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Gads Hill Center (GHC) embarks on new partnership with the Corporation for Enterprise Development (CFED) to address Chicago's racial wealth divide

New report finds that households of color in Chicago are six times more likely to live in poverty

Chicago – A new report from the Corporation for Enterprise Development (CFED) reveals a troubling racial wealth gap in Chicago. *The Racial Wealth Divide in Chicago* finds that 65% of households of color are “liquid asset poor,” meaning they do not have enough savings to sustain themselves at the poverty level for just three months if faced with a sudden job loss, medical emergency or other income disruption. That compares to 28% of White households, according to the report.

Additionally, the report finds the greatest disparities are between White and Black households. The median income among Black households is \$30,303, compared to \$70,960 for White households, \$56,373 for Asian families and \$41,188 for Latino households.

With the release of the report, [CFED's Racial Wealth Divide Initiative](#) is joining with JPMorgan Chase & Co. and the Center for Public and Nonprofit Leadership at Georgetown University's McCourt School of Public Policy to announce the launch of the second phase of the *Building High Impact Nonprofits of Color* project, which will help strengthen the capacity of local nonprofits to expand economic opportunity in Chicago and across the country.

“We will be working in Chicago to build the capacity of local nonprofits led by people of color serving people of color, as these organizations are on the frontlines of addressing the most pressing needs of underserved Chicagoans,” said Dedrick Asante-Muhammad, Director of the Racial Wealth Divide Initiative at CFED.

JPMorgan Chase provided financial support to CFED to develop the report and conduct trainings to equip more than 20 organizations to launch, expand or improve wealth-building initiatives for communities of color nationwide.

“CFED's deep commitment to addressing racial wealth inequality is demonstrated by the quality of its work in this area. Progress requires a strong infrastructure of local, trusted nonprofit leaders of color who have the resources to take on this difficult issue. It is a privilege to support both CFED and this cohort of incredible organizations,” said Naomi Camper, head of JPMorgan Chase's Office of Nonprofit Engagement.

Maricela García, Gads Hill Center's CEO, states: “We're excited to be part of this initiative, which will strengthen our capacity to implement effective educational strategies that families need to build better lives. We fervently believe that a quality education has the power to transform families in a single generation.”

Eleven nonprofits were competitively selected in two cities—Chicago and Baltimore—to participate in the initial phase of the project. In Chicago, the selected nonprofits include [Chinese Mutual Aid Association](#), [Gads Hill Center](#), [Greater Auburn-Gresham Development Corporation](#), [North Lawndale Employment Network](#) and [Spanish Coalition for Housing](#). In Baltimore, the selected nonprofits include [Bon Secours Community Works](#), [Center for Urban Families](#), [Druid Heights Community Development Corporation, Inc.](#), [Latino Economic Development Center](#), [Muse 360 Arts](#) and [Urban Alliance](#).



These organizations join cohorts in Miami and New Orleans, the two cities that were part of the initial phase of the project.

Some of the report's other key findings include:

- A third of Black households and 27% of Latino households in Chicago have zero net worth, compared with 15% of White households.
- The average value of Black-owned businesses is \$47,246, compared to \$571,419 for White-owned businesses.
- Rent is the largest expense for 62.9% of Black households in Chicago, 56.4% of Latino households, 48.3% of Asian households, and 41.6% of White households.

For more information on CFED's Racial Wealth Divide Initiative, [click here](#).

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Established in 1898, [Gads Hill Center \(GHC\)](#) creates opportunities for children and their families to build a better life through education, access to resources, and community engagement. A social service organization based in Pilsen, GHC currently works with more than 4,000 children and their families on Chicago's west and southwest sides by providing high-quality programs that include early childhood education, youth services, mental health services, and comprehensive family support.

[CFED's](#) work makes it possible for millions of people to achieve financial security and contribute to an opportunity economy. We scale innovative practical solutions that empower low- and moderate-income people to build wealth. We drive responsive policy change at all levels of government. We support the efforts of community leaders across the country to advance economic opportunity for all. Established in 1979 as the Corporation for Enterprise Development, CFED works nationally and internationally through its offices in Washington, D.C.; Durham, North Carolina, and San Francisco, California.