

Deutsche Bank

Community Development Finance Group



Deadline to Apply: Thursday, September 30, 2021, 5 PM ET

Deutsche Bank's *Wealth Creation Opportunities* Program

Promoting Equity in Low-Income Communities of Color

Request for Proposals (RFP)

Executive Summary

Deutsche Bank has a long history of providing capital to promote community development in low-income communities of color in New York. With increased intentionality in advancing racial equity and addressing the racial wealth gap, we are issuing this Wealth Creation Opportunities RFP to identify organizations that are helping create wealth generation opportunities for low and moderate income individuals and communities of color through ownership. This could include, but is not limited to, organizations that are enabling wealth creation for communities of color through home ownership, community land trusts, community investment trusts, or cooperative business models. Through the RFP, we will provide grant capital (up to \$100,000 per organization) to non-profit organizations focused on advancing equity and opportunity in communities of color in New York City. We also are soliciting proposals for low-interest loans (up to \$500,000 per organization) to fund non-profit or mission-oriented for-profit organizations that are tackling this issue in NYC or nationally. Applicants can submit an application for a grant or loan, or both.

Background

The racial wealth gap in the United States has grown such that the net worth of the average white family is nearly [10 times](#) that of the average Black family. Latinx families only fare slightly better. For every dollar in total assets a typical white household has, a Black household has 12 cents, and a Latinx household has [21 cents](#) for every dollar in white wealth.

There are several historical contributors to this disparity: redlining, deed covenants, exclusion from the GI Bill, unemployment insurance exclusions, and massacres and destruction of thriving communities of color. Understanding the impact of such wealth disparities becomes even more critical given the disparate impact the Covid-19 pandemic has had on U.S. communities and how the economic disruptions have upended certain communities more than others.

Historically, homeownership has been a significant contributor to a household's net worth, but the gap between Black and white homeownership rates has been widening. NYC is not immune to this condition and shows similar disparities to the rest of the nation, not only in existing homeownership rates but also in purchase rates. Even those who own their homes may struggle to maintain ownership with increasing cost burdens.

Deutsche Bank is committed to supporting strategies that focus on closing the racial gap, whether through increasing homeownership opportunities, fostering opportunities for asset building, or other active interventions that strengthen communities and align with local community efforts and needs.

Grant Program

Grants - Overview

Awards will provide general operating support of up to \$100,000 for organizations that are addressing the racial wealth gap and advancing equity and opportunity in communities. Possible uses of funds include but are not limited to:

- *Providing direct services*, including services that enable homeownership. Note that Deutsche Bank does not fund direct legal services.
- *Systems change efforts*, including policy analysis, advocacy, and community education addressing the racial wealth gap. Note that Deutsche Bank does not fund lobbying activities.
- *Providing opportunities for entrepreneurship* and shared equity structures that promote economic stability and wealth generation.
- *Offering financial empowerment and asset building opportunities* that provide alternatives to high-cost financial services.
- *Creating or expanding social ventures*, initiated by non-profits, which have a market-based approach to addressing the racial wealth gap.

Grants - Eligibility

In order to apply for Deutsche Bank *Ownership and Wealth Creation* grant funding, applicants must meet the following eligibility criteria:

- The organization and the proposed activities must primarily serve vulnerable, low-income communities and be located in the five boroughs of New York City.
- The organization must have proof of 501c3 status.
- The organization must have a history of sound financial management.
- The organization must be willing to participate in a symposium hosted at Deutsche Bank in 2022.

Deutsche Bank will prioritize applications from BIPOC-led organizations, defined as having majority BIPOC representation in the board and senior management.

Deutsche Bank is seeking a wide range of non-profit applicants whose activities promote ownership and enable wealth creation for low-income individuals and communities of color. This could include programs that are focused on home ownership, community land trusts, community investment trusts, cooperative business models, and other forms of ownership.

Proposals will be most competitive if the applicant has a successful track record serving the target population. Proposals should evidence additional resources that have been committed or are very likely to be committed in support of achieving the proposed impact.

Loan Program

Loans – Overview

Deutsche Bank Americas Foundation (DBAF) has established the New Initiatives Fund (NIF) program – through which DBAF makes low-interest rate loans into organizations innovating to improve opportunities for low and moderate income communities in the U.S. As part of the Wealth Creation Opportunities RFP, we are requesting proposals for loans from innovative organizations that are enabling wealth creation through ownership for low-income people and communities of color.

Following submission, Deutsche Bank may select one or more proposals for further underwriting and investment. We expect that investments will be in the form of low-interest rate loans with flexible terms that meet the needs of the organization. Typical New Initiative Fund loans range from \$200,000 to \$500,000, with terms from 2 to 7 years, and interest rates that are concessionary. It is expected that the recipients of investment share quarterly financial data and annual social impact data with Deutsche Bank throughout the duration of the loan.

Loans – Eligibility

Applicants to Deutsche Bank *Ownership and Wealth Creation* loan funding should meet the following eligibility criteria:

- Be a mission-driven organization (non-profit or for-profit) that is committed to closing the racial wealth gap
- Serve low-income communities in New York City – either with an exclusive focus on New York City or a wider geographic or national target that includes NYC
- Have an income-generating business model through which the proposed loan will be repaid
- Be willing to participate in a symposium hosted at Deutsche Bank in 2022

Deutsche Bank is seeking a wide range of applicants whose activities promote ownership and enable wealth creation for low-income individuals and communities of color. This could include programs that are focused on home ownership, community land trusts, community investment trusts, cooperative business models, and other forms of ownership

How to Apply

All proposals **MUST** be submitted electronically by **5:00 PM ET on Thursday, September 30, 2021** to lisa.talma@db.com and joanne.gan@db.com. Please include in your subject line “Wealth Creation Opportunities RFP response from [your organization name]”. All applications should be limited to 5 pages, excluding attachments, and include the relevant sections depending on type of applicant. It is preferred for applications to be in a single PDF file.

I. General Application – (All Applicants) (Please limit full application, excluding attachments, to 5 pages)

Please indicate whether you are applying for the grant, the loan, or both:

_____ *Grant Only (complete sections I and II)*

_____ *Loan Only (complete sections I and III)*

_____ *Grant and Loan (complete sections I, II, and III)*

A) General Information

1. Name and address of organization
2. Organization Type (non-profit/ for-profit):
3. Executive Director / CEO (name, phone, email):
4. Project contact person (name, title, phone, email):

B) Organization and Program Information

1. Mission statement of the organization
2. A brief history of the organization, populations served, and notable success to date

II. Grant Application

A) Grant Proposal Information

1. Explain what program or project the grant will fund and how it creates ownership and wealth creation opportunities for low-income people and communities of color. What is the theory of change?
2. Amount requested
3. Description of organization's 2021-22 strategy, goals, and key outcomes including:
 - Target population served and brief description of key challenges and opportunities this community currently faces
 - Key milestones in 2021-22
 - Proposed metrics to measure impact (including estimated number of people served and specific positive impacts achieved for target population)
 - Description of active partnerships with other organizations necessary for achieving proposed impact, if applicable.

B) Grant Attachments

Please also attach (not included in page limit):

- Statement of equity and inclusion: describe how your organization reflects the people you serve and their life experiences through your board, senior management, and staff
- A list of members of your board of directors (including board titles, and professions or affiliations)
- Organization's 2021 and 2022 operating budgets

- Organization's most recent audited financial statement
- Budget for the anticipated use of the grant funds (The project budget should note specific staff lines funded, any new hires expected if the funds are awarded, benefits and Other Than Personnel Services (OTPS), project soft costs, etc.)

III. Loan Application

A) Program Loan Information

1. Explain what program the proposed loan will fund and how it creates ownership and wealth creation opportunities for low-income people and communities of color
2. Explain how the organization or program generates income and is able to repay the proposed loan
3. Proposed metrics to measure impact (including estimated number of people served and specific positive impacts achieved for target population)

B) Terms of Loan Requested

- Amount
- Term and Repayment Schedule
- Interest Rate

C) Loan Attachments

Please also attach (not included in page limit):

- Biographies of management team
- The organization's most recent audited annual financial statements
- Statement of equity and inclusion: describe how your organization reflects the people you serve and their life experiences through your board, senior management, and staff

If you have any questions, please contact: lisa.talma@db.com and joanne.gan@db.com

Deutsche Bank is excited to support wealth building opportunities for low- and moderate income populations in New York City. We look forward to reviewing your application