COVID-19 in Orange County: An Impact Assessment of the Pandemic on the Region’s Communities and Nonprofits
The Orange County Community Resilience Fund (OCCRF), a partnership between St. Joseph Community Partnership Fund, the Orange County Community Foundation, Charitable Ventures, and OC Grantmakers, was launched to respond to the immediate and lasting impacts of COVID-19 in Orange County. By June, OCCRF had distributed $4.3M to 164 organizations. In addition to the direct support, OCCRF commissioned a broader impact evaluation to look at many data sources – including grant applications, surveys, interviews, economic data, news stories, reports from other organizations, and other resources – to capture the impact of the pandemic on our communities and nonprofits.

Findings

COVID-19 and its attendant economic shutdowns has had a major deleterious effect on Orange County's communities and the nonprofits that support them. What follows is a listing of top-level findings from this evaluation:

**Impact on Community**

- Job losses and economic slowdowns have had a larger impact on lower income families, communities of color, and immigrants. There are widespread concerns about a wave of evictions that will start once local, state, and federal protections expire.
- There is a dramatic increase in demand for the social safety net – food banks have reported a 4 to 40 times increase in demand and calls to 2-1-1 have more than doubled.
- There has been significant impact on the physical and mental health of our community.
- COVID-19 itself has had a disproportionate effect on people of color and low income individuals. For example, while only 35% of the county population is Hispanic/Latino, 56% of cases are.
- Residents have delayed preventative services due to cost, availability, or concerns about exposure to COVID-19.
- Mental health is becoming a growing concern as stress, anxiety, and depression build, and worries mount of people turning to unhealthy coping mechanisms.
- Agencies are also worried about growing incidence of domestic violence that is lurking unreported, as children lose their access to mandated reporters.
- Irregular schooling and the closure of day cares and preschools also raise fears of diminished child development for children of all ages. Reports indicate as many as 40% of private child care centers are in danger of closing.

**Impact on Nonprofits**

- The nonprofit community is being asked to mitigate these issues while facing increased demand for services, decreased revenue, and increased costs to provide more basic needs supplies, remote services or increased safety measures.
- Assistance such as the PPP Loan Program (received by 65% of respondent organizations, and 90% of those who applied) and emergency philanthropic efforts have helped nonprofits weather the initial impact.
- Only 20% of survey respondents had to perform layoffs; 49% of organizations cut staffing via layoffs, furloughs, and/or reducing hours.
Nonprofits have responded with a positive spirit of innovation, reconfiguring services and events to remote delivery when possible, or instituting social distancing and safety measures for in-person services. 75% of organizations are now offering services online, and 48% reported increasing the amount of services they provide.

While remote services are not perfect, there is optimism among the sector that now that nonprofits have learned how to deliver them, and community members are realizing they can use them, these may represent a net improvement in access in the long run.

Smaller nonprofit organizations had fewer resources, reserves, and options to begin with, were less likely to get substantive relief from government, and are at greater risk of facing closure.

Each sub-sector has its own unique circumstances on how they have been affected by, and respond to the pandemic. For example, food banks and health clinics saw more dramatic increases in demand, while cultural organizations are more likely to face major loss of revenue due to temporary closures.

There are growing concerns that some nonprofits have pulled all their levers to remain functional, and with philanthropic and government aid slowing, there will be a wave of layoffs or closures coming in the next 6 months.

The philanthropic community has responded to the first wave of COVID quickly and strongly, with several other initiatives marshalling more than $10M in direct emergency support to nonprofits and individuals. Philanthropy is now looking for other ways to support organizations, such as technical assistance, building collaborative capacity, and exploring models for change. While there are some positive signs of slowing of the spread, COVID will likely be present for quite some time, and its after-effects will be felt for years. To mitigate its damage in the near and long term, philanthropy should:

- Recognize the universal impact of COVID-19, but prioritize those communities that have fewer resources to respond.
- Identify and buttress critical smaller organizations that are in danger of massive cuts or closure
- Ensure safety net organizations and mental health providers have the resources to address continued increases in demand
- Address the important role schools, youth programming, and early childhood education have in child development and allowing parents to work and the economy to function
- Encourage specialized funding opportunities to focus on important subsectors such as arts and culture
- Focus on collaboration between organizations to avoid duplication of services and realize operational efficiencies, which are now more important than ever.

The work of nonprofits and philanthropy has done so much to mitigate the disaster of the first six months of the COVID-19 pandemic. The next six months are just as critical, and a continued response that focuses on relief, recovery, and long-term resilience will help our residents and nonprofits. Working together through the fatigue and financial challenges to craft a continued response will show the path to stronger, more resilient communities and institutions.