). This 100 city-block area contains the city's central business district, as well as several neighborhoods that include Rittenhouse Square, China Town, Old City, and Society Hill. Roughly one of every five nonprofits are located in the Center City, even though the district contains less than 2 percent of the total geographic area of the city.⁵ Indeed, the density of nonprofits in this section of the city is substantial. There are roughly 327 community-based groups per square mile in the Center City, compared with 21.5 nonprofits per square mile in the remainder of the city.

Nonprofits also tend to cluster in the area immediately west of the Center City, namely, University City. Roughly one in ten community-based groups are located in this section of Philadelphia, which contains the University of Pennsylvania, Drexel University and a host of businesses and nonprofit associations that cater to the university community. Similar to the Center City, the density of nonprofits in University City is high. There are 134 organizations per square mile in the University City, which is about five times the organizational density rate for the city as a whole (26 groups per square-mile).

Although the nonprofit density rates for Center City and University City are high, they are primarily comprised of secular nonprofit organizations. More than nine of every ten faith-based organizations in Philadelphia are located outside of these two downtown

⁴ For the purpose of this analysis, we follow the definition of the Center City provided by the Philadelphia City Planning Commission. The boundaries of the Center City include Vine Street to the north, South Street to the south, the Schuylkill River to the west, and the Delaware River to the east.

⁵ The area of Philadelphia is roughly 144 square miles, while the area of its Center City is approximately 2.4 square miles.

locations. Religious congregations are more widely spread across the entire city, presumably making them more accessible to their members.

2. Nearly half of the groups that are of primary interest to the Foundation are located in downtown Philadelphia. About 37 percent of the groups that focus on one of the Foundation's seven program areas are located in Center City of Philadelphia; another 12 percent are sited in the University City neighborhood. Thus, nearly half of the groups which the Foundation might consider supporting, given current program areas, are located in a five square mile radius of downtown Philadelphia. In contrast, only 20 percent of other nonprofit organizations are located in these two districts of the city.

The concentration of potential grantees in Center City and University City has implications for building community-based organizations in lower income neighborhoods. Combined, Center City and University City account for 9 of 84 census tracts in Philadelphia that have poverty rates greater than 30 percent. Most areas of high poverty are outside this main downtown location.

Furthermore, the program areas of interest to the Foundation are not well represented in high poverty neighborhoods. Roughly one in three nonprofits that relate to the Foundation's seven program areas are located in *any* of Philadelphia's high poverty neighborhoods. A somewhat higher share of nonprofits (two in five) that provide other types of services are found in these distressed neighborhoods. In general, distressed communities, particularly those outside of Center City and University City, appear to have relatively few of the types of community-based organizations that are of interest to the Foundation. These organizations are more prevalent in economically better-off neighborhoods.

3. The majority of educational providers are located away from neighborhoods where the number of children is highest. Like other nonprofit groups, nonprofit educational organizations tend to cluster in the downtown area of the city. Only one in ten is sited in neighborhoods that have more than 1,500 children (see map 4). In contrast, nearly 60 percent are in areas in which fewer than 500 children live. This pattern, however, mirrors the geographic distribution of primary and secondary public schools in Philadelphia. Roughly 60 percent of both nonprofit educational providers and public schools are sited in moderate or higher income neighborhoods—areas that tend to have fewer children.

There also is considerable difference among the types of educational providers located in different communities. Nonprofits in the Center City and the University City sections of Philadelphia tend to represent professional associations (such as the American Society of Educators, and the National Board of Medical Examiners), or are parent and/or teacher groups (such as the Parents Union for Public Education) or scholarship funds. They also are closely related to university programs, such as the Institute for Human Gene Therapy at the University of Pennsylvania, and various alumni associations. Outside the downtown area, the nonprofit educational providers are more likely to offer direct educational services such as primary and secondary schools, preschools, and special needs programs. This distinction between membership or representational services versus direct service explains, in part, the clustering of nonprofit educational organizations in the downtown sections of the city. It also underscores the lack of services in many lower income neighborhoods.

4. The Center City is the cultural and artistic hub of Philadelphia. With a mix of historic neighborhoods and tourist attractions, the Center City has a very dense cluster of nonprofit organizations that specialize in arts and cultural activities. Of the 527 arts

organizations that could be geocoded, 45 percent of them (238 groups) are sited in this 2.4 square mile area (see map 5). This compact distribution yields an organizational density of 99 arts and cultural organizations per square mile in Center City. In contrast, the remainder of Philadelphia has two arts and cultural groups per square mile.

The Center City contains both large and small nonprofit organizations that specialize in arts and cultural programs. The Franklin Institute, the Philadelphia Orchestra, and the American Philosophical Society, for example, had assets of more than \$95 million in 1998. In contrast, about one in ten arts groups in the Center City reported revenues of less than \$100,000 in 1998. Many of these smaller nonprofits share space with other arts organizations. Such arrangements not only can make the downtown location more affordable but also provide synergy and support for artistic work.

Beyond the Center City, the remaining arts and cultural groups are more evenly spread throughout city, although there is some clustering near the University of Pennsylvania and Drexel University. About 28 percent of the arts and cultural nonprofits outside of Center City are found in higher income neighborhoods that is in areas where the median income is above \$30,000 annually; 35 percent are in moderate income areas, and 37 percent are in lower income neighborhoods with median incomes of less than \$20,000 (see map 5).

The siting of arts organizations in various neighborhoods does not guarantee easy access, however. Younger residents, African Americans, and lower income residents were more likely than other residents to perceive a lack of arts and cultural activities as a problem (PSRA, 1999). Nearly three times as many African Americans as whites (45 percent versus 16 percent) said that the lack of cultural resources was a big problem in their communities.

5. About one-third of child-related and social welfare organizations are located in high poverty neighborhoods of Philadelphia. The distribution of service providers that specialize in children and youth and social welfare services is widely scattered across the city (see map 6). About one in three of these organizations clusters in Center City, and many of them have a city-wide or regional focus—for example, the Committee for Prevention of Child Abuse of Greater Philadelphia, the Urban League of Philadelphia, the Adoption Center of Delaware Valley, and the Pennsylvania Federation of Injured Workers. On the other hand, groups that are located outside the Center City are more likely to provide direct services such as Meals on Wheels, child care, or women’s centers.

As map 6 shows, a substantial number of child-related and social welfare organizations is located in the neediest areas of the city. Roughly one-third of these nonprofits are located in Philadelphia’s high poverty neighborhoods. These findings suggest that the seeds for developing a community-based infrastructure designed to help low-income residents may already be in place. Further information about the programs and capacities of these organizations is required to determine how to enhance their services.

6. Groups that focus on community development, services for the homeless and literacy have a strong presence in lower income neighborhoods. While just over one-quarter (28 percent) of the 188 nonprofit service providers that focus on community development, services for the homeless, and literacy programs are located in the Center City, more than half are located in areas where the poverty rate exceeds 30 percent. A large number of these groups can be found in Lower North Philadelphia and along major transportation routes, such as North Broad and Market Streets (see map 7). In particular, services for the homeless tend to be sited in the most distressed areas. Three of every four

providers of services for the homeless are located in high poverty areas. These spatial patterns may reflect the availability of affordable space, local zoning regulations, or the desire to locate services near potential need. Further investigation would be required, however, to determine the effectiveness of this spatial pattern in addressing local needs.

7. More than half of the nonprofits that focus on citizenship issues are located in the downtown area. Fourteen of the 28 nonprofit organizations in Philadelphia that primarily focus on citizenship issues are located in the Center City. Another four organizations are within a one-half square mile area of this section of the city (see map 8). Although the reasons for the locational decisions of these groups are not known, their presence in the downtown area provides them with a central point from which to develop community-wide initiatives. The close proximity to one another provides enormous potential for collaboration among these nonprofits.

Conclusion

Although socioeconomic indicators show that Philadelphia is a community with geographic areas of deep poverty and substantial need, it also has an extensive civic infrastructure. The majority of residents feel positively toward their community and plan to stay in the city for the next five years (PSRA, 1999). Most city residents give generously to local causes. Three in five residents did volunteer work last year, and nearly all (89 percent) donated money or personal belongings to local charities. Yet, seven in ten residents perceive citizen apathy as a problem, saying that people do not get involved in efforts to improve the community. Overcoming this popular perception will be a key to community building efforts.

The spatial analysis of the nonprofit sector in Philadelphia shows that it is densely populated with nonprofit organizations. There are 14 secular nonprofit groups for every

10,000 residents, compared with 8 per 10,000 nationally. If religious congregations are added, the ratio swells to 27 community-based groups per 10,000 residents.

This density suggests that there already is a critical mass of nonprofit groups to address local problems. But a closer look at the spatial patterns of nonprofit organizations identifies two potential weaknesses to this assumption: 1) half of the nonprofit groups are clustered in the downtown section of the city; and 2) there appears to be a spatial mismatch between the location of some types of service providers, such as direct educational providers and citizenship groups, and potential need.

Center City and University City are the heart of Philadelphia's nonprofit sector. While the clustering of nonprofit organizations in the downtown core may provide synergy and facilitate collaboration, it also makes these organizations geographically removed from the neighborhoods in which most people live. This pattern is tempered, in part, because many of the nonprofit groups found in the downtown core are professional or membership organizations, not direct service providers. Nonprofit groups that provide direct service are more likely to be located in the surrounding neighborhoods.

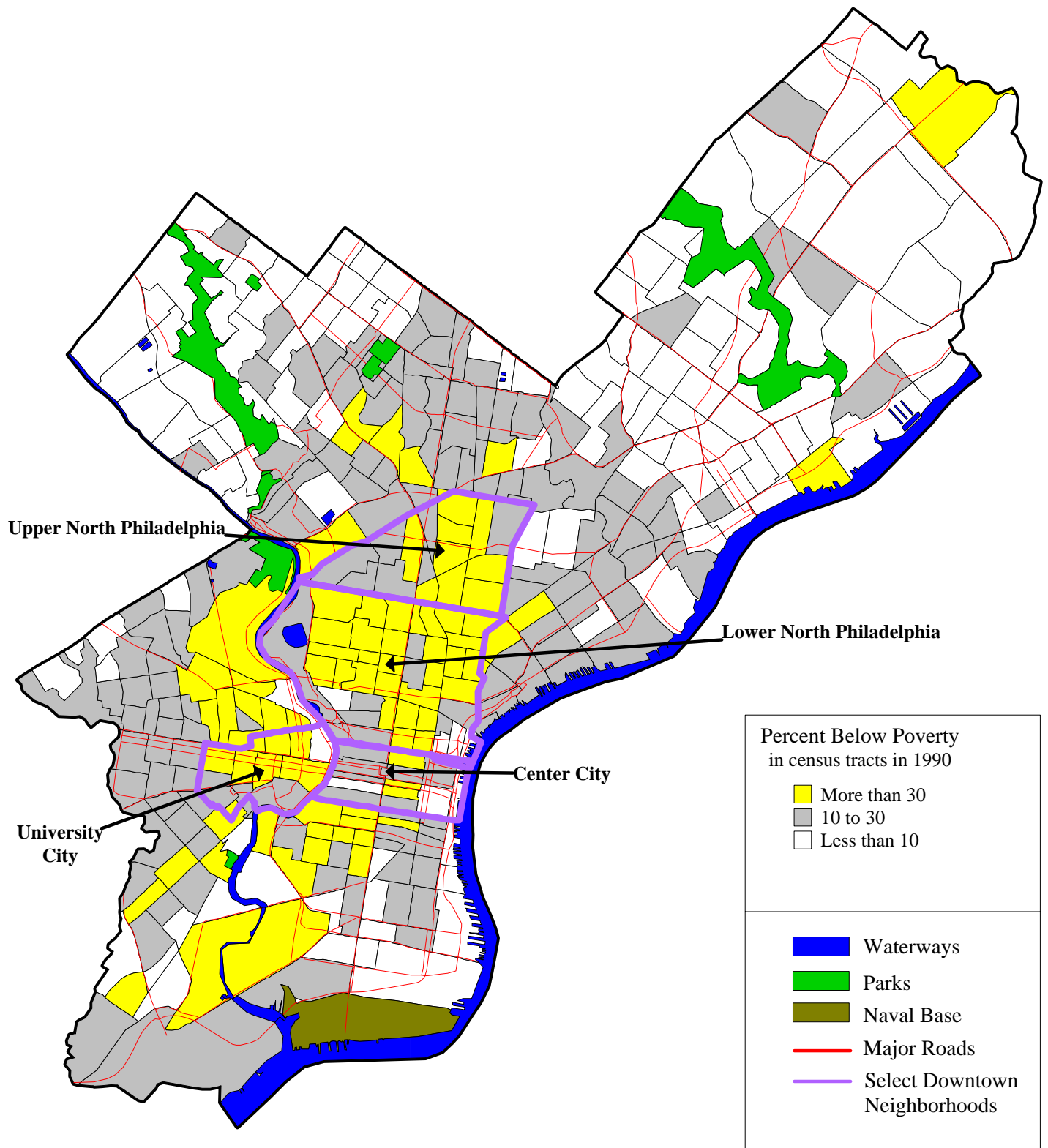
Even with direct service providers scattered throughout the area, it is not clear if residents are receiving the types or amount of services that they may need. Educational services, for example, tend to be located in sections of the city where there are fewer children. Low-income communities are particularly bereft of direct service nonprofit educational providers, especially given the large number of children in many of these neighborhoods. There is a high concentration of arts and cultural organizations in Center City, yet most residents (56 percent) say there are not enough arts and cultural activities in the neighborhoods in which they live (PSRA, 1999). On the other hand, community

development organizations, services for homeless persons, and literacy programs seem to be better located in relation to potential need. More than half of the secular nonprofit providers that specialize in these programs are sited in high poverty neighborhoods. Religious congregations may also provide these types of services, but information on faith-based programs was not available.

Despite the spatial mismatch between some types of nonprofits and community need, the nonprofit sector is vibrant and deeply engrained in Philadelphia. Policymakers and foundation leaders may want to build from this strength, while paying close attention to gaps in service in local neighborhoods. For example, the relatively high concentration of universities and other nonprofits in the University City district may provide avenues for collaboration. Educational or youth service providers in underserved areas could become partners for expanding after-school programs to address a pressing problem in the city, namely, unsupervised children. A recent survey found that unsupervised children and teenagers constitute the second most important community problem in Philadelphia, trailing only crimes, drugs and violence (PSRA, 1999).

Understanding the geographic location of community-based organizations is a helpful starting point for developing a community building strategy. It provides a basis for identifying the potential resources that exist in the community and their geographic proximity to local needs. Additional information is needed, however, on organizational structure and program content of Philadelphia's nonprofits to understand more fully their ability to address community needs. The exploration of these issues and further dialogue with community residents can help formulate the next steps in a community building strategy in Philadelphia.

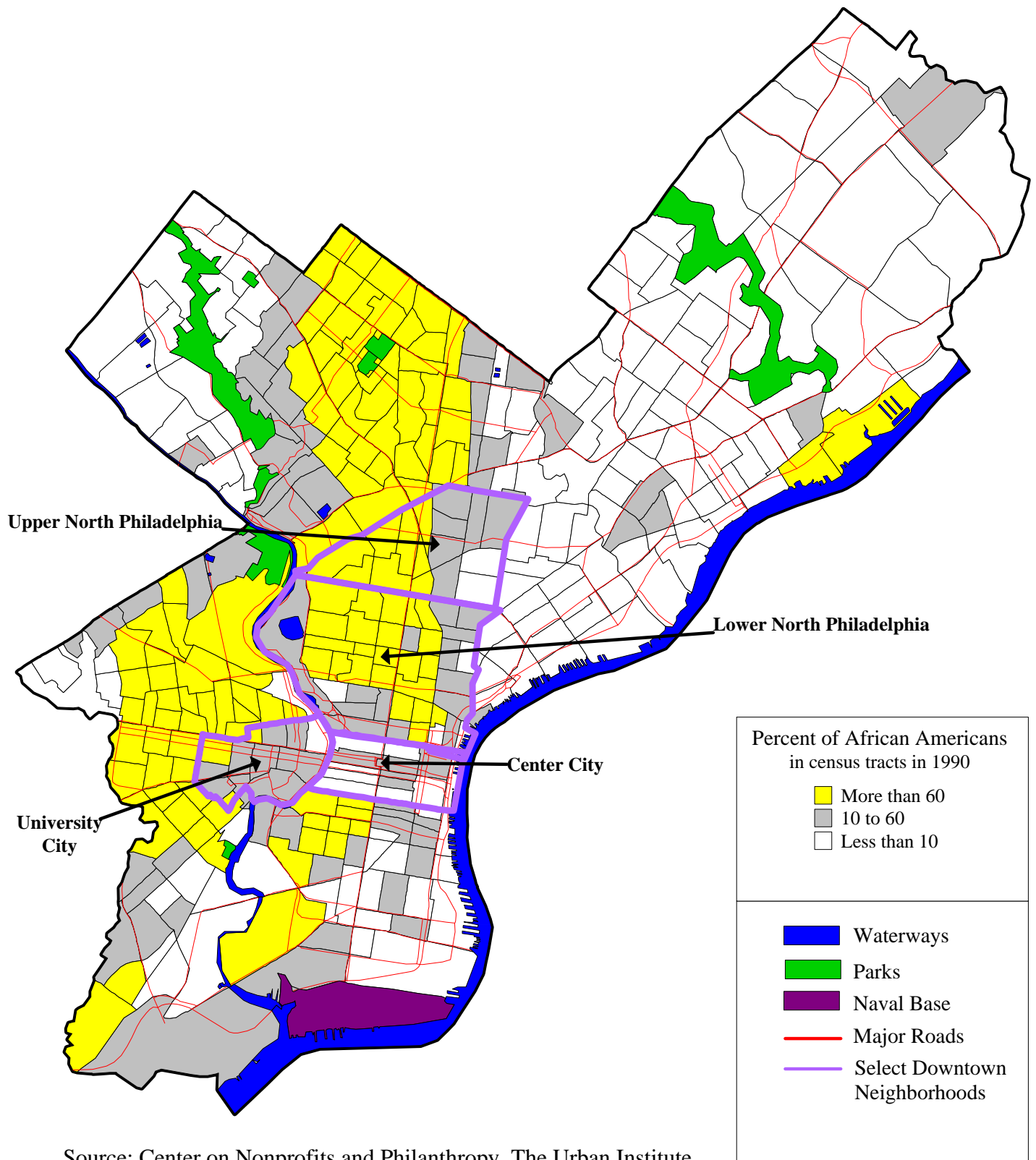
Map 1. Percentage of People in Poverty by Census Tract in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

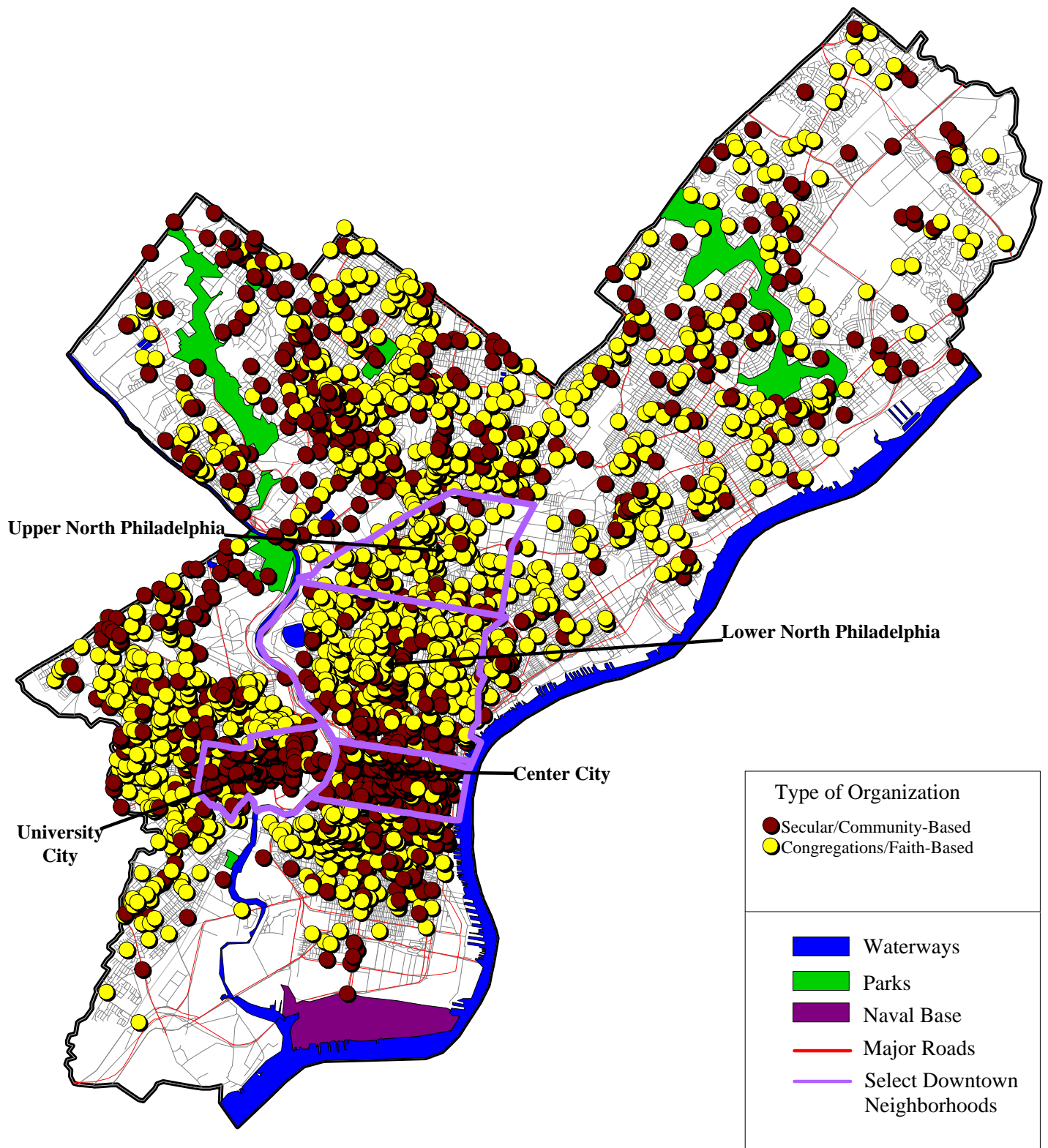
Map 2. Percentage of African Americans by Census Tract in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

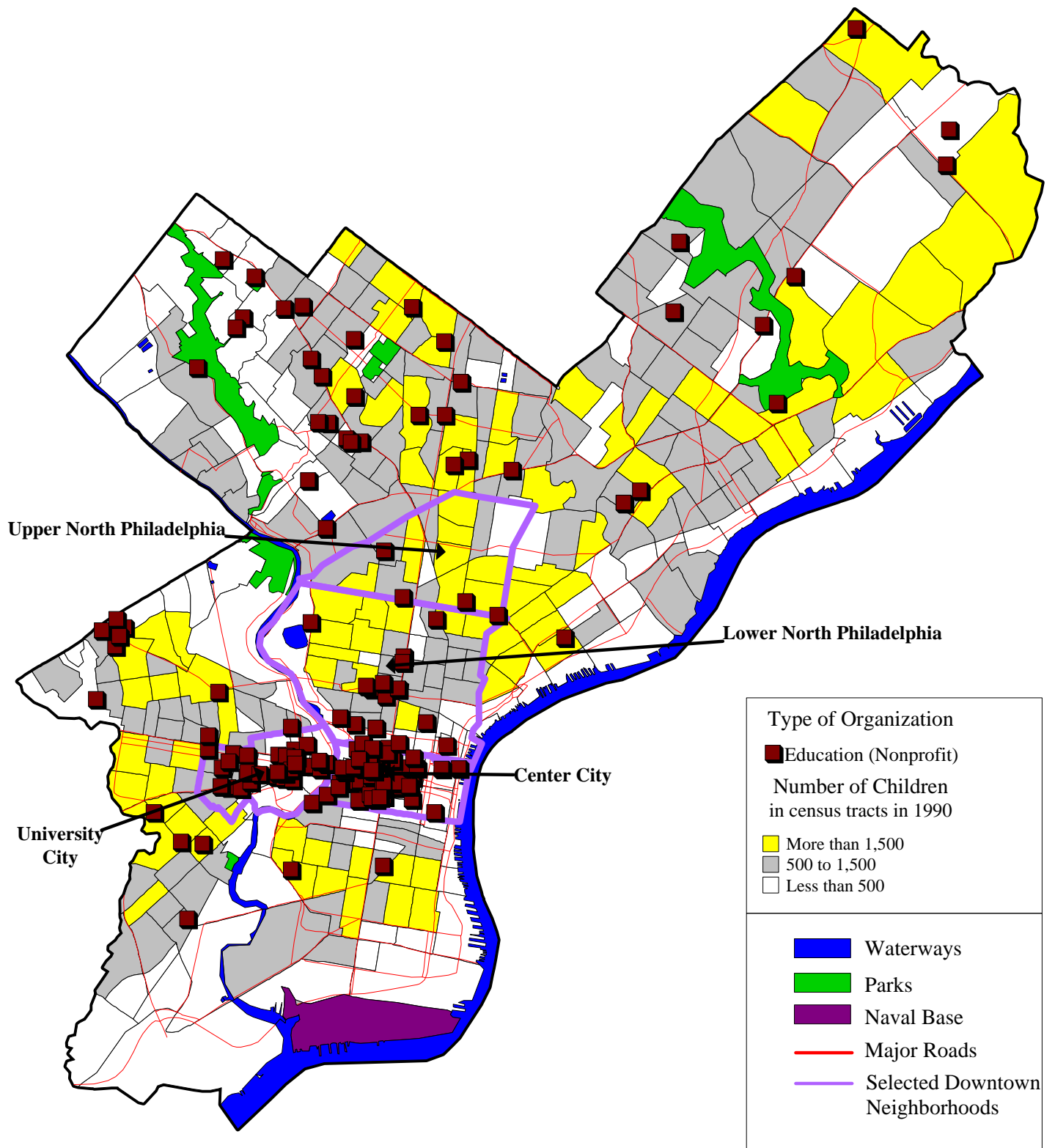
Map 3. Locations of Community-Based Organizations in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

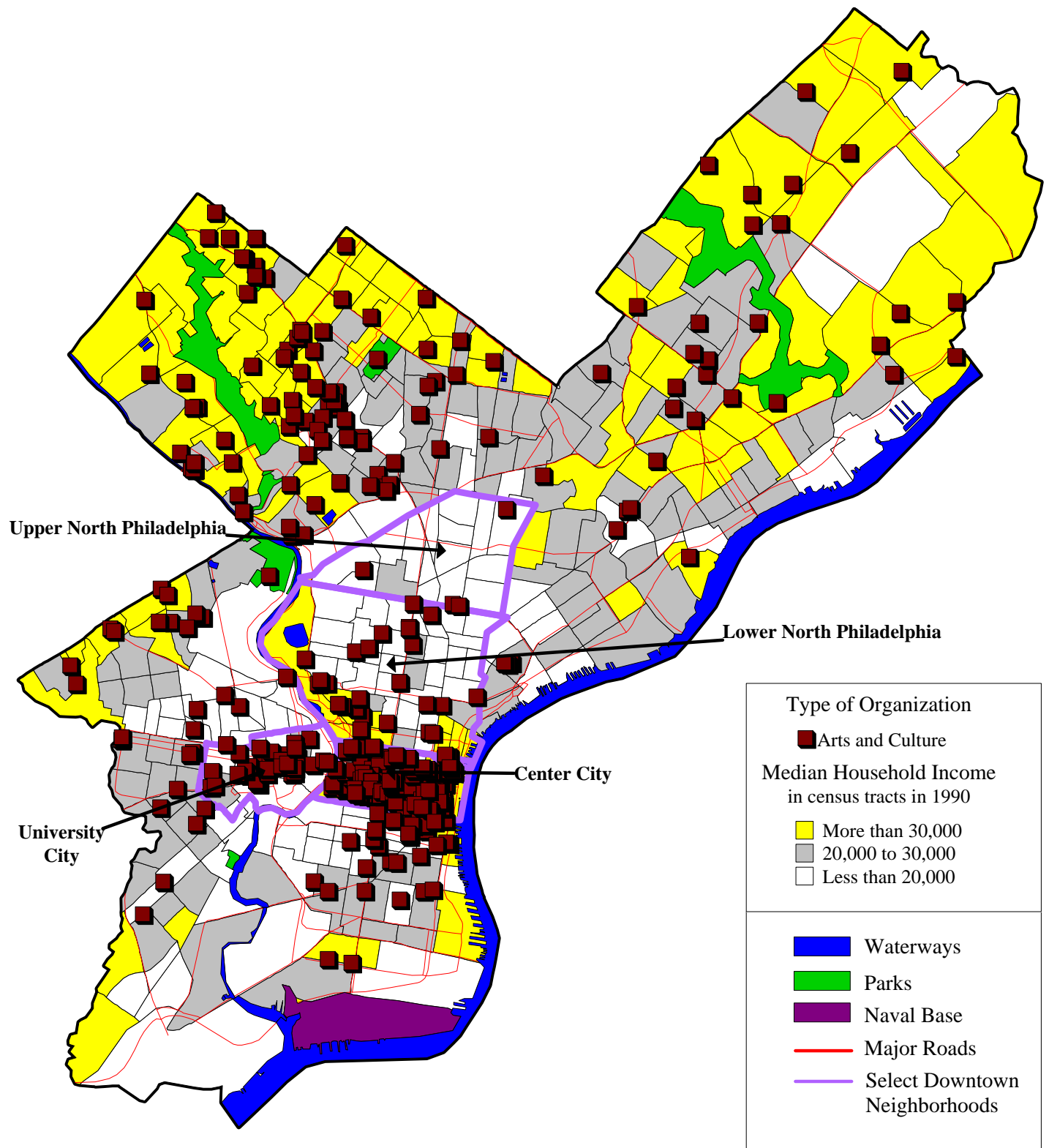
Map 4. Locations of Nonprofit Education Providers by Number of Children in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

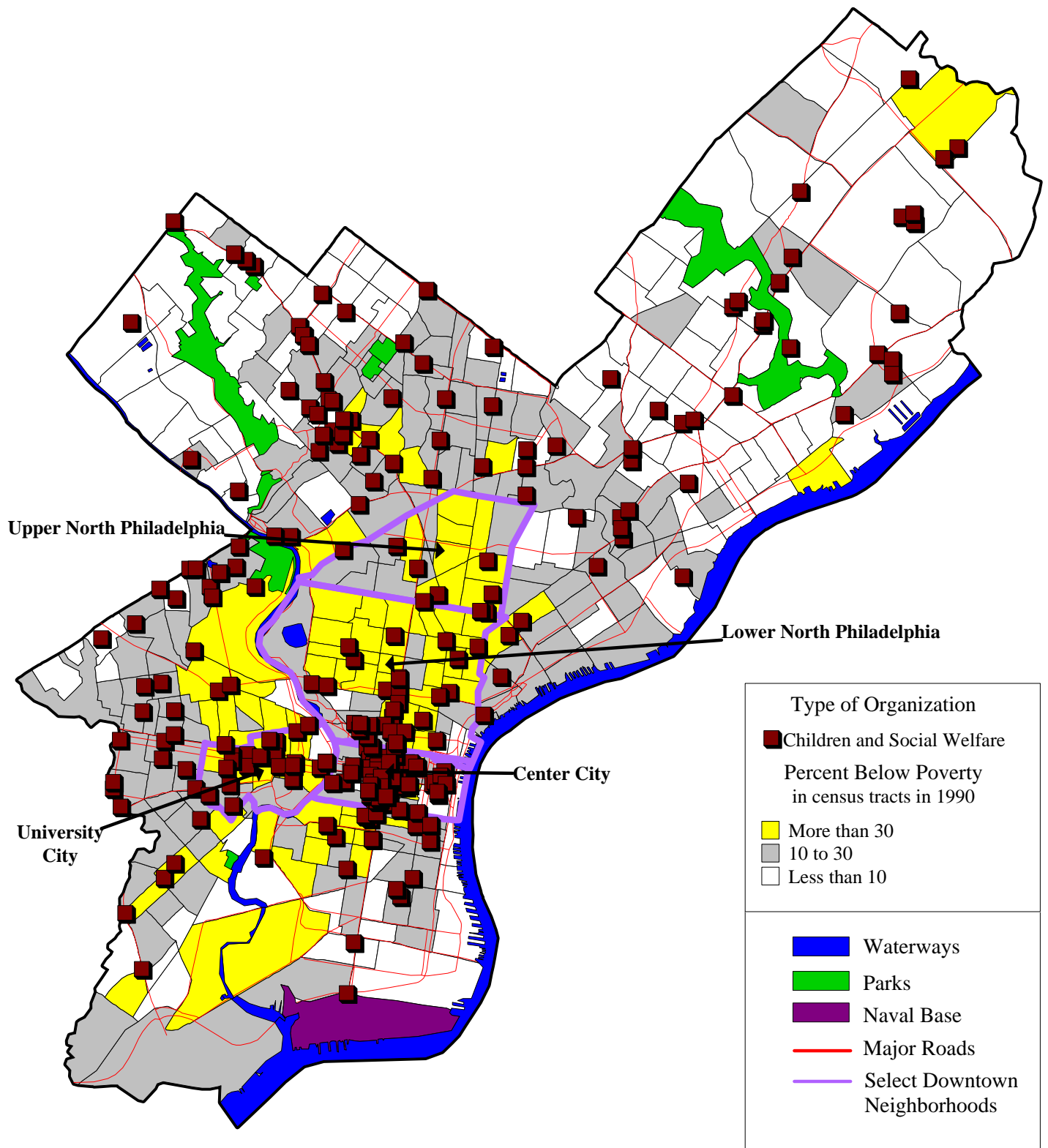
Map 5. Locations of Arts and Cultural Organizations by Median Household Income in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

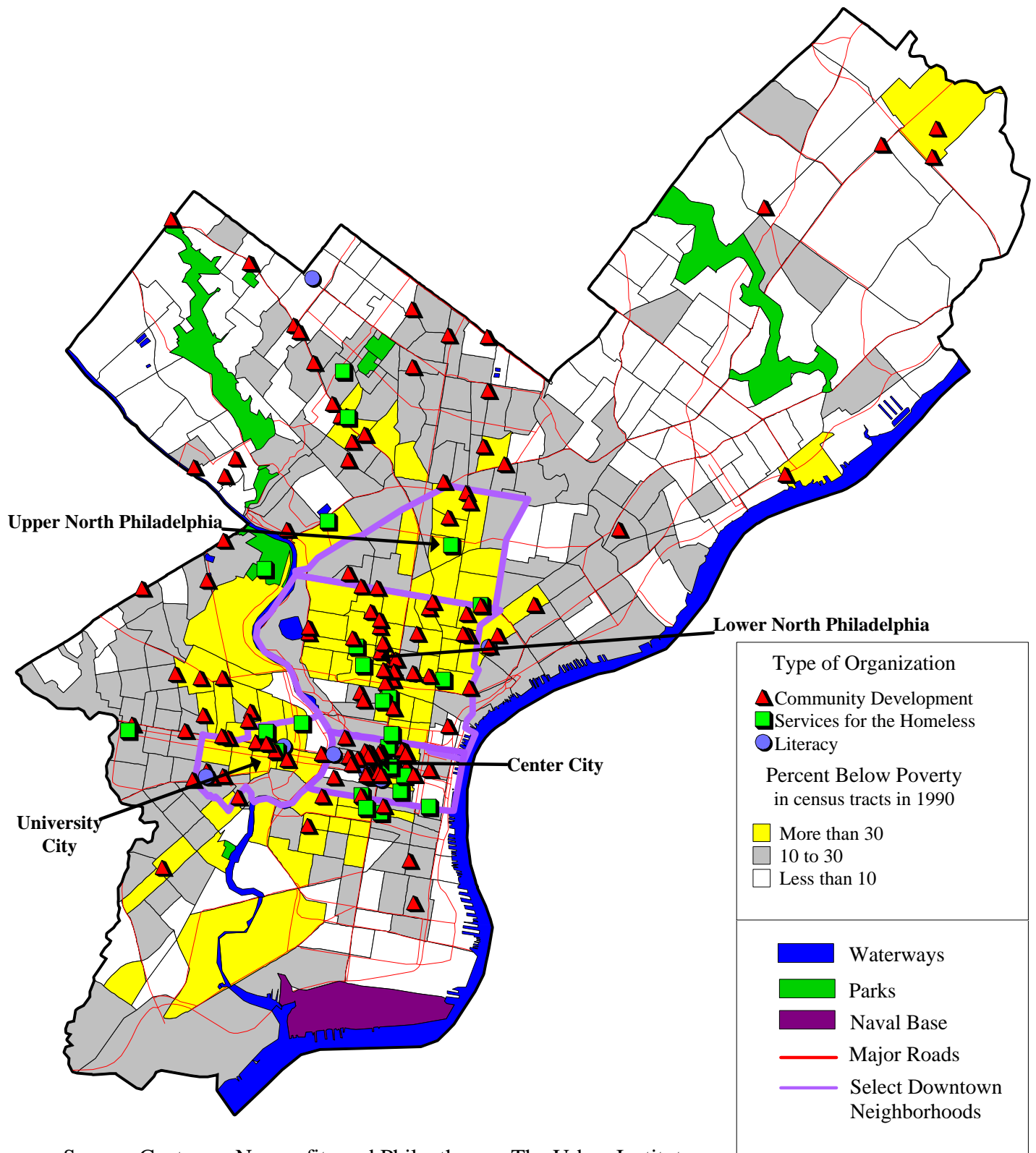
Map 6. Locations of Child-Related and Social Welfare Organizations
by Percentage Living in Poverty in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

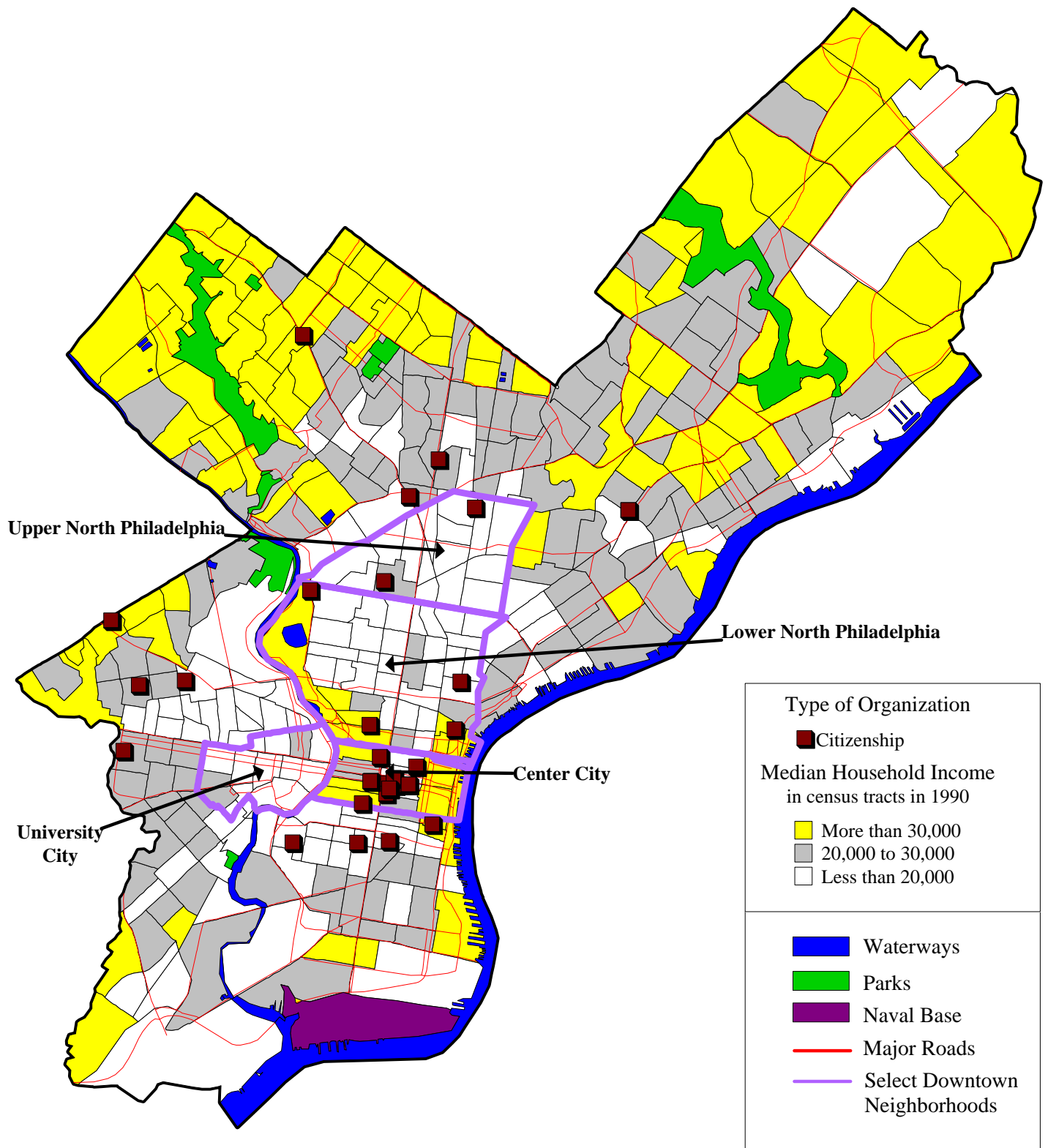
Map 7. Locations for Other Services for Low-Income Residents
by Percentage Living in Poverty in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

Map 8. Locations of Groups Focused on Citizenship by Median Household Income in Philadelphia



Source: Center on Nonprofits and Philanthropy, The Urban Institute

Note: Census tracts are roughly equivalent in population size.

Appendix A. Research Methodology and Technical Documentation

The statistical information used in this report was compiled from a number of sources. A brief description of the data and the methodologies used in writing the report is provided below.

Data Sources

Two types of data were used to document the organizations and social and economic conditions of four communities in which the Knight Foundation provides grants. These communities include Bibb County, GA; Lake County, IN; Summit County, OH; and Philadelphia, PA. First, CNP collected sociodemographic and economic data to understand community characteristics, such as income, poverty levels, and age of the residents. We also gathered organizational data to document the size, scope and location of the nonprofit and selected for-profit and public organizations in these communities.

Sociodemographic and Economic Data

These data were obtained from the 1990 U.S. Bureau of the Census. The decennial census is the most complete (and sometimes only) source of data to examine sociodemographic and economic features of small geographic areas. These data were used to construct maps that reflect a variety of sociodemographic and economic patterns across the communities at the census tract level.

Organizational Data

An important goal of this research was to create a timely and usable database on which the Foundation could draw information on organizations in the four communities. Thus, the Organizational Database was produced in an ACCESS format to allow CNP and the Foundation to identify various types of groups operating in the four areas. This Organizational Database included three key components, including data files of community-based organizations, schools, and selected for-profit and public agencies that may operate as institutional amenities or disamenities in local neighborhoods.

Community-Based Organizations.

The dataset of community-based groups was compiled from several sources. CNP used the 1996–1998 IRS Return Transaction Files (RTF) as a starting point in the development of this data file. These files contain roughly 35 financial variables for all 501(c)(3) organizations that file Forms 990 with the Internal Revenue Service (IRS), and represent the primary sources of organizational and financial information on nonprofit organizations in the United States. Because no single source of information can capture all of the nonprofit organizations in the four communities, we combined several sources of data with the RTF data to build a more representative picture of the number, size, and types of nonprofit organizations located these counties.

But nonprofits with less than \$25,000 in gross receipts are not required to file a Form 990 with the IRS. Therefore, CNP collected data from four additional sources to include in the database as many organizations that would potentially fall below this threshold. We obtained lists of grantees from the local United Way chapters in each of the four counties. Included in these lists were basic geographic information for United Way grantees, as well as

descriptions of their programs and services. More specifically, we obtained information from the United Way of Bibb County 1999 Campaign Brochure and their website, www.uwBibb.org; the 1998 Lake Area United Way Annual Report and campaign brochure; and the website and 1999 Campaign Brochure of the United Way of Southeastern Pennsylvania's (www.uwsepa.org). We also received the Agency Programs Database from the United Way of Central Georgia.

We also added community-based groups to the database from the Unified Database of Arts Organizations. This dataset was produced through the collaborative efforts of the National Endowment for the Arts, the National Assembly of State Art Agencies, and the National Center for Charitable Statistics at the Urban Institute. The Unified Database of Arts Organizations was compiled from IRS data sources and State Art Agencies' mailing and grantee lists.

Because religious congregations are not required to file the Form 990 with the IRS, the majority of faith-based groups are not included in the IRS Data. Therefore, CNP also used the 1997 PhoneDisc CD and a list of congregations in the four areas from the American Church Lists, Inc. (www.americanchurchlists.com), to supplement the Organizational Database. The PhoneDisc CD allows users to search for businesses by their Standard Industrial Classification (SIC) codes and limit these searches by geographic area. The SIC code, 866101, defined as "Churches, Temples, and Shrines" was used for this analysis. Data from the American Churches Lists, Inc., includes basic, descriptive information on congregations in the four communities.

Finally, we added to the organizational database information received from the Knight Foundation on its grant applicants in the four communities. Included in the database is grant application and recipient information, as well as data on organizations that had their grant applications rejected.

Schools.

Primary and secondary schools are important elements of civil society. In addition to providing educational opportunities for local youth, they also serve as meeting ground for local civic organizations and residents. Thus, a second data file in the Organizational Database contains information on elementary and secondary education schools in the four communities. We extracted these data on local schools from the Common Core of Data 1993–1994. This database provides a complete list of public elementary and secondary schools in the country. It also includes information on the number of students per grade, number of student by race/ethnicity, number of students eligible for free lunch, and the number of full-time classroom teachers.

Selected For-Profit Organizations and Public Agencies.

Organizations coexist in local neighborhoods, but often work for different community or individual goals. Some for-profit organizations and public agencies have goals that tend to foster community capacity and growth or provide goods and services to local residents that assist in economic independence, while others engage in activities that may promote the social pathologies that plague local communities. The former group is labeled as institutional amenities, and includes firms such as groceries, banks, transportation services, libraries, police and fire departments, and libraries. The later set of organizations is identified as

institutional disamenities, which include bars, liquor stores, pawn shops, and massage parlors.

The Foundation expressed an interest in understanding the breadth of these institutional types in the four communities. Thus, we used the Dunn and Bradstreet Market Place CD, 1997, to extract nearly 6,000 businesses in the four counties that serve as institutional amenities or disamenities in local communities. The Dunn and Bradstreet database allows for the identification of businesses by industry and area. The extract from Dunn and Bradstreet provides a third data file in the Organizational Database.

Database Construction

Nonprofit data from the IRS Return Transaction Files were combined with the organizations obtained from the United Way organizations; congregations from the Phone CD and American Church Lists; arts and culture organizations from the Unified Arts Database; and grant applicant information from the Knight Foundation to create the Organizational Database. After data from sources were merged, they were checked for duplication and corrected for consistency. The resulting database contained community-based organizations, schools, for-profit businesses, and public agencies.

Using the National Taxonomy of Except Entities (Core Codes), CNP classified the community-based organizations by their organization's primary purpose.⁶ The NTEE is a mixed notation classification system that consists of 26 major group categories and 645 subgroup categories. The codes reflect the types of activities conducted by nonprofit organizations. Several organizations, such as the Foundation Center, the AAFRC Trust for Philanthropy, and Philanthropic Research, Inc., use NTEE in their reports and publications to provide comparability among data collection systems. Using the NTEE system, we also classified the community-based organizations along the Foundation's seven program areas, including arts and culture, children and social welfare, citizenship, community development, education, homelessness, and literacy.

To examine the relationship between socioeconomic characteristics of the four areas and their community-based resources, CNP prepared the database for geographic mapping. Working from street addresses, we "geocoded" each organization (that is, it was assigned a longitude and latitude code) through a computer software mapping program. This procedure allows us to plot the location of organizations on the maps that are presented in this report.

Not all organizations, however, can be geocoded. Some groups reported addresses that could not be located; others provided post office box information that cannot be mapped accurately with spatial software. To address this problem, CNP mailed a survey to organizations for which geographic information was missing in the database of organizations. These were organizations that had Post Office boxes instead of street addresses. Five hundred organizations were surveyed to obtain their street location. We achieved a response rate of 36.6 percent (183 organizations). There were 36 cases where the survey was returned as "Return to Sender;" these case were deemed as dead organizations and deleted from the Organizational Database. After processing the survey information, approximately 92 percent of groups in the Organizational Database could be mapped using spatial software.

⁶For more information on the construction of the NTEE system, see Stevenson et al. (1997) *State Nonprofit Almanac 1997: Profiles of Charitable Organizations* and <http://nccs.urban.org/ntee-cc/index.htm>.

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