

# The Influence of Nonprofit Networks on Local Affordable Housing Funding

## Findings from a National Survey of Local Public Administrators

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This article examines public administrators' perceptions of the effects of nonprofit networks on local affordable housing decisions. It builds on a larger body of research concerning the affordable housing activities of community-based organizations (CBOs). This analysis is based on a national survey of public administrators responsible for affordable housing programs in U.S. cities with populations over 100,000. The survey included questions about: CBO performance, factors influencing CBO funding decisions, and local government structure. This article provides insights into decision-making surrounding CBO funding at the local level. These insights improve our understanding of the connection between public administrators' perceptions, funding patterns, and interorganizational relations.

**Keywords:** *nonprofit networks; community-based organizations; affordable housing funding; public administrators*

### CBOs and Nonprofit Networks

Since the late 1960s, community-based organizations (CBOs) have become increasingly responsible for the implementation of affordable housing policy in the United States. Scholars have referred to this process as the *nonprofitization* (Swanstrom 1999) and *devolution* (Bockmeyer

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2003) of affordable housing policies in the United States. This process has produced a *community development industry system* composed of community-based organizations, nonprofit intermediaries, private sector partners, and governmental agencies at the federal, state, and local levels (Vidal 1992; Yin 1998; Ferguson and Stoutland 1999; Stoutland 1999; Silverman 2001; Frisch and Servon 2006). The emergence of the community development industry system has altered the nature of relationships between local government and nongovernmental agencies. Prior to the maturation of this system, the affordable housing activities of local government were primarily embedded in intergovernmental networks. As this system has evolved, these networks have become more complex.

There has been a great deal of scholarly attention paid to the expansion of the community development industry system. One branch of this research has focused on CBO performance and the development of organizational capacity within the context of this system. One of the most cited articles dealing with this area of research is Glickman and Servon's (1998) work where five components of CBO capacity were identified: resource, organizational, programmatic, networking, and political capacity. In subsequent work efforts have been made to measure each of these types of capacity. Much of this work has focused on a specific type of CBO, community development corporations (CDCs).

Nye and Glickman (2000) and Glickman and Servon (2003) examined a national sample of CDCs and found that organizations partnering with national foundations, funding intermediaries, and local government had greater capacity. Keyes et al. (1996) added that the capacity of CDCs was enhanced when federal housing programs were designed to support the work of these organizations and their nonprofit partners. Schwartz et al. (1996) and Saidel (1991) reiterate this point while emphasizing the importance of state and local governmental support in nonprofit capacity building. Others have found that institutional support has waned and organizational capacity has suffered in cities where CDCs have experienced failure, downsizing, and mergers (Rohe and Bratt 2003; Bratt and Rohe 2004). On balance, the general consensus has been that although there is a select group of large, high capacity CDCs focused on affordable housing development, most organizations are small with limited capacity (Walker 1993; Stoutland 1999; NCCED 2005).

Much of the scholarship on CBOs and the community development industry system has focused on the nexus between nonprofit and political networks. In part, the role of such networks in CBOs is related to these organizations' roots in social justice movements which advocate for disadvantaged groups. Minkoff (2002) and LeRoux (2007) described how nonprofits

draw from these roots to incorporate political activism with an organization's programmatic focus. More broadly, it has been argued that nonprofits have assumed a more central role in local governance as the responsibility for the delivery of public goods has increasingly fallen on their shoulders (Smith, Rathgerb, and Evans 2001). In this new environment, networks of CBOs form powerful lobbies at the local level that can influence affordable housing policy.

Goetz and Sidney (1995) and Bockmeyer (2000) identified citywide coalitions of CBOs as important players in the local policy-making process. They suggested that these nonprofit networks challenged existing growth coalitions (Molotch 1976) at the local level. This is echoed by Clavel, Pitt, and Yin (1997) who argued that CBO networks provided local and national policy makers with a *community option*. Rubin (2000) observed CBOs taking an active role in shaping local affordable housing policy and identified CBO networks as integral to his community-based development model. Marwell (2004; 2007) went a step further, arguing that CBO have emerged as a central political actor in local patronage politics.

Largely, the increased role of CBOs in program and service delivery can be attributed to the expansion of collaborative activities and networks in the nonprofit sector. At the national, state and local levels, financial intermediaries like the Local Initiatives Support Corporation (LISC), the Enterprise Foundation, and NeighborWorks® America have helped CBOs build capacity and lobby for public sector resources (Liu and Stroh 1998; von Hoffman 2001). These efforts have been complemented by the growth of local intermediaries and funder collaboratives (McDermott 2004; Hopkins 2005). Gitell and Vidal (1998) argued that the development of networks between intermediary organizations and CBOs were essential to capacity building and sustainable community development. Recognizing the importance of intermediaries and nonprofit networks, Dreier has called for greater levels of coordination between CBOs and other organizations in the nonprofit sector to enhance their political influence (Dreier 1996).

This article focuses on how public administrators' perceive the influence of nonprofit networks on affordable housing policy at the local level of government. Specifically, an attempt is made to measure the influence of nonprofit networks on local government decision making related to the funding of CBOs engaged in affordable housing activities.<sup>1</sup> This emphasis is slightly different than past scholarship which focuses on the perspective of CBOs or advocates for these organizations. As a result, less is understood about what local government looks for in CBOs or why local government prefers one configuration of CBOs versus another.

## Methods and Variables Used in the Analysis

This research is based on a national survey of public administrators responsible for affordable housing programs in U.S. cities with populations over 100,000 ( $N=243$ ). The survey included 70 questions measuring public administrators' perceptions of local CBO: performance, capacity, and funding. The individual responsible for the administration of each city's housing programs was identified by searching municipal websites and a survey was mailed to that person's attention.<sup>2</sup> If surveys were not completed, monthly reminders were e-mailed to the local public administrators who received them until the enrollment period closed. The survey was administered between November 2006 and February 2007. At the end of that period a 43% ( $n=104$ ) response rate was reached.

Table 1 summarizes the population and housing characteristics of the cities surveyed and the cities that returned surveys. Table 1 indicates that the cities where public administrators responded to the survey were representative of all cities in the United States with populations over 100,000.

In terms of population characteristics, the respondent cities had similar median household incomes, and proportions of Black and Hispanic residents. However, population growth in the respondent cities was on average 3% lower between 1990 and 2000 than in all the cities surveyed. In terms of housing characteristics, the respondent cities had similar rates of owner occupancy, renter occupancy, and housing vacancy. However, median housing values were on average \$3,674 higher in the respondent cities than in all the cities surveyed.

Two sets of survey questions were of particular interest to this analysis. The first asked local public administrators to identify sources of pressure for their cities to expand the role of CBOs in affordable housing development, rehabilitation, and management. Respondents were asked to identify the presence of 12 different sources of pressure, including pressure coming from: various levels of government, elected officials, private sector entities, nonprofit sector interests, and neighborhood-based groups. The second set of survey questions asked local administrators about the importance of a number of considerations in the local decision-making process related to CBO funding. Respondents were presented with 19 scales measuring the importance of: CBO performance, elected officials, CBO governance, partnerships, fair housing goals, and programmatic structure. Each scale was ranked from 1 "not important at all" to 10 "extremely important."

Each set of variables was subjected to principal component factor analysis. The first model included variables measuring sources of pressure for cities

**Table 1**  
**Descriptive Statistics for all U.S. Cities with Population over 100,000**  
**(*N*=243) in 2000 and Those that Returned Surveys (*n*=104)**

	Means for all Cities	Means for Cities that Returned Surveys
Population Characteristics		
Total population	313,093	333,865
Percent population change 1990–2000	19.4	16.4
Median household income	\$41,170	\$40,577
Percent of population Black	18.0	17.7
Percent of population Hispanic	20.8	19.0
Housing Characteristics		
Total housing units	123,438	129,294
Median housing value	\$139,299	\$142,973
Percent of housing owner occupied	52.3	50.8
Percent of housing renter occupied	41.2	42.9
Percent of housing vacant	6.5	6.3

Source: U.S. Department of Commerce, Bureau of the Census. 2000. 2000 Census of Population and Housing, Summary Tape File 3A. Washington D.C.: Data User Services Division.

to expand the role of CBOs in affordable housing development, rehabilitation, and management. The four components extracted from this model are summarized in Table 2.

The first component explained 22.1% of the variance in the variables modeled. This component, GROWTH-MACHINE, functioned as a measure of pressure on a city from “county government” and the “local business community and stakeholders.” The second component explained 12.9% of the variance in the variables modeled. This component, NEIGHBORHOOD-ORG, functioned as a measure of pressure on a city from “block clubs” and “neighborhood-based organizations and/or neighborhood councils.” The third component explained 10.8% of the variance in the variables modeled. This component, NONPROFIT-ORG, functioned as a measure of pressure on a city from “social service organizations” and “other nonprofit organizations.” The fourth component explained 9.6% of the variance in the variables modeled. This component, FEDERAL-GOV, functioned as a measure of pressure on a city from the “federal government” to expand the role of CBOs in affordable housing development, rehabilitation, and management.

The second set of variables subjected to principal component factor analysis included variables measuring issues influencing the local decision-

**Table 2**  
**Principal Component Factor Analysis of Variables (N=12)**  
**Measuring Sources of Pressure to Expand the Role of CBOs in**  
**Local Affordable Housing Activities**

Components Extracted	Percent of Variance Accounted for by Component	Factor Score
GROWTH-MACHINE	22.1	0.7
NEIGHBORHOOD-ORGS	12.9	0.68
NONPROFIT-ORGS	10.8	0.75
FEDERAL-GOV	9.6	0.7

Note: CBOs = community-based organizations.

**Table 3**  
**Principal Component Factor Analysis of Variables**  
**(N=19) Measuring Respondents' Perceptions of**  
**Issues Influencing CBO Funding Decisions**

Components Extracted	Percent of Variance Accounted for by Component	Factor Score
NONPROFIT-PARTNERS	38.8	0.7
PLANS	10.5	0.74
TARGETING	7.5	0.79
FAIR-HOUSING	6.4	0.77

Note: CBO = community-based organization.

making process related to CBO funding. The four components extracted from this model are summarized in table 3.

The first component explained 38.8% of the variance in the variables modeled. This component, NONPROFIT-PARTNERS, measured the importance of partnerships with "local foundations or intermediaries," "national foundations or intermediaries," "faith-based organizations," and "other CBOs." The second component explained 10.5% of the variance in the variables modeled. This component, PLANS, measured the importance of having existing CBO plans complement "a city's comprehensive plan" and "plans of neighborhood organizations and/or neighborhood councils." The third component explained 7.5% of the variance in the variables modeled.

This component, TARGETING, measured the importance of a CBO being certified as a “community housing development organization (CHDO)” and of having “low-income and minority group members” on a CBO’s governing board. The fourth component explained 6.4% of the variance in the variables modeled. This component, FAIR-HOUSING, measured the importance of CBOs having an affordable housing strategy that “increases the number of rental unit to low-income individuals” and “promotes fair housing goals and curbs discrimination.”

In many respects, the components derived from factor analysis reflected aspects of organizational capacity building identified in past research. For instance, NONPROFIT-PARTNERS, NEIGHBORHOOD-ORG, and NONPROFIT-ORG mirrored the concept of networking capacity examined in past research (Glickman and Servon 1998; Nye and Glickman 2000; and Glickman and Servon 2003). Likewise, other components such as FAIR-HOUSING, PLANS, GROWTH-MACHINE and FEDERAL-GOV mirrored the concepts of political and programmatic capacity (Saidel 1991; Keyes et al. 1996; Schwartz et al. 1996; Glickman and Servon 1998).

The components derived from factor analysis were used as independent variables in the analysis. Two other independent variables were also used in the analysis. One, CBO-REQUEST, measured the total number of CBOs that requested funding annually from a city to support affordable housing activities. Cities had an average of 10.08 (s.d.=18.38) CBOs requesting funding annually. The other variable, HOUSING-GRADE, was the grade on the development, rehabilitation, and management of affordable housing that public administrators gave to CBOs in their city. This variable was based on a question in the survey that explicitly asked respondents to select a letter grade for CBO performance. The average grade public administrators gave to CBOs in their cities was a 2.62 (s.d.=0.8737) on a 4 point grading scale, or roughly a C+. The dependent variable used in the analysis, PERCENT-FUNDED, was the percent of CBOs requesting funding annually from a city to support their affordable housing activities which actually received funding. The average percent receiving funding in the cities was 66.67% (s.d.=35.75). A complete list of variables used in this analysis is found in table 4.

## Multivariate Analysis

The variables listed in table 4 were entered into OLS regression models to determine if any significant relationships existed between pressures to expand the role of CBOs in local affordable housing activities, what public administrators identified as important influences on CBO funding, and the

**Table 4**  
**Independent and Dependent Variables Used in the Analysis**

Variable Name	Variable Description
<i>Independent Variables</i>	
CBO-REQUEST	The total number of CBOs that request funds annually from the respondent's city to support their affordable housing activities.
HOUSING-GRADE	Letter grade "A, B, C, D, F" coded on a scale of 0-4 given to CBOs on the development, rehabilitation, and management of affordable housing in the respondent's city.
GROWTH-MACHINE	A component extracted using factor analysis measuring pressure from "county government" and the "local business community and stakeholders" for a city to expand the role of CBOs in affordable housing development, rehabilitation, and management.
NEIGHBORHOOD-ORGS	A component extracted using factor analysis measuring pressure from "block clubs" and "neighborhood-based organizations and/or neighborhood councils" for a city to expand the role of CBOs in affordable housing development, rehabilitation, and management.
NONPROFIT-ORGS	A component extracted using factor analysis measuring pressure from "social service organizations" and "other nonprofit organizations" for a city to expand the role of CBOs in affordable housing development, rehabilitation, and management.
FEDERAL-GOV	A component extracted using factor analysis measuring pressure from the "federal government" for a city to expand the role of CBOs in affordable housing development, rehabilitation, and management.
NONPROFIT-PARTNERS	A component extracted using factor analysis measuring the perceived importance of partnerships with "local foundations or intermediaries," "national foundations or intermediaries," "faith-based organizations," and "other CBOs" on CBO funding decisions in a respondent's city.
PLANS	A component extracted using factor analysis measuring the perceived importance of having existing CBO plans complement "a city's comprehensive plan" and "plans of neighborhood organizations and/or neighborhood councils" on CBO funding decisions in a respondent's city.
TARGETING	A component extracted using factor analysis measuring the perceived importance of a CBO being certified as a "community housing development organization (CHDO)" and of having "low-income and minority group members on a CBO's governing board" on CBO funding decisions in a respondent's city.

(continued)



**Table 4 (continued)**

Variable Name	Variable Description
FAIR-HOUSING	A component extracted using factor analysis measuring the perceived importance of CBOs having an affordable housing strategy that increases “the number of rental unit to low-income individuals” and “promotes fair housing goals and curbs discrimination” on CBO funding decisions in a respondent’s city.
<i>Dependent Variable</i> PERCENT-FUNDED	The percent of CBOs requesting funds annually to support their affordable housing activities that actually received funding from a respondent’s city.

Note: CBOs = community-based organizations.

percent of CBOs funded annually. A number of demographic and descriptive variables were excluded from the models because of their collinearity with the independent variables used in this analysis.<sup>3</sup> The F statistics, adjusted R-squares, and unstandardized multivariate regression coefficients for the effects of the independent variables on the dependent variable are reported in the models found in table 5.

Model 1 examined the influence of two variables on PERCENT-FUNDED. These variables were CBO-REQUEST and HOUSING-GRADE. 8.9% of the variance in CBOs funded was attributed to the variables used in this model. By itself, this model indicated that each grade increase public administrators gave to CBOs resulted in a 13.2% increase in the number of CBOs receiving funding. In the simplest terms, higher perceived grades on CBO performance resulted in more organizations receiving funding for housing activities.

Model 2 added the first set of components extracted from principal component factor analysis to the analysis. The components added to the model were NEIGHBORHOOD-ORG, NONPROFIT-ORG, and FEDERAL-GOV.<sup>4</sup> These components measured sources of pressure for cities to expand the role of CBOs in affordable housing development, rehabilitation, and management. 11.1% of the variance in CBOs funded was attributed to the variables used in this expanded model. Like model 1, this model indicated that each grade increase public administrators gave to CBOs resulted in a 13.2% increase in the number of CBOs receiving funding. However, it also showed that the perception of increased pressure from nonprofit organizations to fund CBO housing activities actually resulted in a 6.8% reduction in the number of CBOs receiving funding.

**Table 5**  
**OLS Regression Models and Coefficients for the Effects of**  
**Independent Variables on the Percent of CBOs Funded**

Variable Name	Model 1	Model 2	Model 3	Model 4
CONSTANT	34.764**	34.767**	31.418**	33.104**
CBO-REQUEST	-0.203	-0.193	-0.163	-0.202
HOUSE-GRADE	13.171***	13.158***	13.903***	13.407**
NEIGHBORHOOD-ORG	—	-2.616	—	—
NONPROFIT-ORG	—	-6.752+	—	-7.628*
FEDERAL-GOV	—	3.207	—	3.473
NONPROFIT-PARTNER	—	—	-7.446*	-7.484*
PLANS	—	—	-2.666	-4.050
TARGETING	—	—	-1.851	-1.372
FAIR-HOUSING	—	—	-6.532+	-5.260
<i>F Statistic</i>	5.723**	3.414**	3.272**	3.216**
<i>Adjusted R<sup>2</sup></i>	0.089	0.111	0.132	0.165
<i>N</i>	98	98	91	91

Note: CBOs = community-based organizations; +p<.10, \*p<.05, \*\* p<.01, \*\*\*p<.001.

Model 3 added the second set of components extracted from principal component factor analysis to the initial OLS regression model. These components measured issues influencing the local decision-making process related to CBO funding. The component added to the model were NON-PROFIT-PARTNERS, PLANS, TARGETING, and FAIR-HOUSING. 13.2% of the variance in CBOs funded was attributed to the variables used in this expanded model. Again, this model indicated that each grade increase public administrators gave to CBOs resulted in a 13.9% increase in the number of CBOs receiving funding. However, it also showed that the perception of the increased importance of partnerships with foundations, faith-based organizations, and other nonprofits resulted in a 7.5% reduction in the number of CBOs receiving funding. Likewise, the perception of the increased importance of fair housing resulted in an additional 6.5% reduction in the number of CBOs receiving funding.

Model 4 combines all of the variables from the previous three models.<sup>5</sup> 16.5% of the variance in CBOs funded was attributed to the variables used in this final model. After controlling for all of the independent variables, this model indicated that each grade increase public administrators gave to CBOs resulted in a 13.4% increase in the number of CBOs receiving funding. However, it also showed that two variables were negatively correlated with the dependant variable. Perceived pressure from nonprofit organizations to

fund the affordable housing activities of CBOs resulted in a 7.6% reduction in the percent of CBOs receiving funding. In addition, the perception of the increased importance of partnerships with foundations, faith-based organizations, and other nonprofits resulted in a 7.5% reduction in the percent of CBOs receiving funding.

No other variables in the final model were significantly related to the percent of CBOs funded. The volume of CBO requests for funding was not significantly related to the percent of organizations ultimately funded. Public administrators did not perceive pressure from the federal government as influential on local CBO funding decisions. Also, perceptions concerning the degree to which: CBO activities complemented existing plans, CBOs operated in a geographically targeted area, low-income and minority groups participated in CBO governance, and fair housing was considered were not significantly related to public administrators funding decisions. This analysis presents evidence suggesting that the percent of CBOs funded by local government was driven by considerations linked to perceived CBO performance, perceived pressure from nonprofits to fund CBOs, and the perceived importance of partnerships with foundations and intermediaries to CBO housing activities. Interestingly, only perceived CBO performance was positively correlated with the percent of CBOs actually funded. Perceived pressure from nonprofits to fund CBO housing activities led to a smaller percent of organizations being funded, as did the perceived importance of partnerships with foundations, intermediaries, and other organizations.

## Discussion

These findings are revealing since they provide us with new insights into the perceptions of local public administrators. These insights improve our understanding of the role that local government plays in the CBO funding process, as well as the continued development of the community development industry system. The findings from this study suggest that the viability of the community development industry system is influenced to some degree by how public administrators assess the performance of CBOs. In the final OLS regression model from this research, each grade increase public administrators reported for CBO performance led to a 13.4% increase in CBOs funded. How positively public administrators feel about local CBOs has some degree of bearing on the stability and density of the CBO community. Before considering other factors, public administrators' perceptions of CBO performance tend to promote the funding of more

organizations by local government. Of course there are competing views about the desirability of funding a large number of CBOs. Although some believe that funding a multitude of CBOs promotes competition and innovation in the nonprofit field, others argue for targeting resources to a small group of high capacity organizations enhances the efficiency and effectiveness of programs.

In addition to perceptions of CBO performance, pressure from nonprofit organizations to fund the affordable housing activities of CBOs and the importance of partnerships with foundations, intermediaries, and other nonprofits were associated with CBO funding outcomes. However, the direction of these relationships was the opposite of what one might expect. Local public administrators indicated that increased pressure from nonprofit organizations led to fewer CBOs being funded. They also felt that as partnering with foundations, intermediaries and other nonprofits became more important, fewer CBOs were funded. Both of these findings offer some evidence for the growing influence of nonprofit funders in the local policy process. Increased pressure coming from nonprofit intermediaries and foundations for CBOs to collaborate may be influencing local government funding decisions. Themes associated with the growing influence of the nonprofit sector on CBO finance, increased calls for CBO accountability, and the growing importance of partnering are widely identified in the nonprofit literature (Liu and Stoh 1998; Light 2000; Werther and Berman 2001; McDermott 2004; Hopkins 2005; Young 2007). There are also alternative explanations for reduced CBO funding in response to activism in the nonprofit sector. For instance, Grobjerger (1991; 1993) argued that political actors in local government would sometimes reduce funding allocations to CBOs in response to nonprofit advocacy that threatened existing urban regimes.

The results from this research suggest that local public administrators' perceptions of CBOs may be shaped by trends researchers have identified in relation to nonprofit partnerships and networks (Keys et al. 1996; Bockmeyer 2000; Light 2000; von Hoffman 2001; Salamon 2001; Walker 2002; McDermott 2004; Hopkins 2005). The growth in nonprofit partnerships and networking could be a response to new demands brought on by funders. Other researchers have suggested that these demands are intertwined with public sector retrenchment in affordable housing policy and the devolution and nonprofitization of such policy in the United States (Hayes 1995; Schwartz 2006). The findings from this analysis are potentially problematic for scholars who argue that CBOs and other nonprofits fill an important advocacy role for community development policy (Dreier 1996; Rubin 2000; Smith, Rathgerb, and Evans 2001; Marwell 2004). Rather than serving

as a grassroots empowerment strategy for nonprofits, this analysis suggests that forging partnerships and networking with other nonprofits may be a strategy adopted in response to pressures from funders. The negative relationship between nonprofit pressures for CBO funding, the importance of nonprofit networks, and the number of organizations funded by local government also adds dimension to scholarship focusing on the causes of CBO failure, downsizing, and mergers (Rohe and Bratt 2003; Bratt and Rohe 2004). CBO consolidation at the local level may be symptomatic of deepening retrenchment in affordable housing policy and concomitant restructuring of nonprofit finance by foundations and intermediaries.

The findings from this study suggest that public administrators' perceptions of CBO funding decisions may be influenced by the retrenchment of affordable housing policy and a growing sense of scarcity in the public sector. In response, it is possible that greater emphasis is being placed on CBO performance, pressures from the nonprofit sector for the restructuring of CBO finance, and evidence of partnering with foundations and intermediary organizations. Further research is required to determine the degree to which efforts to consolidate CBOs have become institutionalized and local public administrators' perceptions of CBO funding have penetrated other aspects of local government decision-making. Further research is also required to determine the degree to which grassroots networking among CBOs is being destabilized by pressures to consolidate by funders. Notwithstanding the limited explanatory power of the OLS regression models presented in this analysis, the findings from this research suggest that a shift may be occurring in nonprofit finance. Future scholarship should delve into these issues and consider if growth in CBOs may have peaked in the 1990s and a new era of affordable housing policy is on the horizon.

## Notes

1. For the purposes of this research local public administrators were only asked to consider CBOs engaged in affordable housing activities. These organizations included community development corporations and other nonprofit housing providers. A wider array of nonprofit service providers which fall into the CBO category were not examined in this study since the focus of this study was exclusively on public administrators' perceptions of CBO performance in housing development, rehabilitation, and management.

2. Surveys were mailed to the respective director of planning, housing, or community development in each city. The recipient of the survey was asked to either complete the survey or route it to the appropriate local administrator in charge of implementing a municipality's housing programs. A maximum of one survey was completed by each municipality.

3. The demographic variables displayed in table 1 were highly intercorrelated with each other and the independent variables used in this analysis. The variable measuring the average

number of CBOs in a city was also highly intercorrelated with the variable CBO-REQUEST, so it was removed from the model. Also, measures of local government form were highly intercorrelated with the independent variables and subsequently removed from the analysis.

4. The component GROWTH-MACHINE was not included in the regression models because it was highly intercorrelated with HOUSE-GRADE.

5. The component NEIGHBORHOOD-ORG was not included in the final regression model because it was highly intercorrelated with PLANS and FAIR-HOUSING.

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