Background

Since the 2008 economic recession, nonprofit organizations have been the subject of great examination as leaders work to preserve the continuation of vital community programs and services. National IRS data indicate that since 2010, over 400K registered nonprofits have either closed their doors or lost their 501(c)(3) status. Bay Area Black-Led Organizations, which are lifelines to Black communities and are critical vehicles for community empowerment and civic participation, have been especially impacted. Many are still recovering from a period of fiscal belt tightening, restructuring and even closures; operating without strategic plans, marketing strategies or plans for succession as there is no system to attract emerging Black leaders to replace long-term ones.

Although vital to their communities, BLOs are shrinking in numbers and often lack the resources and connections to withstand sudden shifts in the economy, including unprecedented increases in rents, or changes in funders’ priorities that limit grants to invited applicants only. These challenges have resulted in compromised services to the low and moderate income communities they serve. Note: Black-Led Organizations are defined as registered nonprofit organizations with Black staff and/or Board leadership.

Community Response

To bolster Black-Led Organizations, The East Bay Community Foundation, The San Francisco Foundation, The Kapor Center for Social Impact, The Y & H Soda Foundation, The California Endowment, The California Wellness Foundation, Akonadi Foundation, the Walter & Elise Haas Fund and the County of Alameda have come together with a great sense of urgency and readiness to invest in solutions via a collaborative, capacity-building initiative designed to support the growth, sustainability and impact of these organizations in four Bay Area Counties: Alameda, Contra Costa, San Francisco and San Mateo. At this critical time, “band-aid” solutions will not meet the measure of the need as BLOs are lifelines for communities across the Bay Area. Our primary goals are to:

- Enhance the growth, sustainability, impact and sense of community among BLOs to ensure their long-term ability to more effectively address the needs of the Black communities they serve.
- Develop a replicable approach to collaborative capacity-building that further develops the nonprofit sector with a lens toward race and equity.

BAY AREA BLO LANDSCAPE

There are more than 175 BLOs in the Bay Area with the majority located in Oakland, San Francisco and Richmond, CA. Combined, Bay Area BLOs manage over $465 million and employ over 6,700 people.

- BLOs primarily serve Black, Latino, low and moderate income and underserved groups
- For the majority, at least 50% of clients are Black and 30% serve a client-base that is more than 80% Black
- Most BLOs have small budgets of less than $500K with 42% having no reserves or endowments
- Many do not own their own space
- 62% have staffs of 10 or less and 84% have staffs of 20 or less
- Although almost 50% of leaders plan to leave their organization in 3 to 5 years, there is no formal pipeline for training, development and advancement of future Black leaders
“If there is no struggle, there is no progress.”
— Frederick Douglass

The Initiatives

1. **BLO Accelerator:** An intensive six-month program designed to bolster the growth and sustainability of emerging, innovative community anchors that have a vision for growth, promising ideas and a willingness to work in new ways to catalyze personal, organizational and community change. This program focuses on business planning, management, marketing, finance and innovation; access to mentors, coaches, technical supports; and a pitch opportunity. Successful participants will receive a three-year investment with on-going technical support and training.

2. **BLO Stabilizer:** A three-year program for mature community anchors designed to minimize risk and guide organizations through transition by providing leadership development, board recruitment, advanced training and succession planning.

3. **Cross-Cutting Programs and Services:** Peer networking, learning and access to relevant workshops and speakers will be available to all BLOs in the four-county service area.

Investment Opportunities

The East Bay Community Foundation (EBCF) has primary responsibility for management and administration of the initiatives, including receiving and disbursing funds on behalf of participating funders. Current investors have made multi-year lead commitments to provide a minimum of $1,500,000. **To fully fund the Initiative, other philanthropic leaders and donors are encouraged to leverage their resources and expertise to ensure deeper, longer-term investments and an opportunity to encourage innovation, diffuse risk and more effectively support field-wide learning.**

**AREAS OF INVESTMENT**
- Human Resources
- Real Estate
- Leadership Support/Coaching
- Networking

Survey of Leaders & Organizations

Both qualitative and quantitative research was conducted among local leaders to assess the current state and future needs of BLOs. The following represents a sampling of those leaders and organizations that were kind enough to share their experiences.

- **Donald Gilmore**
  Executive Director,
  Community Housing Development Corporation

- **Lena Miller**
  Executive Director of Development,
  Hunters Point Family

- **Brandon Nicholson, Ph.D.**
  Founding Executive Director,
  The Hidden Genius Project

The core purpose of this effort rests upon a zeal for right to be done through justice, fairness, equity, and inclusion of all residents in the fabric of civic life. We believe that good can be accomplished through the coordinated acts and engagement of many. Success requires a willingness to harness limited resources – our resources and the resources of others – in pursuit of significant demonstrable results.