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FINANCIAL EMPOWERMENT ACTION PLAN

2025

INTRODUCTION

In April 2025, the City of Norfolk released the Norfolk Blueprint for Financial Empowerment, with a focus on racial wealth equity – particularly for Black residents. The Blueprint provides a comprehensive overview of the history and current challenges faced in Norfolk and provides seven actionable recommendations that the city can take to promote economic empowerment, including:

- Create and regularly update a Public Data Dashboard on Key Racial Equity Metrics
- Establish a Hub for Financial Education and Related Supports
- Collaborate with Local Schools to Pilot New Financial Education Interventions
- Dedicate Funding for New Career Bridge Programming
- Prepare Equity and Opportunity Indicators for Housing-Related Investments
- Pursue Regional Housing Collaborations
- Explore the Use of Performance-Based and Capacity Building Grants

To inform the blueprint, the Department of Housing and Community Development, with the support of Recover Fund, engaged several thousand residents and nearly 50 stakeholders over a ten-month period, including government agencies, nonprofit organizations, universities, civic leagues, (affordable) housing developers, and financial institutions. The blueprint focuses specifically on affordable housing, jobs and income, and financial education.

The timeline for achieving these recommendations ranges from immediate, short-term, and long-term. While it will take several years to fully achieve some of these recommendations, this document reflects what the city has committed to accomplish in 2025.

For more information and to read the full Blueprint, please visit: www.norfolk.gov/FinancialEmpowerment

BLUE PRINT HIGHLIGHTS

Historically and practically, Norfolk's city government must spearhead the efforts to address the racial wealth gap. National, state, and local governments have significantly contributed to the uneven wealth distribution. The ramifications of certain groups being restrained in generational wealth building are still visible in current data, some of which is described below. (All data pulled from the full Blueprint)

HOUSING:

- Norfolk is significantly segregated by race. This segregation impacts the potential to enhance and target housing and job opportunities for Black residents.
- About 36% of the household income of Black residents is spent on rent, indicating a significant housing cost burden. This burden is more severe than for other racial groups.

JOBS AND INCOME:

- In Norfolk, the median income for White individuals (\$46,644) is about 30% higher than for Black individuals (\$35,703).
- Despite a healthy labor force participation rate of 66.5%, the Black community in Norfolk has the highest unemployment rate in the city, at 8.80%.

FINANCIAL EDUCATION:

- Norfolk has only 12.99 active FDIC-insured banking institutions per 100,000 people, significantly less than the national average of 23.86 institutions. This ranks Norfolk 2970th out of 3143 counties regarding banking institution density.

The City of Norfolk has made a concerted effort over the last decade to tackle these challenges. Given the origins of the racial wealth disparity and its modern implications, it is essential to continue implementing targeted strategies to address this issue. The action steps outlined in this document are designed to further contribute to narrowing the racial wealth gap in Norfolk.

I. Create and Regularly Update a Public Data Dashboard on Key Racial Equity Metrics

Responsible parties: Department of Housing and Community Development; CivicLab

Term: Immediate (by December 31, 2025)

Theme: Data Collection and Transparency

Focus Area(s): Housing, Jobs and Income, and Financial Education

FY 2025 Action Steps:

- Identify 5-10 regional and local datapoints related to racial wealth equity that can be updated and reviewed at least annually.
- Identify three local programs from which to collect and document demographic information associated with outreach and engagement, program applications, and/or award information.
- Work with CivicLab to create a Power BI-hosted dashboard to be published on Norfolk's Open Data portal that can be updated in July of each year.



2. Establish a Hub for Financial Education and Related Supports

Responsible parties: Department of Housing and Community Development, in collaboration with an FEC Advisory Committee

Term: Short-Term (by December 31, 2026)

Theme: Active Community Engagement

Focus Area(s): Financial Education

FY 2025 Action Steps:

- Participate in the Financial Empowerment Center (FEC) Academy through the Cities for Financial Empowerment Fund.
- Establish an advisory committee of 10-12 area leaders to support the preparation, fundraising, and design of a Financial Empowerment Center.
- Release a Request for Information to identify potential nonprofit partners and prepare a landscape analysis of existing financial counseling services in Norfolk.
- Apply for grants to financially support a Financial Empowerment Center or similar hub for financial education.



3. Collaborate with Local Schools to Pilot New Financial Education Interventions

Responsible parties: Department of Housing and Community Development, in collaboration with Virginia Cooperative Extension, Norfolk Public Schools, and Virginia Jumpstart Coalition

Term: Long-Term (by December 31, 2027)

Theme: Active Community Engagement; Capacity Building

Focus Area(s): Financial Education

FY 2025 Action Steps:

- Explore options for incentive-based financial technology (FinTech) interventions, like financial education apps.
- Join the Virginia Jumpstart Coalition for Personal Financial Literacy. This coalition is a network of partners committed to improving the financial literacy and financial wellness of Virginians.
- Work with Jumpstart Coalition to collaborate with Norfolk Public Schools on implementation of best practices in financial education.
- Provide financial education through Bank On Norfolk classes, to address concerns and misinformation about formal banking institutions.
- Continue to coordinate with Virginia Cooperative Extension to provide Reality Store and other financial education activities in local schools.



4. Dedicate Funding for New Career Bridge Programming

Responsible parties: Department of Economic Development and Norfolk Works, in collaboration with partner workforce development agencies

Term: Short-Term (by December 31, 2026)

Theme: Active Community Engagement; Capacity Building

Focus Area(s): Jobs and Income

FY 2025 Action Steps:

- Identify partner organizations that can offer skill-building options to our residents, such as communication and management skills.
- Explore a partnership with TCC's job skills training programs, or other appropriate partners providing soft skills training.
- Evaluate the capacity, costs, etc. of partner opportunities.



5. Prepare Equity & Opportunity Indicators for Housing-Related Investments

Responsible parties: Department of Housing and Community Development; CivicLab

Term: Long-Term (by December 31, 2027)

Theme: Capacity Building; Data Collection and Transparency

Focus Area(s): Housing

FY 2025 Action Steps:

- Select the key indicators and factors that will be used to identify neighborhoods of opportunity.
- Identify the geographic boundaries of eligible redevelopment, conservation, and rehabilitation areas according to state law.



6. Pursue Regional Housing Collaborations

Responsible parties: Department of Housing and Community Development, in cooperation with: Hampton Roads Housing Consortium and other regional housing nonprofits

Term: Long-Term (by December 31, 2029)

Theme: Capacity Building

Focus Area(s): Housing

FY 2025 Action Steps:

- Support one or more strong regional nonprofits that develop affordable housing and provide housing services. (Example: Project: HOMES, Habitat for Humanity, Community Housing Partners, etc.)
- Leverage private resources by partnering with housing advocates and financial institutions, including Community Development Financial Institutions (CDFIs). For example, LISC of Hampton Roads, and Bridging Virginia.
- Financially support and launch a developer training program for minority-owned housing developers, to increase the capacity for local affordable housing investments while building wealth for minority businesses.
- Strengthen nonprofit partnerships to investigate fair housing complaints and provide fair housing education.



7. Explore the Use of Performance-Based and Capacity Building Grants

Responsible parties: Department of Human Services

Term: Short-Term (by December 31, 2026)

Theme: Capacity Building

Focus Area(s): Housing, Jobs and Income

FY 2025 Action Steps:

- Research best practices in performance-based grants and determine the allowability of incorporating performance-based award structures into existing programs, including pass-through federal grant programs.
- Report out on the outcomes of the existing Program to Improve Capacity and Capability (PICC) grants.
- Based on this research, present recommendations to city leadership.



Notes and Acknowledgements

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With the CityStart planning grant from the CFE Fund, the City of Norfolk assembled a group of local stakeholders to identify top priorities for a comprehensive strategy to increase wealth for Black Norfolk residents. The collective agreed to primarily focus on financial education, jobs and income, and housing. After soliciting proposals from multiple firms to help lead the research and public engagement portion of the initiative, the city selected Recover Fund, a minority-owned impact investment firm that uses scientific methods to address concentrated social and economic disadvantages.

For more information, see: <https://www.norfolk.gov>

A special word of gratitude to the many local and regional agencies, advocates, and individuals who contributed to the development of the Blueprint, including those who participated in roundtables, focus groups, and stakeholder meetings. This work would not have been possible without their time and input.

