



Promising Practices for CBO-Developer Partnerships

Revised January 2026

Overview

This document serves to highlight successful practices of projects that have received allocations for partnerships between a Community-Based Organization (CBO) and an Established Partner since the 2021 revisions to the [Bond/4% Tax Credit policy](#), specifically *Section 4.5 Projects that are By and For the Community*. The intended purpose of *Section 4.5* is to uplift community-led and community-serving organizations that bring valuable local knowledge and a deep commitment to residents who are disproportionately harmed by housing disparities across Washington State. Since the policy's publication, dozens of projects have successfully received points and allocations for promoting CBO inclusion and ownership.

This document summarizes themes from application materials from past projects in combination with general, widely accepted resources for partnerships and community engagement. Community-Based Organizations and professionals with experience in the nonprofit housing sector provided feedback based on their firsthand experiences.

Successful partnerships:

- Establish a mutually respectful working culture
- Thoroughly evaluate the goals and capacity of each partner
- Include agreements that secure the autonomy and financial stability of CBO partners
- Conduct engagement with existing and potential tenants through transparent, ongoing relationship building

Helpful Links

Learn more about the Low Income Housing Tax Credit (LIHTC) and the Commission's work:

- [Novogradac - About LIHTC](#)
- [LIHTC 2018 Research Report- Urban Institute](#)
- [Bond/4% Program Webpage](#)
- [CBO Partnership Webpage](#)

Periodic Revision

This is a living document that will be periodically revised to reflect the firsthand experiences of CBOs and include more topics of interest.

Additional topics for exploration include:

- Accountability for points taken at allocation
- Legal protection for CBOs
- Evaluating capacity-building
- Community engagement needs of rehabilitation projects

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Examples Cited from Past Projects with these Entities

Friends of Longview Senior Center
Inland Group
Colas Development Group
Beacon Development Group
Korean Women's Association
Low Income Housing Institute
Refugee Women's Alliance

Promising Practices Outline	Helpful Tools
<p>1. The establishment of a mutually respectful working culture.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Acknowledge imbalanced power dynamics <input type="checkbox"/> Self-educate on the social, political, and economic context of communities and housing disparities <input type="checkbox"/> Clarify respectful language <input type="checkbox"/> Recognize plural lived experiences and community agency <input type="checkbox"/> Establish equitable decision-making and conflict resolution practices 	<ul style="list-style-type: none"> • <u>Respectful language</u>
<p>2. Evaluate the capacity of each partner.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Outline what each organization brings to the table <input type="checkbox"/> Use tools to evaluate the current organizational capacity of both partners <input type="checkbox"/> Implement change management framework <input type="checkbox"/> Develop a strategic plan in collaboration with leaders from both organizations. 	<ul style="list-style-type: none"> • <u>Nonprofit Association of Washington Tools</u> • <u>SMARTIE goals</u> • <u>Logic Modeling</u> • <u>Organizational Capacity Assessment Tool</u>
<p>3. Codifying practices that promote CBO autonomy</p> <p>Construct a Memorandum of Understanding that demonstrates a clear, equitable negotiation of the tangible elements of the partnership, including but not limited to:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Partnership share <input type="checkbox"/> Ownership option <input type="checkbox"/> Compensation structure <input type="checkbox"/> Early-stage funding <input type="checkbox"/> External contracting <input type="checkbox"/> Financial risk <input type="checkbox"/> Cashflow <input type="checkbox"/> CBO share of deferred development fee 	<ul style="list-style-type: none"> • <u>Spectrum of Community Engagement to Ownership</u>
<p>4. Effective community engagement as an ongoing relationship building process.</p> <ul style="list-style-type: none"> <input type="checkbox"/> Prioritize community relationships as a shared, ongoing responsibility of partnership <input type="checkbox"/> Promote accessibility, transparency, and realistic expectations for community members <input type="checkbox"/> Employ engagement practices that promote participatory engagement <input type="checkbox"/> Incorporate community engagement into project development process 	<ul style="list-style-type: none"> • <u>Community Engagement Toolkit-Futurewise</u> • <u>Equitable Development Engagement Toolkit- Lindquist</u> • <u>US. Department of Housing and Urban Development Community Engagement Toolkit</u> • <u>WA Office of Equity Community Compensation Guidelines</u>

Working Definitions

Community-Based Organization Definition

- Committed to a community-driven mission centered on equity and social justice.
- Advocate for and represent communities historically harmed by housing disparities.
- Interest in collaboration, inclusion, and fostering long term community impacts.
- Are sometimes, but not exclusively, nonprofit organizations or service providers.
- May have a desire to become further established as a developer or provider of housing.

Established Developer Definition

- Has experience developing and owning affordable housing.
- Possesses the resources to plan, fund, build, and manage housing. These tools include institutional knowledge, relationships, and capital.

Partnership Definition

- Established jointly based on mutual respect, shared values, and united vision for how the project may best serve resident and community-identified goals.
- A working relationship pertaining to one or more multifamily housing projects, codified through a Memorandum of Understanding (MOU) and other legal agreements, to share priorities and meet partner goals.
- Constructed through relationship building, strategic planning, and strong participation from partner leaders.

Community Engagement

Community engagement is the practice of early, often, and ongoing relationship building with individuals and groups whose interests are relevant to a project. Some community engagement in response to municipal ordinances or city planning processes focus on neighborhood and abutting property owners. However, for the purposes of the Bond/4% Tax Credit Program, community engagement means engagement of existing or potential future **tenants** of the project.

Definitions of Community Based Organizations are based on feedback from CBO members of the 2023-24 HDC CBO Affinity Group. Partnerships described above are a general overview of examples from partnerships that received Bond/4% Tax Credit Allocations since 2021, however, partnerships demonstrated a wide variety of organizations, roles, and divisions of responsibility and ownership. Future partnerships are invited to collaborate in new and innovative ways beyond the examples outlined here.

Partnership Roles

Community-Based Organization Role

- Consults on project design, siting and potential community impacts by seeking and incorporating community perspectives.
- Contributes to (or co-manages) every step of the development process from potential community impacts, funding, design, construction, and placing the property in service.
- Provides services to the tenants of a Bond/4% Tax Credit development, sometimes using onsite facilities that the CBO owns or rents.

Established Developer Role

- Promotes transparency, independence, and access to resources during every step of the process.
- Actively shares resources such as access to capital, knowledge, relationships, and other relevant tools.
- Incorporates input from the CBO and resident feedback into the project design and management.

Partnership Roles

- CBOs who are co-owners or contracted service providers embark on a minimum 15-year commitment to collaboration during the project lifespan.
- Some CBOs are contracted for CBO engagement leading up to occupancy, embarking on a shorter-term relationship.
- Clearly defined processes for decision-making, compensation, and promoting CBO autonomy and ownership.
- Ongoing community engagement processes to understand and advocate for resident-identified needs.

Part 1: Establish a Working Culture of Humility and Respect

Internal Preparation

Developer organizations must ensure that they are prepared to engage with community to minimize the potential for unintentional harm they can cause.

- Teams should be prepared to describe **internal preparation undergone to minimize harm**, including reflection on:
 - Explicit and implicit biases
 - Stereotypes
 - Past experiences
- **Engage in internal organizational activities**
 - Employee councils
 - Work groups
 - DEI consultants
 - Trainings such as recognizing bias, anti-racism, disability awareness, gender equity, etc.
- **Enter partnerships with a willingness to share** decision-making, time, expertise, and resources.
- **Define and value** the unique contributions of CBOs.

Language Considerations

- **Use asset-based language** rather than deficit-based language (saying “*people facing economic exclusion*” rather than words like “*disadvantaged*” or “*uneducated*”).
- **Speak to community members as peers** regardless of age, education level, ability, or experience in the industry.
- **Defer to the language that community members use** and be prepared to apologize and correct if mistakes are made.
- **Respect privacy** if people do not wish to speak about their identities.
- **Refer to [Inclusive Language Guide](#)** from Oregon Health and Science University as a helpful starting point.
- **Thank community members** for providing clarification.

Acknowledge historical power dynamics

Experienced affordable housing development organizations seeking a partnership (described here as Established Partners) must recognize and address the [historical disparities](#) within, and beyond, the affordable housing sector. This includes understanding the power dynamics between well-resourced, historically white-led organizations and [emerging organizations](#) led by people from historically marginalized communities. *Before approaching communities and CBOs, Established Partners should commit to addressing how bias and imbalance show up in their own organization’s leadership, culture, and business practices.*

Self-Education of social, political, and cultural context

between communities and agencies is a key consideration to Established Partners seeking partnerships with communities that have been historically harmed by institutions such as [appraisers](#), [attorneys](#), [lenders](#), [landlords](#), and [government institutions](#). Professionals who seek to provide housing to specific communities must understand the legacy of historical harm and distrust that contributes to the disparities in housing access. The relationship should begin with a foundation of the power dynamics that affect the community. Foundational topics might include past relationships with institutions involved in the housing sector and the unique history of a particular group. When there is a history of mistrust and imbalance of power, it is respectful to bring it out in the open during the early stages of relationship building, exercise humility, and establish shared values. *Partnerships should prioritize humility, building trust, and transparently sharing power, information, and resources.*

Helpful Starting Points for Identifying CBOs

Start by centering the population intended to be served by the project and research the local network of community-specific resources. Past projects have started their relationships by reaching out to community foundations, community centers, local nonprofit databases, senior centers, and schools to understand the local network of community-based organizations.

Respectful Language

Early in the relationship, partners should make space to understand how best to address communities using language that is authentic and inclusive. Take time at the beginning of the relationship to clearly understand how communities wish to be referred to. It is not the responsibility of community members to educate others on the language they use to describe themselves, so taking time at the beginning stages of the relationship to welcome clarification establishes a foundation of respect. For example, partners might ask which pronouns people use, whether translation or accommodation is needed, and which person-first language is most appropriate.

Value of Plural Experience and Community Agency

When considering how a project might benefit a particular community, development teams run the risk of harming communities by assuming or generalizing what communities want and need. Members of the affected communities are the experts of their unique experiences, and the best way to learn more about this expertise is through genuine, reciprocal relationship building with community members. One individual or group's perspective is not indicative of the entire community's needs, goals, and views. Communities possess the capability to determine their own needs and goals. *Exemplary projects explicitly recognize the agency and value of the communities they intend to work with and provide resources and space for communities to make autonomous decisions.*

Decision-making and Conflict Resolution Practices

A [Consensus Building Approach](#) describes a process where conflict resolution and decision-making process is centered around gathering information and addressing the needs of everyone affected by the project, rather than basing decisions on a hierarchical structure.

Exemplary projects described a thoughtful, consensus-driven decision-making process that centered on the community and CBO needs and proactively discussed a conflict resolution strategy and routine communications for ongoing accountability.

Windows, Mirrors, and Sliding Glass Doors

One CBO shared a concept from researcher and educator [Dr. Rudine Sims Bishop](#) to guide CBO-Developer relationships. Originally thinking about how books create experiences for their readers, Bishop describes multiple ways partners can understand ourselves and one another:

- **Mirrors** – CBOs want to see their reality and experiences authentically reflected in projects.
- **Windows** – Projects should enable Established Developers to see and appreciate other perspectives.
- **Sliding Glass Doors** – Partners should actively step into one another's worlds, not just observe from afar.

Exemplary Relationship-Building

In 2022, a successful partnership formed when an Established Developer researched existing community resources in the area to understand the community context. From this research, the Established Developer identified a CBO with a strong relationship to the community whose partnership would add value to the project and connect with intended tenants.

During a series of introductory phone calls, each organization shared their goals and values and explored ways that the community served by the CBO could benefit from the partnership. The Established Partner attended a community event and met with community members, on-site staff, and leadership. The purpose of the on-site visit was to gain a better understanding of the community culture, events, and services that the CBO desired to bring to the project. The partners chose clear roles, commitments, and negotiated an annual compensation structure that fairly reflected the CBO's contribution of time and expertise.

Shared Principles Document

Creating a shared principles document can be a good first step to make sure partners share similar values and have a shared vision for the project. Partners should develop an understanding of the mission of each organization and co-create a document that guides how they aspire to work together. This activity is separate from legal agreements like a memorandum of understanding (MOU), which is discussed in the next section. Legal agreements outline responsibilities, money, and accountability, while a shared principles document is a tool to determine why, and how, the relationship is intended to benefit the community. Beyond the project, this is an opportunity for a more holistic consideration of how larger communities may be facing things like [displacement risk](#), [environmental health disparities](#), and [climate change impacts](#), and how partners might address these greater considerations. *Exemplary projects demonstrated how shared principles such as transparency, multicultural inclusivity, or disability accessibility drove decisions about the design or services involved in the project.*

Part 2: Strategically Evaluate the Capacity of Each Partner

Assess Partner Capacity

During the relationship building process, the parties should establish whether the CBO intends to become further established as a housing developer, focus on expanding services, or other capacity-related goals. With an understanding of baseline resources and long-term vision, the CBO partner is encouraged to evaluate the risks, benefits, resources, and requirements of a long-term housing development partnership.

Engaging in external consulting with a housing development consulting firm and/or nonprofit development firm is strongly recommended

What Each Partner Brings to The Table

Partners are strongly recommended to evaluate the resources they need to engage in a successful partnership. An Established Partner sometimes possesses institutional knowledge and relevant tools to navigate the complexities of the development process, and a CBO can possess innovative ideas and community connections. When entering a long term, resource-intensive housing partnership, these important contributions can be harnessed with a thoughtful coordination of resources.

Established Partner Expertise

The Established Partner should be prepared to make the processes and decisions accessible to their CBO partners by providing information about industry language and practices, co-facilitating meetings, and promoting opportunities for professional development and networking as desired by the CBO. The involvement of Established Partners in responding to community-identified needs is imperative to sustainable, effective projects.

Exemplary projects demonstrated how the Established Partner proactively involved CBOs in the planning process and actively invested in resident service provision and community engagement.

CBO Expertise

The CBO possesses invaluable ties to the community of interest. These entities are the experts in the appropriate courses of action for approaching and serving community members. Historically, some established and well-resourced developers have perpetuated harm by engaging with communities without established trust, transparency on the realistic potential of a project, or an understanding of the unique needs of the community they are approaching. The inclusion and elevation of trusted CBOs as a key point of contact for community members attempts to minimize this legacy of harm.

Exemplary projects acknowledged and upheld the leadership of CBOs as a key steward of ongoing trust and advocacy among their communities, among other valuable contributions.

Capacity Needs Change Over Time

Over the course of project development from closing the financing, construction, and leasing up will involve changing needs in staffing, skills, and cashflows. Projects should consider a jointly visioning “road map” for reassessing the CBO’s changing capacity and negotiating additional staff, training, or other resources at different milestones. While projects can move at a fast pace, CBO decision-making is sometimes a slower, more deliberate process that should not be rushed.

Compromise and additional work on behalf of Established Partners is necessary to accommodate the evolving needs of CBO partners.

Capacity-Building Framework

Capacity looks different across organizations. Organizations entering a partnership can determine this for themselves and this can vary widely. *Both CBOs and Developers should be transparent about capacity before moving forward.* As a starting place, the AmeriCorps [Organizational Capacity Assessment Tool](#) considers capacity across five general categories (*See page 11 for a list of adapted questions for partnerships*):

Capacity Category	Description	Examples from Past Projects
1. Leadership	Ability, typically among leaders, to drive the mission, planning, and culture of the organization.	CBOs receive desired mentorship and knowledge-sharing from Establish Partners to develop leadership capacity and strategically plan for housing development.
2. Management & Operations	Ability to align money, people, information, and materials.	Financial health to cover staffing and operations has been the most consistent capacity-building element among past projects, especially CBOs who are providing services as part of the partnership. Funding for at least 1 additional staff position (or full-time equivalency (FTE) is strongly recommended for CBO partners. Capacity building could also include training for staff and consultant contracting. Staffing and operating considerations should be central to early partnership planning.
3. Community Engagement	Ability to maintain communication and relationships with partners, funders, and community members.	It is strongly recommended that projects partner with a CBO to conduct engagement for projects. Projects should consider what it takes to maintain long-term relationships with community members and tenants. This could look like funding for staffing, resident councils, communications materials, and providing facilities for events.
4. Service	Ability to set up and carry out services, evaluating and adjusting as needed.	Several partnerships included the lease or ownership of the commercial space for a project for community services and classrooms. CBOs described how additional facilities enabled them to expand their service area.
5. Evaluative	Ability to collect information and apply lessons learned.	During partnership planning, CBO partners should consider what information and learning processes will be needed to ensure their success.

Strategic Planning Resources

- [SMARTIE goals](#) to articulate intended outcomes for partner and residents.
- Logic Modeling
 - [Community Toolbox](#)
 - [University of Wisconsin Course](#)
- [Strategic Planning in Nonprofit \(SPiN\)](#) resources from the [Nonprofit Association of Washington](#).

Strategic Planning Checklist

- ☐ Monthly timeline of roles and responsibilities.
- ☐ Budgeted resources for each project phase.
- ☐ Contingency planning for worst-case scenarios (delayed funding, turnover, etc.)

Development of a Strategic Plan

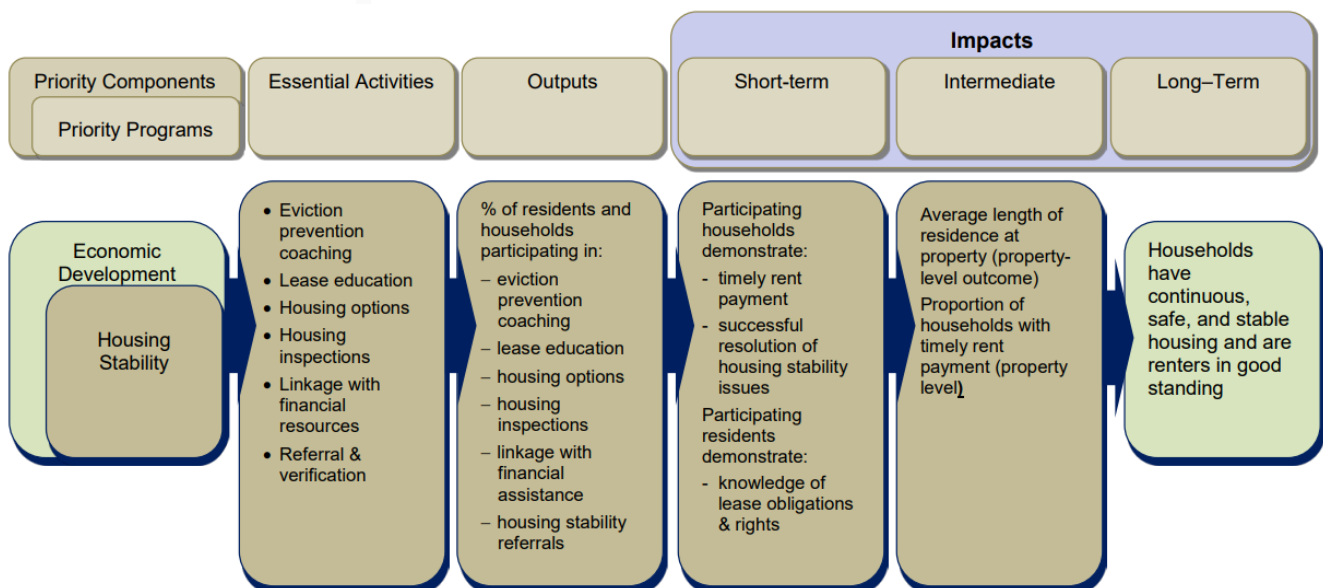
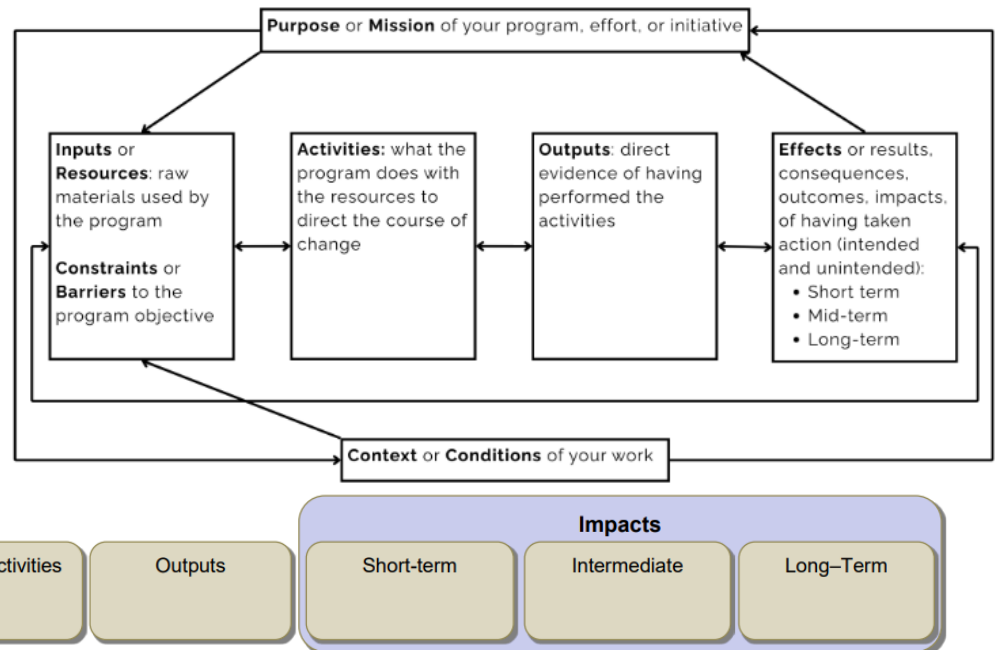
Strong partnerships begin on a shared foundation of what each partner can equitably contribute. Each party should individually consider the capacity, liability, and desired outcomes of the project and share their findings transparently. It is strongly recommended that an objective third-party consultant is contracted to assess partner capacity.

Connecting Activities to Outcomes

Logic Modeling is a tool that is frequently used for planning programs and policies. It can be used widely to connect resources to concrete activities and desired results. Logic models can be a helpful tool to clearly spell out how a program or procedure helps meet certain goals.

For affordable housing partnerships, logic models can help clarify how aspects of a housing project such as services can benefit residents, how community engagement can contribute to housing outcomes, or even how partners can coordinate their resources to meet the financial or resident-centered goals of a project.

One partnership utilized logic models to differentiate the roles that Established Developers and CBOs were playing, specifically related to a shared goal of housing stability. The example logic model exercise used by project partners clearly describes how resident service activities within their housing stability program contribute to long term impacts.



Part 3: Codify Practices that Defer to CBO Autonomy

Based on frameworks from the 2021 by Rosa Gonzalez, working to serve communities falls along a spectrum of engagement, ranging in depth of involvement and meaningful relationships. Partnerships are encouraged to move further to the right on the spectrum, as determined by the CBO, towards *Collaboration* with and *Deferment* to organizational partners).

Spectrum of Community Engagement to Ownership					
	Inform	Consult	Involve	Collaborate	Defer To
What it means:	Projects that provide one-way information. Projects do not include communities in decision-making.	Developments that gather input from the communities in singular interactions or short-term relationships. Projects do not develop ongoing relationships with community members.	Projects ensure that community needs and assets are included. Multiple interactions and medium-term relationships are developed with community members.	Projects that support leadership from community members in decisions. Many or all aspects of the project are worked on together over a longer-term relationship.	Projects with shared participation. Decision making is led by the community.
What partnerships with CBOs look like:	CBOs are kept in the loop, and are sometimes involved in sharing information about the project with the community.	CBOs are kept in the loop, and are sometimes involved in engagement activities to get input from the community.	CBOs participate in identifying how community needs and assets align with project.	CBOs give input, partner to provide services, or take the lead on tenant and community relationships.	CBOs participate in decision making. CBOs are owners or co-owners of the project.
What community engagement looks like:	<ul style="list-style-type: none"> • Fact sheets • Open houses • Signage 	<ul style="list-style-type: none"> • Focus groups • Surveys • Community forums 	<ul style="list-style-type: none"> • Charettes • Community Organizing • Workshops • Walking tours 	<ul style="list-style-type: none"> • Partnerships • Contracts • Advisory committees 	<ul style="list-style-type: none"> • Consensus building • Advisory/resident committees • Participatory planning
Project messaging to the community:	Placation Project is intended to pacify or displace the community.	Tokenization Project appears to serve the community, but efforts are inauthentic.	Voice Project is intended to meet some community needs when possible.	Delegated Power Project is working to work with and serve the community.	Community Ownership The community holds the resources and responsibility of the project.

Memorandum of Understanding (MOU)

MOUs are agreements that outline the intention to form a partnership, including specific terms, roles, and compensation structures. To demonstrate agreement and accountability among partners, the policy requires that agreements be legally documented in an MOU. The Commission awards additional points for provisions that further support capacity building and ownership of CBOs.

Partnership Share

The partnership share (sometimes called the partnership stake) is the percentage of the profits, losses, and control belongs to each party. The CBO's value as a connection to the community should be equitably reflected in the partnership share. The ownership structure of a tax credit project is almost 100% owned by the investor (99% ownership, and the established partner and CBO split the remaining 1%).

Exemplary projects established a partnership that equitably distributed ownership to the CBO Partners in recognition of the central importance of CBOs to project and tenant outcomes.

Ownership Option

Projects that use tax credits are required to meet certain parameters of IRS compliance for a minimum 15 years. When this term expires and the property exits the tax credit partnership, the Commission awards points for projects that offer CBO partners the right of first refusal to purchase the property. The CBO should be first in line to purchase the property upon the final year of the compliance period, with ample time (minimum of 12 months) to notify the owner of their intention to purchase. The option to purchase does not guarantee ownership for CBOs. It is recommended that CBOs reach out to the Commission for guidance on strategic planning for purchasing the property.

In recognition of property ownership as fundamental to capacity building and power sharing, exemplary projects presented options for purchase below market rate for the CBO.

External Contracting and Legal Counsel

CBOs must have access to outside counsel when completing legal agreements, rather than relying upon the developer's attorney. Each partner having their own counsel can build mutual trust and respect. It is imperative that CBOs contract with a lawyer familiar with tax credits if they are entering into the ownership structure of a project. CBOs interested in affordable housing development or service expansion should contract with a consultant who is familiar with housing development. Other types of external services may also benefit the project, such as financial, construction, technical assistance, or other services. The Established Partner can provide resources to pay for professional services, but the CBO alone should contract and control these services.

Developer Fee

Developer fees (typically calculated at around 5-15% of the total project cost) cover the administrative, staffing, and purchasing activities required to do business. The developer fee is a separate line item in project budgets that is paid out to the developer over time. Some of these funds are deferred as contingency to cover unexpected costs, there is no guaranteed amount that will eventually pass along to CBOs unless specifically negotiated in a legal document. Generally, less than 25% of the deferred developer fee is paid out when the projects closing occurs, and larger portions are expected during the remainder of the compliance period such as construction completion and placed in service. Some projects will defer 100% of the deferred developer fee until the end of the compliance period. Developer fees are one type of cash flow that CBOs can negotiate in partnerships, but financial planning should not be dependent on these funds. Other substantial financial benefits should be included in the agreement.

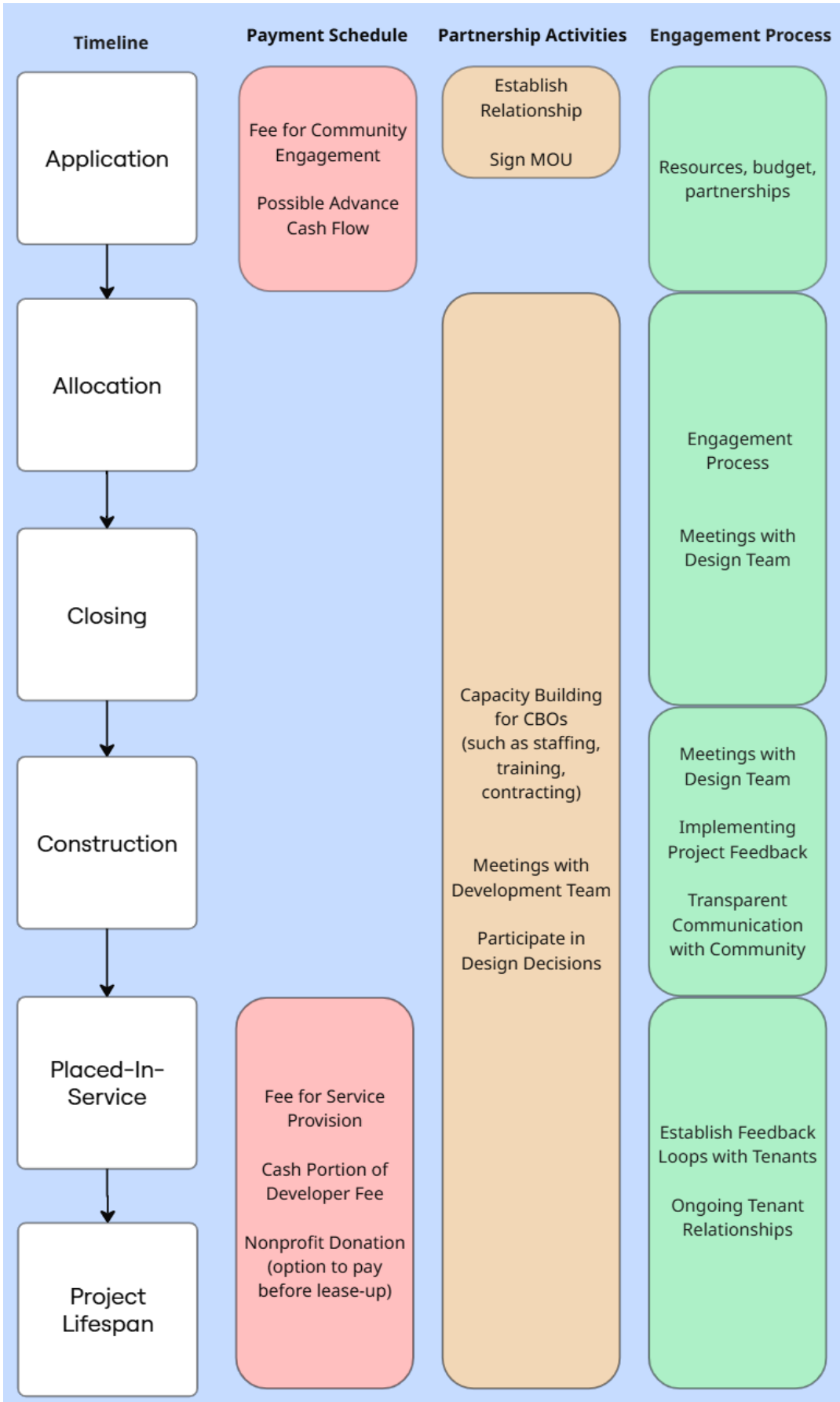
To understand how the CBO can expect to benefit from the deferred developer fee under the unique circumstances of each project, CBOs should consult with legal counsel that is experienced with tax credits. For financial planning and stability, partnerships should establish a payment and communication schedule.

Agreement Checklist

- ☐ **Roles and responsibilities** that are clearly defined to prevent ambiguity. Past projects have specified which party handles responsibilities such as:
 - IRS compliance for tax credits
 - Nonprofit funding and compliance
 - Public funding and compliance
 - Property Management
 - Tenant relations
 - Service provision
- ☐ **Information Sharing, including:**
 - Specific project topics (design, engagement, finances, construction contracts, etc.)
 - Agreed upon time intervals
 - Using a specific documentation method
- ☐ **Compensation and cash flow** across responsibilities and at agreed-upon intervals:
 - Fee for service such as engagement
 - Cash and/or Deferred Developer Fee
 - Property management fee
 - Asset management fee
 - Cash flow share
 - Service Provider fee
- ☐ **Conflict resolution process** especially where power dynamics might create challenges. Some partnerships agree to seek mediation if conflict arises, rather than file a lawsuit.
- ☐ **Exit strategies** outlining how the partnership changes or dissolves fairly.
- ☐ **Indemnification Clause** (compensation for loss or damages) included to protect the CBO partner.
- ☐ **Intellectual property rights or branding agreements** if the CBO is bringing community programs, data or other materials to the table.
- ☐ **Annual or bi-annual renegotiations of terms** can help partnerships adjust to changing circumstances.

Considering Risk

Partners need to consider risks as both financial and relational. In real estate, developers are often seen as taking risks when the purchase, regulation, market, and financing of the project are not guaranteed. It is important to recognize that CBOs are placing their communities and trusted reputations on the line. CBOs emerging as housing developers may have fewer assets to lean on. Partnerships should not position the CBO to take on debt it cannot support, nor should the project expect the CBO to bear unreasonable financial risk. The partnership should have transparent, realistic conversations about the short- and long-term implications of entering the partnership.



Compensation

Before and during the partnership, a contract should establish *fair, predictable, and timely* payment schedule for the CBO's time and expertise, based on local cost-of-living differentials or the establishment of a minimum rate in negotiation with the CBO. CBOs should have the option to opt out of reimbursement payment methods, as this practice can increase the financial burden on less established partners. Compensation should include flexible terms and minimal restrictions. Multi-year agreements should account for inflation. If projects involve multiple CBO partners, every partner should receive transparent information about the compensation structure of other partnerships.

Engagement Timeline

By application, funding is secured and many elements of the project, such as bedrooms and projected rents for tenants, are already put in place. Engagement activities should not be pursued before application, because the project is not guaranteed, risking false promises. When tax credits are allocated to the project, it is fully funded. There is a stronger guarantee that this project will indeed be built. Partners can identify realistic project elements where communities can participate in meaningful decision making. Applications should include an anticipated engagement timeline, with budgeted resources for different types of engagement activities.

Exemplary projects demonstrated iterative timelines, where engagement reports are part of the design process.

Part 4: Community-Driven Outcomes

Engagement is Shared and Ongoing

Community engagement is a practice that should be viewed as an ongoing relationship, rather than singular events. Partners hold a shared responsibility for fostering these relationships and should have clearly defined roles. Established Partners must be continually involved in forming and sustaining relationships with community members, potential tenants, and existing residents. CBOs, as experts of their communities, should take the lead to determine what genuine engagement should look like. Some CBOs contact existing participants of their programs or residents of other housing services.

Exemplary projects described a combined process of contracting with partner organizations or community engagement specialists, as well as establishing resident councils to provide a platform for ongoing community dialogue.

Promoting Accessibility

Just as compensation is provided to staff members for their time and expertise, the engagement process should value the time and expertise of community members and address barriers to participation. Community engagement events should maximize accessibility by providing compensation, childcare, meals, translation services, and multi-modal information such as in-person, online, and written platforms for providing information and soliciting feedback.

Exemplary projects took into consideration community-specific needs, such as a project serving older populations that planned to provide communications in large text and provided an itemized budget for accessibility considerations.

Participatory Engagement

[Participatory Action Research](#) describes an information gathering process where the community intended to benefit from the housing project is actively involved in the information gathering process and exercises decision-making power. Engagement efforts that honor community desires not only in project design, but in the process itself, are able more effectively reach and understand communities. One exemplary organization serving Indigenous/Native American youths opted to gather information through community discussion groups to honor the tradition of storytelling, and incorporated emergent themes into the project design, layout, and services.

Sample Engagement Timeline

Project That Receives a March allocation and December Closing
March (Project Receives Allocation)

- Convene team members from Developer, CBO (if separate from Developer team), and design team. Hire a community engagement director if desired.
- *Team meeting 1:* Identify goals for engagement and roles for team members. CBOs should be leading this process.
- *Team meeting 2:* Establish design elements for community input. Clarify budget line items and timeline.

April

- *Team meeting 3:* Identify communities and key contacts.

May

- *Team meeting 4:* Outreach with community partners to schedule community engagement events.
- *Advertise project and engagement opportunities*

June

- *In-person engagement event 1*
- *Team meeting 5:* follow up on engagement event and incorporate feedback into design process. Develop email survey based on community interests.

July

- *Advertise project and engagement opportunities*
- *Email survey*

August

- *In-person engagement event 2*
- *Team meeting 7:* follow up on engagement event and incorporate feedback into design process.

September

- *Team meeting 8:* Compile presentation of survey results and community-identified ideas
- *In-person engagement event 3:* present proposals based on community-identified ideas

October

- *Team meeting 9:* Compile report of engagement process, survey, and identify project elements that are being included as a result from this engagement.

November

- Deliver report of community engagement process. Share with community members and design team and implement into future project phases.

December (Project Closes)

- *Team meeting 10:* Plan to reconvene for post-construction engagement such as open houses and welcoming ceremonies. Establish process for ongoing tenant relationship

Toolkits

The Commission provides the option for partnerships to employ their own community engagement plans, or use an existing toolkit:

- [Community Engagement Toolkit- Futurewise](#)
- [Equitable Development Engagement Toolkit- Lindquist](#)
- [HUD Community Engagement Toolkit](#)

Example Budget

For a 9-month engagement process with 3 events hosted by CBOs and community leaders, using a contracted engagement lead.

Community Engagement Director	\$25,000
Advertising \$500	\$500
Food and beverages	\$500
Administrative costs for planning and outreach	\$2,500
Childcare	\$600
Translation	\$1,500
Total	\$30,600

Accountability to Residents

During the early stages of project development, the financing, timeline, design, and services are not guaranteed. It is important to avoid making promises to community members that may not be delivered. Unrealized promises can erode community trust in the project and perpetuate harm. Community members who participate in engagement should receive follow-up communication about how their contributions have influenced the project. This could look like a newsletter, presentation, report, or however the engagement team chooses to reach back out to the community.

Exemplary projects created guidelines on project priorities and established ongoing communications to set realistic expectations for interested parties.

Accountability to the Commission

The Commission awards points for projects that demonstrate how community input is implemented into the project. Points are awarded for community-chosen service contracts and common space designs, though engagement should not be limited to these elements. There is no fixed requirement for how projects should document this process. Partners should be prepared to demonstrate these elements once construction is complete.

Engagement teams should take responsibility for documenting activities.

Placed In-Service and Ongoing Tenant Relationships

Placed In-Service is when the property is ready for tenants to move in and contracts for service providers begin, though the definition may vary slightly for rehabilitation projects depending on cost. Projects must follow through on the commitments made during the engagement process. The typical tax credit partnership lasts for 15 years, so engagement considerations should be made to make sure that the project continually serves residents. CBO partners and service providers should lead the process with resources and support from partners.

Implementing Community Input

Community-led decisions should factor into the project timeline and budget. Exemplary budgets have allocated over \$250,000 to project elements that would be determined through community engagement. Architects and design teams should be included in engagement processes so that real opportunities and constraints of the project can be discussed with community members.

One notable project revised the floor plan and added an additional floor to address resident interest in common activity and service spaces on each floor. Another exemplary project incorporated a Joint Advisory Agreement in which the CBO reviewed and provided input on design plans at regular intervals. This agreement, as the result of an 18 months-long discussion and review process, resulted in design elements that promoted universal accessibility specifications for units intended for adults with intellectual and developmental disabilities.

“We worked together over 12 months to ensure that this project was a place that was representative of the indigenous people of Eastern Washington. These efforts resulted in providing additional, trauma-informed onsite supports for families, a reflection area with HVAC systems that could accommodate Salish smudging ceremonies, landscaping that includes plants with cultural and historic significance for Salish peoples, hiring of local indigenous artists to create art for the project, a splash pad that represents the Spokane River and the creatures that occupy it and many other improvements to programs and amenities. This effort is representative of the intent of our partnership with the CBO to help us improve the design, accessibility, and operations of two existing affordable housing communities.”

2024 Established Partner describing implementation of community input

Key Takeaways

Embarking on a Bond/4% tax credit project partnership demands a significant commitment of resources, time, and relationship building. Partnerships last during and beyond the 15-year lifespan of the tax credit partnership, and the longevity and success of this partnership relies upon relationships founded on strong communication, thoughtful strategy, and intentional resource sharing.

In the first 4 years of the *4.5 Projects that are By and For Community* policy incentive, successful partnerships have exemplified strong relationships through the establishment of a working culture of respect, humility, and equity; recognizing and expanding upon the unique positionality and capabilities of CBOs; promoting capacity building and autonomy of the CBO with thorough and well-documented practices; and using community engagement to inform project implementation. All partnerships will look and operate differently as a reflection of the diversity of communities, leaders, and projects and thus, these practices are not a definitive list. At their core, partnerships must reflect the unique strengths and perspectives of each partner, and tailor their project to reflect a joint commitment to the stability, success, and autonomy of residents they intend to serve.

Organizational Capacity Assessment Tool

The following 5 key domains of organizational capacity outlined in the AmeriCorps [Organizational Capacity Assessment Tool](#) are accompanied with example questions adapted for CBO-developer partnerships. This outline is a starting place to recognize the CBO's capabilities, identify resource gaps, and strategize how partnership arrangements align with CBO goals.

1) Leadership Capacity

Vision and Mission	<i>How does the project serve the mission and vision of the CBO? What are shared visions between the CBO and Established Partner?</i>
Leadership and Governance	<i>What structures are in place for leadership to organize and sustain the project during its lifespan of at least 15 years? What role distinctions exist between leadership and board members? (If applicable) Is there a succession plan?</i>
Strategy and Planning	<i>Is there a clearly articulated timeline and priority list for executing the project? Is there a clear connection between the project, intended outcomes, and the CBO's mission?</i>
Culture and Values	<i>What is the CBO's relationship with the community? Is there a structure in place for staff feedback? External feedback? Is there a structure for conflict resolution within the CBO? Within the partnership?</i>

2) Management and Operations Capacity

Financial management	<i>Is the CBO in a sustainable financial position? Are there adequate rainy-day funds? How is the organization maintaining an existing budget? Is there a projected budget for the staff, contracting, and material costs of the project? What is the CBO's short term (1-3 year) and long term (10-15 year) financial commitment?</i>
Human Resources	<i>Do existing staff have the time, expertise, and relevant credentials to take on this project? Do existing staff roles and responsibilities need to be adjusted to accommodate project needs? What additional recruitment, onsite, administrative, and leadership personnel might be needed for this project?</i>
Infrastructure and information technology	<i>What additional devices, software, and other technology does the CBO need for the project? Are existing information and service management systems adaptable to future project needs?</i>

3) Community Engagement Resources

Fund Development	<i>Does the organization have provisions for the overhead and ongoing costs of maintaining relationships with the community regarding the project?</i>
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	<p><i>What relationships will the CBO have to funders, investors, and other project partners? What funds are available for maintaining these relationships?</i></p> <p><i>What resources are available for initial and ongoing relationship building with the community?</i></p> <p><i>What types of accommodation and compensation will be made available for community engagement efforts?</i></p>
Communications and advocacy	<p><i>What skills, software, and materials are needed for relationship building with the community?</i></p> <p><i>What reports, structures, and communications need to be in place to promote transparency to community members?</i></p>
Volunteer management	<p><i>Does the CBO utilize volunteers for service provision or community engagement? If so, what structures are in place for recruiting, training, and retaining volunteers?</i></p>
Community partnerships	<p><i>Who are the interested parties that are affected by this project? What private, nonprofit, and government relationships will the CBO create and sustain?</i></p> <p><i>What skills and resources are needed to build and maintain relationships with these parties?</i></p>

4) Service Capacity (*for CBO partners who intend to provide services)

Program design	<p><i>What community-identified needs are being addressed by the services provided?</i></p> <p><i>What outcomes are desired of the services in question, and how do program activities connect to these outcomes?</i></p>
Program Implementation	<p><i>How will services be provided, documented, monitored, and evaluated?</i></p>
Performance management	<p><i>What indicators can be used to measure whether the project is meeting community-identified needs?</i></p> <p><i>How will these indicators be collected, monitored, and used to improve services?</i></p>

5) Evaluative Capacity

Evaluation planning	<p><i>How will the CBO evaluate whether it is achieving its mission by partnering on the project?</i></p> <p><i>How will the partnership evaluate whether their shared visions are being met?</i></p> <p><i>How will project partners evaluate resident and community member experiences?</i></p>
Data collection	<p><i>What data needs to be collected to effectively evaluate the CBO's activities? The partnership's activities?</i></p>
Measuring impact	<p><i>What assessment tools are needed for an evidence-based evaluation?</i></p>
Evaluation use, learning, and continuous improvement	<p><i>How will evaluations be shared transparently with the community?</i></p> <p><i>What timeline or structures are in place for the partnership to improve the project based on evaluation?</i></p>