

Community Investments

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Editor's

NOTEBOOK by Lena Robinson

WHY FAITH-BASED?

The CRA encourages financial institutions to use intermediaries to expand their capacity for delivering community development services; and faith-based organizations have long been recognized as one of the most prominent and successful examples of intermediaries. And, while faith-based community development organizations represent only a subset of all community-based organizations, their presence may actually be more far reaching than secular providers. Because even in communities without a community development corporation, there is a faith organization.

Whether a church, synagogue, mosque or temple, congregations of all faiths are inextricably linked to the community in which they are located, to the community represented by their congregants or both. Whether formalized CDCs¹ or not, most congregations engage in some form of community development. According to the National Congress for Community Economic Development (NCCED), many of the first generation of community development corporations (CDCs) in the 1960s had religious roots or sponsors. And faith-based community development continues to expand at an impressive rate. NCCED's 1998 national census of CDCs shows that 14 percent (about 500) of all CDCs across the country identified themselves as "faith-based organizations."

This special issue of *Community Investments* explores two aspects of faith-based community development: how faith organizations are realizing and building capacity to undertake their goals, and what they are doing to improve their community, whether defined by geography or need.²

Faith-based organizations focus on a vast set of issues that range from alleviating social problems such as homelessness and hunger to advocating for at-risk and vulnerable members of society including under-privileged youth, the elderly, poor and immigrants. Historically, the services provided by churches and other religious groups have fallen most often into the realm of charity, usually with the objective of minimizing rather than fixing the problem and relying more on private individual and institutional contributions and volunteers than on government support. Today, we also see networks of congregations mobilizing to attack an issue or serve a need that is too large or complex for a single congregation, as illustrated by churches affiliated with the Pacific Institute for Community Organizing (PICO). The successful organizing and campaign efforts that bring about increased affordable housing and expanded community facilities and services for low-income and disadvantaged individuals also provide many other positive benefits for those communities.

Most of the congregations featured in this issue fall into a third tier of faith-based organizations: CDCs or formalized entities whose mission is to undertake a long-term and sustainable approach to revitalizing communities and empowering the less fortunate. With their primary objectives most often focused on developing affordable housing and

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1 For the purposes of this issue, a CDC refers to any community development organization with a 501(c)3 status, which has as its primary purpose revitalizing low- to moderate-income (lmi) communities or serving lmi individuals.

2 An effort was made to include something about all the major faiths. You are encouraged to use the reply card or our website to provide information about other faith-based efforts that have not been presented.

economic development opportunities such as job or entrepreneur training, this is the group that financial institutions may see as their primary partners. However, all of these efforts are laudable and worthy of being supported, regardless of tier.

Like other community-based organizations, faith-based organizations rely on various support to effectively undertake community revitalization. Not only grants or donations, but also support that extends to processes and methods. For instance, a streamlined and transparent process, unfettered by discrimination, for applying for government grants or for designation to deliver federal- or state-sponsored social services and programs, is often as valuable as a check. Fred Mendez's overview of President Bush's faith-based initiative discusses how this is being addressed.

Training and other technical assistance is also essential to help faith-based organizations recognize and ultimately, maximize their resources. To this end, the Asset-Based Community Development Religious Network trains congregations to identify their community's assets as a first step in determining where and how to expend those resources. The FAITHS Initiative exemplifies the significance of building coalition and serves as an excellent model for how foundations are working through churches. Government-sponsored entities and agencies such as Fannie Mae, Freddie Mac, the Federal Home Loan Bank system and HUD offer specialized expertise to assist faith-based CDCs in applying for grants to build affordable housing and community facilities.

Mostly, the challenges and needs facing faith-based organizations are no different than those of traditional community development groups. Notwithstanding the article that looks at the unique challenge of financing for followers of Islam, the stories, information and initiatives discussed herein are neither specific nor distinct to faith-based organizations. The primary purpose of this edition of *Community Investments* is to spotlight a sometimes-overlooked civic partner—faith-based institutions, to underscore their often-unsung efforts and to illuminate their role as a ubiquitous and viable community development partner. **CI**