



DGEP BOLD IDEA: \$1 TRILLION INTO 1,000 BLACK COMMUNITIES GLOBALLY



The second pillar of DGEP, a hub-supporting investment fund, will include the leveraging of funds totaling \$1 Trillion focused on three primary areas of strategic investment for racial equity ecosystems upbuilding in 1,000 black cities by 2030:

- 1) **Real Estate:** This capital pool will be used for “Level 2” investment into the physical infrastructure of black communities, which will result in the equitable ownership of more appreciable assets for black communities. These assets will increase the social, economic, educational, health, and overall well-being outcomes of black populations – especially families and children.
- 2) **Direct Investment:** This capital pool will be used to invest directly into strengthening the pipeline of black entrepreneurial firms, as well as investing those firms throughout their entrepreneurial lifecycle – including commercializing and scaling the best. This will provide much needed risk capital to the black diaspora – increasing both the innovative capacity and confidence of the black diaspora.
- 3) **Fund of Funds:** This capital pool will be used to seed other black led or focused investment funds to incentive more to develop. If any part of the investment ecosystem is discriminatory then it negatively impacts the entire system. This pools of capital will also help to encourage these firms to not only compete over black investment opportunities, but to also find more ways to cooperate.

In addition, each of these portfolio funds will directly support the development of the Racial Equity Education Research and Development Park – and its global scaling – by tying investment in entrepreneurs, organizations, and impact investment firms to their presence in the hub. This is the same dynamic that has driven hubs like Silicon Valley (technology), Hollywood (entertainment), Wall Street (finance), Nashville (music), and others. There is no racial equity for communities without investments of financial capital into those communities. White populations often get wealth-enhancing and direct investments of capital, while BIPOC populations receive almost exclusively social-tethering and indirect investments (through intermediary organizations). When BIPOC entrepreneurial communities are able to secure capital, it is primarily through debt – and not through equity, which is more likely to create wealth. There is no *equity* without *equity*.

DGEP BOLD IDEA: EQUITY BONDS – NATIONAL AND GLOBAL CITY INVESTMENTS

Though \$1 Trillion is a lot of capital, it will not come close to closing the racial equity wealth gap between the black diaspora and the white world. However, if invested strategically in the community economic ecosystem upbuilding of black communities across America and the globe, then it could serve as the foundation to leverage another \$10 Trillion of wealth. This in turn could benefit from the dynamics of compounding. The goal of the \$1 Trillion is to build the absorptive capacity of the black world to receive large amounts of capital investments and for white investment ecosystem to acclimate itself to making large investments into the black economic diaspora, beyond professional sports and music:

- An innovative new investment tool associated with DGEP allows for the investment of large amounts of capital into black communities by cities interested in being racially equitable cities without tax increase or default risk, called equity and equitable bonds. Equity bonds will fund this \$1 Trillion investment.
- A second strategy that is asset-based seeks to utilize the generally low-carbon footprint of low-income individuals to convert those into income producing credits.

These strategies localize the investment into BIPOC communities in unprecedented ways that leverage financial tools already on the marketplace in new and creative ways. Without risk capital going into black America, and the black world, it is impossible to reach racial equity.



**DGEP BOLD IDEA:
COMMUNITY-LED LOCAL OWNERSHIP AS PREPARATION TO REPARATION**

Community members and organizations are central to the DGEP model. This is an intentional model of community economic ecosystem upbuilding, focused on “Level 3 Economic Development,” which means economic development with community ownership and without forced displacement.

Community members, including children and families, as well as community founded-and-led organizations, are already engaged in DGEP’s planning, construction, operation, and evaluation – and will continue so.



Most notably, the community will also be the owners. DGEP upbuilding includes: apprenticeships, internships, human and social capital development, capacity, agency and confidence building, and vehicles for diffusing these learnings throughout the community.



The community will own portfolios of appreciable assets changing the community’s relationship to a racially unjust social system and beginning to repair the injustices that have developed and festered over 400 years.

These learnings and portfolios will serve as “Preparation for Reparations.” DGEP’s community partners will be spreaders of this model across the world.

