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Issue

The COVID-19 pandemic brought uncertainty to many Los Angeles businesses and nonprofit organizations that address housing production and community development. Community Development Corporations — nonprofit organizations created to support and revitalize underserved and marginalized communities — faced unique and complex challenges as they were under pressure to tend to their own organizational needs and the pressing demands of the neighborhoods they served. In times of crisis, CDCs play a central role in relief efforts within communities. They are involved in a wide range of community services that meet local needs, such as housing access, health care, business development, and other social programs. COVID-19 adds another layer of challenges and uncertainties for these community-based organizations. As a result of the pandemic, CDCs have found ways to alleviate and mitigate the damages caused by the outbreak.

Study Methods

This study used a mixed-methodological approach using qualitative methods that began with a literature review, followed by a survey sent to 15 affordable housing nonprofits, and concluded with a set of semi-structured interviews with seven organizations. This research investigated the experiences of Los Angeles County CDCs when faced with an unprecedented crisis such as the COVID-19 pandemic. The research specifically looked at CDCs that develop affordable housing within the county boundaries and asked:

- » How did housing CDCs adjust their work to cope with/ address the impacts of the COVID-19 pandemic?

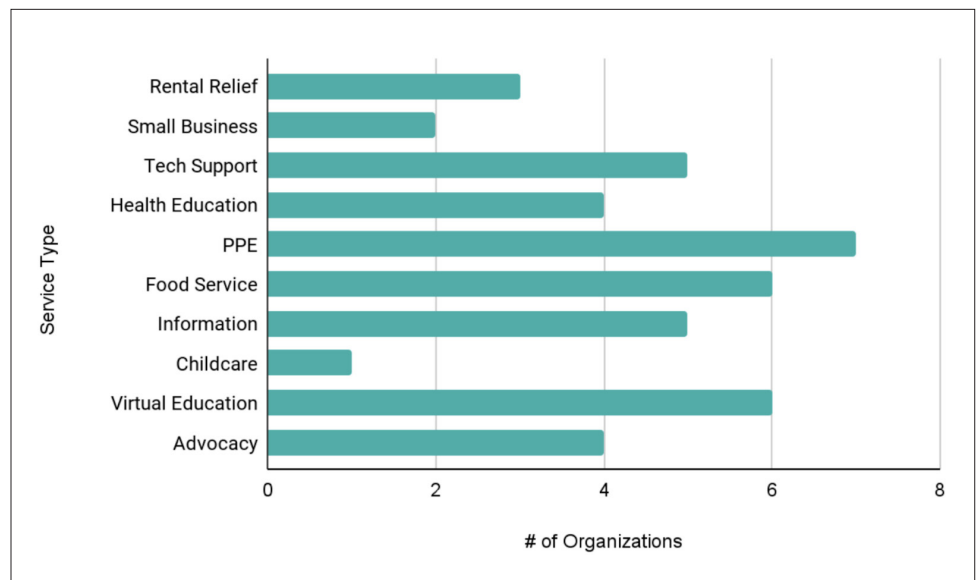
- » How did COVID-19 affect the focus and direction of work within CDCs?
- » What strategic practices did CDCs in Los Angeles deploy when facing a new landscape to maintain the viability and sustainability of the organization?

Research Findings

- » CDCs were able to address specific community needs by expanding capacity.
- » CDCs reported that work expanded around food security and meal support. CDCs began to collaborate with food pantries, create meal-delivery services, and provide food/ gift cards to individuals to combat food insecurity.
- » As many people lost their jobs due to the pandemic, there was a growing urgent need for cash. CDCs distributed cash grants and cash cards funded by either foundations or public sources to provide cash assistance. CDCs expanded their services beyond those tenants within their housing portfolio. They continued to protect and provide services to community members who do not have access to public and governmental resources (**Figure 1**).
- » CDCs expressed that the pandemic and current economic crisis did not immediately impact the real estate market. Many of the projects currently in CDCs' housing pipelines are moving along just as they were before the pandemic, except for a longer bureaucratic entitlement process. However, due to the uncertainties of the landscape, there are concerns for future projects that CDCs may acquire. Ultimately this depends on the longevity of the pandemic.
- » Financially, new funding opportunities for programming became available. CDCs reported that rent losses and other revenue losses were offset by the Paycheck

Figure 1.

New services implemented



Protection Program (PPP) Loans or other COVID-19–related relief grants.

- » Overall, the goals Los Angeles CDCs have not changed — interviewees expressed that the mission will never change — however, the implementation methods have shifted, with many needs-based programs moving to an online model.
- » Los Angeles CDCs tapped into different strategies to ensure the long-term sustainability of the organization. To ensure stability and maintain vitality during the COVID-19 pandemic, strategic methods included:
 - Collaborating with other organizations.
 - Utilizing new funding sources.
 - Expanding/reorganizing the roles of different employees.
 - Creating new programs.
 - Strengthening interpersonal organizational talent and relationships.

Recommendations

Overall, this research of Los Angeles-based CDCs suggests that neighborhood-based organizations, under certain conditions, can weather times of crisis and reorient their work to fit the specific needs of their constituents and maintain viability. Los Angeles CDCs tapped into different strategies to ensure the long-term sustainability of their organization.

Recommendations to better support CDCs are separated by stakeholder groups:

- » CDCs should emphasize preparedness. How the organization was faring financially and the connections they have cultivated before unprecedented times set the stage for how well the CDC handled hard times. CDCs could also use times of crisis to expand their capacity in entrepreneurial and innovative ways.
- » Policymakers should invest in neighborhood-based organizations and create an organized, inclusive, and extensive CDC infrastructure.
- » The public should support CDCs by continuing to affirm the work that the organizations are doing.

For More Information

Faizah, M. (2021). COVID-19 impacts on Los Angeles based community development corporations (Master’s capstone, UCLA). Retrieved from: <https://escholarship.org/uc/item/1bq2s82s>