



**RESEARCH  
IN ACTION**

**Twin Cities Habitat for Humanity**  
**ENGAGING FOUNDATIONAL  
BLACK HOUSEHOLDS**  
**Phase One**

**September 2021**

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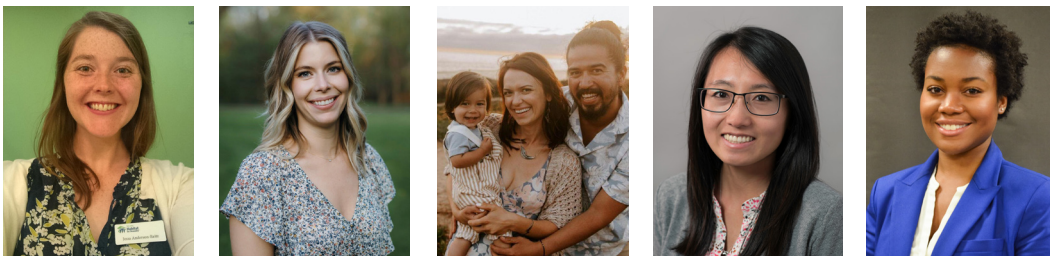
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# ACKNOWLEDGMENTS

Research in Action would like to express deep gratitude to the Black Homeownership Advisory Committee for their honesty, vulnerability, and commitment to equity. Our conversations were challenging but ultimately resulted in data collection and recommendations that are rooted in the lived experience of Foundational Black individuals and families. We would like to acknowledge and honor the hard work of our dear committee members.



**Community committee members:** (from left) Lavasha Smith, TaShonda Williamson, Monisha Washington, Hillary Thomas, and Brittany McClendon (not pictured)



**TC Habitat committee members:** (from left) Jessa Anderson-Reitz, Allie Gaddis, Polina Montes de Oca, Pa Lor, and Shoreé Ingram

# INTRODUCTION

This document is both a narrative description of the work led by **Research in Action** and the **Habitat Black Homeownership Advisory Committee** (described below), as well as a series of recommendations for the Twin Cities Habitat for Humanity. Research in Action utilizes an *Equity in Action* process model, which is a six-step process aimed at empowering communities to engage in research and make actionable practice and policy changes. Each step informs the next, and the work is iterative. The six steps are as follows:

1. Assess the project landscape
2. Create community advisory and/or action committee
3. Co-develop mixed methods tools and approaches
4. Collect data and do shared meaning making
5. Redefine issues by co-producing winnable policy and practice solutions
6. Disseminate findings led by authentic community engagement

This document begins with an introduction to the Engaging Foundational Black Households phase one project and follows with the *Equity in Action* six steps process, concluding with a series of recommendations.

## Project description

In the fall of 2020, Research in Action (RIA) was contracted by Twin Cities Habitat for Humanity (Habitat) to lead an 8-month evaluation and assessment project (Engaging Foundational Black Households) that looks specifically at how well Habitat's homeownership and financial coaching programs are serving its foundational Black households (defined as U.S. descendants of enslaved African people). Foundational Black households (FBH) are the 2nd largest population applying to Habitat's homeownership program behind the East and West African populations. However, the rates of completion for FBH accepted and enrolled in the homeownership and financial coaching program illustrate a disparaging gap in Habitat's ability to provide this underserved population with the culturally relevant services they need to be successful compared to other communities.

Three to four years ago, Habitat began separating their data between U.S.-born and foreign-born Black households. Around this time, with initial data, Habitat began considering this project. The Engaging Foundational Black Households project is in two phases. The first, supported by RIA and happening during Habitat's strategic planning process, looks to understand the one-on-one financial coaching portion of its homeownership process as it relates to FBH. The second phase is to understand at what rate do FBH come to Habitat to receive support, understand the perceptions of Habitat in the Black community, and what it can do to strengthen data-informed equitable programming.

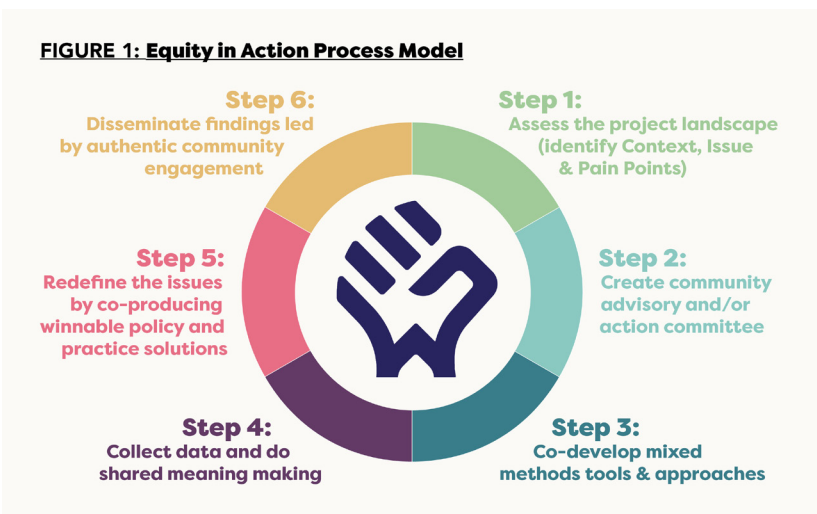
The Engaging Foundational Black Households phase one project has **three main objectives**:

- Assist Habitat in moving beyond the limits of high-level quantitative data findings by conducting an in-depth qualitative evaluative data analysis that helps the organization understand how it operationalizes its strategic plan by identifying what prohibits foundational Black households from achieving the goals of homeownership through its homeownership and financial coaching program.
- Focus on internal stakeholder engagement to understand what is working well with staff and program participants and what needs improvement. Use qualitative data findings gathered from the RIA *Equity in Action* process to reimagine the homeownership and financial coaching program assessing the application criterion (see Appendix A for criterion), how it delivers its programmatic work, conducts outreach, and engages with households before and after the program.
- Develop final deliverables that outline key recommendations guided by community feedback outlining how to reimagine its wrap-around services to adequately serve foundational Black households.

# EQUITY IN ACTION PROCESS MODEL

Using our *Equity in Action* process (Figure 1), we take purposeful and strategic action in authentic partnership with impacted communities through the formation of a community advisory and/or action committee on each project. The *Equity in Action* model relies heavily on the development of reciprocal relationships that recenters community voices and builds a table of diverse stakeholders. This table allows everyone to embrace an open process where the collective develops shared understandings to create social transformation grounded in racial justice.

We conduct work this way to identify institutional harms, pain points, impacted partnerships, stakeholder goals and interests, and develop an understanding of history and context. With the advisory committee, we co-develop mixed methods tools, gather data, and collaboratively redefine the issues. We utilize this model to center community voices and bring those excluded and in the margins to the table to disrupt uneven landscapes of power that often prohibit changes from happening. It also leads to more robust and holistic data, more effective policy and practice solutions, and stronger community action.



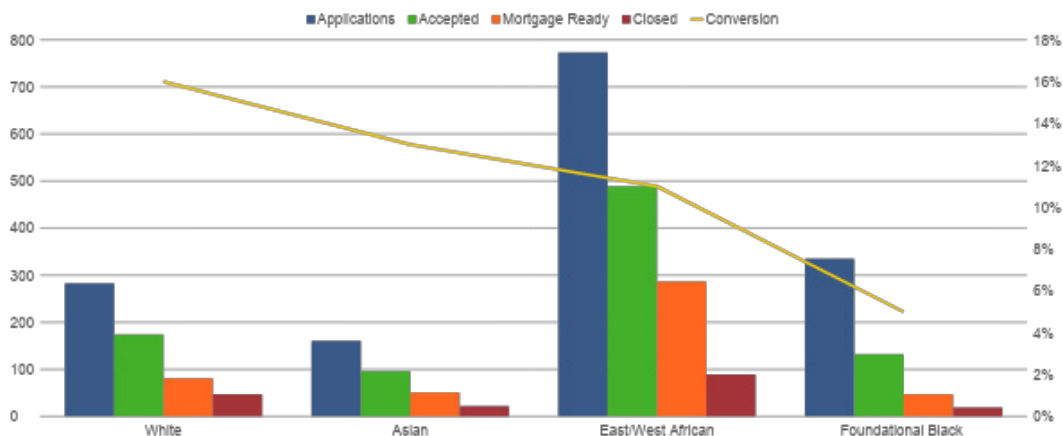
## Step 1: Assess the project landscape

Foundational Black households (FBH) represent the second-largest applicant group to the Twin Cities Habitat for Humanity homeownership program, behind only East and West African immigrants. Despite their large presence, FBH are less likely to be accepted to the program than white applicants are, and have a conversion rate (rate of applicants that progress to homebuyer) that is less than half of the average – with only 1 in 20 FBH purchasing a home with Habitat, compared to the average of 1 in 9 program participants. The Habitat graph below offers visualization for homebuyer conversion by race from fiscal year 2018 to 2020.

status: with Habitat’s current foundational Black participants having the lowest average income (\$45,000/year), the most debt (\$43,000), and the largest debt-to-income ratios (with many being close to falling out of this program’s eligibility).

This data illustrates Habitat’s inability to adequately serve FBH. The first step of RIA and Habitat’s shared goal was to place this within the larger context of layered histories of oppression and institutional racism. To do this, led by Allie Gaddis, Habitat staff designed and compiled resources to share with the Habitat Black Homeownership Advisory Committee (described in Step 2) that included literature

Although alarming, these numbers reflect a broader history of systemic racism that has disadvantaged FBH and made it incredibly difficult for many to become homeowners. This is readily evident when one considers their financial



on racial disparities in housing; information on financial coaching; and human-centered design and financial trauma. Allie presented findings in the first few committee meetings.

The first presentation centered on reducing racial disparities in housing and cited numerous articles that addressed core reasons as to why there are such striking disparities in homeownership. One article, co-authored by Alanna McCargo and Jung Hyun Choi, addressed the complex histories that have harmed FBH, the interconnectedness of access to becoming a homeowner, and addressing the racial wealth gap. This article, among others, provided additional context for the aforementioned financial information and Habitat program FBH retention.

With this context established, the following presentations narrowed their focus, with the second focusing on financial coaching. Within this, the literature drawn upon by Habitat focused on the history of housing counseling, beginning with the HUD Act of 1968, and moving throughout the 80s and 90s toward the present, as various models were created that initially lacked consistency and operated with a set of minimums as their only regulations, and gradually became more robust.

The final presentation discussed financial trauma in tandem with intergenerational racial trauma. Relationships between authoritative bodies and Foundational Black (FB) communities have been incredibly exploitative, and the impact of this historical harm has had long-lasting repercussions. With this guiding the findings, trauma-informed approaches were discussed. These approaches all emphasized a need to recognize the widespread and highly individualized impacts of trauma and noted that holistic approaches must be employed to effectuate meaningful change.

## Step 2: Create a community advisory and/or action committee

As the literature review was conducted, the community advisory committee was developed. The creation of the community advisory committee built upon the ongoing foundation established by the literature review and allowed for the creation of actionable steps. We met with Habitat staff Allie Gaddis to collaboratively create the selection criteria, goals, and expectations for committee members, as well as develop the language for outreach. Habitat conducted the outreach, which invited six to eight current and past program participants to help the organization reimagine its financial

coaching program to be more culturally relevant for FBH and close the racial disparities gap in homeownership in the Twin Cities 7-county metro area.

The invitation laid out the details of the commitment, including the benefits and requirements. The invitation also included a Google Form survey that gathered contact information and posed questions to understand the potential committee members' experience with Habitat and their interest in participating in this project. Collaboratively RIA and Habitat identified the committee members.

Composed of impacted community members – FBH that have participated in Habitat's programs – and Habitat staff, this allowed community members to shape their narrative and assume a role of power.

The Habitat Black Homeownership Advisory Committee community members were selected because:

- They all have different perspectives and experiences working with Habitat:
  - Participated in different programs
  - Different levels of program completion
  - Different pathways to homeownership
- Diverse cohort: differences in family size, income and residence
- All expressed commitment and interest to reduce racial disparities for Black families

There were five community advisory committee members, all of which received a stipend for their involvement of \$25 an hour, who was responsible for:

- Reviewing and preparing feedback on all materials provided before and during meetings, including completing feedback surveys before the deadline, and reading any articles or resources the RIA team sends
- Attending and engaging in all monthly sessions
- Co-facilitating in data collection processes
- Providing open and honest feedback on all aspects of the project
- Working toward consensus and providing recommendations to Habitat



The Habitat Homeownership Advisory Committee was made up of ten members, consisting of five community members and five members from Habitat staff. They each went above and beyond their responsibilities. The group's level of commitment to this work allowed vulnerability and intimacy to thrive in the monthly meetings. It is important to acknowledge and affirm however that through the *Equity in Action* process, by discussing pain points and lived experience, community committee members relived and sat in trauma.

The exchange of experiences did allow everyone to learn from each other, namely Habitat staff directly hearing about the harms

program participants have experienced and community members learning about the literature, program, and experience of advisors. More specifically, conversations about personal experiences with institutional racism, financial trauma, and harms caused by the program came up in each meeting, revealing an ecosystem of harm. This system is larger than Habitat, but the organization is also situated within it and replicating harms unknowingly until now.

In these meetings discussing harm, committee members were direct, bold, and vulnerable, and all Habitat staff was honest, humble, and grateful. Examples of this vulnerability within committee meetings are found below:

Community Members	Habitat staff
<p><i>"And just the anxiety that I kind of felt going through [the program] being one of the only people that even desired to own a home as a Black person in my family. It was really off-putting to hear my coach tell me, 'you got to find the money, and I don't have resources for you. Here's this program so maybe go look into it, it might fit or it might not. And you're on your own.' Looking at \$6300 is a lot for a Black woman, single parent to even think about just having [it] sitting around in the bank. And then being told 'okay well just ask your family for a gift,' and I'm like 'my family don't come from money.' I'm trying to take these steps for my family so they can see and do these things too. Financial trauma and just somebody being equipped in that, or even having that awareness. I think it's really a lack of that in the coaching process."</i></p>	<p><i>"I just wanted to say I'm sorry that that has been your experience. That is not the experience we want you to have at Habitat. I just want you to know that it is something we will make sure we do not carry forward."</i></p>
<p><i>"I have not heard from my advisors since October of last year. And it's really interesting because systemic racism and oppression and just all of that across that gamut, it's such rigidity of what is expected from us. Whereas in what we are supposed to expect [from advisors] or what was supposed to be there for us? That rigidity is not there. Where's the accountability? How are you expected to cross all the T's and dot all the I's but yet that's not what you're receiving in return? You know it is already nerve-wracking to do this process. And then to not be able to have certain expectations, it's hard, it's disheartening, really disheartening."</i></p>	<p><i>"It's really helpful to hear from all of you that [the advisors] are not really enough right now. I think that's really helpful feedback for us to know. We need to be either clear with ourselves internally and make sure those expectations are met, or we need to figure out other workarounds. It's disappointing and it's given me a little bit of a stomach ache to think about how long it's been from not hearing back from people. That's not great. The question of accountability I think is something that we will continue to wrestle with."</i></p>

The advisory committee met for two hours once a month over Zoom. Because two-hour monthly meetings were sometimes not enough to dive into the work, we utilized engagement surveys. RIA develops Google Form surveys at strategic points in projects to further necessary conversations, identify pain points in the research, program, or work, and narrow data themes and findings. As the advisory committee co-developed all materials, their input throughout the process was vital, especially since we did not meet weekly. This engagement ensures the work is informed by the committee members every step of the way.

For the Habitat Black Homeownership Advisory Committee members, there were four engagement surveys. These surveys asked community committee members to share their experiences with the Habitat program, reflect on pain points identified, assist in the creation of outreach language to research participants, and offer feedback to the final deliverables. Each survey is explained in more detail below.

In the monthly meetings, we facilitated conversations that led us through the *Equity in Action* process. A high-level overview of each month is offered below:

## Advisory Committee Meetings

<b>December</b>	Introduction to the project, development of shared values and goals, and initial conversation to understand committee members' experiences seeking homeownership and their involvement with the Habitat program.
<b>January</b>	Presentation on the Habitat program, introduction to different data collection methods, and discussion about the January engagement survey asking committee members to share how they experienced the program. This survey helped us develop a framework for understanding the discrepancies between the program's expected deliverables and actual outcomes from lived experience.
<b>February</b>	Introduction to the literature on barriers to Black homeownership, review of the project goals to determine the research participants and interview/survey questions, and discussion about the February engagement survey. Several pain points were revealed in the previous meeting, so this survey shared back those pain points and asked committee members to reflect on how we can gather insights from other Habitat participants on similar topics. This survey helped us develop our research/evaluation methods.
<b>March</b>	Introduction to the literature on financial coaching, refining of data collection tools, and presentation of data collected from the Habitat homeownership advisors.
<b>April</b>	Introduction to the literature on financial trauma and human-centered design, review of the initial response rate of data collection, brainstorming of new outreach methods, and preparing committee members to co-facilitate focus group interviews by reviewing interview best practices and confidentiality. Committee members also received an engagement survey after this meeting to finalize the language Habitat staff would use to reach out to current FB program participants to increase research participation.
<b>May</b>	Reflected on preliminary findings from the surveys and focus group interviews, an introduction of the data walk event, and editing of the data walk structure based on committee feedback.



## Advisory Committee Meetings

<b>June</b>	Introduction to the final data themes, preparation of facilitation for the data walk breakout rooms (co-facilitated by committee members), and presentation on homeownership advisors' roles and responsibilities per a conversation from the previous month.
<b>July</b>	Debriefing of the data walk, an overview of the deliverables outline, and prioritization of final recommendations.
<b>August</b>	Discussion about the August engagement survey. The deliverable was drafted based on data collection, advisory committee meetings, the data walk, and the prioritization from committee members in the July meeting. This survey asked committee members to review the draft deliverables and answer strategic questions to solicit feedback. This survey helped us finalize our deliverables.

### Step 3: Codevelop mixed methods tools and approaches

After the first meeting of the advisory committee in December 2020, engagement surveys were sent out to community members on the committee to garner feedback and gain a more thorough understanding of their experiences with the Habitat program. These engagement surveys informed committee meetings from January onward and gradually began to collect committee members' thoughts on what information is necessary to understand people's experiences while continuing to center and operate through the lens of their own experiences. Through this style of engagement surveys, and survey-informed monthly meetings, the advisory committee was able to work alongside us to develop the questions for, and style of, the participant survey and focus groups. Some Jamboards below show how we moved from pain points to data collection methods and tools:



Themes	SAMPLE QUESTIONS						
Habitat compared to other programs	What other homeownership and financial coaching programs did you consider before applying to work with Habitat?	Did you participate in any other homeownership or financial coaching program before or after working with Habitat?	What resources or supports did you receive from the other program that you did not receive from Habitat?	What resources or supports did you receive from Habitat that you did not receive from the other program(s)?	Are you the first person in your family to purchase a home?		
Personal and family background	Have you owned a home before and lost it? If so, how?	What barriers have you or your family experienced trying to purchase a home?					
Program expectations and satisfaction	What were your expectations of the financial coaching process?	How satisfied were you with the financial coaching process?	What new skills or resources did they provide you?	Did you feel supported by your financial coach?	After completing the program, how confident did you feel about your finances? The homebuying process?	What would you change about the financial coaching process?	Was there anything you wished you would've known about the homebuying process when you first started?
Financial coaching expectations and satisfaction							
Financial trauma*	What stories were you told about money from your family or caregivers?	What did you first learn about money and how to manage money?	Do you consider yourself financially literate? Why or why not?	In what areas do you feel the most insecure and why? (Job security, family support, age, budgeting, etc.)	Have you ever felt uncomfortable disclosing your financial situation to your bank?	Have you ever felt uncomfortable disclosing your financial situation to staff at Habitat?	What do you need to feel comfortable to ask for financial support?
							What do you need to feel comfortable disclosing your financial situation?

Interview or focus group?	WHICH METHOD IS BEST?							Survey?
What resources or supports did you receive from the other program that you did not receive from Habitat?	What resources or supports did you receive from Habitat that you did not receive from the other program(s)?	** New question: Have you applied for a mortgage previously and been denied?	Are you the first person in your family to work towards purchasing a home?	Have you ever felt uncomfortable disclosing your financial situation to staff at Habitat?	Have you ever felt uncomfortable disclosing your financial situation to your bank?			
Was there anything you wished you would've known about the homebuying process when you first started?	**New Question: Are there other components (beyond financial coaching) of the program that you feel need further review?	Have you owned a home before and lost it? If so, how? ** Remove this question.	What barriers have you or your family experienced trying to purchase a home?	Did you participate in any other homeownership or financial coaching program before or after working with Habitat?	What other homeownership and financial coaching programs did you consider before applying to work with Habitat?	Have you ever felt uncomfortable disclosing your financial situation to staff at Habitat?	Have you ever felt uncomfortable disclosing your financial situation to your bank?	
What new skills or resources did they provide you?	What were your expectations of the financial coaching process?	What would you change about the financial coaching process?	**What motivates you to continue reaching towards your homeownership goal?	Did you feel supported by your financial coach?	*(In this program), how confident did you feel about your finances? The homebuying process?	What were your expectations of the length of time to preapproval/homebuying when you started?		
What stories were you told about money from your family or caregivers?	What did you first learn about money and how to manage money?	In what areas do you feel the most insecure and why? (Job security, family support, age, budgeting, etc.)	How satisfied were you with the financial coaching process?	What do you need to feel comfortable to ask for financial support?	What do you need to feel comfortable disclosing your financial situation?	Do you consider yourself financially literate? Why or why not?		
Have you ever felt uncomfortable disclosing your financial situation to staff at Habitat?							In what areas do you feel the most insecure and why? (Job security, family support, age, budgeting, etc.)	

Through February and March, as research tools were developed, we learned key information about this program and participants from the Habitat staff which informed data collection. First, the financial coaching is not a normative program. It is a portion of the whole home buying process that Habitat supports clients by one-on-one coaching, not a cohort model where shared learning and community building are central. This realization led the advisory committee to question the financial coaching more, in particular the advisors and their capacity to meet their clients' needs under the existing structure. It was decided that understanding homeownership advisors' experience would be important in offering program redesign recommendations. We developed a Google Form survey for the Habitat advisors to understand who they are and how they define their work (see Step 4 for the findings).

This information also led to some clarifying information about participants, namely that clients are either classified as in financial coaching or as mortgage ready. This information was relevant as the advisory committee identified who should participate in the research and how questions should be posed, especially if people were at different points of the homebuying process.

The advisory committee drafted and approved this language which was included as a glossary to the survey and a registration question for the focus groups:

- **Financial Coaching** - working with a Habitat Homeownership Advisor on achieving the financial requirements for a mortgage, and not yet receiving Habitat property letters or a preapproval letter
- **Mortgage Ready** - currently receiving Habitat property letters or preapproved for a mortgage through Habitat's lending company, TCHFH Lending Inc.

## Participant Survey

Beginning in March, RIA and the advisory committee began to develop a survey to gain a more complete understanding of the impact, or lack thereof, of the Habitat program on current FB program participants. The following goals were used to guide the development of the survey questions:

- Identify what inhibits foundational Black households from achieving the goals of homeownership through Habitat's homeownership and financial coaching program.
- Reimagine the financial coaching program assessing the application criteria, how it delivers its programmatic work, conducts outreach, and engages with households before and after the program.
- Develop final recommendations and implementation plan that outlines key recommendations guided by community feedback outlining how to reimagine its wrap-around services to adequately serve foundational Black households.

An initial data collection plan was established that took into account the number of FB participants in the Habitat program (n=97) and set the target number of survey respondents at 39. With this goal in mind, a preliminary calendar was then created: with the ultimate goal of releasing the survey in the first week of April. However, when the survey was released, it garnered an extremely low response rate with 15 responses. Although disappointing, this nonresponse was not entirely surprising – with the murder of Daunte Wright and the Derek Chauvin trial placing an immense amount of pressure on the community, particularly the Black community.

Considering the difficulty in collecting a sufficient number of responses in the first release of the survey, the advisory committee brainstormed a new approach. Habitat made a second attempt to engage program participants further. More about the final survey outreach and findings are found in Steps 4 and 5.

## Participant Focus Groups

Going hand in hand with the development of the survey and survey outreach tools, RIA and the advisory committee identified a need to interview current Black program participants through one-and-a-half-hour focus groups. This desire came out of a committee meeting in which members identified how challenging topics of financial trauma and roadblocks to homeownership are and the need to do so in a small supportive environment. In an attempt to create a more open and safe space, the committee decided to remove one-on-one interviews in favor of focus groups. Initially, RIA set a target goal of having a total of 39 FB program participants engage in the focus groups, with 29 in the financial coaching stage, and 10 in the mortgage-ready stage. This separation was necessary considering the two groups are at different points of the homebuying process. However, much like the difficulty that arose with gathering survey responses, there was an incredibly limited response to the initial focus group outreach, with 6 respondents signing up for the focus group. Accordingly, Habitat stepped in to assist outreach, and the initial date of the focus group was rescheduled for May 12, 2021. More about the final focus group outreach and findings are found in Steps 4 and 5.

As briefly noted before, the focus groups were created based on participants' current status within the Habitat homeownership program: financial coaching and mortgage ready. Guided by the same goals as the survey, the questions for both groups covered roadblocks to homeownership and financial trauma and then questions specific to participants' current status in the program.

With the deadline of the project extended, the new dates for the focus groups established, and the questions for the focus group set, RIA worked to prepare committee members to facilitate the focus groups, alongside RIA staff. In this training, Dr. Lewis led four community committee members through various ways in which they can help to make participants as comfortable as possible in the space. In addition to this, she shared valuable technical information and terminology for following up on questions or probing participants to gain a more thorough understanding of the information being shared.

## Data Walk

Inherent in the *Equity in Action* model used at RIA is the engagement of the broader community in the research findings. A data walk is an opportunity for the community to (1) review findings and provide

additional context and framing and to engage in collaborative data analysis activities, (2) reflect together on data gathered and narrow in on priorities, and (3) broaden the community engagement of the project.

In May, we introduced the purpose of a data walk to the advisory committee, as well as a draft agenda of the event. In this committee meeting, the agenda was refined based on feedback, including the addition of a break to make the two-and-a-half-hour event more accessible and thematically creating breakout rooms instead of creating rooms based on data collection tools. The committee members felt strongly about focusing on the themes from the data instead of separating the findings by methodology. In this meeting, we also discussed who should be invited and how outreach should be conducted. By our June committee meeting, we completed a draft of the breakout room slides for their review and approval.

Habitat staff conducted outreach from June 16th through June 29th to advisory committee members and FBH clients, which includes current and previous program participants (both those who advanced in the program as well as those who withdrew or were closed out of the program at any point) and any FBH homeowners in Habitat's system even if they engaged with Habitat before the creation of the financial coaching program. Additionally, all of those receiving the invite were encouraged to extend the invitation to their Black community networks. Excluding the whole advisory committee and RIA staff, 13 invitees confirmed their attendance.

In the first few weeks of June, RIA staff completed the data walk materials including the agenda, breakout room slides and activities, and main room slides. On June 21st, community committee members prepped for the data walk during the advisory meeting. The breakout rooms were based on themes per committee members' requests, and they included Roadblocks to Homeownership and Habitat Program. While there were many themes across the survey and focus groups, community committee members facilitated the breakout rooms, so we selected high-level themes to ensure members were co-facilitating with each other (2 or 3 members per room).

After discussions with committee members on June 21st, it was decided to invite DeJaJoelle, a community healer, to the data walk to offer a necessary grounding practice. The data reviewed in the breakout rooms can be activating, so DeJaJoelle's meditative practice was welcomed into the space. More about the finalization of and findings from the Data Walk are found in Steps 4 and 5.

## Step 4: Collect data and do shared meaning making

With clear direction from the advisory committee, we began our data collection in March, beginning with a homeownership advisor survey and continuing in April and May with program participant data collection. Each advisory committee meeting thereafter included a portion of presenting preliminary findings and processing as a committee to make meaning of the findings. As the findings were further contextualized with the advisory committee, we were able to prepare and execute our final data collection through the data walk.

### Homeownership Advisor Survey

The Habitat staff sent the survey to their homeownership staff who deliver financial coaching and advising services, three who are full-time advisors, and one (Homeowner Development Manager) who does part-time advising. Demographically, of the four staff members, two are African immigrants, one is Asian or Pacific Islander, and one is American Indian or Native American, and two identify as male while two identify as female. As far as their advising experience, two staff were advisors for other financial institutions or non-profits before working for Habitat. Experience as an advisor ranged from two to nine years.

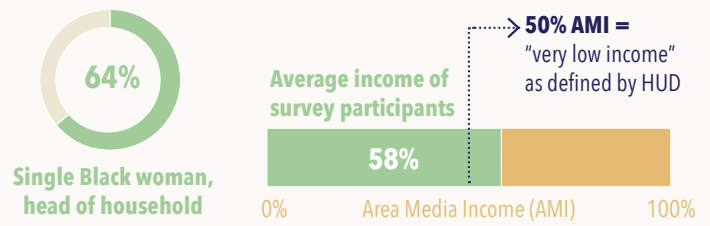
In their role at Habitat, one advisor has anywhere between 90 and 150 clients. They expressed an expectation that they reach out to clients at least every two weeks and meet every 90 days, but the advisors identified that the large caseload impacts their responsiveness. When reflected on their role and interactions with FB clients, two advisors acknowledged that a large part of financial trauma is generational. Three of the advisors identified empathy as a way they support their FB clients. Organizationally, the advisors expressed a desire for Habitat to hire more advisors and that all advisors receive additional trainings, like on financial literacy and financial trauma.



Upon reflections with Habitat staff, the homeownership advisors find themselves in a contradictory position. The expectations and structures set up by the organization create conditions in which advisors need to prioritize getting people through the program and specifically mortgage-ready clients, instead of focusing on communication and managing a more realistic case load.

### Participant Survey

With Habitat staff leading the outreach efforts, they invited 61 current FB program participants to both the survey and focus groups, of which 42 consented. Combined with some of the community advisory committee members, 44 participants ultimately received the survey, with 22 completing it. Out of the 22 participants who completed the survey, 14 of them (64%) were single Black women who headed their households. Their average age was roughly 41, with the oldest participant being 62, and the youngest being 28. Their average Area Median Income (AMI), taking into account the number of people in each of their households, was 58% – HUD classifies an AMI of 50% and below as “very low income.” Furthermore, only 12 (55%) participants had the required \$6,300 in savings.



**Only 55% of participants had the \$6,300 in savings to be eligible for homeownership**



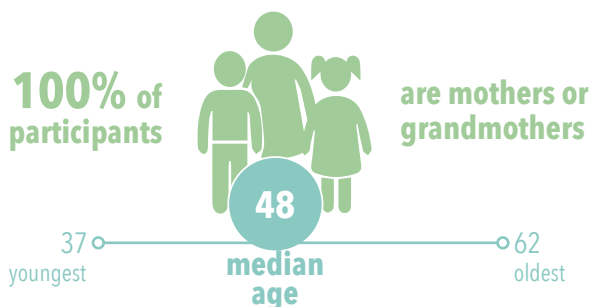


Turning to the survey results, key themes that appeared across all of the survey questions were: lack of communication, feelings of abandonment; lack of support and guidance, appropriate education and advising, financial management training, and general support; improper resources; lack of trust and security between coaches and participants; lack of understanding of who they are helping, institutional racism; and financial roadblocks to homeownership (AMI, DTI, etc.).

## Participant Focus Groups

With Habitat staff leading the outreach efforts, they invited 61 current FB program participants to both the survey and focus groups, of which 42 consented. Fifteen participants ultimately expressed interest in the focus group, with 10 confirming. The focus group held on May 12 welcomed seven current FB program participants, one from Mortgage Ready and the remaining six from Financial Coaching. To allow for smaller group conversations, the whole group was split up into two focus groups co-led by an RIA staff person and an advisory community committee member. An additional RIA staff person assisted by taking notes. The first of the two focus groups were designed for those who are in the financial coaching process, while the second was catered for those who are mortgage-ready.

Out of the 7 program participants that came to the focus group, 5 of them were single Black women who headed their households, with all of them either being mothers or grandmothers. The median age of those who participated in the focus groups was roughly 48, with the oldest being 62, and the youngest being 37. Their average AMI (Area Median Income), taking into account the number of people in each of their households, was 58% – HUD classifies 50% AMI as “very low income”.



Across both focus groups, key themes that arose were: barriers to the Habitat program (surrounding the eligibility requirements<sup>1</sup>, including but not limited to DTI, savings, etc.), ineffective communication and support, and a lack of understanding of the context and needs of Black program participants.

## Data Walk

In the May advisory committee meeting, committee members provided their thoughts on the data walk after RIA offered a preliminary structure and high-level overview of the event. In this space, committee members noted the importance of allowing space for people to process the information by implementing an intentional break; being mindful of how long the event is; and allowing FBH to draw upon their networks to grow the number of community members present at the event. In addition to this, the committee suggested that breakout rooms be created based on themes, as opposed to data collection points (i.e., focus group, survey, etc.).

Taking into account all of the invaluable information provided by the advisory committee in this meeting, RIA reworked the data walk structure. With the new structure prepared, RIA undertook the outreach for this event, garnering a total of 36 responses that expressed interest in attending the data walk. Out of the 36 individuals who expressed interest, 12 community members ultimately attended the event – four of whom were also engaged in the earlier data collection steps. After a discussion of project goals from Habitat staff person Shoreé Ingram and Dr. Lewis, a high-level overview of data collected by RIA staff person Liv Reyes, and a grounding practice by DeJaJoelle, participants were sent into their breakout rooms for greater discussions.

Conversations from the data walk had similarities across and within breakout rooms, with key themes being: working to minimize barriers to homeownership within the Habitat program; individualizing the program so it works for everyone; understanding the specific needs and context of single Black women who are the head of house/sole provider for their families; and addressing the lack of communication that came about as a result of overworked coaches.

1- Eligibility requirements can refer to one or the other, or both: homeownership and financial coaching program requirements and underwriting requirements. The program requirements are included in Appendix A. The underwriting standards are guidelines set by banks and lending institutions for determining whether a borrower is worthy of credit (i.e. a loan). We will distinguish between each when eligibility requirements are discussed.



## Step 5: Redefine the issues by coproducing winnable policy and practice solutions

The advisory committee articulated pain points about the program since the January committee meeting. In our monthly meetings, the pain points were progressively redefined through the homeownership advisor survey. This iterative process only continued as the primary data collection – the focus groups and participant survey – were completed.

The data analysis was co-led by RIA staff people Liv Reyes and Ben Levy. Qualitative thematic analysis was employed, drawing on each survey question, to write corresponding analytic memos that drew the salient themes from all participants' responses. This method of thematic triangulation was employed once again, albeit in a slightly different manner than was used for the surveys, to analyze the data collected from the two focus groups.

Midway through analysis, Habitat staff person Shoreé Ingram reached out to ask if RIA and the advisory committee members would be willing to present preliminary findings to the Habitat leadership team and the board of directors. In June, Dr. Lewis, Liv Reyes, and some of the community committee members joined both a leadership team meeting and board meeting to present preliminary findings and speak to more Habitat leaders about program experience. Committee members valued the experience because they felt welcomed into the space and saw the commitment that Habitat has to learn and improve.

Leadership and board members expressed gratitude and shared ways they are already thinking to improve the program and Habitat as a whole. Interesting to note, while not privileged information, the Chief Program Officer Shereese Turner introduced herself in both spaces and identified herself as the person to come to if problems arise. Our community committee members, by way of participating in the Engaging Foundational Black Households project, learned about a key staff person for the first time.

Once the data analysis was complete and the memos were written, the advisory committee reviewed the themes and initial findings in their June meeting and provided feedback to help rearticulate the themes. July and August committee meetings focused on processing, articulating, and finalizing the pain points, concrete recommendations, and final deliverable.

Through this iterative process, the numerous themes pulled from all data collection points were brought together under high-level pain points, which are institutional racism and programmatic pain points. Institutional racism impacts each of the programmatic pain points. The programmatic pain points, in turn, worsen some of the issues of systemic racism within Habitat in general. Thus, there is mutual impact from both of these pain points on FB program participants.

## Institutional Racism

Serving as an overarching pain point for the next two listed, with both connected back to this, institutional racism is also in and of itself a core pain point brought out from the numerous data collection points –beginning with the advisory committee meetings in January and February. It encompasses, for the most part, the oftentimes unquantifiable difficulties faced by Black participants in Habitat's program.



*"I have the down payment [the \$6,300 savings underwriting requirement]. That's not a problem. I have the job. I've been on my job for 20+ years. The job is not the problem. So, what's stopping me from being able to purchase this home when I did the leg work?"*  
- Focus Group Participant



*"Especially the way there are no regulations, they can jack with you any which way they want to... [if the name isn't 'Lisa Smith,' you get hit with higher interest and all that other stuff." - Focus Group Participant*

## Lack of Understanding of the Context of Single Black Mothers

Directly connected to the institutional racism present in the program, FB program participants expressed their frustration with Habitat not understanding who they are serving – which, in the case of those who participated in data collection, was in large part single Black women who are the head of the house. Participants noted, in particular, Habitat’s lack of understanding of the overlapping systems of oppression that have disadvantaged them, as well as their unique situations created as a result of this, and what they need from Habitat.



*“Black women head of household support multiple households across generations: elders, cousins, nieces and nephews, and our children.”*  
- Data Walk Participant

## Failure to Listen to the Expressed Needs of Black Program Participants

This pain point draws in elements of the latter two and encompasses participants who articulated frustration with Habitat assuming the role of sole decision-maker when they were looking to purchase a home. This lack of consideration for the needs of those they are supposed to be helping results in the reproduction of harm and distrust between Black community members and Habitat.



*“Yes, they do have homes available in North Minneapolis, but I don’t understand how they expect us to spend almost \$300,000 on a house where a driveby [just happened] or where your next-door neighbor [was just killed].”* - Focus Group Participant



*“I thought this program was created to help us get homes in neighborhoods where the house could be \$300,000, but it was worth it; [where the] school district was worth it, the job market was worth it, the crime was low.”* - Focus Group Participant

## Programmatic Pain Points

Transitioning away from the pain points that centered around broad institutional racism to ones with specific programmatic issues, participants drew attention to particular flaws within Habitat’s program that have resulted in the reproduction of harm to FB community members.

## Lack of Effective Communication

By far the most common theme to appear in the survey and focus groups, participants noted a lack of effective communication as a key pain point, alongside feelings of abandonment and a general lack of awareness of grievance processes, and who to contact should their primary point of contact fall through.



*“I was accepted into the program in April 2019 and have only had one meeting with my coach and a few follow-up emails since then to ask for paystubs. I haven’t had any communication from my coach since November 2020, and then it was only to say I wasn’t on the list of clients he wanted to connect with.”* - Data Walk Participant



*“My coach simply responding to me once... would have done wonders. But yet, and still, he has never once reached out or apologized for his actions. His supervisor has apologized.”* - Survey Participant



*“Wish I would have known my family would be put on the back burner for so long.”* - Survey Participant

## Ineffective and Inaccessible Education

Directly connected to a lack of guidance and support from Habitat throughout the program, participants noted that they were frustrated that Habitat did not provide them with resources or otherwise connect them with relevant information as they had expected. In addition to this, participants were disappointed with a lack of direct advising that was catered to their individual needs.



*“I got as far as the [point] where they sent out [listings], and my financial coach, he emailed and asked if there was any other income you get. One of the questions was ‘do you get child support,’ and I don’t, per se. It’s verbal, there’s no contract, it’s verbal between me and the other parent. Because I was not able to submit documentation saying that [I was bringing] that income into the household, the communication stopped.”* - Focus Group Participant



*“Who do I need to connect with to further me where I need to be? Habitat is a good program... but how do they bridge that gap for more people to get involved, [for there to be] more information?”* - Focus Group Participant

## Eligibility Requirements

Mentioned across all data collection points, the program's debt-to-income ratio requirement posed a substantial barrier for numerous participants to homeownership. Within this, student loans were raised as a major source of debt that created a barrier for many to homeownership, with one participant even noting that the barrier of student loan debt did not diminish even when they received a substantial raise. Connected to the barrier posed by debt, the \$6,300 savings underwriting requirement was yet another substantial barrier. Specifically, participants drew attention to how this barrier posed a disproportionate obstacle to single Black mothers, connecting back to the broader institutional racism that needs to be addressed at Habitat.



*"Debt Management (DTI) is always problematic when livable wage is a concern." - Data Walk Participant*



*"There should be a way to look into the student loan program where families with lower income have more accessibility to the program." - Data Walk Participant*

## Step 6: Disseminate findings led by an authentic community engagement

Habitat started the Engaging Foundational Black Households project to invite change. By utilizing the *Equity in Action* process model, Habitat engaged with current and previous FB program participants to learn where it is falling short. This project revealed an ecosystem of harm. There are institutional and structural barriers to homeownership that FBH face, and Habitat finds itself within this system. For Habitat, the replication of harm shows up in the organizational structure and human interactions within.

Transitional moments throughout the project included realizations that (1) the financial coaching program is not a program and rather a one-on-one coaching relationship, (2) this program is primarily serving single Black mothers, and (3) there are not enough homeownership advisors to support the needs of their clients.

By inviting change, Habitat welcomed FB program participants to share their experiences, and the advisory committee identified intersecting pain points (shared above). When asked how to change this program, those engaged in the Engaging Foundational Black Households project highlighted several recommendations. Through

meaning making, the advisory committee prioritized addressing institutional racism as essential to Habitat delivering equitable services. In effect, FB program participants have identified that to make effective programmatic changes, Habitat must embrace organizational change. To achieve Habitat's goal of reimagining the financial coaching program, it must address institutional change first and then programmatic changes.

## Institutional Change

When sharing about their challenges working with their homeownership advisors and moving along in the home buying process even with all of their materials in order, two advisory committee members shared: "I don't think it's a coincidence that we're Black." Our community committee members and those involved in the Engaging Foundational Black Homeownership project expressed the impact of racism in their home buying experiences and within the Habitat program. For the advisory committee, addressing institutional concerns is the priority.

True institutional change also does not happen in a vacuum. Addressing internal structures, practices, and policies that are historically created for and by white people requires change throughout. While the data collected and recommendations derived are in the context of the homeownership and financial coaching program, changes only to this program will fail to address larger organizational change that needs to be implemented in concert with programmatic change.

## Legal audit of eligibility requirements

Our data collection reveals that many FBH struggle to meet the program and underwriting requirements (see program requirements in Appendix A). Many pointed out how counterproductive it is to have certain program eligibility requirements for a program that will teach participants how to save, manage debt, and navigate the homebuying process.



*"If I'm lower income, then why would I have that kind of money? So it is kind of frustrating for it to seem like 'hey this is normal, you should be able to just have this kind of money,' but it's very hard." - Black Homeownership Advisory Committee member*

Understandably, Habitat needs to operate within federal and state systems with legal guidelines, however, the advisory committee highlighted that a desire for a more equitable program for FBH has to be met with a more equitable and accessible program and underwriting eligibility requirements.

RIA recommends that Habitat assess its program and underwriting eligibility requirements by conducting a legal audit. While some requirements may need to remain, others could very likely be altered to align with equity.

## Training for staff

Homeownership advisors and FB program participants agree that more trainings are needed. Some program participants feel that advisors need more technical knowledge, while the majority expressed a need for cultural competency and communication training. The homeownership advisors themselves also identified their desire for more financial trauma and literacy trainings to best support their clients.



*"[Offer] training[s] that [are] relevant to different population groups to understand challenges, as well as best practices, to ensure that respective group's success." - Black Homeownership Advisory Committee member*



*"TC Habitat for Humanity may need to consider [annual] strategic planning strategies, or an annual audit, to work on serving their targeted community better. When you are unable to meet the needs of even the most marginalized in any community it is clear [you are lacking] vision or understanding on some level." - Survey Participant*

While a legal audit is conducted, Habitat can research and select or create new trainings for its advisors. RIA recommends that these trainings include but are not limited to:

- Financial trauma
- High and low context communication
- Cultural competency
- Implicit bias

The trainings must also be required upon onboarding and conducted every year.

## Intentionally hire FB staff

Many of the data collection themes point to a lack of understanding of FBH. The advisory committee identified how inherently connected this is to representation.

Homeownership advisors that look like and represent the community they are trying to serve would offer FB participants the opportunity to connect and relate more with their advisor and feel understood, thereby potentially increasing their satisfaction with the program and success in achieving homeownership.



*"Yes the training is important, but coming from the community of who you serve is important." - Black Homeownership Advisory Committee member*

As of August, Habitat has hired a FB Financial Coaching Coordinator. RIA recommends that Habitat continue to prioritize the intentional hiring of FB staff, both within the financial coaching program and more broadly. A Habitat staff committee member said it themselves: "Lived experience is also valuable experience that should be recognized."

## Develop information exchange partnerships

After the legal audit and internal considerations of staffing and training, Habitat can focus on another key desire from FB program participants: partnerships. The pain points identified throughout the *Equity in Action* process highlight something referred to as the social service runaround. Eviction research in North Minneapolis from Dr. Lewis and the Center for Urban and Regional Affairs found that people described an experience of applying for assistance and were given the runaround<sup>2</sup>. This runaround is the process of collecting documentation and running between agencies or organizations within a frame of limited information. To access and participate in the homeownership and financial coaching program, participants end up experiencing this runaround, which can be dehumanizing and discriminatory, especially for FBH. Additionally, some might do this work and not be accepted into the program.

<sup>2</sup>- University of Minnesota's Center for Urban and Regional Affairs (CURA), *The Illusion of Choice: Evictions and Profit in North Minneapolis*. [evictions.cura.umn.edu](http://evictions.cura.umn.edu), June 15, 2019.





*"More resources in obtaining funding from programs that are available to us consumers." - Survey Participant*



*"Offer resources or programs to help." - Survey Participant*



*"Hand people a resource list and offer a warm handout to another organization." - Black Homeownership Advisory Committee member*

A large portion of current FB program participants highlighted the need for partnerships as it relates to sharing resources. They want Habitat to be better connected that way any FBH interacting with Habitat, whether they qualify for a program or not, can benefit from further information, resources, and programs.

RIA recommends that Habitat develops partnerships based on information exchange and resource sharing. Information exchange with agencies and organizations in the housing, home buying, and homeownership field will benefit all of Habitat's program participants. Any information learned and shared with participants also opens up access to other spaces that will further participants on their journey toward homeownership. In effect, these partnerships will break the social service runaround that anyone seeking Habitat's services is experiencing and bridge gaps.

## Take an outspoken position on race forward policies

The participants in the data walk, in particular, called on Habitat to go past resource-based partnerships and work more in the advocacy world to make structural changes to local housing policies.

Early in the Engaging Foundational Black Households project, Habitat staff wondered if, through this process of reimagining the homeownership and financial coaching program, they'd discover that many problems and solutions lie in the policy field. While becoming a 501(c)(4) might not be in Habitat's interest or immediate future, there are other options.

To deliver on this direct call to action from current FB program participants, Habitat has to first internally assess its commitment and values to be outspoken proponents of race forward state/federal policy change. This assessment not only needs to investigate commitment and values but also bandwidth to do this work.

RIA recommends that Habitat works with a third-party contractor to conduct this internal assessment. An expert is required to understand staff's values and assist in building an internal infrastructure to support this work, which might include hiring a new staff person or reorganizing the organizational structure.

Once the assessment is complete and necessary changes have been made, RIA recommends that Habitat develop authentic relationships with grassroots and advocacy groups to push for larger institutional change. These partnerships would benefit FBH as well as others by demonstrating Habitat's commitment to structural change in the housing field and moving policy that impacts its program participants.

## Empowerment of a community action board

Advisory committee members reflected on how great it felt to be part of the Habitat Black Homeownership Advisory Committee because it gave them access to privileged information about Habitat and the program, as well as empowered them to offer recommendations for Habitat's improvement. The value of community input is also not lost on Habitat staff who have expressed gratitude for their learnings from the community committee members.

RIA recommends that Habitat continue this engagement by empowering a community action board that is an official part of the Habitat staffing and board hierarchy. Structural changes to Habitat should be informed by the community as they are the recipients of Habitat's services. The advisory committee members feel strongly, now that they've experienced this sort of role, about empowering participants to make decisions, be involved in board or leadership meetings, support grievances processes, and hold Habitat accountable for their commitments to FBH.

Sharing power in this way is truly embracing equity and pushes against normative systems that actively leave marginalized communities out of decision-making bodies. Lessons within this document and from a community action board will offer insights to strategic planning processes that are often not considered.

The process of building eligibility, roles, expectations, and responsibilities of this board, inviting applications, and selecting board members should happen during the legal audit and while trainings and partnerships are being weighed. The first community action board meeting should focus on the learnings of the legal audit and selection of staff training and partnerships to pursue.

## Programmatic Change

In the focus groups, the interactions between current FB program participants led to connections, shared learnings, and even the exchange of contact information for support. Upholding the power of sharing wisdom, the programmatic recommendations below address programmatic concerns highlighted in the data, are grounded in the value of shared meaning making, and culminate in a client-centered cohort model for the financial coaching program.

### Hire a staff and programmatic evaluator

While a community action board will support accountability measures, the Black Homeownership Advisory Committee feels strongly that Habitat also focuses on an internal hire. This also ensures that, as the power and decision-making roles of the community action board are negotiated, there is a dedicated person to evaluate the staff and programs.



*"Will a community-led group have the power to implement changes to the grievance processes?"*

*- Black Homeownership Advisory Committee member*

RIA recommends Habitat address this concern by hiring an individual that will annually evaluate staff performance and programmatic success. The individual in this role would have the responsibility of quality assurance, which would remove instances of neglect from homeownership advisors and help maintain strong programming by reviewing programmatic data to identify and eliminate any disproportionate findings.

### Benchmark analysis

Considering the consistent feedback that the education within the financial counseling is inadequate or ineffective, Habitat needs to assess its curriculum. While the literature learned and presented by Habitat staff covered financial counseling, Habitat could go a step further to learn.

Emergent Learning helps groups of people strengthen their ability to think about and learn from their work, to consistently achieve or exceed desired outcomes, even during unpredictable challenges. Organizations can utilize this framework to improve future results by understanding how action needs to be adjusted to take context into account. Habitat can adopt this framework to ask strategic questions of itself and similar organizations to better deliver financial coaching programming to FBH.

RIA recommends that Habitat conduct a benchmark analysis of similar organizational programs to determine best practices, successful educational curriculum, and beneficial resources. The new evaluator, supported by the community action board, can lead this work. Habitat can learn from other organizations to determine what curriculum best suits its FB program participants' learning by utilizing developed information-sharing partnerships, publicly available information, and interviewing.

There are several resources on Emergent Learning, but RIA offers Habitat a few questions to guide how it thinks about internal conversations and external interviews for this benchmark analysis:

- What will it take to close the local gaps in FB homeownership?
- How can our/your financial counseling program best set up FB participants for success in home buying?
- How do we/you develop authentic relationships with program participants?
- What will it take for us/you to consider and measure a financial counseling program 'successful'?

### Collaborative redesign of eligibility requirements and delivery methods

Use the lessons learned from the legal audit, benchmark analysis, and other actions taken during the implementation of institutional changes to inform decisions about program redesign that are made in collaboration with the community action board and FB participants.



*"Because I previously was in a group setting, and it was taught by somebody who was African American who knew the community. There were a lot of Black and brown people within that space. You learn from other people's experiences, and it made you feel like you weren't alone to hear that somebody else didn't get taught credit when they were growing up, that they too didn't have savings. In that group setting, you met people that also brought to the space their experiences that help you out, as well as feeling like I'm not the only one." - Black Homeownership Advisory Committee member*



RIA recommends Habitat embrace a participant-centered approach to program design that is informed by earlier institutional changes to the organization and committed to collaboration. Developing a participant-centered cohort model with the community action board can offer a strategic advantage in addressing specific programmatic pain points identified by participants.

In order to champion human centered design, the community action board and FB participants must be consulted across all factors, including program redesign, articulation of goals, and measurements of success. This type of human centered design must be utilized throughout the organization as well, in order to ensure all programs, practices, and policies are upholding commitments to racial justice.

Based on what we learned from the advisory committee, survey, focus groups, and data walk, the cohort model must have these core elements:

- Create a space where historic harms in housing discrimination are affirmed and processed
- Assess the cohorts understanding of the homeownership and financial readiness process and key technical terminology
- Help create shared learning circles and accountability systems that are culturally relevant and safe

## CONCLUSION

The Engaging Foundational Black Households phase one project focused on collaborating with FB program participants of past and present to better understand their experiences within the financial coaching program and their unmet needs. Led by the Habitat Black Homeownership Advisory Committee, the data collection centered on understanding the impacts of housing discrimination and racial injustice in accessing resources and necessary supports for success, an assessment of Habitat's program for FBH, and recommendations for Habitat's financial coaching program.

Through the data collection, we learned of an ecosystem of harm. The findings point to the impacts of institutional racism as FBH seek homeownership as well as implicate Habitat within this larger system. Through a program that doesn't listen to the express needs of FB program participants, Habitat is replicating harms that the larger housing system enacts on FB people and families.

FB program participants cited a lack of communication on behalf of their advisors, ineffective and inaccessible education, and program and underwriting eligibility requirements that caused barriers to enter the program. Building from the program-specific pain points, FB program participants also shared the impacts of institutional racism, highlighting a failure to listen or understand the needs of FB participants, single Black mothers in particular.

While several pain points were identified through the *Equity in Action* process model, so too were recommendations to reimagine the program to adequately serve FBH. Those engaged in this project expressed the need for both programmatic and institutional changes. First, institutional changes must occur at Habitat to embrace institutional equity. According to the data, only then can programmatic changes take place that embraces equity and focuses on client-centered programs.

Though the scope of work of the Engaging Foundational Black Households phase one project was limited to the homeownership and financial coaching program, lessons learned can and should be applied throughout the organization while it finalizes its strategic plan. The lessons from the data and experiences of both community and staff committee members must be broadly considered to ensure change doesn't occur on the singular level, and instead happens throughout Habitat.

# APPENDIX A: PROGRAM CRITERION

Financial Coaching Criteria	Mortgage Ready Criteria
Credit score 580+ or credit invisible (no credit score)	620+ credit score
Less than \$1,000 in judgments	All judgments paid off
Collections less than \$2,000	Collections less than \$1,000
Medical collections less than \$4,000	Medical collections less than \$3,000
Monthly debt-to-income (DTI) ratio less than 18%	Monthly debt-to-income (DTI) ratio less than 13%
2 years since bankruptcy discharge with 1 year of new credit and no late payments or default	2 years since bankruptcy discharge with 2 years of new credit and no late payments or default
No minimum savings requirement	\$6,300 in savings <ul style="list-style-type: none"> <li>• \$3,000 closing costs</li> <li>• 1-year homeowners' insurance</li> <li>• \$1,800 reserves</li> </ul>
One year of continuous employment (no gaps in employment) or 2 years if self-employed	Minimum of 1 year at the current position (no gaps in employment) or 2 years if self-employed
Foreclosure/short sale history: minimum of 3 years since a foreclosure or short sale	Foreclosure/short sale history: minimum of 3 years since a foreclosure or short sale