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community
investment

Connecting Capital and Community in Five US Cities: What We Learned



Connect all the disparate actors in the local housing ecosystem



Be ready to experiment with new or underutilized policies and tools



Include small multifamily buildings in preservation efforts



Proactively cultivate and assist real estate developers from historically disinvested communities



Consolidate and bolster homebuyer pipelines



The 3C Chicago Team engages prospective homebuyers during a November 2025 trolley tour. (Photo Credit: Eddie Quiñones)

The Teams

Chicago

3C in **Chicago** focused on expanding affordable homeownership opportunities for residents in two neighborhoods, East Garfield Park and Humboldt Park—without increasing gentrification. The team approached this by cultivating middle-income buyers and providing financial assistance to developers from historically disinvested communities to build homes on city-owned vacant lots. By the initiative's end, 20 new homes had been built, 54 people became homeowners, and the city had identified new ways to streamline and increase housing development.

Los Angeles

The 3C team in **Los Angeles** aimed to increase homeownership options in South LA. In a city where building anything—much less affordable housing—has become very challenging, the group launched two innovative real estate projects that take advantage of new California policies allowing for greater density. The team also worked with a local CDFI to pilot a new mortgage product for properties in which two or more parties share ownership, another way of helping more people own their homes. By the end of 2025, the two projects—nine units in total—were under construction, providing a path for other affordable homebuilders in LA to follow.

In 2021, in collaboration with JPMorganChase, the Center for Community Investment (CCI) introduced a new program called Connecting Capital and Community (3C). This initiative sought to strengthen local community investment ecosystems to preserve and expand affordable housing, while simultaneously addressing systemic barriers to equity and building community wealth in five major US cities: Chicago, Los Angeles, Miami, Seattle, and Washington, DC.

In each city, 3C brought housing ecosystem partners together to align on a single transformational shared objective and streamline resources to accomplish it. By the time the initiative wrapped up in 2025, the five teams had directly created or preserved 625 homes (some of which are still in development) and indirectly supported hundreds more. Although 3C was not racially exclusive, over 90% of the homeowners and renters benefiting from this work are Black and Latino households that have historically faced barriers to homeownership and stable housing. These numbers will keep growing as the teams advance their strategies.

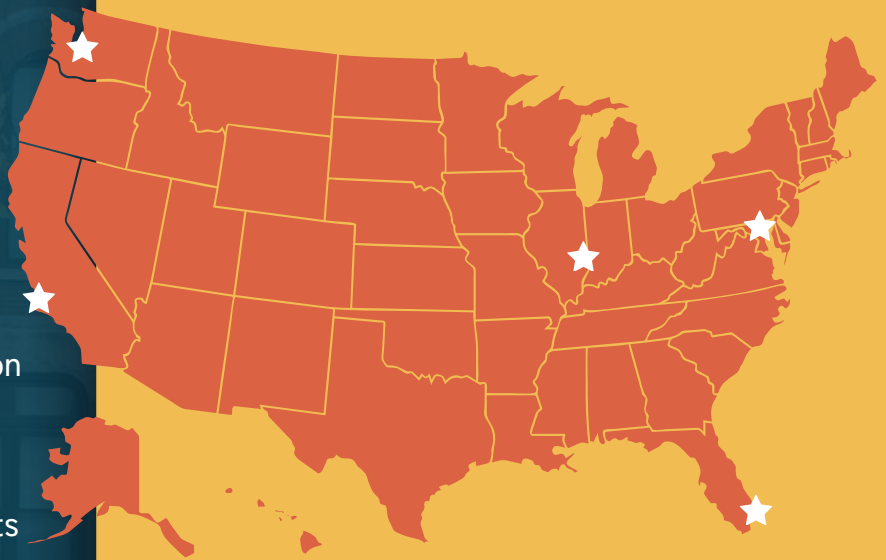
3C achieved this by upending existing systems, creating new capital tools, and shaping policy environments to favor housing outcomes that build wealth for marginalized communities. Its work offers lessons for individuals, organizations, and networks across the US working to change how affordable housing is traditionally created.

Miami

In **Miami**, the team worked in neighborhoods with a high concentration of rental properties that were facing gentrification. Its powerful strategy included engaging closely with the local community to identify and preserve units that were affordable without subsidies, while also assisting landowners in developing their own properties. The work resulted in several projects—representing over 150 affordable housing units and commercial spaces—and led to the county adjusting its funding programs to make them more accessible to independent developers working on small buildings.

Seattle

With the aim of including residents who had already been displaced from the city center, the **Seattle** team focused on expanding homeownership for low- and moderate-income residents in a large, two-county region. Its powerful coalition created financing products to address common barriers to homeownership, coordinated programs to support buyers at every step, and offered technical assistance and funding to underserved developers building affordable single-family homes. The team also influenced local governments to make policy changes, resulting in higher housing production targets, new zoning to enable “missing middle” housing options, and streamlined permitting for affordable homeownership projects.



Washington, DC

Washington, DC’s 3C team concentrated on preserving apartment buildings with fewer than 50 units, a common and crucial form of housing that had been almost wholly overlooked by city policymakers. The team created new funds to meet preservation financing needs; by November 2025, the funds had awarded \$1.685 million to 15 projects, preserving 321 housing units. As a result of the team’s work, the city recognized the importance of supporting small apartment buildings and their owners, expanded the types of repairs eligible for assistance, and plans to direct more resources to housing stabilization next year.



Prospective homebuyers during a 3C Chicago trolley tour in November 2025 (Photo Credit: Eddie Quiñones)

The Challenge

The 3C challenge was both explicit and open-ended. Its objective was for each of the five cities to come up with custom-designed strategies that would strengthen their local community investment ecosystems and advance equity by increasing the stock of affordable rental or for-sale housing.

Each team gathered a wide range of nonprofit, public, and private sector actors, including community residents. Focusing specifically on their city's housing environment, the partners developed innovative projects designed to influence capital flows, policies, and practices, and tested new ways to tackle the housing crisis that could potentially be replicated by others.

All five teams deeply embedded their work in the [Capital Absorption Framework](#), CCI's foundational framework for shifting how capital flows through communities to achieve community priorities. They established shared goals, encouraged a stream of developments rather than focusing on single projects, and sought to impact the broader affordable housing system by strengthening policies and processes governing the housing environment.

It was not easy. Covid-19 slowed the initiative's trajectory, and spiking costs and property values following the pandemic radically shifted the affordability landscape, making the work even more challenging—and crucial. The teams found they had to focus on both the supply and demand sides to streamline costs wherever possible.

The 3C teams persisted, channeling setbacks into progress even when they couldn't lower prices enough to make homeownership possible for every resident.

That persistence paid off through the practices on the next pages, which helped teams achieve significant results.

“The challenge was never just to build more housing. It was to change the way housing gets built, financed, and owned so that communities can shape their own futures.”

**- Omar Carrillo Tinajero,
Executive Director, CCI**

Lessons for the Field



LESSON 1:

Connect all the disparate actors in the local housing ecosystem.

LESSON 1



In every housing market in the US, hundreds of organizations and individuals play key roles in building, selling, renting out, managing, and regulating affordable housing.

In most cities, however, those actors are largely disconnected. Housing counselors rarely communicate with mortgage lenders, for example, though both focus on credit issues that can keep lower-income people from being able to buy a home. Similarly, developers of multifamily buildings may have limited contact with local community groups and therefore little idea of potential residents' actual needs.

3C's most significant result may have been the creation of broad networks of multisector actors who are now working together in each of the five cities—something that we see in very few communities around the country. When the initiative was launched, a lead organization in each city created a collaborative drawn from the local housing ecosystem. Members came from affordable housing nonprofits, real estate development firms, foundations, lenders,

government agencies, and local communities; residents were compensated for their participation.

Each team was unique. In Seattle, for instance, the team included 125 partner organizations spanning more than 35 square miles across several counties. In contrast, Chicago's network focused on two city neighborhoods and relied heavily on the participation and insights of local residents.

Having a wide range of perspectives, experiences, and opinions proved extremely valuable. Cross-sector exchange helped members identify gaps in the existing system and clarify solutions they may not have otherwise seen. For instance, Miami's team had a particularly strong "ground game" of community groups and local residents. They were able to inform small-scale developers of potential pipeline projects and help them better align their



Black Home Initiative

Connecting Capital and Community

JPM Leadership Update



community development work with local priorities.

Connecting practitioners with municipal policymakers was also fruitful. Individuals and community-based nonprofits could illustrate to officials how policies and programs performed in reality and make suggestions for improving them.

In Chicago, for example, the city's \$5 million Down Payment Assistance Fund had been in place for years but largely went unused because of its overly complex design. 3C brought housing counselors, developers, and community groups together with funders and public officials to discuss the fund's problems and how minor changes could make it more accessible to homebuyers. As a result of some of those changes, eight grants have closed as of March 2025, six of which went to 3C buyers.

Having an organized, aligned group of experienced professionals to advocate for change was critical to the success of the initiative in every city. Through their work, each of the teams wound up identifying important policy and funding issues that they were able to communicate to policymakers as a group, making their efforts much more powerful.

The Seattle-based Black Home Initiative meets with JPMorgan Chase & Co. to discuss program updates. (Photo Credit: Center for Community Investment)

Lessons for the Field



LESSON 2:

Be ready to experiment
with new or
underutilized policies
and tools.



LESSON 2



3C Chicago Team Lead Lynnette McRae connects with fellow team members and Chicago community members. (Photo Credit: Eddie Quiñones)



Underused policy and financing tools that could potentially increase or preserve the stock of affordable housing and/or reduce costs can be found at various levels of government across the country.

Many still need to be tested to figure out how they work and determine their effectiveness. Though small-scale experiments may only result in a few units, they can serve as proof-of-concept models that demonstrate what is possible to the broader housing ecosystem and allow others to replicate the work at a larger scale.

In Los Angeles, for example, the 3C team was determined to create homeownership opportunities in the South LA community at a lower price than what was on the market. To do so, it tested the viability of a couple of innovative tools on two separate properties.

On one, the team utilized a new law, California's SB 9, which allows landowners to divide single-family properties into two parcels, each of which can hold up to two housing units. Though the law had been passed in 2021, it appeared that affordable housing developers in LA had not yet successfully used it. The team decided to build two new units on the property, for a total of three for-sale

homes. On the other parcel, the group is developing a six-unit building that will be governed by a land trust. Residents will own their units but not the land underneath, reducing the price of the homes.

In both cases, because the land isn't conventionally subdivided, typical mortgages can't be used to sell each unit separately. In response to this challenge, the team partnered with a local CDFI to pilot a shared-ownership mortgage product that will allow the new homeowners to take advantage of conventional interest rates.

Both projects are still under construction. When they're completed and have been sold, they will serve as innovative prototypes that others can improve upon and scale up. Local policymakers and regulators will have a better grasp of the nuances of SB9, other builders will see its potential, and lenders and community land trust groups can observe the shared-ownership mortgage in action and create their own products.

Lessons for the Field



LESSON 3:

Include small multifamily buildings in preservation efforts.



The 3C LA Team's 4th Avenue property in Los Angeles, acquired in 2023, where two additional homes are being built under Senate Bill 9 (Photo Credit: Jonathon Gooch | Gooch Media Group)

LESSON 3



Small multifamily buildings containing between two and 49 units play a key role in the country's affordable housing landscape. They provide nearly half of the nation's rental housing and close to one-fifth of the overall housing stock, and are a classic source of affordable housing that doesn't require subsidies.

National data shows that their residents and owners are significantly more likely to have low and moderate incomes. A significant proportion of these buildings are located in neighborhoods experiencing lower homeownership rates and rising rents, so preserving them is a powerful anti-displacement strategy—and builds community wealth.

Yet this source of affordable housing is largely overlooked, and many such buildings are currently under threat. Fewer small rental buildings are being built today than a half-century ago, and a disproportionate number are aging and in need of significant repairs. Their owners often struggle to afford the necessary upgrades, but traditional lenders are frequently reluctant to fund them, viewing the projects as too small or risky.

The 3C teams in DC and Miami focused closely on helping to preserve these important homes. Viewing their preservation as central to protecting the city's history and identity, the DC team

launched an emergency grant fund that allowed small building owners to quickly address immediate repairs and resulted in the preservation of 321 units. 3C's support for small building owners in Miami has resulted in over 150 units preserved to date. Both teams offered financial products to cover the financing gap left by conventional lenders; flexible predevelopment grants and loans were especially useful.

Because many legacy landlords had little experience with construction codes or complex capital transactions, the teams paired the financing with intensive, customized technical assistance. Consultants guided property owners through the preservation process and helped them gain funding and navigate permitting issues. The work was time-consuming, required patient relationship building, and cost more than preservation programs tend to budget for. But the outcome was worth it, helping to stabilize entire neighborhoods as well as preserving homes and making them safer.

Lessons for the Field



LESSON 4:

Proactively cultivate and assist real estate developers from historically disinvested communities.



*Members of the 3C LA Team mark the groundbreaking of a new housing development in Hyde Park, Los Angeles.
(Photo Credit: Jonathon Gooch | Gooch Media Group)*

LESSON 4



One of 3C's goals was to find ways to create affordable housing that would also build wealth within communities. Developers and investors involved in large affordable housing projects usually don't live in the neighborhoods where they work, and they take their earnings away at the end of the day. In contrast, developers who come from or live in the communities they're working in, or communities like them, are more likely to employ contractors from similar backgrounds and work on smaller projects that help to prevent displacement—all of these things increase wealth in low-and-moderate-income communities.

But real estate development tends to favor experienced, deep-pocketed developers. For developers from disinvested communities, who may have far less access to capital through their friend-and-family networks, this is a serious barrier to growing their businesses and working in their own communities.

In response, 3C teams explicitly targeted underrepresented developers in their cities. Several 3C teams convened developers to help them gain experience, access to networks, and new ideas about how to reduce production costs. The teams offered targeted technical assistance, and created loan funds and grants to cover financial needs that were identified by the developers themselves. In some cases, they also facilitated the developers' search for available land.

In Miami, for example, where affordable housing development has generally centered on large-scale LIHTC projects, the team created a network of emerging developers focused on small buildings. Within the group, members could discuss project updates, trade best practices, and share referrals to contractors and other professionals. The 3C team also created a range of financial products tailored to the developers' specific needs—including site acquisition assessment grants, predevelopment grants, and gap financing that comes late in a project's timeline—while also offering intensive, customized technical assistance. Those efforts helped to build the capacity of local emerging developers and equip them to tackle projects that had been identified by the community.

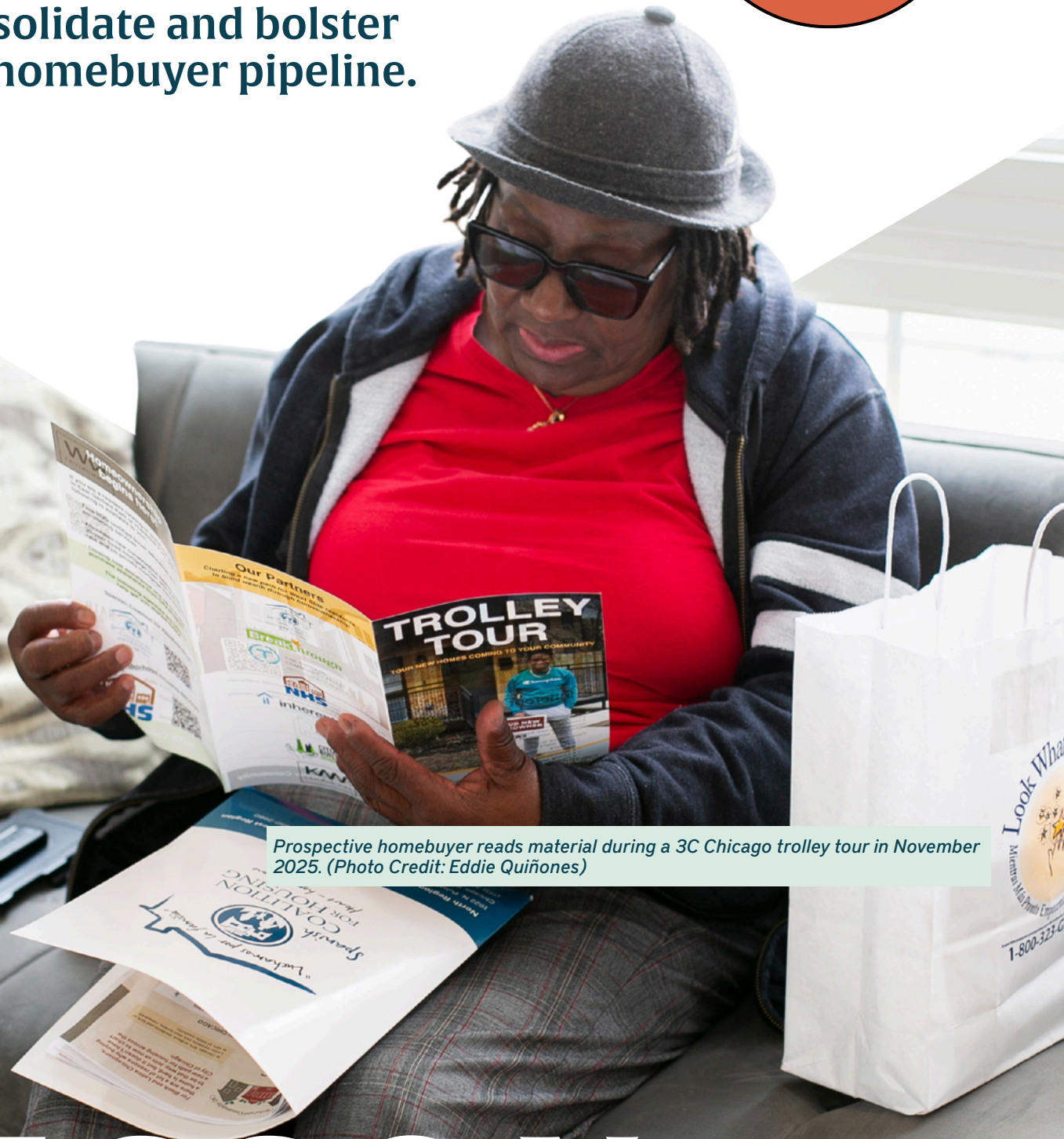
Members of the 3C Miami Team pictured with CCI Executive Director Omar Carrillo Tinajero (Photo Credit: Center for Community Investment)



Lessons for the Field

LESSON 5:

**Consolidate and bolster
the homebuyer pipeline.**



Prospective homebuyer reads material during a 3C Chicago trolley tour in November 2025. (Photo Credit: Eddie Quiñones)

LESSON 5



Efforts to support first-time and low-income homebuyers have grown over the decades in response to the growing awareness that increasing the numbers of American homeowners requires not only more homes but also a pool of eligible homebuyers who can access funds for down payments, traditional mortgages, etc. Pre-purchase homebuyer counseling, down payment assistance, and other services have become common.

However, those offerings tend to be fragmented and operate in isolation from one another. The 3C teams recognized this—and realized that their work to increase the supply of affordable homes would be more effective if they had pipelines of potential buyers when the supply was ready.

In response, most of the teams educated interested homebuyers on their options, offered hands-on housing counseling to determine their eligibility and work through credit issues, and identified or created financial products to fit buyers' particular needs. In Los Angeles, where the 3C team was experimenting with community land trust (CLT) models, the group also included education about how CLTs work. In Chicago, the team paired prospective buyers with homeowners who had been through a similar program and could offer guidance and support.

The Seattle team's efforts were particularly comprehensive. One focus of their efforts was first-time and low-income Black homebuyers (Black homeownership in King County declined from roughly 50% to 28% between 1970 and 2025, and Black-owned homes are valued at about 75% of white-owned homes).





The group engaged faith-based organizations, targeted media outlets, and other trusted community partners to educate potential homebuyers about opportunities. It created a coordinated intake and referral platform that centralized families' inquiries and applications, and funneled them to housing counseling agencies—who themselves had been convened as a network.

The team also developed new programs to serve families that struggle with credit issues. One was a debt reduction fund that paid off up to \$25,000 of families' eligible debts and included a match savings plan. The Seattle group also worked to create new underwriting guidelines that would not penalize buyers for having higher risk profiles.



So, What Now?

None of these efforts was a silver bullet that magically transformed the way a city provides homes for its lower income residents. However, the 3C program model provided a structured process for coordinated networks of partners to explore, test, and implement a wide range of tools, policies, and strategies to address a variety of housing needs—far beyond the limited scope of LIHTC, the country’s main affordable housing tool. All five of the 3C teams created new infrastructure, new ways of accomplishing things, and new products that can, over time, change the way affordable housing is produced and preserved around the country.

Systems change doesn’t happen overnight, but we have seen clear signs of meaningful moves in that direction, as the affordable housing innovations and solutions developed by local 3C leaders are being embedded in communities, taken up by local and state governments, and expanding their reach. This powerful model has great potential to be used in other cities and other sectors around the country.

We extend a special thank you to our 3C team leads for their work and dedication over the course of this initiative.

*Chicago Community Trust / Civic Commons Black Homes Initiative /
The Coalition / Genesis LA / LISC DC / Miami Homes for All*

About the Center for Community Investment

The Center for Community Investment (CCI), a sponsored project at Rockefeller Philanthropy Advisors, works to support places—especially low-income, rural, and immigrant communities— to transform their community investment ecosystems so they can achieve their visions for the future. Our work is supported by the Robert Wood Johnson Foundation, The Kresge Foundation, JPMorgan Chase & Co, Target Foundation, Wells Fargo Foundation, and The California Endowment.

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