Partnership for Equitable and Resilient Communities

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Opportunity

Over the next few years, local and state governments will have a unique opportunity to truly address racial inequity across the country thanks to unprecedented levels of federal funding. Between the COVID-relief bills such as the American Rescue Plan Act, proposed stimulus packages such as the American Jobs Plan, and appropriations from the Biden Administration’s 2022 budget, local and state governments could receive a total of $379 billion from the federal government for housing, homelessness, and community development.

Unfortunately, after years of austerity measures, and amidst the ongoing economic fallout from COVID-19, many government agencies, institutions, and community-based partners have limited capacity to think differently about how to deploy this funding equitably and effectively, let alone execute a plan. At the same time, despite the national consciousness raising on racial justice over the summer of 2020 and a renewed appetite for clear and actionable information about how to implement funding strategies to support racial equity, information about how to do so is sparse and fragmented. There have been several efforts in recent years to provide local and state governments with guidance for specific funding opportunities, but governments still struggle to blend diverse funding streams to address local priorities, and they often have little experience engaging communities in decision-making and embedding racial equity into this complex process.

While racism in this country is universal, it has a distinctive local flavor. The capacity and appetite to grapple with the contours of racism vary across agencies and institutions, and across states and communities. The nature of structural racism and its complex entrenchment means that effective deployment of resources requires a strong understanding of local context and populations to ensure that federal dollars benefit those with the greatest need and doing so in a way that delivers measurable health, economic, and environmental benefits.

Capitalizing on its strong network of partners, its influence and convening power, philanthropy has a unique opportunity to help states and localities target these unprecedented funds to help break down barriers and restructure systems and support the equitable advancement of marginalized Black, Indigenous, Hispanic, and Asian/Pacific Islander communities. The Partnership for Equitable and Resilient Communities is a newly formed public-private partnership between the Federal government (anchored at the U.S. Department of Housing and Urban Development and including an interagency working group convened by the Domestic Policy Council) and U.S. philanthropic partners (anchored by the Melville Trust). The purpose of the partnership is to 1) cooperatively support the development of community-centered guidance about how to deploy federal funds to increase housing equity; 2) increase local capacity and technical assistance for implementation; and 3) conduct evaluation to understand how the dollars were spent and who is better off as a result.
Partnership Summary

The partnership will have two phases. Phase I will meet immediate and urgent needs by increasing local capacity to target and disburse Federal Emergency Rental Assistance to those who need it most. Additionally, for renters facing eviction, Phase I funds will support legal assistance to prevent evictions when the moratorium is lifted on July 30th. Details regarding grantee selection, criteria, and level(s) of awards will be determined by the participating foundations.

Phase II will be a three-year pilot across approximately 12 sites aimed at creating a sustainable housing infrastructure with the expertise, tools, and capacity needed to maximize use of federal dollars and lift up communities and populations that have been consistently and disproportionately left behind. The Partnership will also share learnings and resources from the pilot to support other localities that are trying to change programs, policies, and systems by centering racial equity and building thriving communities for all residents.

The optimal level of funding for each pilot site includes the following set of supports over three years. This could grow or shrink depending on fund availability.

1. **Grant Funds** – each site would receive $3-5 million over three years in grant funds to be used for a broad range of capacity building activities (funded by philanthropy)

2. **Technical Assistance** – consultants will work with local communities to:
   - Create guidance and acquire tools to determine the kinds of changes they’d like to see, and to develop a line of sight on how to get there (funded by philanthropy).
   - Understand how to blend federal dollars with other funding streams (funded by philanthropy)
   - Offer program-specific technical assistance (funded by HUD)
   - Fill specific gaps identified by each community and/or HUD. For example, racial equity training, culturally-specific outreach, etc. (funded by philanthropy)

3. **Staff capacity** – one full time staff person will be embedded in the local HUD office at 12 sites (funded by HUD); fellows and/or additional staff capacity will be provided to support program implementation in each site (funded by philanthropy)

4. **Learning Community** – the sites and staff/fellows will be connected via a learning community to share ideas, learn from one another, share learnings broadly and receive training as appropriate and requested (funded by philanthropy)

5. **Access to Capital and Credit Enhancements** – pilot communities will have access to funding for property acquisition, rehabilitation, or development, along with credit and underwriting flexibilities (funded by philanthropy via investments in local Community Development Financial Institutions)
6. An inter-agency working group will be formed and housed in the White House Domestic Policy Council tasked with improving coordination across agencies to promote housing stability and to advance equitable housing solutions (funded by HUD)

7. A program evaluation will be designed in partnership with the sites that are selected (funded jointly by HUD and philanthropy)

8. A communications hub to ensure that the stories of what’s happening with the federal funding are accurately told across media, and told by the communities most impacted (funded by philanthropy)

For more information on the partnership, please contact Aimee Hendrigan of the Melville Trust at ahendrigan@melvilletrust.org