THE WEBINAR WILL BEGIN MOMENTARILY
National Housing Conference Working Groups:

• Black Homeownership
• Housing Finance Reform
• Community Reinvestment Act Modernization
National Housing Act Working Groups:

• Affordable Homeownership
• Affordable Rental Housing
• Ending Homelessness
• Climate Impact
• Community Development
NHC UPDATES


Register with discount code: "ELAHspecial"

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.

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
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
HISTORY: RACE AND HOUSING

1935 Wagner Act
Slavery
MANIFEST DESTINY

Home Owner’s Loan Corporation
General Sherman
Civil War Plan
HEADRIGHTS

Social Security
Civil War Plan

Convict Leasing
Double Standard

Redlining

Credit Scoring
Financial Crisis

Jane Crow Laws
Public Benefits

Federal Aid
Double Standard

Highway Act

Convict Leasing

1862 Homestead Act

Financial Crisis

Sharecropping

Model Cities

Jim Crow Laws

Disparate Impact

1935 Wagner Act

Urban Renewal

Credit Invisibility

Rule Revisions

Sharecropping

Land Grants
TODAY’S CONTEXT

Homeownership Rates by Race/Ethnicity
1994-2019 Q1

US Census, National Housing Conference
TODAY’S CONTEXT

Change in Homeownership
1994-2019 Q1

US Census, National Housing Conference
TODAY’S CONTEXT

BLACK WEALTH:

0.5% of US WEALTH in 1865

1.0% of US WEALTH in 1990

11 percent of low-income households receive housing assistance

Mortgage Interest Deduction: $71 billion

Section 8 funding: $30 billion

black neighborhoods are devalued by $156 billion due to race
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
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
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

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

$20 Billion Invested

$60.4 Billion Leveraged
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
- 26% Black
- 14% Hispanic
- 7% White

Percentage of DC's population living in poverty
- 17%

Source: Census via PolicyMap
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 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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