

THE WEBINAR WILL BEGIN MOMENTARILY



EMERGING LEADERS

in AFFORDABLE HOUSING

NHC UPDATES

GET INVOLVED!

National Housing Conference Working Groups:

- Black Homeownership
- Housing Finance Reform
- Community Reinvestment Act Modernization

NHC UPDATES

GET INVOLVED!

National Housing Act Working Groups:

- Affordable Homeownership
- Affordable Rental Housing
- Ending Homelessness
- Climate Impact
- Community Development

NHC UPDATES



Join Rep. Clay and Rep. Dingell
for Advocacy Day at Solutions!



Congressman Lacy Clay is Missouri's senior democrat in the House, having served the state's 1st district since 2001.



Congresswoman Debbie Dingell has been representing the 12th district of Michigan since 2015.

Register with
discount code:
"ELAHspecial"

Hear from Rep. Clay and Rep. Dingell as they share their outlook for housing legislation

REGISTER AT www.nhc.org/2019-solutions-for-affordable-housing

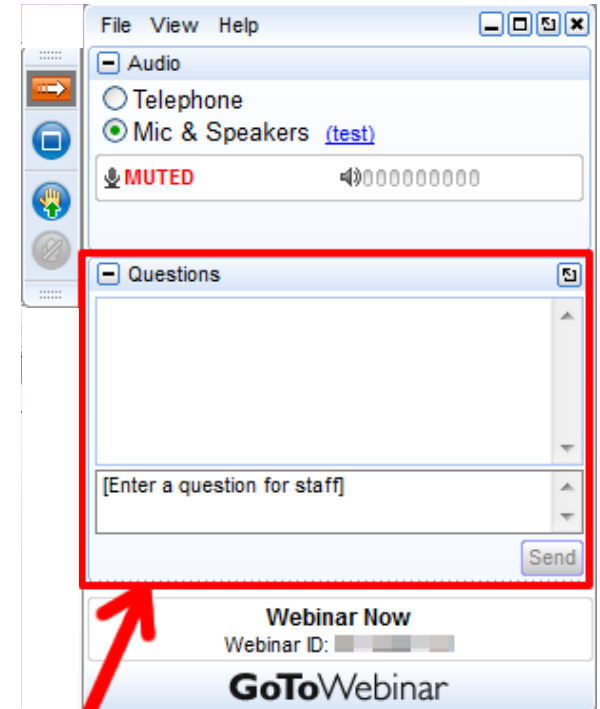
@natlhousingconf

www.nhc.org



TECHNICAL DETAILS

- A link to view the presentation and download slides will be emailed to everyone who registered
- Ask questions in the question box
- Use the Help menu or visit <http://support.citrixonline.com/> for support



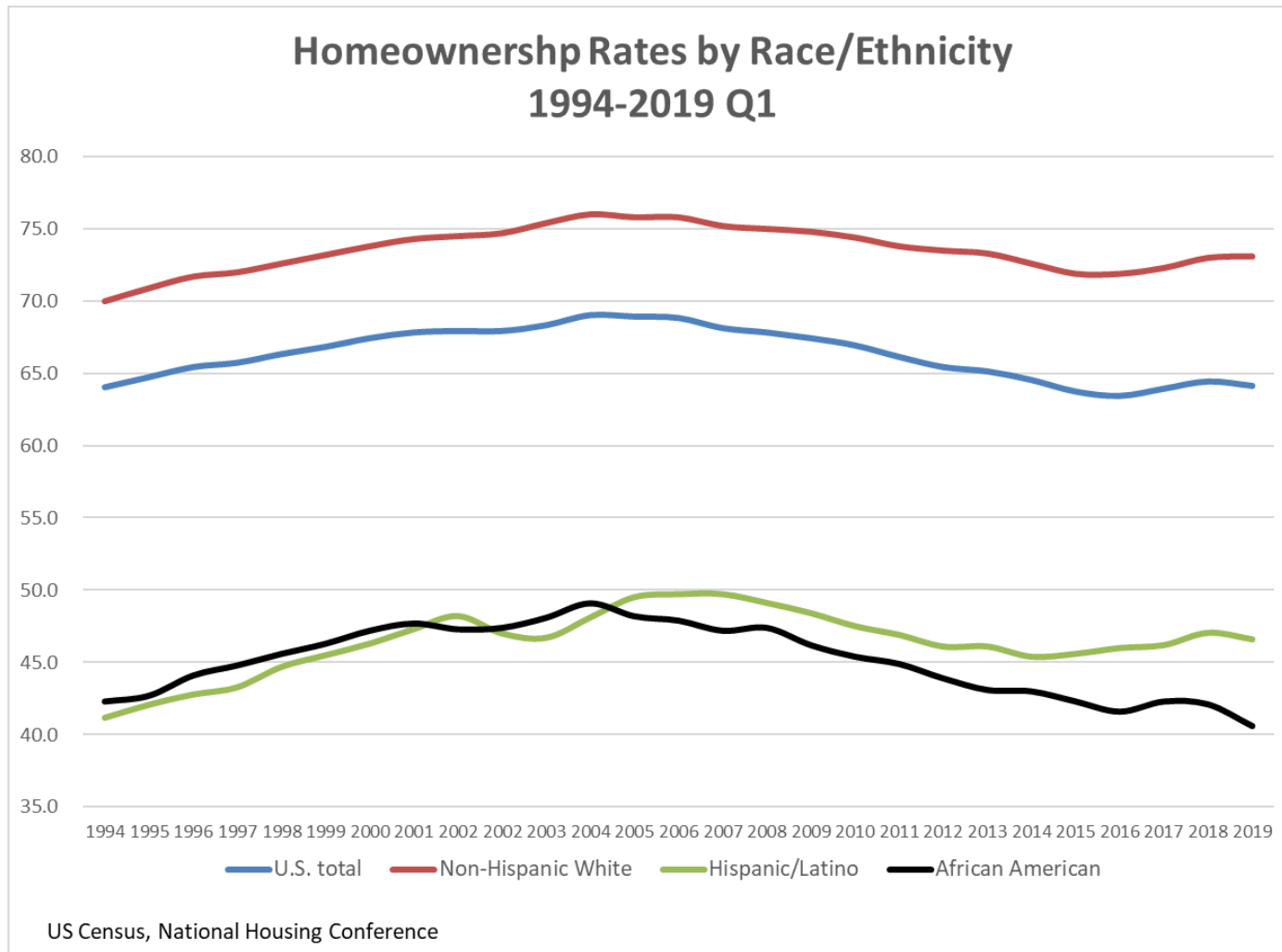
HOUSING, COMMUNITY DEVELOPMENT *AND* RACIAL EQUITY

7

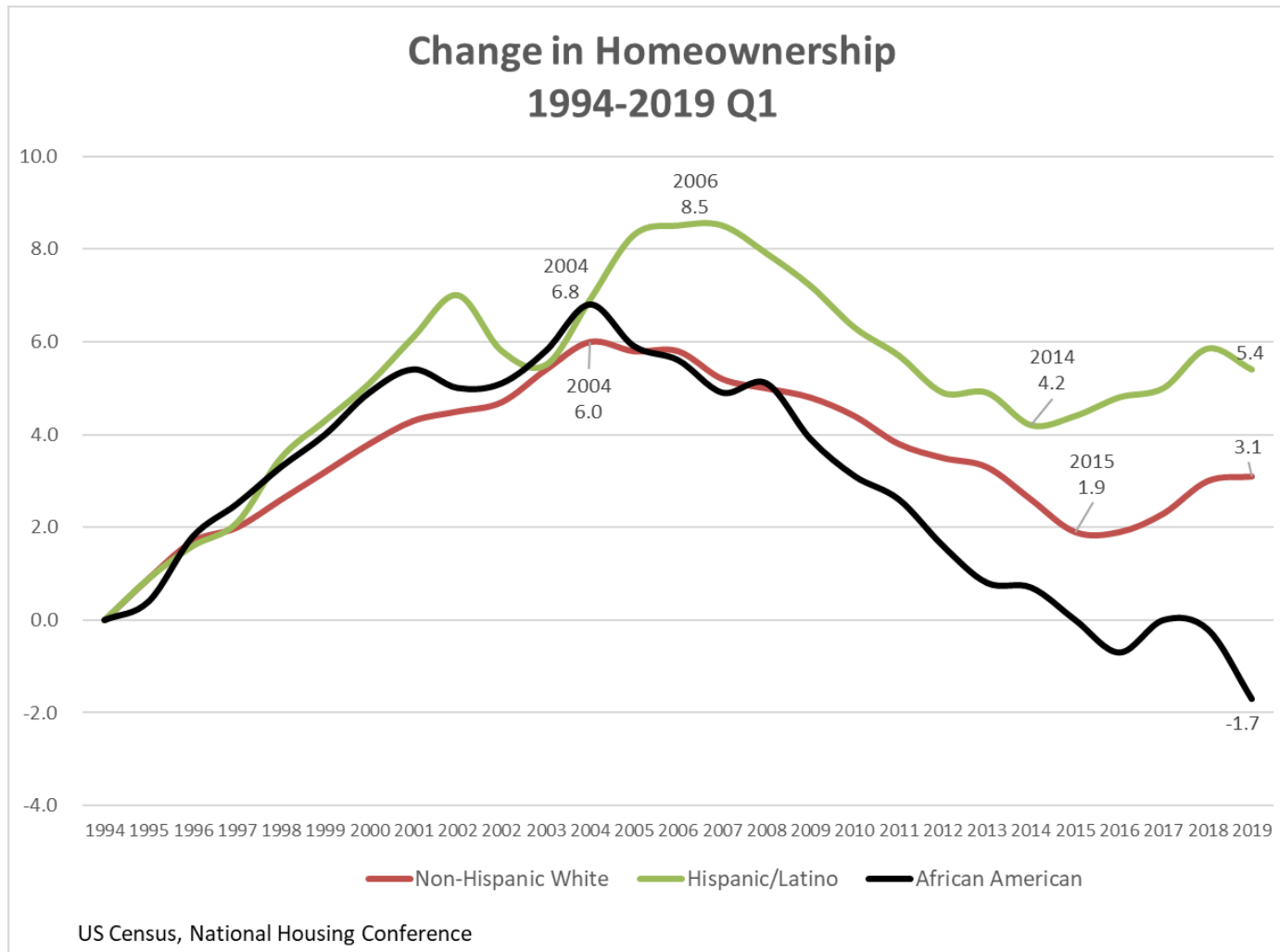
HISTORY: RACE AND HOUSING

1935 WAGNER ACT MANIFEST DESTINY
CREDIT SCORING **SLAVERY** GENERAL SHERMAN
JIM CROW LAWS **HOME OWNER'S** CIVIL WAR PLAN **HEADRIGHTS**
LOAN CORPORATION 1862 HOMESTEAD ACT
FEDERAL-AID **REDLINING** PUBLIC BENEFITS
HIGHWAY ACT **DOUBLE STANDARD**
CONVICT LEASING **FINANCIAL CRISIS** FEDERAL HOUSING
MODEL CITIES SOCIAL SECURITY ADMINISTRATION
 ACT OF 1935
CREDIT INVISIBILITY **SHARECROPPING** LAND GRANTS
DISPARATE IMPACT URBAN RENEWAL
RULE REVISIONS

TODAY'S CONTEXT



TODAY'S CONTEXT



TODAY'S CONTEXT

BLACK WEALTH:
0.5% of US
WEALTH in 1865
1.0% of US
WEALTH in 1990

*black neighborhoods are **devalued** by
\$156 billion due to race*

*11 percent of low-income households
receive housing assistance*

Mortgage Interest Deduction:

\$71 billion

Section 8 funding:

\$30 billion

IN RESPONSE

There have been some federal responses...

- Fair Housing Act
- Community Reinvestment Act
- Development of CDC and CDFI industries
- And more...

... but there's still more work to do



Racial Equity and Community Development

Olivia Barrow

November 19, 2019

About LIIF

LIIF is a national community development financial institution (CDFI) that creates pathways of opportunity for low-income people and communities.

Our Impact

\$2.5 BILLION
invested to date

2.1 MILLION
people served

\$65.1 BILLION
generated in family & community benefits

Impact Pathways



HOUSING

CHILD CARE

EDUCATION

HEALTH

TOD

POLICY

Racial Equity and Community Development

LIIF launched an internal racial equity initiative this year to examine **how we can more proactively bring an equity lens to our work** – internally and through our programs and lending.

First phase of LIIF's racial equity work addresses:

- How do we **measure** racial equity?
- How do we incorporate racial equity into our **contracting and procurement** processes?
- How do we **deploy capital** in a racially equitable way?

Resource:

- [Race, Gender, and Equity in Community Development: Ten Findings, Six Ways Forward](#) – Nancy Andrews, Former LIIF CEO

Takeaways

- We have more questions than answers
- Relevant data is not always available
- Every community is different
- Systems are difficult to modify
- Racial equity should be a guiding principle in our collective efforts to advance access to opportunity

Racial Equity + Community Development

LLSC WASHINGTON, DC



Our Model

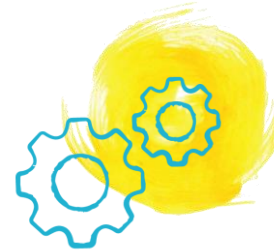
LISC is an investor, capacity builder, convener and innovator.



Pool Public and Private Dollars

We raise funds from philanthropies, corporations and financial firms, federal, state and local governments and through the capital markets.

We also generate income from consulting, and lending services.



Work With Local Partners

Through a network of local offices and community-based partners across the country, we provide grants, loans, equity and technical assistance.

We also lead advocacy efforts on local, regional and national policy.



Support People and Places

By investing in housing, businesses, jobs, schools, public spaces, safety, youth, health centers, grocery stores and more, we catalyze opportunities in communities nationwide.

Since 1979

\$20 Billion Invested



\$60.4 Billion Leveraged



400,500 Homes

Affordable homes built and/or preserved including:

- Multifamily rental
- Supportive housing for special populations such as chronically homeless, LGBTQ, seniors and veterans
- Affordable homeownership

We also emphasize sustainability through green initiatives, healthy housing and transit oriented development.

67 Million Square Feet

Square feet of commercial, retail and community space, including:

- Early childhood centers
- Schools
- Fields/recreational spaces
- Healthcare centers
- Grocery stores
- Financial Opportunity Centers

\$323 Million

Total Net Assets

- Net worth has increased 48% in the past 5 years
- Closed on more than \$1.7 billion of debt transactions with NO defaults
- Raised \$98 million in private grant funds in 2018

S&P 'AA' Rating

LISC is the first CDFI to tap the general obligation bond market, with a \$100 million issuance in 2017

Key Definitions



What is racial equity?

The condition where one's racial identity has no influence on how one fares in society. Racial equity is one part of racial justice and **must be addressed at the root causes and not just the manifestations.** This includes the elimination of policies, practices, attitudes and cultural messages that reinforce differential outcomes by race.

— Equity in the Center

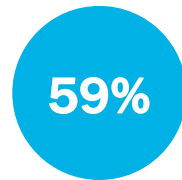
What is equitable development?

Equitable Development is a positive development strategy that ensures everyone participates in and benefits from the region's [or city/area's] economic transformation—especially **low-income residents, communities of color, immigrants, and others at risk of being left behind**. It requires an **intentional focus on eliminating racial inequities and barriers**, and making accountable and catalytic investments to assure that lower-wealth residents:

- live in healthy, safe, opportunity-rich neighborhoods that reflect their culture (and are not displaced from them);
- connect to economic and ownership opportunities; and
- have voice and influence in the decisions that shape their neighborhoods.

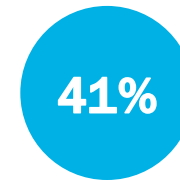
— PolicyLink

DC in Context

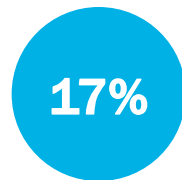


Population: Nonwhite

- 48% Black
- 11% Hispanic



Population: White

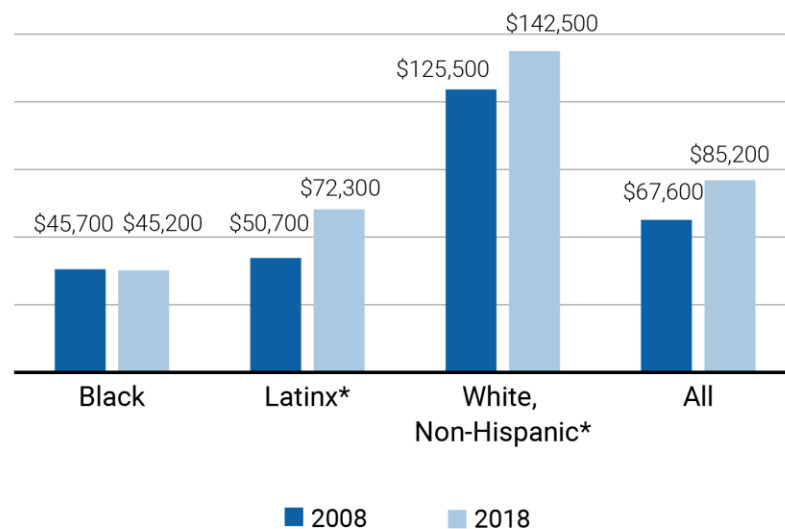


Percentage of DC's population living in poverty

- 26% Black
- 14% Hispanic
- 7% White

Median Income is Stagnant for Black Households in the District, Grows for Others as Large Racial and Ethnic Disparities Persist

Median Household Income, by Race and Year, Adjusted for Inflation



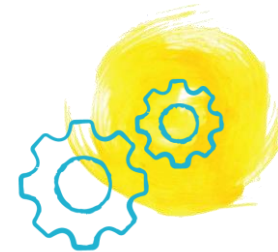
Note: An asterisk indicates that the 2008 poverty rate for that group of DC residents is statistically different from the 2018 poverty rate. Data is less reliable for other races due to large margin of errors.
Source: Author's analysis of 2008 and 2018 American Community Survey, adjusted for inflation.

How does LISC DC incorporate these principles into our work?



Grantmaking

LISC DC updated its grantmaking strategy to make the advancement of racial equity a core tenet of this aspect of our work.



Place-based initiatives

- Elevating Equity

A \$50 million LISC investment initiative targeted to neighborhoods surrounding the future 11th Street Bridge Park.

Elevating Equity



Photo by Becky Harlan

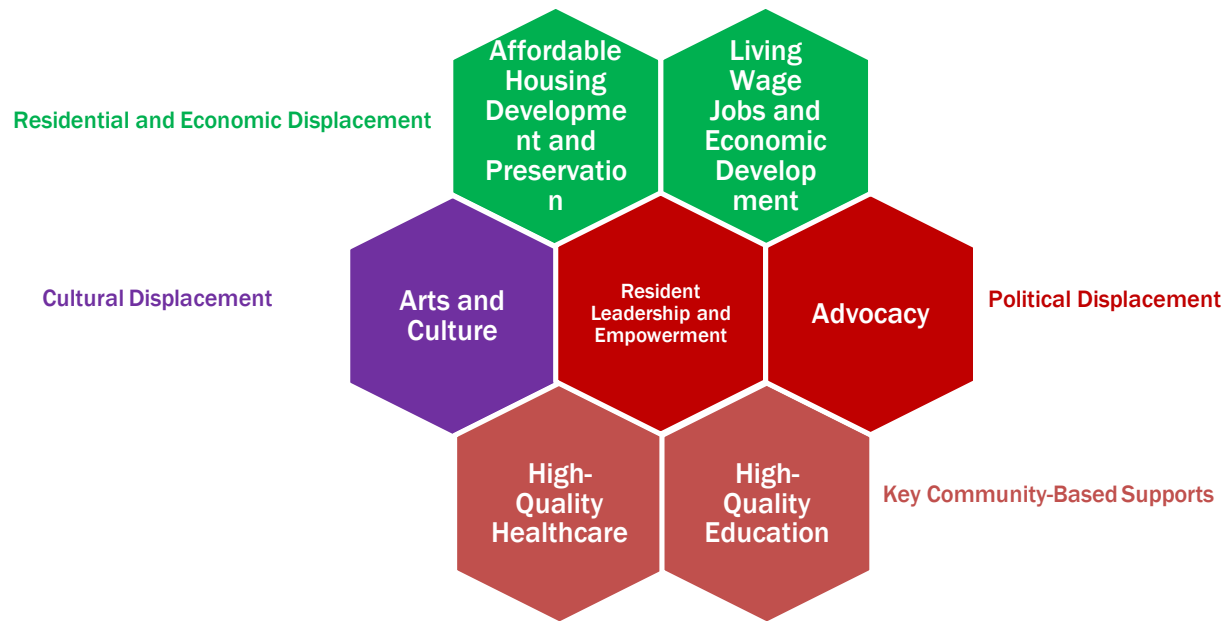
Elevating Equity

Elevating Equity is a \$50 million dollar LISC DC initiative targeted to the neighborhoods surrounding the future 11th Street Bridge Park.

This initiative is grounded in a specific definition of equitable development (PolicyLink).

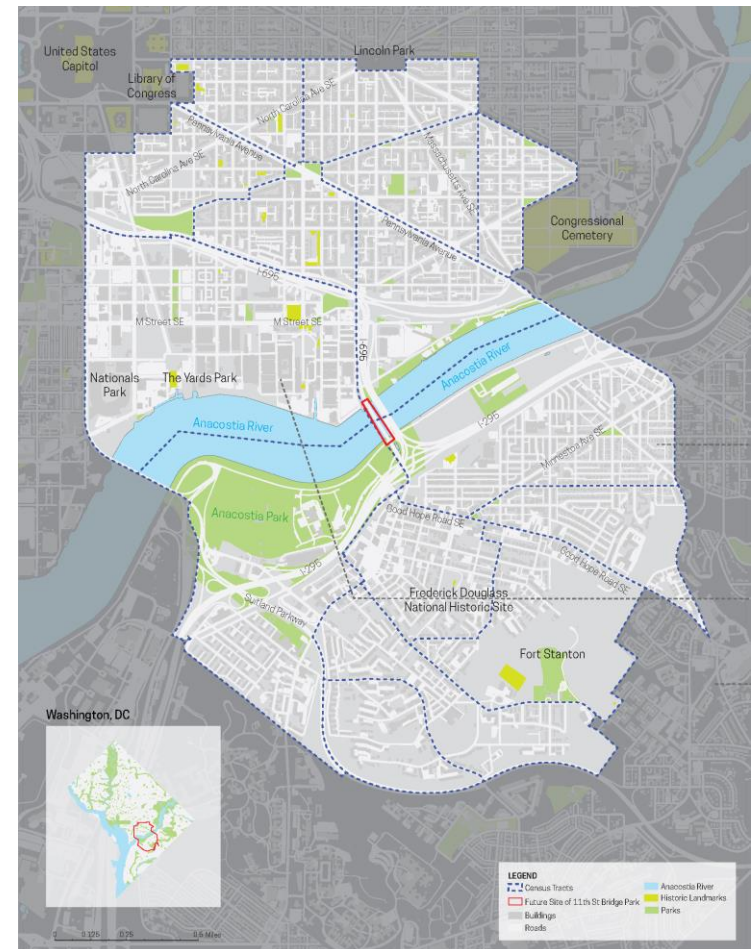


Equitable Development Framework Focused on Addressing Displacement Pressures



To date we have

- Invested **\$44,905,246**, supporting:
- **585** affordable homes,
- **6** high-quality community facilities, and
- **20** nonprofit organizations.





Grantmaking Strategy

In 2018, LISC DC updated its capacity building grantmaking strategy to intentionally target resources to support organizations working to prevent the displacement of low-income residents and communities of color, and organizations creating opportunities for equity and inclusion in DC neighborhoods.



Priority was given to nonprofits undertaking the following activities:

- **Affordable Housing Preservation and Development:**
 - creating new affordable housing and/or preserving existing affordable housing. Priorities included creating affordable homeownership opportunities, high-quality rental units for extremely low-income and very low-income residents and special needs populations, leveraging DC programs such as TOPA and the Preservation Fund, and creating environmentally sustainable housing.
- **Inclusive Economic Development:**
 - promoting small business growth, quality jobs, and wealth building for lower-income residents and communities of color.
- **Health Equity:**
 - creating access to healthy food, health resources, or other elements of a healthy built environment.
- **Cultural and civic vitality:**
 - supporting community cultural development, local artists, creative placemaking, civic leadership, and efforts to elevate the voice and low-income communities, residents of color, and other historically marginalized populations in the decisions that impact their neighborhood.

Selection criteria:

- **Fidelity to Equity and Inclusion:**
 - programs advancing racial equity, staff and board are reflective of population and the community served, organization elevates the voice of influence of lower-income residents and communities of color.

Yachad

Yachad is an organization that does single-family home repairs throughout Washington DC and parts of Prince George's County.

LISC provided Yachad with a grant to support this work East of the River, including evaluating and remediating health-related triggers in homes that are causing respiratory problems.

Historically biased lending, insurance practices and some government policies have disproportionately affected African American communities limiting where people can live and in what type of housing. Yachad seeks to redress this wrong by reinvesting resources back into homes and communities that have suffered disinvestment and indifference.



Q&A

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