

Host (Justin Charles): Welcome to *Live with Living Cities*, the podcast where we explore how to build a just and equitable society by dismantling systemic barriers to financial equity. I'm your host, Justin Charles, and in each episode, we dive deep into real-world strategies to close the racial wealth gap, foster economic justice, and uplift historically marginalized communities.

Today, we're introducing Living Cities—who we are, why we exist, and the critical work we do to address systemic racism and economic inequality in cities across the U.S. We'll explore the root causes of racial wealth gaps and how Living Cities works to disrupt these systems alongside some of the world's most influential philanthropies and financial institutions.

Why Does This Work Matter?

Host: Why does this work matter so much?

Joe Scantlebury: Despite decades of efforts to expand economic opportunities, the racial wealth gap has remained virtually unchanged since the 1960s. The median wealth for a white family is nearly eight times greater than that of a Black family. This gap results from systemic racism, discrimination, and disinvestment in communities of color.

When I started at Living Cities three years ago, we were emerging from the pandemic and grappling with the national reckoning on racism sparked by the murder of George Floyd. While the pandemic is behind us, the challenge of creating an inclusive economy remains. Given our current political climate, we still have a long road ahead.

Living Cities focuses on *systems change*—fundamental shifts in how cities, governments, and institutions operate. Our goal is to close racial wealth gaps and ensure that everyone, particularly people of color, can access the opportunities, resources, and capital needed to thrive.

We approach this work through four main pillars:

1. Demonstrating what works.
2. Changing narratives about risk and investment.
3. Democratizing knowledge.
4. Driving aligned action through our collaborative.

We're not just addressing symptoms—we're getting to the root of the problem.

History of Living Cities

Host: How has Living Cities evolved over the years?

Living Cities began in 1991 as the National Community Development Initiative, focused on affordable housing and neighborhood development. The goal was to pool funding from foundations and financial institutions to support community development corporations.

Over time, it became clear that housing alone wasn't enough. The real issue was economic opportunity—systemic disinvestment and exclusion from wealth-building systems.

In 2007, we shifted our focus to economic opportunity in a broader sense. Then, in 2012, we made an even more critical pivot, placing racial equity at the center of our work. We recognized that poverty and economic inequality cannot be addressed without directly confronting racism.

Closing the Gaps Network

Host: How does Living Cities create systemic change?

Julienne Kaleta: One of our most powerful initiatives is the *Closing the Gaps (CTG) Network*, launched in 2020 with support from the Citi Foundation. This network brings together leaders from cities across the country to reimagine an anti-racist society and transform government policies, practices, and operations.

Since its launch, 24 cities have joined, gaining access to cross-city learning opportunities on community engagement, inclusive procurement, and using art in program design. We provide resources to help cities implement anti-racist policies and practices.

A key milestone was the *Year of Reckoning*, where city leaders examined how racially biased policies have impacted Black, Latine, Indigenous, and other communities of color. This led to the formation of the *CTG Cohort*, which continues to support cities like Albuquerque, Austin, Memphis, Minneapolis, Rochester, and St. Paul in advancing equitable wealth-building strategies through home and business ownership.

Center for Wealth Equity

Host: Next, let's talk about the Center for Wealth Equity (CWE).

Dr. Ahmed Whitt: The CWE is dedicated to turning knowledge into action to close the racial wealth gap. Despite decades of research and investment, racial wealth inequality has barely budged. The issue isn't a lack of information—it's translating that information into real impact.

The CWE synthesizes insights from research, lived experiences, and on-the-ground practices to create practical tools for policymakers, capital allocators, and community leaders. Our work focuses on:

- Supporting homeownership, entrepreneurship, and community investment in underserved communities.
- Ensuring financial resources reach Black, Indigenous, Latine, and Asian American-led initiatives.
- Creating working groups that foster collaboration among cities, funders, and organizations to maximize impact.

By making these resources accessible and actionable, we help decision-makers drive meaningful change and close the racial wealth gap.

Inclusive Capital Council

Norris Williams: The *Inclusive Capital Council (ICC)* is another key initiative aimed at addressing racial disparities in access to capital. Too often, traditional financial systems exclude historically marginalized business owners due to outdated risk assessments and rigid credit requirements.

The ICC brings together capital decision-makers from government, financial institutions, philanthropy, and community-based capital allocators (CBCAs). Our goal is to shift more financial resources into the hands of CBCAs led by people of color, who are best positioned to support entrepreneurs in their communities.

We focus on:

- Creating new financial risk assessment standards.
- Designing tailored financial products.
- Advocating for policies that promote equitable access to capital.
- Elevating the role of CBCAs in economic development.

By unlocking funding for businesses in historically marginalized communities, the ICC is building a more inclusive economy where all entrepreneurs can succeed.

Call to Action

Host: Thank you for joining us on *Live with Living Cities*! We believe that closing racial income and wealth gaps requires all of us to take action.

Visit www.livingcities.org to learn more about our work and the cities we partner with. Subscribe to this podcast for more stories from the frontlines of change, and share this episode with others who care about building a more equitable future.

Joe: Living Cities is a member collaborative. Our members—foundations and financial institutions—have committed to long-term, systemic solutions. This work requires government, the private sector, investors, and philanthropy to come together.

We do not exist without the commitment of our members.

Host: If your organization is interested in joining Living Cities, reach out to us at lcinfo@livingcities.org with the subject line: *Member*.

Together, we can build systems that work for everyone. This work isn't easy, and it won't happen overnight, but with the collective power of changemakers across the country, we can transform cities—and lives.

Special thanks to our incredible coalition of funders, including:

- The Annie E. Casey Foundation
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- The Gates Foundation
- McKnight Foundation
- MacArthur Foundation
- The JPB Foundation
- Robert Wood Johnson Foundation
- The M&T Charitable Foundation
- The Prudential Foundation
- Melville Charitable Trust
- MetLife Foundation
- Morgan Stanley
- WK Kellogg Foundation
- The Kresge Foundation
- The Ewing Marion Kauffman Foundation

We are honored to work alongside you to close the racial wealth gap and create lasting impact in communities across the country.

Until next time, stay engaged, stay inspired, and let's keep working together toward a future where equity is a reality for all. I'm Justin Charles, and this is *Live with Living Cities*.