

Leveraging Our Local Power

A Framework for Building Wealth
for Black Americans at the Local Level



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Kieontay Brown	Betty Hunter	Tiffany Sim	Alejandra Teyer
Dominique Cleope	Shervon Hunter	RoseMarie Sims	Terry Jones
Monica Ferrey	Iose (Peejay) Iulio	Senthong Sithounnolat	Falaofuta Satele
Norma Hernandez			

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About the Organization

The Maven Collaborative centers race, gender, and joy in the pursuit of economic justice. Our compass is firmly pointed toward a society that listens to and follows the lead of Black women, because we know that by prioritizing their hopes and dreams, we will create powerful solutions that rebuild the flawed foundations of our social and economic systems. We're dreamers demanding results, driving progressive movements to identify and address root causes of economic inequity to create a world of abundance, well-being and ease for all.

About the Authors

Natasha Hicks is an associate director at the Maven Collaborative

Anne Price is the co-founder and president at the Maven Collaborative

Jhumpa Bhattacharya is the co-founder and president at the Maven Collaborative

A Note on our Writing Style - Why we Capitalize the "B" in Black

Please note that the Maven Collaborative capitalizes Black when referring to Black people. Capitalizing "B" to represent Black people is not a typographical detail. Rather, it recognizes that there are systems of power that operate to marginalize Black Americans, and it offers a way, through language, to combat that marginalization. As such, when we use the term anti-black, we don't capitalize the "b" there because anti-blackness is a form of marginalization. In that context, we didn't want to give the word more power since capitalization is a form of typographical power. We understand this may not make grammatical sense but embrace the complication. Language and grammar are not static, but fluid in accordance to political and social dynamics.

Introduction

Racial wealth inequality remains one of the most pernicious and persistent issues of our time. In 2019, the typical Black family held \$24,100 in wealth while the typical white family held \$188,200 — almost eight times the wealth of Black families. This is also five times more wealth than the typical Latinx family, which held \$36,200 in wealth. These stark disparities existed prior to the COVID-19 pandemic and resulting economic crises, which have only exacerbated the economic marginalization of Black and brown families.

So far, efforts to address racial wealth inequality have been largely unsuccessful. Between 1983 and 2016, the wealth of a typical Black family *decreased* by more than 50 percent, compared to a 33 percent *increase* for the typical white household. Strikingly, racial wealth inequalities today are among the highest they have been in more than 25 years.

Addressing this deep inequity requires a proper diagnosis of the problem, which the economic field writ large continues to struggle with. First and foremost, policymakers and advocates must understand this imbalance is structural, created by the cumulative intergenerational impact of anti-black racism embedded in our economy. A systemic approach is necessary and will require sweeping federal action through bold policies such as federal reparations, repealing the 1994 crime bill, student debt elimination, public banking and a housing guarantee to name a few. However, alongside these national efforts, actors at the local level have a critical role to play in addressing racial wealth inequality.

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Over the past few years, there has been an uptick in efforts by local governments, nonprofits, advocates and foundations to confront racial wealth inequality in their cities. However, current efforts at the local level are often focused on behavioral changes and individual choices, rather than the structural barriers to wealth accumulation. Oftentimes, localities default to proposing programs and policies such as financial coaching, one-time entrepreneurship grants and homeownership counseling as solutions to address the racial wealth disparities they find in their cities. However, these approaches not only reinforce harmful narratives, but they fail to make a real dent in addressing racial wealth inequality because they focus on solving the symptoms of racial wealth inequality rather than their root causes. Nothing fundamentally changes at the systemic level with these approaches, and the levers of racialized wealth extraction continue.

This paper proposes a framework for how localities can address racial wealth inequality at a structural level. First, we provide a background on evaluating your group's readiness for doing this kind of work. Second, we provide an overview of the Maven Collaborative's framework for wealth building for Black Americans at a local level, which was created and informed through engagements with local partners over a five-year period. Third, we outline five key steps for adapting the framework for localities looking to embark on the process of tackling racial wealth inequality. Throughout these three sections, we will demonstrate how this framework can be utilized in your locality by providing examples from different engagements we have had with groups throughout the country. We hope that local governments, nonprofits, foundations and residents will use this framework as a guide to implement catalytic structural solutions for racial wealth inequality at the local level — ultimately helping to inform transformative strategies at the national level.

Spotlight Overview

Throughout the overview of our framework, we will provide examples from four engagements we did with local partners in these sidebars. Each of these engagements differs in place, length, format, and convening group (e.g. public sector, funder, nonprofit, coalition), which showcases what this work can look like in different localities and within different sectors. Please see the table below for a quick overview of the engagements we will be referencing throughout this report and see Appendix A for a more in depth overview of these engagements.

Partner	Who we worked with	What we did
Debt Free Justice California	Multi-regional California-based coalition (including legal advocates, policy experts, and movement building organizations led by impacted people)	Served as members of the Steering Committee, guiding the coalition's advocacy and policy work and serving as key decision makers on campaigns and messaging. To date, the coalition's work has helped eliminate over \$18 billion in debt
HOPE SF	Community development initiative including the City of San Francisco, Enterprise Community Partners, San Francisco Foundation and resident consultants	Worked with a multi-racial, cross sector group to adapt an initial draft of this framework for their community and to create structural solutions for wealth building for HOPE SF residents of color
Federal Reserve Bank of Philadelphia/ United Way	Cross sector group of stakeholders in Philadelphia including local nonprofit leaders, service delivery practitioners and local policymakers	Supported the first phase of the Equitable Wealth Initiative which was a roundtable series that looked to build structural strategies to address racial wealth inequality in Philadelphia
Cities for Financial Empowerment (CFE) Fund	Group of 2022 CityStart grantees which included city government officials from Cincinnati, OH; South Bend, IN; and Mobile, AL.	We partnered with CFE Fund to provide a series of workshops and advisory support for the CityStart grantees in creating frameworks for addressing racial wealth disparities in their cities



Bethanie Hines

Primer Before Embarking on This Work: The Foundation You Will Need

Whether you are a local government department, foundation program officer, or part of a community group or coalition, before embarking on this process it is critical that your group take the below two actions in order to intentionally create a foundation for your work that is primed for building structural solutions.

1. Assess your group's readiness to embark on this work

Deciding to engage in a process for confronting racial wealth inequality in your city can be daunting. This process requires a commitment, not just in time and resources, but also a commitment to have hard conversations, to let go of old fears and step into the unknown. Understanding that perfection is not the goal of this process, but rather thoughtful and intentional experimentation that can spark transformative change, your group needs to have honest conversations around the collective willingness for the below:

- *Radical imagination/experimentation*: Engaging highly entrenched and systemic problems requires radical imagination from all parties. Some questions to consider:
 - Does your group have the capacity and willingness to take part in visioning?
 - Is everyone willing to depart from the status quo and take a risk?
 - Is everyone willing to sit in uncertainty and discomfort?
- *Radical empathy/authenticity*: This work requires having uncomfortable and difficult conversations, and it is critical to have a foundation of trust within your group. Some questions to consider:
 - Does your group hold compassionate space for people to share their experiences?
 - Is everyone willing to address potential power dynamics in the group that may hinder participation?
 - Is everyone willing to participate fully, and what does full participation look like for your group?
 - What mechanisms can you put into place to ensure full participation from everyone?
 - Is everyone willing to deeply listen and value the different perspectives brought to the group?
- *Radical transformation*: Addressing racial wealth inequality in your city cannot take place through a handful of Zoom meetings. This work requires a large commitment from your group and setting a realistic timeline for your effort. We have seen many of our local partners struggle because they do not give this work the time it needs. This process requires everyone involved to have the capacity to put in the time for a long period of time. Some questions to consider:
 - How long is everyone committing to this process?
 - What are everyone's roles and responsibilities (who will be facilitating and holding this process, how often will the group be meeting, how much time is expected a week, etc)?
 - How will you hold each other accountable for different responsibilities?

Philadelphia Federal Reserve Bank/United Way: Giving the necessary time to this process

During our engagement with the Philadelphia Fed and United Way, a critical learning was the importance of giving spaciousness and ample time to do this type of work. By devoting six months to just the first phase of the process — a series of roundtables looking to establish a shared understanding of the drivers of racial wealth inequality in Philadelphia — we were able to witness the growth participants were able to make over that time period. For example, in our first roundtable in May of 2022 we introduced our holistic definition of wealth to the group. This definition, and especially the non-financial elements of wealth, were difficult for some participants to process. One participant in particular who struggled with this definition had a breakthrough three months later during our third roundtable around education. When thinking about their personal experience with student loan debt, they shared how when they finally paid off their debt a huge burden was lifted for them emotionally and mentally. It was through this connection to their personal story that they were able to see the criticality of some of the non-financial elements of wealth and start to embrace this broader definition. *Takeaway for your community:* Devoting and committing the time that is necessary for these processes is critical in order to provide the space for participants to digest, reflect, and grow.

2. Cultivate a foundational understanding of the levers that drive racial wealth inequality

In order to have a truly informed process, it is critical that your entire group have a collective understanding of the drivers of racial wealth inequality as a foundation for this work. This exercise requires both learning and unlearning and should include giving ample time for your group to absorb, process and work through what comes up in these sessions. Below are five high level concepts that are critical for your group to internalize as a base for this framework. It's critical that localities find a facilitator to work with that brings deep expertise on anti-blackness and systems change work. Together with that facilitator, your group should conduct a series of learning sessions with your group to come to a collective understanding of the below five concepts:

Anti-blackness is the foundational architecture for the rules of our economy

Anti-black racism drives racial wealth inequality and explains why Black neighborhoods, institutions and people are seen as less than. Many historical government programs not only excluded Black people but were rooted in racist stereotypes about them as unintelligent, lazy, criminal and morally degenerate. Long-standing and deep-seated narratives about Black “worth” and deservedness provide a rationale for both disinvesting in Black people and their neighborhoods, and for accelerating punitive policies today. Anti-blackness doesn't only impact Black people; it entangles and disadvantages every potential beneficiary of economic policies and programs.

Additionally, *proximity to Blackness matters*. The closer an ethnic community is to Blackness, the worse off they are in terms of wealth. For instance, studies that have looked to disaggregate Latinx wealth data, show that Afro-Latinx communities have much lower wealth than non-Black Latinx people. This same dynamic can be seen in Asian American and Pacific Islander communities. As explored in the framework in the coming pages, it is critical for your group to understand that centering the needs of Black people in this work will help lift up the needs of all your residents.

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Wealth for most white families has been created by government policies

To best understand how wealth is accumulated, we must start with how politicians and federal and state governments provided “wealth starter kits” for white people and the profound impact that had on wealth ownership today. Throughout U.S. history, white people (mainly men) have been given gifts of land, government-backed mortgages and farm loans, a social safety net and business subsidies while Black Americans were denied access to these resources. For example, many white people can trace their legacy of wealth and property ownership to a single government program, the Homestead Act of 1862.

Black and brown people have been systemically blocked from building wealth

At the same time that politicians and government officials provided opportunities to white people for wealth building, they often colluded to impede Black and brown people from building generational wealth. After the Emancipation Proclamation was signed in 1863, Black people owned .5 percent of the nation’s total wealth, and that figure has barely moved since: today, Black people own 1-2 percent of the nation’s wealth. A myriad of government policies (e.g. FHA loans, the GI Bill, Social Security Act) were enacted to boost wealth for white people, while excluding Black and brown communities.

Greater wealth can be accumulated if less wealth is extracted.

Black Americans also have to contend with predatory and extractive mechanisms that historically stripped and blocked wealth building (e.g. blockbusting, land contracts, criminal legal fines and fees). Today, Black Americans are often the target of financial predation through payday loans, predatory banking, installment loans, contract leasing and other mechanisms that continue to extract wealth disproportionately from Black and brown communities.

Wealth is passed down from generation to generation

The inequities inherent in our economy mean Black Americans are robbed of the opportunity to build wealth in the same way as white people, because wealth is largely accumulated from previous generations. Intergenerational wealth transfers have enabled white families to finance their children’s college education, give them down payments for houses, and more generally provide them with inheritance and other gifts to seed asset accumulation. Because of the cumulative impact of anti-black racism embedded in our economy, Black Americans do not have the same access to these generational transfers.

Cities for Financial Empowerment: Embracing the process of unlearning

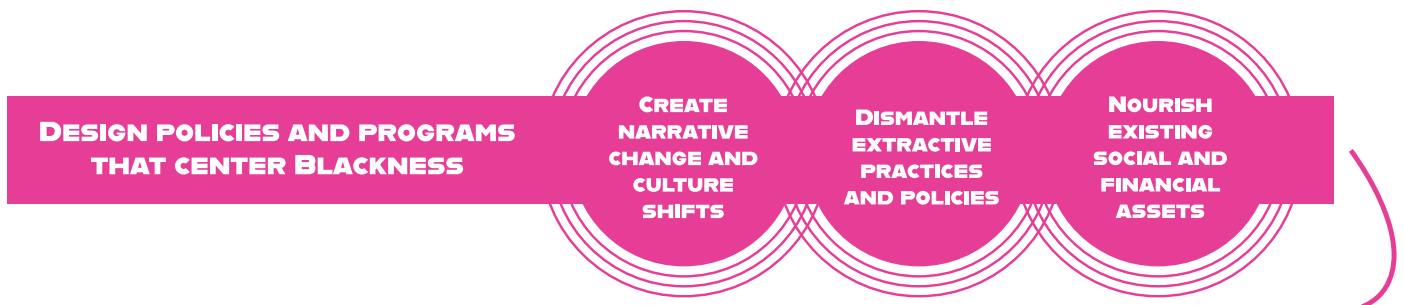
During our engagement with CFE Fund, we spent several sessions at the start with their grantees around learning and unlearning. Collectively, we are not taught about wealth or the history of wealth in school, so before diving into the process of co-creating a blueprint of strategies for each of these cities we wanted to make sure that everyone had the same information. We spent sessions with the group working through our definition of wealth, how anti-blackness was the foundational architect in creating the rules of our economy, and coming to a common understanding of how wealth was created in the U.S. These sessions were a way for us to come to the same language prior to visioning strategies and also helped us to unlock structural thinking when creating the wealth blueprints for their community. *Takeaway for your community:* Status quo processes will yield status quo solutions — it is critical to start your process with unlearning about the drivers of racial wealth inequality in order to get to structural visioning.

LEVERAGING OUR LOCAL POWER: A FRAMEWORK FOR ADDRESSING RACIAL WEALTH INEQUALITY IN YOUR CITY

A HOLISTIC VISION OF WEALTH FOR BLACK RESIDENTS

Wealth is traditionally known as the value of what you own minus what you owe. A holistic definition of wealth expands beyond just financial benefits. When wealth is accumulated, it allows us to live with greater dignity, joy, power, freedom and peace of mind. Wealth allows us to provide future generations with the freedom to dream big and become all they truly can be. It also means being healthy, having a thriving neighborhood and to know that your family and community are healthy, spiritually whole and contributing.

WILL BE DRIVEN BY FOUR **FOUNDATIONAL ACTIONS** THAT ADDRESS THE ROOT CAUSES OF RACIAL WEALTH INEQUALITY:



WHICH WHEN APPLIED TO A SERIES OF **WEALTH ASSETS** AND **WEALTH EXTRACTORS**:



CREATES A SERIES OF **STRATEGIES**
[UNIQUE TO YOUR CITY]

WHICH TOGETHER WILL
ALLOW BLACK RESIDENTS
IN THE **SHORT TERM** TO...

MEET

BASIC NEEDS

such as housing, food, healthcare (including care for mental health), utilities, monthly bills, childcare.

HAVE ROOM TO

BREATHE AND DREAM

beyond the basics. by gaining resources over time, residents & communities can withstand catastrophic shocks and start setting their sights on dreams for their future.

AND TOGETHER WILL
ALLOW BLACK RESIDENTS
IN THE **LONG TERM** TO...

ATTAIN

POWER

for community control over their own economic destiny.

HAVE

FREEDOM

To actualize their dreams and enable the transfer of wealth over generations.

OUR ULTIMATE GOAL

Our Framework for Addressing Racial Wealth Inequality at the Local Level

Over the past five years, staff from the Maven Collaborative have worked with multiple partners at the local level who wanted to tackle racial wealth inequality — specifically, folks in Alameda County, CA, San Francisco, CA, Philadelphia, PA, South Bend, IN, and Cincinnati, OH. As a result of these engagements, we built a blueprint for how localities can tackle racial wealth inequality. This framework was informed/formed through our work with partners and was ultimately concretized after our engagement with a coalition of stakeholders in the Bay Area. This framework is a starting point for localities and can be utilized and adapted for their unique context. On the previous page, you will find a visual of our framework for confronting racial wealth inequality at a local level. The framework has five key elements, which we will explore in the sections below.

Framework Section 1: A Holistic Definition of Wealth

The framework begins with our definition of a holistic vision of wealth, which acts as our anchor throughout the framework:

Wealth is traditionally known as the value of what you own minus what you owe. A holistic definition of wealth expands beyond just financial assets. When wealth is accumulated, it offers tremendous intangible benefits — the ability to live with greater dignity, joy, power, freedom and peace of mind. Wealth allows us to provide future generations with the freedom to dream big, have agency over professional and personal choices, and take risks. It also translates to being healthy, having a thriving neighborhood and knowing that your family and community are healthy, spiritually whole and contributing. Despite a long history of racism, discrimination and segregation; people of color have always created their own economic engines and social infrastructures. This history facilitated a stronger orientation toward collective values, mutual aid and self-determination — and as a result, Black Americans have historically worked to build wealth through family networks, community and institutions. People of color have a long-standing and strong history of economic cooperation and thus; wealth for them includes providing mutual aid, building human and social capital, as well as seeking economic independence as a source of freedom from oppression.

This expansive definition reflects notions of wealth in Black communities. Black and brown people embrace a broader definition of wealth that extends beyond financial benefits and connects to their experience in America. They put collective well-being over individual circumstance as a way of surviving long standing racial bias and discrimination and connect wealth to broader notions of well-being like health and spiritual growth.

A holistic definition of wealth asks us to reimagine the benefits of wealth accumulation for Black communities beyond a bank account. It means visioning Black communities living life with principles such as dignity, joy, choice and peace of mind. On the flip side, this definition shows us that when wealth is extracted from Black communities, it does not just have financial consequences. It also means that non-financial elements like time, joy, legacy and health are taken from families and communities. This holistic definition holds the financial and non financial benefits of wealth as equally important and deeply interconnected.

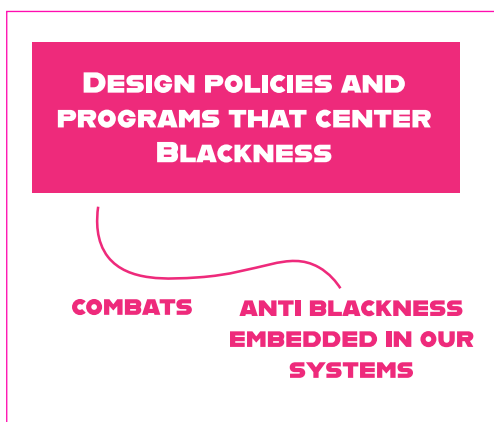
Every part of the framework that follows hinges off this definition of wealth, understanding that in order to achieve this vision for Black residents in a city we must take bold action that ensures the wholeness of their residents and their communities — financially, emotionally and spiritually.

Framework Section 2: Foundational Actions

The second element of the framework are the foundational actions. The foundational actions are the core structural actions a city must take to address the root causes of racial wealth inequality and achieve our holistic vision of wealth. These actions include:

- (1) Designing policies and programs that center Blackness
- (2) Creating narrative change and culture shifts
- (3) Dismantling extractive practices and policies, and
- (4) Nourishing existing social and financial assets.

These actions intentionally create systemic change and disrupt the status quo. Together, they serve as the base of an action plan to build wealth for residents in a city.



Designing Policies and Programs that Center Blackness

Anti-black racism or the devaluing and dehumanizing of people who are Black, permeates the rules and practices of all our institutions and systems. Since anti-blackness is a foundational driver of racial wealth inequality in the U.S., we must be steadfast about addressing and combating anti-blackness when designing our policies and programs. The foundational action around Centering Blackness serves as the throughline of all the foundational actions for the framework. Centering Blackness is the process of creating and designing policies and practices that intentionally

address anti-blackness and lift up and protect Black people. It requires that Black people lead the creation of these policies and practices, and recognizes the uniqueness of economic disadvantage that has come to define the majority of the Black experience. It puts Black people at the core of a vision for racial justice with the understanding that pulling the most marginalized to the center lifts up everyone.

This kind of stated intentionality often leads to a false notion that centering Blackness is not relevant to other communities, when the reality is quite the opposite: anti-blackness is at the root of our destructive housing, social welfare and labor policies. All people who interact with these systems, regardless of race, face the barriers that anti-blackness creates. Additionally, Black people are not a monolith. When we center Blackness, we acknowledge that Black people hold multiple identities. They are immigrants, women, LGBTQ, Latinx, Indigenous, parents, business owners, have varying degrees of education, disabilities and more. Centering Blackness means honoring all types of Black people, which makes it an inclusionary strategy. When you center all the iterations of Black people and their needs, you lift up all types of people while also addressing anti-blackness that lives in and harms all racial and ethnic communities. When Blackness is not centered

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and addressing anti-blackness is ignored, we run the risk of marginalizing Black communities yet again. Centering Blackness is an intentional, inclusionary strategy that ensures Black people are not ignored, while lifting up all others at the same time.

Holding Centering Blackness as a throughline in this framework allows us to stay focused on the root causes of racial wealth inequality and thus allows us to combat the tendency to default to individualistic solutions (e.g. savings, homeownership, entrepreneurship).

HOPE SF: Refining and Responding to Foundational Actions

When we started our engagement with HOPE SF, the idea of Centering Blackness was new to most. We spent multiple learning sessions with the cohort unpacking anti-blackness and how foundational anti-black racism has been in shaping racial wealth inequality. We then spent additional sessions visioning what Centering Blackness was and what that could look like in SF. After many learning sessions, intense and deep conversations that led to uncomfortable feelings for some, and breakout conversations by race, this multiracial coalition became strong advocates for the power of Centering Blackness and advocated for Centering Blackness to be a throughline throughout the framework. It was extremely powerful to see a multiracial group work through understanding and collectively deciding to hold Centering Blackness as the central action of this framework. Due to this input, we decided to keep it as a throughline in our blueprint framework. *Takeaway for your community:* Centering Blackness is not a concept that can be learned in a one-hour webinar. This is a foundational concept that requires a specific type of readiness and a deep level of engagement. In order to do this work, you as a community have to commit to the time and unlearning it will take to collectively embrace this concept.



Creating Narrative Change and Culture Shifts

As noted in our previous work, narratives are our cultural understandings, frames of reference or mental models. They play a significant role in how leaders create and implement policies, and how people on the ground react to them. More than just stories of specific people, narratives contribute to our sense of the world and help us create order in a fairly chaotic landscape. We bounce new ideas and concepts up against our deep-seated narratives, and our narratives inform who we build empathy for, who we see as deserving, and who we don't. The narratives we hold keep us focused on the individual versus systems and are rooted in racism, sexism and xenophobia and make it extremely difficult to vision the structural policies we need to create transformative change around racial wealth inequality.

For example, the narrative of personal responsibility reinforces the false idea that we are all in control of our own destinies, and that anyone and everyone in America can “pull themselves up by their own bootstraps.” This narrative leads to common misperceptions that people who are struggling financially must have made bad decisions and poor choices, and never learned how to

save and budget. This narrative permeates thinking around policy solutions when addressing racial wealth inequality. It keeps us embedded in individual interventions such as job training, financial literacy or improving savings practices rather than solving for the root causes.

In order to create structural solutions and policies at the local level, it is critical to name, confront and address how harmful narratives around personal responsibility, strict definitions of work and anti-blackness are present in their current approaches to racial wealth inequality.

Dismantling Extractive Practices and Policies

Wealth extraction is the flip side of wealth accumulation. When wealth is extracted, it robs people of their dignity, their ability to contribute to society and to realize their full potential. Wealth extraction is not a force of nature or something that occurs by happenstance. It is intentional and a direct result of historical and current government policy decisions and private sector actions. Wealth is extracted when sources of wealth including labor, land and other assets are forcefully transferred from one group to disproportionately, and sometimes exclusively, benefit another group. Extractive practices and policies:

- are usually authorized/permitted by government or are a result of diminished government power and a rise of unchecked corporate power
- are taken by government (e.g. fines and fees) or taken by businesses/individuals (e.g. bank overdraft fees)
- take money or something of value away from people (extracts)
- often targets low-income people and Black Americans
- impose financial penalties or other deprivations, without consideration of the problems such actions place on the individual or the community

Local governments have a unique role to play in the space of curbing debt and wealth extraction. For instance, localities extract wealth from Black Americans through fines and fees within the court and legal system, which unfairly attempt to generate revenue on the backs of Black residents by charging exorbitant administrative fees on top of skyrocketing fines. They also levy a number of other municipal fees such as late fees at libraries or high towing fees which throw poor Black and brown people into stifling debt.

In addition to addressing fines and fees, localities also have a critical role to play in the area of confronting the devaluation of Black people's assets. Historical and current practices by local governments such as redlining, urban renewal, and environmental racism (where Black neighborhoods are disproportionately in environmentally unsafe conditions) caused spatial dislocation, devaluation and disinvestment to occur in Black communities. These intentional spatial policies and practices work to systematically deny Black people and Black neighborhoods their ability to build and keep their wealth.

In order to truly address racial wealth inequality and achieve a holistic vision of wealth, it is critical that localities confront the historical and current practices and policies in their cities that extract wealth from Black Americans.



Nourishing Existing Social and Financial Assets

Black Americans have always resisted subjugation and have overcome insurmountable odds to save, buy land, start businesses and create their own economic engines. For example, Black people launched their own newspapers during slavery and by the Civil War, established the first Black bank less than a decade after the Civil War, and created Historically Black Colleges and Universities after the Civil War to educate Black students as they were excluded from white institutions. Black people have also fought to be keepers of their heritage, knowledge, group identity, and cultural memory and have done so through the growth and creation of Black cultural institutions. Black people have also used pooled savings mechanisms since slavery and then created more formal mechanisms through churches, fraternal societies, mutual aid societies, unions and cooperatives.

Despite the myriad of ways that Black Americans have built their own economic infrastructures, a long history of segregation, discrimination and racism have devalued the assets they already own. This foundational action looks to recognize the assets that exist in Black communities and work to preserve and strengthen these assets.



Philadelphia Federal Reserve Bank/United Way: Identifying Existing Wealth in Philadelphia

During our roundtables with local stakeholders in Philadelphia, we asked participants the following questions: *Despite historical barriers, we know that Black people have always created their own economic engines and informal infrastructures —what is the wealth you see in Philadelphia? Where have you seen Black people create wealth for themselves and their communities?* Folks in the group gave us a variety of responses from the more tangible assets — such as informal food vendors and bakers, and Black-owned bars — to the intangible wealth assets, including a strong sense of community and the wisdom of community elders. At the beginning of our roundtable series this question was difficult for our participants to answer, but over time and repetition of this question, it allowed folks in the group to really build a sharper lens into seeing the assets in their communities and opportunities they could build upon and nourish, rather than just the problems they need to address. *Takeaway for your community:* Practitioners and policymakers have traditionally been trained to identify problems and see their city and Black communities through a deficit lens. It is critical to exercise your group's collective muscle of identifying existing areas of wealth in your community and to work to nourish and invest in those existing wealth assets.

Framework Section 3 & 4: Wealth Assets/Wealth Extractors & Strategies


WHICH WHEN APPLIED TO A SERIES OF WEALTH ASSETS AND WEALTH EXTRACTORS:





The next two components of the framework go together hand in hand — which is the section on Wealth Assets/Wealth Extractors and Strategies. When you apply the four foundational actions to the collection of wealth assets and wealth extractors in your city, you are able to envision structural strategies for your city. Within the wealth asset and wealth extractor categories are a collection of subcategories which are left intentionally broad so that they can be interpreted and adapted for a local context.


Wealth Assets

These assets will enable Black residents to accumulate both financial and non-financial wealth and include the following subcategories:

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This wealth asset lifts up the importance of Black residents owning and controlling their spaces and community. This can look like land ownership, homeownership, or business ownership, but should be defined by each locality. What does it look like for Black residents to hold ownership in your community?
- 

This wealth asset celebrates the value of artistic expression and genius among Black communities (which have often been devalued, appropriated and extracted). This can look like artistic production (e.g. murals, music), food, events (e.g. musical festivals), institutions (e.g. museums), but will be specific to each community. What does cultural production look like for Black residents in your community?
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This wealth asset lifts up the critical elements that contribute to the well being of the public (that have been eroded due to extensive deregulation and privatization). This includes not only large systems such as education, healthcare, childcare and public banking but also includes more localized items such as parks, transportation and affordable housing. What are the critical public goods that your Black residents need to thrive?
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This wealth asset lifts up the importance of Black communities having access to well-paying jobs with good benefits (which has been denied to them due to the pervasive racism and sexism in the labor and financial markets). This could look like a local jobs corps, targeted guaranteed income programs or a jobs guarantee program. What amount of income is needed for your Black residents to not only meet their basic needs, but also be able to withstand any financial shocks that may come their way?

WORKER PROTECTIONS

This wealth asset lifts up the importance for Black residents to access jobs with safe and healthy working conditions. This could look like strengthening union power or improving safety standards. What protections do your Black residents need in the workplace to have a job where they can thrive?

CENTER RESIDENTS IN DECISION MAKING

This wealth asset lifts up the importance of Black residents having a true say in the decisions for their community and fair participation in our democratic systems in order to have community power and agency. This could look like participatory processes in local budgeting, increased participation in local utility boards and commissions, or addressing gerrymandering in your local context. What processes are needed to ensure Black residents in your community are centered in decision making?

EXPANDED NOTIONS OF SAFETY AND JUSTICE

This wealth asset lifts up the importance of redefining notions of safety and justice in your community. This could look like eliminating targeted surveillance programs, investing in alternatives to policing or practices of restorative justice. What does it mean for Black residents in your community to be safe?

CHANGING NOTIONS OF DESERVEDNESS

This wealth asset lifts up the importance of cultivating notions of deservedness for Black communities to receive services and investment (despite pervasive anti-black narratives and stereotypes such as the “welfare queen”). This could look like targeted guaranteed income programs that support counternarratives around deservedness, or dismantling punitive policies within city and county anti-poverty programs (e.g. work requirements). How can counternarratives that uplift the deservedness of Black residents in your community be cultivated?

SENSE OF COMMUNITY

This wealth asset celebrates the importance of deep community ties and interdependence found in Black communities (despite the pernicious narratives of toxic individualism present in our society). This could look like investing in mutual aid networks, community block parties, or supporting local community organizations and institutions that put on vital programming to nurture community ties. Where are community networks and connections within Black residents in your community and how can they be supported?

CULTURAL TRADITIONS, PRACTICES, AND VALUES

This wealth asset celebrates the traditions and values within Black communities which have not traditionally been valued in financial markets. This could look like investing in festivals and block parties or providing grants to local artists or community groups. What are the cultural traditions, practices and values within Black residents in your community that should be nourished?

UNTAPPED GENIUS/POTENTIAL

This wealth asset lifts up the importance of the untapped ingenuity, innovation and ideas within Black residents in your community. This could look like providing grants to seed and sustain business ideas or creating a local baby bonds program to provide future generations with a nest egg for their dreams. Where is the untapped genius in your Black communities and how can that be cherished and nurtured?

SHARED COMMUNITY PROSPERITY

This wealth asset celebrates the deep community ties and interdependence found in Black communities. This could look like local lending circles or family centered investment clubs. What does shared prosperity look like for Black residents in your community and how can this be strengthened?

Wealth Extractors

Wealth extractors are policies and practices that need to be addressed and confronted in order to remove barriers to wealth building for Black people both financially and non-financially. This includes the following subcategories:

CORPORATE POWER

Rampant government deregulation and privatization over the past few decades has led to a rise in corporate power that has harmed Black communities. Offsetting these harms could include tactics such as increasing tenant protection from corporate landlords, dismantling local monopolies in government contracts or addressing policies and actions that look to decrease union power. How has a rise in corporate power harmed Black residents in your community and how can that be addressed?

HARMFUL NARRATIVES

Harmful narratives around anti-blackness, personal responsibility, toxic individualism and work as personhood serve as a basis for so many of our policies, and need to be named and addressed. This could look like investing in different counter-narrative experiments, campaigns or programs around Black communities that are steeped in falsehoods, deficits and stereotypes (e.g. [Black Thought Walls](#)). What narratives are harming Black residents in your community and how can they be addressed?

PREDATORY SYSTEMS OF PUBLIC DEBT

Unfair practices of public debt disproportionately impact Black communities. Ameliorating this could look like eliminating city and county criminal legal fines and fees, child support debt, or other harmful local fines and fees related to transportation (e.g. vehicle booting). What public financial practices are causing disproportionate harm to your Black residents and how can they be eliminated?

PREDATORY SYSTEMS OF PRIVATE DEBT

This could look like eliminating predatory lending practices (e.g. discriminatory interest rates, contract leasing, payday loans), eliminating fees for energy or internet shut-offs, or regulating utility rate hikes. What private financial practices are causing disproportionate harm to your Black residents and how can that be eliminated?

TRAUMA

Combating this wealth extractor includes mitigating the harm inflicted on Black communities through a variety of systems (criminal legal, housing, healthcare etc.). This could look like addressing the ways our community based organizations and government delivery systems reproduce trauma, investing in alternatives to policing, or increasing access to trauma-informed practices of mental health. How can you address the trauma and harm inflicted on the Black residents in your community?

SPATIAL AND ENVIRONMENTAL RACISM

Black communities have been disinvested in and purposefully put in positions of harm due to spatial segregation. Combatting this could include addressing heat islands, air pollution or noise pollution that disproportionately impact Black residents. This could also look like addressing the ways that neighborhoods have been disinvested in due to racial segregation. How have Black residents in your community been harmed by spatial and environmental racism and how can this be addressed?

Strategies

The framework really becomes localized and specialized for a community in the strategies section of the framework. When applying the foundational actions to a specific wealth asset/extractor, a group can start to envision policy solutions, programs, and funding mechanisms that address racial wealth inequality at the structural level.

HOPE SF: Refining the Wealth Assets/Extractors and Creating Strategies

When we started the process of refining the wealth assets/extractors and strategies section of the framework for HOPE SF, we conducted a few workshops with the cohort to walk through all the wealth assets and extractors. We had conversations around whether the language for these different categories was correct and if we were missing any assets and extractors they saw in their community. We then brainstormed strategies with the group for each of the wealth assets and extractors. We wanted to share two examples for how your group can create strategies through this framework.

First, for the wealth asset “Shared Community Prosperity” we asked the group what it would look like to apply the foundational actions of Centering Blackness and Nourishing existing assets to this wealth asset. From this conversation we were able to brainstorm three structural strategies that included

- (1) advocating for increased local investment in public services for communities with historic disinvestment (e.g. sanitation, public realm, transportation)
- (2) supporting an investing in local lending circles, and
- (3) seeding a family centered investment club for HOPE SF residents.

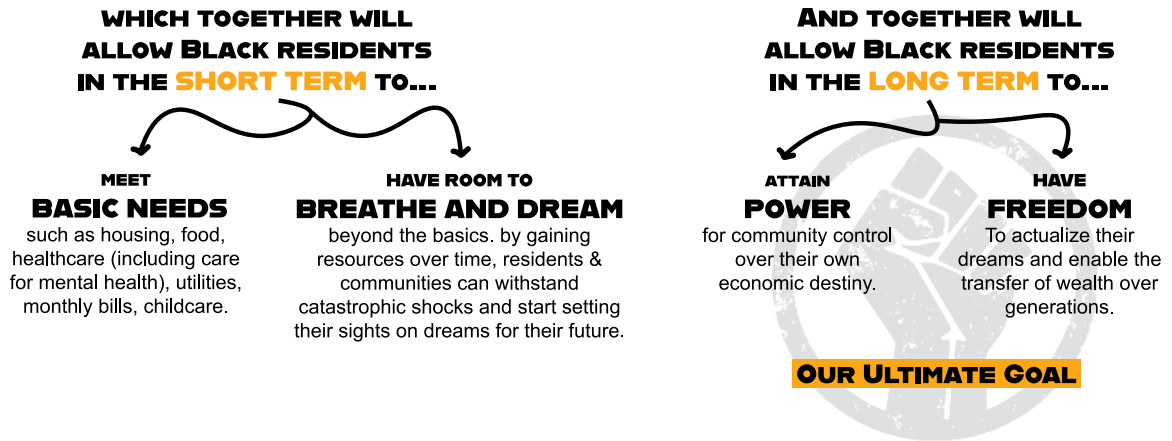
Given how the HOPE SF cohort described the already existing and informal mutual aid networks in their community, these strategies look to build off and strengthen this existing asset.

Second, for the wealth extractor “Trauma” we asked the group what it would look like to apply the foundational actions of Centering Blackness and Dismantling extractive practices. Our conversations mostly focused on the two areas of trauma the group felt were most critical to address i.e. their community being over policed as well as the barriers they faced in what they described as the “trap of the social safety net.” Through these conversations we were able to come up with four structural strategies that included:

- (1) Create new policies or programs that address the ways our institution, CBO's and government service delivery systems reproduce trauma for Black people
- (2) Increase community centered culturally responsive healing practices
- (3) Invest in alternatives to policing (e.g. SF street crisis response team)
- (4) Invest in practices of restorative justice

Takeaway for your community: The process to refine and adapt these two sections for your context will take time, robust community engagement, and analysis in order to refine the language in these sections, understand how the subcategories are reflected in your community, and then devise structural strategies for your community.

Framework Section 5: Short term & Long term goals



The collection of strategies created in the last two sections of the framework help bring us to our last section of our framework — which are our goals. Our goals are shown on a continuum from shorter-term goals to longer-term goals.

The first goal is around fulfilling residents' basic needs. Understanding that many Black residents in localities are facing a web of structural barriers, this includes the needs for us as individuals, our families and communities to be able to survive (i.e. food, housing, electricity, etc). The second goal is around Black residents having the room to breathe. Once you remove the stress and exhaustion that worrying about meeting your basic needs carries, this goal is focused on creating the space for Black residents to dream about the future. The last two goals laid out in this framework are for residents and their communities to gain community power as well as to achieve the freedom to actualize their dreams. It is this combination of power and freedom which we see as the ultimate goal for Black communities to achieve a holistic vision of wealth.

The strategies that you create will help your residents meet one or more of these four goals. For instance, a strategy around a targeted guaranteed income program could help fulfill residents' basic needs and help give them the space to breathe and dream. In another example, a strategy around enacting participatory budget processes is a strategy that could both help residents meet their basic needs and help build community power. While these strategies may take place on different timelines, both strategies help Black residents to achieve a holistic vision of wealth.

FEDERAL RESERVE BANK PHILADELPHIA

United Way United Way of Greater Philadelphia and Southern New Jersey

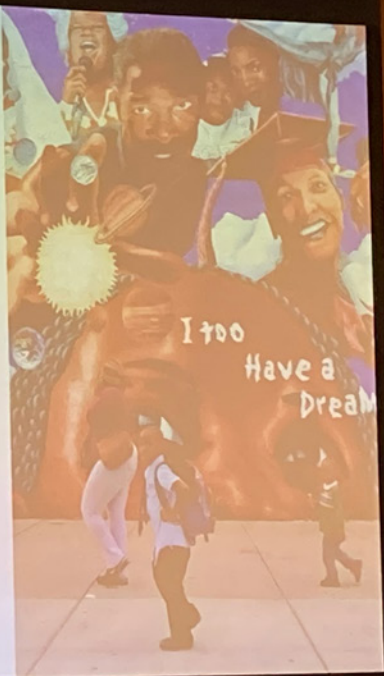
The Equitable Wealth Project

Addressing the Racial Wealth Gap in Philadelphia

May 25th, 2022

PhiladelphiaFed.org | @PhiladelphiaFed

The views expressed herein are our own and not necessarily those of the Federal Reserve Bank of Philadelphia or the Federal Reserve System.



Alicia Atkinson

Five Steps for Adapting and Actualizing the Framework in Your City

After working with multiple partners at the local level with this framework, we have learned a few key lessons for how to adapt and actualize the framework in your city. The wealth framework visual discussed in the previous section is a tool and should act as a guide for a much larger process for implementation. Below are five key action items to help steer this process and keep your group focused on building structural solutions:

1. Thoughtfully determine how wealth assets/extractors are reflected in your city through community engagement and research.

In order to develop the strategies in the framework, your group will have to first gain a better understanding of how the wealth assets and extractors are reflected in your specific context. Your group should employ the below research tools to better understand the current wealth assets and extractors held by Black people in your city.

Collecting data on wealth for your city

Data is a powerful tool to demonstrate how wealth is being accumulated and extracted in your local context. These insights can both help you understand what the most pressing issues are for folks on the ground at this moment and can ultimately help you implement strategies by providing evidence that helps inform policies or programs. Unfortunately, there are very few data sources that allow us to understand wealth holdings at a regional or local scale and the sources that do exist have important limitations. For instance, many wealth data sets can't be disaggregated by critical factors such as gender identity and age. In addition, many data indicators commonly used as proxies — such as homeownership rates, income and education — fall woefully short of helping us understand wealth inequality and may distort our strategic approaches to addressing it.¹ Below you will find a few tips for where your group can start when collecting wealth data for your locality:

- Look to research studies that examine the dynamics of wealth which can provide good insights across factors such as gender identity and age and can help provide some good seeds of questions to ask during community engagement processes
- Engage with the Community Development function within the Federal Reserve system and regional banks in your area can serve as a resource for gathering data and more localized research on wealth inequities.

¹ The Color of Wealth studies in [Los Angeles](#), [Boston](#), [Baltimore](#) and [Miami](#) allow these three cities to better understand the nuances of wealth holdings across different ethnic groups. These studies allow each of these cities not only to see the stark disparities across different ethnicities (e.g. the Miami study shows that median wealth for white households was \$107,000, while Puerto Rican households had negative median wealth (-\$3,940) and South Americans and U.S. blacks had a fraction of the wealth of white households, at \$1,200 and \$3,700, respectively), but also reveal important nuances across asset portfolios and debt holdings (e.g. the Boston study shows that close to 80% of whites own a home, whereas only one-third of U.S. Blacks, less than one-fifth of Dominicans and Puerto Ricans, and only half of Caribbean blacks are homeowners).

AT A GLANCE:

1. Thoughtfully determine how wealth assets/extractors are reflected in your city through community engagement and research.
2. Examine what practices and policies are currently extracting or blocking wealth building for Black residents
3. Start small but with intention: Prioritize one wealth asset and one wealth extractor and build strategies from these priorities
4. Outline your locus of control
5. Think about critical intersections to maximize impact and scale

- Look to national research centers who have created dashboards with localized wealth data. For instance, Andre Perry at Brookings has created [a dashboard of 113 metro areas](#) that provide data on the devaluation of Black homes.
- Look to local universities or researchers to see if they have conducted any recent studies around wealth.
- Look within city departments to see if there have been any internal research studies conducted that shed light on local wealth dynamics.
- Partner with a local researcher to help distribute a community survey to gather baseline data on household wealth and debt in your community.

HOPE SF and Philadelphia Federal Reserve: Undergoing Original Research

Across many of our engagements, our partners decided to undergo original research to fill in the gaps in their community around what were the largest barriers to wealth building for Black residents. In Philadelphia, the Federal Reserve partnered with researchers from the University of Pennsylvania to undergo both quantitative and qualitative research. They distributed a survey and then afterward did in-depth interviews with some respondents. From the over 250 survey results as well as the over 40 in depth interviews, they have been able to uncover critical findings to better understand the challenges Black residents face in building wealth in Philadelphia. For instance, participants brought up a complicated dynamic with homeownership — while there is a deep connection to the idea of homeownership, many found that the stress and difficulty of preserving and maintaining their home without large amounts of capital underneath them to be a liability rather than a wealth asset. Some participants also discussed how they financially support many members of their community or family network. *Takeaway for your community:* Since there is a dearth of wealth data, it is critical to find ways to collect information to fill the gaps on what challenges Black residents face in your community to build wealth and what assets currently exist in Black communities that you can build upon.

Employ a robust, intentional community engagement strategy

Utilizing standard engagement practices (e.g. conducting community meetings, listening sessions and town halls) will not take you far enough in developing structural strategies. In order to better understand what the local critical issues are right now and how they relate to the framework, your group must utilize a robust community engagement approach that centers the lived experience of your Black residents. Please see below for a few general principles when creating your engagement strategy:

- **Recognize what harmful engagement practices look like and their impact:** Oftentimes community engagement processes can feel extremely extractive and opaque to participants. They are often asked questions that ask them to share traumas they have experienced and there is often little understanding of how their experiences are utilized to make decisions. Before starting engagement, you should have internal conversations with the group on how to not reproduce harmful engagement strategies.

- **Building and maintaining trust:** It is critical that you partner with nonprofit advocacy and grassroots organizations that have trusting relationships with community members, and can engage with them in a way that feels safe from common extractive community engagement practices.
- **Popular education:** In addition to partnering with a trusted facilitator, you should also set up your engagement strategy to include popular education around wealth and harmful narratives. Addressing racial wealth inequities requires attention to the misconceptions about how wealth is accumulated, and harmful, personal responsibility narratives about wealth that all people hold. A robust strategy would include engaging community members in a popular education workshop that allows for conversations based on personal experiences grounded in a political analysis of our economy and wealth inequality.

Debt Free Justice Coalition and the East Bay Community Law Center: The power of good research

In our work with the Debt Free Justice Coalition, we've seen first hand how data can be used powerfully to advocate for policy change. In 2018, the East Bay Community Law Center released [Pay or Prey: How the Alameda County Criminal Justice System Extracts Wealth from Marginalized Communities](#). This pivotal report served as a backbone for the Debt Free Justice California coalition's effort to end the assessment and collection of administrative fees in Alameda County. From this report, the coalition was able to give the Alameda County Board of Supervisors data and stories outlining how fees in Alameda county for probation supervision, indigent defense services, and the Sheriff's Work Alternative Program create a serious financial burden on low-income individuals, and create insurmountable barriers to reentry and economic security. For example, the research in the paper found that adult fees actually generate very little revenue after taking collection costs into consideration. In fiscal year 2017-18, the Probation Department, Public Defender's Office, and Sheriff's Office collected over \$1.3 million in adult fees but the Auditor-Controller's Office estimated spending nearly \$300,000 of that revenue on collections. The paper makes the argument for how ending the assessment and collection of fees can free up money to pay for basic necessities like housing, food, and clothing which will help ensure that people exiting the system will have a better chance of successfully reentering into their communities. The powerful data that was presented within the paper provided the research and evidence to persuade and influence the Alameda County Board of Supervisors to vote to end the assessment and collection of fees on Dec 4, 2018. Board members expressed immense gratitude for having the data to back their decision, and gave them the information they needed to get all board members to be in alignment. The vote allowed \$26 million in fees to be discharged in January of 2019, a huge step in the right direction to eliminating a huge burden for low income Black residents and communities in Alameda County. *Takeaway for your community:* Data collection and research can be a massive strategy and critical tool in helping influence policy decisions that can help create structural shifts in addressing racial wealth inequality.

2. Examine what practices and policies are currently extracting or blocking wealth building for Black residents

There are a myriad of ways that every locality continues to extract wealth from Black communities. In order for your group to grapple with how to address the current manifestations of extraction in your locality, you must examine the different practices occurring in your city that continue to perpetuate wealth disparities and block wealth building for Black residents. We recommend that you conduct a citywide evaluation of the different practices and policies that are disproportionately impacting your Black residents. Below are a few questions to help guide those conversations:

- What types of fines/fees does your city currently administer?
- Who do these fines/fees disproportionately harm?
- What practices in your city act as barriers for some groups to build wealth?
- What practices in your city act as boosts for wealth building for residents? Do these practices disproportionately create wealth for certain groups of residents?

HOPE SF: Exploring harmful practices and policies at the local level

During our engagement with HOPE SF, we worked with our partners to create a brainstorm of the different harmful practices and policies occurring in San Francisco (see the full brainstorm at Appendix B). We brainstormed practices and policies across eight subject areas: transportation, criminal justice, banking, utilities, housing, healthcare, labor and other. For each of these subject areas we brainstormed the different practices that extracted wealth from Black residents. For each of these categories we brainstormed the policies and practices that were harmful and extractive from both the public sector and the private sector. From this audit, our stakeholders were then able to evaluate which practices would be easy to address in the short term and which would be part of longer term advocacy. *Takeaway for your community:* In order for your group to build structural solutions, it will be critical to conduct an evaluation of the current local practices and policies that continue to extract or block wealth building for Black communities.

3. Start small but with intention: Prioritize one wealth asset and one wealth extractor and build strategies from these priorities

When working with our partners, we found that many often were intimidated when thinking of developing strategies. Wealth can be overwhelming because it can be so encompassing and it can be difficult to know where to start. We recommend starting small: identify one wealth asset and one wealth extractor that your group is going to prioritize and then build out strategies from those two priorities. The findings from your data and research processes should determine where is the best starting place for your group when developing strategies. As you and your group analyze your research findings, here are a few discussion questions that can help guide your prioritization process for choosing a wealth asset and a wealth extractor to start building strategies from.

- What has your research shown as the major lever blocking Black residents from building wealth?
- What is at the very heart of what Black residents need right now?
- What is the very root of why money is being pulled out of our community?
- Where is there already momentum locally?

Philadelphia Federal Reserve Bank/United Way: Starting small

During our first phase of engagement with Philadelphia through our roundtable conversations, one theme emerged as a particularly important wealth asset and extractor in Philadelphia. Philadelphia has historically had a large homeownership rate for Black residents, which has contributed to a sense of rootedness and deep sense of community within Black neighborhoods. At the same time, cloudy titles in Philadelphia have made holding onto those homes within Black families extremely difficult. Rather than creating a multitude of subject areas and solutions to work in addressing racial wealth inequality in Philadelphia, our partners are looking to start with this one area — tangled titles — that they know is a very big wealth extractor in the Black community. While there are many avenues our partners could take when addressing racial wealth inequality, and will look to take in the future, it is important for them to prioritize one area to start with intention. *Takeaway for your community:* Wealth touches almost everything and there are a multitude of avenues you can take when it comes to addressing racial wealth inequality in your city. It is important to remain disciplined and prioritize one area of great impact to begin your work — starting small, but with intention.

4. Outline your locus of control

Black people have never been able to fully realize the power and freedom that wealth bestows, because throughout history they have been systematically denied and blocked from the ability to build wealth, and their wealth has been extracted in almost all facets of life. It can be overwhelming to learn about all the ways in which wealth can be accumulated and extracted. Start with the areas in which your group/entity has control over funding and carrying out specific policies and programs that can either help build wealth or dismantle extraction.

CFE Fund: Recognizing Local Government's Locus of Control

When we first started our work with the CFE fund grantees (City of Cincinnati, South Bend, and Mobile), our local government partners were initially eager to discuss what local governments can do within the realm of asset building to help accelerate wealth accumulation for their Black residents. However, while this can be a tempting place to begin since this is the bread and butter of many government programs, during our conversations we helped our partners to really focus on the specific power and role that local governments have when addressing wealth extraction. We walked through examples of how local and state coalitions have addressed wealth extraction, such as the San Francisco [Financial Justice Project](#) and [Debt Free Justice California](#) coalition. During our advisory work with Cincinnati and South Bend, we were able to identify different fees and fines that their cities levy that disproportionately impact Black communities as a starting point for their work. Takeaway for your community: While it can be tempting to jump straight to asset-building strategies, it is important for local governments to recognize their locus of control and their specific role to play in addressing and stopping wealth extraction in Black communities through unnecessary fines and fees.

5. Think about critical intersections to maximize impact and scale

By looking at how issues are intertwined and their impact on wealth accumulation could inform a more comprehensive and impactful strategy. For example, exploring the intersection of the ability to work, the criminal legal system and its impact on wealth could be a good starting point. Working to end the practice of suspending driver's licenses for failure to pay fees and fines or child support debt can improve access to job opportunities with potential employer benefits and boost income, and thus, enable people to build some wealth and hold on to the wealth they already own. You should also consider the political landscape and where there is already local momentum building around different issue areas to help inform how to prioritize your strategies. By thinking through how different issues intersect and where there is local momentum, you can create strategies that maximize impact.

Debt Free Justice California: Building off of local momentum for statewide action

In 2018, Debt Free Justice California worked within Alameda and San Francisco Counties to eliminate the assessment and collection of local administrative fees within the criminal legal system. San Francisco County eliminated more than \$32 million in debt charged mostly to Black and brown families, and Alameda County followed months after by relinquishing \$26 million in debt from these precarious and unjust fees. These two wins led to more counties in the state such as Los Angeles County and Contra Costa County making their own moves towards this goal. Building off local momentum, Debt Free Justice California leveraged these wins into a statewide effort to eliminate all administrative fees within the state. We began this journey by introducing the Families Over Fees Act in 2019, which proposed the repeal of all criminal legal system fees and all debt associated with them. In 2020, the passage of the Families Over Fees Act (Assembly Bill 1869) eliminated 23 fees and expunged over \$18 billion in debt for primarily Black and brown Californians, effective July 1, 2021. It was critical to have these local wins to show state legislatures that there was both the political and public will to make this type of bold policy change. Without the local wins, the coalition would have been in a less powerful position to advocate for statewide change. *Takeaway for your community:* It is critical to recognize where the momentum in your community is and build off that momentum to create impactful approaches and strategies to address racial wealth disparities.

Parting Words: The Importance of Intention, Discipline, and Imagination

Wealth inequities and low levels of wealth among Black people have been entrenched and rooted for generations and it will take generations to fully address these massive disparities. There is no magic bullet to addressing racial wealth inequities, but from our work with multiple partners, we unearthed three key principles that are critical when embarking on this work: intention, discipline and imagination.

Working with intention means having a clear understanding of the problem you are solving, and its relationship to and impact on wealth building. It is important to stay grounded on your group's aim and ambition. How would your city look different if your Black residents achieved a holistic vision of wealth? Keeping that vision in mind will be critical to keep your group focused on your end goal. Being disciplined means staying focused on the priorities your group sets. While it is easy to get distracted by the many ways wealth impacts your community, it is possible to both hold that understanding and also stay focused on the priorities your group has set. Holding these two at the same time requires discipline, and an understanding that this work requires us to work strategically, to chip away slowly at the disparities that stem from generations of harmful practices and policies. And lastly, radical imagination is critical in visioning structural solutions for your city. It took radical imagination for the Black Panther Party to envision their free breakfast program, and it took radical imagination for abolitionists to imagine a world without slavery and it will take radical imagination to imagine solutions for racial wealth inequality in your city. Embracing your collective imagination and allowing yourselves to explore the unknown is critical to opening your group up to new possibilities.

Philadelphia Federal Reserve Bank/United Way: Unlocking Imagination

In our final roundtable session with our partners in Philadelphia in October of 2022, we ended our work through an artistic visioning activity. We asked folks to create a collage based on the following prompt: *How would your neighborhood look, smell, taste and sound different if we were able to operationalize some of the ideas we have discussed and increase wealth (remember holistic definition) for Black and brown folks there?* Participants created powerful images that highlighted the importance of love, joy, food, community interdependence, legacy and safety. While many in the group did not consider themselves artists or creatives, the medium of collaging allowed them to unleash their imagination and curate images that they found as a radical vision forward for their communities. *Takeaway for your community:* Art and artistic practices can be critical to help unlock radical imagination within your group when trying to vision structural solutions.



In our work with our partners, after unearthing the shortcomings of our current local strategies to truly address racial wealth inequality — we have found that many of our partners ask us some variation of the same question — *“Who has done this work and what are the models we can look to to address these disparities structurally?”* The frustrating but hopefully freeing answer is that no local government, no foundation, no nonprofit has fully done this work just yet. There are not a myriad of models for us to reference in addressing racial wealth disparities at a structural level. While this truth may be overwhelming, we hope this revelation acts as both a path to unlock and inspire. We hope you will take on the challenge to embark on the process of becoming the models we look to when discussing tackling racial wealth inequality at the local level. We hope to partner and collaborate with you to take on this messy, challenging, and beautiful work and become the trailblazers that show other localities, state and our national partners how to create pathways for transformative change.

Appendix A: Overview of Engagements

(1) Debt Free Justice California: Debt Free Justice California is a multi-regional California-based coalition focused on putting a stop to the unfair ways the criminal legal system drains wealth from vulnerable communities. The coalition is comprised of legal advocates, policy experts, and most importantly movement building organizations led by impacted people. Since its inception in 2018, we have served as members of the Steering Committee, guiding the coalition's advocacy and policy work and serving as key decision makers on campaigns and messaging. To date, the coalition's work has helped eliminate over \$18 billion in debt mostly held by Black and brown Californians and are actively working on policy change to eliminate the use of bench warrants for minor offenses such as loitering or being in the park after hours as well as re-imagining the youth restitution system in California.

(2) HOPE SF: HOPE SF is a community development initiative led by three organizations - The Office of the Mayor at the City and County of San Francisco, the San Francisco Foundation and Enterprise Community Partners — together the partnership works toward a vision of resident-driven change to transform disinvested public housing sites in San Francisco into healthy, thriving neighborhoods. We started our partnership with HOPE SF in Fall of 2020 to help them adapt our framework for their community and to create structural solutions for wealth building for HOPE SF residents of color. Over an 18-month period, we worked with a multi-racial group that included public housing resident consultants and leaders from the HOPE SF partnership to build a framework that was specialized for them. We first led a series of virtual learning sessions around the drivers of racial wealth inequality and then conducted virtual workshops around the five different framework elements. From these learning sessions and workshops we were able to co-create a version of our framework specific to their community. Our work with HOPE SF also helped us to better understand how communities interact with the framework, and allowed us to form our framework blueprint visual that other communities could adapt. HOPE SF is currently in the phase of internally defining their priority strategies and determining an implementation plan for their strategies.

(3) The Federal Reserve Bank of Philadelphia/United Way of Greater Philadelphia and Southern New Jersey: Starting in May of 2022, the Federal Reserve Bank of Philadelphia and United Way of Greater Philadelphia and Southern New Jersey embarked on a two-year project called the Equitable Wealth Project. The focus of this work is addressing the racial wealth gap in Philadelphia, and through partnerships with researchers, funders, practitioners and policymakers, they are seeking to build structural solutions and strategies so that Philadelphia residents have access to a system that supports equitable wealth-building. We partnered with the Philadelphia Fed and United Way from January-November of 2022 to help support the first phase of this project. This included a roundtable series with selected stakeholders in the Summer of 2022 to develop a shared understanding and vocabulary around wealth creation in Philadelphia using a racial equity lens. Over the course of six months, we helped design and facilitate a series of in-person convenings of a group of multiracial local partners ranging from local nonprofit leaders, service delivery practitioners and local policymakers, to discuss the key drivers of racial wealth inequality in Philadelphia. From this shared understanding, this group will continue to meet over 2023 for the next phase of this work, where they will analyze qualitative and quantitative wealth data that the federal reserve bank is undergoing, in order to imagine structural solutions.

(4) Cities for Financial Empowerment Fund (CFE Fund): Starting in January of 2022, the Cities for Financial Empowerment Fund launched their first cohort of cities working on an equity-focused iteration of their program CityStart, which helps local governments develop a municipal financial empowerment blueprint based on stakeholder and community engagement. For this new iteration of CityStart, CFE fund partnered with city and counties with significant Black populations to address residents' financial empowerment needs, prioritizing the financial stability of Black residents. The 2022 CityStart grantees were teams from the cities of Cincinnati, Ohio, South Bend, Indiana, and Mobile, Alabama. From January-November of 2022, we partnered with CFE fund to provide a series of workshops for CFE fund staff and CityStart grantees around the key drivers of racial wealth inequality. We also provided advisory support to Cincinnati, South Bend and Mobile while they developed their own frameworks for addressing racial wealth disparities in their cities, which they will be releasing early in 2023.

Appendix B: Examples of Extractive Policies and Practices created with HOPE SF

The below is a list of extractive policies and practices created when brainstorming with our partners at HOPE SF. This kind of brainstorm activity can be extremely helpful when identifying how public and private actors in your local context are currently extracting wealth from Black residents.

Category	Local, State, Regional Government Policies/Practices	Local, State, Regional Private Sector Practices/Actions
Transportation	Extraordinary fees for tows & booting; parking citations Driver's license holds, suspensions for missing traffic court, BART citations	Auto title loans Discriminatory auto loan interest rates
Criminal Justice	Legal system fines and fees that often accrue debt Phone call costs from incarceration Jail/prison commissary markups Money Bail Public exploitation of the labor of incarcerated Black and brown folks (ie. incarcerated people working as firefighters for under 50 cents an hour)	Phone call costs from incarceration (by private companies) For-profit prison companies that profit off the incarceration of Black and brown folks Private businesses using the labor of incarcerated Black and brown folks
Banking	Government policies of extensive deregulation	Bank overdraft fees Predatory loans Medical Debt Contract leasing Discriminatory interest rates Steering of Black and brown folks toward Chapter 13 bankruptcy
Utilities	Government policies of extensive deregulation	Rate hikes - fees and uncontrolled rates Fees for water, energy, cable shut offs
Housing	Quality of life citations Property Tax Assessments	
Healthcare	Emergency medical services provided by fire department	
Labor	Policies and actions that work to decrease union and worker power	Proposition 22 - Lyft and Uber: keeping workers as contractors, not employees Policies and actions that work to decrease union power
Other	Child support debt Library fees Public museum fees	

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