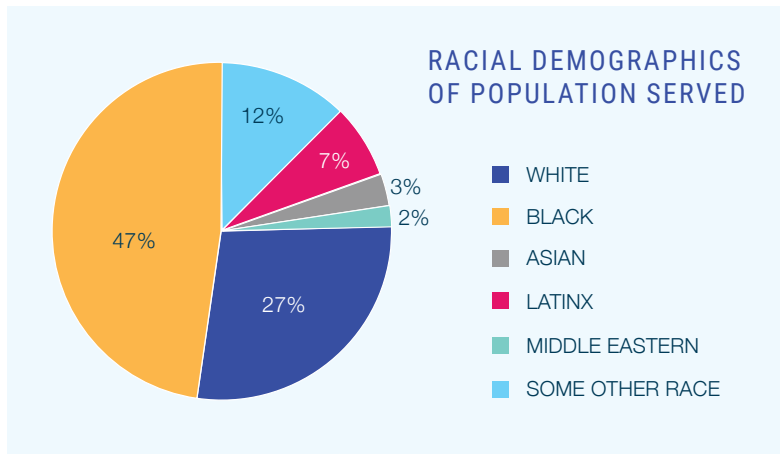
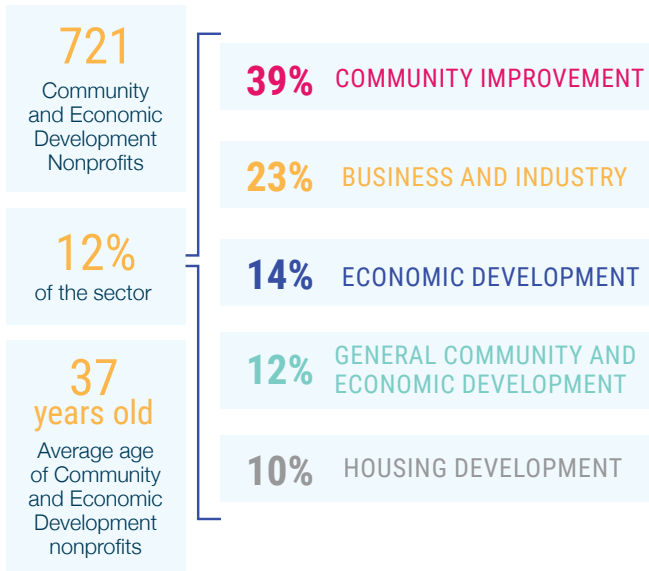


# COMMUNITY AND ECONOMIC DEVELOPMENT

In Cuyahoga County, nearly 6,000 nonprofits make up an ecosystem of social impact support. Community and Economic Development nonprofits play a vital role in this ecosystem, encompassing over 720 organizations that enhance community life through community improvement, economic development programs, business and financial services, service to improve or enhance the workforce, and housing development. 69% of these organizations have an operating budget less than \$200,000 or are operating as a church or religious institution—meaning they are not required to report deeper data to the IRS. This snapshot provides a glimpse into the Community and Economic Development nonprofit landscape throughout the county, with a deeper dive into the ~31% of organizations reporting comprehensive data.

## COMMUNITY AND ECONOMIC DEVELOPMENT NONPROFITS AT A GLANCE



### REVENUE BY STAFF SIZE

STAFF SIZE	# OF ORGANIZATIONS	% OF ORGANIZATIONS	MEDIAN REVENUE
0	97	46%	\$239,000
1-2	17	8%	\$213,000
3-5	26	12%	\$508,000
6-10	16	8%	\$625,000
11-20	19	9%	\$1M
21-40	15	7%	\$3M
41-80	9	4%	\$6M
81-160	6	3%	\$9M
> 160	5	2%	\$11M

### COMMUNITY AND ECONOMIC DEVELOPMENT NONPROFITS BY SIZE

Community and Economic Development nonprofits on average are similar in revenue size and expenses than other nonprofits in Cuyahoga County, with the median revenues being \$176,700 compared to \$172,000 for all nonprofits included in the study, and median expenses being \$142,700 annually, slightly less than local nonprofits in other industries. Compensation and operational expenses make up a significant portion of where Community and Economic Development organizations spend money.

Of the ~31% of nonprofits reporting data, over half (54%) have staff sizes of two or less people, slightly greater than the nonprofit sector as a whole.

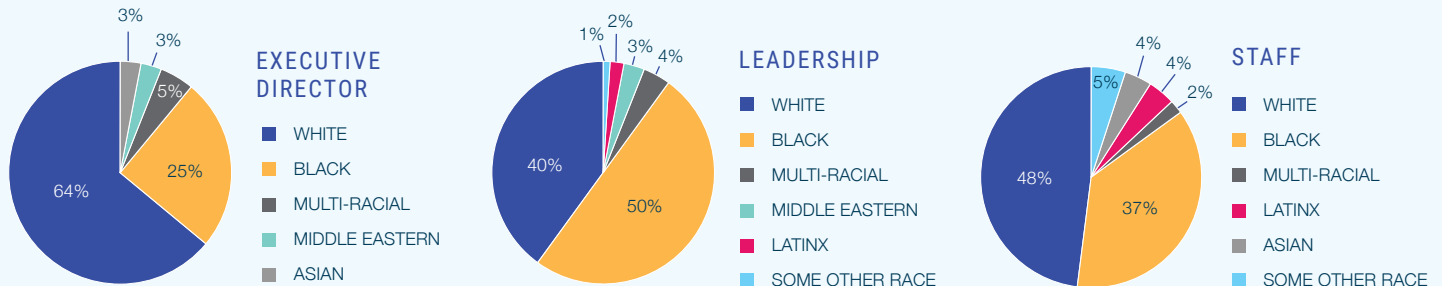
## WORKFORCE AND COMPENSATION

### BREAKDOWN OF STAFF, COMPENSATION, VOLUNTEERS, AND BOARD MEMBERS BY LARGEST SUBGROUP

TYPE OF ORGANIZATION	TOTAL STAFF	TOTAL STAFF COMPENSATION	MEDIAN STAFF COMPENSATION	TOTAL VOLUNTEERS	TOTAL BOARD MEMBERS
Community Improvement	513	\$15.9M	\$25,400	7,090	767
Business and Industry	771	\$38M	\$26,800	1,237	1,418
Economic Development	3,749	\$44.5M	\$27,100	5,987	747
General Community and Economic Development	250	\$4M	\$22,200	316	307
Housing Development	190	\$4.8M	\$23,700	518	274
<b>ALL COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATIONS</b>	<b>5,520</b>	<b>\$108.9M</b>	<b>\$25,200</b>	<b>15,598</b>	<b>3,569</b>

### DEMOGRAPHICS OF COMMUNITY AND ECONOMIC DEVELOPMENT NONPROFIT EMPLOYEES

from the 2022 COVID-19 Nonprofit Recovery and Resiliency Survey



Compensation data is reported by organizations with annual revenues of \$200,000 or more and includes only full-time and year-round employees. Although low, Community and Economic Development nonprofits are paying their staff and leadership about 20% higher than the median nonprofit wages in Cuyahoga County. Demographic data was not available from a significant enough number of Black and Brown-led organizations to disaggregate pay by race.

**MEDIAN STAFF SALARY: \$25,200**

**MEDIAN SENIOR LEADERSHIP SALARY: \$103,800**

### Story of Resiliency

*"We have spent the pandemic learning how to virtually do relationship lending particularly when working with individuals who don't always have access to the internet or a laptop and we have needed to creatively adjust to ensure we are available regardless of the hardships."*

– Community and Economic Development nonprofit, 2022



## FINANCES

Community and Economic Development organizations were significantly impacted by the pandemic. Changes on the global scale have also been seen across Cuyahoga County's communities. Prior to the pandemic, Community and Economic Development organizations had well balanced income streams from program service revenue, foundation and government grants and some investment income. They are likely to be self-sufficient, meaning many cover all their expenses through earned income and can cover all debt owed.

### OVERALL FINANCES BY ORGANIZATION TYPE

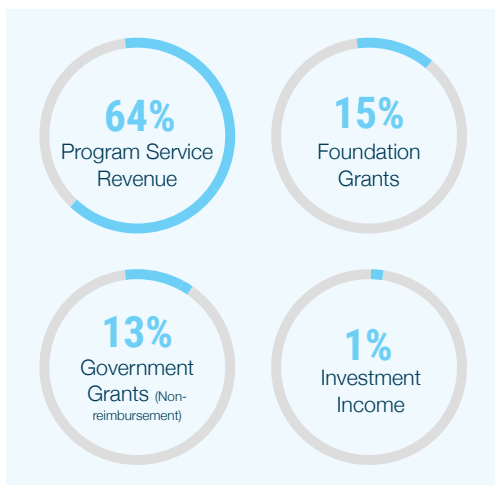
TYPE OF ORGANIZATION	TOTAL REVENUE	TOTAL EXPENSES	TOTAL ASSETS
Community Improvement	\$75.2M	\$66.1M	\$188.9M
Business and Industry	\$125.5M	\$54.2M	\$155.6M
Economic Development	\$339.8M	\$151M	\$621.1M
General Community and Economic Development	\$96.1M	\$85.2M	\$196M
Housing Development	\$41.2M	\$27.2M	\$225M
<b>ALL COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATIONS</b>	<b>\$759.3M</b>	<b>\$463M</b>	<b>\$1.5B</b>

## REVENUES

Community and Economic Development nonprofits play a significant role in the local economy, generating at least \$759M in annual revenue. The largest subgroups of the industry by both revenue and staff size are economic development and business and industry focused nonprofits. While a significant portion of reported Community and Economic Development income comes from program service revenue, 13% of all funding comes from government grants which is almost three times the average for Cuyahoga County. Housing development, community improvement, and economic development nonprofits are receiving more government funding.

**\$759.3M TOTAL REVENUE**

**\$176,700 MEDIAN REVENUE**



### GOVERNMENT GRANTS BY SUBGROUP

TYPE OF ORGANIZATION	GOVERNMENT GRANTS	GOVERNMENT GRANTS AS % OF TOTAL REVENUE
Housing Development	\$12M	28%
Community Improvement	\$15M	21%
Economic Development	\$69M	20%
Community and Economic Development	\$2M	2%
Business and Industry	\$834,000	1%

# COMMUNITY AND ECONOMIC DEVELOPMENT

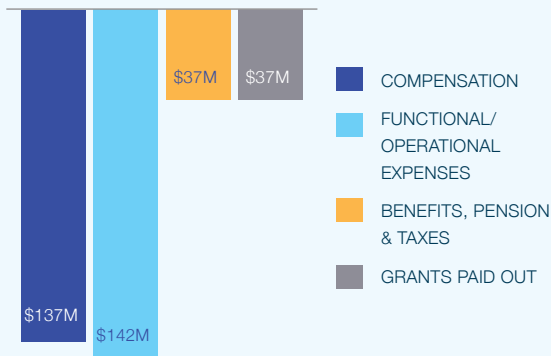
## EXPENSES

Community and Economic Development nonprofits on average have less general office expenses than other nonprofits in Cuyahoga County—making their median expenses per reporting organization lower (\$142,700), compared to the sector as a whole (\$154,000).

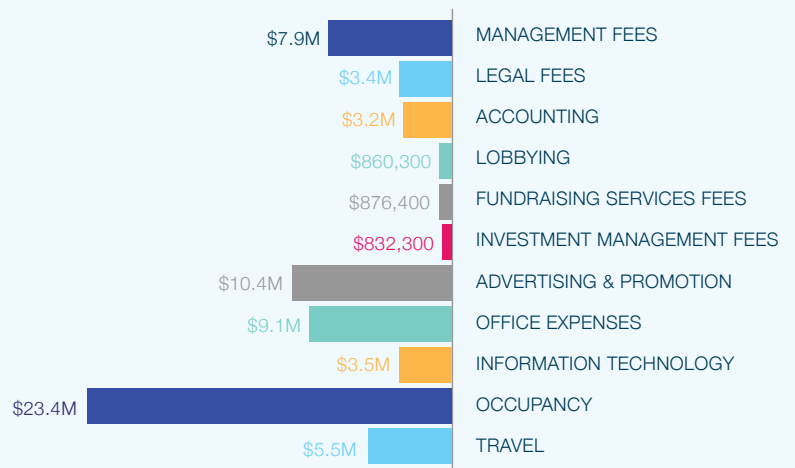
**\$463M** TOTAL EXPENSES

**\$142,700** MEDIAN EXPENSES

### TOP EXPENSE CATEGORIES



### FUNCTIONAL/OPERATIONAL EXPENSE BREAKDOWN

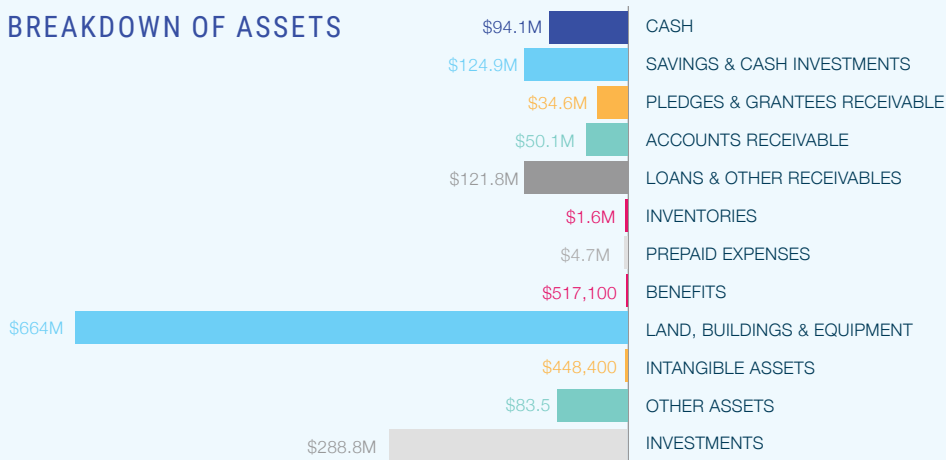


Community and Economic Development organizations have higher total operational costs compared to compensation. This is unusual for nonprofits.

## ASSETS

Of the total \$51B in nonprofit assets locally, Community and Economic Development organizations hold 3% (\$1.5B)—mainly in unrestricted funds. This helps because, of all assets, unrestricted funds are the easiest to use toward any organizational expense. Economic development and housing development nonprofits, hold a majority of those assets, or \$846M in assets combined. A majority of their assets are land, building, and equipment assets.

### BREAKDOWN OF ASSETS



**\$1.5B**  
TOTAL NET ASSETS

**\$6.4M**  
TEMPORARILY RESTRICTED ASSETS

**\$169,100**  
PERMANENTLY RESTRICTED ASSETS

**\$312M**  
UNRESTRICTED ASSETS

## TOP 5 CAPACITY BUILDING NEEDS FOR COMMUNITY AND ECONOMIC DEVELOPMENT NONPROFITS

2022	2023 AND BEYOND
 Fundraising and Grant Writing	 Program Development
 Staff Salaries	 Diversity, Equity, and Inclusion
 Marketing and Communications	 Facilities and Operations Costs
 Strategic Planning or Long Term Planning	 Strategic Planning or Long-term Planning
 Diversity, Equity and Inclusion	 Staff Salaries

### KEY FINDINGS:

- A Leading Industry:** Community and Economic Development nonprofits make up the third largest segment of the sector nationally (15% of all nonprofits), with a similar footprint in Cuyahoga County (12% of the sector). These organizations are some of the most financially stable in the sector, drawing down over 4X the sector average in government grants, with a much lower reliance on foundation grants than other industries. The presence of well-resourced intermediaries with the goal of attracting federal funding to the region is likely a primary contributor.
- Many Organizations with Small Staff Sizes and Many Volunteers:** Community and Economic Development nonprofits are 12% more likely to have less than two staff members than other nonprofits in the region. Community and Economic Development organizations have nearly 3X as many volunteers as full-time staff, and their ratio of board to staff is 2:3, meaning they have about 2 board members for every 3 staff members. This indicates smaller organizations with significant capacity support from their board of directors and volunteers, at a much higher ratio than the sector overall.
- Racially Representative of the Population Served:** Community and Economic Development organizations reflect a diversity representative of the county as a whole—with 60% of their leadership teams and 52% of their staff identifying as people of color. This makes them one of the most racially representative of the population they serve of all nonprofits in the County.
- Need for more Marketing and Communications Support:** Community and Economic Development nonprofits already spend a much greater proportion of their expenses on advertising and promotion, however, marketing and communications remains a top need for this industry, signaling a focus on expansion and reaching more residents across the County.

This snapshot was developed as part of the Cuyahoga County Nonprofit Landscape Assessment, funded by the Funders Collaborative on Covid Recovery and available to the public. Visit [sangfroidstrategy.com/cuyahoga](https://sangfroidstrategy.com/cuyahoga) for much more detail on Community and Economic Development nonprofits and the sector as a whole!