



Rooted Responders:

How Community Based Organizations in NYC are Coping with the COVID 19 Crisis in their Neighborhoods

May 11, 2020

LSC NYC

LISC NYC Survey of Community Based Partners Coping with COVID-19

Process

- Between March 11th and May 6th LISC NYC met with 25 community based organizations (CBOs) that we regularly partner with to learn about the needs of their organizations and communities during the COVID 19 crisis. We used guiding questions, but led the conversations in an open-ended way, so that not every CBO commented on every topic.
- In addition to these structured conversations, this summary incorporates insights and observations from a variety of ongoing meetings and discussions with CBOs and other partners.
- We will regularly update this document, as we continue to learn from our partners on the ground.

Community based organizations interviewed to date

Asian Americans for Equality (AAFE)
Banana Kelly Community Improvement Association
Bedford Stuyvesant Restoration Corporation
Belmont Arthur Avenue Local Development Corporation
Bridge Street Development Corporation
Chhaya Community Development Corporation
Community League of the Heights (CLOTH)
Cypress Hills Local Development Corporation
Davidson Community Center
Evergreen
Fifth Avenue Committee
Greenpoint Manufacturing and Design Center (GMDC)

Hope Community Inc.
IMPACCT Brooklyn
Make the Road New York
MBD Community Housing Corporation
Met Council on Housing
Mosholu Preservation Corporation
Nos Quedamos
RiseBoro Community Partnership
SoBRO
Southside United HDFC - Los Sures
St. Nicks Alliance
West Harlem Group Assistance
WHEDco

Partner Responses

Programmatic Changes

CBOs have nimbly responded to rapidly shifting needs and conditions in their neighborhoods.

- ***From in person to remote services:*** Most have converted the majority of their services to remote delivery, though a smaller number of programs (such as youth recreation or employment programs with hands-on hard skills training) have been put on pause.
- ***Meeting new and increased needs:*** Several CBOs are providing emergency food services for the first time, or adapting these services to comply with public health guidelines. Some have set up relief funds for targeted purposes such as small business assistance. Others have set up cash assistance funds for those who are ineligible for federal assistance, such as undocumented immigrants.
- ***Supporting vulnerable individuals and families through outreach and communication:***
 - Many residents served by CBOs don't have adequate technology to stay connected to services, schools and other essential resources. Some CBOs are purchasing technology for their program participants, or helping them to access it through the NYC Department of Education.
 - Several CBOs are surveying local residents to assess their needs or vulnerability for COVID-19, or conducting health and wellness checks. One has created a hotline for residents to learn about all available resources.

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We sent out a survey to our clients to learn what they need. The top issues are income support, jobs and food access.

Tracey Capers, Executive Vice President, Bedford Stuyvesant Restoration Corporation

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We added a COVID 19 extension to our health team's hotline number, to answer questions related to COVID 19, especially for people who are afraid to go to the hospital.

Arlenis Morel, Chief of Staff, Make the Road New York

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We're learning about what businesses need. Some are on the edge and getting ready to close. Many of the resources available are out of reach for mom and pop shops.

Michelle Neugebauer, Executive Director, Cypress Hills Local Development Corporation

Partner Responses

Emerging or Changing Community Needs

CBOs report a sharp increase in needs among residents and businesses, across several areas.

- ***Housing and Homelessness:*** Increased need for housing counseling to access accurate information about rent laws and mortgage forbearance during New York State PAUSE. At least one CBO is working to identify solutions for people in shelters and temporary housing, where conditions don't allow for social distancing.
- ***Health:***
 - Increased need for emergency food services.
 - Across the city, the prevalence of COVID cases among low income communities and people of color reveals ongoing issues of health inequities. In interviews, some CBOs noted COVID cases among their clients.
- ***Economic and Workforce Development***
 - Businesses need support to access available resources; and to transition to remote work and online business. Immigrant- and minority-owned businesses face particular challenges in accessing resources.
 - CBOs also noted an increased need for employment services, as many local residents have either lost jobs, or have jobs which cannot be done remotely, and force them to choose between employment and health.

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We're helping individuals and families get the resources they need, regardless of their immigration status or ability to speak English. We're especially focused on those that have lost loved ones to COVID, are ill, or have lost employment.

Michelle de la Uz, Executive Director, Fifth Avenue Committee

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Our Head Start pre-school has moved to an online classroom. For those who don't have tech, we're procuring laptops. In the meantime, the teachers have developed activity packets and have distributed those to the families.

Davon Russell, President, WHEDco

Partner Responses

Asset Management

Community development corporations are anticipating serious financial impacts on their real estate portfolios.

- **Financial challenges:**
 - Almost all CBOs are concerned about loss of residential rent revenue. On average, CBOs saw a loss of 30% of rent revenue in April.
 - Others are also expecting a loss of commercial rent revenue, as well commercial vacancies.
 - Some mentioned a lack of sufficient reserves.
 - Others mentioned increased maintenance costs, due to increased cleaning to stop the spread of COVID.
- **Ensuring that policy responses help both tenants and owners of affordable housing:** CBOs were concerned about legislative proposals to relieve unemployed tenants of rent burdens without creating additional rental subsidies to cover missed payments. Nonprofit affordable housing providers were in favor of protections for struggling renters, but were concerned about the severe cash flow issues that would result from greatly reduced rent collections.

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We're expecting a decrease in rent collection, and will need to draw on operating reserves. We're looking to see what kinds of expenses can be deferred until we gain some sense of normalcy.

Scott Short, CEO, RiseBoro Community Partnership

Partner Responses

Development Pipeline

CBOs continue to focus on their goal of developing affordable housing, through the crisis.

- **Predevelopment work:** CBOs stated that they are continuing this work. The need for patient predevelopment capital is more pressing than ever, as some lenders are not able to provide it.
- **Construction:** Some said construction was slowing down, since fewer people were available to work, while others said that construction was continuing.
- **Anticipated challenges in public subsidies for affordable housing development:** New York City government officials have warned that given the financial strain of the health crisis on the city budget, the development pipeline of critically needed affordable housing has become slowed and needed housing subsidies have become constrained.

Partner Responses

Staffing and Operations

CBOs face challenges as they transition to remote work and grapple with budget impacts.

- ***Shifting to remote work poses financial and human capital challenges:*** Most staff are working remotely, while a smaller number of essential staff are still working on site. CBOs have increased costs for technology to support remote work. Some also mentioned operational challenges for staff who aren't accustomed to working from home.
- ***Staff face health concerns:*** A few CBOs mentioned staff who were sick, or who were on a precautionary quarantine, because of exposure to someone with COVID. Others mentioned concern about staff safety and the need to provide adequate protections for maintenance staff.
- ***Budget constraints can force CBOs to lay off or furlough staff.*** Several CBOs have had to lay off or furlough staff. Others have not yet, but think they may need to in the future. Many CBOs were concerned about cash flow, and the ability to cover payroll.

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Like many other affordable housing providers, we have many building related staff that cannot work remotely.

Michael Rochford, Executive Director, St. Nicks Alliance

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Our housing organizers have been organizing people remotely, mostly over text.

Jennifer Sun, Co-Executive Director, Asian Americans for Equality

Partner Responses

Funding and contracting

Many philanthropic funders are being flexible with their grants in light of the COVID crisis. However, CBOs are concerned about the loss of other revenue sources, as well as future severe budget cuts.

Government Contracts:

- NYC and NYS guidance has suggested that many CBOs will be paid on state and local contracts, even if they are no longer able to complete deliverables as originally contracted.
- However, some city and state agencies have been unclear in their communications about their flexibility and willingness to adjust deliverables, and CBOs are concerned that they would not get paid on their contracts.
- CBOs expect severe future city and state budget cuts, and are concerned about the impact on their organizational budgets.

Other revenue sources:

- Three CBOs will lose revenue because they've had to cancel spring fundraisers. Others will lose or have delayed fee-for-service revenues, like home care contracts with health insurance plans, or affordable housing marketing fees.

Partner Responses

Available Resources

CBOs are pursuing available loans and grants to address emergency needs.

- **Federal Loans:** Many CBOs have applied for federal loans, particularly Paycheck Protection Program (PPP) loans under the CARES Act. To date, several have been successful in accessing these funds. However, many have concerns that the loans will not be enough to prevent them from experiencing serious cash flow issues in the coming months.
- **Philanthropy:** Many organizations applied for relief funding from new sources created by the Brooklyn Community Foundation, New York Community Trust, and Robin Hood Foundation. Others mentioned in-kind support from the private sector such as Bain Consulting, and support from early childhood funders related to technology. However, many of their emergency needs are not fully covered by these sources.
- **Other:** Two CBOs mentioned negotiating an increased overhead rate for city contracts, a strategy they were pursuing pre-COVID, in response to new city policies regarding these rates for nonprofit service providers. They hoped to more fully cover the cost of service provision with these increased overhead rates.

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Community based networks do exist, but there is not a permanent acknowledgement of keeping nonprofit organizations ready and resourced to respond on the front lines.

Thomas Yu, Co-Executive Director, Asian Americans for Equality

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We have a food pantry, but its in-person operations had to be suspended to protect community and staff safety. Instead, we're getting grocery cards that people can use at local supermarkets we've partnered with to buy food.

Kerry McLean, Vice President, Community Development,
WHEDco

Rooted Responders: Supporting Neighborhoods as the Crisis Unfolds

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- ***CBOs have been nimble and resourceful in responding.*** In these first days and weeks of the COVID 19 crisis, CBOs have demonstrated their flexibility, resourcefulness, and commitment to their neighborhoods.
 - ***They are serving as rooted responders:*** they know their communities, are trusted, and can reach people and businesses that have difficulty accessing mainstream resources because of a number of factors such as language barriers, immigration status, and a lack of connection to the banking industry.
 - ***They will continue to help their communities over the long-term.*** As always, these CBOs will be there for the long haul, long after the initial crisis is past and the hard road to recovery is underway. They are dedicated to advocating for an equitable distribution of recovery and resiliency resources.
 - ***They need to be supported financially.*** These rooted responders will need resources to continue playing this critical role.

LISC NYC Responds: Strategies to Support Our Partners

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- ***Raising resources to sustain and strengthen CBOs:*** At the national and local level, LISC is raising funds to help local organizations survive this crisis and adapt their programs to meet immediate and long-term needs. The funding will seed innovative, context-specific initiatives to respond to challenges that CBOs see on the ground. We will promote equity by lifting up community voices to ensure that public policies respond to local conditions and that new government resources flow to New York City residents and neighborhoods that need it most. We are currently moving to quickly deploy our existing HUD Section 4 capacity building funds to our CBO partners to help them respond to the crisis and carry out COVID-19 change management.
 - ***Provide emergency assistance:*** LISC NYC is raising targeted emergency relief funding for vulnerable populations. For example, thanks to support from Trinity Church Wall Street, we're deploying mini-grants to partners in our [New York Land Opportunity Program](#) who serve low-income seniors.
 - ***Support small businesses:*** Nationally, LISC has launched various small business assistance funds (e.g the [Verizon Small Business Recovery Fund](#)). LISC NYC has worked with partners to refer dozens of businesses to these funds. We are seeking to replicate this program at a local level, prioritizing small businesses owned by immigrants, women, and people of color.
 - ***Help partners access federal funds:*** The CARES Act's Paycheck Protection Program is designed to keep workers on payroll and the doors of small businesses open. We are currently serving as a PPP lender and conducting targeted outreach to small businesses owned by immigrants, women, and people of color who have not yet gotten funding.

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