

Community Reinvestment Project (CRP)

Presentation to the Workforce Training
Board

Korbett Mosesly & Krista Perez, Washington State
Department of Commerce



Washington State
Department of
Commerce



We strengthen communities



HOUSING AND HOMELESSNESS



INFRASTRUCTURE AND BROADBAND



SMALL BUSINESS ASSISTANCE



ENERGY



PLANNING AND TECH ASSISTANCE



COMMUNITY SERVICES



CRIME VICTIMS AND PUBLIC SAFETY



ECONOMIC DEVELOPMENT

“You want to know what this [war on drugs] was really all about? The Nixon campaign in 1968, and the Nixon White House after that, had two enemies: the antiwar left and black people. You understand what I’m saying? We knew we couldn’t make it illegal to be either against the war or black, but by getting the public to associate the hippies with marijuana and blacks with heroin, and then criminalizing both heavily, we could disrupt those communities. We could arrest their leaders, raid their homes, break up their meetings, and vilify them night after night on the evening news. Did we know we were lying about the drugs? Of course we did.”

John Erlichman

**Assistant to the President for Domestic Affairs
under President Richard Nixon**

Overview of the CRP

A community-designed plan to uplift communities disproportionately harmed by the war on drugs



What is the CRP?

In state fiscal year 2022, the Washington State Legislature directed the Washington State Department of Commerce (Commerce) to create the Community Reinvestment Plan to guide distribution of \$200 million of state general funds that were set aside in a newly created Community Reinvestment Account (CRA). The CRA was created by [RCW 43.79.567](#) to address racial, economic, and social disparities experienced by historically marginalized communities in Washington State.

How the Money Can Be Used?

- **Economic Development** –
 - Helping close wealth gaps by supporting homeownership,
 - Providing grants and loans to small businesses,
 - Offering financial literacy training and other tools to help small businesses grow.
- **Legal Assistance** – Assisting people with clearing their criminal records or getting convictions overturned.
- **Community-based Violence Intervention and Prevention** – Funding after-school programs that offer mentorship and education to prevent violence.
- **Reentry Services** – Supporting people as they leave prison to help them successfully return to their communities.

Who Receives the Money?

- Invest in communities **disproportionately harmed by the historical design and enforcement of state and federal criminal laws** and penalties for drug possession.
 - Populations over-represented in Department of Corrections
 - Conviction Proportionality by Race 2020 by Drug Offenses
 - Prison Population Ethnicity Breakdown
 - Average Daily Population of All County Jails
- The grants must be distributed in collaboration with **“by and for”** community organizations. A "by and for" organization is **led by and primarily staffed by individuals from the community it serves**. These organizations ensure that the people most affected by systemic inequities are the ones shaping and delivering solutions. These organizations serve their community and track specific uses and outcomes to ensure the funds meet the programs community intent.

Are We Partnering with the Right Organizations?

- As directed by the legislature, we have collaborated with "by and for" organizations, as defined by the Department of Commerce and the Office of Equity, to distribute grants. We prioritized grassroots, nonprofit, and faith-based organizations wherever possible, recognizing their deep connections and trust within the communities we aim to serve.
- However, in areas where the infrastructure or capacity wasn't fully in place to manage larger grants, we partnered with more established organizations to act as intermediaries to support more grassroots and smaller organizations access funding.
- We have also ensured measurable engagement with these organizations by:
 - **Tracking the percentage of funds distributed to "by and for" organizations.**
 - **Monitoring the impact these funds have had on their respective communities.**
- This process has allowed for transparent tracking and effective use of resources to benefit underrepresented and underserved communities.

How Are We Measuring Success?

- The success of the Community Reinvestment Project is measured through tracking outcomes and maintaining transparency throughout the funding process. Commerce, in partnership with the Office of Equity, has established systems to monitor progress and measure the long-term impact of funded programs.
 - Public Access to Funding Information
 - Community Involvement
 - Accountability Measures

[Link To Results Dashboard](#)

Spotlight: Progress in Action



- **Impact Highlights:** 996 criminal convictions vacated, including non-Blake cases.
- **\$1M+** in legal financial obligations relieved.
- **417** driver's licenses reinstated.
- **11** legal clinics and **60** outreach events, reaching **29,019** people

- **100+** barbers & beauticians trained as **Certified Peer Counselors**.
- **331** community members received mental health support.

Play Video: Engagement

[Yakima Valley's Small Business Revival: A Tapestry of Resilience, Community, and the South Central Workforce's Helping Hand — Converge Media](#)



Community Reinvestment Programs

- The Washington State Department of Commerce has awarded **\$197.18 million** in contracts through the Community Reinvestment Project (CRP) to support communities disproportionately impacted by the war on drugs. This funding has been distributed across **over 400 grantees** through a combination of grants, direct allocations, and procurement processes. The **investments prioritize by-and-for organizations**, ensuring that communities most affected play a leading role in shaping and delivering solutions.

Programs and By and For Organizations



- **Loan Guarantee Fund** – \$16.49M (100% by-and-for)
- **By and For Lending Capacity** – \$14.55M (100% by-and-for)
- **Homeownership Capital Accelerator** – \$14.55M (100% by-and-for)
- **Individual Development Accounts (IDA)** – \$24.9M (Local Workforce Councils)
- **Blended Capital Enhancements** – \$23.28M (89% by-and-for)
- **Cannabis Business Grants** – \$3M (100% by-and-for)
- **Asset Building Initiatives** – \$2.85M (by-and-for focus, ongoing)
- **Financial Coaching/Mentorship** – \$9.5M (61% by-and-for)
- **EcSA Career Accelerator** – \$9.5M (Local Workforce Councils)
- **EcSA Business Support** – \$14.55M (Local Workforce Councils)
- **Criminal Record/LFO Relief** – \$1.94M (95% by-and-for)
- **Legal Representation** – \$5.82M (59% by-and-for)
- **Violence Reduction** – \$9.5M (100% by-and-for)
- **Community Healer Program** – \$9.5M (95% by-and-for)
- **Youth Sports Capacity** – \$4.75M (70%+ by-and-for)
- **Peer Health Navigation** – \$4.75M (100% by-and-for)
- **Expanded Reentry Program** – \$11.4M (57% by-and-for)

Local Advisory Teams

- A total of \$14.62 million (Includes \$7.6 million in programmatic investments from the previous list above) has been allocated to six advisory teams across Washington State to guide and implement community reinvestment efforts. 95% of this funding is being regranted to organizations as directed by their Local Advisory Teams.

Host Organizations

These advisory teams, represented by regional foundations and United Way, play a critical role in supporting local initiatives and ensuring funds are directed to where they are needed most.

- **Community Foundation for Southwest Washington (Clark)** – \$1.92M
- **Empire Health Foundation (Spokane)** – \$1.92M
- **Yakima Valley Community Foundation (Yakima)** – \$1.92M
- **Community Foundation of Snohomish County** – \$2.1M
- **United Way of King County** – \$4.37M
- **Greater Tacoma Community Foundation (Pierce County)** – \$2.39M

Additionally, **\$2.5 million** has been allocated to the **United Ways of the Pacific Northwest** to support all Local Advisory Teams by providing technical assistance, community engagement, offering regrants, and launching a **free statewide tax system** in collaboration with by-and-for organizations across Washington.

Overview of Shared CRP & Workforce Development Goals

CRP directly aligns with the Talent and Prosperity for All (TAP) Plan Goal 1, which aims to ensure all Washington residents have access to high-quality education, training, and support services for career advancement.

CRP Workforce Investments



Total Allocation

\$45.3 Million for workforce development.



Collaborations

Funding 12 Local Workforce Development Councils.



EcSA Expansion

Workforce training and job placement programs.



Career Accelerator

Incentivizing skills-based career growth.



Matched Savings

Matched savings for the purchase of assets.

Highlights

1. Significant Financial Impact:

- Over **\$2.7 million** in small business grants awarded, predominantly benefiting Black, Latine, and Tribal-owned businesses.
- A total of **\$15 million** in Career Accelerator Incentives and MISA contributions, exceeding statewide spending targets by 16%.

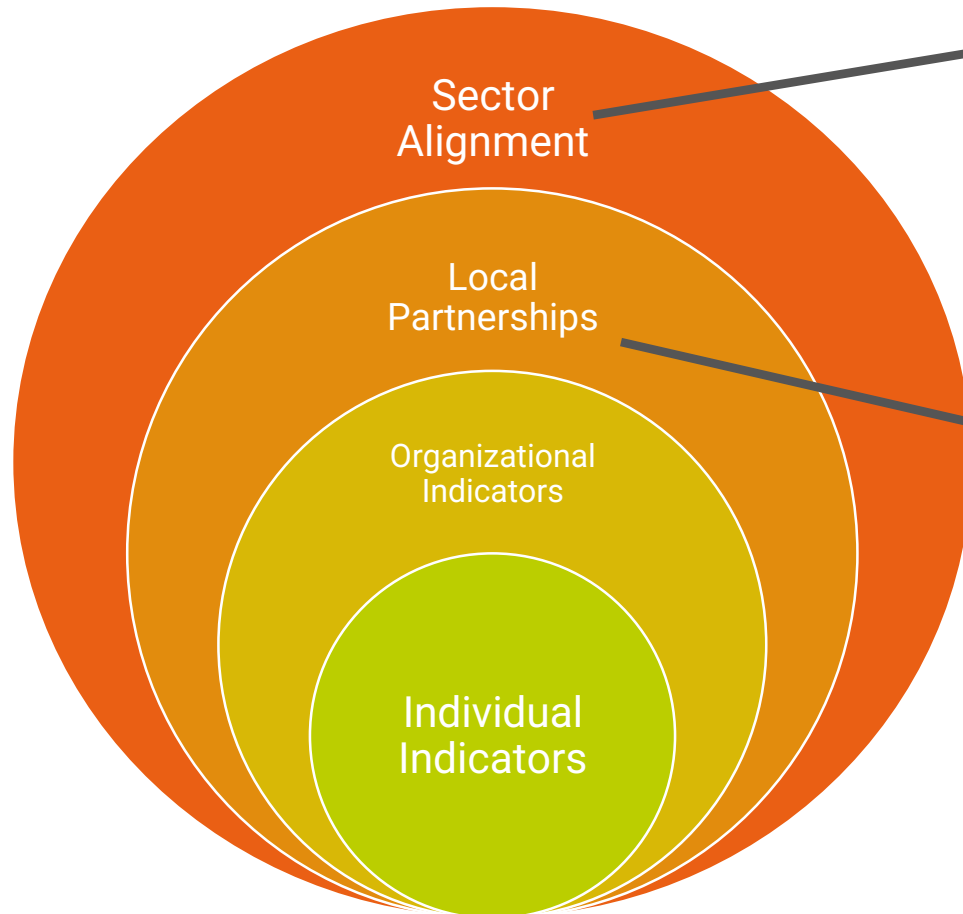
2. Increased Participant Engagement:

- Supported **2,623 participants** with Career Accelerator Incentive payments to advance career plans, marking a significant reach across all workforce development areas.
- 89% of grants and direct business support targeted businesses owned or operated by underrepresented groups.

3. Enhanced Equity Initiatives:

- Partnerships with By-And-For organizations facilitated meaningful outreach to underserved communities, allocating nearly **\$2.1 million** in resources.
- Focus on participants facing systemic barriers, with 50% identifying as Black, Latine, or Tribal.
- Participants in subsidized occupational skills training increased by **27%**, enabling career readiness and access to higher-paying jobs.

System Level Response for Long-Term Economic Impact



A Common Vision for Equitable Economic Development that is Co-Created w/ Community:

- Shared Goals
- Joint Action Planning
- Coordinated Funding Strategy

A Common Vision for Collaborative Local Community Impact & Partnerships

- System Alignment
- Professional Development (Especially in Ai)
- Development of Share Goals
- Measuring Partnership Indicators
- Organizational Indicators
- ALICE Indicators

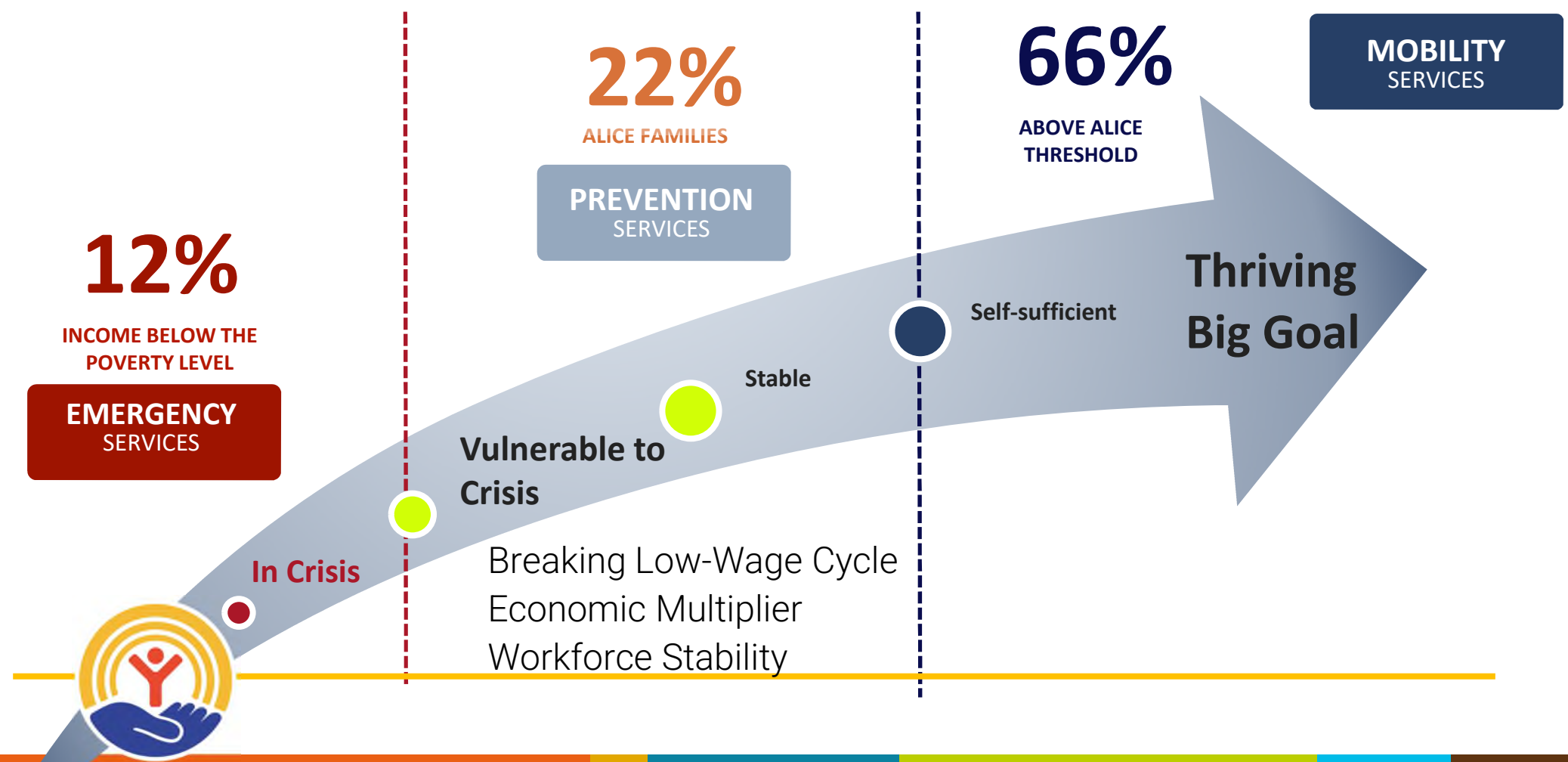
TAP-WSAC-CRP Alignment

TAP Plan Goals	WSAC State Plan Goals	CRP's Specific Contributions
Increase Workforce Participation	Expand Post secondary Access	CRP funding increased participation by 24%, boosting Black, Latine, and Tribal community workforce involvement.
Expand Economic Mobility Pathways	Increase Credential Attainment	CRP-funded Career Accelerator Incentives provided scholarships for certifications, increasing credential attainment rates.
Improve Financial Stability & Wealth-Building	Close Racial & Economic Gaps	Financial Coaching & Matched Savings programs helped participants increase savings by an average of \$3,500 per year.
Support Business & Job Creation	Align Workforce with Industry Needs	CRP-supported small business grants resulted in 200+ new businesses and over 1,000 new jobs in marginalized communities.
Strengthen Equity in Workforce Programs	Enhance Career Readiness	CRP collaborated with 12 Workforce Development Councils to ensure equitable access to career training.

Local Advisory Teams help close equity gaps and guide funds



Targeting Underemployed Individuals



Q & A + **Lessons Learned**

A community-designed plan to uplift communities disproportionately harmed by the war on drugs



Open for Questions and Answers

Need More Time, Staff, and Experience

Successful implementation of the CRP revealed the need for additional time, staffing, and experience to fully realize the potential of community-designed initiatives.

More Data Disaggregation

Breaking down data by race, ethnicity, gender, and geography revealed nuanced disparities, helping target resources more effectively.

Cross Racial/Cultural Collaboration

Encouraging collaboration across racial and cultural groups fostered shared learning and mutual support among organizations.

Strengthen Partnerships with By and For

Prioritizing “by and for” organizations ensured funding reached communities most affected by systemic inequities.

Co-Creation

Co-creation involved partnering directly with affected communities to design programs that reflect their lived experiences and unique needs. This approach ensured relevance and community ownership of the solutions.

Priority Contracting

Priority contracting focused on working with “by and for” organizations to deliver services tailored to underrepresented communities. This ensured funding stayed within the communities it aimed to uplift.

Braided Funding and System Collaboration

Combining funding streams from state, federal, and private sources helped amplify the impact of CRP initiatives.

Future CRP Recommendations



- **Strategic Allocation:** Commerce, with input from State Racial/Ethnic Commissions, will prioritize funding using publicly available and qualitative data to target communities with the greatest needs, while also allocating resources to other marginalized groups.
- **Tribal Engagement:** Conduct government-to-government consultations to guide collaboration and develop approaches tailored to the needs of tribes and tribal communities. Commerce will hold a percentage for Tribal Governments to distribute resources in alignment with the funding objectives.
- **Data-Driven Approach:** Partner with the Statewide Community Advisory Board and the Governor’s Racial and Ethnic Commissions to gather inclusive and representative data. This includes both quantitative data (e.g., households above the ALICE threshold, homeownership rates) and qualitative, community-defined evidence.
- **Equitable Funding Methodology:** Implement a funding strategy based on the magnitude of community burdens and disparities, using data identified by the community. Funding thresholds will be determined through participatory decision-making led by the Community Advisory Board.
- **Community Engagement:** Strengthen community engagement and rely on guidance from the Community Advisory Board to shape program activities, with particular focus on agricultural support services.

Examples of Data to Close Disparity Gaps

Enabling Conditions:

- Representation and engagement of advisory boards with members from racial and ethnic communities.
- Partnerships with "by and for" organizations led by racial and ethnic groups.
- Distribution of funding and technical assistance to organizations serving racially marginalized communities.

Economic Indicators and Support:

- **Median Family Income:** Income levels in racially marginalized communities compared to others.
- **Homeownership Rates:** Disparities in homeownership among racial and ethnic groups, particularly within ALICE populations.
- **Unemployment Rates:** Employment disparities in racially marginalized communities.
- **ALICE Thresholds:** Proportion of racial and ethnic households below the ALICE threshold.
- **Agricultural Productivity:** Economic output in rural communities with significant racial diversity.
- **Access to Economic Support Services:** Service availability in underserved racial and ethnic communities.

Reentry Support and Legal Assistance:

- **Criminal Convictions:** Disparities in conviction rates for racial and ethnic groups.
- **Prison and Jail Populations:** Overrepresentation of racial and ethnic minorities in incarceration statistics.
- **Recidivism Rates:** Trends among program participants from racially marginalized groups.
- **Post-Conviction Relief:** Availability and impact of relief services for racial and ethnic communities.
- **Expungement of Criminal Records:** Rates of record expungement among racial groups.
- **Vacation of Criminal Convictions:** Numbers of vacated convictions affecting racial and ethnic groups.

Violence Reduction:

- **Deaths by Intentional Injury:** Rates of intentional injuries affecting racial and ethnic communities.
- **Incarceration for Violent Crimes:** Disparities in incarceration for violent crimes among racial and ethnic groups.

Want Additional Materials Now?



Additional Information

- Visit the CRP Website for all Programs
 - Website: [Community Reinvestment Project \(CRP\)](#)
 - Collaboration: [Dashboard w/contract information](#)
- Download a Program Summary
 - [Reentry Services](#) > [more details](#)
 - [Financial Coaching](#) > [more details](#)
 - [Violence Prevention](#) > more details
 - Economic Development > more details (coming soon)

Thank you!



Washington State
Department of
Commerce

www.commerce.wa.gov

