# BRIDGING THE WEALTH GAP

## Theory of Change

The Bridging the Wealth Gap Campaign is grounded in the belief that by removing systemic barriers to homeownership and small business ownership-the primary drivers of generational wealth-historically marginalized communities can achieve lasting economic mobility. Through our two-pronged approach of coupling an investment quarantee pool with support grants, United Way of King County aims to create equitable access to capital and narrow the wealth gap, fostering a more inclusive community.



#### **PUGET SOUND INVESTMENT GUARANTEE POOL**

#### **Investment guarantees** to

Community Development Financial Institutions (CDFI)/ lenders supporting:

- Home mortgages
- Down payment assistance
- Small business loans (startup, emergency, growth)

#### Which will target...

Asset Limited, Income Constrained, **Employed (ALICE)** renters in Greater King County region

Income-capped early-stage business owners in King County

- Guarantee pool size, increase in partners involved
- Supporting new homeowners
- Supporting small businesses

### **Outcomes**

#### **SHORT-TERM**

- Increase in mortgages signed
- Small business expansion (through hiring employees, purchasing brickand-mortar locations, increasing revenue, etc.)

### **Impact**

#### NARROWED WEALTH GAP IN GREATER KING COUNTY

#### **PRIMARY**

- Increased and sustained homeownership
- Greater business ownership and resilience
- Increased wealth and intergenerational transmission of wealth

#### **SUPPORT GRANTS**

#### **Grantmaking** to organizations providing:

- Down payment assistance, debt reduction, credit repair
- Wraparound support

### Participation in UNFUNDED coalitions

FUNDED

 Policy and advocacy partnerships and activities

#### Which will target...

Nonprofits and community organizations in **Greater King County** region

Policymakers, decision makers. community leaders in **Greater King County** region and statewide

- Grant funding awarded, partners and projects supported, technical assistance provided
- Increase coalition participation
- Policy changes

#### **LONG-TERM**

- Higher homeownership rate within ALICE demographic
- Higher small business ownership and survival rates
- Greater resilience through economic turmoil
- Supportive policy environment

#### **SECONDARY**

#### For ALICE communities:

- Greater economic stability
- Holistic impacts on health, wellbeing, employment, etc.

#### For broader King County:

• Regional economic growth and vitality

#### For United Way of King County's efforts:

 Replication of model, increase in resources