

Executive Summary

LISC Atlanta will invest \$43 million to drive bold ideas and resources to close the racial wealth gap in Metro Atlanta over the next three years.

This investment will come by way of loans, grants, and equity in combination with key support programs and services over the next three years. We will strategically invest these resources to build wealth, improve health, strengthen the community development ecosystem, and support long-term, holistic, place-based work.

Strategies for Closing the Racial Wealth Gap

Wealth Building: Addressing the Problem Head-on

Across indicators income, wealth, and opportunity, the gap between households of color and white households is startling. The median annual household income for Black households in the city of Atlanta is one third of the same measure for white households (\$35,048 vs. \$102,693).¹ A reported 59% of the Black population and 53% of the Latinx population in metro Atlanta rent their homes, approximately double compared to the 28% of the white renter population.² As they seek to start and grow businesses, Black entrepreneurs are denied loans nearly twice as often as white business owners.³ With discriminatory practices and without economic opportunity, families face generations of low income and wealth. LISC Atlanta is investing in four primary strategies to help the Black and Brown population build enduring wealth:

- **improve the financial stability** of 400 individuals of color
- **provide \$30 million in grants and loans** to develop commercial enterprises that increase the number of employees making a living wage
- **expand the supply of affordable homes** in gentrifying and mixed-income neighborhoods and help 75 families purchase these affordable for-sale homes
- **help 95 entrepreneurs of color grow their small businesses** through loans, equity and micro-equity, and recoverable grants

Improving Health: Seeking Upstream Solutions

LISC Atlanta understands that where one lives is inextricably linked with health outcomes. Promoting healthy choices is not enough. So-called “upstream” factors — where a person can live, how much they must work to afford their housing, how far they must travel to get to their job or a grocery store, and how much free time they have — all play a part in allowing people to make healthier choices. In the case of Black and Brown people, frequently these factors, known as social determinants of health, make healthy choices much more difficult. The social determinants of health constitute 80 to 90 percent of factors affecting health outcomes.⁴ We are specifically addressing access to safe, stable housing, opportunities for physical activities, and health care and healthy food. Our investments will benefit current residents and improve neighborhood conditions over the longer term.

LISC Atlanta’s holistic approach to improve health in underinvested places centers on investing in fundamental resources to keep residents well. We will:

- Loan \$20 million to add and/or preserve **150 units of affordable housing**—a combination of affordable rental units in mixed-income neighborhoods and preservation of affordable housing in gentrifying neighborhoods.
- Provide \$450,000 in grants to build or renovate **safe outdoor spaces** for play, exercise, and community building.



- Deploy \$150,000 in grants and \$1.5 million in loans to increase access to health care and healthy food for individuals in disinvested neighborhoods.

Strengthening the Community Development Ecosystem: None of Us Can Do It Alone

As private, public, and nonprofit stakeholders involved in community development continue to work to close the racial wealth gap, LISC Atlanta will scale proven solutions, seed new ideas, and build the capacity of our partner organizations to accelerate progress. We will:

- Convene and collaborate with partners to expand access to capital for entrepreneurs of color, beginning with the creation of an online technical assistance platform, offering new microloan and mid-range loan products
- Provide community development corporations and the projects they support with grants, loans, equity, technical assistance, and opportunities to share knowledge and coordinate their efforts
- Promote, finance, and scale organizations and initiatives with community wealth building solutions, in part by leveraging influence of existing institutions and launching an incubator for community wealth building solutions

Place-Based Community Development: Taking a Deeper Dive

LISC Atlanta will be deploying its wealth building, community health, and ecosystem building strategies to advance community development goals in Atlanta's Sweet Auburn neighborhood and in Clayton County. With this place-based strategy, we are working in tandem with community stakeholders to pursue interconnected solutions to the interconnected issues these disinvested communities face.

To continue strengthening the Sweet Auburn neighborhood, we are investing resources in the Atlanta Center for Self-Sufficiency, Project Community Connection, the Guild, and Wheat Street Baptist Church, the Historic District Development Corporation (HDDC) and HDDC's development of a framework for the Sweet Auburn Green and Equitable District.

In Clayton County, historically disinvested and reeling from economic and health impacts of the pandemic, LISC will conduct a participatory planning process. We will engage residents, business owners, and institutional stakeholders to drive the planning process, identifying neighborhoods and/or commercial corridors in need for investment and priorities for neighborhood improvement.

LISC's Data- and Stakeholder-Driven Strategies

We deeply appreciate the over 100 partners and advisors with whom we built enthusiastic consensus on LISC Atlanta's three-year strategic goals and direction. Working in partnership with Neighborhood Nexus and Corporate F.A.C.T.S., we:

- Collected data across a variety of community indicators
- Worked with key partners and advisors through a survey, focus groups, and interviews to review, evaluate, and prioritize opportunities and potential strategies
- Assessed capacity and resources to implement the strategies
- Synthesized a theory of change
- Finalized and set in motion a 3-year implementation plan.

LISC's Approach to Community Development

Together with residents and partners, LISC's mission is to forge resilient and inclusive communities of opportunity across America—great places to live, work, visit, do business, and raise families. LISC Atlanta, as a local office backed by a national organization, leverages the data, capacity, and financial resources of the national network to create opportunities for local families and communities, and specifically BIPOC (Black, Indigenous, and People of Color) families.

Here in Atlanta, we are implementing the strategies detailed in this plan to upend the local income and wealth disparities that have systematically undermined economic opportunities, especially for households of color. These disparities are a product of historic and continuing bias and discrimination—in everything from real estate and banking to education and the tax code. The impact of discriminatory practices is pronounced in Atlanta, which is consistently ranked among the cities with the worst rates of economic mobility and inequality—especially for people of color.

Facing pervasive and complex factors that perpetuate racial inequity, we know we alone cannot achieve everything in our plan. The challenges neighborhoods face are often interconnected and require interconnected solutions with stakeholders working across sectors to solve them. We are actively seeking to deepen, expand, and forge new partnerships among organizations and initiatives to accelerate our work. We seek to impact both the wealth and health of individuals and families in the near term as well as innovating long-term financial and policy solutions.

This is a bold plan, filled with big ideas to solve a deeply entrenched problem: the racial wealth gap.

What's Next?

We at LISC Atlanta recognize that this is a bold plan, filled with big ideas to solve a deeply entrenched problem: the racial wealth gap. Though we will not end racially driven poverty any time soon, our plan to make an impact is guided by both research-backed data and our own investigative process of surveys, focus groups and interviews with community partners who have already been doing this work. We feel deeply that this is what our region needs from us.

The people who make up LISC Atlanta live here, work here, are raising families and building communities here. We are invested in lifting up the disinvested parts of our region, our home. And we see it as our mission to make it a place where residents of color can be as prosperous, as healthy, as housed, as wealthy, as the white population.

We have documented our process, motivations and ambitions. If you are inspired to invest, align, or collaborate with us, please contact Dale Royal, Executive Director. We are actively looking for partners and supporters to work collaboratively to Close the Racial Wealth Gap in metro Atlanta.

LEFT:
Detail of Atlanta's
"Tree of Life mural,"
by Louis Lambert
aka 3ttman

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