

RESEARCH REPORT

The State of Community-Based Development Organizations

Results from the Sixth National Census of Community-Based Development Organizations

Corianne Payton Scally Will Curran-Groome Alexa Kort Shubhangi Kumari Lydia Lo

September 2023 (updated November 2023)



ABOUT THE URBAN INSTITUTE

The Urban Institute is a nonprofit research organization that provides data and evidence to help advance upward mobility and equity. We are a trusted source for changemakers who seek to strengthen decision making, create inclusive economic growth, and improve the well-being of families and communities. For more than 50 years, Urban has delivered facts that inspire solutions—and this remains our charge today.

Contents

Acknowledgments	iv
Errata	v
Executive Summary	vi
The State of Community-Based Development Organizations	1
Introduction and Overview	1
CBDOs Today	6
What CBDOs Do and Need to Advance Racial Equity	26
How People and Places Shape CBDO Activities and Success	36
Recommendations for the Field	42
Future Research Opportunities	46
Appendix A. Key Financial Definitions	49
Revenues and Expenses	49
Assets and Liabilities	49
Appendix B. Telling Their Stories: Six CBDO Profiles	50
Big Sky Community Housing Trust	51
Homewise	52
South County Habitat	53
Called to Serve	54
American Indian Community Housing Organization	55
Urban Restoration Enhancement Corporation	56
Notes	57
References	61
About the Authors	63
Statement of Independence	64

Acknowledgments

This report was funded by the National Alliance of Community Economic Development Associations (NACEDA), which is funded by the PNC Foundation, Local Initiatives Support Corporation (LISC), the Kresge Foundation, and NeighborWorks. We are grateful to them and to all our funders, who make it possible for Urban to advance its mission.

The views expressed are those of the authors and should not be attributed to the Urban Institute, its trustees, or its funders. Funders do not determine research findings or the insights and recommendations of Urban experts. Further information on the Urban Institute's funding principles is available at urban.org/fundingprinciples.

The authors would like to thank Frank Woodruff, NACEDA executive director; Chanse Sonsalla, NACEDA research associate; Chris Walker, NACEDA consultant; and the entire NACEDA staff for their guidance and feedback. We would also like to thank the Grounding Values Advisory Committee convened by NACEDA for their guidance and feedback: Seema Agnani (National Coalition for Asian Pacific American Community Development), Miriam Axel-Lute (Shelterforce), Roberto Barragan (California Community Economic Development Association), Marla Bilonick (National Association for Latino Community Asset Builders), Andrew Jakobovics (Enterprise Community Partners), Mark Kudlowitz (LISC), David Lipsetz (Housing Assistance Council), Kathy Flanagan-Payton (Fifth Ward Community Redevelopment Corporation), Andrea Ponsor (Stewards of Affordable Housing for the Future), Paul Singh (NeighborWorks), Lou Tisler (NeighborWorks America), Virginia Tranchik (LISC), Racquel Reddie (National Community Stabilization Trust), Yolanda Davila (PNC Bank), Amy Gilman (Robert Wood Johnson Foundation), Leatrice Moore (Black Community Developers Group), Sophia Corugedo (Grounded Solutions Network), Freda Epum, and Dominique Miller (Third Space Action Lab).

We also want to thank local, state, and national network organizations, intermediaries, and others who contributed lists of community-based development organizations to help us develop our universe, as well as the staff from CBDs who are represented in brief organizational vignettes throughout this report. Finally, we would like to thank our current and former colleagues who helped with survey design and testing, Internal Revenue Service data, survey response weighting, and technical review: Lynden Bond, Leslie Ford, Jesse Lecy, Sophie McManus, Kassie Scott, Brett Theodos, and Tim Triplett.

Errata

This report was updated on November 7, 2023.

On page vii, the third bullet was corrected to reflect that one in six community-based development organizations (CBDOs) engaged in community lending and financial assistance work from 2019 to 2021.

On page 16, the third paragraph was similarly updated by adding the sentence “From 2019 through 2021, one in six CBDOs engaged in lending and financial assistance activities.”

Executive Summary

There are more than 6,200 nonprofit community-based development organizations (CBDOs) operating in the United States that focus on improving conditions for people earning low incomes, households of color, and the communities in which they live. These organizations develop housing, commercial, and community facilities; provide loans, grants, and investments; and serve residents and businesses with technical assistance, services, and advocacy. Over the past 20 years, the community development field has continued to evolve and adapt, weathering the Great Recession and its aftermath, responding to the COVID-19 pandemic, and renewing its focus on racial injustices across the communities they serve.

To understand recent achievements and contemporary challenges in the community development field, we conducted the first national census of CBDOs since 2005, covering the period from 2019 to 2021. Building on recent research defining the CBDO population and analyzing organizational financial health (Lo et al. 2022), we developed and fielded an online survey and leveraged financial data from the Internal Revenue Service to highlight key organizational and leadership characteristics, production activities and barriers, community lending and financial assistance, services and advocacy, funding sources, and opportunities and challenges in advancing racial equity. Survey outreach efforts—including email invitations to CBDOs for which we were able to find contact information, public advertisements, and social media posts—yielded a 9.6 percent response rate (596 CBDOs); all estimates presented in this report are weighted to the entire population. We also profiled six diverse CBDOs, interviewing leaders to understand the history behind their numbers and provide additional context for our findings.

Each year, CBDOs produce 185,000 housing units and more than 1,000 commercial and community facilities. These organizations also provide an expansive set of services to community members. At the same time, some CBDOs struggle with acquiring funding, and many face barriers to accessing development financing and purchasing land that is suitable for development. While CBDOs have undertaken many efforts in the past few years to advance racial equity, there is work to be done to better support leaders of color and the CBDOs they lead and to minimize inequities they face compared with white-led organizations. Our findings describe the magnitude of CBDOs' work with and on behalf of some of the highest-need communities in the country and highlight opportunities for the field to sustain and grow its impacts.

CBDOS Today

An estimated 6,225 CBDOS employ 271,000 staff to serve communities across the United States, resulting in diverse organizational characteristics, priorities, and activities.

- **Housing development:** Cumulatively, the community development sector has produced more than 4 million housing units. Two out of every three CBDOS produced housing between 2019 and 2021, constructing, rehabilitating, or repairing/weatherizing 185,000 units each year, on average.¹ While most recent production focused on rental units, almost half of CBDOS reported that they recently engaged in home repair and weatherization, and more than one-third engaged in owner-occupied construction or rehabilitation.
- **Commercial and community facility development:** One-quarter of CBDOS developed commercial or community facilities from 2019 to 2021, constructing almost 3,500 facilities during this period. Most were office and retail facilities (54 percent), followed by community facilities (30 percent) and industrial facilities (13 percent).
- **Community lending, financial assistance, and business supports:** One in every six CBDOS made loans and grants to support real estate development, home purchases, and business development, investing an estimated \$3.5 billion (\pm \$1.9 billion)² each year from 2019 to 2021. Just under 1 in 10 CBDOS (8 percent) indicated that they are or have a certified community development financial institution (CDFI). Approximately 38 percent of CBDOS provided other business supports during this period, such as delivering technical assistance to businesses and owning, investing equity in, or operating businesses.
- **Services and advocacy:** Nearly all CBDOS (96 percent) provided services, such as community organizing (60 percent) or resident services (59 percent), or engaged in government advocacy—federal (44 percent), state (55 percent), or local (64 percent)—in addition to their development activities. The average CBDOS provided almost nine distinct services. Additionally, all CBDOS engaged in at least one action in response to the pandemic, such as supporting pandemic relief applications and providing or arranging for emergency rental or mortgage assistance.
- **CBDOS leadership:** Half of CBDOS today are led by women (51 percent)—an increase since 2005—and one in three have a director of color.
- **People and places served:** True to their missions, the majority of CBDOS focus on serving residents of color and residents with low incomes. Almost half serve exclusively urban areas, while 14 percent have rural-only service areas; the rest serve both urban and rural

communities. One-third of CBDOs focus on serving a single neighborhood or city, but an equal share operates across one or more states.

- **Funding:** CBDOs receive program and project funding from an average of 3.4 distinct sources, and almost all CBDOs (90 percent) received single-year funding of \$50,000 or more from one or more federal sources. Many receive Home Invest Partnership Program (HOME) and Community Development Block Grant (CDBG) funding (44 and 43 percent, respectively), while one in two CBDOs (53 percent) receive local or state government program funding. Almost all CBDOs (90 percent) received core operating support—flexible, unrestricted funding—of at least \$20,000 from at least one source in 2021, and the average CBDO received such funding from 3.5 distinct sources. Across all sources, CBDOs today are more likely to receive core operating support than they were in 2005.

What CBDOs Do and Need to Advance Racial Equity

Serving communities of color has always been a central component of the work of CBDOs, and recent events, including police murders of Black Americans and the health and economic inequities highlighted and exacerbated by the pandemic, have reinforced the extent of change required to move toward racial justice. CBDOs have embraced organizational and community change and identified barriers facing directors of color and their organizations.

- **CBDOs work on themselves and support community change:** In response to recent, high-profile racial injustices, most CBDOs (90 percent) took actions to promote equity within their organizations, including by training staff (50 percent) and integrating racial equity strategies into their strategic plans (49 percent). Most CBDOs (82 percent) also changed their relationships with the communities they serve through actions such as shifting partnerships (53 percent) and advocacy efforts (46 percent) and analyzing disparities (39 percent).
- **Almost all CBDOs advance equity, but some have a stronger focus and greater capacity:** The CBDOs most likely to take equity-focused action are larger, more likely to serve urban areas, less focused on housing development, and less likely to be in the South.
- **Leaders of color and the organizations they lead face significant barriers to advancement:** A majority of CBDOs, regardless of the race or ethnicity of their directors, said directors of color face systemic barriers that limit their advancement within the community-based development industry and pointed to funding challenges as key organizational barriers. However, a

meaningfully higher share of organizations led by directors of color reported barriers than white directors, particularly around limited pipelines of people of color interested in the field, stiff competition for senior staff, and hiring discrimination. Directors of color also pointed to bias in funding application review processes and entrenched relationships among white-led organizations as barriers to their organizations' growth.

- **CBDOS led by directors of color have fewer resources and face higher financial risks:** Organizations led by directors of color have lower annual revenues and expenses and are more likely to have less than three months of cash on hand and annual expenses that exceed revenues than white-led organizations. While CBDOS led by directors of color may be smaller, this may reflect funding inequities; white-led CBDOS are more likely to receive individual contributions, and they receive program funding from more sources, on average.

How People and Places Shape CBDO Activities and Success

The CBDO field comprises a diverse set of organizations that vary in terms of staff size, organizational expenses, service area sizes, and the composition of the households they serve. These factors relate to the activities that different CBDOS engage in; some of the most important of these relationships between organizational characteristics and activities include:

- **Service area size:** CBDOS serving a single neighborhood serve the most residents of color (63 percent of neighborhood-serving organizations serve the greatest shares of residents of color, compared with 26 to 50 percent for county-, state-, and metropolitan statistical area-serving organizations). This finding highlights the need to continue supporting hyper-local organizations that disproportionately serve communities of color, as well as ensuring that organizations with larger service areas are able to prioritize and equitably serve communities of color.
- **Service area type:** CBDOS serving urban areas were more likely to have directors of color and serve the most residents of color and were more likely to receive state and local project funding and local core operating support, compared with organizations serving rural-only and mixed urban-rural areas. However, organizations serving mixed urban-rural service areas had better funding diversity than their counterparts.

- **Serving low-income households and people of color:** CBDOs that served the most low-income households were more likely to serve the most residents of color. Organizations serving these high-priority populations were also less likely to focus exclusively on development activities; they either focused on both services and development or focused exclusively on services.
- **Regional differences:** CBDOs in the South are more likely to receive funding from federal sources (96 percent of organizations in the South compared with 83 to 90 percent of organizations in other regions); are less likely to receive funding from state and local sources (36 percent of organizations in the South compared with 48 to 72 percent of organizations in other regions); and access fewer program and core operating funding sources overall (6.1 sources, on average) than their counterparts in the Northeast (7.2 sources) and West (8.0 sources).

Recommendations and Future Research

CBDOs today continue to focus on the most marginalized communities and have sustained this hard work over time. They provide a plethora of services to help people meet their basic needs and thrive, and they provide critical financial supports and real estate development to support resident and business stability and well-being. But there is also room for growth and progress to help sustain CBDOs into the future.

1. **Address common challenges in accessing funds and developable land**, including by advocating for more CBDO funding, particularly in the South; exploring and addressing access issues to developable land; and expanding access to development financing.
2. **Boost supports for organizations led by people of color, and the communities of color they serve**, by reducing disparities in access to funding resources for CBDOs led by directors of color, attracting and supporting leaders of color, and adequately resourcing neighborhood-serving CBDOs that are embedded in communities of color.
3. **Promote opportunities for growth through advocacy and service innovation**, including by engaging more CBDOs in federal advocacy and building CBDOs' capacity to offer services in areas of growing interest, including placemaking, arts and cultural programs, and community safety programs.

Our research highlighted important opportunities and challenges facing the sector, but further research that builds on this evidence can improve our understanding of how to support the field's

continued growth. Future research could focus on the following questions: What does it mean for an organization to be “community based”? What does it mean for a CBDO to be “led by people of color”? What does it take to effectively support leaders of color and the organizations they lead? What will it take to strengthen supports for CBDOs in the South? What are the implications of nearly universal provision of services and engagement in advocacy? And finally, what are CBDOs’ advocacy priorities, and how can the field effectively pursue policy change?

The State of Community-Based Development Organizations

The Grounding Values Study

Grounding Values was launched by the National Alliance of Community Economic Development Associations in partnership with the Urban Institute to study the financial health, production, programs, and services of community-based development organizations throughout the United States. The research includes tax data analysis, a national census survey, and qualitative interviews around key themes. The study is informed by a notable advisory committee of national community development and affordable housing experts, advocates, and institutions. Products will release through 2024, including reports, fact sheets, policy briefs, and public-use datasets; they are available at <https://www.urban.org/projects/grounding-values-cbdos>.

Introduction and Overview

There are more than 6,200 nonprofit community-based development organizations (CBDOs) operating in the United States focused on improving conditions for people earning low incomes, households of color, and the communities in which they live. These organizations develop housing, commercial, and community facilities; provide loans, grants, and investments; and serve residents and businesses with technical assistance, services, and advocacy. Over the past 20 years, the community development field has continued to evolve and adapt, weathering the Great Recession and its aftermath, responding to the COVID-19 pandemic, and foregrounding a renewed focus on racial injustices across the communities they serve. The work that these organizations do has profound impacts on some of the highest-needs communities across the country, and understanding the state of the field is critical to assessing its work to date and supporting the ability of CBDOs to sustain and grow their efforts.

To understand recent achievements and contemporary challenges in the community development field, we conducted the first national census of CBDOs since 2005, covering the period from 2019 to 2021. The National Alliance of Community Economic Development Associations (NACEDA) and its predecessor, the National Congress for Community Economic Development, have fielded census surveys of all community-based development organizations in the United States since the late 1980s.

These surveys were conducted in 2004, 1999, 1995, 1991, and 1988, with an additional study—not a full census of the entire field—published in 2008.

Building on recent research defining the CBDO population and analyzing organizational financial health (Lo et al. 2022), we developed and fielded an online survey and leveraged financial data from the Internal Revenue Service to highlight key organizational and leadership characteristics, production activities and barriers, community lending and financial assistance, services and advocacy, funding sources, and opportunities and challenges in advancing racial equity. This study both replicates and extends questions and topic areas from past surveys, collecting information on organizational leadership and service area characteristics; housing, commercial, and community facilities and business development activities; lending activities; funding sources; advocacy and services; barriers to production; and barriers and opportunities to advancing equity, both for CBDOs led by people of color and those serving people of color.³ We also conducted interviews with six organizations that completed the survey to provide more detailed snapshots of the diversity and complexities of CBDOs' work; organizational profiles built on these interviews are presented in appendix B. The findings from this study will support policy change initiatives and advocacy, technical assistance, and fieldwide planning and coordination efforts.

Defining CBDOs: Then and Now

The total estimated population of CBDOs covered by the current survey includes 6,225 organizations, including those identified as part of the 2018 financial health analysis (Lo, Lecy, and Scally 2022; n = 5,603), as well as organizations that were excluded from the financial health analysis (n = 622) based on National Taxonomy of Exempt Entities (NTEE) codes.⁴ There are key differences between the CBDO population definitions used for this recent survey and those of previous surveys that make longitudinal comparisons difficult (Kort et al. 2023); the sheer length of time since the most recent census—almost 20 years—also complicates longitudinal comparisons. Because of these differences, we caution against comparing results from this study with those of prior efforts beyond what we have reported here with careful caveats. Additional details about the construction of the current CBDO population and how it differs from prior estimates are available in the accompanying technical report (Kort et al. 2023).

Study Methods and Limitations

The 2022 survey used past census survey questions with some changes and additions (Kort et al. 2023). Once drafted, the research team conducted interviews to test for clarity of new questions and piloted

the questions to a random sample of the population in August 2022. After some adjustments for clarity and length, we fielded the survey from September to November 2022 over a total of seven weeks. We administered the survey to CBDOs for which we were able to find email addresses online, CBDOs that responded to survey marketing and completed a contact form, and CBDOs that responded via a link posted on social media. While the survey was a census—in that we attempted to solicit responses from every CBDO in the country (i.e., the full population of CBDOs)—we were unable to identify contact information for each one that we knew existed. Our final sample included 596 organizations, or 9.6 percent of the estimated population of 6,225 CBDOs.

In order to provide descriptions of the full population of CBDOs, we developed survey weights. These weights help ensure that the sample respondents more closely represent the full population of CBDOs and allow us to produce estimates describing the entire population of CBDOs. Because our sample was fairly similar to the full population in terms of the weighted characteristics, the weights mostly adjusted from our sample size to the full size of the population. The process of weighting sample responses and extrapolating from a sample to a full population inherently involves uncertainty. However, across most measures, the amount of uncertainty around estimates was small relative to the estimate (e.g., 45 percent of CBDOs, ± 2 percent, received earned income of at least \$20,000 in 2021). In box 1, we describe how to interpret the estimates provided in this report.

BOX 1

Estimates, Uncertainty, and Standard Errors

Whenever an analysis uses a sample of observations to make conclusions about a broader population, there is uncertainty associated with those conclusions. A common practice to quantify this uncertainty is to report a standard error, which provides the range in which the true population value is likely to lie.⁵ For brevity throughout this report, we omit standard errors when reporting statistics in most cases; this uncertainty is captured in the statistical significance tests we conduct, and we provide full results, including standard errors, in both the technical report and in the full tables of statistics available at <https://www.urban.org/projects/grounding-values-cbdos>. In cases where the standard errors around estimates were very large, but where it was nonetheless important to include the best available information, we report the standard error in parentheses next to the estimate.

Finally, we augmented survey data by linking respondents' answers to Internal Revenue Service (IRS) data from 2018 or the closest available filing year. These data provided key variables used to analyze CBDOs based on annual expenses, region, staff size, and organizational financial health metrics.

Reporting Conventions and Key Definitions

The following reference list provides common reporting conventions and key definitions used throughout the report.

- **Development focus:** Development or nondevelopment activity based on response to the question, “Many CBDOs carry out both development (including real estate and business development) and other nondevelopment activities, such as community organizing, social services, and workforce development. Which category best describes your organization?”
- **Director race/ethnicity (person of color):** Responses to the question, “What is the race/ethnicity of your organization's executive director?” Any race or ethnicity selection including an option other than “white” was coded as “person of color.”
- **Expenses:** Whether the organization’s annual expenses were above or below the median annual expenses among survey respondents (\$1,358,000). This serves as a proxy for organization size.
- **Primary development activity:** Housing development, nonhousing development, or hybrid, based on whether an organization engages only in housing development activities; in commercial development, business supports, and lending activities only; or engages in a mix (“hybrid”).
- **Race and ethnicity:** When we refer to racial groups (e.g., Black or white), we are referring to the corresponding racial group that is not of Latine ethnicity unless otherwise noted. When we refer to “Latine” populations, this includes people of all races unless otherwise noted. We also use the term “people of color” or “POC” to refer to all people reporting a race/ethnicity category other than white, non-Latine. When possible, we also provide analyses broken down by individual race/ethnicity categories, though in most cases, there were so few responses across specific categories that we cannot provide reliable estimates.
- **Reference groups:** Some characteristics in this report are most meaningful in reference to the entire population of CBDOs, while others are more meaningful, or additionally meaningful, when compared with a subset of the population. For example, the percentage of all CBDOs that have engaged in housing development in the prior three years is important, but when we turn to CBDOs that do home repair and weatherization, we might be more interested in this percentage relative to CBDOs that have done *any* housing development in the prior three years. We note the applicable reference group using language such as “share of all CBDOs” to

refer to the whole population and “share of CBDOs that recently developed housing” to refer only to those organizations that have done housing development.

- **Region:** One of four Census regions in which each organization’s IRS filing address is located (Northeast, Midwest, South, or West). For a breakdown of states in each region, refer to the Census Bureau’s documentation of Census regions and divisions (US Census Bureau 2023). Note that organizations based in Puerto Rico are not associated with any Census region.
- **Residents (low income):** The relative share of the organization’s residents and beneficiaries who are at or below incomes of 60 percent of the area median income (AMI), re-coded as low share, moderate share, or high share. This variable combines responses to the question, “In the three years between January 2019 and December 2021, what percentage of your organization’s residents/beneficiaries earned below 30 percent area median income (AMI)?” and a corresponding question about those who earned between 60 percent and 30 percent of AMI. When we refer to this construct, we use phrases such as “serving the most low-income residents” and “serving the fewest low-income residents” for simplicity, though we are technically referring to the share of an organization’s residents and beneficiaries who are low income, not the number of such residents and beneficiaries.
- **Residents (people of color):** The relative share of the organization’s residents and beneficiaries who are people of color, as reported in response to the question, “In the three years between January 2019 and December 2021, what percentage of your organization’s residents/beneficiaries were people of color?” When we refer to this construct, we use phrases such as “serving the most residents of color” and “serving the fewest residents of color” for simplicity, though we are technically referring to the share of an organization’s residents and beneficiaries who are low income, not the number of such residents and beneficiaries.
- **Service area size:** Single neighborhood, single city, single county, metropolitan statistical area (MSA), or one or more states based on responses to the question, “How would you describe the geographic location and distribution of your organization’s development projects and/or programs? Please select the smallest geography that applies.”
- **Service area type:** Urban, rural, or mixed, based on response to the question, “Is your organization’s service area exclusively urban, exclusively rural, or mixed?”
- **Statistical significance:** We focus on differences between groups that are statistically significant. For example, when we make a comparison such as “organizations that were led by white directors had better financial health characteristics than organizations led by POC

directors, on average,” this reflects a statistically significant difference in terms of financial health characteristics between white-led and POC-led organizations. We report values that we are at least 90 percent confident are statistically significantly different from the comparison group.

CBDOS Today

CBDOS serve communities across the United States by developing real estate, providing lending and financial assistance, advocating for policy and program changes, and providing services to households and other organizations. CBDOS are, by definition, connected to the communities in which they are located and in which they operate, resulting in diverse organizational characteristics, priorities and activities. In this section, we describe what CBDOS are and what they do for their communities.

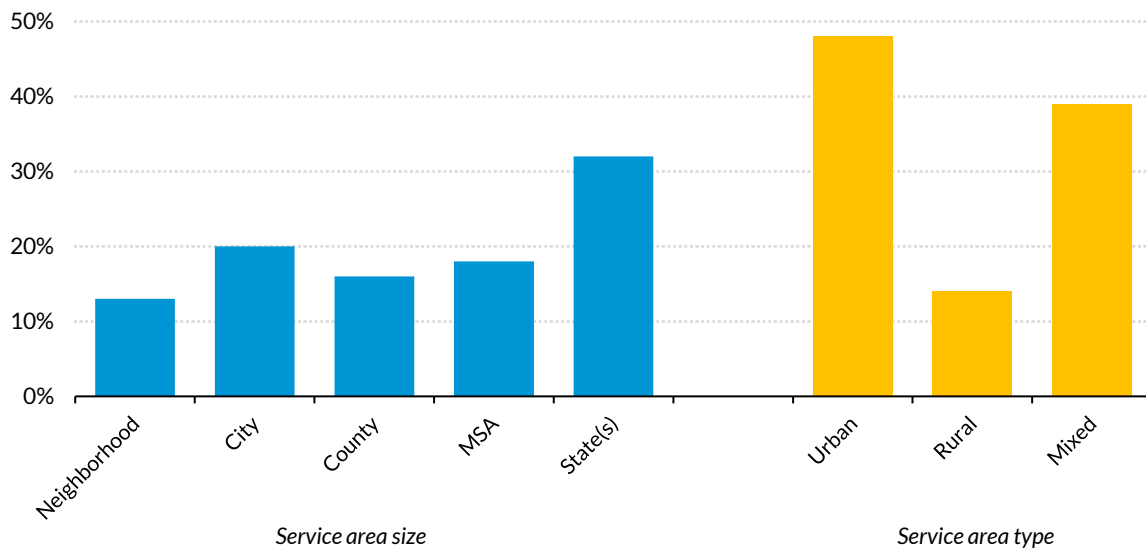
Serving Diverse Communities in Every Region

CBDOS operate in all corners of the country, meeting the needs of small rural towns and major cities alike. There are slightly fewer CBDOS in the West (20 percent), with organizations more evenly spread between the Midwest (27 percent), Northeast (24 percent), and South (29 percent).⁶ Six percent of CBDOS serve *colonias* along the US-Mexico border, Hawaiian homesteads, and/or Native American reservations.

In terms of the size of CBDO service areas, about a third of CBDOS serve a single city or neighborhood within a city, and another third serve an entire county or an MSA spanning multiple counties. Another third of CBDOS serve communities across one or more states (figure 1). Overall, almost half of CBDOS serve exclusively urban areas, 14 percent serve only rural areas, and the rest serve a mix of urban and rural communities.

FIGURE 1

Percentage of CBDOs by Service Area Size and Service Area Type, 2022



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the following questions: “How would you describe the geographic location and distribution of your organization’s development projects and/or programs? Please select the smallest geography that applies” and “Is your organization’s service area exclusively urban, exclusively rural, or mixed? A service area is considered ‘rural’ if it is in a nonmetropolitan area that does not have a city with a population of more than 50,000.” MSA = metropolitan statistical area.

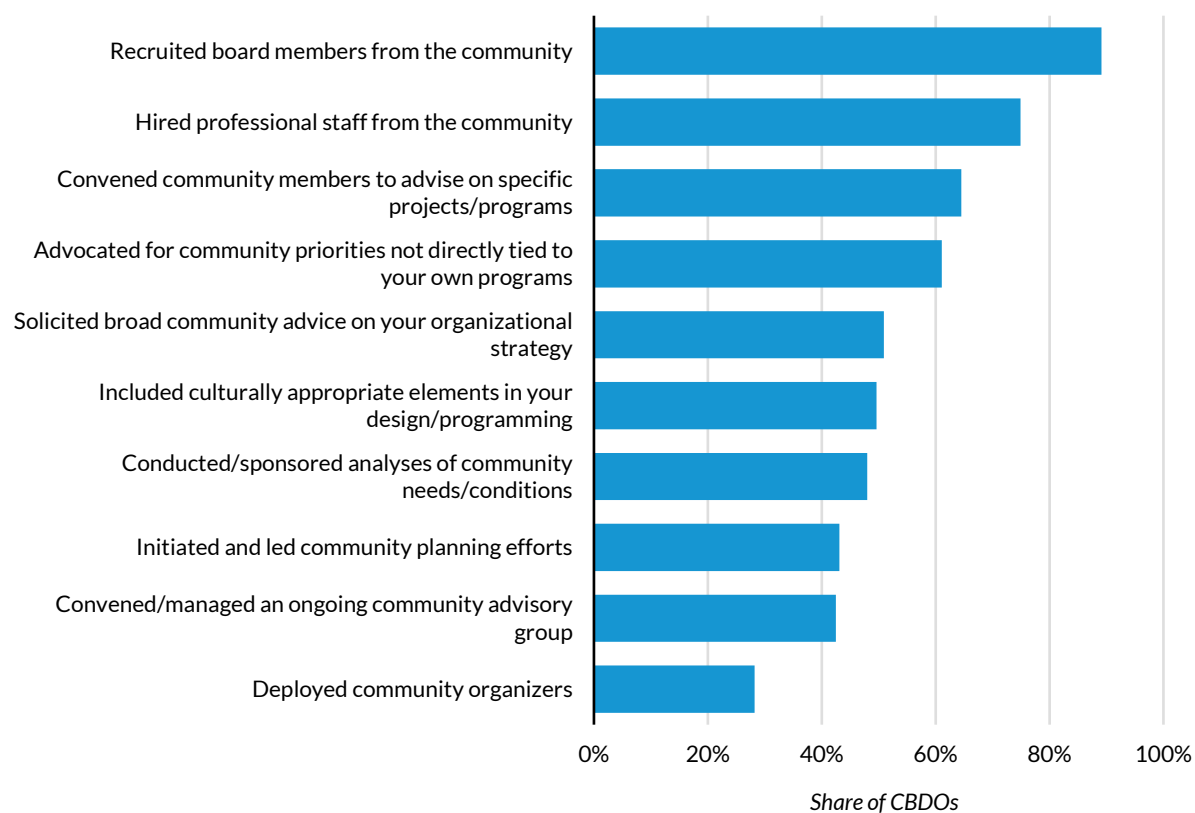
While CBDOs serve many different areas of the country, they are strongly oriented toward serving people of color and people earning low incomes. Approximately two in three organizations serve a majority of residents of color and beneficiaries, and nearly two-thirds of organizations serve areas where 80 percent or more of the resident/beneficiary population is at or below 60 percent of AMI.

Accountable to Communities

Community accountability lies at the heart of what it means to be community based. Therefore, to be eligible for the survey, we required respondents to meet at least one of three “community-based” criteria. Almost all eligible CBDOs (97 percent) reported that their organization’s board or leadership aims to ensure that a certain number or share of board members represent the places and people the organization serves. Similarly, almost all organizations (94 percent) said that at least half of their program beneficiaries or service area residents have low to moderate incomes. Finally, two in three CBDOs (65 percent) said their board or leadership limits the number or share of government officials and public agency staff who can serve on the board.⁷

During the three-year study period, CBDOs engaged in various approaches to deepen their accountability to the communities they serve (figure 2). Most CBDOs reported ongoing efforts to ensure their leadership and staff come from the communities they serve, with 9 in 10 recruiting board members and 3 in 4 hiring staff from the community. A majority also engaged community members in advisory roles on projects and programs (65 percent), advocated for community priorities (61 percent), invited community feedback on their organizational strategies (51 percent), and ensured their programming was culturally appropriate (50 percent). However, just because a CBDO did not report an activity during the study period does not mean they have not engaged in this work previously or will not in the future to ensure the communities they serve are fully represented and engaged in their work.

FIGURE 2
Share of CBDOs Engaging in Community Accountability Actions, 2019–2021



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, “Community developers have various ways to ensure that their work responds to low-income communities’ needs and priorities. Please select all the activities your organization has undertaken in the three years between January 2019 and December 2021.”

Mature Organizations Led by Established, Diverse Leaders

CBDOs have grown in number, size, and age over the past 20 years, signifying a maturing industry led by established leaders. There are about 1,600 more CBDOs today than there were in 2005 (table 1), although some of this increase reflects the expanded definition of CBDO used for this study (in particular, the inclusion of Habitat for Humanity affiliates).⁸ Half of all CBDOs in 2022 had been in existence for at least 33 years, compared with the median age of 18 years in 2005, reflecting the staying power of these organizations over time. While the average tenure for CBDO directors was 12 years, half had been in their position for 7 years or less. Overall, CBDOs employ approximately 271,000 staff.⁹ The average CBDO employs 65 staff, but notably, half of CBDOs employ 14 or fewer staff, pointing to the outsized influence of a few very large CBDOs in the data drawn from IRS tax records.¹⁰

TABLE 1
CBDO Organizational and Leadership Characteristics, 2022 and 2005

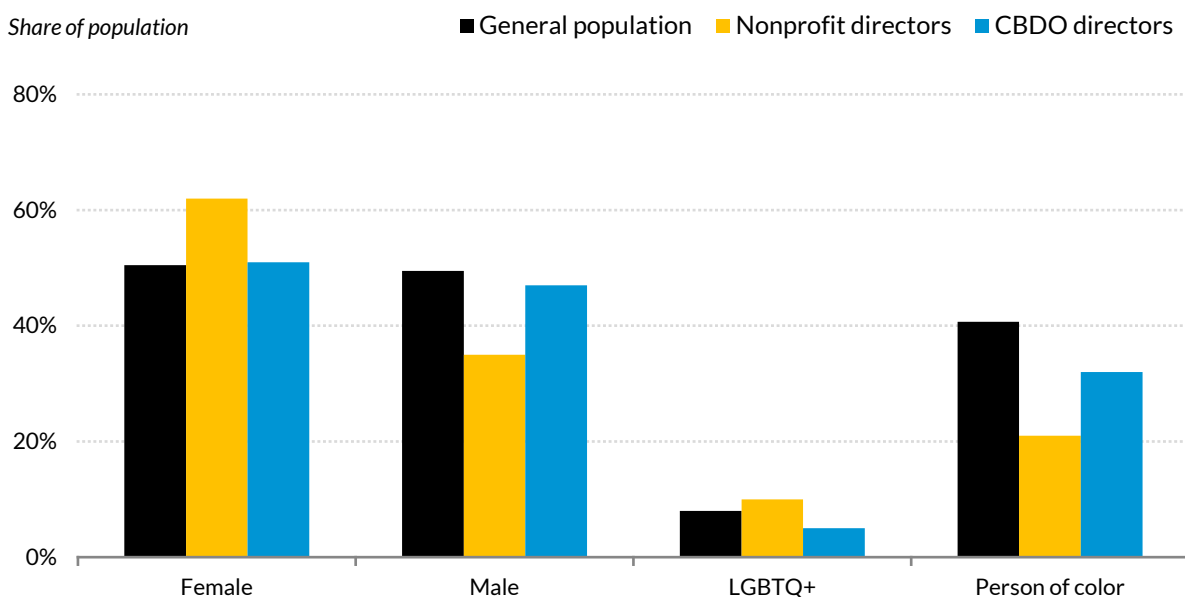
	2022	2005
Number of CBDOs	6,225	4,600
Median age of organization (years)	33	18
Paid staff*	271,000	199,000
Director		
Female (%)	51%	43%
Person of color (%)	33%	31%
LGBTQ+ (%)	5%	N/A

Source: 2022 figures from Urban Institute analysis of Grounding Values census survey data; 2005 figures are from the National Congress for Community Economic Development (2005).

Notes: Reflects larger survey population than past census surveys and characteristics of newly included organizations in the 2022 community-based development organization (CBDO) population.

* The 2022 estimate of paid staff is from IRS data, while the 2005 estimate of paid staff was produced based on survey responses.

FIGURE 3
CBDO Director Characteristics Compared with Nonprofit Directors and the General Population, 2022



URBAN INSTITUTE

Sources: Urban Institute analysis of Grounding Values census survey data; Laurel Powell, “We Are Here: LGBTQ+ Adult Population in United States Reaches At Least 20 Million, According to Human Rights Campaign Foundation Report,” Human Rights Campaign, December 9, 2021; Faulk et al. (2021).

Notes: In response to questions, “Please tell us how the executive director identifies on the gender spectrum,” “Does the executive director identify as a member of the LGBTQ+ community?,” and “What is the race/ethnicity of your organization’s executive director?” Director race is not disaggregated beyond “person of color” because of limited responses for many race/ethnicity categories, leading to unstable estimates for those categories.

CBDO directors play a significant role in setting organizational priorities, building relationships with community members and other organizations, and acquiring funding. In many ways, directors are the faces of their organizations, making the characteristics of CBDO directors important to understanding the field. Compared with CBDOs in 2005, CBDOs today are more likely to be led by women (51 percent versus 43 percent) (table 1). This more closely reflects the share of women in the general population (51 percent) but remains lower than the share of women leading nonprofits across the country (62 percent). Thirty-three percent of organizations have a director who is a person of color, virtually the same share as in the 2005 census (31 percent). In 2022, 25 percent of CBDO directors identified as Black, 4 percent as Asian, and 4 percent as Latine (director race/ethnicity categories were not exclusive). So few survey respondents reported that their organizations’ directors were Indigenous, Pacific Islander, or another race that we are unable to report reliable estimates for these groups.¹¹ While CBDO directors are more racially and ethnically diverse than directors of nonprofits overall,

where only one in five (21 percent) is a leader of color, they still fall short of reflecting the diversity of the general population (41 percent people of color) (figure 3). Finally, 5 percent of CBDO directors identified as LGBTQ+, a lower proportion than among nonprofit leaders (10 percent) and the general population (8 percent).

Housing Production as Primary Development Activity

Housing development and rehabilitation activities have traditionally been the cornerstone of the CBDO field. While virtually all CBDOs also engage in activities beyond housing development, housing production remains a prominent development activity, with two-thirds of organizations reporting that they completed housing unit production or rehabilitation in the prior three years.

Cumulatively (i.e., considering all units that CBDOs have developed since their founding),¹² the sector has produced more than 4 million housing units, the majority of which are located in urban areas.¹³ An estimated 3 million are rental units, with 79 percent developed in urban areas and 21 percent developed in rural areas, and an estimated 980,000 units are owner occupied, with 68 percent developed in urban areas and 31 percent developed in rural areas.

From 2019 to 2021, CBDOs produced 186,000 units each year (including shelter beds and transitional housing units), or 123,000 if we only examine rental and owner-occupied construction and rehabilitation. For comparison, the last census found that CBDOs built or rehabilitated 86,000 rental and owner-occupied units annually, on average (table 2).¹⁴ Part of the increase today reflects an expanded CBDO universe including Habitat for Humanity affiliates, which constructed and rehabbed almost 15,000 homes across the United States and Canada in fiscal year 2022 alone.¹⁵

TABLE 2

CBDO Cumulative and Annual Production of Rental and Homeownership Units, 1988–2021*Unit counts reflect rental and owner-occupied construction and rehabilitation only*

Census survey years covered	Cumulative units produced	Units produced annually
1988–1991	320,000	N/A
1991–1994	400,000	27,000
1994–1998	650,000	62,000
1998–2005	1,252,000	86,000
2019–2021*	4,025,000	123,000

Sources: Urban Institute analysis of Grounding Values census survey data; National Congress for Community Economic Development (2005).

Notes: We believe historic census statistics in this table reflect rental and owner-occupied construction and rehabilitation but do not include other housing production types, such as transition and emergency housing, home repair and weatherization, and sweat equity units, though this is not explicitly stated in the report. N/A indicates that the number is not available.

* This survey represents a larger number and expanded definition of CBDOs than captured in previous surveys.

More than one-third of all CBDOs engaged in rental housing construction or substantial rehabilitation in the past three years—the most popular housing development activity across CBDOs—with two in five (42 percent) CBDOs that had ever developed housing reporting that they had done rental housing development in the past three years (table 3). Half of CBDOs that engaged in recent rental housing development in the past three years produced fewer than 40 units.

In terms of owner-occupied housing, almost half of CBDOs that recently developed housing engaged in home repair and weatherization (45 percent) (table 3). Owner-occupied, for-sale development and rehabilitation were similarly popular in the past three years, with two-fifths (38 percent) of recent developers producing for sale units and rehabbing owner-occupied units (35 percent). Slightly more than 1 in 10 CBDOs (13 percent) recently supported sweat equity, owner-occupied development.

TABLE 3
Annual Housing Development by Type of Activity, 2019–2021

Type of activity	CBDOs Developing Housing		Annual Unit Counts		
	All (n = 6,153)	Recently developed housing (n = 4,156)	Total	Mean	Median
Rental, development or rehabilitation	38%	56%	93,300	41	13
Home repair and weatherization	31%	45%	48,500	27	10
Owner, new construction	26%	38%	12,900	8	3
Owner, rehabilitation	24%	35%	17,400	12	3
Sweat equity	9%	13%	5,000	10	6
Transitional housing units	5%	7%	4,400 (±1600)	15 (±5)	4 (±3)
Emergency shelter beds	3%	5%	4,600 (±1900)	25 (±7)	17 (±13)

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: “All CBDOs” reflects the share of organizations engaging in a given activity relative to the full population of CBDOs; the n-value for this column is slightly less than the full population of 6,225 because some respondents skipped these questions. “Recently developed housing” reflects the share of organizations engaging in a given activity relative to all CBDOs that engaged in any housing development activity during the 2019–2021 period. Standard errors are reflected in parentheses next to estimates with greater uncertainty; refer to box 1 for additional information on estimate uncertainty.

Relatively few CBDOs that recently developed housing—about one in four (23 percent)—reported building housing for special needs populations, including emergency shelter or transitional housing. CBDOs that served special needs populations were most likely to serve formerly homeless individuals (88 percent), followed by people with disabilities (82 percent) and older adults (62 percent). Less than half of these CBDOs reported that they developed housing for veterans (46 percent), people with substance use disorders (42 percent), formerly incarcerated individuals (30 percent), people aging out of foster care (26 percent), or people living with HIV/AIDs (16 percent).

Developing Diverse Types of Real Estate

Commercial and community facilities production encompasses a range of nonhousing construction, rehabilitation, or acquisition activities. Commercial production includes office, retail, industrial, warehouse, and business incubator production, while community facilities include community or recreational facilities, child care facilities, charter schools, health care facilities, arts/cultural facilities, and senior facilities. In total, the CBDO field has produced approximately 19,000 commercial and community facilities since founding, with 69 percent of these facilities developed in urban areas and 31

percent developed in rural areas.¹⁶ Almost half of CBDO survey respondents (45 percent) reported that they have ever done commercial or community facilities production, the same share since the last census (NCCED 2005). While these types of production are not as prevalent as housing production, they remain important development activities through which CBDOs support communities.

In the past three years, more than one-quarter of CBDOs completed some sort of commercial or community facilities development. Office or retail development was the most common category, followed by community facilities and industrial, warehouse, or business incubator development (table 4). Among CBDOs that had recently produced community facilities, 56 percent had developed community or recreational facilities and 29 percent had developed a child care facility.¹⁷

TABLE 4
Commercial and Community Facilities Development, 2019–2021

	CBDOs Developing Commercial and Community Facilities		Facility Counts, 2019–2021		
	All (n = 5,937)	Recently developed commercial (n = 1,584)	Total	Mean	Median
Office/retail	14%	54%	2,359	2.8	1
Community facilities	8%	30%	868	1.9	1
Industrial, warehouse, or business incubator	4%	13%	249	1.2	1

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: “All” reflects the share of organizations engaging in a given activity relative to the full population of CBDOs. “Recently developed” reflects the share of organizations engaging in a given activity relative to all CBDOs that engaged in any commercial or community facilities development activity from 2019 to 2021.

Barriers that Get in the Way of Production

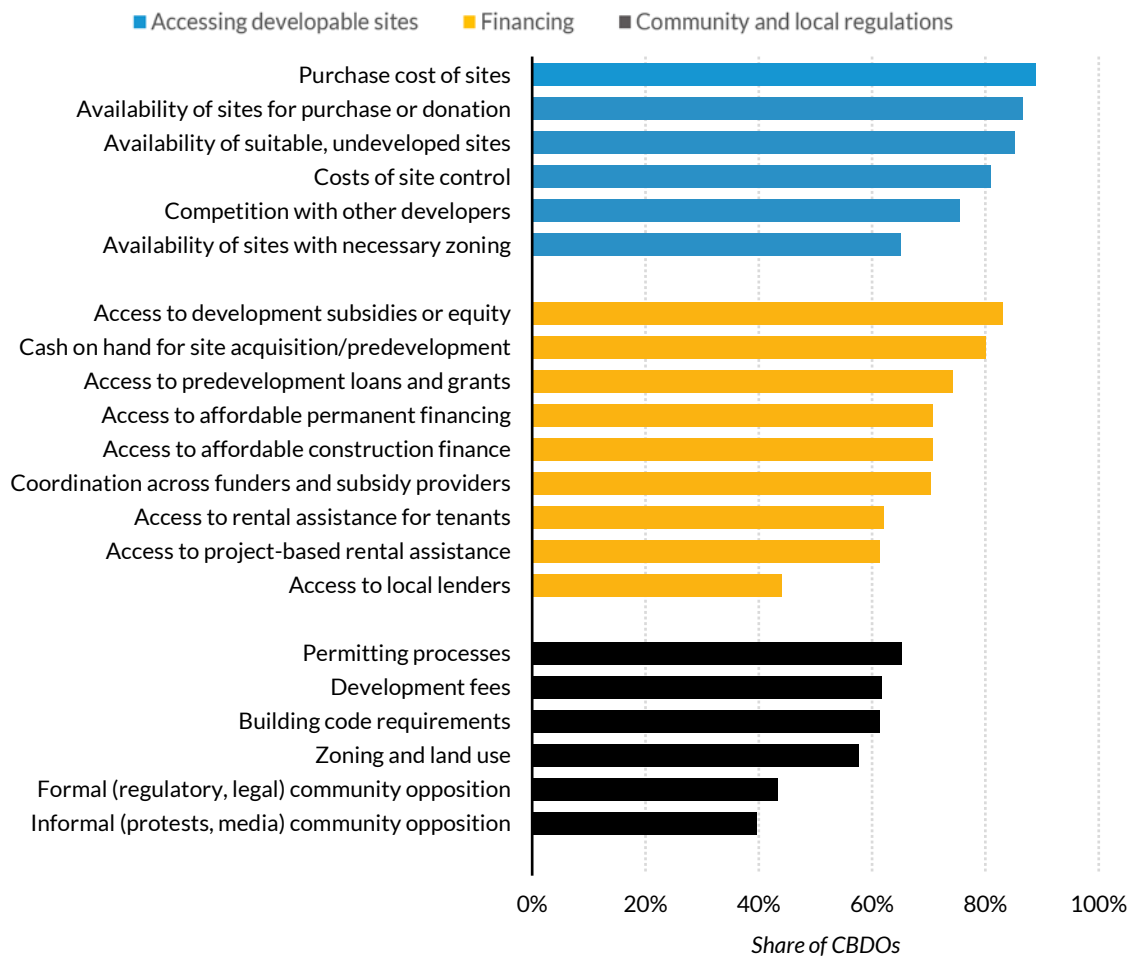
We asked respondents about three overarching categories of production barriers that affected their development work: barriers to accessing developable sites, community and local regulatory barriers, and financing barriers. A larger share of CBDOs cited difficulty securing developable sites and financial barriers than local regulatory and community barriers, though more than half of CBDOs reported that there was at least one somewhat or very significant barrier affecting their work in each overarching category (figure 4).

The vast majority of CBDOs said they face barriers to accessing developable sites: more than four in five CBDOs (89 percent) cited the purchase cost of available developable sites, the lack of availability of development sites for purchase or donation (87 percent), the lack of suitable sites not already

developed (85 percent), and the cost of site control (81 percent) (figure 4). Three out of four (76 percent) also noted competition with other developers as a barrier.

There was more variation in the share of CBDOs that cited somewhat or very significant financial barriers to production: four in five CBDOs noted issues with access to development subsidies or equity (83 percent) and having cash on hand for site acquisition and predevelopment (80 percent), while around three in four experienced challenges accessing predevelopment loans and grants (74 percent), securing affordable permanent financing (71 percent) and construction financing (71 percent), and coordinating across multiple funders and subsidy providers (70 percent).

FIGURE 4
Barriers to Production among CBDOs, 2022



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, "How significant are the following barriers related to financing/access to developable sites/community and local regulation in limiting your organization's current development activity?"

Fewer CBDOs said that local regulatory and community barriers were limiting their current development activity more than finding and accessing sites and funding. However, despite emphasis over the past couple of decades on streamlining permitting processes and fees for affordable housing development, these remain substantial barriers for roughly two in three CBDOs. A smaller share of CBDOs reported zoning and land-use barriers as a greater concern than issues with accessing sites or financing, although zoning and land use may influence the availability and cost of developable sites (which many CBDOs reported as challenges). Finally, community opposition was less of an issue than other barriers to development. This may indicate that CBDOs have good reputations and community trust that limit community opposition.

Connecting Individuals and Businesses to Financial Resources and Assistance

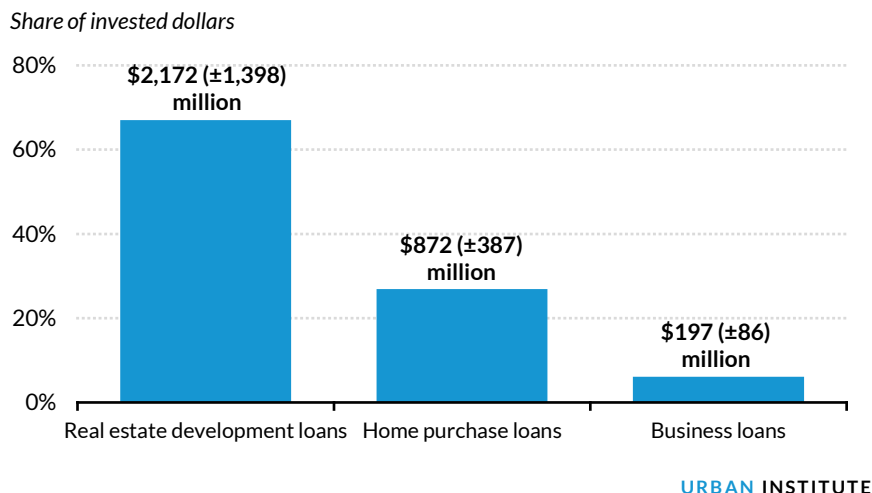
CBDOs engage in a host of activities that help individuals and businesses thrive, ranging from real estate lending and down payment grants to coordinating business associations. Nearly half of CBDOs (46 percent) reported that they have ever done community lending or provided other types of financial assistance (such as down payment assistance), while 23 percent said they have provided business supports—such as providing technical assistance, coordinating business marketing, and owning, operating, or investing in a business—since their founding.

In total, CBDOs lent \$3.24 billion (\pm \$1.87 billion) in loans on an annual basis over the past three years.¹⁸ The lion's share (67 percent) went toward financing real estate development, with home purchase loans accounting for 27 percent and business loans accounting for 6 percent (figure 5). When including down payment assistance—which is typically provided as a grant rather than a loan—the annual amount invested or lent by CBDOs sums to \$3.46 billion (\pm \$1.94 billion), with down payment assistance accounting for 6 percent of the total (table 5). From 2019 through 2021, one in six CBDOs engaged in lending and financial assistance activities. Overall, down payment assistance is the most popular offering, provided by the more than half of CBDOs recently, followed by home purchase mortgages offered by two out of five CBDOs, and then business and real estate loans made by almost one in three CBDOs (table 5).

In addition to direct lending and financial assistance, some CBDOs also operate as intermediaries, servicing or packaging loans that originated from other sources. Approximately three in five CBDOs that engaged in direct lending or financial assistance from 2019 to 2021 reported servicing or packaging loans for other agencies; housing development loans were the most frequent type of loan packaged (25 percent of CBDOs that recently engaged in lending or provided financial assistance).

FIGURE 5

Share of Dollars Invested Annually by Lending Category, 2019–2021



Source: Urban Institute analysis of Grounding Values census survey data.

Notes: All statistics have been Winsorized at the 5 percent and 95 percent levels to limit the influence of extreme outliers. Standard errors are reflected in parentheses next to estimates with greater uncertainty; refer to box 1 for additional information on estimate uncertainty.

TABLE 5

Community Lending and Financial Assistance, 2019–2021

Type	Lending and Assistance, Annualized (in USD)				
	All (n = 5,840)	Recently provided (n = 537)	Total (millions)	Mean	Median
Down payment assistance	9%	57%	216 (±72)	485,000 (±147,000)	67,000 (±23,000)
Home purchase	7%	40%	872 (±387)	2,888,000 (±1,180)	997,000 (±326,000)
Business finance	5%	31%	197 (±86)	800,000 (±316,000)	67,000 (±272,000)
Real estate development	5%	30%	2,172 (±1,398)	7,955,000 (±5,020,000)	333,000 (±314,000)

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: All statistics have been Winsorized at the 5 percent and 95 percent levels to limit the influence of extreme outliers. “All” reflects the share of organizations engaging in a given activity relative to the full population of CBDOs. “Recently provided” reflects the share of organizations engaging in a given activity relative to all CBDOs that engaged in any lending or financial assistance activity from 2019 to 2021. Standard errors are reflected in parentheses next to estimates with greater uncertainty; refer to box 1 for additional information on estimate uncertainty.

Many organizations that work in community lending and financial assistance become certified community development financial institutions (CDFIs). CDFIs focus on providing financing to low-income communities that often have trouble accessing other sources of funding by deploying low-cost

capital for community development activities.¹⁹ While not all CDFIs are CBDOs—some do not engage in the development activities that we used as eligibility criteria for this study—some CBDOs (8 percent, or roughly 450 CBDOs) reported that they are also certified CDFIs. When looking at just the CBDOs that recently provided loans or financial assistance, 34 percent reported being certified CDFIs.

Business supports are often less visible than real estate development but reflect another important category of activity through which CBDOs strengthen the communities they serve. Indeed, 38 percent of all CBDOs provided at least one type of business support during the 2019–2021 period. Technical assistance (TA) was by far the most common activity, offered by three in four CBDOs that had ever provided business supports (figure 6).

FIGURE 6
Business Support Activities among CBDOs, 2019–2021



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, “Which business enterprise development activities has your organization been involved in in the three years between January 2019 and December 2021? Select all that apply.”

When asked about the number of businesses they had supported from 2019 to 2021, CBDOs reported providing TA to an average of 224 businesses (± 83 businesses) and a median of 12 (± 4) businesses each year, supporting an estimated 373,000 businesses ($\pm 142,000$) in total each year during this period.²⁰ These numbers reflect the extent to which a relatively small share of organizations accounts for a relatively large share of TA provision. Because of our inability to assess how many

businesses received multiple types of TA from one or more CBDOs, we recommend interpreting TA estimates with caution.²¹

Services and Advocacy Activities

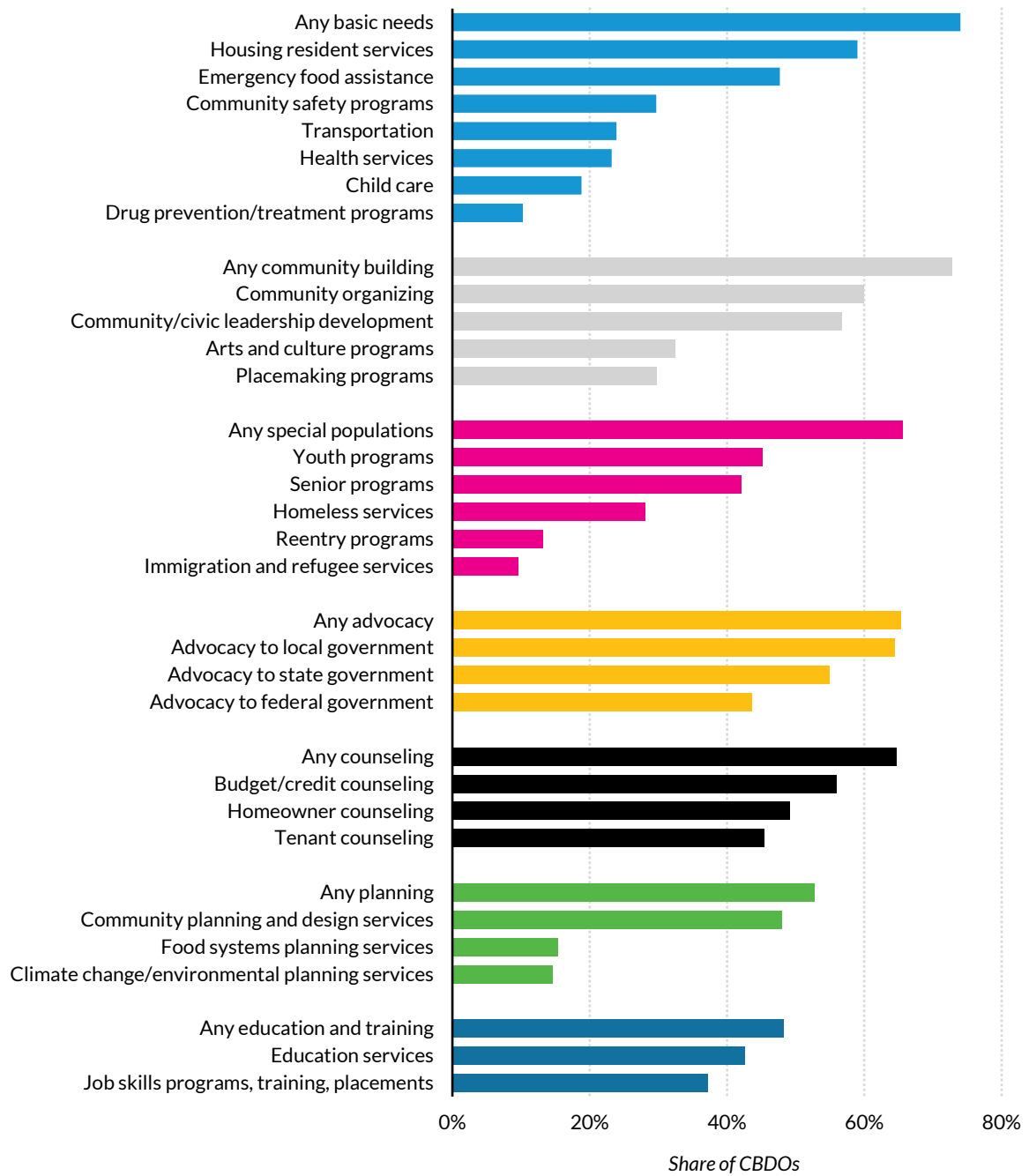
CBDOs engage in a diverse range of advocacy activities and other services in addition to their development work. We asked organizations about seven overarching categories of services and advocacy: services for special populations, planning services, education and training services, counseling services, community building services, services targeted toward addressing basic needs, and advocacy. We also asked respondents about services they provided in response to the pandemic.

Nearly all CBDOs (96 percent) provided at least one service or engaged in advocacy; on average, CBDOs offered or engaged in almost nine additional services or advocacy types beyond development, lending, and financial assistance.²² Unsurprisingly, most CBDOs are focused on meeting the basic needs of the people and communities they serve (74 percent)—including through food assistance and resident services—as well as building community (74 percent) through activities such as community organizing and leadership development (figure 7). They also focus on the well-being of certain populations, particularly young people (45 percent) and seniors (42 percent).

CBDOs have a strong focus on empowering local communities, with 60 percent or more reporting local government advocacy and community organizing activities, followed closely by community leadership development. This is similar to the share of CBDOs engaged in community organizing and advocacy (62 percent) in 2005 and likely reflects CBDOs' ongoing commitment to strengthening their specific neighborhoods, cities, and regions. Meanwhile, state and federal advocacy efforts have markedly increased since the last census survey. More than half of CBDOs (55 percent) reported advocating with state governments (compared with 33 percent in 2005), reflecting both the growing political scope of their activities and the fact that the funding and policy systems affecting their work have strong connections to state-level policy. The share of CBDOs engaged in federal government advocacy also more than doubled, with 44 percent in 2022 compared with 21 percent in 2005.

FIGURE 7

Engagement in Advocacy and Services Provision



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, "Please indicate whether your organization or its subsidiaries offered the following major activities between January 2019 and December 2021. By 'offered' we mean that your organization has expended funds on staff or purchased goods and services to provide the service."

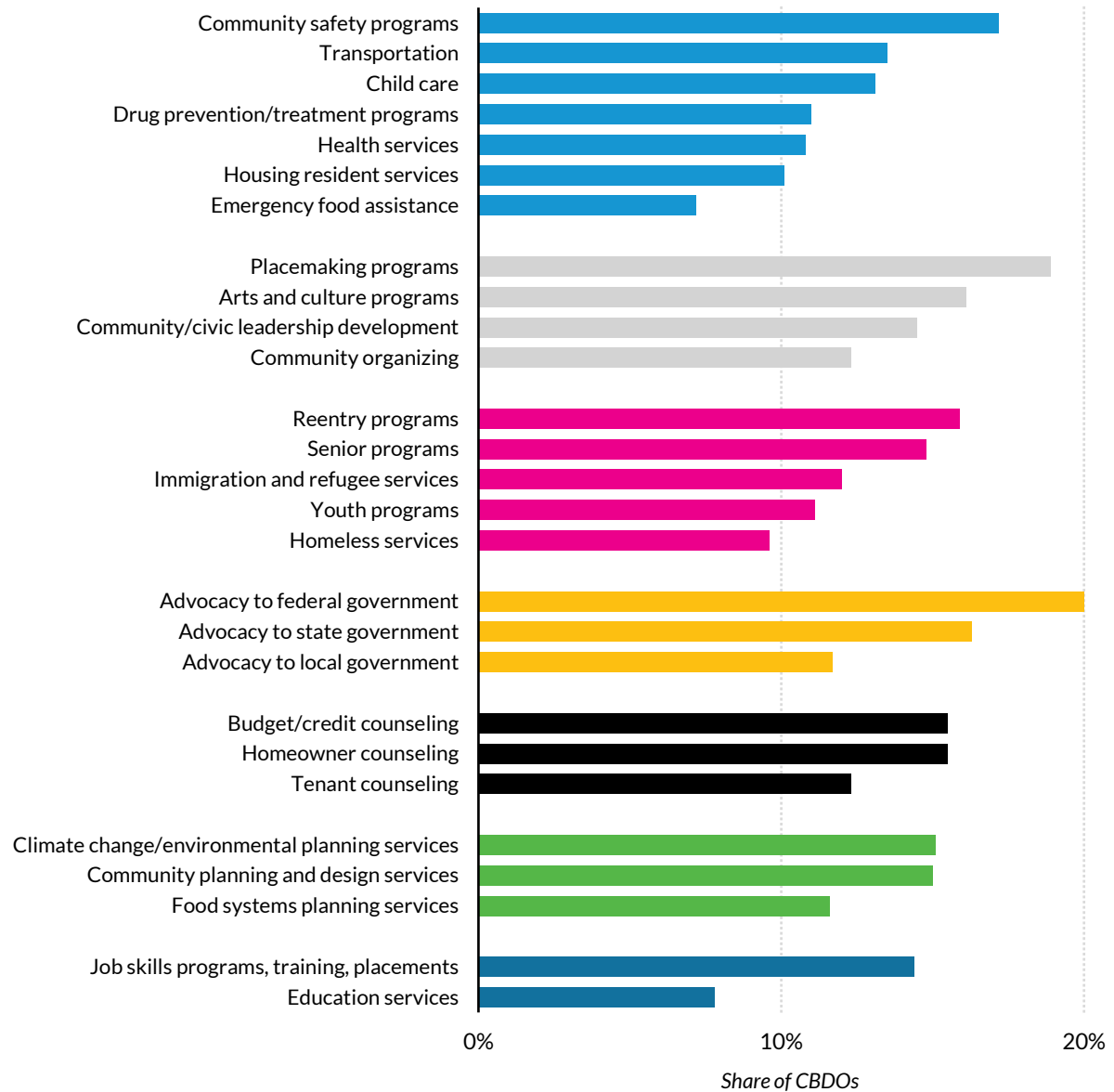
We also asked respondents about the services and types of advocacy they do not engage in currently but would like to explore in the future. CBDOs expressed the strongest interest in federal advocacy efforts (20 percent), which, in combination with the 44 percent of respondents that already engage in federal advocacy, suggests that two-thirds of all CBDOs feel that federal policy is an important lever for advancing their work and better supporting the communities they serve (figure 8). Placemaking programs were selected second-most frequently (19 percent), followed by community safety programs (17 percent), both of which are likely to directly complement the place-based approaches that underly many CBDOs' development activities. Roughly 10 to 15 percent of organizations expressed interest in other types of services; notably fewer organizations expressed interest in emergency food assistance (7 percent) and education services (8 percent).

Recognizing that the COVID-19 pandemic may have shifted CBDO service priorities in the short term, we asked whether organizations had engaged in specific pandemic response programs. All CBDOs engaged in at least one action in response to the pandemic, highlighting both the importance of CBDOs as key service providers and the value of their direct relationships with populations most vulnerable to public health emergencies, such as people who earn lower incomes, people of color, and households at risk of housing instability, eviction, and homelessness.

Supporting clients and residents with pandemic relief applications was the most frequent pandemic-related action reported by respondents (75 percent), though more than half of organizations also reported sharing public health information with community members (65 percent), coordinating or providing emergency rental assistance (65 percent), and providing food assistance (58 percent). Less than one-third of organizations reported advocating for COVID-19 response measures with local agencies (30 percent), establishing testing sites (22 percent), and retrofitting building systems (19 percent) (figure 9).

FIGURE 8

Interest in Advocacy and Services Provision



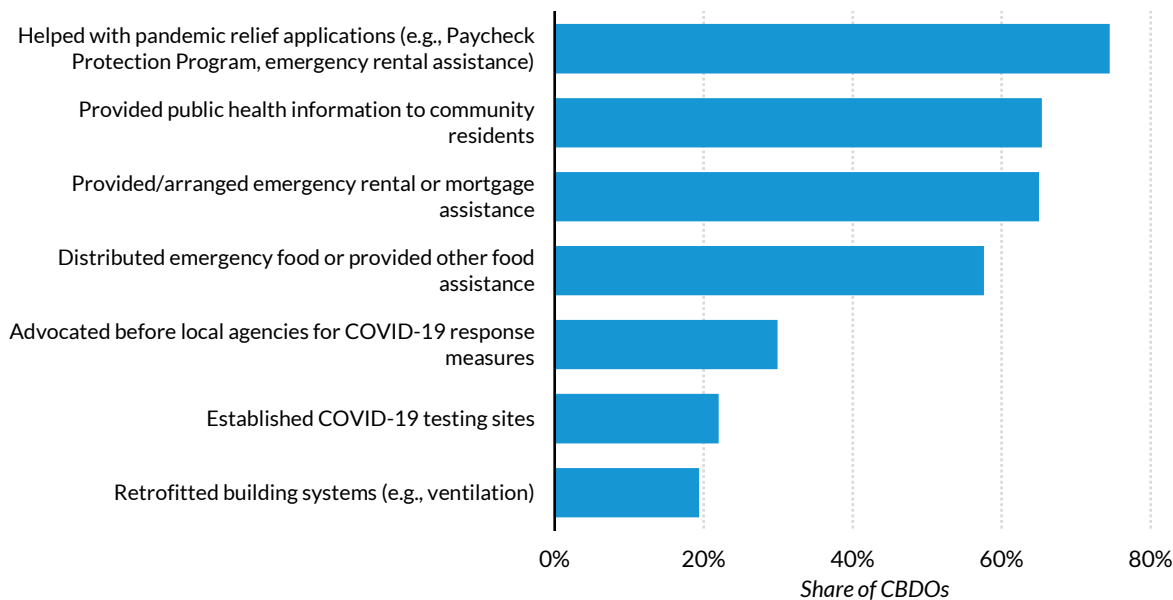
URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question: "Please indicate whether your organization or its subsidiaries offered the following major activities between January 2019 and December 2021. If not, please select whether or not you are interested in offering the activity."

FIGURE 9

COVID-19 Responses by CBDOs, 2020–2022



URBAN INSTITUTE

Source: Urban Institute Analysis of Grounding Values census survey data.

Notes: In response to the question, “Since early 2020, did your organization shift resources or acquire new ones to respond to potential or actual disruptions caused by the COVID-19 pandemic?”

Funding and Sustaining CBDOs’ Work

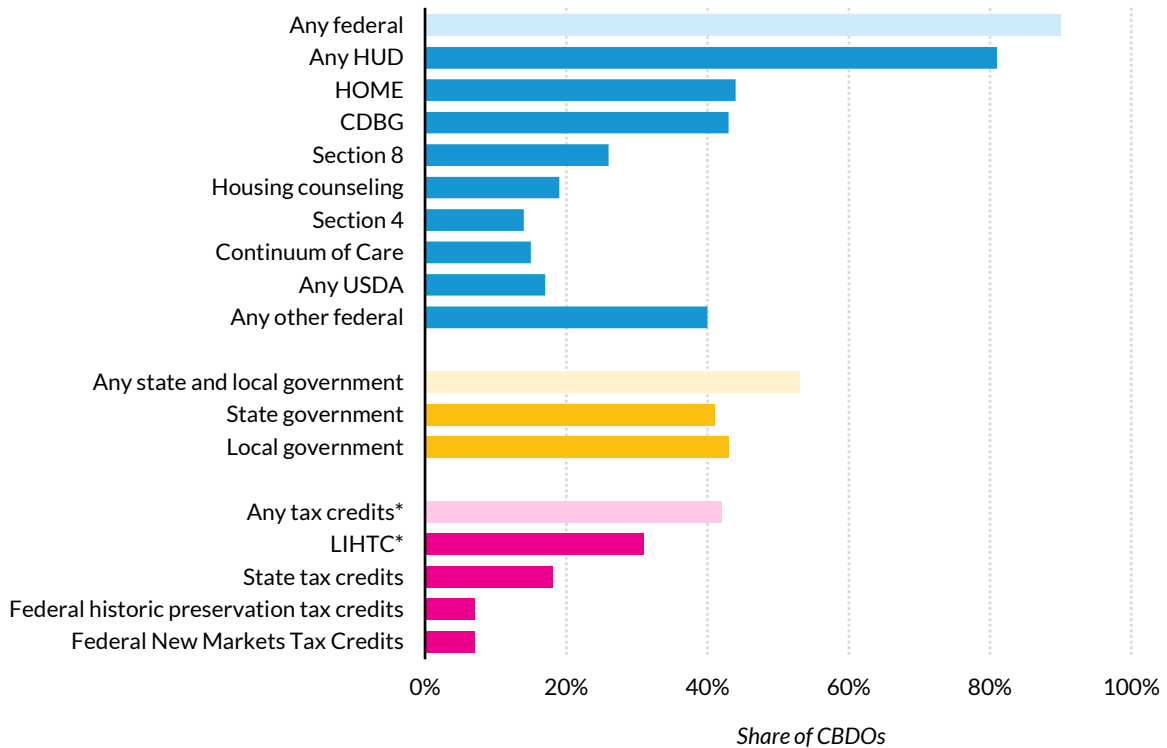
Funding is a critical factor that shapes CBDOs’ short- and long-term sustainability and growth and influences the types and scale of activities organizations can pursue. We asked respondents about the major sources of project and program funding—i.e., funding restricted to particular activities—they had received from various sources during the 2019–2021 period, as well as their sources of core operating support—i.e., unrestricted funding—from the most recent fiscal year.

Almost all CBDOs (90 percent) received some type of federal program funding of \$50,000 or more in one of the past three years (figure 10). The US Department of Housing and Urban Development (HUD) remains the most important program funding source, with 81 percent of organizations receiving HUD funding; among HUD programs, HOME (44 percent) and Community Development Block Grants (43 percent) represented the most common funding sources for CBDOs. Fewer than one in five CBDOs reported receiving funding from the following programs: housing counseling funds (19 percent), Section 4 capacity building (14 percent), Continuum of Care (15 percent), Emergency Solutions Grants (9 percent), and Section 202/811 (7 percent). Two programs had too few responses to report on: Rural

Community Development Initiative capacity building funds and Section 108 loans. Tax credit funding is also important, led by the federal Low-Income Housing Tax Credits (LIHTC) program: almost one in three CBDOs (31 percent) reported receiving LIHTC funding between 2019 and 2021.²³ A smaller share received state tax credits during the three-year period (18 percent), and federal New Markets Tax Credits and Historic Preservation Tax Credits were less common (7 percent each) (figure 10).

Funding diversity scores, which capture the number of distinct funding sources from which CBDOs receive funds, reflect another dimension of financial support and health. CBDOs reported receiving funding of \$50,000 or more in at least one of the prior three years from an average of 3.4 sources when considering all project and program funding sources (excluding core operating support, discussed below), including an average of 1.5 HUD sources, 0.68 state and local sources, 0.52 other federal sources, 0.51 tax credit sources, and 0.17 US Department of Agriculture (USDA) sources.

FIGURE 10
Receipt of Project and Program Funding of \$50,000 or More, 2019–2021



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, “For the following questions, please select ALL sources from which you received more than \$50,000 in any one year between January 2019 and December 2021.” Some answer options are not visualized due to limited responses. Refer to the accompanying technical report for the full survey instrument.

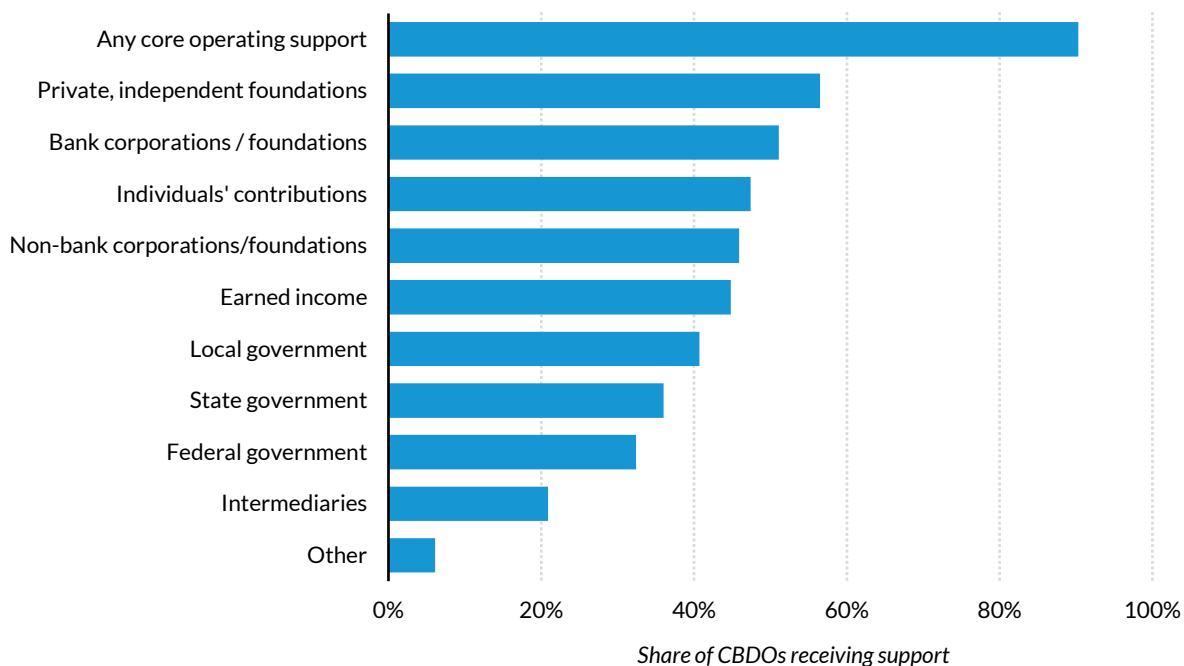
* The share of CBDOs that reported receiving at least \$50,000 in LIHTC funding in at least one of the prior three years (31 percent) is substantially higher than expected based on figures from the US Department of Housing and Urban Development's LIHTC database (<https://lihtc.huduser.gov/>) as well as survey data reflecting production from the National Council of State Housing Agencies' members. This discrepancy is likely due to the nature of LIHTC funding—LIHTC-funded projects typically provide tax incentives for 10 years from when the projects are first brought online—and how the survey question was phrased (it did not specify that we were interested only in receipt of new LIHTC allocations). This has potential implications for both the “LIHTC” and “any tax credits” statistics presented in this figure; these estimates should be interpreted with caution.

In terms of unrestricted funding, most CBDOs (90 percent) received core operating support of \$20,000 or more from at least one source in the previous year (figure 11), with CBDOs reporting receiving such support from an average of 3.45 sources. Corporations and foundations provide core operating support to the highest percentage of CBDOs and include private, independent foundations (56 percent), bank corporations/foundations (51 percent), and nonbank corporations/foundations (46 percent). Individual contributions (47 percent) and earned income (45 percent) were also relatively common sources of flexible, unrestricted funding compared with government sources: only two in five CBDOs or fewer reported core operating support from local (41 percent), state (36 percent), or federal (32 percent) governments.

While not perfectly comparable to categories asked in the last CBDO census, which did not break down foundation and corporate funding in the same manner as the Grounding Values census, it is worth noting that larger shares of CBDOs today report receiving core operating support across all sources than did in 2005. Foundation support remains the number one source of funding, while federal support held steady with just one in three CBDOs reporting receiving operating support.

FIGURE 11

Receipt of Core Operating Support of \$20,000 or More, 2021



URBAN INSTITUTE

Sources: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, "In your most recently completed fiscal year, from what sources did your organization receive \$20,000 or more in core operating support (i.e., support that was not earmarked for specific projects or programs)? Select all that apply."

What CBDOs Do and Need to Advance Racial Equity

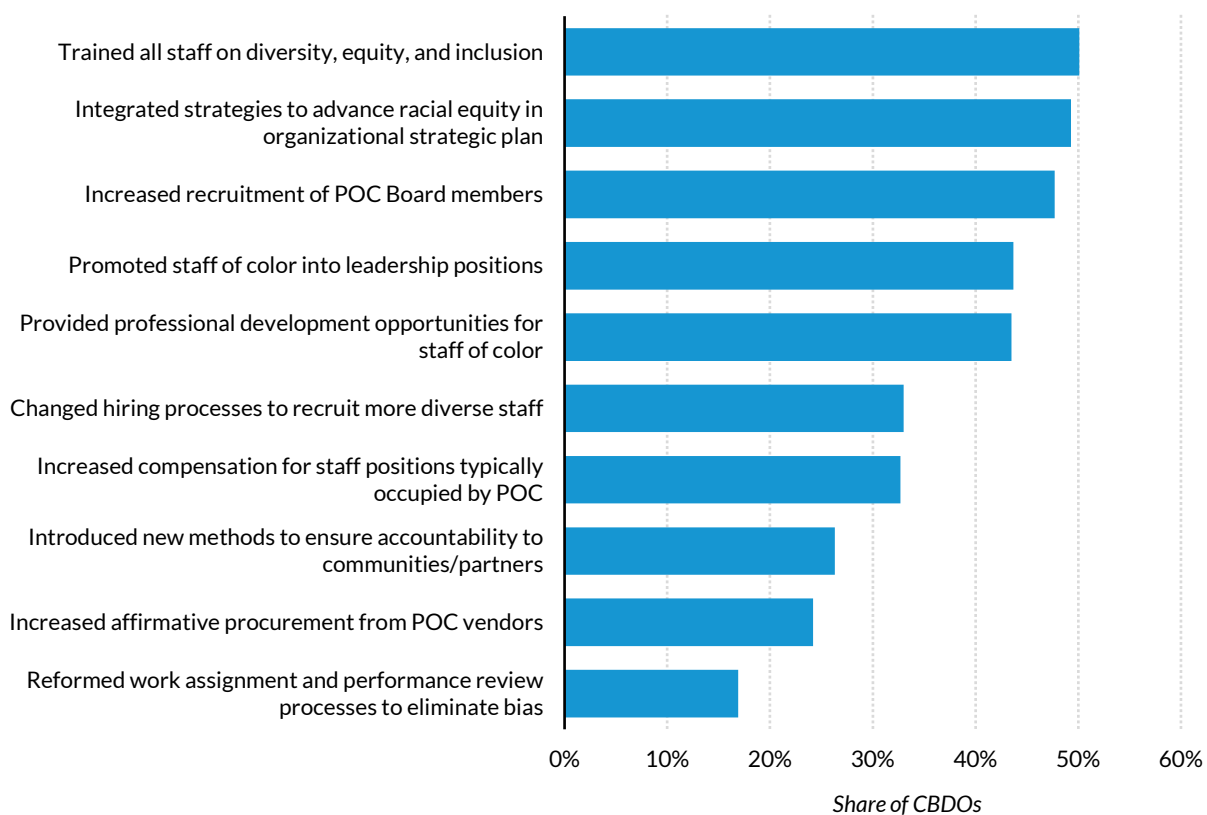
Serving communities of color has always been a central component of CBDOs' work. Recent events, including police murders of Black Americans and the health and economic inequities highlighted and exacerbated by the COVID-19 pandemic, have reinforced the urgent need for change. We describe the actions CBDOs have taken recently to advance racial equity—through both organizational changes and efforts focused on the communities they serve—as well as barriers facing leaders of color. We also compare the financial health of white-led organizations with that of CBDOs led by a director of color and how this may reflect inequitable funding patterns (Lo et al. 2022).

CBDOs Revised Organizational Processes and Supported Community Changes

Many CBDOs took a close look at their organizational policies and procedures (figure 12). The most popular changes were those related to staff training (50 percent), integration of racial equity strategies into strategic plans (49 percent), and outreach and recruitment of board members of color (48 percent) (figure 16). Some CBDOs also tackled more resource-intensive changes, such as their approaches to professional development (44 percent), promotion (44 percent), and compensation (33 percent). Responses were comparable regardless of director race or ethnicity, except that white-led organizations were more likely to increase recruitment of board members of color (55 percent versus 34 percent) and increase affirmative procurement from vendors of color (30 percent versus 20 percent), while organizations led by directors of color were more likely to promote staff of color into leadership positions (53 percent versus 41 percent). Some CBDOs may not have acted in these areas because they had no need: their board was already racially diverse, staff were already trained and provided appropriate compensation and professional development, and work was already equitably distributed.

FIGURE 12

Racial Equity Actions Focused on Organizational Changes, 2019–2021



URBAN INSTITUTE

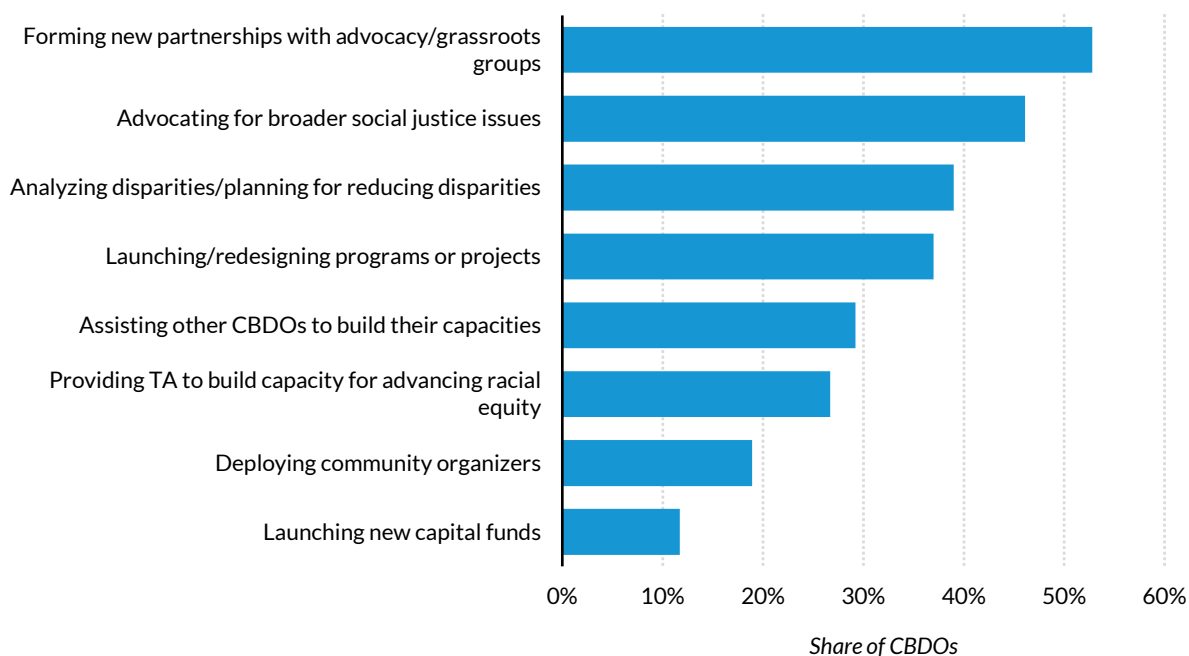
Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, “In the three years between January 2019 and December 2021, which of the following actions, if any, did your organization take with the purpose of advancing racial equity within your organization? Please include any ongoing activities that began prior to January 2019. Please select all that apply.” POC = people of color.

Some CBDOs changed their relationships with the communities they serve (figure 13). More CBDOs focused on shifting partnerships (53 percent), advocacy efforts (46 percent), analyzing disparities (39 percent), and redesigning or launching new programs or projects (37 percent). Fewer invested in building the capacity of other CBDOs (29 percent) or community members (27 percent), deploying community organizers (19 percent), or launching new capital funds (12 percent), all of which require a large investment in resources and staff. And some CBDOs may not have pursued these actions because they had a strong history of community supports already. There were no substantial differences between the shares of CBDOs led by directors of color and white-led organizations that reported engaging in each action.²⁴

FIGURE 13

Racial Equity Actions Focused on Community Changes, 2019–2021



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: In response to the question, “In the three years between January 2019 and December 2021, which of the following actions, if any, did your organization take with the explicit purpose of advancing racial equity within the communities you serve? Please select all that apply.” TA = technical assistance. CBDOs = community-based development organizations.

Almost All CBDOs Implemented Changes to Advance Equity, but Some Have a Stronger Focus than Others

Almost all CBDOs (93 percent) are advancing racial equity either within their organization or within the communities they serve by making at least one of the organizational or community-focused changes above. The median organization engaged in five different actions to advance equity between 2019 and 2021. But there were significant variations in equity-focused actions based on organizational size, development activities, region, and service area.

Larger organizations (by expenses) were more likely than smaller organizations to engage in equity-advancing actions focused on organizational change, and larger organizations also engaged in more distinct actions (on average, more than seven) than did smaller organizations (on average, five). While multiple factors may contribute to this trend—for example, larger organizations may achieve greater benefits relative to costs from such actions via economies of scale—it is likely that budgets directly

influence organizations' financial and staff capacities to undertake these sorts of actions. Dedicated funding to support CBDOs in equity-oriented work may help to increase the prevalence of this work among subsets of CBDOs that have engaged in less of this work to date. Other approaches, such as developing tools and resources that are tailored to CBDOs and disseminating case studies and other communications that clearly document the benefits of equity-advancing actions, may also help increase adoption and help CBDOs more effectively and efficiently undertake such efforts.

Lower shares of CBDOs focused on housing development engaged in activities to promote equity within the communities they serve. Housing development-focused organizations may see less immediate relevance of many equity-oriented actions because their day-to-day work involves less interaction with community members compared with organizations that prioritize services. Nevertheless, supporting development-focused organizations in advancing equity through their work is critical to ensuring that affordable housing production combats racial inequities and contributes to built environments that are more just.

Lower percentages of organizations based in the South engaged in equity-focused actions. As discussed in more detail below, communities in many Southern cities and states often comprise very large populations of people of color; CBDOs in the South are both more likely to serve the most households of color and to be led by directors of color. This could indicate that Southern CBDOs have less work to do around racial equity, but it more likely means that these organizations face stiff structural barriers to engaging more directly in racial justice work.

Organizations serving urban-only service areas were also, across the board, more likely to engage in equity-advancing actions than their rural-serving counterparts. They took 6.7 equity-advancing actions on average compared with 3.3 actions on average for rural-only organizations. The more diverse racial and ethnic composition of many urban-serving organizations' communities may make these issues more pressing than they feel for some rural-serving CBDOs. Organizations serving the most low-income households were also more likely to engage in equity-advancing actions compared with CBDOs that served relatively higher-income households; this may be because of an overlap between communities of color and communities with the lowest incomes.

Somewhat unexpectedly, there were few significant differences when comparing the rates at which organizations led by directors of color engaged in racial equity-focused actions compared with organizations led by white directors. One possible explanation is that organizations led by people of color have fewer financial resources, on average, than white-led organizations do, limiting their fiscal capacity to undertake equity-focused actions (discussed in more detail below). Another possible

explanation is that some organizations led by people of color—which also disproportionately serve residents and beneficiaries of color and which disproportionately have staff and board members who are nearly or exclusively people of color—either had already undertaken many of the equity-focused actions we asked about before the study period or had less need to undertake these actions because these organizations’ standing practices and activities were already focused on addressing racial equity. In addition, the timing of this survey—shortly after a renewed focus on racial equity following the police murders of George Floyd, Breonna Taylor, and other Black Americans in 2020—may have captured a relatively greater uptick in these actions among white-led organizations as they grappled with their organizational practices and the ongoing dynamics of racial injustice in the community development sector.

Leaders of Color and the Organizations they Lead Face Significant Barriers to Advancement

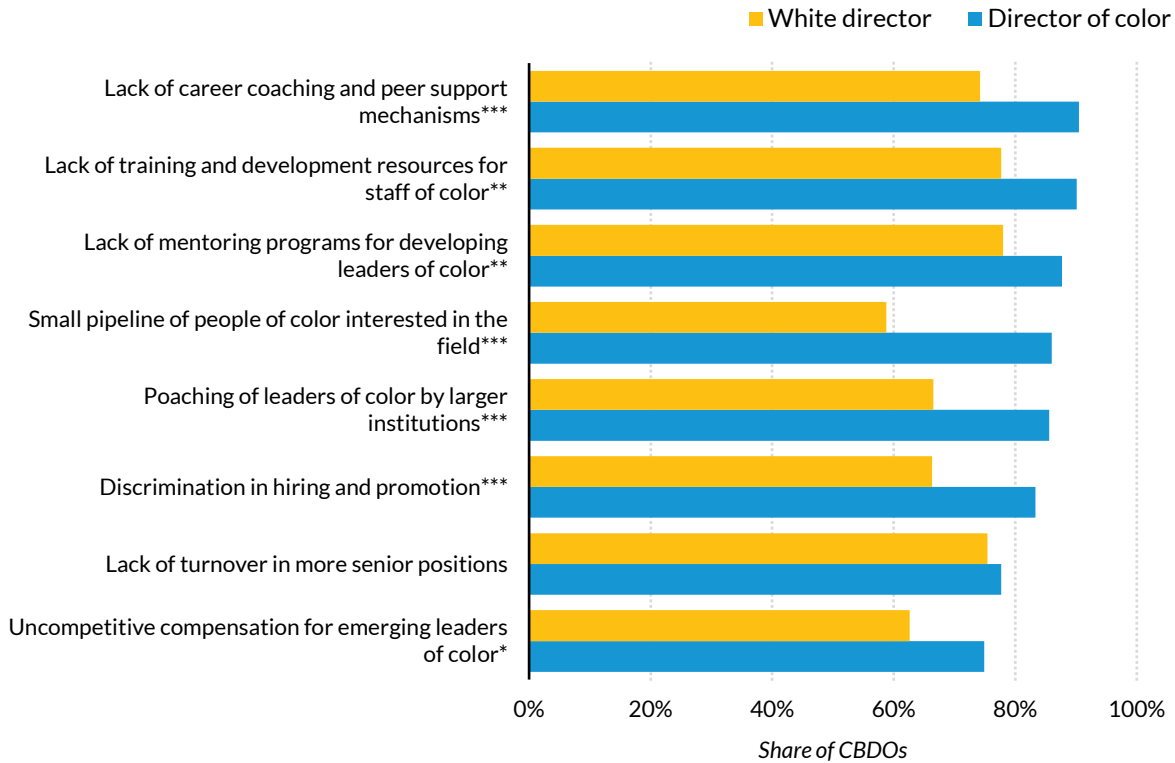
To better understand the challenges facing directors of color and organizations led by directors of color, we asked respondents to rate the significance of various systemic barriers to advancement. A majority of CBDOs, regardless of the race or ethnicity of their directors, said directors of color face systemic barriers that limit their advancement within the community-based development industry (figure 14). At least two out of every three CBDOs (not shown) noted lack of training and mentoring (82 percent and 81 percent, respectively) and coaching and peer support (80 percent), along with poaching of talent by larger organizations (74 percent), burnout among leaders (74 percent), a lack of senior position turnover (73 percent), and discrimination in hiring and promotion (72 percent) as somewhat or very significant barriers. Issues with the small pipeline of people of color interested in the field (69 percent) and uncompetitive compensation (65 percent) were cited least frequently as somewhat or very significant barriers, though more than half of all CBDOs still reported these barriers were significant.

However, a meaningfully higher share of organizations led by directors of color rated these barriers as somewhat or very significant than did organizations led by white directors (figure 14). The largest variation was in perceptions of the pipeline of people of color interested in the community development field, where 86 percent of organizations led by directors of color identified a small pipeline as a problem, compared with only 58 percent of organizations led by white directors. Other large gaps point to different perspectives on staffing challenges, with organizations led by directors of color more likely than white directors to view talent scarcity, competition, and discrimination as a larger hindrance to staff diversity. The only point of real agreement was around a lack of turnover among senior staff

positions, with three in four organizations identifying this as a significant barrier regardless of the race/ethnicity of their directors.

FIGURE 14

Barriers to Leaders of Color, by Race/Ethnicity of Director, 2022



URBAN INSTITUTE

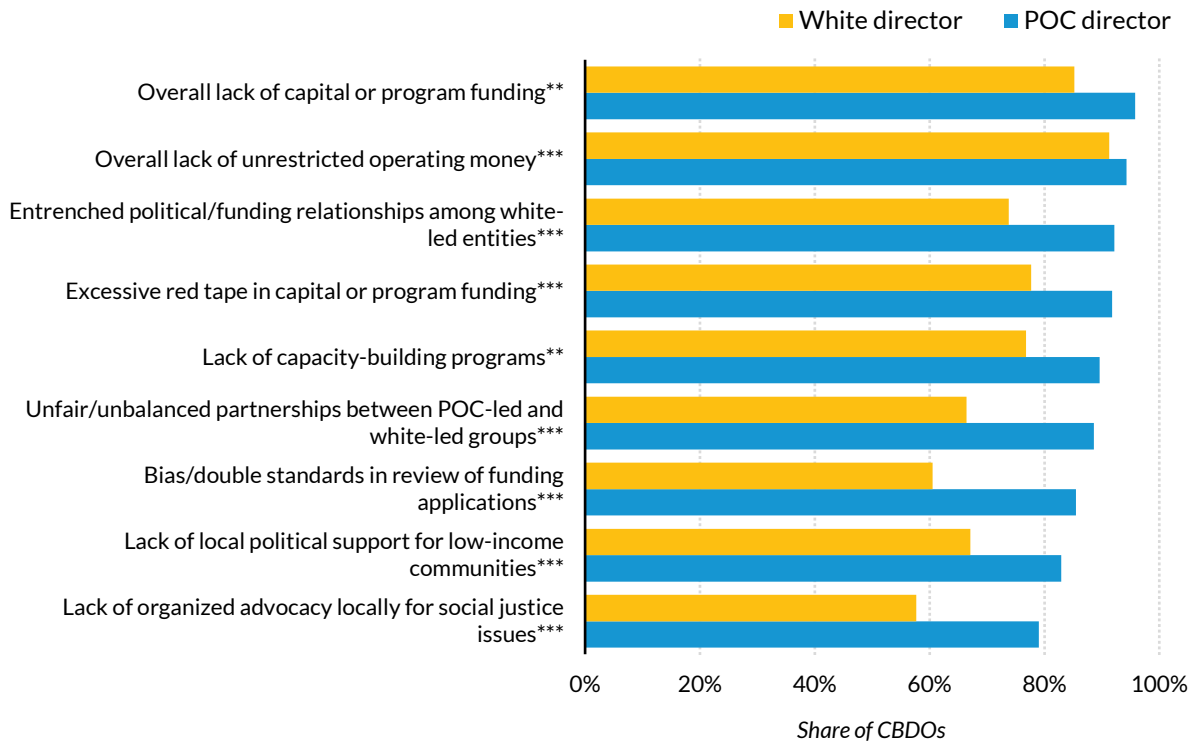
Source: Urban Institute analysis of Grounding Values census survey data.

Notes: Director race is dichotomized into white director and director of color due to limited responses for director race across many more specific race/ethnicity categories. In response to the questions, “How significant are the following systemic barriers in limiting the advancement of leaders of color within the community-based development industry?” and “What is the race/ethnicity of your organization’s executive director?” Bars represent the share of respondents selecting “somewhat significant” or “very significant”. Answers are significantly different between directors of color and white directors at p-values of .001 (***), .05 (**), or .01 (*) levels.

Regardless of director race or ethnicity, the most frequently cited systemic barriers to organizations led by people of color were around the lack of funding and the bureaucracy of accessing it. Almost all CBDOs (93 percent) cited lack of unrestricted operating money, and most cited an overall lack of capital or program funding (89 percent), excessive red tape (83 percent), and entrenched funding relationships among white-led entities (81 percent). Eighty-two percent of organizations highlighted lack of capacity-building programs as a somewhat or very significant barrier as well (figure 15).

FIGURE 15

Barriers to Organizations Led by People of Color, by Race/Ethnicity of Director, 2022



URBAN INSTITUTE

Source: Urban Institute analysis of Grounding Values census survey data.

Notes: Director race is dichotomized into white director and director of color due to limited responses for director race across many more specific race/ethnicity categories. In response to the questions, “How significant are the following systemic barriers in limiting the advancement of organizations led by people of color within the community development industry?” and “What is the race/ethnicity of your organization’s executive director?” Bars represent the share of respondents selecting “somewhat significant” or “very significant”. Answers are significantly different between directors of color and white directors at p-values of .001 (***), .05 (**), or .01 (*) levels.

For all organizational barriers, a higher proportion of organizations led by directors of color rated barriers as significant than did organizations led by white directors (figure 15). The highest gaps—20 percentage points or more—were in perceived bias or double standards in funding application reviews (85 percent directors of color versus 61 percent white directors), unfair or unbalanced partnerships between organizations led by people of color and white-led organizations (89 versus 66 percent), and lack of organized advocacy locally for social justice issues (79 versus 57 percent). In sum, organizations led by directors of color point to the enduring legacy of privilege benefiting white-led CBDOs as a barrier to their own success. Additionally, CBDOs serving the most households of color also cited the

majority of barriers as somewhat significant or very significant more frequently than did organizations serving fewer households of color.

These results point to the extent and recognition of entrenched racism affecting leaders of color and the organizations they lead and highlight that some white-led organizations are not fully aware of how significant these challenges are. These differences in perception point to the need for increased education and awareness-building among white directors and other senior staff about how business-as-usual approaches to practices such as hiring and promotion can perpetuate racial inequities. Organizations led by white directors can also leverage their power and privilege to support and make room for CBDOs led by directors of color in partnerships and funding. Concrete examples of and resources for adopting anti-racist practices in these spaces can increase equitable opportunities for staff of color at all levels.

Fewer Resources and Higher Financial Risks for CBDOs Led by Directors of Color

To understand differences in the financial statuses of organizations by the race/ethnicity of their leadership, we replicated the analytical approach to our earlier Grounding Values study on the financial health of CBDOs (Lo et al. 2022) by linking organizations' IRS filing records with their survey responses. We describe financial health characteristics of CBDOs across a variety of indicators of resource levels and risks (see appendix A for definitions of these measures) and compare organizations led by directors of color with organizations led by white directors.

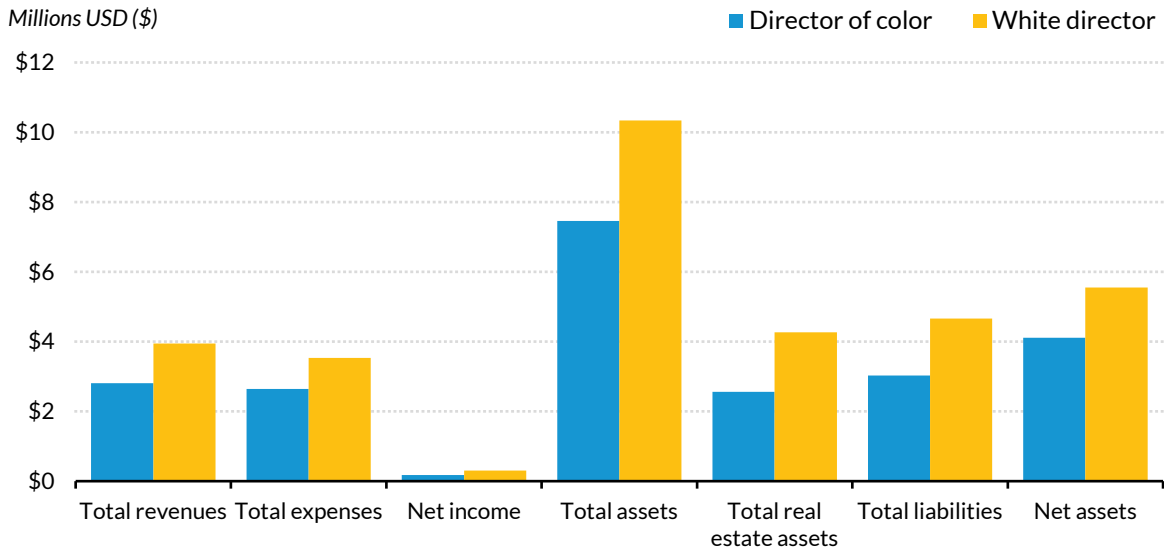
Organizations led by directors of color have fewer financial resources than do white-led organizations, including lower revenues and expenses (figure 16). While lower revenues and expenses do not necessarily reflect poorer financial health—just smaller size—CBDOs led by directors of color were more likely than white-led organizations, on average, to have less than three months' worth of cash on hand and negative net incomes, both of which indicate poorer financial health (table 7).

On average, organizations led by directors of color also have fewer assets and liabilities than do organizations led by white directors, but they have similar average debt-to-asset ratios, indicating that in terms of levels of debt relative to assets, organizations led by people of color fare neither better nor worse than white-led organizations (table 7).

FIGURE 16

Average Financial Health Metrics by Director's Race/Ethnicity, 2017–2020

Organizations led by white directors have better financial health characteristics compared with organizations led by directors of color



URBAN INSTITUTE

Source: Urban Institute analyses of Grounding Values census survey and IRS filing records.

Notes: Survey data on race of director from 2022 Grounding Values census survey in response to the question, “What is the race/ethnicity of your organization's executive director?” Financial metrics from IRS filing records are from years 2017 to 2020. All metrics are Winsorized at the 5 percent and 95 percent levels. All differences in means between organizations led by directors of color and organizations led by white directors are statistically significant at $p < .05$. See the technical report for additional details.

While many of these differences might be attributable to the smaller size of organizations led by people of color, size differences may reflect funding inequities between CBDOs led by white directors and those led by directors of color. Higher shares of CBDOs with white directors receive individual contributions and tax credit funding than those led by directors of color (not shown). Organizations with directors of color also reported receiving program funding from fewer distinct sources than did organizations with white directors, though across other funding sources and measures of funding diversity, organizations led by directors of color were similar to those led by white directors.

TABLE 7

Financial Health Metrics by Director’s Race/Ethnicity, 2017–2020

	All CBDOs	Director of color	White director
n	6,225	1,652	3,428
Revenues and expenses			
Months of cash on hand	7.36	6.12	7.51
Share with less than three months of cash on hand	0.46	0.57**	0.43**
Share with negative net income	0.37	0.45**	0.34**
Assets and liabilities			
Debt-to-assets ratio	0.37	0.37	0.37

Source: Urban Institute analyses of Grounding Values census survey and IRS filing records.

Notes: Survey data on race of director from 2022 Grounding Values census survey in response to the question, “What is the race/ethnicity of your organization’s executive director?” Financial metrics from IRS filing records are from years 2017 to 2020. All metrics are Winsorized at the 5 percent and 95 percent levels. Statistically significant differences are noted with asterisks, where two asterisks signify that the p-value is less than .05. N values for directors of color and white directors do not sum to the N for the population total due to partial responses and selections of “not sure” regarding director race. See the technical report for additional details.

How People and Places Shape CBDO Activities and Success

To better understand the factors shaping CBDO activities, opportunities, and barriers to growth, we tested how survey results varied across different organizational and leadership characteristics (see “Reporting Conventions and Key Definitions” in the introduction). We find that some of these characteristics are important for understanding what community development activities a CBDO engages in, the funding they access, and the barriers they encounter.

Service Area Size

Neighborhood-serving organizations were more likely to serve the most residents of color (62 percent) compared with county, MSA, and state service area types (33, 50, and 26 percent, respectively). Relative to CBDOs serving MSAs (41 percent) or states (38 percent), neighborhood-serving CBDOs were more likely to have ever produced commercial or community facilities (54 percent). Similarly, neighborhood-serving organizations were more likely (55 percent) to have provided some sort of business support during the 2019–2021 period than were CBDOs serving county (39 percent), MSA (36 percent), or state (34 percent) service areas. This may reflect the origins of many CBDOs that emerged during the Civil Rights era to serve historically disadvantaged neighborhoods in cities and to focus on economic

development activities, such as the development of business incubators and critical neighborhood retail facilities like grocery stores.²⁵

On the other end of the service area spectrum, organizations serving one or more states were least likely to focus on a hybrid mix of development and nondevelopment activities (42 percent) compared with organizations serving neighborhood, city, and county service areas (65, 59, and 54 percent, respectively). They were also least likely to work on both housing and nonhousing development activities (42 percent) compared with organizations serving smaller service areas (53 to 59 percent). This may reflect a higher degree of specialization among state-serving CBDOs, with these organizations focusing either on a particular development activity (e.g., housing development, business lending, and technical assistance) or a set of services they offer to a large geographic area, although this would require additional research to confirm.

Service Area Type

The type of geography served by a CBDO—urban, rural, or mixed service area—is connected to differences in CBDO leadership, the people they serve, and the organization’s funding sources. However, there were no meaningful, consistent differences among organizations serving different geography types in terms of their annual expenses, service area size, primary development activity, the shares of low-income residents and beneficiaries they serve, and their ability to access developable land.²⁶

CBDOs serving urban-only areas are more likely to have directors of color (42 percent) compared with organizations serving mixed (28 percent) and rural-only areas (11 percent). Urban-only organizations also serve the highest shares of residents and beneficiaries of color (60 percent), compared with organizations with mixed (29 percent) and rural-only (11 percent) service areas. Conversely, CBDOs serving rural-only areas are more likely to serve the lowest shares of residents and beneficiaries of color (76 percent) compared with 12 percent of urban-only organizations and 28 percent of organizations serving mixed service areas. While this does reflect general demographic differences between urban and rural areas, other studies have pointed out the lack of diversity in rural nonprofit leadership as underrepresenting rural communities of color.²⁷

CBDOs’ service areas are also related to their funding sources. Not surprisingly, organizations serving mixed urban-rural service areas reported receiving funding from more sources, on average, than their urban-only or rural-only counterparts across many funding categories (e.g., project and program funding from HUD and USDA and core operating sources). This difference is not because mixed service-

area CBDOs are larger in size by expenses or serve larger service areas (there were no significant differences when tested); rather, it may reflect that CBDOs serving both urban and rural areas are eligible for more and different types of funding than those serving only urban or rural areas that meet eligibility criteria for a more narrow set of program and project funding (e.g., places served by urban-only CBDOs likely do not meet USDA criteria for “rural” communities).

While more than half of CBDOs (53 percent) receive state or local project or program funding, urban-serving CBDOs were more likely to receive funding from these sources (61 percent) than were rural-serving and mixed-service-area CBDOs (47 percent each). Similarly, local government core operating support goes to a higher share of urban-serving CBDOs. This most likely reflects the larger financial capacity of urban governments, on average, compared with governments in more rural areas. These urban-rural funding trends have important implications for rural organizations: rural communities often have fewer local resources and may have a hard time competing for state funds for development activities (e.g., LIHTC) compared with urban areas, unless there is a rural set-aside of some kind (Scally, Dabir, and Lipsetz 2018; Freddie Mac Multifamily 2020).

Organizations serving urban-only, rural-only, and mixed service areas also face similar challenges in accessing developable land. While this may seem counterintuitive given that rural areas contain more underdeveloped land, there are other barriers related to infrastructure, public services, and land protections (e.g., national and state parks) that make land developable or not.

BOX 2

Development Activities

Whether a CBDO primarily engaged in development (as opposed to services and advocacy) and whether it focused on housing development, nonhousing development, or a mix seemed mostly related to the types of funding CBDOs reported receiving.

- Lower proportions of CBDOs that develop housing only reported receiving government tax credits of some kind. This may reflect the diversity of federal, state, and local tax credits that CBDOs may access for other development activities (e.g., through economic development agencies for facility construction and job creation).
- A smaller share of CBDOs that focus on nondevelopment activities reported receiving earned income, which is not surprising given earlier research we conducted on CBDO assets that demonstrated how larger real estate holdings are connected to greater earned income, most likely through home sales and rents (Lo et al. 2022).

Serving Low-Income Households and People of Color

The composition of the residents and beneficiaries a CBDO serves relates to the overall development focus of the organization and its sources of funding. Unsurprisingly, given the racialized nature of wealth and poverty in the United States, organizations serving the most low-income households were most likely to serve the most households of color. Organizations serving the most households of color were much more likely to be led by directors of color and to have staff and boards of directors who were nearly or exclusively people of color. Organizations led by directors of color were likewise much more likely to have staff and boards of directors who were nearly or exclusively people of color. These relationships show that the racial and ethnic composition of CBDO leadership and the communities CBDOs serve are closely linked. On the one hand, this suggests that many CBDOs are effectively hiring and appointing staff and board members who come from and/or reflect the characteristics of the communities served by these CBDOs. On the other hand, since white-led CBDOs tend to have greater financial resources and benefit from other forms of privilege—such as entrenched political and funding relationships with other white-led entities (figure 15)—but also serve relatively fewer households of color than do CBDOs led by directors and board members of color, white-led organizations may be disproportionately providing resources and services to white households and communities.

CBDOs serving the most residents and beneficiaries of color were also more likely to take a hybrid approach to their organizations' priorities—balancing development activities with advocacy and services—whereas organizations serving populations with fewer households of color and fewer low-income households were more likely to focus primarily on development and offer fewer services, on average. CBDOs serving more marginalized communities may recognize the multifaceted needs of these communities—beyond just development—and respond by providing more services.

In some cases, where CBDOs get their funding is also correlated with the populations they serve. While there were no notable distinctions between CBDOs serving the most residents with low incomes and those serving a moderate share, CBDOs serving the fewest low-income households received funding from fewer sources of project and core operating support, on average, and CBDOs serving the fewest households of color received funding from fewer sources of core operating support, on average. Because many funding opportunities prioritize applicants serving households with the greatest need, this is not surprising. Foundations of all types (bank affiliated, nonbank foundations, and private foundations) were less likely to fund CBDOs serving the fewest households of color, though the income levels of CBDOs' residents were unrelated to receipt of foundation funding. CBDOs serving the fewest low-income households also reported receiving individual contributions less frequently than did those serving more low-income households, perhaps because these organizations make more compelling

itches to prospective donors than organizations that serve populations with relatively less urgent needs.

Somewhat surprisingly, across many project funding sources—including HOME, CDBG, and state and local governments—organizations’ resident characteristics were not consistently significantly related to CBDOs’ likelihood to receive funding. This may be in part because of other organizational characteristics (e.g., fundraising capacity) that are also associated with organizations’ resident characteristics. Funding eligibility criteria may also play a role; for example, CDBG requires that a substantial share of funded activities benefit low- and moderate-income households earning 80 percent of the area median income (AMI) or less, a broader definition than our focus on CBDOs serving residents earning 60 percent AMI or below. Some funder preferences—for example, prioritizing “workforce” housing for moderate-income households over deeply subsidized housing for the lowest-income households—and entrenched relationships between funders and white-led organizations (figure 15) may also contribute to the disconnect between resident characteristics and likelihood of funding.

Organizations serving the most residents with low incomes also more frequently reported challenges with access to project-based rental assistance and rental assistance for tenants. This most likely reflects the fact that CBDOs serving the lowest-income households require more subsidy to fill the gap between income and rent than they would for households earning higher incomes. However, across other production barriers—such as access to predevelopment loans and access to development subsidies—resident and beneficiary characteristics were not related to the frequency with which CBDOs reported encountering significant barriers.

Finally, CBDOs serving the most households of color (47 percent) and CBDOs with directors of color (49 percent) were more likely to engage in some type of business support compared with organizations serving smaller shares of residents and beneficiaries of color (36 to 37 percent) and organizations led by white directors (35 percent). This may be an organizational response to the significant underrepresentation of business owners of color and an effort to help strengthen existing POC-owned businesses as a means of both individual and community wealth-building (Theodos and Su 2023).

BOX 3

Who Gets Project and Program Funding from HUD and USDA

HUD funding goes to higher shares of CBDOs that are larger, serve more people with low incomes and higher proportions of people of color, and do not focus exclusively on nonhousing development. This makes sense, given HUD's programmatic focus on serving low-income households and providing housing as a primary strategy.

Perhaps surprisingly, two in three CBDOs with rural-only service areas reported receiving HUD funding, though this was still less than the shares of organizations serving mixed and urban service areas. The most common sources received by rural-only CBDOs were CDBG (37 percent), HOME and project-based rental assistance (23 percent each), and Continuum of Care (22 percent). Other HUD sources were suppressed.

About one in six CBDOs (17 percent) receive USDA funding, which goes to a higher share of CBDOs in the South and West (22 to 23 percent each), in addition to going to a higher share of CBDOs serving exclusively rural areas (45 percent) than to those serving urban (6 percent) and mixed (21 percent) service areas.

Regional Differences

Not all CBDO characteristics and activities reflect regional differences, but some do—particularly when it comes to the South. The South is the largest of the four Census regions, containing almost 39 percent of the US population, and it has seen more rapid population growth relative to other regions.²⁸ The South also contains five of the six US states where more than a quarter of the population is Black and two of seven states where more than half of the population is Latine.²⁹ It is not surprising, therefore, that CBDOs in the South are more likely to serve higher proportions of residents of color (57 percent) compared with CBDOs in all other regions and have a larger share of directors of color who reflect the populations they serve (44 percent of CBDOs based in the South).

CBDOs based in the South also stand out in terms of access to financial resources. They are more likely to receive federal program funding (96 percent) but are less likely to receive any state and local program funding (36 percent) than are CBDOs in other regions. Compared with CBDOs in the Northeast and West, CBDOs in the South also were less likely to receive any tax credit program funding (31 percent), less likely to receive core operating support from private foundations (48 percent), and had fewer sources of both program funding and core operating support, on average.

There are a few possible explanations for why CBDOs in the South appear to have distinctive funding profiles. States and cities in the South may have different funding priorities and be less likely to dedicate resources to housing and community development activities. Many states in the South do not have a state housing tax credit, although a few have state equivalents of New Markets Tax Credits to encourage economic development.³⁰ States in the South have lower per capita spending than states in other regions of the country, with Georgia and Tennessee spending the least per capita in 2020.³¹ On average, state and local spending on housing represents less than 2 percent of all spending. Further, according to the Housing Trust Fund Project, although 47 states, the District of Columbia, and two territories have housing trust funds—many of which are funded on an ongoing basis—Mississippi does not have a housing trust fund, Alabama has never funded theirs, and Georgia's housing trust fund is focused solely on projects targeted to people experiencing homelessness.³²

CBDOs in the South may also struggle with physical proximity to some potential funders, such as private foundations. Few of the largest private foundations in the United States are headquartered in the South and Midwest, which could mean these regions have more difficulty forming relationships with these funders and accessing resources.³³

CBDOs in other regions also face some unique struggles. CBDOs in the West and Northeast face stiffer barriers to accessing developable land than do organizations in the Midwest, with 100 percent of CBDOs in the West reporting that the purchase cost of available developable sites is a somewhat or very significant barrier to development. Given that land and development costs along both coasts are significantly higher than in most other parts of the country, this is not surprising.

Recommendations for the Field

As the first national census of CBDOs in almost 20 years, there is a lot to celebrate. CBDOs today continue to focus on the most marginalized communities. They provide a plethora of services to meet people's basic needs and help them thrive, with 96 percent of CBDOs providing some type of basic needs services, community-building program, advocacy, financial or housing counseling, or services for a specific population, such as youth or seniors. When the pandemic struck, CBDOs responded with public health services, emergency assistance, and building renovations. CBDOs also continue to provide critical financial supports and real estate development to support resident and business stability and well-being, ranging from business and real estate development loans, to affordable homeownership and rental housing opportunities, to community recreational facilities. CBDOs are uniquely tied to places

and the people within them, and they constantly collaborate with their communities to improve on and expand their work.

These successes will be of interest to community development practitioners, policymakers, and funders across the country. The ability to tell compelling stories about CBDOs and their impacts on the communities they serve will help introduce more people to the field, laying the groundwork for maintaining and growing new funding sources, recruiting new talent, and positioning organizations to effectively advocate for policy change. Resources produced for this Grounding Values study—including our published reports, fact sheets, and datasets—can help spread the word and serve as a launching point for further analysis.

But there are also areas where progress is needed to address disparities and improve the capacity of CBDOs to advocate for and meet comprehensive community needs. We suggest three areas of growth to help sustain the community development field into the future.

Address Common Challenges in Accessing Funds and Developable Land

ADVOCATE FOR MORE CBDO FUNDING, PARTICULARLY IN THE SOUTH

Most CBDOs received program and project funding of at least \$50,000 from at least one funding source between 2019 and 2021, along with at least \$20,000 in core operating support from at least one funding source during the most recent fiscal year. However, there is important variation in terms of which sources CBDOs can access and the total number of sources from which CBDOs receive funds. CBDOs in the South face greater funding obstacles, including more difficulty accessing state and local funding and less support for core operating expenses from private foundations. These organizations could use additional supports in terms of advocating for expanded state and local program funding and building relationships with private foundations to support their basic operations.

EXPLORE AND ADDRESS ACCESS ISSUES TO DEVELOPABLE LAND

This was a consistent problem noted by CBDOs currently engaged in development, regardless of the size of the organization or whether the organization served urban or rural communities. More than 80 percent of CBDOs pointed to the cost of site control and the availability of land for purchase or suitable for development—particularly in the West and Northeast—as barriers to increasing their real estate production. More solutions are needed for facilitating access to developable land for affordable housing and commercial and community facilities in markets with high land costs. This may include assisting

CBDOs with land and ownership inventories, new strategies for improving site suitability for development, and additional local and state incentives for land donations or sales at reduced prices.

EXPAND ACCESS TO DEVELOPMENT FINANCING

CBDOs engaging in development experience challenges in accessing financing, with 60 percent or more citing limited rental assistance; a dearth of predevelopment, construction, and permanent financing; and lack of development subsidies or equity as significant barriers. Organizations also highlighted coordination challenges across funders and subsidy providers. Cheaper financing to support low-risk, affordable rental housing development could help, as could innovative sources of capital investments through federal and state programs and new ways to facilitate coordination across finance and subsidy programs (Scally, Jayachandran, and Schonfeld 2021). National intermediaries can also help through advocacy and new or expanded funding mechanisms for organizations struggling to access more traditional funding streams.

Boost Supports for Organizations Led by People of Color—and the Communities of Color They Serve

Organizations led by directors of color are much more likely than white-led organizations to serve residents and beneficiaries of color and to employ staff and board members of color. Neighborhood-serving organizations are also more likely to focus on serving residents of color. Supporting these CBDOs is critical to supporting communities of color.

REDUCE DISPARITIES IN ACCESS TO FUNDING AND OTHER RESOURCES

CBDOs led by directors of color have fewer financial resources at their disposal and may be in a more precarious position for weathering financial shocks than their white-led counterparts. Narrowing these gaps will require funders to work on eliminating bias in funding decisions, whether intentional or not; expand their funding networks beyond existing recipients; and commit to longer investment horizons than they may typically support.³⁴ Funders can also structure their application processes and grantmaking procedures to expand funding opportunities beyond their traditional applicants, including by maximizing outreach to underrepresented groups, minimizing the time and resource burdens on community-based nonprofits to apply for and administer funds, and engaging in participatory grantmaking with the communities being served (Scally and Junod 2021).³⁵ This might also entail adding formal scoring criteria to prioritize funds to new grantees and organizations based on the number or share of people they serve who are people of color.

ATTRACT AND SUPPORT LEADERS OF COLOR

Building the pipeline of people of color interested in the community development field while tackling discrimination in hiring and promotion can help pave the way for more leaders of color. On the one hand, this calls for human capital development programs to introduce potential community development professionals to the field, similar to earlier investments such as the Human Capital Development Initiative led by the National Congress for Community Economic Development (Glickman, Devance-Manzini, and DiGiovanna 2004). On the other hand, it requires better training in human resources procedures, such as hiring and succession planning, particularly in white-led organizations (Thomas-Breitfeld and Kunreuther 2022). More intentional mentoring and peer learning opportunities can then help leaders of color navigate nonprofit leadership and career advancement (Robinson and Singh 2020), and resiliency coaching can help leaders of color avoid burnout related to the emotional toll of microaggressions, as well as the hard, persistent work of undoing systemic racism on behalf of the communities they serve.³⁶ Funders can also be more strategic in investing in leadership and organizational development for CBDOs led by people of color.³⁷

ADEQUATELY RESOURCE NEIGHBORHOOD-SERVING CBDOS THAT ARE EMBEDDED IN COMMUNITIES OF COLOR

Organizations serving a single neighborhood are more likely to serve the most residents of color. These organizations, given the small geographic area of their work, may also have some of the closest relationships with individuals and institutions within these communities. Resources such as core operating funding, technical assistance, and grant-writing support may help these organizations maintain and expand their work with and for communities of color. Conversely, organizations serving larger geographies are less likely to focus on serving communities of color; additional work is needed to understand why this is the case and to ensure that communities of color are able to benefit from the resources and services provided by these larger-service-area organizations.

Promote Opportunities for Growth through Advocacy and Service Innovation

ENGAGE MORE CBDOS IN FEDERAL ADVOCACY

One in five CBDOs expressed interest in expanding into federal advocacy, representing the single largest area of desired growth within CBDO services and advocacy. CBDO advocacy at the federal level started as a movement of grassroots organizations advocating together on federal policy. Unlike its predecessor, the National Congress for Community Economic Development, NACEDA is a network of networks, presenting some practical obstacles to connecting local action to federal policy advocacy

(Sally 2012). However, NACEDA and its partners can find new avenues for training and engaging CBDOs directly in federal advocacy. This could include hosting advocacy days for CBDOs with congressional representatives and preparing CBDOs to meet locally with their federal representatives.

BUILD CBDO CAPACITY TO OFFER SERVICES IN AREAS OF GROWING INTEREST

CBDOs are expressing interest in some service areas traditionally offered by only a small proportion of organizations. These include food systems planning and climate change and environmental planning, as well as reentry programs for formerly incarcerated people, services for immigrants and refugees, and substance abuse prevention and treatment programs. Increased interest in providing these services may reflect growing needs in some CBDO service areas. Setting up ways for organizations to develop new skills and program area knowledge through informational sessions, peer learning opportunities, and other knowledge-sharing activities will help advance these goals. Supporting CBDOs in providing new services and engaging in advocacy can also help organizations diversify their funding sources and lead to greater financial resilience by opening doors to funding from transportation, public health, and other systems that have not historically been major funders of their work.³⁸

Future Research Opportunities

The Grounding Values census survey and preceding analysis of CBDOs' financial health represent important efforts to systematically describe the state of the field for the first time in nearly 20 years. But better understanding how to support CBDOs' continued growth requires different, complementary research that will build on this foundational evidence. To that end, we outline some critical questions below that future research could address to promote growth and action.

What Does It Mean for an Organization to Be “Community Based”?

Before completing the survey, we asked respondents to first affirm that they were community based, meaning: (a) their organization's board or organizational leadership tries to ensure that a number or share of board members represents the places and people their organization serves; (b) their organization's board or organizational leadership limits the number or share of government officials and public agency staff who can serve on the board; or (c) a majority of their organization's direct beneficiaries, or the residents of areas their organization serves, have low to moderate incomes. Within the field, “community based” has traditionally been conceptualized at the neighborhood or small-town level. However, one in every three survey respondents served one or more states. This prompts

questions about how state-serving organizations engage with communities; who shapes these organizations' missions, activities, and priorities; and how these organizations define and measure their impacts at the community level.

What Does It Mean for a CBDO to Be “Led by People of Color”?

We asked survey respondents about the race of the director of their organization and, separately, “Considering the race and ethnicity of your director, board, and staff, would you say that your organization is led by people of color?” While most organizations led by directors of color were identified as led by people of color, and most organizations led by white directors were not considered to be led by people of color, there were substantial differences in responses between the two questions. What do different conceptions of racial leadership mean in terms of how staff perceive their organizations and how communities perceive these organizations? How do different understandings of racial leadership relate to other organizational characteristics, such as the types of services an organization provides and how organizations engage with and are accountable to communities?

What Does It Take to Effectively Support Leaders of Color and the Organizations they Lead?

All CBDO directors report substantial barriers standing in the way of CBDO directors of color and the organizations they lead. While there is emerging research around supporting directors of color within the nonprofit sector as a whole, there is more work needed to understand how CBDO directors of color want to be supported to advance their careers, attract and care for their staff, advance equity in their communities, and open doors for their organizations to be on more equal footing with white-led CBDOs, from finances to capacity to development and service activities. Listening to and learning from directors of color themselves, as well as their board members and staff, will be key to developing a more nuanced understanding of the barriers they face and solutions to overcome them.

What Will It Take to Strengthen Supports for CBDOs in the South?

CBDOs in the South seem to face additional structural barriers to advancing their missions, even as they serve larger shares of households of color, are disproportionately led by people of color, and have fewer resources available to carry out their work. Home to more than half of the US Black population, along with some of the deepest vestiges of structural racism, more work is needed to understand how to break down specific barriers these organizations face and connect them to opportunities for growth.³⁹

What Are the Implications of Nearly Universal Provision of Services and Engagement in Advocacy?

Traditionally, the community development field has focused on development as the cornerstone activity and defining characteristic of CBDOs. But virtually all organizations engage in at least one form of direct service and/or advocacy, with most engaging in many different types. This raises important questions around which organizations provide which types of services/advocacy and how effective they are in meeting community needs, how organizations evolve from providing services to doing development (or vice versa), how service provision shapes organizational dynamics (e.g., staffing and funding) and priorities, and how organizations' service populations and residents and beneficiaries of development activities overlap, if at all?

What Are CBDOs' Advocacy Priorities, and How Can They Effectively Pursue Policy Change?

Many CBDOs already engage in local, state, or federal advocacy; many others want to advocate but have yet to do so. Although CBDOs are intrinsically tied to local policy, states are an important venue for relevant policy change, whether for increasing funding for affordable housing development or putting guardrails on anti-development land-use regulation at the local level. But coordinated, impactful advocacy can be challenging. Future research can focus on identifying and strengthening a shared policy agenda, exploring the structures needed to facilitate cohesive efforts at different scales, and examining what barriers exist for organizations new to advocacy.

Appendix A. Key Financial Definitions

In this appendix, we provide definitions of the measures of financial characteristics and health that are described in the section “Fewer Resources and Higher Financial Risks for CBDOs Led by Directors of Color” (Lo et al. 2022).

Revenues and Expenses

- **Revenue:** all cash or property collected through donations or contributions and earned income from program services, such as fees collected from the sale of goods and services
- **Expenses:** the cost of all operations, including salaries and wages, travel, administrative expenses, depreciation, interest, and purchases of goods and services
- **Net income:** remaining income after all expenses are paid
- **Negative net income:** when expenses exceed revenues

Assets and Liabilities

- **Total assets:** everything that a CBDO owns and its combined value, including cash and savings; any money owed to the organization; prepaid expenses (e.g., advance payments on rent, insurance, or pensions); materials or goods for later sale; land, buildings, and equipment; and investments
- **Total real estate assets:** land, buildings, and equipment net of depreciation
- **Liabilities:** any type of debt held by the organization, including any money the organization owes to another entity through credit, pass-through grants, escrow holdings, or traditional loans; property mortgages; or tax-exempt bond liabilities
- **Net assets:** the total assets owned by an organization minus any liabilities; this is the equivalent of an organization’s equity in all its assets
- **Debt-to-asset ratio:** an organization’s total liabilities divided by its total assets

Appendix B. Telling Their Stories: Six CBDO Profiles

To highlight the nuanced stories behind the numbers captured in the survey, we met with six CBDO leaders to discuss their organization’s missions, how their development and service activities have evolved over time, and the successes and challenges they have experienced in the community development sector. Where relevant, we also asked what successes and challenges they may have experienced as a leader of color and/or as an organization led by a director of color. We intentionally selected CBDOs among the survey respondents to represent the breadth of the sector in terms of organization size, service area size, region, development and service activities, and the race and ethnicity of the director. The six CBDOs, profiled here with their permission, are:

1. Big Sky Community Housing Trust, Big Sky, Montana
2. Homewise, New Mexico
3. South County Habitat, Washington “South” County, Rhode Island
4. Called to Serve, Philadelphia, Pennsylvania
5. American Indian Community Housing Corporation, Duluth, Minnesota
6. Urban Restoration Enhancement Corporation, Baton Rouge, Louisiana

Big Sky Community Housing Trust

The unincorporated community of Big Sky, Montana, just outside of Yellowstone National Park has just 36 apartments—and roughly one-third of those are short-term rentals with access to the area’s resorts. Big Sky Community Housing Trust⁴⁰ works to secure affordable workforce housing for local residents by incentivizing conversion and preservation of homes for long-term residents while also driving the development of new affordable homeownership and rental units.

DEVELOPMENT AND SERVICE ACTIVITIES

Big Sky Community Housing Trust (BSCHT) offers incentives for landlords to convert units into long-term rental housing and for sellers to create deed restrictions on their properties, reserving them for those who work full time in Big Sky. In terms of development, BSCHT has completed two projects: (1) a 52-unit multifamily project within a community land trust that offers down payment assistance and prices 30 percent below market value, and (2) a \$6.5 million, 100-unit rental housing project (in progress) for lower-income residents using Low-Income Housing Tax Credit (LIHTC) funding and BSCHT’s water and sewage hookup rights.

FUNDING SOURCES

Apart from one-time LIHTC funding, BSCHT receives roughly 65 percent of their funding through regional resort tax allocations and 35 percent from foundation and philanthropic donations.

BARRIERS AND NEEDS FOR GROWTH

According to staff, grant dollars from the US Department of Housing and Urban Development are difficult to qualify for because of the area’s extreme housing price-income disparity: only someone making 300 percent of the area median income (AMI) could afford to purchase an average Big Sky home. Additionally, the time and process for BSCHT to secure development funding from state and local sources usually results in the land being purchased by another developer. Finally, leaders reported challenges expanding the organization because of high wage competition and lack of housing for new hires.

FOUNDING YEAR: 2020

LIFETIME PRODUCTION

52 homeownership units

SERVICE POPULATION AND AREA

Low- and middle-income residents and seasonal workers in the rural area of Big Sky resort district, Montana

Households served between 2019 and 2021: 251–500

BENEFICIARY CHARACTERISTICS

Share of people of color: **Not available**

<30% AMI: 0-20% of beneficiaries

30–60% AMI: 0-20% of beneficiaries

ORGANIZATION FINANCES AND SIZE (IRS 990 DATA, FY 2021)

Total assets: \$553,869

Total loans outstanding: \$7,431

Annual operating budget: \$1,010,210

Employees: 3

SERVICES AND ADVOCACY

- Advocacy to state and local governments
- Community organizing
- Community/civic leadership development
- Community planning and design services
- Housing resident services coordination or referrals

COMMUNITY LENDING AND FINANCIAL ASSISTANCE

Amount lent: \$0

Lending purposes: N/A

CDFI: No

Homewise

Homewise⁴¹ offers myriad activities (mortgage lending, down payment assistance, real estate brokering, and residential starter-home construction) helping several hundred low- and moderate-income individuals each year achieve sustainable homeownership. They engage community residents in revitalizing neighborhoods through development while guarding against displacement.

DEVELOPMENT AND SERVICE ACTIVITIES

In addition to low-cost mortgage lending and down payment assistance (including to undocumented borrowers), Homewise provides housing counseling and debt reduction services, realtor services, and housing supply by developing starter homes. Stemming from their outreach to low-income neighborhoods through community needs assessments, Homewise has developed a child care center, community spaces, and offices. They also advocate for increased homeownership supports at the state and federal levels and work to encourage more building permitting and community support for affordable housing at the local level.

FUNDING SOURCES

Homewise is largely self-sustaining through market-rate developments and mortgage sales. However, public revenue sources include a broad mix of state infrastructure funds and grants; HUD funding (down payment assistance and HOME funds); Capital Magnet funds; and unrestricted foundation grants. They also leverage funding from local employers for employee-directed down payment assistance matching grants.

BARRIERS AND NEEDS FOR GROWTH

Leaders reported land-use policies as their primary barriers to increasing housing affordability and the number of homes they can produce. Specifically, they reported engaging with local governments to reduce permitting processes' monetary, social, and political capital, and time costs. Separately, the organization is advocating for changes to HUD subsidy home value limits and reporting requirements that increase segregation and reduce the benefit and affordability of their homes.

FOUNDING YEAR: 1986

LIFETIME PRODUCTION

931 homeownership units and 3 industrial, commercial, or community facilities

SERVICE POPULATION AND AREA

Low- and moderate-income individuals in [urban areas](#) of New Mexico

Households served between 2019 and 2021: [2,501–5,000](#)

BENEFICIARY CHARACTERISTICS

Share of people of color: [61–80%](#)
<30% AMI: [0–20% of beneficiaries](#)
30–60% AMI: [21–40% of beneficiaries](#)

ORGANIZATION FINANCES AND SIZE (IRS 990 DATA, FY 2021)

Total assets: [\\$177,334,515](#)
Total loans outstanding: [\\$106,589,779](#)
Annual operating budget: [\\$34,354,003](#)
Employees: [160](#)

SERVICES AND ADVOCACY

- [Advocacy to local, state, and federal governments](#)
- [Community organizing, planning and design services](#)
- [Arts and culture programs](#)
- [Placemaking programs](#)
- [Homeowner counseling](#)
- [Budget/credit counseling](#)
- [Education and job skills readiness](#)
- [Environmental planning services](#)

COMMUNITY LENDING AND FINANCIAL ASSISTANCE

Lifetime amount lent: [\\$979,101,615](#)
Lending purposes: [Home mortgages](#)
CDFI: [Yes](#)

South County Habitat

In the southern Rhode Island market, where median home prices are more than \$600,000, South County Habitat for Humanity (South County Habitat)⁴² develops permanently affordable, net-zero-emissions, owner-occupied units. The organization also provides mortgages and education to low-income households to purchase and maintain those units within a community land trust model.

DEVELOPMENT AND SERVICE ACTIVITIES

South County Habitat's (SCHH) work centers on providing holistic support for low-income families to become homeowners. This includes residential development for affordable homeownership under a community land trust model paired with homeownership preparation and a deeply affordable mortgage product (provided by partnering lenders, such as the US Department of Agriculture) to ensure that the new homeowners can maintain their homes and mortgages. Other activities include trade skilling in home construction, critical home repair, and running a local home improvement thrift store.

FUNDING SOURCES

Between 20 and 30 percent of SCHH's annual revenue comes from its thrift store, which covers the organization's administrative overhead costs. Individual small donors cover an additional 20 percent, state funds represent another 30 percent, and the remaining 30 percent comes from a blend of community foundation grants, corporate partnerships, and in-kind gifts.

BARRIERS AND NEEDS FOR GROWTH

SCHH faces myriad barriers related to local zoning and resistance to housing development. Land-use permitting costs and time, lack of a coordinated regional housing plan, local resistance to affordable housing development, limited local and state affordable housing trust funds, and uncertainty around the availability of public funding for affordable housing development make efficient purchases and construction difficult. Finally, the organization faces challenges adapting staff and capacity for higher-number-of-unit development projects when large funds (e.g., the federal American Rescue Plan Act) become available.

FOUNDING YEAR: 1990

LIFETIME PRODUCTION

77 homeownership units, 1 rental unit, and 1 industrial, commercial, or community facility

SERVICE POPULATION AND AREA

Low-income (40–80% AMI) residents in rural areas within southern Rhode Island

Households served between 2019 and 2021: 0–50

BENEFICIARY CHARACTERISTICS

Share of people of color: 21–40%
<30% AMI: 0–20% of beneficiaries
30–60% AMI: 81–100% of beneficiaries

ORGANIZATION FINANCES AND SIZE (IRS 990 DATA, FY 2021)

Total assets: \$4,550,068
Total loans outstanding: \$700,609
Annual operating budget: \$1,046,975
Employees: 8

SERVICES AND ADVOCACY

- Advocacy to local, state, and federal governments
- Community organizing
- Housing resident services coordination or referrals
- Homeowner counseling
- Budget/credit counseling

COMMUNITY LENDING AND FINANCIAL ASSISTANCE

Lifetime amount lent: \$40,000
Lending purposes: Home mortgages
CDFI: No

Called to Serve

Over the past nine years, Called to Serve⁴³—which was started with \$11,000 of founder Mike Major’s personal savings and one volunteer—has grown to 10 employees and an annual budget of over \$450,000. Called to Serve’s efforts are informed by work of the late Civil Rights-era leader Rev. Leon H. Sullivan. Its keystone development is a \$14 million community center redevelopment called the Rev. Leon H. Sullivan Community Impact Center. This represents a shift in strategy from in-kind and financial contributions to local public schools and the business corridor to a hosted space with set programming that supports community and economic development.

DEVELOPMENT AND SERVICE ACTIVITIES

Called to Serve (CTS) has a dual focus on business and education but has also recently moved into real estate redevelopment. They support local small businesses with technical assistance, network building, and business corridor beautification. CTS’s education support aims to meet the myriad financial and programmatic needs of two public schools in the neighborhood. Currently, they are revitalizing a vacant former church, converting it into a business incubator space as well as an e-gaming, workforce development, arts, health, and community center.

FUNDING SOURCES

CTS receives support for business development through city contracts and educational support funding from foundation and city programmatic grants, as well as private individual contributions. Development activities are funded through foundation dollars (seed capital and predevelopment funding), federal tax credits, state tax credits, and individual donors.

BARRIES AND NEEDS FOR GROWTH

Led by a founder, director, and board almost entirely comprising people of color, organization representatives reported that they have struggled to build long-term relationships and in-roads with funders, hire staff with nonprofit development expertise, and secure unrestricted funding to invest in the organization’s overall capacity. Leaders reported that the organization will need additional capacity as it moves from a service-dominant organization to one that also must own and manage property.

FOUNDING YEAR: 2014

LIFETIME PRODUCTION

1 industrial, commercial, or community facility

SERVICE POPULATION AND AREA

Public school students, residents, and small-business owners in the urban Nicetown-Tioga neighborhood within northern Philadelphia, Pennsylvania

Households served between 2019 and 2021: 51–250

BENEFICIARY CHARACTERISTICS

Share people of color: 81–100%
<30% AMI: 61–80% of beneficiaries
30–60% AMI: 21–40% of beneficiaries

ORGANIZATION FINANCES AND SIZE (IRS 990 DATA, FY 2021)

Total assets: \$201,563
Total loans outstanding: \$15,471
Annual operating budget: \$450,513
Employees: 10

SERVICES AND ADVOCACY

- Community and/or civic leadership development
- Community planning and design services
- Arts and culture programs
- Placemaking programs
- Community safety programs
- Youth programs
- Transportation
- Health services
- Education and job skills readiness programs, training, and placements
- Reentry programs for formerly incarcerated persons

COMMUNITY LENDING AND FINANCIAL ASSISTANCE

Amount lent: \$0
Lending purposes: N/A
CDFI: No

American Indian Community Housing Organization

Serving residents within and around Duluth, Minnesota, American Indian Community Housing Organization⁴⁴ confronts historically rooted systems that have traumatized and impoverished Indigenous communities. The organization offers emergency food and shelter services and permanent supportive housing. It also aims to revolutionize unhealthy food, environmental, and cultural systems with practices and programs for youth and families that seek to strengthen and honor the resiliency of Indigenous people.

DEVELOPMENT AND SERVICE ACTIVITIES

American Indian Community Housing Organization (AICHO) supports an American Indian community center, 29 units of permanent supportive housing, a domestic violence emergency shelter with 10 beds (Dabinoo'Igan), victim legal advocacy and representation, a climate and cultural resiliency initiative, food sovereignty and health programming and services, social enterprise activities, youth programming, and an arts and culture initiative. They recently purchased a property for conversion into an Indigenous food store with cultural programming and a separate print production shop to establish an LLC with job training opportunities. Meanwhile, their community center's shop sells Indigenous-made products.

FUNDING SOURCES

AICHO receives roughly 10 percent of their funding from federal grants; another 10 from state, county, and city contracts and grants; 30 percent from state pass-through COVID-19 recovery funds; 10 percent from local contributions; and 30 to 40 percent from local community foundation grants.

CURRENT CHALLENGES AND NEEDS FOR GROWTH

Leadership reported challenges in meeting the wide range of community needs with limited staff and little funding to cover administrative costs. Additionally, rising costs from recent inflation coupled with rapid property value increases are squeezing margins when grant and contract dollars are fixed. AICHO staff reported that they would be able to make more strategic investments, as well as long-term commitments to programs that meet community needs, if there were more long-term grants available (e.g., those lasting five or more years).

FOUNDING YEAR: 1990

LIFETIME PRODUCTION

29 rental units and 2 industrial, commercial, or community facilities

SERVICE POPULATION AND AREA

Dakota and Ojibwe community members and low-income residents in urban areas of Duluth, Minnesota

Households served between 2019 and 2021: 2,501–5,000

BENEFICIARY CHARACTERISTICS

Share of people of color: 81–100%
<30% AMI: 61–80% of beneficiaries
30–60% AMI: 21–40% of beneficiaries

ORGANIZATION FINANCES AND SIZE (IRS 990 DATA FY 2021)

Total assets: \$7,296,736
Total loans outstanding: \$5,845,834
Annual operating budget: \$3,254,073
Employees: 34

SERVICES AND ADVOCACY

- Community organizing
- Community or civic leadership development
- Arts and culture programs
- Placemaking programs
- Youth programs
- Housing resident services
- Homeless services
- Emergency food assistance
- Job skills readiness programs, training, placements

COMMUNITY LENDING AND FINANCIAL ASSISTANCE

Amount lent: \$0
Lending purposes: N/A
CDFI: No

Urban Restoration Enhancement Corporation

Having spent more than 30 years serving low- and moderate-income residents in Baton Rouge, Louisiana, Urban Restoration Enhancement Corporation⁴⁵ offers numerous supports to youth, families, and seniors in the forms of affordable housing development; human development and education programs; and community engagement and outreach programs. Their multifaceted, comprehensive, and long-standing expertise has made them a leading implementation partner in the region for governments and funders seeking to pilot programs and boost affordable homeownership.

DEVELOPMENT AND SERVICE ACTIVITIES

Urban Restoration Enhancement Corporation's (UREC) affordable housing development activities—their primary focus—include single and multifamily homeownership and rental construction, as well as acquisition, rehabilitation, and repair. Programmatically, they offer K-8 afterschool and summer educational programs, as well as college and career readiness and accreditation programs for high schoolers. They also support community members in achieving homeownership and maintaining housing through credit and homeownership counseling courses and, in emergencies, have connected community members to COVID-19 and Federal Emergency Management Agency (FEMA) support dollars.

FUNDING SOURCES

UREC accomplishes its work with funding from their property sales and rental revenues (21 percent), as well as grants and contracts from programs within HUD (42 percent), the US Department of Education (14 percent), the federal Treasury (18 percent), the US Department of Health and Human Services (1 percent), and private foundations and donations (4 percent).

BARRIERS AND NEEDS FOR GROWTH

Rising inflation and interest rates have increased development and property management costs, making it harder for UREC to offer and maintain affordability. With the increased need for affordable housing supply, additional challenges include greater competition among developers for a limited pot of affordable housing development subsidy dollars. UREC leaders also expressed a desire to invest in organizational capacity (for which they need unrestricted funding) and to learn how to access more diverse funding streams by partnering with developers familiar with LIHTC financing.

FOUNDING YEAR: 1992

LIFETIME PRODUCTION

20 homeownership units and 100 rental units

SERVICE POPULATION AND AREA

Low-income (40–80% AMI) residents in rural and urban areas within Baton Rouge, Louisiana

Households served between 2019 and 2021: 501–2,500

BENEFICIARY CHARACTERISTICS

Share of people of color: 81–100%
<30% AMI: 21–40% of beneficiaries
30–60% AMI: 61–80% of beneficiaries

ORGANIZATION FINANCES AND SIZE (IRS 990 DATA, FY 2021)

Total assets: \$3,553,181
Total loans outstanding: \$1,868,074
Annual operating budget: \$1,935,842
Employees: 6

SERVICES AND ADVOCACY

- Community organizing
- Leadership development
- Community planning/design
- Arts and culture programs
- Placemaking programs
- Youth programs
- Senior programs
- Housing resident services coordination or referrals
- Tenant counseling
- Homeowner counseling
- Budget/credit counseling
- Education services

COMMUNITY LENDING AND FINANCIAL ASSISTANCE

Lifetime amount lent: N/A
Lending purposes: N/A
CDFI: No

Notes

- ¹ This estimate includes emergency shelter beds as “units”.
- ² Given the relatively small share of CBDOs engaging in lending and financial assistance activities and the substantial variation in the dollar amounts that different CBDOs lend and grant, this estimate—and other lending and financial assistance estimates—have large standard errors, reflecting a high level of uncertainty around the estimate. Refer to box 1 on page 3 for additional details on estimate uncertainty and standard errors.
- ³ We also included a survey section on organizational development needs that was dropped from analysis due to the low number of responses received. The survey instrument and interview guide used for organizational vignettes are included in the accompanying technical report.
- ⁴ These organizations were excluded from the financial health analysis because their NTEE codes did not clearly identify them as CBDOs. However, the survey included eligibility screening questions that allowed organizations to evaluate whether they met the study definition of a community-based development organization. See the financial health analysis technical report (Lo, Lecy, and Payton Scally 2022) for additional details.
- ⁵ For example, if we estimate that 13 percent of CBDOs serve a single neighborhood, we might report that estimate as 13 percent (± 1). This number in parentheses is the 95 percent standard error and reflects the range in which the true population value is likely to lie. In other words, if we were to conduct this survey 100 times, we would expect that for 95 of those 100 surveys, we would obtain an estimate that between 12 and 14 percent of organizations serve a single neighborhood.
- ⁶ This distribution reflects weighted results from the survey analysis and is slightly different from that reported in the 2018 financial health analysis (South 29 percent, Midwest 27 percent, Northeast 25 percent, and West 19 percent). Weights were designed so that regional distribution of survey responses aligned with the regional distribution of organizations in the full population.
- ⁷ Statistics about community-based eligibility are calculated from eligible survey respondents only and are weighted to reflect the full population of CBDOs.
- ⁸ In prior census surveys, Habitat for Humanity (Habitat) affiliates were explicitly excluded despite most or all affiliates meeting the eligibility criteria for a “community-based development organization.” In this survey, we included Habitat affiliates if they met the criteria for being a CBDO.
- ⁹ The larger number of staff today compared with 2005 reflects the growth in the population of CBDOs and our inclusion of organizations that provide a more substantial share of direct services.
- ¹⁰ For a discussion of our quality checks on very large CBDOs, see the technical report.
- ¹¹ Compared with the 2005 census, there are slightly lower shares of white and Latine directors and slightly higher shares of Black and Asian directors in 2022. However, these might not be meaningful differences based on unobserved standard errors on the 2005 numbers.
- ¹² Estimates of cumulative production may be more error prone than estimates for recent production (prior three years) for multiple reasons: respondents may not recall all historical production as well as they recall recent production; staff changes may limit respondents’ awareness of all historical production; and organizations’ production records are likely to be less detailed or available for organizations’ entire histories compared with their records for more recent time periods.
- ¹³ Using organizations’ service area information, we calculated estimates of cumulative development in urban and rural areas. Mixed urban-rural service area organizations were asked to report the percentage of rental units, owner-occupied units, and commercial or community facilities that were developed in urban areas. Using this breakdown information and the reported production estimates, we calculated the number of units or facilities

produced in urban and rural areas. However, approximately 15 percent of organizations did not report their urban-rural development breakdowns for these units and facilities. For these cases, we used the average percentage developed in urban areas from all other mixed service area organizations to estimate urban and rural development.

- ¹⁴ We believe this statistic from the 2005 report reflects only rental and owner-occupied construction and rehabilitation, though this is not explicitly stated in the report.
- ¹⁵ “Making It Count,” Habitat for Humanity, accessed July 20, 2023, <https://www.habitat.org/multimedia/global-impact-2022/>. This is consistent with the prior census study that estimated US Habitat housing construction and rehabilitation at about 10,000 units per year.
- ¹⁶ Mixed urban-rural service area organizations were asked to report the percentage of rental units, owner-occupied units, and commercial or community facilities that were developed in urban areas. We attributed these organizations’ production estimates to rural and urban areas accordingly. However, approximately 15 percent of organizations with mixed service areas did not report their urban-rural development breakdowns. For these cases, we imputed their urban-rural development split using the median reported value among other mixed service area organizations.
- ¹⁷ Other types of community facilities development included charter schools, health care facilities, arts/cultural facilities, and senior facilities, all of which had so few responses that we were unable to produce reliable estimates of how many facilities had been developed or how common these types of development were.
- ¹⁸ The questions in this section were new additions to this version of the census survey and had not been asked previously. There was significant variation in responses to lending and financial assistance estimates that, in combination with relatively small numbers of respondents, contributed to standard errors ranging from 25 percent up to almost 70 percent. Accordingly, all estimates in this section should be interpreted with caution. Changes to question text, structure, and skip logic may improve reliability of estimates for this important set of CBDO activities in future surveys.
- ¹⁹ “What is a CDFI?,” Opportunity Finance Network, accessed June 20, 2023, <https://www.ofn.org/what-is-a-cdfi/>.
- ²⁰ Because of survey length limitations, we did not ask respondents to provide numeric estimates for all business support activities; in most cases, we asked only if they had engaged in each activity. For some business support activities, such as investing equity, so few respondents reported engaging in the activity that we were unable to provide reliable estimates for the full population.
- ²¹ We note that the COVID-19 pandemic and transition to virtual platforms may have extended the reach of technical assistance activities and also possibly made it more difficult for organizations to track the *distinct number* of organizations to which they provided TA. For example, a single business might have attended three virtual TA sessions provided by the same CBDO, while that CBDO might have reported that business as three businesses assisted rather than as one unique business assisted. Likewise, different CBDOs might have provided TA to the same business, resulting in double (or more) counting of this business in our estimates.
- ²² This estimate does not include actions taken in response to the COVID-19 pandemic.
- ²³ The share of CBDOs that reported receiving at least \$50,000 in LIHTC funding in at least one of the prior three years (31 percent) is substantially higher than expected based on figures from the US Department of Housing and Urban Development’s LIHTC database (<https://lihtc.huduser.gov/>) as well as survey data reflecting production from the National Council of State Housing Agencies’ members. This discrepancy is likely due to the nature of LIHTC funding—LIHTC-funded projects typically provide tax incentives for 10 years from when the projects are first brought online—and how the survey question was phrased (it did not specify that we were interested only in receipt of new LIHTC allocations). This has potential implications for both the “LIHTC” and “any tax credits” statistics presented in this figure; these estimates should be interpreted with caution.

- ²⁴ There were isolated, statistically significant differences at a 90 percent confidence level, but none at a 95 percent confidence level, suggesting that there was not a meaningful and consistent pattern in organizations' community-oriented racial equity actions on the basis of the race of organizations' directors.
- ²⁵ Corianne Payton Scally, "Restoring Confidence in the CDC Model," *Shelterforce* (blog), July 17, 2013, https://shelterforce.org/2013/07/17/restoring_confidence_in_the_cdc_model/.
- ²⁶ The section on production barriers, including barriers to accessing developable land, was shown only to a random subset of respondents. As a result, the effective sample size for this section was smaller than that available for other sections of the survey; this smaller effective sample size limited our ability to detect statistically significant differences that may have been observed with a larger sample. While this limitation applies to all analyses of survey samples, this is a particularly important limitation to this section, and results that do not show statistically significant differences should not be interpreted as proof that there are no such differences.
- ²⁷ Faith Mitchell, "Nonprofit Leadership Is Out of Step with America's Changing Demographics," *Urban Wire* (blog), December 9, 2021, <https://www.urban.org/urban-wire/nonprofit-leadership-out-step-americas-changing-demographics>.
- ²⁸ "US Census Bureau United States Population Growth by Region," US Census Bureau, accessed July 20, 2023, https://www.census.gov/popclock/print.php?component=growth&image=//www.census.gov/popclock/share/images/growth_1561939200.png.
- ²⁹ "2020 Census Demographic Data Map Viewer," US Census Bureau, accessed July 20, 2023, <https://mtgis-portal.geo.census.gov/arcgis/apps/MapSeries/index.html?appid=2566121a73de463995ed2b2fd7ff6eb7>.
- ³⁰ Michael Novogradac, "State Incentives Crucial to Success of Community Development," Novogradac, July 1, 2019, <https://www.novoco.com/periodicals/articles/state-incentives-crucial-success-community-development>; "State Tax Credits for Affordable Housing," Local Housing Solutions, accessed July 20, 2023, <https://localhousingsolutions.org/housing-policy-library/state-tax-credits-for-affordable-housing/>.
- ³¹ "State and Local Backgrounders," Urban Institute, accessed July 20, 2023, <https://www.urban.org/policy-centers/cross-center-initiatives/state-and-local-finance-initiative/state-and-local-backgrounders/state-and-local-expenditures>.
- ³² "State Housing Trust Funds," Housing Trust Fund Project, accessed July 20, 2023, <https://housingtrustfundproject.org/housing-trust-funds/state-housing-trust-funds/>.
- ³³ "The Top 10 Private Charitable Foundations in the US," DGBM Taylor Family Foundation, accessed July 20, 2023, <https://www.dylantaylorfoundation.org/blogposts/strongthe-top-10-private-charitable-foundations-in-the-usstrong>.
- ³⁴ Corianne Payton Scally and Lydia Lo, "Four Lessons for Advancing Racial Equity through Place-Based Initiatives," *Urban Wire* (blog), August 4, 2020, <https://www.urban.org/urban-wire/four-lessons-advancing-racial-equity-through-place-based-initiatives>.
- ³⁵ Megan Kizzort and Kathryn L. Pettit, "Tailoring Grantmaking for Community-Based Nonprofits," *Catalyst Grant Program Insights*, March 6, 2023, <https://www.urban.org/catalyst-grant-program-insights/tailoring-grantmaking-community-based-nonprofits>; Gillian Gaynair, "Participatory Grantmaking Aims to Dismantle Power Imbalances between Funders and the Communities They Serve," *Urban Wire* (blog), May 12, 2023, <https://www.urban.org/urban-wire/participatory-grantmaking-aims-dismantle-power-imbalances-between-funders-and-communities-they-serve>.
- ³⁶ For an overview of resilience and resilience coaching, see "What does resilience really mean & can we cultivate it?," Leadership Wellness Group, July 1, 2022, <https://www.leadershipwellness.ca/blog/what-does-resilience->

really-mean-can-we-cultivate-it. For examples of resiliency coaching for nonprofit leaders working in social justice, see www.circlesinternational.org.

- ³⁷ Carla Taylor, Megan Coolidge, and Lauri Valerio, “Redesigning Capacity Building: How Philanthropy Must Support Leaders of Color,” *Nonprofit Quarterly*, September 20, 2022, <https://nonprofitquarterly.org/redesigning-capacity-building-how-philanthropy-must-support-leaders-of-color/>.
- ³⁸ For examples, see Corianne Scally, Lydia Lo, Kathryn Pettit, and Laudy Aron, “Blame Policies, not Places, for Poor Health,” *Shelterforce* (blog), November 24, 2021, <https://shelterforce.org/2021/11/24/blame-policies-not-places-for-poor-health/>.
- ³⁹ Faith Mitchell, “By Investing in the South, Philanthropy Can Reduce Black Children’s Inequality,” *Urban Wire* (blog), August 27, 2021, <https://www.urban.org/urban-wire/investing-south-philanthropy-can-reduce-black-childrens-inequality>.
- ⁴⁰ “Our Mission,” Big Sky Community Housing Trust, accessed July 15, 2023, <https://bigskyhousingtrust.com/about/>.
- ⁴¹ “About Homewise,” Homewise,” accessed July 15, 2023, <https://homewise.org/about-us/>. Michael Loftin, CEO of Homewise, is a nonresident fellow at the Urban Institute.
- ⁴² “About Us,” South County Habitat for Humanity, accessed July 15, 2023, <https://www.southcountyhabitat.org/>.
- ⁴³ “How We Started,” Called to Serve, accessed July 15, 2023, <https://www.calledtoservecdc.org/about.html>.
- ⁴⁴ “History,” American Indian Community Housing Organization, accessed July 15, 2023, <https://www.aicho.org/history.html/>.
- ⁴⁵ “About Us,” Urban Restoration Enhancement Corporation, accessed July 15, 2023, <https://urecbr.com/about-us/>.

References

- “American Housing Survey (AHS) Table Creator,” US Census Bureau, accessed July 15, 2023, <https://www.census.gov/programs-surveys/ahs/data/interactive/ahstablecreator.html>.
- ABAG (Association of Baltimore Area Grantmakers). 2019. *The Five Percent Minimum Payout Requirement*. Baltimore, MD: Association of Baltimore Area Grantmakers and the Council on Foundations.
- Faulk, Lewis, Mirae Kim, Teresa Derrick-Mills, Elizabeth T. Boris, Laura Tomasko, Nora Hakizimana, Tianyu Chen, Minjung Kim, and Layla Nath. 2021. *Nonprofit Trends and Impacts 2021: National Findings on Diversity and Representation, Donation Trends from 2015-2020, and Effects of 2020*. Washington, DC: Urban Institute.
- FRED (Federal Reserve Bank of St. Louis). 2023. “Housing Inventory Estimate: Owner Occupied Housing Units in the United States.” St. Louis, MO: FRED.
- Freddie Mac Multifamily. 2020. *LIHTC in Rural Persistent Poverty Counties*. McLean, VA: Freddie Mac Multifamily.
- Glickman, Norman, Donita Devance-Manzini, and Sean DiGiovanna. 2004. “Expanding Organizational Capacity: The Human Capital Development Initiative.” In *Building the Organizations that Build Communities: Strengthening the Capacity Of Faith- and Community-Based Development Organizations*, edited by R.V. Anglin. Washington, DC: US Department of Housing and Urban Development.
- Lo, Lydia, Corianne Payton Scally, Jesse Lecy, and Shubhangi Kumari. 2022. *The Financial Health of Community-Based Development Organizations: Using Internal Revenue Service Tax Data to Assess Sector Health*. Washington, DC: Urban Institute.
- Lo, Lydia, Jesse Lecy, and Corianne Payton Scally. 2022. *The Financial Health of Community-Based Development Organizations: Technical Report*. Washington, DC: Urban Institute.
- NCCED (National Congress for Community Economic Development). 2005. *Reaching New Heights: Trends and Achievements of Community-Based Development Organizations*. Washington, DC: NCCED.
- Robinson, A.J., and Lillian Singh. 2020. *What We Talk About among Our Peers: Building High Impact Nonprofits of Color through Peer Learning Circles*. Washington, DC: Prosperity Now and Symphonic Strategies.
- Scally, Corianne Payton. 2012. “Community Development Corporations, Policy Networks, and the Rescaling of Community Development Advocacy.” *Environment and Planning C: Government & Policy* 30 (4): 712–29.
- Scally, Corianne Payton, Surabhi Dabir, and David Lipsetz. 2018. “National Rural Housing Policy and Programs: Opportunities and Challenges.” In *Rural Housing and Economic Development*, edited by Don E. Albrecht, Scott Loveridge, Stephen Goetz, and Rachel Welborn. New York, NY: Routledge, pp. 88–107.
- Scally, Corianne Payton, Amanda Gold, Carl Hedman, Matthew Gerken, and Nicole DuBois. 2018. *The Low-Income Housing Tax Credit: Past Achievements, Future Challenges*. Washington, DC: Urban Institute.
- Scally, Corianne Payton, Priya Jayachandran, and Joshua L. Schonfeld. 2021. “Preserving and Expanding the Supply of Affordable Rental Housing.” Washington, DC: Urban Institute.
- Scally, Corianne Payton, and Anne Junod. 2021. *Strengthening the Appalachian Regional Commission’s Grant Performance Measurement*. Washington, DC: Urban Institute.
- SBA (US Small Business Administration). 2022. *Agency Financial Report Fiscal Year 2022*. Washington, DC: SBA.
- Theodos, Brett, and Dennis Su. 2023. “Small Business Ownership and Finance: A Landscape Scan of the Historical Underpinnings of Current Conditions.” Washington, DC: Urban Institute.
- Thomas-Breitfeld, Sean, and Frances Kunreuther. 2022. *Trading Glass Ceilings for Glass Cliffs: A Race to Lead Report on Nonprofit Executives of Color*. New York, NY: Building Movement Project.

- US Census Bureau. 2011. "New Residential Construction: Historical Data." Washington, DC: US Census Bureau.
- . 2019. "Construction Spending Data." Washington, DC: US Census Bureau.
- . 2021. "QuickFacts: United States." Washington, DC: US Census Bureau.
- . 2023. "Census Regions and Divisions of the United States." Washington, DC: US Census Bureau.

About the Authors

Corianne Payton Scally, PhD, is a senior fellow in the Metropolitan Housing and Communities Policy Center at the Urban Institute where she explores affordable housing and community development policy and practice from large cities to rural towns.

Will Curran-Groome is a research associate in the Metropolitan Housing and Communities Policy Center at Urban. His work focuses on land-use regulation, housing access and quality, climate change adaptation, and active transportation.

Alexa Kort is a research analyst in the Metropolitan Housing and Communities Policy Center at Urban. She is involved with research on public and affordable housing, place-based program evaluations, and work to understand and address structural inequities in urban and rural communities.

Shubhangi Kumari is a research assistant in the Metropolitan Housing and Communities Policy Center at Urban. Her work focuses on participatory methods, community development and engagement, and early education in Washington DC, and nationally.

Lydia Lo is a research associate in the Metropolitan Housing and Communities Policy Center at Urban, focused on zoning, racial equity, housing production and affordability, segregation and opportunity access, systems change, and multisite, cross-sector community development initiatives.

STATEMENT OF INDEPENDENCE

The Urban Institute strives to meet the highest standards of integrity and quality in its research and analyses and in the evidence-based policy recommendations offered by its researchers and experts. We believe that operating consistent with the values of independence, rigor, and transparency is essential to maintaining those standards. As an organization, the Urban Institute does not take positions on issues, but it does empower and support its experts in sharing their own evidence-based views and policy recommendations that have been shaped by scholarship. Funders do not determine our research findings or the insights and recommendations of our experts. Urban scholars and experts are expected to be objective and follow the evidence wherever it may lead.



500 L'Enfant Plaza SW
Washington, DC 20024

www.urban.org