

# Connecting Capital and Community: Early Lessons on Advancing Systems Change



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# Background

## 3C overview

Launched by the Center for Community Investment (CCI) with support from JPMorganChase in 2021, 3C supports five cities—Chicago, Los Angeles, Miami, Seattle, and Washington, DC—in using community investment to advance housing preservation, homeownership, and wealth building. The initiative operates with an approach that acknowledges the racial history and trauma associated with housing across the country and aims to increase housing opportunities, particularly for Black and Indigenous People of Color (BIPOC) in the five cities. The 3C teams in these five cities are applying the capital absorption framework<sup>1</sup> to their work by engaging their communities to articulate shared priorities, creating and executing a pipeline of projects, and leveraging this pipeline to identify and pursue shifts in capacities, practices, policies, and resource flows. In applying the capital absorption framework, 3C anticipates that teams will contribute to system shifts that can sustain and expand progress well beyond the end of the initiative. See Appendix for an overview of each 3C team’s key strategies and early systems change progress.

## 3C approach to systems change

Within 3C, systems change involves influencing affordable housing ecosystems—interconnected

| 3C Systems change goals:<br>potential indicators of progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
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| <ul style="list-style-type: none"><li>• <b>A sustainable structure for ongoing cross-sector collaboration</b> on systems strategies for equitable housing</li><li>• <b>Community stakeholders organize the demand and supply of capital</b>, equipped with the power, knowledge, and tools to do so</li><li>• <b>New development models</b>, such as model housing products or financing tools, pave the way for broader adoption</li><li>• <b>Policies, practices, and processes begin to shift</b> in service of teams’ shared priorities</li><li>• <b>Improvements in system capacity and capabilities</b> address bottlenecks in inventory or buyer pipelines</li><li>• <b>Resources begin to flow more effectively</b> to community-determined priorities</li></ul> |

networks of stakeholders, policies, and funding mechanisms that create, preserve, and manage affordable housing. These ecosystems involve an array of public, private, and nonprofit stakeholders, including residents, community-based organizations, government, developers, capital providers, and philanthropy. Systems change involves shifting the conditions in which those networks operate, potentially by creating new ways of working together, improving organizational or collaborative capacity, generating new development models, contributing to policy changes, and catalyzing new or more effective funding sources. *(See sidebar for goals articulated by CCI.)*

Achieving the types of system changes that might begin to address the racial inequities in the affordable housing ecosystem required a careful examination of the factors holding the current system in place. The initiative introduced teams to multiple approaches to diagnose the system pain points and to conduct root cause analysis before developing strategies to influence systems. It also exposed teams to models and exercises to strengthen their systems thinking and encourage an examination of events, patterns of

<sup>1</sup> For more information about the capital absorption framework: <https://centerforcommunityinvestment.org/our-resources/capital-absorption-getting-communities-ready-for-investment/>

behavior, systems structures, and mental models. See Appendix to read about the two systems thinking frameworks most frequently utilized in 3C.

## Learning from the 3C teams' systems change efforts

This brief synthesizes the insights gleaned from the five 3C teams and the team of CCI staff and consultants who have supported the city work. While the 3C teams are still early in their efforts to produce a more equitable affordable housing ecosystem, the research<sup>2</sup> and discussions yielded several insights that may help others pursuing systems change.

### 1. A clear shared priority sets the foundation and the aspiration for systems change work.

A key takeaway from the 3C teams is that having a **clearly defined shared priority** is essential for driving meaningful progress. For 3C teams, establishing a clear shared priority involved setting a collective vision and pairing that with a specific statement of the intended outcomes of the teams' work to realize that vision. In the context of racial equity, this required explicitly identifying the change or outcome being pursued and the communities it is intended to benefit.

**Arriving at a clearly defined shared priority requires deep reflection and collaboration to clarify goals and identify system barriers.** The more thoroughly teams understood the real barriers embedded in the system, the more effectively they could craft intentional strategies for systemic transformation. Teams noted that this process encouraged them to focus on what truly mattered, avoiding diluted efforts and directing resources and energy toward specific goals.

**The process of arriving at a shared priority also required reconciling differences among team members regarding the vision and the best pathway to achieve it, which is a crucial aspect of systems change work.** Many teams aimed to build wealth for historically marginalized communities, which led to tensions over balancing individual wealth-building opportunities with the need to maintain long-term housing affordability. Teams grappled with complex questions: Should affordable housing remain permanently affordable to prevent displacement, even if that limits opportunities for residents to build wealth? Should racial equity efforts be broad, encompassing all communities of color, or should they specifically focus on lower-income residents of color? Some teams reconciled these tensions by framing wealth building through homeownership as a journey—emphasizing that the first property provides stability and a foundation that can eventually lead to greater asset-building opportunities over time. This perspective helped align diverse viewpoints and foster a more cohesive approach to achieving racial equity through housing.

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<sup>2</sup> To develop this learning brief, Mt. Auburn Associates, CCI's learning and evaluation partner on the 3C initiative, conducted a comprehensive review of documents, including site-produced reports, engagement materials, meeting records from the CCI implementation team, and previous evaluation materials and reports. Following this review, Mt. Auburn interviewed CCI implementation team members (including site advisors, coaches, and resource consultants) who worked closely with each team to gather insights into their work, approach, and journey toward systems change. Mt. Auburn then organized focus groups to delve into specific aspects of the 3C initiative, followed by individual interviews with select team members to clarify and explore specific learnings and reflections in greater depth. Finally, Mt. Auburn shared draft learnings from the brief with the CCI team for feedback and reflection to ensure accuracy and alignment.

## 2. Systems approaches need to be multifaceted.

The 3C teams adopted holistic approaches to advancing homeownership for people of color, recognizing that systemic racial disparities in housing necessitate solutions that address interconnected challenges. As teams embarked on their journey, they realized that barriers such as affordability gaps or limited access to financial resources required strategies that **tackle both supply- and demand-side issues**. In Chicago, the team worked to improve opportunities to pursue wealth building through homeownership in long underinvested communities in Chicago (East Garfield Park and Humboldt Park) by lowering construction costs through the use of publicly-owned vacant lots and demonstrating the value of modular construction. At the same time, the team helped form coalitions of housing counselors and developed a new mortgage product to build a system more welcoming to low-income buyers. The Los Angeles team is leveraging innovative land-use policies, such as accessory dwelling units (ADUs) and SB-9 lot splits, to develop smaller, more cost-effective infill projects, coupling these with demand-side financial tools, such as tenant-in-common (TIC) mortgage financing and Section 8 homeownership voucher integration. In Seattle, the team is seeking to shift mindsets around homeownership by raising awareness about the possibility of owning a home and offering homebuyer and financial counseling. The team is working to reduce barriers for homebuyers by piloting a fund to assist buyers with past debts, building new policy mechanisms to provide down payment support, and ensuring access to more affordable mortgage financing on the demand side. On the supply side, the initiative offers technical assistance and financial support to developers of color to increase their participation and expand the production of affordable housing units for homeownership.

## 3. Cross-sector collaboration is a means to systems change and a critical outcome.

Cross-sector collaboration is a cornerstone of the 3C initiative. The initiative fosters teamwork among diverse stakeholders by bringing together housing developers, community organizations, financial institutions, and government agencies. Throughout the program, teams receive coaching and tools to enhance collaboration and encouragement to continually assess which additional partners might need to be engaged to strengthen their efforts. **Many 3C teams are experiencing early gains in collaboration as a critical systems outcome of their work.** Teams are discovering that building "connective tissue" among stakeholders is starting to drive meaningful changes. The experiences of 3C teams demonstrate that cross-sector collaboration can help drive systems change in several ways:

**Cross-sector exchange helps identify gaps and surface unforeseen solutions.** Collaboration across sectors integrates diverse perspectives, making identifying gaps and discovering unexpected solutions easier. For example, in Chicago, a \$5 million Down Payment Assistance Fund, the Building Neighborhoods and Affordable Homes program, remained largely unused because its complex design created high barriers for access. Through 3C, housing counselors, developers, community groups, funders, and public agencies came together to better understand each other's roles and needs. This dialogue highlighted how minor adjustments currently being piloted for 3C homes can enhance program accessibility for homebuyers. As of March 2025, eight grants closed, six of which were for 3C buyers.

**Cross-sector collaboration fosters shared learning and empowerment.** Collaboration across sectors can also foster two-way learning and empower individuals to play an active role in systems change. Miami's experience supporting legacy property owners and emerging developers to advance their

projects highlights this dynamic. The team discovered that the "right" people with critical insights were not always obvious until conversations began. In some cases, individuals did not realize they held valuable insights until they were engaged in the process. By creating opportunities for dialogue and collaboration, the team helped these stakeholders recognize their contributions and become active participants in the effort to drive change. Legacy property owners, for instance, began to see how their land could play a pivotal role in preserving community identity while creating affordable housing opportunities. As a step toward deeper cross-sector understanding, the DC team developed a training, known as the Collaborative Development Framework, that guides emerging and experienced developers in building collaborative approaches with tenants and housing providers to promote stability, mutual respect, affordability, and financial viability. Following the pilot with 15 emerging developers in summer 2025, about half have since pursued collaborative development and sought further technical assistance.

**Collaboration can leverage resources for a common goal or shared priority.** When diverse sectors unite around a shared priority, they can more effectively pool resources and align strategies that would be difficult to achieve in isolation. By bringing together diverse stakeholders, 3C teams demonstrate how collaboration can help maximize the impact of available resources. In Washington, DC, the team's engagement with public sector partners helped expand the eligibility of the Small Building Program to include both two-unit buildings and expand the eligible expenses and repairs the program would cover. These changes helped broaden the program's reach to preserve affordable housing for BIPOC, low- to moderate-income residents.

**Many 3C teams are seeing early gains in collaboration as a critical systems outcome of their work.** Teams are discovering that building "connective tissue" among stakeholders is starting to drive meaningful changes. In Miami, efforts to foster relationships between non-traditional developers and city and county agencies are beginning to make it easier for new developers to navigate regulatory hurdles. Additionally, the team's ground game is nurturing more collaborative relationships between developers and residents, creating an environment where community development projects can better align with community priorities. In Seattle, the Black Home Initiative (BHI) focused on cultivating a network of 123 partner organizations, all working collaboratively around the same shared priority of ensuring Black homebuyers<sup>3</sup> across the Seattle-Tacoma region have the opportunity to purchase homes. The BHI network's collaborative and targeted relationships facilitated the passage of the [Covenant Homeownership Act \(CHA\)](#) in spring 2023, which funds the Covenant Homeownership Program (CHAP) to provide down payment and closing cost assistance for homebuyers shut out of the opportunity by historic racial discrimination. In addition, the network has played a pivotal role in accelerating its implementation. The Washington State Housing Commission, the agency responsible for implementing this work, noted that it has leveraged housing counseling, Realtists,<sup>4</sup> and underwriters within the BHI network to facilitate the

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<sup>3</sup> BHI focuses specifically on Foundational Black residents defined as individuals who were born in the United States, classified as Black, and can trace their lineage to the American system of slavery. To be designated as a Foundational Black American (FBA), at least one parent must be from a non-immigrant background in the United States.

<sup>4</sup> A Realtist is a real estate professional who belongs to the National Association of Real Estate Brokers, a national trade organization dedicated to fostering the expansion of inter-generational wealth creation of Black households through the promotion and retention of increased levels of real property ownership.

efficient implementation of the program. Between August and June 2025 alone, this program provided assistance to over 500 homebuyers of color in King and Seattle counties.

#### 4. New products or programs can serve as early tests of systems change.

When seeking to change complex, adaptive systems without well-established pathways to achieving the desired changes, it often makes sense to **start small, exploring possible innovations as a path to learning**. In 3C, many teams developed pipelines of housing projects and, in some cases, pipelines of homebuyers as tangible ways to test system innovations, as CCI's Capital Absorption Framework encourages. Smaller experiments, such as new products, programs, and pilots, offered **testing grounds for innovation, drivers of collaboration, and proof points that might generate ripple effects, ultimately leading to more scalable impact**. These early successes have already informed policy changes, streamlined development approvals, and opened new funding streams.

The Chicago 3C team has focused on a series of pilots that have served as vehicles for learning and demonstration projects intended to shift mindsets on what is possible. Working in neighborhoods with abundant vacant lots, the team collaborated with developers, community organizations, public agencies, and housing counselors to develop a housing pipeline to test what it would take to make new construction of single-family homes affordable for buyers below 120 percent AMI. After exploring a number of efforts to reduce construction costs, the team turned its attention to identifying opportunities to close the remaining affordability gap in a scalable way. This led to further experimentation with refinements to the city's existing down payment assistance program and ultimately to the development of a specialized mortgage product designed to reduce homebuyer burden. The creation of the nonconforming mortgage product has led to the team's newest small test of change, which, if successful, could be a transformational system shift. While the nonprofit lender Neighborhood Housing Services of Chicago has offered similar mortgage terms in the past, it has always had to hold those mortgages on the books, limiting its ability to make additional loans. The team hopes to work with investors to purchase the nonconforming mortgages, demonstrating the potential for a secondary market for these mortgages. If successful, this could attract additional investors and lead to greater impact in the future.

Following a similar approach, the LA team, led by Self Help Federal Credit Union, is piloting the first TIC mortgage for low- and middle-income buyers as a potential tool to expand homeownership at scale. This product simplifies affordable homeownership within preservation projects by avoiding the costly condo conversion and associated rehabilitation expenses.

Across 3C, the teams' pilot activities are demonstrating what is possible, and small-scale successes are starting to build credibility, showcasing new approaches to city leaders, investors, and other system-level players. The 3C teams are still relatively early on their path from small demonstrations to broader systems change, making it difficult to predict the breadth or depth of change that their early efforts will eventually catalyze. However, the 3C teams acknowledge that embracing the discomfort of an unknown path is acceptable and view emergence as a natural part of the process. At the same time, they recognize that transitioning from demonstration to system change requires a long-term commitment. This journey will likely involve the ongoing attention of the team, even after the 3C initiative's funding ends, to capitalize on opportunities for system shifts as they arise.

## **5. Systems change is as much about the relationships, attitudes, and mindsets of the people and organizations driving them as it is about the structures they aim to transform.**

The experiences of the 3C teams demonstrate how shifts in individual mindsets and behaviors complement structural change—policy changes, adjustments in institutional priorities, or changes in resource flows. It is **not just about the structural shifts that groups desire but also about the evolving attitudes, behaviors, and assumptions of everyone involved in the effort.**

In Miami, the team's work began with community engagement, focusing on amplifying the voices of residents and neighborhood leaders. Over time, these leaders, often more accustomed to holding developers accountable, began stepping into new roles as developers themselves and stewards of their neighborhoods' built environment, recognizing their potential to shape their communities more directly, even if that meant balancing some productive tension. This evolution represents a change in individual mindsets and behaviors to preserve neighborhood identity and build the beginnings of a community development infrastructure in neighborhoods of color to support equitable development.

In Seattle, the BHI network is catalyzing shifts in individual and organizational mindsets while also driving progress toward larger systemic transformations. For the network to function effectively, the organizations and individuals within it are transitioning from a scarcity mindset—competing for limited resources—to one of abundance, where collaboration and system-level thinking yield greater collective benefits. This is not an easy shift and remains a work in progress. Existing organizations that have been effective within their own spheres are now being asked to contribute to and engage with a broader network, which is also not easy. Team members from nonprofits admit that this shift has been challenging for them personally, noting that they still need to justify their involvement to their boards, constantly trying to communicate how the collective effort specifically benefits their organization. They shared that this requires ongoing engagement and highlighting potential upsides, such as the possibility of new partnerships or collaborative initiatives that could benefit the individual organizations while continuing to advance the collective shared priority.

## **6. Shifting public sector policy, practices, and resource flows can be a powerful lever of systems change, but requires adaptive, context-specific approaches.**

All 3C teams have come to recognize the public sector's potential impact on their shared priority and are developing or pursuing systems change approaches involving the public sector. As part of the 3C initiative, teams considered the system bottlenecks and levers for change, which often pointed to the critical role, both positive and negative, that the public sector plays in advancing their shared priorities. Despite this recognition, many teams were initially hesitant to engage the public sector because they wanted to achieve success with demonstration projects first, did not trust public agencies or their commitment to the same shared priorities, or were eager to test solutions that did not rely on the public sector. A few other teams struggled to find entry points for city alignment and engagement or to identify interested allies within the city. After three years of 3C work, all teams are pursuing approaches to leveraging the public sector to advance their shared priorities.

The Seattle 3C team emphasized informing policy as a key strategy for advancing its shared priority. This emphasis is partly due to BHI's ability to leverage a pre-existing advocacy network and operate within a particularly supportive political context. Seattle benefits from a robust enabling environment, with state and local public sectors well-aligned with BHI's priorities. Additionally, a

long-standing, large, and effective coalition of housing stakeholders is well-positioned to advocate for a supportive policy agenda. The Housing Development Consortium (HDC), a BHI partner, is the lead organization coordinating policy work. HDC is an association with decades of experience and more than 200 members across King County. The BHI Network Policy Group, comprised of over 125 stakeholders who work together to produce a Homeownership Policy Framework. This framework delineates local, city, county, and state policy actions aimed at increasing Black homeownership in four areas: zoning and regulatory reform, cost reduction, large-scale acquisition of land, and funding. Interviewees cite the passage of the CHA as a game-changer in BHI's ability to achieve its shared priority.

Some teams initially delayed engaging the public sector in 3C work. Stakeholders expressed concern that city processes change too slowly, if at all, and were not worth the team's attention. Others preferred to wait to engage the city until they had fully formed and vetted their strategies instead of involving city representatives in the design and piloting process. After a few years of work, all 3C teams have acknowledged the importance of engaging with the public sector and the opportunities closer relationships can offer. In Los Angeles, the team initially planned to test housing solutions that did not rely on the public sector. However, as the team sharpened its shared priority, it identified an opportunity to experiment with Section 8 vouchers and test the viability of those vouchers as a path to homeownership for very low-income residents in South LA.

The 3C experiences suggest that **while not every collaborative can achieve dramatic policy wins, teams need to continue to identify city policies, programs, and practices essential to advancing their shared priorities. They should look for opportunities within existing structures—specific departments, individual champions, opportunities to align with and possibly shift programs and practices—to catalyze a more supportive enabling environment.**

## **7. Community engagement can drive meaningful systems change, especially when clear about who to engage, how, and why.**

Community is so central to the initiative's goals, implementation, and outcomes that it is explicitly reflected in 3C's name—Connecting Capital and Community. **As 3C teams reflect on their journey to systems change, many believe their vision, goals, and shared priorities were community-informed, if not community-determined. Some noted how community groups have been instrumental in grounding 3C implementation efforts and keeping cross-stakeholders accountable to and aligned with community priorities.** In one 3C location, Miami, the community's role in development is a key aspect of the team's system change agenda and has contributed to early outcomes. However, **conversations with teams reveal that the concepts of “community” and “community engagement” can vary significantly across different teams.**

The 3C experience suggests that when teams seek to center community in shaping and advancing priorities for systems change, it is crucial to **establish clarity and consensus on what community actually means.** This begins with identifying the specific community they intend to serve and engage. Some 3C teams struggled with whether the community to engage should consist exclusively of residents currently living in their target geography, a specific subset of these residents (e.g., low- to moderate-income BIPOC residents), or, given the displacement of many Black and Brown individuals from communities experiencing gentrification, whether they should view the community more expansively to include people of color seeking to return.

The 3C teams varied in how they approached engagement. Many of the teams involved community organizations with deep relationships in the target neighborhoods to serve as leaders on the core team guiding the work. Community organizations brought community interests and perspectives to the team planning and implementation process. However, leaders of those organizations were often hesitant to say they “represented” the community on the team. Some teams utilized surveys and other research methods to inform their strategies, while another team created a Resident Council that elevated select community voices to inform team strategies.

**The most common role for community engagement among the 3C teams was in shaping the vision, goals, and strategies of the 3C teams. However, the Miami team took a different approach, making engagement an integral part of its intended systems change.** The Miami 3C team centered its work on what it called its “ground game.” The team identified an organization with deep roots and authentic relationships with residents in each target neighborhood. Most of these organizations had not previously been active in real estate development but were resourced to focus on development activity in their neighborhoods. The organizations met regularly to share stories, coordinate, and support one another, in addition to participating in meetings with the full 3C team. Leaders from these community organizations engaged in vetting potential developers and projects for their neighborhoods, acted as liaisons between developers and current residents of buildings to be rehabbed, and, in many cases, they even became developers themselves, working on properties within their communities. As the initiative evolved, these organizations began engaging neighborhood residents more actively in the development process. They also started enlisting residents as “deal-spotters” to identify potential projects and developers within their community. The result of the ground game efforts is community organizations with greater capacity and interest in taking an active role in development in their neighborhoods, contributing to affordable housing development and preservation intended to maintain the resident base and culture of the rapidly gentrifying historically Black and Brown communities in Miami.

## **8. Systems change is an iterative process that requires flexibility in approaches and strategies.**

**As the 3C teams’ work unfolded, solutions in one area often uncovered additional needs, requiring ongoing adaptation and collaboration.** Teams often began by focusing on a single or limited set of strategies, only to encounter new challenges that required adjustments. As barriers and unexpected obstacles emerged, their strategies evolved accordingly. Progress was not linear; breakthroughs in one area often exposed gaps in others, necessitating continuous refinement. For example, Los Angeles’ approach evolved significantly over time. Initially, the team focused on developing multifamily buildings along the neighborhood’s corridors. However, it found that the costs of building these properties as condominiums often exceeded the sale prices of single-family homes in South LA. There was also an interest in implementing the state’s Foreclosure Intervention Housing Preservation Program (FIHPP) to preserve foreclosed naturally affordable multifamily units in the community, but the state did not release the expected funds for the program. Additionally, the team found few available foreclosed properties for preservation in South LA. As a result, the team shifted its focus to new construction of small units, leveraging recently passed land-use tools that permit single-family zoned lots to be subdivided, by right, up to four units. As part of this refined approach, the team is working with partners to develop financing options that make these new units more accessible to lower-income individuals, including TIC financing and the Section 8 Home Ownership Program.

**A clearly defined shared priority keeps partners focused and engaged as strategies evolve.** Given the complexity and evolving nature of systems change efforts, having a shared priority that is collectively owned allows teams to remain flexible in their approach while staying true to their broader vision and intended beneficiaries.

## Looking forward

In the first three years, the 3C site teams concentrated on forming teams, developing shared priorities, advancing projects, and pursuing strategies to reshape their ecosystems. Systems change takes years, and the "right" approach depends on the unique local context. Many of the teams launched small pilot projects to test alternative ways of working and are determining how best to leverage their learnings for broader systemic change. The path forward is still unfolding for most teams. However, the first three years suggest that maintaining momentum for systems change will require ongoing commitment to a shared vision, a willingness to adapt, and collaboration among diverse stakeholders.

# Appendix

## Team approaches to systems change and early progress

### Chicago

Chicago's 3C team focuses on making homeownership more accessible for underinvested communities, which are predominantly Black and Latine, particularly in the East Garfield Park and Humboldt Park neighborhoods. The team's pipeline strategy includes developing single-family homes for families earning 80-120 percent of the Area Median Income (AMI) and identifying and preparing a pipeline of local homebuyers. To help ensure those homes are accessible to local buyers, the team has brought together a network of housing counseling agencies and trusted community organizations that now collaborate to identify potential buyers and connect them with new units as they become available. To target systems, the team is collaborating with the public sector to unlock city-owned vacant parcels for development, convening an alliance of developers and a network of housing counseling agencies, and testing new funding mechanisms.

#### Early progress

- ✓ **The team established a needed structure to foster cross-sector collaboration.** By bringing together developers, neighborhood-based organizations, housing counseling agencies, lenders, public sector actors, and philanthropy, the team created a new platform for collaboration that did not previously exist in these neighborhoods. Many on the team see this as the most significant systems-level accomplishment to date.
- ✓ **The team launched a specialized 3C affordable mortgage product** to help bridge the affordability gap between the cost of new homeownership units and the target 80-120 percent AMI band. It is testing the secondary market for these loans by offering investors a loan loss guarantee.
- ✓ **Collaboration and collective advocacy among developers helped to streamline the development process.** Chicago's alliance of developers' advocacy efforts helped inform the city's Cut the Tape initiative. Mission-driven developers participating in 3C developer roundtables identified key priorities to address barriers to affordable home construction and sales. These suggestions were reflected in the mayor's recently announced executive order.

### Los Angeles

The Los Angeles 3C team is **working toward a South LA where more Black and Brown families can become homeowners, build wealth, and thrive** in stable communities. The team's systems approach includes leveraging land-use policies to test and promote the development of affordable housing units through smaller, more cost-effective infill projects and developing innovative financial tools to make homeownership more accessible. Additionally, the team is working to strengthen the ecosystem for affordable housing development by engaging and supporting small contractors and developers to scale up the construction of similar projects in the target neighborhood.

### Early progress

- ✓ **The Los Angeles team is advancing projects intended to demonstrate the use of new policies in California that allow for more density through ADUs and the division of properties into multiple parcels under California Senate Bill 9.** While these projects are in the predevelopment stage, the team aims to create proof-of-concept models to accelerate similar developments.
- ✓ **✓ To address affordability gaps, the team is creating innovative financial tools,** including a tenancy in common financing product that allows multiple buyers to purchase a property together. The team is also collaborating with local government stakeholders to incorporate Section 8 vouchers into homeownership strategies.

## Miami

The Miami team strives **to create safe, stable, and resilient affordable housing informed and led by the community, focusing on BIPOC lower-income neighborhoods** through supporting legacy and small landowners to rehabilitate or develop smaller-scale affordable housing. The team is targeting systems by building a “ground game” to center community in development by partnering with organizations that have close ties to residents and compiling lessons from the team’s work with 10 small developers and property owners on a 15-project (150-unit) pipeline development to shape the next steps for potential policy and practice change.

### Early progress

- ✓ **To ensure community-centered development, the team’s “ground game” strategy is starting to drive systems change.** Community organizations are beginning to integrate these new roles into their ongoing work, shaping projects in their neighborhoods and further strengthening the connection between development efforts and community needs.
- ✓ **The team is compiling challenges and systemic barriers revealed by its pipeline work to inform next steps and drive solutions.** Through this process, the team has facilitated the creation of a network of legacy owners and emerging developers of color, fostering collaboration, collective problem-solving, and a shared sense of responsibility/agency for its communities. This effort is particularly significant in Miami, where the community development ecosystem is still nascent.

## Seattle

3C’s Seattle team is **working to expand homeownership opportunities for low- and moderate-income Black residents** by improving collaboration among public, private, and nonprofit organizations operating across the Seattle-Tacoma region to create a more connected and effective ecosystem for Black homeownership; supporting Black households in achieving homeownership through improved outreach, better connection to wraparound support services, targeted financial supports for homeownership, and more accessible mortgage products; and growing the inventory of available homes by supporting developers of color.

### Early progress

- ✓ **BHI brought together over 123 partner organizations**, all working collaboratively to ensure Black homebuyers across the Seattle-Tacoma region have the opportunity to purchase homes.
- ✓ **A key achievement of BHI was the passage of the [Covenant Homeownership Act \(CHA\)](#) in spring 2023**, which funds the Covenant Homeownership Program (CHAP) to provide down payment and closing cost assistance for homebuyers impacted by historic racial discrimination. **As of June 2025, CHAP had enabled 500 buyers to become homeowners.**
- ✓ **The Seattle team is aligning its network to improve outreach, enhance access to wraparound support services, and offer targeted financial** supports, such as the Buyer Readiness Fund, to help prospective Black buyers alleviate debt. Additionally, the team is advocating for more accessible, culturally competent, and less discriminatory mortgage products to lower barriers to homeownership.
- ✓ **Work is progressing on a number of Special Purpose Credit Programs to increase mortgage financing access to Black households** with at least three financial institutions that have aligned with and endorsed the BHI goals.
- ✓ **To address the limited supply of affordable homeownership opportunities, the team is working to increase production** by tackling capacity and financial barriers for developers of color through the Field Order 15 Fund, enabling them to play a greater role in affordable homeownership development in the region.

### Washington, DC

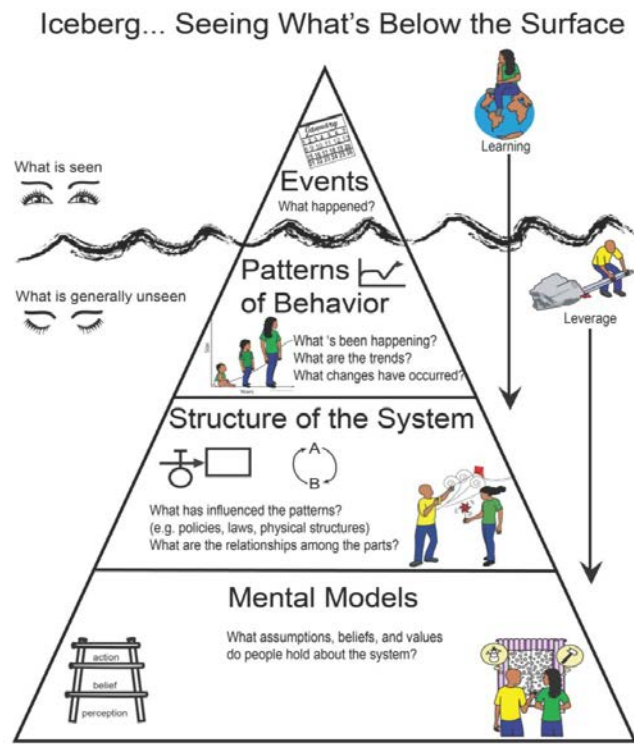
In Washington, DC, the 3C team seeks **to decrease the displacement of communities of color in the city** by increasing resources and creating a more effective ecosystem for the long-term preservation of affordable housing in small buildings. The team is advancing this agenda through four interrelated strategies: establishing an affordable financing fund for small building preservation; strengthening property management of small buildings by piloting solutions that help bolster tenant/owner relationships, which the team is advancing through recoverable grants; developing and advocating for a set of standards for funding building reserve by DC affordable housing funders; and engaging and training local developers to engage tenants in ways that foster respect and trust.

### Early progress

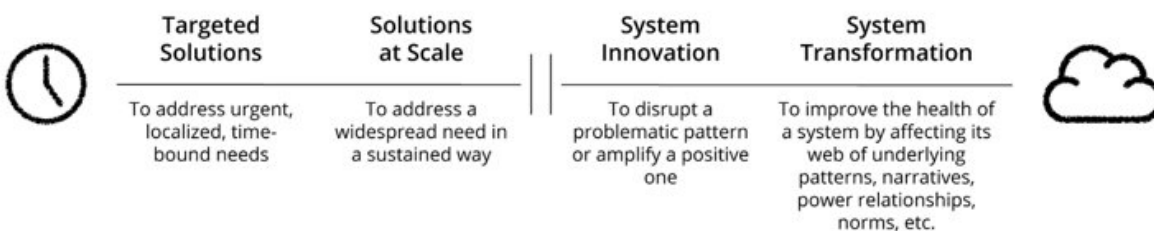
- ✓ **The District has shifted from focusing exclusively on housing production as the primary path to affordability to a growing emphasis on preserving existing affordable units, especially within small buildings of 5 to 49 units.** The Department of Housing and Community Development exemplifies this shift through its recent request for proposals for the Housing Production Trust Fund, specifically targeting distressed affordable properties and adjusting to the city's small buildings preservation program.

## Systems thinking frameworks most utilized in 3C

**The iceberg model.** This visual metaphor illustrates that observable “events” represent only the tip of the iceberg. The iceberg model promotes a deeper analysis, looking beneath the surface to identify patterns (recurring trends or behaviors), structures (underlying frameworks, rules, or relationships), and mental models (cultural norms, beliefs, and assumptions) that contribute to current conditions. It suggests that changing structures is critical to disrupting patterns of behavior, but ultimately shifting mental models, while the most difficult to change, can be the most powerful lever. Some 3C teams used the iceberg model to map their strategies, helping them better understand where they were intervening in the system and identify higher-leverage changes they could pursue.



**Clock-cloud framework.** The clock-cloud framework complemented this approach by highlighting that straightforward technical solutions cannot solve all problems. Many challenges contain “cloud-like” complexities such as changing relationships, interdependent factors, and emergent patterns. 3C encouraged teams to map their strategies along a spectrum of complexity, from more clock-like strategies aimed at technical solutions to more multifaceted, system transformation strategies intended to shift multiple patterns that require shifts in mental models.



From The Complexity Spectrum by Rob Ricigliano. <https://medium.com/in-too-deep/the-complexity-spectrum-e12efae133b0>

Both frameworks encouraged the teams to broaden and deepen their thinking and approaches to systems change, urging them to look beyond linear cause-and-effect solutions that “fix” a problem. Instead, they emphasized adaptive, holistic approaches that address root causes. The frequent use of the models created a shared language for teams to discuss their systems change efforts, though perceptions varied by team regarding whether the frameworks contributed to shifts in their approach.