

# BRIDGING THE WEALTH GAP

United is the Way we break cycles and forge brighter futures.

## Overview

For over a century, United Way of King County has worked diligently to meet the community’s immediate needs, ensuring that families have a safe place to sleep and enough to eat. While we stand by the importance of this work, we’ve also witnessed firsthand how **systemic inequities have trapped generations of our neighbors in debilitating cycles of poverty.**

Now, in 2025, United Way of King County is launching something truly groundbreaking—the **Bridging the Wealth Gap Campaign**, a bold initiative unlike anything in the local philanthropic landscape. This is more than charity; it’s a game-changing tool to create security for our neighbors through homeownership and business ownership.

## King County’s Growing Wealth Gap

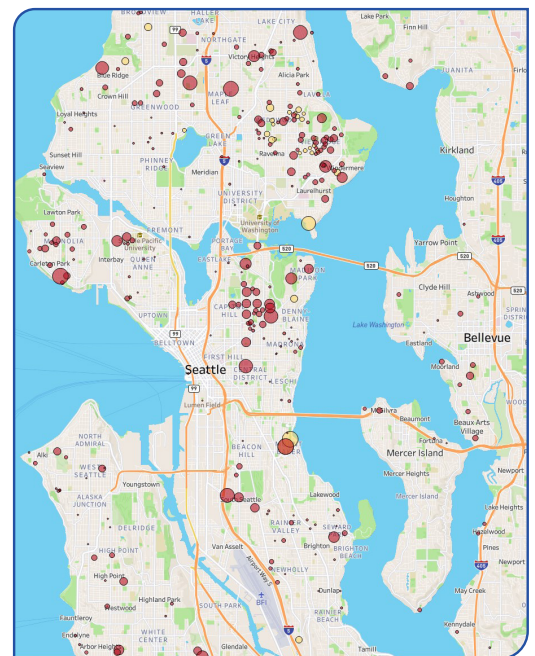
King County’s wealth gap is staggering, especially for families of color. Centuries of discriminatory practices like redlining, restrictive covenants, and predatory banking practices have denied families opportunities to build wealth. Let’s look at the numbers:

- **INCOME DISPARITIES:** In 2022, the average income in King County for a white individual was \$120,225 annually, compared to \$65,939 for a Black individual. (Camber Collective)
- **HOMEOWNERSHIP GAPS:** While 72.7% of white Americans own homes, only 44% of Black Americans are homeowners—a figure that has barely changed since 1970. (National Association of Realtors)
- **BUSINESS OWNERSHIP BARRIERS:** Black business owners have a median net worth 12 times higher than non-business owners, but fewer than 10% of U.S. entrepreneurs are Black. (Congressional Black Caucus Foundation)

**Goal:**

**\$30** — **5** YEARS  
MILLION

**potential to unlock \$100M in loans for our community**



**Racially Restrictive Covenant Map**

Written into property deeds, these clauses legally prohibited people of certain races from buying, leasing, or living in a property.

- Documented covenants
- Advertised as restricted

\*Do not assume areas without circles were unrestricted. (University of Washington)

# Proven Pathways to Wealth

To determine how best to create an upstream solution for these inequities, United Way of King County conducted research with Camber Collective over the course of 2024 to analyze our community demographics and potential philanthropic approaches. Data showed that **homeownership and small business ownership are the two strongest avenues to help people build generational wealth**; by lowering the barriers, we can raise economic mobility.



Elijah's parents moved from Mississippi to South Seattle in the late '50s, preferring the rain to Jim Crow. He grew up in King County's public housing, but as an adult, **Elijah dreamt of being able to paint the walls however he wanted or host family Thanksgiving** in his own home. He promised his daughter he'd buy them a house.

With the help of the Black Home Initiative, he followed through on that promise. Investing in his home, he told BHI, was a way to invest in a generational transfer of wealth.

\*Elijah's story comes from the Black Home Initiative and Civic Commons. His full identity is protected to respect his privacy.

## “ Homeownership is the biggest piece of generational wealth...

Most Americans have built wealth off owning something—more than just equity, it's stability. If you stabilize your housing costs, most other things get stabilized in your life. Owning something helps you grow roots and maintain them.”

—Darryl Smith, HomeSight



“**Banks are not really interested in loaning money, I don't think, to small businesses in the space that I'm in,**” said chef Kristi Brown in a 2018 interview with KUOW about the reopening of her catering business, That Brown Girl Cooks!

Instead, she turned to Rainier Valley Community Fund. They gave her the loan she needed.

In January 2025, Forbes magazine interviewed Kristi Brown—now local superstar—about the success of her restaurant COMMUNION. With the help of the small loan, Brown was able to not only support her family, but also elevate our whole community and garner national acclaim for coining a new culinary style called “Seattle Soul.”

## THE COST OF INACTION

Addressing these inequities will not only be life-changing for many families, but it will also be transformative for our economy. The wealth gap has **cost the country an estimated \$51 trillion in lost output since 1990**, according to the Federal Reserve, and in King County, narrowing the gap could **inject \$40.3 billion into the economy**.

## “ When we invest in economic opportunity for folks who have often been left out and left behind, we invest in greater self-determination and create healthier and more equitable communities.

I am thrilled that United Way of King County is supporting small business with loans for those who've been denied by traditional banks—this direct investment unlocks potential and lifts up the brilliance of local entrepreneurs so that we can all enjoy their contributions to our economy and society.”

—Teresa Mosqueda, King County Council

# Our Solution: A Two-Pronged Approach

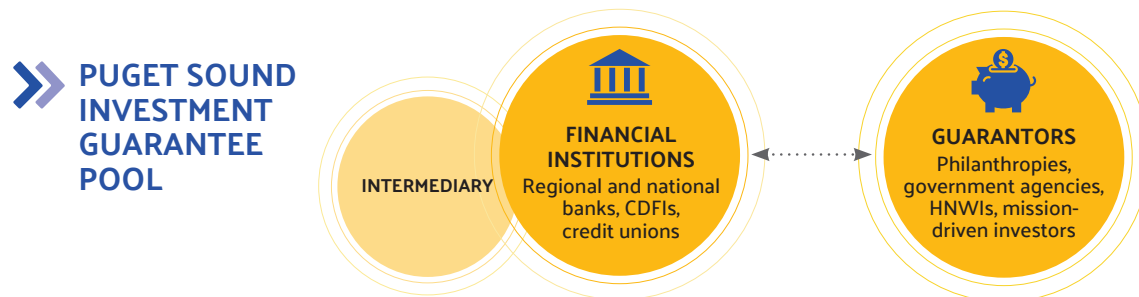
## 1. PUGET SOUND INVESTMENT GUARANTEE POOL

Through this campaign, we will create a new financial tool for King County’s philanthropic ecosystem: the Puget Sound Investment Guarantee Pool.

An investment guarantee pool is a collective fund designed to unlock capital for underserved communities by mitigating the perceived risk for lenders. A similar national guarantee pool, operated by Locus Impact, leveraged \$25 million into approximately \$200 million, facilitating access to 2,200 affordable homes and 3,000 jobs for people in their community.

But more than that, this **tool represents real systems change**. By creating a local guarantee pool—which does not yet exist—we’re forging financial systems free of any discriminatory or predatory lending practices that have historically perpetuated the wealth gap seen today.

- **ENSURE EQUITY:** Since we will control how loans are distributed, we can prioritize families and businesses who have previously been denied access to fair lending practices.
- **SAFETY NET:** The pool provides a backstop for the borrower, protecting them from potentially losing everything if they were to default on a loan.

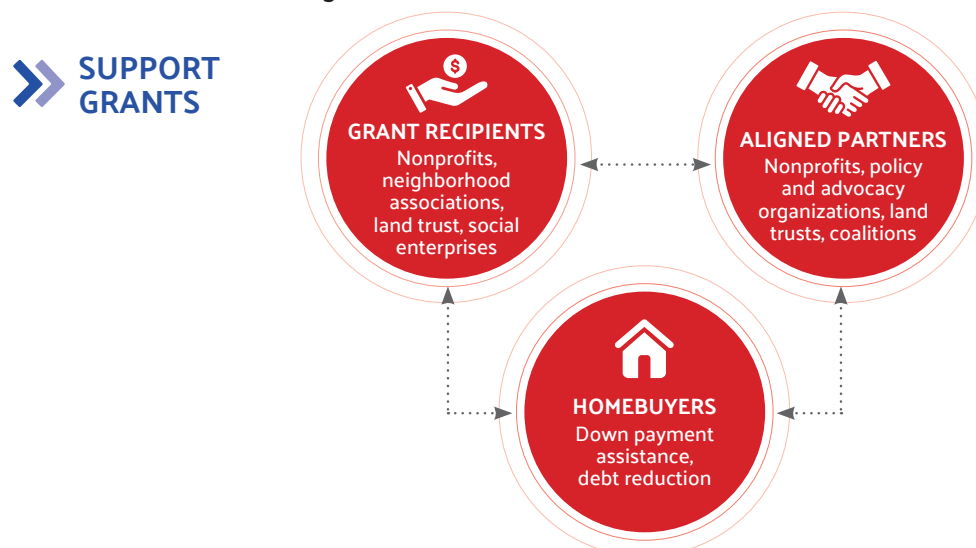


## 2. SUPPORT GRANTS

To ensure that borrowers thrive, we’ll pair the Puget Sound Investment Guarantee Pool with Support Grants.

These Support Grants will address an array of potential needs:

- Offer business support.
- Cover the cost of financial literacy or credit repair programs.
- Provide technical assistance with permits and loan counseling.
- Offer down payment assistance on a ‘last dollar’ basis so families who are already making rent payments can transition to investing in their own home.



# We Are ‘The Great Convener’

**We will not do this work alone. We will do this work like we always do—side by side with community.**

United Way of King County has met people’s immediate needs in the region for 103 years. In that time, we’ve built relationships across sectors—within the philanthropic ecosystem, yes, but also in business and government. As a trusted nonprofit with more than 143 local partnerships, we bring those people, organizations, and community leaders together to tackle systemic challenges.

This two-pronged approach to bridging the wealth gap will only be possible because of our unique position as a convener in King County, bringing together visionaries and practitioners to turn ideas into impact.

**We know local organizations do great work—we’re creating a tool to make their work easier.**



“ I’ve volunteered with United Way for over a decade and have seen their work up close. **I believe the super power of United Way is their ability to be the great convener**, bringing together coalitions including other non-profits, corporations, government agencies, policy advocates, and donors to create solutions to the most critical challenges facing our community.”

—**Scott Meden**, Retired Chief Marketing Officer of Nordstrom,  
United Way of King County board member

“ United Way is the thought leader in terms of philanthropic efforts in this community and solving problems.”

—**John Stanton**  
Chairman of the Seattle Mariners’ board of directors

## YOUR INVESTMENT WILL:

- Help families gain economic mobility to break the cycle of poverty created by generations of discriminatory and predatory practices.
- Give children the opportunity to grow up in a stable home and give grandchildren the chance to inherit opportunities to thrive—not obstacles.
- Inject billions into King County’s economy and our community, allowing families to thrive free of systemic barriers.
- Pilot a unique, innovative campaign that works to create upstream solutions that result in lasting change.

**Imagine a future where King County sets the national standard for wealth equity—and your investment made it possible.**



Join us in this movement  
to build generational change.  
**United is the Way**