



SUMMARY REPORT

Urban America Forward 2019: Equity Solutions in Place

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INTRODUCTION

In November 2019, the University of Chicago hosted the Urban America Forward: Equity Solutions in Place conference. The Urban America Forward series launched in 2015 with the goal of fostering an interdisciplinary learning exchange among urban practitioners, policymakers, researchers, and representatives of philanthropy committed to improving racial equity and inclusion in America's cities. Urban America Forward program content is grounded in two principles: (1) racial equity is achievable through systems change, and (2) practitioners' efforts are bolstered by engaging in a space where they can share approaches taken to disrupting systems that create and reinforce segregation, economic oppression, and disparities in education, health, housing, and other areas.

The 2019 Urban America Forward: Equity Solutions in Place conference brought together a diverse collection of more than 80 practitioners, community development leaders, representatives of philanthropy, and government officials for a peer-to-peer exchange of approaches to advance racial equity and inclusive growth through place-based initiatives. Featured speakers and workshop leaders were drawn from the Shared Prosperity Partnership, the Economic Inclusion in Southern Cities Cohort, and select community advocates who are at the forefront of the field of place-based work. The Shared Prosperity Partnership is a collaboration of The Kresge Foundation, the Brookings Metropolitan Policy Program, the Urban Institute, Living Cities, and the Aspen Institute that seeks to accelerate locally driven solutions to economic inequality which are emerging in eight urban communities across America. The Economic Inclusion in Southern Cities Cohort is an Annie E. Casey Foundation collaboration of leaders in seven southern cities dedicated to advancing economic prosperity for low-income communities and communities of color.

Conference participants engaged in two full days of sharing insights, methods, experiences, and tools for furthering equity and economic inclusion in urban communities of varying size and composition. The agenda featured TED Talk-style presentations, panel discussions, and solutions workshops designed to enable collective strategizing and problem-solving.

Participants left the conference with new ideas, actionable tools, and connections to a community of interest and like-minded partners.

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Urban America Forward is grounded in the principle that equity is achievable through systems change. Today, we are delighted to convene expert-practitioner-disrupters who are driving transformative change and expanding economic inclusion in cities across the US.”

Alaina Beverly
Assistant Vice President for Urban Affairs, University of Chicago Office of Civic Engagement

The conference explored emerging practices and open questions in the field of inclusive growth and created space for dialogue around four themes:

- » **Being a partner to community-driven solutions;**
- » **Improving capital flow to disinvested neighborhoods;**
- » **Leveraging federal and state tools to accelerate economic inclusion; and**
- » **Bringing business to the table.**

This conference report summarizes the core learnings, themes, policy recommendations, and models that were discussed during the two-day program.

The University of Chicago would like to thank The Kresge Foundation and the Annie E. Casey Foundation for their generous support of this learning exchange. The University is also grateful for the Shared Prosperity Partners and the participants in the Economic Inclusion in Southern Cities Cohort, whose thought partnership made this program possible and contributed to meaningful dialogue. The Urban America Forward program would not exist without the commitment of the University of Chicago Office of Civic Engagement and its academic partners the Harris School of Public Policy, the School of Social Service Administration, and the Center for the Study of Race, Politics, and Culture. Finally, the program organizers would like to thank The Raben Group for comprehensive planning and logistical support. More information about the Urban American Forward series and the Equity Solutions in Place conference can be found at urbanamericaforward.com.

EMERGING PRACTICES AND OPEN QUESTIONS IN THE FIELD

Introduction

The conference began with a panel of experts who offered insights on the past, present, and future of the field of inclusive growth. It is commonly understood among equity practitioners that to foster inclusive growth, society must address the root causes of systemic racism and economic inequality. As more stakeholders buy in to the importance of finding solutions to disinvestment, practitioners emphasized moving

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It is at the local level that people can witness and feel the benefits of investing for the future—enabling them to form a civic agenda that defines what the community is trying to achieve and how best to achieve it.”

Rip Rapson
President and
CEO,
The Kresge
Foundation

beyond notions of “equality”—treating everyone the same—to policies and practices that advance equity and meet communities where they are with an appreciation of the social and economic forces that influence that position as the basis for achieving fairness. Engaging in honest conversations about the forces of economic exclusion and oppression centering people of color is key to addressing centuries of inequity and to fostering true economic inclusion.

Overarching Themes

- **To create sustainable economic prosperity, examining hard truths about equity is key.** Speakers emphasized that to fully capture the effects of systemic and racial inequality on the economic realities of communities, data disaggregated by race, ethnicity, gender, and sexual orientation is extremely valuable. Data helps to dispel myths and document hard truths. It also helps to foster an understanding of the landscape among stakeholders, and can be used to apply pressure on policymakers to invest resources.
- **Place is central to building economic inclusion.** There is no such thing as being agnostic to place. Each neighborhood consists of different needs, assets, cultures, and resources. By investing in localities, practitioners can be intentional about where capital is needed and where they can leverage community assets. Additionally, investing in place and directing capital to neighborhood development creates an opportunity for engaging community vision in the process of place-making through economic transformation.
- **Investing in racial equity and economic inclusion has economic benefits beyond the target community.** Investing in racial equity and economic inclusion is not only the right thing to do; it is good for economic growth. For example, in its report [The Cost of Segregation](#), the Metropolitan Planning Council found that if Chicago closes the racial wealth gap, the region would gain \$4.4 billion annually. Billions of dollars in additional income would benefit communities of color and contribute to regional economic prosperity.

Policy Recommendations

- **To address the racial wealth divide, practitioners need to holistically address the causes of racial and economic inequality.** Race-based discrimination and structural barriers create and perpetuate systemic

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In 2018, we launched research supported by Good Jobs First that looked at a number of peer cities in terms of how they were conducting their economic development activity, and what we found was Memphis was ‘agnostic’ to place. We were not thinking about how we could be intentional in terms of strategies related to neighborhoods, people, and connectivity to economic opportunity.”

Eric Robertson
President,
Community LIFT

inequality. To advance efforts to build community prosperity, advocates and practitioners need to approach equity from a holistic lens including health care, education, criminal justice, immigrant rights, and job creation.

■ **Formally embed equity to withstand changes in leadership.**

Embedding equity in economic development by, for example, creating an Office of Equity, helps to ensure city leadership commitment, continuity, and momentum over the long term toward equity and inclusive economic growth.

Models and Tactics

■ **The Chicago Community Trust.** The Chicago Community Trust is committed to addressing the city of Chicago's racial and ethnic wealth gap. To arrive at this ambitious goal, the Trust conducted a comprehensive review of the issues challenging the Chicago region. That review, which included research and robust community engagement, made it clear that racial and ethnic wealth inequity is at the root of the region's most significant concerns. Experts report the Chicago region will not be able to realize its potential until it tackles this systemic issue, which currently costs the region more than \$4 billion a year. Under the leadership of president and CEO Helene Gayle, The Chicago Community Trust has embarked on the strategic journey to close the racial wealth divide in Chicago, with a vision to have long-term impact on economic inequity and contribute to a thriving and prosperous region.

■ **Community LIFT.** Community LIFT uses a collective people-and-place approach to advance neighborhood-based strategies in the Memphis area. The organization places neighborhoods at the center of regional economic development strategies. Community LIFT works alongside the community, collaborating with neighborhood leaders to meaningfully invest in distressed neighborhoods and expand economic opportunities. To do so, the organization leveraged the city's comprehensive plan, Memphis 3.0, which anchors growth on the strength of core neighborhoods. Community LIFT pairs its pro-neighborhood strategy with resources, tools, and partnerships with Community Development Corporations (CDCs) and quasi-governmental agencies that lead economic development work for the city and county. The result is, for the first time, a collective people-and-place approach that puts neighborhoods at the center of economic development, including investments in place-based organizations and local entrepreneurs to promote density and expansion of economic opportunity.

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Our commitment is to a thriving and equitable region, but the biggest obstacle to that, we felt, is the racial wealth gap.”

Helene Gayle
*President and
CEO,
The Chicago
Community Trust*

■ **One Atlanta.** Atlanta Mayor Keisha Lance Bottoms launched the One Atlanta strategy to ensure equitable, open, and inclusive practices across city departments and to coordinate efforts across diverse areas such as affordable housing, workforce development, criminal justice reform, community health, and immigration. In furtherance of that vision, Atlanta's first Office of Equity, Diversity, and Inclusion was created to ensure that all Atlanta residents have the same access to opportunity. One Atlanta engages multisector stakeholders to address the root causes of equity gaps across the entire city.

BEING A PARTNER TO COMMUNITY-DRIVEN SOLUTIONS

Introduction

Community engagement, combined with inclusive decision making, is the linchpin of equitable, place-based work. Often, local initiatives do not take affirmative steps to ensure that affected community members are present from the beginning of a project or initiative and are a driving force in how the project is carried out. A common challenge is that outside capital sources and people with little or no tie to the community make resource allocation decisions. Our speakers provided a window into how they ensure that the community is at the core of decision making.

Overarching Themes

■ **The community must be meaningfully at the table.** Community voice is an asset and should be treated as such by decision makers. It is not enough to simply bring your agenda to community partners for feedback; affected community members must be engaged from the beginning and have agency in the policy creation process. Initiatives must be tailored to serve community-determined need. Individuals and organizations with resource allocation and decision-making authority in the policy process must be deliberate about engaging community members as vision partners and decision makers. They must work with communities on their terms and engage leadership, including informal leadership, that directly touches residents.

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The power is in the agency of people to have self-determination about what condition their community and families get to live in.”

Afua Atta-Mensah
*Executive Director,
Community Voices
Heard*

■ **The community is in the best position to develop solutions.** A consistent thread throughout the conference was the acknowledgment that the most effective solutions come from community. Practitioners underscored that community members may feel distrustful of outsiders who have, over time, paid lip service to community involvement without following through. It is important to create spaces that foster interaction, as well as to build credibility and trust among civic partners. Furthermore, community members should not only have a seat at the table; they should be compensated for their expertise. Without actively engaging and listening to community members, even well-intentioned investors and advocates can overshadow community will.

■ **Equity is easy to say, but difficult to do.** Equity requires addressing the legacy of over 300 years of institutional, systemic, formal, and informal discrimination. It requires interrogating systems to expose the roots and branches of inequality to understand the basis of disparity. Equity also may be expensive because it includes a process of learning, listening, and not assuming. Communities that have been actively harmed by systemic inequality must be at the center of the work to advance racial and economic justice and have their agency recognized in the journey toward equity.

Policy Recommendations

■ **Expand the capacity of Community Development Corporations (CDCs).** CDCs have the power to bring together capital and community. CDCs can also serve as a hub to address community needs, whether it is by developing affordable housing or by supporting education, job training, health care, commercial development, and other social programs. Unfortunately, there are far too few CDCs to meet the needs of disinvested communities, and many are too small to harness their promise. Local, state, and federal government all have a role to play in supporting CDCs.

■ **Job creation must be locally focused.** Gentrification without local job creation is a formula for community displacement. These newly created local jobs must provide at least a living wage and a pathway for growth. As a result, when approving development, policymakers should make express agreements on the number and type of locally filled jobs that the development will create. CDCs and other planning bodies should hold developers and business owners accountable for their commitments.

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Thinking about what it looks like for nonprofit and community leaders to be lifted up as the thought leaders on a given issue ... [I believe] that if you want to change the narrative, you have to change the narrator.”

Autumn McDonald
Director, New America California

■ **Eliminate real-world barriers to participation.** Partners to the community should provide technical assistance and other supports at every phase of planning and execution so that community members can participate meaningfully in the process—for example, offering child care, translation services, and food and having evening and weekend meetings. Finally, all segments of the community must be engaged, not just those who purport to speak for the community.

■ **Ensure reformers have access to data.** Data can help transform the policy conversation by placing a price tag on the status quo. For example, a number of leaders in the field are using data to demonstrate that inaction has an even greater cost to communities and regional economies in the forms of lost lives, lost income, and lost potential. Data helps to measure the goals, progress, and success to enable practitioners to build the case against complacency and to accelerate political will toward more equitable policy.

Models and Tactics

■ **Fresno’s “Developing the Region’s Inclusive and Vibrant Economy” (DRIVE) plan.** The Fresno DRIVE initiative is a 10-year community investment plan to fundamentally transform the greater Fresno region by 2030 and create opportunities for all residents to achieve real economic mobility by fostering an economy that is inclusive, vibrant, and sustainable. The DRIVE initiative aims to align workforce, community, and economic development strategies to improve employment and wealth creation for low-income residents and people of color, who are the majority population of the city. As part of this planning process, community members participated in focus groups, and community voice was elevated. The initiative engaged a 300-person steering committee representing over 150 organizations in the greater Fresno region to draft the investment plan. The DRIVE plan assessed Fresno’s current standing in three areas vital to community health: economic development, human capital, and neighborhood quality. An important component of the development plan is promoting resident-led neighborhood development and focusing on small businesses owned by women and people of color. Fresno expects that the plan will support nearly 3,500 small businesses and that about 270,000 residents will be positively impacted.

■ **Claiborne Corridor.** The Claiborne Corridor is a cultural innovation district (CID) created in New Orleans to bring back the culture and jobs that were lost when the government built an interstate highway directly

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Equity is expansive. ... If you really want to have an equitable process, there is a lot of planning, there is a lot of engagement, and it is deep and it is wide. And you have to do that. Otherwise it is not really equity. It is your idea of equity.”

**Asali DeVan
Ecclesiastes**

*Director, Strategic
Neighborhood
Development,
New Orleans
Business Alliance*

through Black neighborhoods decades ago. The CID resulted from a collaboration between government agencies, community partners, business, and philanthropy. Residents of the neighborhood were the architects of the vision. The collaboration focused on how to honor, preserve, and amplify the culture and generate economic development without displacing residents. The restoration of resources, employment, and history accompanying the reclamation of space in the CID holds landmark significance for residents of the Claiborne Corridor and offers an appealing model locally, nationally, and globally. The community will benefit from the CID through improved economic outcomes, health benefits, and social cohesion. The Claiborne Corridor project has been so successful that the New Orleans business community is replicating the process in additional neighborhoods.

■ **Using data to catalyze change.** The Metropolitan Planning Council's report The Cost of Segregation in Chicago and the Center for Economic Inclusion's Indicators of an Inclusive Regional Economy in Minneapolis provide examples of practitioners leveraging data to quantify inaction and to measure progress toward equity. The Cost of Segregation found that segregation correlated to \$4.4 billion in lost annual income, a 30 percent increase in homicides, and the lost potential of 83,000 fewer bachelor's degrees for Chicago-area residents. The key is to use data and reports to inform actionable strategies so they do not become talking points that remain unanswered. For example, research for The Cost of Segregation was funded in part by The Chicago Community Trust and informed the Trust's bold plan to focus strategic efforts on closing the racial and ethnic wealth gap among Latinx, Black, and White households in the region.

IMPROVING CAPITAL FLOW TO DISINVESTED NEIGHBORHOODS

Introduction

Capital is disproportionately concentrated in nonminority, higher-income neighborhoods. This skewed investment contributes to gentrification and generational economic isolation. Financial advocates, policymakers, and community advocates are grappling with how to align capital

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The fact that we do not have an inclusive economy means that we must have an exclusive economy. It requires us waking up every day to deliberately decide that we want an inclusive economy.”

Tawanna Black
CEO, Center
for Economic
Inclusion

with community needs, how to improve the flow of capital to the most disinvested neighborhoods while preventing displacement, and how to maximize the overall impact of investment.

Too often, businesses of color are forced to operate at the benevolence of White investors. These businesses are denied investment in part because the majority White investment class does not fully understand the assets these businesses bring to the table and to the community. Furthermore, entrepreneurs of color often have fewer of the traditional assets that are the typical markers for when an investment should occur. Systemically, there is a need to redefine what is meant by risk and what is defined as an asset.

Practitioner-experts supported the idea of investments as a tool for financial activism, and the value of activist-investor leaders who fill gaps in the financial ecosystem and work within the system to reform the fundamental terms of investment. Start-up business microloans, commercial real estate investment, and investment incubators that provide technical assistance are tools to increase capital flow to disinvested neighborhoods.

Overarching Themes

■ **Culturally competent lenders are a key to investing in underresourced communities.** For communities of color, a barrier to securing capital can include an investor's lack of cultural awareness and understanding of community assets. Rather than seeing the opportunity to invest in a local business important to the community, investors may express concerns about risk and the return on investment. Investors are the gatekeepers to securing capital; it is extremely important for lenders to focus on building cultural awareness to meaningfully invest in communities of color.

■ **Funders must stop viewing investment in entrepreneurs of color as “pilots.”** The sad reality is that many investors perceive there to be a higher risk when investing in entrepreneurs of color. Investors seek to mitigate this perceived risk by investing low dollar amounts. If those entrepreneurs of color do not meet investors' expectations, they are pegged as failures and cut off from future capital. In contrast, when their White counterparts fail, those business owners are perceived as “serial entrepreneurs.” This practice is just one example of how American society devalues people of color generally and the Black community

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For the work we do, the entrepreneurs, the community members themselves, are the ones that are going to change their own community unless you believe in gentrification or abandonment.”

Mihailo Temali
Founder and
President,
Neighborhood
Development
Center,
Minneapolis-
St. Paul

more specifically. To meaningfully invest in entrepreneurs of color, funders should stop “piloting” their ventures and commit to more long-term engagement.

■ **Provide technical assistance and flexible resources to entrepreneurs.**

Tailored technical assistance, training, the provision of resources tied to completion of training, and long-term engagement can help set up entrepreneurs of color for success. For these entrepreneurs, capital, coaching, connections, and sustained mentorship can bridge the gap between information and execution. This support can range from helping entrepreneurs create a business plan, giving advice on how to avoid predatory landlords and lenders, and providing smaller, more discretionary loan products to ultimately supporting businesses with financing to purchase their own space.

■ **Place-based investment is challenging but is vital to transformative change.** Place-based lending can be more time consuming and complex because it requires a deep understanding of the local context and societal forces impacting neighborhoods and business owners. However, once that understanding exists, clustering investments in the most visible parts of a neighborhood and in commercial corridors can foster a change in perception of the neighborhood, both internally and externally. Moreover, working in partnership with housing, education, and business lenders in a neighborhood can enable partners to develop a cohesive strategy with prosperity at the center.

Policy Recommendations

■ **Further leverage Community Development Financial Institutions (CDFIs) as a tool to deploy capital to disinvested communities.** CDFIs play an important role in generating economic growth and opportunity in disinvested communities. CDFIs were born out of the civil rights movement as a way for communities of color, especially the Black community, to build wealth. Building capacity in mission-driven CDFIs contributes to the equitable distribution of capital; this goes hand in hand with narrowing the racial and economic wealth gap. However, 27 percent of counties in the United States lack CDFIs, so public policy needs to incentivize the growth of CDFIs across the country.

■ **Hold local banks and hospitals accountable for their community obligations.** Practitioners should encourage local leaders to ask banks for their Community Reinvestment Act (CRA) record, which tracks banks’

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We know sometimes the person that I am looking at now might not ... be the person on paper that we should give a loan to. ... How do we start to look at potential ... and get involved on a very local level and make these changes today?”

Will Towns
*Executive Director,
Benefit Chicago*

history of meeting the local community's credit needs. Additionally, practitioners should engage with local hospitals conducting their community health needs assessments. To comply with federal tax law, hospitals must develop a community health assessment in collaboration with community stakeholders such as nonprofit leaders. Hospitals are then tasked with identifying community health deficits and implementing a strategy to address those needs.

■ **Reshape how creditworthiness is defined.** Currently, creditworthiness does not consider the financial barriers that entrepreneurs of color encounter when trying to secure capital. Some entrepreneurs of color might not have the financial credit to access loans and other financial resources despite having other tools needed to start or expand their business. For example, a small business fixing cars in a home garage might be successful in the community, but might not have the financial credit to be seen as worthy of investment. To address this issue, community banks can use more equitable tools like character-based loans and create support mechanisms to enable the building of good credit over time.

Models and Tactics

■ **Neighborhood Development Center (NDC).** NDC is a nonprofit CDFI in Minneapolis-St. Paul that works with businesses from start-up to expansion and focuses on building neighborhoods from within. NDC provides integrated business services with culturally competent, business-savvy, and diverse staff with the aim of enabling entrepreneurs to start and grow businesses that enrich the economic and social fabric of their communities. NDC has extended more than \$13.7 million in loan capital to over 570 businesses, provided more than 56,000 hours of coaching to over 3,700 entrepreneurs, and participated in the redevelopment of six formerly blighted properties that are now home to over 120 small businesses. NDC is intentional about not abandoning or gentrifying; the organization invests in the existing community.

■ **Growth Opportunity Partners (Growth Opps).** Growth Opps provides lending and coaching assistance to small and midsize businesses located in low- and moderate-income areas in Northeast Ohio. Growth Opps advises communities on how to achieve equitable growth while improving the quality of life for lower-income persons. The organization works with businesses that are poised to grow but, for a variety of reasons, are unable to secure funds from traditional banking sources.

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How does America value people of color ... and how has America valued Black people? ... When we get to this place [of disinvestment], it is at the intersection of value assignment and capital.”

Michael Jeans
*President and
CEO, Growth
Opportunity
Partners, Inc.*

Growth Opps only works with small businesses they believe can create meaningful-wage jobs and make an economic impact, especially in low-income, urban core neighborhoods and economically disadvantaged rural areas.

LEVERAGING FEDERAL AND STATE TOOLS TO ACCELERATE ECONOMIC INCLUSION

Introduction

Federal and state priorities can incentivize or constrain equity-oriented policies and approaches at the local level. Tax incentives created through reforms such as the federal Opportunity Zones program, as well as other transportation and housing investments, can be used to catalyze inclusive growth. However, these tools can also create complex interdependencies and have unintended consequences. Practitioners urged cautious pragmatism toward federal reforms and innovation at the state and local level with metrics and robust reporting to ensure that stakeholders, such as developers, are accountable to a collective community vision.

Overarching Themes

■ **Use existing tools to advance local solutions.** Even when federal, state, and local entities are coordinating to foster inclusive economic growth, progress can be slow. For this reason, it is not always possible for financial activists to wait for legislatures and other governing bodies to develop ideal policy solutions. Panelists shared that they balance leveraging existing tools, such as the EB-5 Immigrant Investor Visa, infrastructure funding, and Opportunity Zones, to increase capital while at the same time advocating for more equitable public policy.

■ **Use innovation in public investments to foster economic inclusion.** Public entities manage large sums of capital that can be used to build assets for individuals and catalyze inclusive growth. Traditionally, these public assets and investments did not have the express purpose of fostering economic inclusion for communities of color. This lack of intentionality is starting to change as public entities become increasingly aware of the effects their investments can have in underserved

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With the election of Mayor Lightfoot we have our first racial equity officer in city government. First one. We are at a very historic moment. ... We are still not at [the] point where we're collaborating well together between the state, local, and federal government to address these issues, but I think we are at a historic moment in time to do it.”

Andre Geer
*Vice President
and Market
Leader, Chicago,
Enterprise
Community
Partners*

communities. Financial advocates can push for innovative public investments to eliminate the racial wealth divide, whether through investment in businesses owned by people of color, homeownership, educational debt reduction, or other mechanisms to create wealth.

Policy Recommendations

■ Consider using the EB-5 Immigrant Investor Visa to procure capital.

The EB-5 Immigrant Investor Visa is a federal program that grants green cards and a path to citizenship to foreign investors who invest in job-creating real estate projects. The program is designed to pull in foreign talent and funnel capital to business ventures that create jobs. The EB-5 program is an underutilized resource to procure capital and promote job creation.

■ Leverage the Opportunity Zones initiative created by the 2017

Tax Cuts and Jobs Act. Opportunity Zones are located in disinvested communities where people can invest capital in exchange for federal capital gains tax advantages. Opportunity Zones incentivize investment in underserved communities and may be a valuable tool for financial advocates to procure capital. For example, Invest Atlanta seeks to use Opportunity Zone funds to promote job creation, develop affordable housing, support local entrepreneurs, and further mixed-use development in underresourced communities. There must be an intentional focus on using Opportunity Zone funding for meaningful community development, as there has been criticism of investors for using the tax breaks to support projects that do not need extra support, or putting money into neighborhoods that are already seeing a large amount of investment. Practitioners urged the use of community-centered metrics, such as the number of affordable housing units or local jobs created, to ensure accountability.

■ Transportation investments can be a tool for inclusive growth.

Affordable public transportation can connect the community to jobs, education, housing, and other essential services such as health care. Investment in transportation has the potential to serve as an investment in community opportunity. However, federal highway investments were originally constructed to divide communities on the basis of race and class, so systems-change and community accountability strategies are central to an equitable transportation and infrastructure agenda. In 2016, there was renewed public investment in transportation. Federal and

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We are going to be able to invest in student loans because we know the student loan burden, particularly in minority communities, prevents people from fully participating in the economy. So we want to see what we can do to purchase debt, refinance it at a lower rate, and also provide capital up front at lower cost.”

Laura Williams
Director of Policy,
Illinois State
Treasurer's Office

state governments invested capital to support infrastructure projects across the country. It is critical that transit projects support the existing community and not be used to displace residents and local businesses.

Models and Tactics

■ **The Strong, Prosperous, and Resilient Communities Challenge (SPARCC)**. An initiative of the Natural Resources Defense Council, Enterprise Community Partners, the Federal Reserve Bank of San Francisco, and the Low Income Investment Fund, SPARCC uses public and private sector investment to advance innovative solutions in housing, transportation, and parks. SPARCC is investing in and amplifying local efforts in Atlanta, Chicago, Denver, Los Angeles, Memphis, and San Francisco. It fosters inclusive growth by working with communities to help mobilize local leaders, community members, policymakers, and others to ensure that investments fuel transit, housing, and better health and prepare for the challenges of climate change. Leveraging community assets with local stakeholders to fund sustainable development, SPARCC funds local initiatives in six sites, including Elevated Chicago.

■ **Elevated Chicago**. Elevated Chicago launched in 2017 to use Chicago's public transit system and equitable transit-oriented development to meaningfully address neighborhood displacement and economic revitalization. In Chicago, displacement is rooted in gentrification and lack of community investment. Elevated Chicago fosters areas of community-centered art, culture, and commerce in the half-mile radius around transit stations. The organization is committed to preserving the cultural identity of communities and supporting existing businesses without displacing current residents. The initiative works at strategic locations along the Green, Pink, and Blue lines of the Chicago Transit Authority system and collaborates with existing communities to develop plans for inclusive investment.

■ **Illinois Growth and Innovation Fund (IGIF)**. IGIF serves as an activist venture capitalist that invests in Illinois-based technology companies. Through the Illinois State Treasurer and other partners, IGIF has placed \$83 million in funds owned by people of color and women and has invested in 70 businesses owned by minorities, women, veterans, or people who are disabled.

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When we think about the money that's coming, how do we leverage those pieces to support pipelines of dreams? Many communities across the country ... have been overpromised and under-delivered in terms of the investments that are happening. ... People want to see investment happen in their region, but they want to make sure it is the type of investment that benefits them.”

Stephanie Gidigbi
*Director of Policy and Partnerships,
Natural Resources
Defense Council*

BRINGING BUSINESS TO THE TABLE

Introduction

The business community has sometimes been a reluctant partner in efforts to promote racial equity and inclusive growth. However, the private sector is a critical component of systems change that can foster economic inclusion. A common challenge for practitioners is building the business case for investment; for companies, the challenge is doing business with equity as a bottom line. Conference speakers representing a range of private sector actors provided insights on how to bridge this gap.

Overarching Themes

■ **To get businesses engaged, the community must speak their language.** Engagement requires knowing how to communicate with the target audience. It is not enough to make the moral case for why businesses should be involved in inclusive growth and place-based approaches to equity. Rather, practitioners must demonstrate the return on investment, in both the short and long term, and adjust their strategy depending on the business's particular model and needs. The community and local government must also be able to act quickly; endless roundtables and discussions are a recipe for businesses to lose interest in the opportunity. Both sides need to recognize the importance of developing long-term relationships, ones that last well beyond the time when personnel on either side move on.

■ **Anchor institutions are increasingly valuable partners in economic inclusion.** Anchor institutions—such as colleges, universities, hospitals, and medical centers—have realized that walling themselves off (sometimes literally) from the community is a failed strategy. Increasingly, anchor institutions across the country are stepping up to partner with communities by leveraging their purchasing and procurement power, as well as their educational resources, to invest in economic opportunities, jobs, and human capital in the neighborhoods they serve. For this effort to be successful, all sides recognize that these anchor-community partnerships require a great deal of trust building. Anchors are engaging community partners and working collaboratively to drive growth and prosperity in their home neighborhoods, cities, and regions.

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You don't get any extra credit for fixing what you participated in breaking. Corporations broke this ... we have to now participate in fixing it.”

George Wright
*Director of
Community
Development, Citi*

Policy Recommendations

- **Community-business partnerships must be transparent and hold everyone accountable for their commitments.** Without transparency, there is a greater possibility of mistrust, missteps, and concerns about partners operating in self-interest instead of toward collectively beneficial outcomes. Discrete partnerships, when well crafted, are important trust-building mechanisms that set the stage for longer-term relationships.
- **Elected officials play an important role in reinforcing the community's message.** It is vital to engage elected officials so they understand community priorities and reinforce those goals through policy, regulations, and negotiations with businesses and developers. A strong public partner, for example, can provide incentives for development that does not displace community members and can reinforce messaging about the importance of economic inclusion.
- **Everything must be viewed and measured by race, place, and income.** Practitioners cannot ignore history when designing solutions to the issues facing urban America. Deliberate policy choices led to the challenges facing many urban areas today, some of which were facilitated and even promoted by the business community. Therefore, when assessing whether a particular business proposal should move forward, business leaders, policymakers, and community members should view the proposal through the lens of race, place, and income. For example, what impact will this proposal have on local communities of color? Will the benefits of this engagement remain in the community? And will it create high-quality jobs that will be filled locally?

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Don't oversell what you can do. You're not the panacea or the messiah.”

Alicia Wilson
*Vice President
for Economic
Development,
Johns Hopkins
University and
Health System*

Models and Tactics

- **Virginia Hospital Center (VHC).** VHC is one of the largest employers in Arlington County, Virginia. While this county is one of the wealthiest in the country, significant income disparities are pervasive. Over 9,000 residents live on less than 30 percent of the area median income. Given the county's relatively low unemployment rate, VHC was having trouble filling entry-level job openings. In partnership with the [Arlington Community Foundation](#), the hospital undertook a review of its hiring practices. VHC revised its recruitment filters, committed to training new workers so that they would have the skills needed for the jobs, and partnered with nonprofit organizations who could help applicants

develop the soft skills needed for employment. These changes have resulted in locally hired employees earning \$15/hour wages who enjoy free health care for their families.

■ **Johns Hopkins University and Johns Hopkins Health System.**

Johns Hopkins University (JHU) is developing a systemwide economic development agenda. The first of the agenda's three components is place. Given the university's location, these place-based efforts are focused in Baltimore and the other communities where the university has a physical presence. A second component is examining where Hopkins spends its money, particularly with respect to facilities, hiring, and procurement. As JHU moves into the next phase of this work, the focus will be on race, gender, and inclusionary investing. The third is educational investment. Here, Hopkins is building pipelines into jobs and opportunities. In short, the university is designing a systemwide economic development agenda and leveraging all of its strengths to continue to be an economic partner to the city and community.

■ **University of Chicago's place-based work.** The University of Chicago is committed to building on its position as a leading economic anchor for neighborhoods on the South Side of Chicago and making a strong, lasting contribution to Chicago's economic health. Through [UChicago Local](#), the university provides procurement and workforce development opportunities for local businesses and residents by connecting small businesses and job seekers in mid-South Side neighborhoods to contracting opportunities at the university, UChicago Medicine, and their vendor networks. The university is also a founding partner in [Chicago Anchors for a Strong Economy \(CASE\)](#), a regional effort of 15 anchors (public, private, medical, educational, and cultural) that have come together to coordinate purchasing and employment. The CASE partnership has resulted in 31 contracts secured, about \$9.4 million in revenue, and 70 jobs created. Finally, because nonprofit organizations play an essential role in the health and vitality of Chicago's South Side, the university [Office of Civic Engagement](#) launched the [Community Programs Accelerator](#) in 2015. The accelerator invests in capacity building, provides technical assistance, and offers funding support to help community-based organizations in their efforts to make a difference in the mid-South Side.

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Are we willing, as important institutions, to put ourselves in the position where we are actually following the will of the community, where we are responding to the will of the community?”

Daniel Ash
Associate Vice
President of
Community
Impact, The
Chicago
Community Trust

REFLECTIONS

The Urban America Forward: Equity Solutions in Place conference was a platform for place-based practitioners, researchers, advocates, and policymakers to share innovative solutions, challenges, and tools for furthering equity and inclusive growth in their communities. To recap, the following themes were lifted up:

- » **Emerging Practices and Open Questions in the Field**
 - To create sustainable economic prosperity, examining hard truths about equity is key.
 - Place is central to building economic inclusion.
 - Investing in racial equity and economic inclusion has economic benefits beyond the target community.
- » **Being a Partner to Community-Driven Solutions**
 - The community must be meaningfully at the table.
 - The community is in the best position to develop solutions.
 - Equity is easy to say, but difficult to do.
- » **Improving Capital Flow to Disinvested Neighborhoods**
 - Culturally competent lenders are a key to investing in underresourced communities.
 - Funders must stop viewing investment in entrepreneurs of color as “pilots.”
 - Provide technical assistance and flexible resources to entrepreneurs.
 - Place-based investment is challenging but is vital to transformative change.
- » **Leveraging Federal and State Tools to Accelerate Economic Inclusion**
 - Use existing funding tools to advance local solutions.
 - Use innovation in public investments to foster economic inclusion.
- » **Bringing Business to the Table**
 - To get businesses engaged, the community must speak their language.
 - Anchor institutions are increasingly valuable partners in economic inclusion.

Participants reflected that convenings such as Urban America Forward are a rarity in their work; too often people worked in silos, unable to

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During the convening, problems were addressed from a variety of areas of expertise, which, in my view, gave them real viability. The solutions were never silver bullets; instead, they were a combination of community building, engagement, policy, and financing with specific programs, steps, and funding streams mentioned as a path forward.”

Ryan Albright
*Director, Strategic
Neighborhood
Development,
New Orleans
Business Alliance*

benefit from learnings in other cities. The conference was an important reminder that this work does not exist in a vacuum and the movement toward equity and economic inclusion is making strides. Local practitioners have the expertise necessary to make transformative change, but their capacity is only strengthened when they have an opportunity to connect and have honest, straightforward exchanges with others who are doing this work. Additionally, the conference created a space for collective problem-solving that offered participants actionable tools to bring back to their communities and a means of communicating what is needed from funders and policymakers to further the field.

KEYNOTE: KNOW YOUR PRICE

Keynote speaker Andre Perry is a Fellow in the [Metropolitan Policy Program](#) at the Brookings Institution. Perry's research focuses on race and structural inequality, community engagement, education, economic inclusion, and workforce development. He believes research can be a tool to dismantle systemic oppression. Perry urged attendees to consider the devastating impact of the systemic devaluation of Black communities.

In his presentation and Brookings report, [The Devaluation of Assets in Black Neighborhoods](#), Perry shared that differences in neighborhood amenities and homes do not fully explain the devaluation of homes in Black neighborhoods. Homes of similar quality in neighborhoods with similar amenities are worth 23 percent less in majority Black neighborhoods, compared with those having very few or no Black residents. This amounts to a devaluation of \$48,000 per home on average and results in a cumulative loss of \$156 billion in Black neighborhoods. To put the \$156 billion figure into perspective, that dollar amount would fund 4.4 million Black-owned businesses, replace pipes in Flint, Michigan, nearly 3,000 times over, and pay for 8.1 million four-year degrees.

He argued that meaningful public policy is part of the solution. Advocates on the ground have the approaches to inform sound policy. His presentation outlined the themes of his book, [Know Your Price](#), forthcoming in spring 2020.

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There's nothing wrong with Black people that ending racism won't solve.”

Andre Perry
*Fellow in the
Metropolitan
Policy Program,
Brookings
Institution*