



Community Development Stakeholder Perspectives on Organizational Capacity- Building in Detroit

A Summary Report of Focus Groups Sessions for
Building the Engine of Community Development in
Detroit

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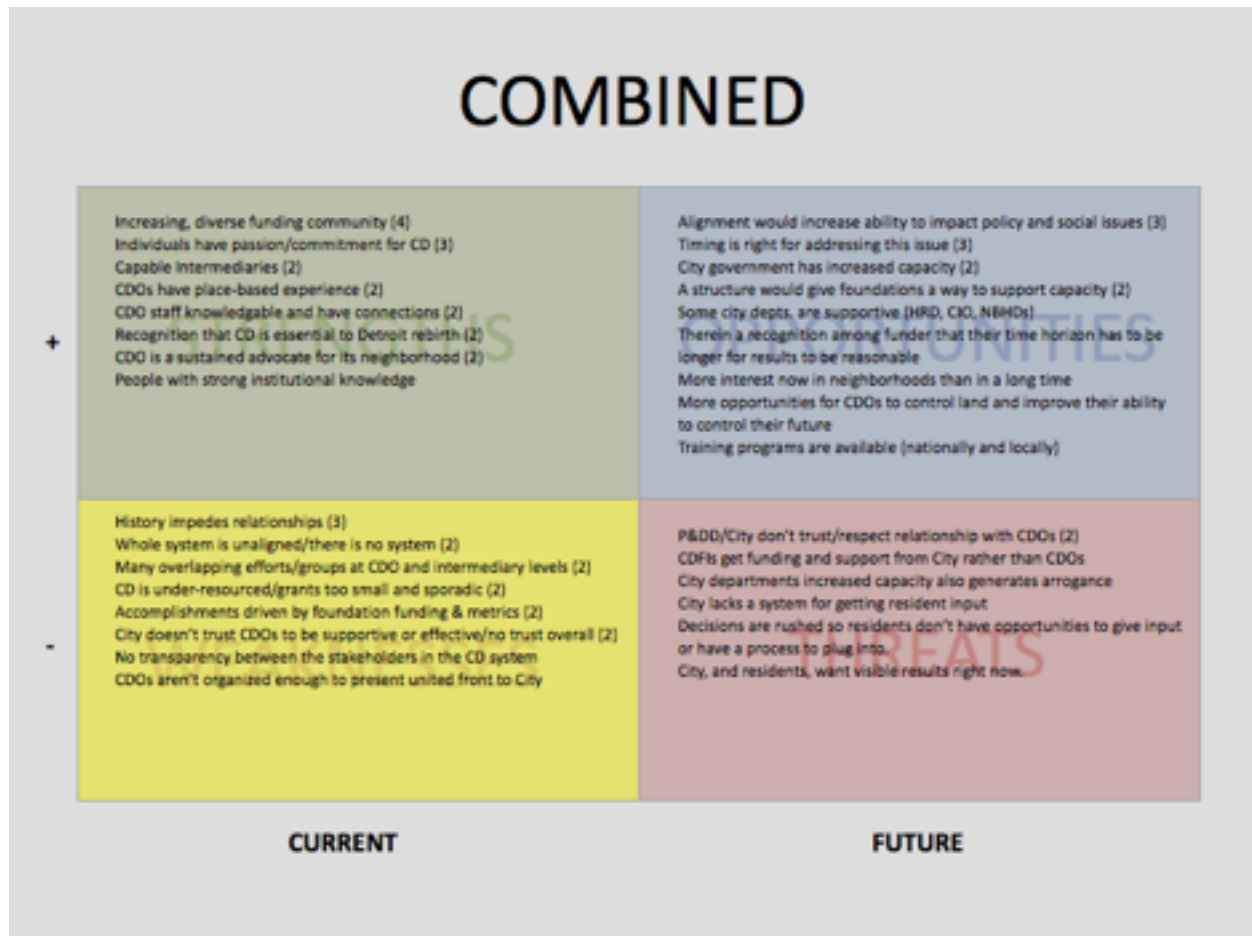
Introduction

In the fall of 2017, eight sessions were conducted to explore stakeholders' current and future perspectives on Detroit's community development capacity building system. This is part of Phase II of Building the Engine for Community Development (BEDCC) to gather local feedback the local a set of improvements to the current system. Facilitated by the team of Libby Levy of ProSeeds and Alan Levy of Goaltrac, each session was focused on one stakeholder group involved in the system: Foundations, Financial Intermediaries, Service Intermediaries, Government, and Community Development Organizations. Three follow-up sessions were held to increase the breadth and depth of feedback from the Community Development Organizations, Government, and Service Intermediaries groups.

The following summary highlights the similar themes voiced in all or most of the focus groups and then identifies some of the notable differences between the focus groups. This is followed by some concluding observations. Appended to this report is a graphic summary of each session using the SWOT (Strengths, Weaknesses, Opportunities, and Threats) classification followed by detailed notes.

Overall Themes and Notable Differences

SWOT



The Executive Summary consists of three sections: an overview of the themes which came up repeatedly in all or nearly all of the sessions. This is followed by highlights of the notable differences expressed in one or two of the sessions.

Common Themes

Strengths

- Increasing, diverse funding community**
 In nearly every focus group the increased and diversified funding was mentioned and seen as a strength.

- **Mixed view on Intermediaries**

The capacity and capability of various intermediaries came up in most focus groups but there was a wide range of opinion on this issue. Overlapping roles, even if the organizations were each competent in that role, was seen as a weakness.

- **CDO is a sustained advocate for its neighborhood**

Participants highlighted the unique role of CDOs and GROs as the advocate for the neighborhood and pointed out this role is sustained even when the environment changes that the city and the economy and the private sector can come and go and the organization is still there looking out for the neighborhood's best interests and needs.

Weaknesses

- **History impedes relationships**

In nearly all focus groups there was recognition that past history of relationships impedes the ability of groups to work together and for sectors to collaborate. Even where the relationships are beneficial, such as the trust that allows a funder to continue to work with a group he/she has known for a long time, this history can make it difficult for younger unrelated organizations which don't have those relationships to get a fair shake.

- **No system with overlapping efforts/groups at CDO and intermediary levels**

The lack of a system means that efforts are disjointed and sometimes redundant. Leads to a lot of time spent in competition that makes trust and cooperation more difficult. No clearly defined roles means that organizations at the intermediary level and at the CDO level self-define according to funders opportunities, a real or perceived gap in service provision by another organization, etc.

- **Community development is under-resourced/grants too small and sporadic**

There was a widely held understanding that CDOs were under-resourced. While more money was sometimes pointed to as the answer, there was also some consensus that the manner the money was made available had a large effect. More consistency, longer timeframes, less flavor of the month all would have a positive impact.

- **Lack of trust**

The issue of trust came up many times in the focus group discussions. Concerns about trust came from within a stakeholder sector but especially between stakeholder sectors.

- **Current competitive landscape breeds greater distrust**

Several stakeholder representatives noted that the lack of clear roles and the deficit in the overall supply of resources makes the CDOs hyper-competitive and distrustful.

Opportunities

- **Alignment would increase ability to impact policy and social issues**
Beyond the increase in efficiency in any one service area, better alignment would allow CDOs to address citywide or statewide issues impacting them and their residents.
- **Timing is right for addressing this issue**
The increase in funding, the greater effectiveness of the city in delivering services, and the continued struggles of the individual stakeholders in realizing their goals makes this a good time to address this issue.
- **City government has increased capacity**
CDOs, which often try to fill whatever gaps in services impact their neighborhood, have recently have had to play less of that role with regard to City services including planning. This frees them up to do the kinds of services often seen in other cities.

Threats

- **P&DD does not trust/respect the relationship with CDOs**
CDO and other sector representatives report a sense that the newly re-energized P&DD does not respect CDO or feel that they provide enough added value to be worth engaging. Also, there is a sense that they are in competition with the CDO for the hearts and minds of the residents and for credit if something improves.
- **CDFIs get funding and support from City rather than CDOs**
CDOs with their spotty record of successful development and range of capacity are not trusted by the City to develop units and the city and foundations are supporting CDFIs who then must find ways to enter into a community to develop property.
- **City departments increased capacity also generates arrogance**
P&DD and other departments have increased capacity—and are perceived to be arrogant about it. They may value their expertise and experience as far more important than the history and knowledge of CDOs and their residents.

Notable Divergence between Focus Groups

This section contains perspectives that were well-supported in one or perhaps two focus group sessions but not widely supported across all focus groups. They were notable in that they illuminate a particular viewpoint held by that sector, or because they confess some awareness of the role a sector plays in the current situation. The following abbreviations signal which sector expressed the perspective in the summary below.

F = Foundations
G = Government
FI = Financial Intermediaries
SI = Service Intermediaries
CDO = Community Development Organizations

Strengths

- **CDO: Current System has Advantages to Well-Connected CDOs**
CDO representatives acknowledged that the current system benefitted organizations that were well-connected and had received resources in the past and utilized them well.

Weaknesses

- **FI: Recognized that funding was going to them rather than CDOs.**
CDFI's recognized that they are in competition for funding with CDO and that being so could cause difficulties.
- **SI: Highlighted how often new actors are not cognizant of past efforts due to a lack of central repository.**
New actors will come into a neighborhood wanting to do a planning process and are unaware of similar efforts in the past or have no way to easily access reports.
- **CDO, SI: Lack of Transparency**
Many representatives mentioned a lack of transparency but this was particularly important to CDO execs and service intermediary representatives.

Opportunities

- **F, G: More vocal in the benefits they saw if greater alignment were achieved.**
Representatives of these two sectors were concerned with impact citywide as well as the ROI of individual investments and saw alignment having significant potential to improve on these concerns.
- **F: Pointed out that their grant-making was not giving enough time for CDOs to have realistic chance to making change happen on the truly transformative issues impacting their neighborhoods.**
To have this observation come from the funding decision-makers themselves is heartening as it seeks to a self-awareness that the sector's own actions may be contributing to the level of disfunction.
- **F: Recognized that the lack of alignment among Foundation impacted the entire system.**

Foundation representatives also acknowledged that their lack of consensus and partnership was negatively impacting the ability of other stakeholders to make progress.

- **SI: Particularly sensitive to the opportunity to involve Council as a way to sway City policy and gain power for the community development industry.**

In discussions about the City's role and, in particular the current Administration's direction, service intermediaries were among the most vocal that policy change at the City level was an advocacy issue that had not been adequately addressed by the community development industry and that working with Council members, many of whom are perceived to be supportive of the goals of the industry, was an untapped resource. The sentiment about advocacy was echoed in the CDO focus groups.

- **FI: Highlighted desire to partner with CDOs and to even require for-profit and nonprofit developers to support the soft activity that they felt was necessary and that they were poorly equipped to do.**

Financial intermediaries expressed desire to partner with place-based CDOs as their preferred method of advancing neighborhood development deals. They see themselves as bringing development expertise and funding to a neighborhood deal but needing the CDO to provide community engagement, potential buy-in and even managing infrastructure and social programmatic improvements that increase the likelihood of the development's buy-in during the process and the development's success after construction.

- **F: No one foundation would fund whatever comes from the BEDCC capacity-building (and presumably the rest of the vision) process because it is too expensive and too hard to measure return-on-investment. But they did think Foundations would be willing to come together.**

The scope of the capacity-building issue is so large that foundations representatives were clear that no one foundation would make funding an improvement program its own mission. They did feel that a collaborative effort was very possible.

Threats

- **CDO: City Interaction is a moving target**

Impressions of the relationship between the CD industry and City Government varied from stakeholder to stakeholder and City Department to City Department. Government representatives pointed out that without a vision both Government and Foundations will be reluctant to invest.

- **SI, CDO: Service Intermediaries and CDOs are very concerned about race and class impacts of the current in-migration of people and investment in Detroit neighborhoods.**

Perhaps because they are "closer to the ground" or possibly because we asked more questions about this as the focus group conversations evolved but the issue

or who represents the neighborhood came up more and came up passionately in the second CDO and second service intermediary focus group sessions.

- **CDO: Trust also an issue in the relationship between CDOs and residents**
Service intermediaries and some CDOs pointed out a growing disconnect between residents and the CDOs that serve them.

Concluding Observations

- **A willingness to trust and partner is evident even though current trust levels are varied and uncertain between stakeholder groups**

Even if individual actors within a stakeholder group is trusted, stakeholder groups in general are not trusted by other stakeholder groups. It was evident that most and perhaps all the participants were willing to partner in ways that would increase trust over time. Government, Foundation, and Financial Intermediaries, the stakeholder groups with the most resources and greater decision-making power were particularly strong in this regard.

- **Based on the skeptical but hopeful nature of most of the participants, an incremental approach that builds on accomplishment is likely to find better acceptance rather than a sweeping revamp at one time.**

The lack of trust, the impact of past relationships on current decision-making, the varied track record of accomplishment by CDOs, the lack of a current system, etc., all make it unlikely to get to a revamped system in one fell swoop. Rather, incremental improvements, which when successful, build trust and respect, may make it more likely to make stakeholders willing to commit to an increasingly larger investment in funding, reputation, and time.

- **Perspective generally aligned with stakeholder position in the system**

As might be expected given their roles, government and foundations were more likely to see things from a citywide perspective and view the entire system; intermediaries and CDOs representatives emphasized near-term issues and resident concerns.

- **Shared metrics would be helpful in overcoming distrust**

To overcome issues of trust and ensure that CDOs generate impact, shared-metrics would be helpful. If we are collectively working towards the same end goal and we all agree to the goal and metrics for how we are getting there, there would be more trust in the system and in CDOs.

- **There were many examples from participants about how their sector has contributed to difficulties in the current system**

A number of stakeholder groups expressed a degree of self-awareness about the role their sector may have played in creating the current system and keeping improvements from happening. For example, service intermediaries were well aware of their overlapping roles, foundations brought up how their reporting requirements and time horizons have worked against long-term systemic improvements in neighborhoods, CDOs recognized their complicity in chasing

funding over focusing on mission, government recognized that they pit organizations against each other and parcel out such small amounts in a nonviable way. All sectors recognized that their funding models left no avenue for CDOs to grow sustained capacity in the soft side of community development. It should be noted, however, that most of these observations were made by representatives in the midlevels of their sectors and that decision-makers in each sector may or may not share the same sentiment.

It was clear that strong interest exists among many focus group participants in seeing improvements occur. Of course, those that were uninterested self-selected out, but in spite of this, there was not an undercurrent of pessimism or even skepticism which could have prevailed even among those with an interest in seeing change happen. This optimism is felt in part due to the current moment with renewed investment and interest in Detroit, increased foundation capacity, a sense of arrival for the midtown and downtown areas, interest by the private sector in a number of Detroit neighborhoods and perhaps even a sense by decision-makers that the downtown and midtown areas no longer need to be their primary investment focus. Given the passion and interest expressed by focus group participants, it would be difficult not to conclude that the BEDCC funders', core members', and staff's vision to pursue this initiative at this time is well-supported and bodes well for the future.

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Appendix

SWOT and Notes from Each Session

The appendix consists of the detailed notes from each focus group session: Foundations, Financial Intermediaries, Service Intermediaries, Government, and Community Development Organizations. Three follow-up sessions were held to increase the breadth and depth of feedback from the Government, Service Intermediaries, and Community Development Organizations stakeholder groups. For these three stakeholder groups, notes from the second session were interspersed with the notes from the initial session to improve readability and further enhance confidentiality.

Each set of notes is preceded by a summary graphic of the topics organized in a SWOT (Strengths, Weaknesses, Opportunities, and Threats) format. Feedback from the two Service Intermediaries sessions was able to be combined in one graphic; Feedback from the multiple Government and CDO sessions was too extensive to be combined.

In addition to providing a summary overview of each stakeholder groups's fee comparison of the volume of responses in each SWOT category yields some additional interesting information. For the current situation (Strengths and Weaknesses) all stakeholder groups had more negative responses than positive. This was particularly true of the Government and the CDO stakeholder groups where each of the four sessions yielded far more weaknesses than strengths.

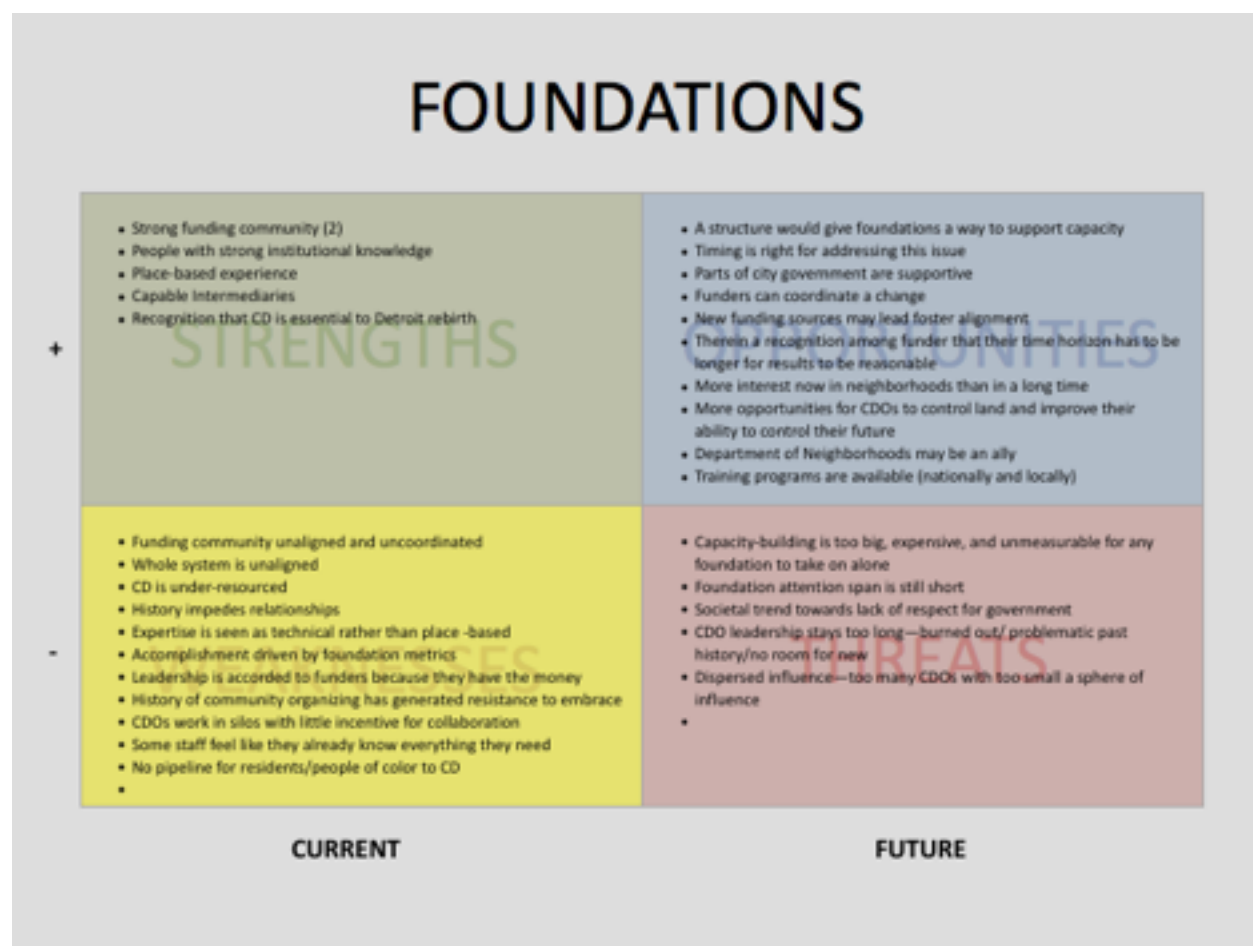
Government and Foundations were more optimistic about future opportunities versus future threats. CDOs sessions combined yielded a balance between opportunities and threats. Intermediaries were generally fairly balanced both about the current situation and the future.

Foundations

Attendees

Cris Doby of Erb Family Foundation, Bryan Hogle of Kresge Foundation, Benjamin Kennedy of Kresge Foundation, Keegan Mahoney of Hudson Weber Foundation, Jodee Fishman Raines of Erb Family Foundation, Brianna Suarez of M&M Fisher Foundation with Deborah Pfliegel of Community Learning Partnership sitting in.

SWOT



Strengths

- People and Leadership: Organic local leadership; Commitment from local leaders; Some people have a broad view and strong institutional knowledge
- Place-based expertise: People are working on different issues in different areas and build up an expertise about that community
- Capable intermediaries, (CDAD, MNA, etc.) but could be better aligned and better resourced

- Strong funding community, but could be better aligned
- Community development is essential: community development is not an option. Detroit's comeback needs to be more than government or business driven. Residents need to be leading.

Weaknesses

- People and Leadership: Organic local leadership; Commitment from local leaders; Some people have a broad view and strong institutional knowledge
- Place-based expertise: People are working on different issues in different areas and build up an expertise about that community
- Capable intermediaries, (CDAD, MNA, etc.) but could be better aligned and better resourced
- Strong funding community, but could be better aligned
- Community development is essential: community development is not an option. Detroit's comeback needs to be more than government or business driven. Residents need to be leading.

Opportunities

- Timing: Both Passion and a recognition of the need are present at this moment which might make the time right — though it's not equal among the various sectors. The improvement in the economy also makes the timing right.
- City Government: Some portions of the city government seem willing to collaborate.
- Funders as coordinators: Funders can convene and help with cross-collaboration
- Alignment: A few new funding sources are becoming available that could help — it seems like a time to align funds. There is growing interest in alignment in general. There's an opportunity to map needs and services and shuffle for better alignment. Opportunity for a group of foundations to make a longer-term investment to community development capacity. We need 5 years and multiple funders to invest in a structure to really change.
- Interest in Neighborhoods: Don't know that there has been as much interest in the last 15 years on neighborhood conditions as there is now-the time is now to translate that into opportunities
- Redefine expertise: The interest in neighborhoods has put funding staff in better touch with residents and therefore better able to redefine expertise (i.e., residents as experts, not just developers, etc.). The leaders we are looking for are trying to present themselves and we need to do a better job of finding and developing them.
- Land Control: There needs to be more opportunities for communities to control land. It is an opportunity to influence the future of a neighborhood if the community has land it controls; it is a threat when they don't control land — you can't sit at the table and negotiate if you don't control land. If we think about it here like we do in developing countries, we could make progress.
- Department of Neighborhoods: Opportunity (and need) to better align
- Training programs

Threats

- Funding: Foundations have a short attention span and there is a lack of alignment for funding. One problem is no clear consensus on the definition of long-term? What is the power analysis behind 3 years being long-term? Seven to ten years should be more likely considered long-term. We're now using language to talk about "a generation" when you think about racial equity and if generational change is the end result, it changes how you look at funding a program. Maybe it's not 3 year grant or 7 year grant in that case. Moving the needle might take 10 or 20 years. This isn't discussed at the council of foundations, neighborhood forum, etc. Maybe it could be.
- Land control: Outside speculators and lack of community land control.
- Roles in society: foundations have been asked to take on key roles in the safety net that were traditional roles of government. The current treasonous disrespect of government is tearing up the fabric of our communities.
- Leadership: Burn-out of current leadership and lack of development of the next generation of leadership.
- Dispersed influence: Too many organizations with small spheres of influence mean that there is little or limited impact in neighborhoods.

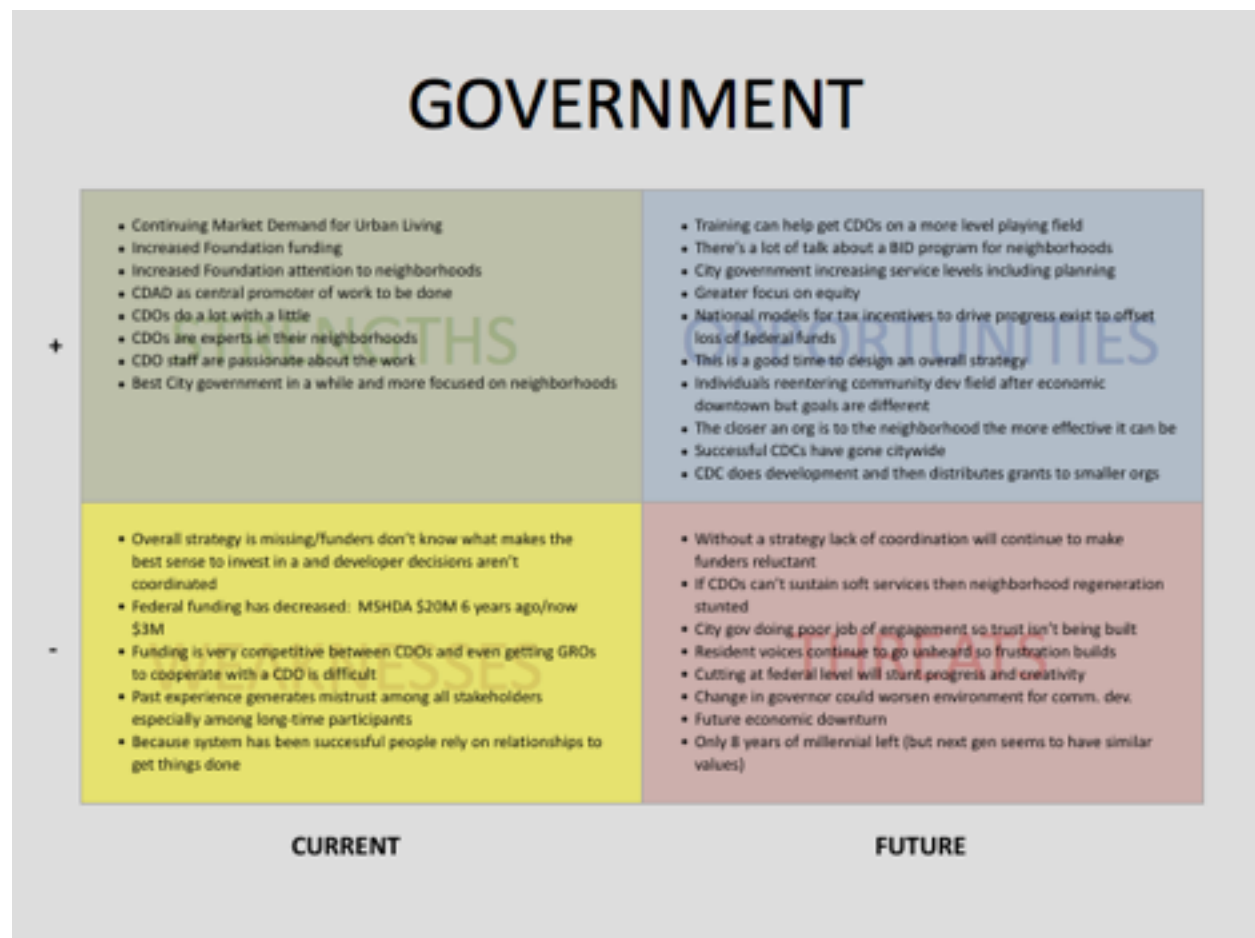
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Government (2 Sessions Combined)

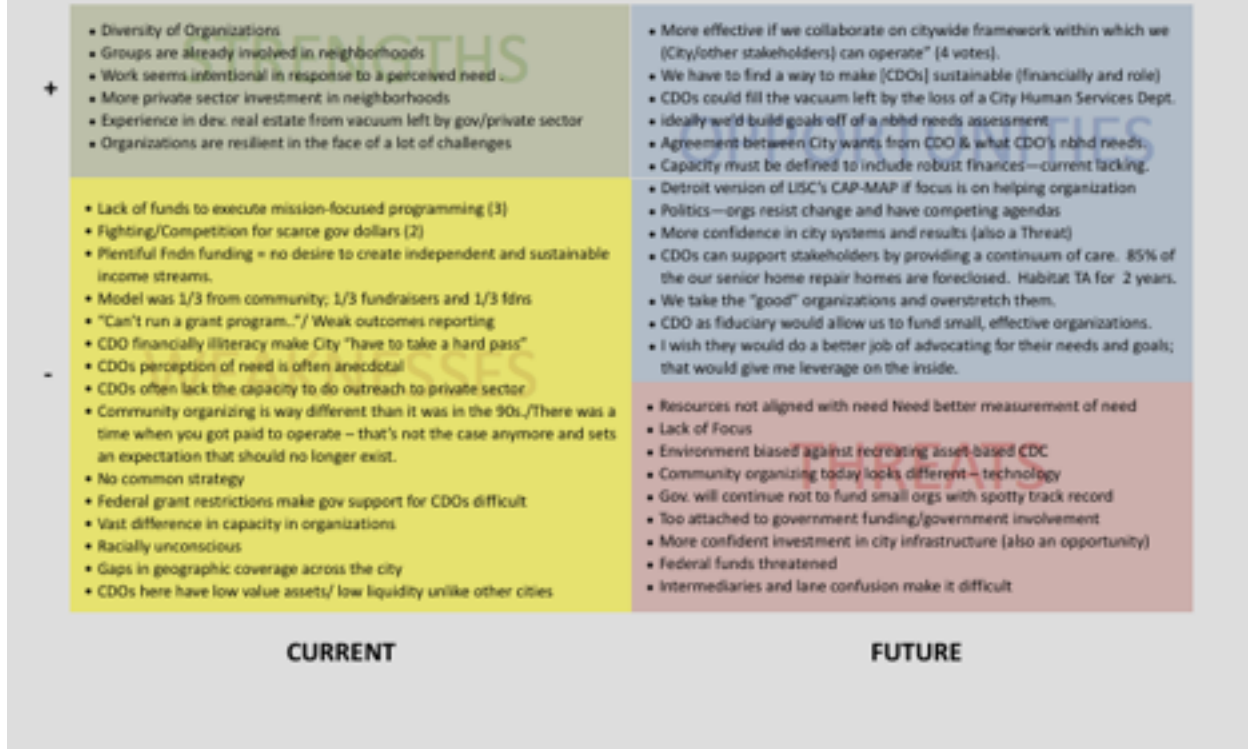
Attendees

Darnell Adams, Detroit Land Bank; Amber Elliott, DLBA; Michael Freeman, Housing and Revitalization; Gary Heidel MSHDA, Joel Howrani Heeres, Office of Sustainability; Arthur Jemison, HRD; Vicky Kovari, Department of Neighborhoods; Martha Potere, DEGC and Michael Rafferty, DEGC.

SWOT



GOVERNMENT 2



Strengths

- Market demand — there is a growing interest in living in cities, the trend among millennials especially is to live in urban communities
- Foundations — more sources of funds; more attention and funding on neighborhood community development issues
- CDAD — central promoter of the work that needs to be done, some infrastructure, focal point (“imagine what it would be like in Detroit if it wasn’t here?”)
- Diversity of Organizations: housing to green stormwater infrastructure having a range of community organizations with different strengths/expertise
- Resourceful — CDOs do a lot with a little
- Experts — CDOs know the neighborhoods better than anyone else, grassroots
- Passion — people who get into this work care deeply about it
- City government — it's the best city government we've seen in a while and it's more focused on community development than past governments
- Involved: the groups are already involved in neighborhoods
- Intentional: their work seems intentional in response to a perceived need (it was noted, however, that the perception may be based on anecdotal rather than actual data).
- Leveraged Resources—Private Investment As compared to recent past, more private sector interest in neighborhoods

- Experience in developing real projects from filling the vacuum left by the absence of government and the private sector in doing development over the years
- Organizations are resilient in the face of a lot of challenges

Weaknesses

- Overall strategy is missing — funders aren't sure where to put their money and with so many people coming to town and putting their money in it is hard to figure out what would have the most impact and what would be wasted since there is no coordination.
- Lack of resources — government funding has decreased particularly federal funding that is passed through state and local government. For example, six years ago the State of Michigan was allocating \$20 million for neighborhoods annually. Now it's \$3 million.
- Competitive — the CDOs are competing for the money so they don't collaborate and trying to get even block clubs much less CDOs to cooperate is really difficult.
- History — To collaborate some of the people who've been in the field for a long time that collaboration have to overcome a lot of bad blood for past experiences
- Fighting/Competition for scarce dollars
- Foundations as base source of fundraising—no desire to create independent and sustainable income streams.
- When I was in Community Development in Detroit the model was 1/3 of the money was raised from your own community; 1/3 was generated from fundraisers and 1/3 from foundations and government. The groups that have their own money that they can control are the stronger groups.
- Many CDOs are financially illiterate (even some that do good programming) so City "has to take a hard pass" on funding them
- "Can't run a grant program to save their life."
- Even we at the city make them all vie for funding and then chase after our goals rather than what may be the need in their neighborhood. We are asking for collaboration now.
- CDOs perception of need in their neighborhood is likely not based on any analysis and is at best based on anecdotal evidence. There's a lot of self-diagnosis.
- Lack of funds to execute mission-focused programming
- CDOs often lack the capacity to do outreach to private sector
- CDOs miss their mission/overall goal
- Community organizing is way different from what it was in the 90s.
- Weak outcomes reporting
- No common strategy
- Federal restrictions on grant money makes it difficult for government to support the CDOs
- Vast difference in capacity in organizations
- Racially unconscious
- Gaps in geographic coverage across the city
- Under-resourced
- CDOs possess only low value assets and low liquidity unlike in other cities
- There was a time when you got paid to operate — that's not the case everywhere. It set an expectation that should no longer exist.

Opportunities

- Level setting through training — we have an opportunity to get all CDOs on a level playing field to get them to grow, but at their own pace — training
- There's a lot of talk, for instance, about a BID program for neighborhoods
- City government increasing services — people are talking about planning neighborhoods again
- Focus on equity — it's being thought of — it's talked about, but not sure if there's enough follow-through
- Resources are being cut but tax incentives could be used to spur development — for example, at the federal level, Smart Growth America has advocated for tax incentives to create workforce housing. There are existing tools to do rehabilitation in neighborhoods, California uses a TIFA plan different from ours — corridor development — a variation on TODs (Transit Oriented Development).
- Design the strategy — the time to get this down, the time is now to create the structure so that funding can be distributed in an efficient manner
- MSHDA used to offer straight up operating support and it didn't work. It had to be tied to projects to get outcomes.
- People have come back to community development after the economic downturn, but what they want to do is different.
- Collaboration (4 votes on this) an opportunity to be more effective if there were a citywide "Consistent Framework with which we can operate" (the 'we' in this is the City but also the other stakeholders)/Align all actors towards common priorities/Rebuild with a new focus.
- We have to find a way to make [CDOs] sustainable (not just financially but in their role)
- "An ideal citywide collaboration would be, for example the Neighborhood Opportunity Fund—let's say the City has one major goal it wants to accomplish with the NOF this year. We need to define it and make sure we are all aligned to reach that same goal and then we allocate funds to maximize the impact. *Right now we make everyone compete and we allocate small amounts all over the places. We are now asking in the application for people to partner up.*"
- We no longer have a human services department. This is a good role for CDOs.
- Needs assessment—ideally we would have some way of assessing what the neighborhood really needs and then building goals & priorities off of that.
- We need to get to an agreement between the City saying what it needs from the CDO (level of capacity, financial literacy, solid reporting, results) and what the CDO says its neighborhood needs.
- Capacity has to be defined and has to include robust finances — so many groups don't have that.
- List's capacity-mapping program was actually pretty good at defining organizational gaps and we could adapt that for Detroit's use rather than reinventing the wheel. (Maria Gutierrez, who developed the Cap-Map program at National LISC, would actually be available to come in and customize it.) Don't use it as a punitive tool — use it as a way to help organizations.
- Hungry for info/growth
- Politics—orgs resist change and have competing agendas
- More confidence in city systems and results (also a Threat)

- CDOs can help the other stakeholders target existing residents to provide a continuum of care. For example, 85% of our senior home repair recipients' homes go into foreclosure. We don't have a way of helping the recipients with their financial management so after we've (the City) invested in them we see the house, with its improvements, go into foreclosure.
- A similar example—Habitat for Humanity support their home recipients and their familiar with 2 years of training and technical assistance so the homeowners could build an understanding and set of habits that were conducive to keeping the house and making progress.
- How do we make the connection between philanthropy and government resources?
- Do we take the "good" organizations and overstretch? I like smaller organizations because they can be very good at what they do. How do we connect between federal and funding to connect to smaller organizations? Organize assets and resources and acting as a fiduciary — not just organizing individual people. If a CDO could act as a fiduciary for smaller organizations churches, block clubs, artists, etc., that would help us better be able to work with a lot of programmatically good organizations.
- I wish they would do a better job of advocating for their needs and goals; that would give me leverage on the inside. We need advocates to help us in government to say what we need — I'm used to having multiple advocates and I'm willing to come to consensus and taking an action. Acorn used to come and occupy city council and SOS Coalition would get organized around CDBG. CDOs didn't do enough advocacy then and we don't do it now.
- Some advocates aren't interested in collaborating on a solution—The ones that do organizing they want to yell and scream and they don't have concrete solutions on how to solve the problem. And the answer is just for the city to solve the problem. Like the thing people find most oppressive — insurance issues — the city doesn't even have partners to help advocate at the state level.
- People aren't willing to negotiate--It's polarizing. Organizing — should be about negotiating and coming to agreement

Threats

- If we don't figure out the solutions then the lack of coordination will continue to make funders reluctant
- If CDOs can't sustain the soft services, it will be at the detriment of the regeneration of the neighborhoods
- City government is doing a poor job of talking to people so it is not building trust
- Residents voices continue to go unheard and that creates additional frustration
- Federal government — if they continue down this path of cutting funding then we'll lose resources and creativity
- State politics — changes at the governor level could make things worse for community development
- Economic downturn — if/when economy take a downturn, it'll hurt
- 8 years left of the millennials (but early indications are that the following generation has similar values)
- Resources not aligned with need

- Need better measurement of need
- Lack of Focus
- Before you can get to a discussion of the role of a Detroit community development organization and sustainable you have to address that there is a bias of expectations based on past experience that isn't a good guide for the future. A lot of CDCs across the country built their assets between 1979 and 1995 and they own stuff that was smart to own. We had more robust CDC activity back then-its what CD used to look like. Mature community development organizations have assets and liquidity — they don't ask for resources from government unless it's for a project. Maybe Detroit CDCs weren't able to position themselves that way due to the level of disinvestment here. We're not going to recreate that resource profile — we need to move beyond what's been lost and not try to recreate what "should" have been.
- Community Organizing today looks different — technology
- Don't know what we're buying if I (Government) spend money — what does it all add up to and what is the impact citywide?
- Too attached to government funding/government involvement
- Lack of high capacity partners
- More confident investment in city infrastructure (also an opportunity)
- Federal funds threatened
- Intermediaries and lane confusion

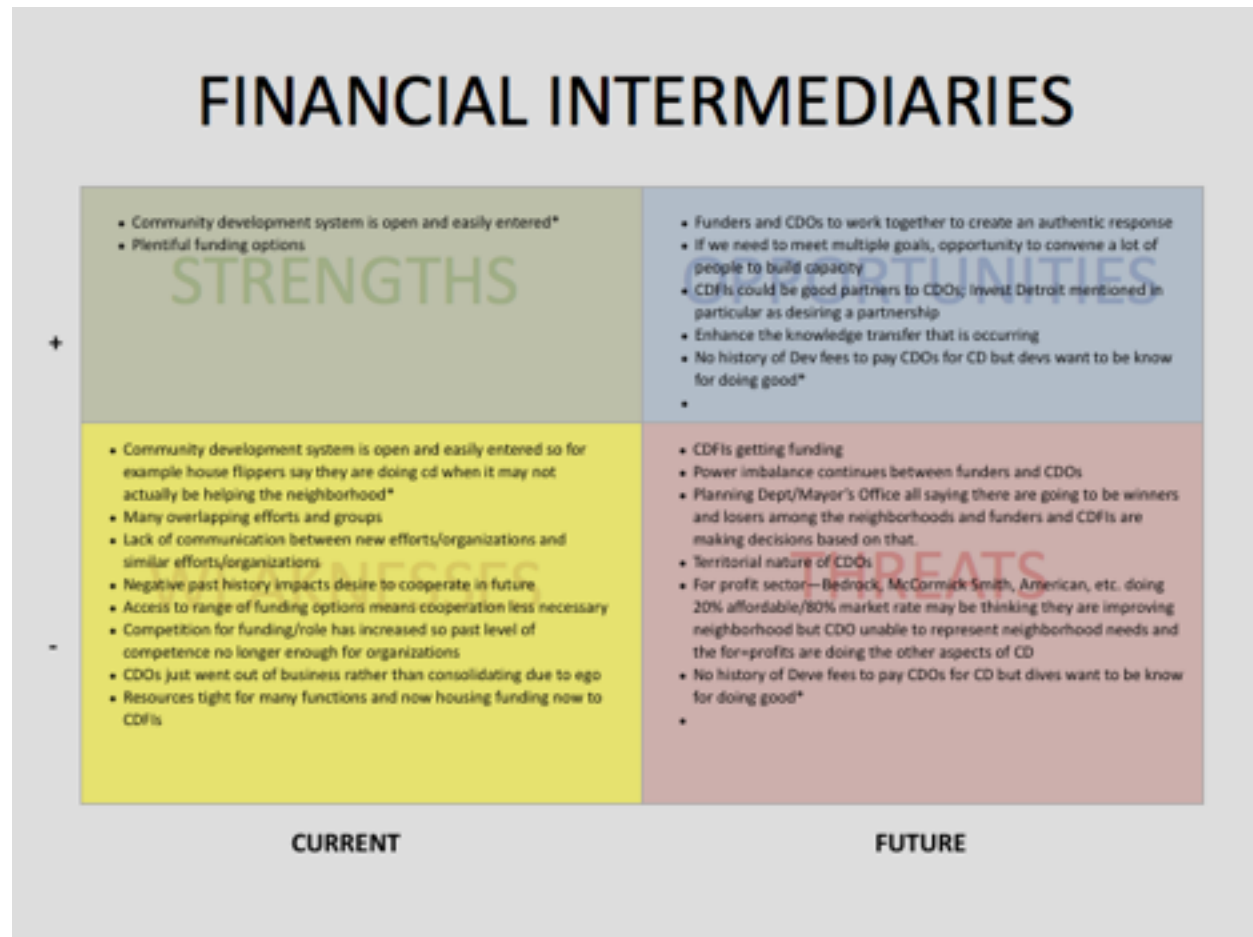
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Financial Intermediaries

Attendees

Maureen Anway of Invest Detroit, Yulonda Byrd of Cinnaire, Brandon Ivory of LISC, and Dennis Quinn of Cinnaire.

SWOT



Strengths

- Open – the definition of community development is very broad so anyone can come in and participate (also a weakness)
- Plentiful funding options - Kresge, Wilson, etc.

Weaknesses

- Open/Broad – definition what is community development? So many people say they are community development. The broad definition leaves the door open for

work that may not be community development. For example, we are approached by house flippers — that is NOT community development and those houses may end up back on the tax foreclosure.

- There are many overlapping efforts and groups.
- We often ask: “Have you talked to group A, B, C in the same area or doing similar work and the answer is often no.”
- History -- we tried to work together in the past and it didn’t work
- Funding options — access
- It is no longer good enough to just exist/be alive as a CDO in this economic time, you need to be good
- You had CDOs working within the same geographic boundaries, and with the financial collapse they didn’t combine forces, collaborate or merge; some just went out of business
- If survival meant collaboration or merger, why didn’t it happen? It’s because of ego.
- Lack of human and financial resources
- Back in the glory days you would get CHDO operating support or funders collaborative — it’s not there anymore. If we’re going to rebuild the system with CDOs and not just CDFIs I don’t see where the pot of money is going to come from.
- Funders aren’t giving money to little groups — they are looking at CDFI industry as having the certification/capacity. They’ve been certified by the federal government.
- There is trickle down from CDFIs to CDOs to support organizing and softer skills
- Lack of strategic vision — from City and now that we have the map — there’s still a lack of vision for the other neighborhoods.
- Changing target areas
- Equity in the new model doesn’t exist. The old model had for-profits with hard skills and non-profits brought soft skills. But sometimes getting a piece of the equity of the development was a total disaster. They left non-profits holding the bag with too much real estate debt and not enough revenue.

Opportunities

- For funders and CDOs to partner and work together on an authentic response
- If we need to meet multiple goals, we need to convene a lot of people and maybe capacity could be built
- CDFI is getting into the community development industry — i.e. Invest Detroit. For now that is how it works, but we’d like CDOs to get more capacity we can have the CDOs take on projects. Need to get more opportunities to give the resources to the CDOs.
- Knowledge transfer is happening and there could be more of it.
- New generation — baby boomers are retiring and the next generation needs to step into the void. We need to be talking to more of the younger generation.
- Invest Detroit wants to be known as a community partner — multiple ways to plug in.

Threats

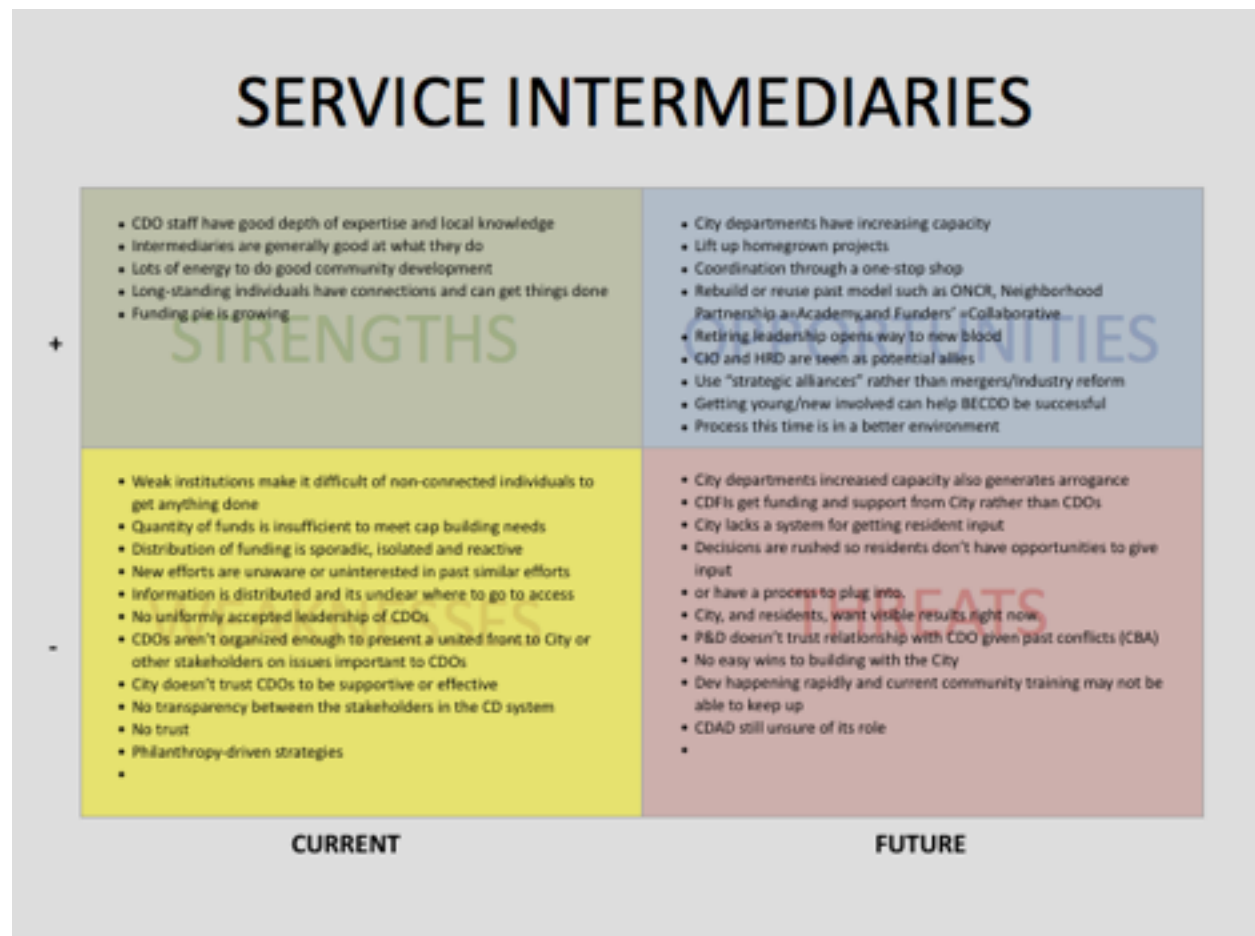
- CDFIs to CDOs
- Power imbalance – CDOs vs. Funders
- Maurice, Arthur, and the Mayor – there are going to be winners and losers in terms of geography. Funders and CDFIs are making decisions on whether they will fund projects and organizations based on that map.
- Territorial nature of CDOs
- For-profit sector – Bedrock, McCormick Smith, American , etc., 20% affordable — private sector can do this all day long. Even locals like Hantz thinks he's doing everyone a favor for his work "cleaning up" the Eastside. These folks won't pick up trash in the neighborhoods. Could also lead to displacement.
- Currently there are no big developer fees for community organizing. However, developers want to be known for their good work — so there are opportunities for CDOs.
- CHN and NeighborWorks are squeezing out CDOs – those who have will get more and those who have not will continue to despair.
- Perception of funding patterns – If funding is going to new organizations or just the areas on the map or just organizations with recognized names (who may not be doing quality work).
- The "system" is different now. Larger groups are coming in because of the lack of capacity.
- Should CDOs be doing physical development? — those that control money feel that CDOs shouldn't be doing physical development
- The soft stuff would then need to be subsidized – CDOs that do the soft stuff sometimes just want others to do the development What is the role for the CDO to work with the developer.
- I do something to contribute voice — you should do this along the adjacent corridor or to the adjacent homes

Service Intermediaries

Attendees

Donna Murray Brown of MNA, Shamyle Dobbs of Michigan Community Resources, Graig Donnelly of WSU, Anika Goss-Foster of Detroit Future City, Sarida Scott Montgomery of CDAD, Erica Raleigh of D3, Mike Tyson of NEW, and Tahirih Ziegler of LISC.

SWOT



Strengths

- Depth of experience and knowledge of neighborhoods, depth of expertise
- Intermediaries: CDAD, MNA, NEW DFC, CEDAM, etc.
- Energy – lots of people want to do good stuff

- Some individuals are very well connected so their projects move forward quickly (Weakness for non-well connected)
- Funding pie is growing
- Funders invested or interested in investing
- Variety of offerings
- Very organized portions of the city
- Continued conversations between CDOs/CBOs/Funders
- There is a CLEAR NEED
- CDOs willing to move across boundaries w/in city
- Many partners and organizations dedicated to the “work”

Weaknesses

- Some individuals are not well connected and can’t move their projects forward with the same ease
- Two funding issues around capacity-building service delivery. There isn’t enough. If there were more funding there would be a tighter ecosystem. And what money there is, is distributed directly to individual organizations rather than any comprehensive effort through a service provider. For example, NEW gets little funding directly to do this kind of work for non-profits. However, funders will give money to the specific organization to “buy” the service from NEW, but the funding isn’t enough. NEW shouldn’t have to charge.
- There may be enough money, but it’s poorly distributed. We don’t know how it should be distributed differently because we haven’t mapped out what is needed.
- Stop, look and Google. When deploying funds or creating programs/initiatives people often do not first see if it exists or if it has been done elsewhere. Often there is already a baseline study or needs assessment already done. For example, Rocket Fiber wanted to do a digital divide study and we just pointed them to two others that had already been completed in the last few years.
- Where to go for the information — there are too many places where it is possible to get some information.
- No designated leadership for CDOs that is accepted. We’re still vying for that leader. Coordination then suffers.
- As an example of the above, If P&DD could have worked with CDCs on this round of planning instead of starting from scratch it would have better but because CDCs aren’t coordinated or real leadership there was nobody who had the support of all the CDCs to push back or suggest the alternative. And there’s a lack of trust coming from the city in whatever leadership that does exist either informally (e.g., someone like Maggie) or formally (an organization like CDAD).
- The City doesn’t value CDCs – a coordinated effort could have had been more impactful.
- The City can be forced into listening if a coordinated effort was created. In LA, the Little Tokyo CDC partnered with Skid Row CDC to gather support from CDCs across the city to push back on the way the City was conducting planning.
- Do we need centralized leadership from City or do we need City to be savvy enough to say...
- No transparency — up and down the system. In part it’s because we’re busy and don’t have time to communicate and in part it’s because we don’t want to talk

before something is launched. It's caused by competition and the fear about a shrinking pie is always there even if there are currently more available resources.

- Philanthropy-driven strategies — competing for resources make cooperation difficult and prioritizes fitting into an individual foundation's current strategy rather than any more holistic or aligned strategy.
- Trust
- *Definition of Intermediary*: The community development industry in Detroit has different definitions of intermediary because some define it as *any* organization that provides services to other organizations. CDAD and MCR are considered intermediaries, but they are not (according to the speaker). LISC is an intermediary in that they do not do the work on the ground but bring resources and support to the work and they bring strategy and best practices. In other cities if you are a CDO in any way you are not an intermediary. CDAD, for example, shouldn't strive to be at the same level as LISC because LISC can bring in national resources. [LISC and CDAD] are in such different lanes; LISC is a CDFI; LISC can't do the work that CDAD (and MCR) are doing.
- *Funding and Funders*: The system is not well-funded. Competition exists for this limited funding between CDOs, between intermediaries, and between intermediaries and CDOs. Partly due to funders not being aligned resulting in multiple efforts with their own objectives, preferred organizations and metrics. Those particular goals are not part of a larger cohesive effort. Funders are not looking at the macro point of view and while everyone is talking, nobody is collaborating. In fact, talking is a) seen as sufficient (a willingness to collaborate but not an actual collaboration) and b) talking is used more for intelligence gathering. There is a lack of transparency.
- *Lane Confusion*: confusion is caused in part by competition for resources; we all chase funding and then find a justification for making it part of our mission.
- *Service Delivery and Defining "the Work"*: because each organization is defining the work for themselves it is hard to understand it. There should be some cohesion. Agreed upon outcomes and metrics should be met — a process of agreement between what the city wants and what the neighborhood wants.
- *Capacity for What?* What is it that we are trying to accomplish? What is the logic model? Some capacity-building is internal to organizational development, some is to do development and some is needed for organizing. Is there an assessment tool or model to determine the actual needs of CDOs and then a system for providing services based on that analysis?
- *City wants Units, But Won't Fund Soft Costs*: City wants units and development and the CDOs and intermediaries need to provide that if they want City support and cooperation. The city can't pay for capacity and talent improvement. We need private dollars to be more flexible so that we can provide soft costs to organizations so they have the capacity to do units and development in neighborhoods.
- *No Continuum of Capacity-Building*: we provide capacity at some levels, but not all levels so the work doesn't build upon itself to build capacity. GROS and other CDOs struggle to get seen if there's a large CDO taking up resources.
- *History and Personality* – people don't forget old grudges and will bring up something that happened 8 years ago. We need a fresh start.

Opportunities

- City's growing capacity
- Lift up homegrown place-based projects that aren't given enough attention. For example the Sidewalk Festival and— the Artist Village
- Coordinated one-stop shop — a good example is in California. It doesn't need to be one place literally, but we need to figure this out.
- Rebuild or revise previous successful models: ONCR, Neighborhood Partnership Academy, Funders Collaborative.
- Coordination would ?
- Retiring leadership — new generation who might do things differently and also not have the baggage from interpersonal disagreements that sometimes obstruct progress
- *City Council* – Thoughtful strategic interaction at all levels of city government is needed. We need to do a better job of engaging City Council. During the inclusionary housing discussion at council, there were so few practitioners their — council would respond differently if we banded together
- *Defining a CDO*: I want to get out of this process is to create this set of standards of what it means to be a CDO in Detroit. This is what we have agreed upon collectively. The BECDD process is looking at capacity-building and metrics to define a strong or stable neighborhood, but is the process helping CDOs understand what they need to be doing to get to the end goal for their residents and businesses?
- *New Model of Sustainability*: Help CDOs understand where they came from, how they got to where they are now, and where they need to go in the future. Given the current state of the City, what is the point of your organization now?
- *History & Personality*: Leaders bring the weather — individuals in organizations or in a community — have the power of personal relationships — one person can become the barrier to others engaging. How do you empower leaders to engage effectively?

Threats

- If City's growing capacity/arrogance
- For the physical development that the City wants to see, they might go to CDFIs instead of CDOs. What do CDOs then do? How do the soft things like organizing, empowerment, beautification, etc., happen?
- Physical development — city doesn't have a process or vision that incorporate resident thoughts. We're so excited about getting investment. It's NOT an inclusive development process.
- Decisions need to get made quickly — on the ground folks would prefer a process to plug into
- City is in a hurry to show progress and meet resident demands. For example, a resident might want his/her streetlight on, but the resident might also want to also talk about other things that residents want to see done. City wants to treat all the other things the same as street lights, development and short-term fixes.
- P&DD knows they needed an on-the-ground partner...but they are reluctant— unhappy about the pretend CBA thing, but its different/bigger than that.

- Not sure there is low hanging fruit with the city.
- Doing Development Differently in Detroit wants to do a series on the basics of real estate development. Especially for places where the development is happening. Educate people on what will happen to you, taxes, etc.
- I have no idea how to pull back the train (City) it has left the station. This real estate development fast moving train.
- D3 decided to focus on CIOs office — corporate sponsor helped link Microsoft and CIO to get data and tech further into the neighborhoods
- Arthur Jemison is a real ally — organize around Arthur instead of forcing Maurice's hand
- How is the CDO leadership connected to Arthur and his staff? Its still not coordinated. What would we be talking to Arthur about? Is it CDAD's place? It could be. It's not now, but it could be.
- CDAD isn't sure what it wants its role to be — if CDAD says this is what I want to do...we need to know who they want to be. There was a power struggle and CDO leaders left CDAD led by Maggie.
- BECDD needs to engage emerging leaders — It can be energized and catalyzed by one person, but it can't be led by one person or it's success or failure becomes tied to the individual rather than the idea.
- Industry Reform and mergers was terrifying language to people in the first round of this. "Strategic alliances" is a better term.
- There's always going to be a need for a certain scale to get to people in the neighborhood — how do they get resourced as well as a larger structure to have the larger sphere of influence.
- This process with BECDD is better than the first time around — it's a slower process to get to the point where participants can say here is what we want to do as part of the system (i.e., CDAD) and since it is a process that can end rather than an organization it can keep its mission the original goal of system change.
- Strong organizations are getting stronger and weaker getting weaker
- *CDOs Need to Regain Trust of their Residents:* We are not here to support the stabilization of a number of organizations. We are here to meet the needs of residents. CDOs need to prove that they are listening and responding to residents. Residents need to feel free to say what they think CDOs should be doing.
- *City:* The City doesn't see a risk in not being attentive to the needs of residents. At the same time, they (P&DD) need to say what they think CDOs should be doing (clarifying lanes). We still don't have consensus on what CDOs should be doing and what City should be doing
- *Funders:* Philanthropy also needs to say what it thinks CDOs should be doing and coordinating amongst themselves, so that multiple initiatives don't lead to a proliferation of many, smaller, less effective organizations. Note: Kellogg is expected to fund an initiative to support resident-led organizations. How are CDOs positioned? If Ford is the only one funding organizing, how are CDOs part of that equation? What happens when the funders' agendas are at odds with the City (i.e., Ford's investments in organizing). CDOs balance between resident/funder/city.
- *CDO Connection to City Council:* Council needs to be the entity that pushes for the people; they are the watchdogs of how money is being spent — Scott Benson,

Mary Sheffield, Raquel Castaneda Lopez, Gabe Leland, Brenda Jones and maybe Tate are pro-CDO and can help to make the case.

- *Old Guard*: We aren't cultivating Leadership of next level
- *Defining CDOs and the System*: An eco-system analysis needed — self-defining [role] is not appropriate. Together, we need to determine what the over-arching metrics are that we are working towards together. Some non-CDOs

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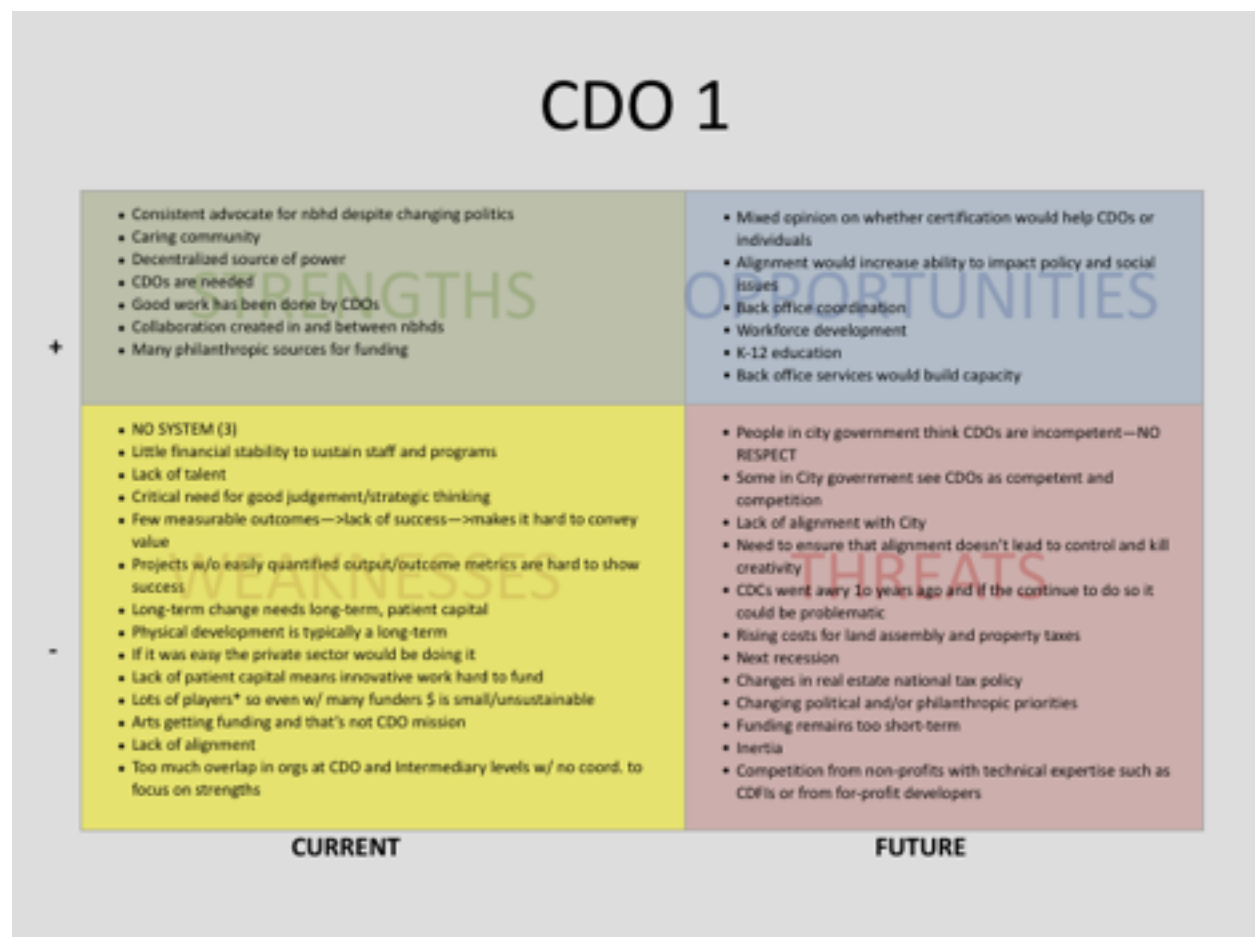
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CDO Staff (2 Sessions Combined)

Attendees

Orlando Bailey of Eastside Community Network, Christine Bell of UNI, Dan Carmody of Eastern Market, Eleanore Eveleth of Sinai-Grace Guild CDC, Mac Farr of The Villages CDC, Angie Gaabo of Woodbridge Neighborhood Development Corporation, Lauren Hood of Live6 Alliance, Quincy Jones of Matrix Housing, Larry Simmons of the Brightmoor Alliance, Linda Smith of U-SNAP-BAC, Sherita Smith of Grandmont Rosedale Development Corporation, Pamela Martin Turner of Vanguard CDC, Kathy Wendler of SDBA, Theresa Zajac of SDBA, and Deborah Pfliegel of the Community Learning Partnership observing both sessions.

SWOT



CDO 2

	CURRENT	FUTURE
+	<ul style="list-style-type: none"> • CDAD Trainings • Leadership Detroit, DRFP (Detroit Fellows) • We have seasoned practitioners to learn from • Dedicated Detroiters – “Detroit is a race-proud city” W. E. B. DuBois – Grit • Funders moving slowly towards funding capacity • Resources are available depending on the organization that is asking— • More money and different money 	<ul style="list-style-type: none"> • No clearinghouse such as a job board for new staff (MNA kind-of has this) • Formalize mentorship: “A DRFP for existing practitioners” • Organizing executive leadership to create unified demands and asks • CDAD fulfilling a larger role • Money – consistent and ongoing • We need to address collectively Systemic and policy issues to legitimize this field • This is a chance to get it right – BECDD
-	<ul style="list-style-type: none"> • Funding—still underfunded • Lack of Detroit CD 101 training • Competition between CDOs and no willingness to share • Clarity lacking on what capacity means or how to measure • City wants us to do work or they want us to get out of the way—depends • Even IVA blight requests ignored; what chance does Concord Street have? • There is no neighborhood strategy by City/P&DD—only episodic • P&DD talks about intellectual concepts; we need a plan to impact reality • Mayor anal about narrative but not our story he is telling • Land Bank • Mystery of who to talk to when – it is always changing • Constant fundraising with no • Forced to collar with Dev. Detroit, Impact Detroit or they will take over • Funders pay for learning for themselves but not practitioners • Funders creeping into the work of Intermediaries and CDOs • Lack of equitable, accessible system is a also a weakness • HRD 	<ul style="list-style-type: none"> • Leadership is changing to more grass roots organizing • Generational turnover – young people coming to D without the history • Take advantage of stories now • When you have people on your staff – help them develop their talent • National model – can go one way or another – keep black people in leadership • Gentrification story. • Change business model to ask for what we need • Diversify revenue portfolios – real estate? Earn conversation • Collaborative systems – PR, benefits, insurance, supplies, back office operations • Raise credibility of CDOs • Create practical training systems

Strengths

- More and different philanthropic sources (2)
- Ability to advocate for a neighborhood despite changing politics
- Caring community
- Decentralized
- Need – CDOs are needed
- Opportunities to align
- Good work by CDOs
- Collaboration across and within neighborhoods
- CDAD Trainings
- Leadership Detroit, DRFP (Detroit Fellows)
- We have seasoned practitioners to learn from
- Dedicated Detroiters – “Detroit is a race-proud city” W. E. B. DuBois quote – Grit
- Funders moving slowly towards funding capacity

Weaknesses

- NO SYSTEM (3)

- Long-term change needs long-term funding — patient capital/We don't have the type of investment (quantity and patience) to take the type of risk to do really innovative work over time that shows results/Physical development — all the work is long-term and takes time
- Financial sustainability to sustain staff, program, etc. (2)
- Lack of alignment
- We have organizations, foundations, capacity building providers, etc., infrastructure — we have the elements to create a good system. How do we make sure people do what they are good at? It needs to coordinate. Some groups need to drop what they are doing. Some intermediaries do capacity building and keep the admin funds, then push down funds to community organizations — BizGrid all those service providers don't have customers.
- Alignment (need to ensure alignment doesn't lead to control and stop creativity).
- Funder—creep — Funders are doing the work of Intermediaries and CDOs
- There's a lot of players, so while we have a lot of philanthropic resources, it gets split up into too many small, unsustainable amounts
- Resources are available depending on the organization that is asking—lack of equitable, accessible system is also a weakness
- Few measurable outcomes which creates a lack of successes and makes it hard to convey the value
- Some projects don't fall into output/outcome metrics — so how to prove they are achieving
- If it were easy, the market would be doing it
- Is it true that we have “too many” organizations in this space? How does it compare to other cities?
- Right now artists get all sorts of funding — now you need to be artistic which isn't our core mission but it's where the money is
- No organized way to learn and be tested — no certification (UD Mercy exists, but its too small)
- Do you we need to be certified? (Only one person thinks we need to be certified, one thinks we shouldn't, and three aren't sure it depends on what it looks like.) How are you going to certify to many job titles into one consistent program? For some of this work there's a way. Main Street certification didn't seem to make a difference.
- Certification for an organization versus a person is a question
- Not everything needs to be centralized. One organization may have an amazing idea for youth employment, but not allowing orgs to create their own would be stifling
- Lack of Detroit CD 101 training
- Competition between CDCs and no willingness to share
- Lack of clarity on what capacity means? If we don't know what it is we're measuring we don't know if we are executing...
- City — wants us to do work or they want us to get out of the way--depends on if you are in a targeted investment area
- Mechanism for service delivery
- Even requests by the Indian Village Association are ignored--can't get blight tickets, removing blight, environmental tickets written, etc. If IVA can't get the city to provide services, what do you think the chances are for a woman calling in from Concord Street?

- There is no neighborhood strategy by City – only episodic – P&DD
- P&DD wants to talk about intellectual concepts, but we need a plan to impact reality and day-to-day
- Mayor is anal about narrative — and it isn't our story he is telling — we have to tell our story and control the industry's narrative
- HRD
- Land Bank
- Mystery of who to talk to when — it is always changing
- Constant fundraising
- External new top down approach – Develop Detroit, Impact Detroit, we are forced to collaborate or they will take over
- Funders pay for learning for themselves — do best practice research, but don't provide those learnings to practitioners on the ground
- Lack of talent
- Critical need for good judgment — strategic thinking

Opportunities

- Collective impact — aligning — organizations agreeing to adjust their work to impact a social issue
- Back office coordination/The back office services would build the capacity – HR, Accounting, IT, etc.
- Lots of areas of focus — the industry can grow because many different issues are present
- Workforce development — will remain a huge issue while K-12 also remains an issue.
- No clearinghouse such as a job board for new staff (MNA kind-of has this)
- Opportunities
- The opportunity for mentorship needs to be formalized sort of a DRFP for existing practitioners.
- Organizing executive leadership to create unified demands and asks
- CDAD fulfilling a larger role
- Money – consistent and ongoing

Threats

- People in the city think CDOs are incompetent – NO RESPECT
- The planning for southwest is an example of how City comes in without working with the CDOs.
- If CDO is seen as competent, then the city sees CDOs as competition
- Lack of alignment with City
- CDOs went awry 10 years ago with not being place-based — if what you're doing
- Rising costs — land, property taxes, etc. making it harder to do business
- Land assembly — you can end up paying \$500 per year for a rotting property
- Next recession/depression (also an opportunity for CDOs because there would be more need) is coming.
- Major changes in tax policy at the national policy could change how real estate development is done.
- Changing political priorities and changing philanthropic priorities

- Funding – funding is too short-term and doesn't match project timelines
- Inertia, slow to change
- Competition from organizations with technical skills, but not the same values (i.e., Develop Detroit, Invest Detroit, CDFIs, Building Blocks or others who may value profit-making at the expense of neighborhood values).
- City of Detroit is hiring contractors to do board-ups and land clean-up — why wouldn't you just pay the non-profits who have been doing it to keep doing it. (It was pointed out that) Blight Busters is one of them. (Also pointed out that the City has ...) tried to use organizations and help them build capacity, but it didn't work as well.
- How do you create a centralized / decentralized system (where things are not so controlled that organizations aren't able to be flexible enough to meet changing needs, for example)?
- External new top down approach – Develop Detroit, Impact Detroit, we are forced to collaborate or they will take over
- Money – stick and carrot — as a stick, if foundations drive and define the mission
- Death and Annihilation – on the horizon
- What is our value if for-profit developers can do it faster and cheaper (even though they don't have the neighborhood's interests necessarily at heart)
- This climate comes from this mayor and legislative changes are needed

DRAFT