Paving the Way to an Inclusive and Equitable Economy
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Living Cities was founded over 30 years ago to improve the lives of low-income people in cities through the construction of affordable housing and neighborhood development in urban areas. Disinvestment from urban centers during the 1970s and 80s hollowed out the core of our economy. Narratives of neighborhood blight and white flight fueled policy despair and social separation dimming our mutual sense of civic hope. Living Cities’ founding philanthropic and financial institution leaders reached beyond their individual ambitions and committed to collective action to advance community development.

While not acknowledged at the time, the disinvestment of that era was a direct policy and social push back for the political and social progress achieved by the direct demands of Black, Indigenous and other people of color (BIPOC) for civil and human rights from the conclusion of World War II through the 1970s. Calls for “Jobs, Freedom and Justice” were met with retrenchment

We must think bigger and bolder about what we can achieve to ensure that all people – especially historically marginalized populations – succeed and thrive.
and insistence upon a color-blind racial hierarchy which was most evident in the Supreme Court decision in Regents of the University of California v. Bakke, 438 U.S. 265 (1978), which in pertinent part limited the scope of voluntary efforts to advance racial integration in higher education and beyond. Living Cities’ members appreciated these dynamics and resolved to respond by revitalizing urban centers, informing policy, and leading through innovation. Our resolve resulted in significant reforms in cities and communities and within philanthropy and financial institutions, furthering economic and social progress for all.

Once again we are at an inflection point. By the year 2045, America will become a nation with a racially and ethnically diverse majority. The inequities of the COVID pandemic years made us painfully aware of the depth of our social and economic inequities and their cost. Calls for thoughtful and intentional approaches to racial equity have nevertheless been countered by political fearmongering and litigation to spur disinvestment. Having responded to the effects of past disinvestment, Living Cities resolves to close racial income and wealth gaps and to build support for a more inclusive and equitable economy. We understand that the inherent assets of people who we once labeled “marginalized” will never yield positive return without our catalytic and innovative investment, access to financial and knowledge capital, and fostering policy environments that enable shared economic growth. We believe that cities can be those environments and that our members’ collective actions are the source of innovative investment, knowledge, and public will building needed to sustain meaningful change.

Living Cities members are aligned around the vision of a new economy that serves all Americans, intentionally closes racial income and wealth gaps, and ensures that all people can contribute to and benefit from the economy. In support of that vision, Living Cities staff are advancing capital access strategies that call for innovations in lending, private equity, impact investing, and public procurement. We seek to establish a Racial Wealth Equity Center of Excellence that curates and shares the knowledge products generated by philanthropy and financial institutions, and bolsters a new narrative of economic opportunity that ends the cancerous conflation of risk and race.

The generous support of our members has enabled the staff of Living Cities to establish and support a network of cities committed to advancing racial equity and fostering economic growth through equity, inclusion and sustainability. The Closing the Gaps (CTG) Network seeks to advance and share knowledge of local policies and practices that foster economic racial equity and inclusion. With the targeted support of particular members (Citi Foundation, Wells Fargo Foundation, Truist Bank Foundation), we are engaged in deep cohort work in six cities to support and increase Black, Indigenous, Latine, and Asian business and home ownership, and inclusive business corridor ecosystems in five southern cities. These deeper initiatives build on the strong foundation of investment from all Living Cities members.

Having learned of the power of impact investment capital in revealing the hidden economic potential within all communities, we ventured to scale our experience through a proposed $100 million Fund of Funds, that would demonstrate the hidden opportunity for equitable economic growth through fund managers who prioritize entrepreneurs of color. Given the ambitious nature of this proposal, Securities and Exchange Commission compliance, and our desire to optimize our investment team’s performance, we formalized a joint venture with Known, a finance and asset management firm, to support the development of our third impact
investing fund. By leveraging the experience and resources of Known, and with a significant anchor investment from the Ewing Marion Kauffman Foundation, we believe we can support a virtuous cycle of investments in communities of color.

The stories and data outlined in this report illustrate the foundation we established with the support of our members and the initial forecast of our direction. Each of the accomplishments shared are the product of collective action and trust earned through meaningful partnerships with leaders in cities, communities, field partners, and board members and their staff. Just as Living Cities supported the creation of the affordable housing market 30 years ago, we aspire for this body to be a critical and experienced voice in closing racial income and wealth gaps and envisioning how capital innovation can generate a more inclusive and equitable economy before 2045.

Joe Scantlebury
President and CEO
Living Cities
Mapping Opportunities for Member Collective Action

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Throughout the year – in board meetings, member salons, home and business ownership strategy sessions, and quarterly meetings of the Shared Measures Task Force, which seeks to move the needle on common metrics related to institutional diversity, equity and inclusion – Living Cities members worked together to pave a way forward for impactful collective action. Together, members explored key areas of opportunity for advancing equitable access to all kinds of capital, including:

- Sharing insights and innovations on dismantling current barriers that home and business owners of color face in accessing capital
- Sharing progress on equitable grantmaking strategies, including trust-based philanthropic practices and power-sharing as well as other advances in operationalizing racial equity within our own institutions
- Exploring narrative change to counter racial bias in risk assessment – from venture capital to credit scores – and open up access to capital for people of color
- Promoting equitable procurement in cities to leverage the infusion of federal funds for BIPOC wealth building
- Examining new forms of measuring well being and community power

In Spring 2023, the Living Cities board committed to share knowledge more formally by creating a Racial Wealth Equity Center of Excellence to aggregate and synthesize lessons and insights from across the membership. With an anticipated 2024 launch, members will use this shared knowledge to catalyze the adoption of best practices, surface new areas for innovation, and identify avenues for collective action. With a more thoughtful and disciplined approach, we can share powerful insights with communities, scale innovative solutions, disrupt harmful narratives, and leverage national moments of opportunity – such as historic federal investments in infrastructure and support for clean energy – as an unprecedented wealth building opportunity for communities of color.

Living Cities was founded in 1991 as a member collaborative, uniting the knowledge, resources and influence of prominent foundations and financial institutions to achieve bold goals and share lessons learned. In July 2022, members concluded a nine-month strategic planning process with a clear focus on unlocking capital of all types to ensure equitable and inclusive wealth building pathways – such as home and business ownership – for BIPOC individuals and communities. And in November 2022, members renewed their commitment to engaging in collective learning and action to transform our economy into one where all people can thrive.
MetLife Accelerates Equity

In 2021, Tia Hodges was tapped to serve as Vice President of Corporate Giving & Employee Volunteerism and President and CEO of MetLife Foundation and joined the Living Cities board as the Foundation’s representative. As a new executive, the Living Cities collaborative provided an immediate community of peers from philanthropy and the financial services sector, a network of people who understood the impact and challenges of philanthropy, and a shared commitment to racial and economic equity.

As a member of the Living Cities Board, Tia attended the Undoing Racism workshop, hosted by Living Cities and led by the People’s Institute for Survival and Beyond (PISAB). The multi-day workshop afforded the opportunity to recognize the importance of having a common understanding of how race and power impact economic outcomes, and she extended the opportunity to her team through Living Cities.

MetLife Foundation launched a new strategy in July 2022 to drive inclusive economic mobility for underserved and historically marginalized people around the globe. This included an intentional focus on income and wealth inequality and support for basic needs for some of the most vulnerable people in communities across the U.S. and around the world.

As part of the new strategy, the Foundation launched two new grant programs on Juneteenth 2023: Accelerating Commitment to Equity Innovation Fund (ACE Innovation Fund) to support visionary, bold and forward-looking solutions that address barriers and systems that disproportionately keep underserved and historically marginalized people from building wealth and living with grace and dignity. In addition, they announced the Community Impact Grant Program that supports basic needs for the most vulnerable people in communities across the U.S. The call for proposals enabled the Foundation to encourage diverse new partners and solutions that address the most pressing issues of our time. When the grant program was announced, Living Cities served as an amplification partner.

“This is authentic work that I hope contributes to the journey of ensuring that historically marginalized communities have equitable access to the resources to live life with dignity and build income and wealth,” Tia said on announcing these grants.
City and Community Engagement

Advancing BIPOC Home and Business Ownership

One of the unique facets of Living Cities is our ability to support innovation in cities, combine those lessons with the research and knowledge of our members, and feed the resulting insights back to the community.

Living Cities supports city governments, local leaders and community members from 22 cities as they drive systems change to close racial income and wealth gaps. Led by our City and Community Engagement (CCE) team, the Closing the Gaps Network (CTG Network) offers a community of practice for these leaders, where together they build and employ racial equity competencies from a historical analysis of systemic inequities, and develop community-driven practices and policies that foster inclusive economic opportunities. Leaders in the CTG Network actively learn from and support one another as they engage in this critical work.

Within the network, six cities – Albuquerque, N.M.; Austin, Tex.; Memphis, Tenn.; Minneapolis, Minn.; Rochester, N.Y.; and St. Paul, Minn.– were selected for deeper engagement through a “Year of Reckoning” cohort to close gaps in BIPOC homeownership and entrepreneurship.

Five cities – Atlanta, Ga.; Nashville, Tenn.; Charlotte, N.C.; Miami, Fla.; and Memphis, Tenn. – participate in “Breaking Barriers to Business,” a 3-year initiative seeking to better serve BIPOC business owners in commercial corridors with access to expertise and the capital they need to start, persevere, and grow in place.
Building on a strong foundation of racial equity analysis and practice developed in collaboration with our partners at People’s Institute for Survival and Beyond (PISAB), teams from all of the CTG Network cities gathered in person in Saint Paul in July 2022 to begin applying these competencies to systems change. Participants examined both quantitative and qualitative data from the Year of Reckoning cohort cities; engaged with and learned from community members in the Twin Cities; and gained inspiration from peers and speakers such as Mayor Melvin Carter, McKnight Foundation President Tonya Allen, and Race for Profit author Keeanga-Yamahtta Taylor.

I know the government does not want to make things more complicated, but they can get the right people in the room to sit down and talk it out. We can come up with beneficial ways that help people with affordable housing.

- Memphis Resident, Needs Assessment

With our data partners – Urban Institute, FSG and MASS Design – and technical assistance partners – Third Space Action Lab and Regionerate – Living Cities provided the six Year of Reckoning cohort cities with the information, tools and guidance to develop community-focused work plans to advance both home and business ownership. The cohort is now testing how a variety of approaches – such as collective ownership models, community land trusts, reparative justice initiatives, inclusive procurement and two-generational solutions – can advance ownership to build wealth for BIPOC entrepreneurs and homeowners. Granting $3.2 million in subgrants across our Cohort cities, city teams have the opportunity to pursue their work plans as a part of a multi-year initiative, with the initial needs assessment data serving as a baseline going forward.
Paving the Way to an Inclusive and Equitable Economy
Community Engagement Map

Paving the Way to an Inclusive and Equitable Economy
Albuquerque, NM: Develop city-owned land to support and increase the homeownership rates for local Native and Black communities, as well as offer technical assistance to develop a pipeline of licensed Black, Indigenous and people of color (BIPOC) general contractors in the city.

Minneapolis, MN: Partner with Youthprise to create a pilot cohort of underserved BIPOC youth to support them in advancing cooperative models for business and home ownership.

Austin, TX: Partner with UpTogether to launch a direct cash assistance to support Black, Indigenous, and people of color (BIPOC) who want to purchase homes through the City of Austin’s land trust, as well as partner with community based organizations to provide equity infusions and technical support for BIPOC entrepreneurs.

Saint Paul, MN: Contribute to the Inheritance Fund, which offers forgivable loans to help low-income descendants of the old Rondo neighborhood purchase homes and support homeownership and employee owned co-ops through capacity building.

Memphis, TN: Create a community land trust in the historic Orange Mound neighborhood to provide affordable homeownership, as well as develop a Contractors University to improve BIPOC access to contextual technical assistance, strengthen the contractor community, and help more BIPOC businesses contract with the city.

Rochester, NY: Target outreach to Head Start families with Housing Choice Vouchers to buy homes using their vouchers and assist with down payment assistance, as well as offering grants to early-stage BIPOC owned businesses, navigation support, and other technical assistance.
Paving the Way to an Inclusive and Equitable Economy
Data- and Community-Informed Strategies

Living Cities believes in the power of disaggregated data and community insight to guide the design of systems change. In Albuquerque, our needs assessments revealed the need for equitable wealth homeownership opportunities in both Black and Native communities. Compared to white borrowers, Native American applicants are nearly three times as likely to be denied home loans, and Black applicants face denials twice as often. Disaggregated data also showed that only 16% of Black renters can qualify for homeownership. As one resident shared: “The city should say YES to building homes with the Native and Black communities in mind because it has never been done AND we can begin to close the racial wealth gap by helping families become owners of homes that reflect their culture.” Partnering with the SW Indigenous Housing Justice Coalition, the African American Greater Albuquerque Chamber of Commerce and others, the City of Albuquerque’s work plan with Living Cities now aims to engage Black and Native contractors in developing homes that meet community needs on city land to provide wealth-building pathways through business ownership, wages, and home ownership.

Note: All community needs assessments are publicly available on Living Cities website and serve as the baseline for our evaluator to track progress in the coming years.
Ultimately, Living Cities sees our work with the CTG Network as an opportunity to generate insights based on community-driven experimentation, complemented by original research. In this last year, for example, we:

- Funded a landscape scan of homeownership for households of color, prepared by Urban Institute, which illuminates the systemic racial inequities—from rental costs to access to credit to housing supply—that led to the racial homeownership gap, and explores how economic shocks (e.g., recessions or natural disasters) exacerbate these patterns; and

- Co-funded research by 1863 founder Melissa Bradley, on small business survivability that underscores the importance of addressing racial disparities and highlights opportunities to increase the growth and longevity of businesses owned by people of color.

These insights—when combined with the lessons from our network of cities through regular touchpoints and the knowledge being generated by our members—will point the way to promising innovations and areas for collective action.

“Small business has two roles—a social, cultural role, and they meet the needs of our community. Commercial corridors are critical. If we lose those, our neighborhoods go with them.”

- Saint Paul Resident, Needs Assessment
In the 1930s, Rondo was the heart of St. Paul’s Black community and burgeoned to become “the neighborhood” for Black folks. According to the Minnesota Historical Society, it was home to 80% of St. Paul’s Black community by the 1950s. However, the 1956 construction of Interstate 94 displaced 600 Black families and businesses, and resulted in the loss of $100 million in wealth.

In an effort to establish reparative justice in the city, Saint Paul Mayor Melvin Carter announced new wealth-building opportunities in his 2023 budget, including the innovative Inheritance Fund, which moves capital back to low-income families from Saint Paul’s historic Rondo Neighborhood. The fund provides up to $110,000 in downpayment assistance to help displaced Black Rondo descendants return, and more importantly, rebuild wealth through homeownership.

Based on extensive research and community engagement as part of the Year of Reckoning cohort, the Saint Paul team will work with the Rondo Community Land Trust, a BIPOC-led land trust, combining funding from local government for the land trust, transferring city and county-owned properties, and tax breaks for cooperatives to provide hope and meaningful pathways for community members to become homeowners. Previous land transfers to Rondo Community Land Trust have increased housing stock and affordability.
Barrier Identified

Corporate investors bought up 42.4% of condos, townhomes, and single-family homes in 2021 in Saint Paul. Spending $1 billion on 1,849 homes in the Twin Cities in just one quarter, these corporate buyers drove up market prices for buyers and renters, with the negative impact hitting communities of color the hardest.

Community Land Trusts (CLTs)

Community Land Trusts (CLTs) emerged as a promising equitable development opportunity for several Year of Reckoning Cities. In the CLT model, residents can purchase homes on land owned by a nonprofit, entering into a low-cost lease of the land beneath the home and agreeing that when it comes time to sell the home, it will be sold at a price that maintains its affordable nature. With support from Living Cities, Memphis is developing a community land trust in the historic Black neighborhood of Orange Mound. In addition, four other Year of Reckoning cities – Albuquerque, Austin, Minneapolis, and Saint Paul – are also incorporating community land trust approaches, allowing us to identify trends across the cohort.
Commercial Corridors and Local Government Partnership

In our Breaking Barriers to Business cohort, Living Cities and our partner, Main Street America, seek to help participating communities strengthen the systemic relationship between local government business-serving agencies (BSAs) and community-based business serving organizations (BSOs) to better serve business owners of color in commercial corridors with the systemic pathways to knowledge capital and financial capital they need to start, preserve, and grow in place.

Our office is committed to starting the conversation of significant change, internally and externally, and centering the voices of those most impacted by disparities in Nashville. These three corridors are only the starting point.

- Nashville’s Office of Diversity, Equity and Inclusion
Nashville, a member of our Breaking Barriers to Business Cohort, kick started their initiative to address systemic barriers for business owners of color by hosting a series of community engagement sessions in the three identified commercial corridors: North Nashville-Jefferson Street, Chestnut Hill-Wedgewood Houston, and Antioch. These sessions connected local Black and brown business owners with the city to discuss opportunities to start, preserve and grow their businesses.

Nashville continues to leverage community partners for commercial activity and equity focused organizations to advance business development for Black and Brown communities. Andrea Blackman, Chief Diversity, Equity and Inclusion Officer mentions, “The ultimate goal of creating an equitable entrepreneurial ecosystem within Nashville is inclusive prosperity through anti-racist work. We strive to transform the city’s approach to equitable practices by advancing racial equity in government decision-making, policies, and performance measures.”

In this multi-year initiative, Nashville’s Office of Diversity, Equity and Inclusion, located within the Finance Department, plans to not only honor the historic harm and significance of these generational commercial corridors, but to intentionally listen to BIPOC communities to preserve and grow their businesses. Some needs they have identified include:

- Funding allocation based on the priorities identified through community engagement
- A reduction in licensing and permitting timelines
- A streamlined process and checklist on how to respond to local government RFPs
- Translation of key information and resources into Spanish and other relevant languages
- Connectivity between emerging and legacy businesses in the corridor

Paving the Way to an Inclusive and Equitable Economy
On May 22, 2023, Living Cities announced a new partnership with Known, a finance and asset management firm, to house our $100 million Catalyst Fund III, an investment vehicle designed to confront and address underinvestment in Black, Indigenous, People of Color (BIPOC) communities.

Our joint venture with Known will help our philanthropic collaborative to scale, demonstrate impact to a wider audience, and challenge current narratives, assumptions and practices that limit capital investment and hobble our nation. Known and Living Cities believe that our nation’s growth and stability begin with changing our approach to investing today.

Known is a Black-, Indigenous-, Latinx- and Asian American-founded platform for the investment in and sustainable growth of BIPOC fund managers, financial advisors, bankers, and entrepreneurs. It has committed to support the growth of both the Living Cities fund strategy and provide a home for the staffing of the Catalyst Fund III. Under Known’s regulatory framework, the Living Cities team can expand the size and scope of the current fund and future funds augmenting what a non-profit can offer.

The Living Cities Catalyst Fund III builds on Living Cities’ many years of impact investing in financial intermediaries and fund managers in both debt and equity capacities. Fund III follows two structured debt funds – the $38 million Catalyst Fund, which fully repaid investors in 2021, and the $37 million Blended Catalyst Fund, which is fully committed – exploring innovative solutions to serve under-invested communities and close racial income and wealth gaps.

Photo caption: Thaddeus Fair, Managing Director, Known Wealth, LLC
We’re thrilled to provide a new home for the operation and growth of this storied franchise of funds, and we look forward to a thriving partnership with our friends at Living Cities. This values-aligned endeavor is a case study in partnership for scale and growth, and true cross-sector collaboration at its best.”

– Jim Casselberry, CEO of Known Holdings

Living Cities, Inc.: The National Community Development Initiative is the general partner of Living Cities Blended Catalyst Fund LLC (the “Fund”). Known Wealth LLC serves as a sub-adviser to the Fund but is otherwise unaffiliated.
The data from this report is pulled from the 2023 Blended Catalyst Fund Impact Report. This data is not a promise of future performance, and may change without notice.

For more information on the impact of the Blended Catalyst Fund from July 1, 2022, through June 30, 2023, see: Living Cities Blended Catalyst Fund 2023 Annual Report

Our $25.28MM of investment dollars deployed has leveraged 17.22x in additional capital, or $460.70 million

56% of dollars deployed into investments focused on specific geographic areas (cities or states)

Paving the Way to an Inclusive and Equitable Economy
The data from this report is pulled from the 2023 Blended Catalyst Fund Impact Report. This data is not a promise of future performance, and may change without notice.
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**Fortis Capital**

**INVESTMENT TYPE**
Senior unsecured loan

**BLENDED CATALYST FUND INVESTMENT**
$2,000,000

**GEOGRAPHY**
Minneapolis, Minnesota

**PURPOSE**
Small business lending

**YEAR OF INVESTMENT**
2020

**EXPECTED IMPACT**
Loans up to $400,000 to small businesses paired with technical assistance through a city program

**INVESTMENT OVERVIEW & INNOVATION:**

Fortis Capital (the “Fund”) is a non-profit lender created in conjunction with the City of Minneapolis (“City”) to increase access to debt on reasonable terms for small and growing businesses owned by entrepreneurs of color. The Fund purchases non-recourse participations in loans originated by local banks, GDFIs, and other lenders.

The Fund is based on a pre-existing program in Minneapolis, the “2% Loan Program,” which is administered through the City of Minneapolis’s Department of Community Planning and Economic Development. By operating under broader eligibility standards than the City financing program, the Fund expands the credit box to reach those not served well by existing capital programs.

**IMPACT UPDATE:**

Fortis Capital is focused on supporting businesses owned by entrepreneurs of color, who, as research has demonstrated, have more difficulty accessing capital than their white peers. Access to capital is not evenly distributed. Entrepreneurs of color face a legacy of structural racism when seeking startup and expansion capital for their small businesses and are less likely to have a network of high-net-worth individuals that they can leverage. This capital gap, amongst many other factors, contributes to the staggering disparities in income and wealth for people of color. This is true nationally, and in Minneapolis as well.

The Fund was established to increase capital access to small businesses in Minneapolis, to increase jobs created or retained, and to improve overall community well-being. The Fund focuses on low-income, high-poverty areas of Minneapolis, including the federally designated Promise Zone in North Minneapolis and Opportunity Zone designated tracts.

The Fund has closed on eight loans to eight different borrowers since its founding, providing $1.6MM to small businesses in the Minneapolis area. Of the funds deployed, 93.7% have gone to Black-owned businesses and 68.6% have gone to woman-owned businesses. These loans will help create an estimated 134 jobs, along with retaining an estimated 124 jobs. To date, loans have supported several Minneapolis-based commercial developments, helping provide communities with new amenities such as a salon, a café, and a restaurant. The Fund has been raising additional capital continuing to build the fund leveraging BCF’s commitment to grow into a sustainable long-term source of capital for Minneapolis’s small business community.

The data from this report is pulled from the 2023 Blended Catalyst Fund Impact Report. This data is not a promise of future performance, and may change without notice.
Follow the Funding: 
Linkedin Live with the Black Women’s Wealth Alliance

In March 2023, Living Cities hosted our inaugural LinkedIn video interview series, “Live with Living Cities,” where we speak with innovative leaders who are working to close racial income and wealth gaps in U.S. cities. Our series debuted with our CEO in conversation with Kenya McKnight Ahad, founder of the Black Women’s Wealth Alliance. When Kenya was seeking funding for a new building to support and incubate Black women’s entrepreneurship and social innovation, she received needed capital through Fortis Capital.

In the organization’s earliest days, Kenya and a small workgroup of Black women would meet weekly at the McDonald’s on West Broadway to map out what they needed to thrive.

Nothing existed that was specific to Black women’s economic progression and no one understood Black women’s plight and struggles from a historical and generational standpoint. From these meetings, the Black Women’s Wealth Alliance was born. Today, the organization not only serves as an institution, but it is a consistent resource for Black women that lifts up their highest aspirations to build wealth.

Ultimately, the private and public funders too, especially the private [funders], should really make these direct PRI and other investments in social entrepreneurs because buying the building is one thing, being able to operate, maintain and expand it is another.

LinkedIn Live Video Views | LinkedIn Audience | LinkedIn Net Follower Growth*
--- | --- | ---
1,009 | 7,650 | 1,432

*115.3% Increase since previous fiscal year
Internal Operations

Powering Living Cities’ Strategy

Laying the groundwork for Living Cities’ long-term impact is not only about what we do with members, cities, fund managers and other partners, but also what we do within our own organization.

To support our vision of all people being economically secure and living abundant, dignified and connected lives, Living Cities undertook a process to ensure that our total rewards compensation processes are equitable, transparent, as well as market informed. Like many organizations that survived the pandemic, we appreciated that meaningful collaboration within and beyond our staff was a strength for us. To build upon that strength, in 2023, we chose to test and move forward with hybrid operations that retained our established staff flexibility.

We also engaged consultants from Lead for Liberation to train and coach leaders, managers, and the full staff to build a liberatory culture characterized by transformative relationships, clarity and commitment, collective accountability, and trust and transparency. Lead for Liberation is also supporting our C.O.R.E (Colleagues Operationalizing Racial Equity) team, developing staff as racial equity change agents in our organization and the field at large. In addition, we leveraged our organizational commitment to engaging new staff in the People’s Institute for Survival and Beyond’s Undoing Racism workshop as an opportunity to invite members, cities and consultants to sessions in January and April. This allows us to build deeper relationships and a common racial equity analysis with our partners.

Paving the Way to an Inclusive and Equitable Economy
Our finance and operations teams advance Living Cities’ mission by equipping the full staff – for example, by coordinating the move to improved space in both New York and Washington, DC for a lower cost – and ensuring that when we procure goods and services, we are always looking first to use our resources to support BIPOC owners. Living Cities has also continued to strengthen our financial management systems for greater efficiency, including a commitment to pay invoices from small businesses faster than the 30-day industry standard. As a result, 47% of our procurement is from BIPOC vendors, contractors and consultants. This total is almost double the amount spent with BIPOC businesses in FY2017 when we first began tracking.

Finally, Living Cities reaffirmed our commitment to utilizing anti-racist Results-Based Accountability. Equity and Results provided training and support to the full Living Cities team, which enabled us to align more deeply around a clear theory of change. Coming out of an intensive period of strategic planning and gathering baseline data in cities, Living Cities is poised to lead collective action with our members that demonstrates the inherent potential of all people and communities.

**Paving the Way to an Inclusive and Equitable Economy**
Join Us on the Journey

Reflecting on the past fiscal year, we are reminded that systems change to advance racial economic equity requires intentionality and commitment: steadily building trusting relationships; developing and practicing racial equity competencies; forging new partnerships rooted in aligned goals and values; gathering data and understanding the stories of the real people behind the numbers; forging a new vision for the future; and setting up the systems to measure progress and learn along the way.

We feel the momentum of this moment. Our members are coming together to launch a Racial Wealth Equity Center of Excellence to drive innovation, catalyze collective action, and accelerate field-wide learning. Cities in our network are creating new initiatives, practicing community accountability, and advancing policies that will open up access to capital to increase business and home ownership for BIPOC communities. We are actively seeking support for Catalyst Fund III, while continuing to spread the word about the models and award winning approaches reflected in our active BCF portfolio. And internally, we are strengthening the team and seeking to “walk the walk” of racial equity in our culture and operations.

Together we can close the racial income and wealth gap and create an inclusive and equitable economy in which all people thrive.

Follow along on our journey at:

- Livingcities.org
- facebook.com/LivingCitiesInc
- instagram.com/living.cities/
- linkedin.com/company/living-cities/
- twitter.com/Living_Cities