A woman and two children are holding hands and smiling in front of a vibrant, abstract mural. The mural features large, colorful letters and shapes in shades of yellow, orange, pink, blue, and green. The woman is in the center, wearing a light blue t-shirt and grey pants. The child on the left is wearing a striped t-shirt and blue jeans. The child on the right is wearing a pink t-shirt with 'RED SOX B' and pink plaid pants. The scene is bright and cheerful.

A Frame for Affordable Housing

MAG Human Services Conference
December 2019

LISC

elove
als.com

Since 1979

\$20 Billion Invested



\$60.4 Billion Leveraged



400,500 Homes

Affordable homes built and/or preserved including:

- Multifamily rental
- Supportive housing for special populations such as chronically homeless, LGBTQ, seniors and veterans
- Affordable homeownership

We also emphasize sustainability through green, healthy housing and transit oriented development.

67 Million Square Feet

Square feet of commercial, retail and community space, including:

- Early childhood centers
- Schools
- Fields/recreational spaces
- Healthcare centers
- Grocery stores
- Financial Opportunity Centers

\$323 Million

Total Net Assets

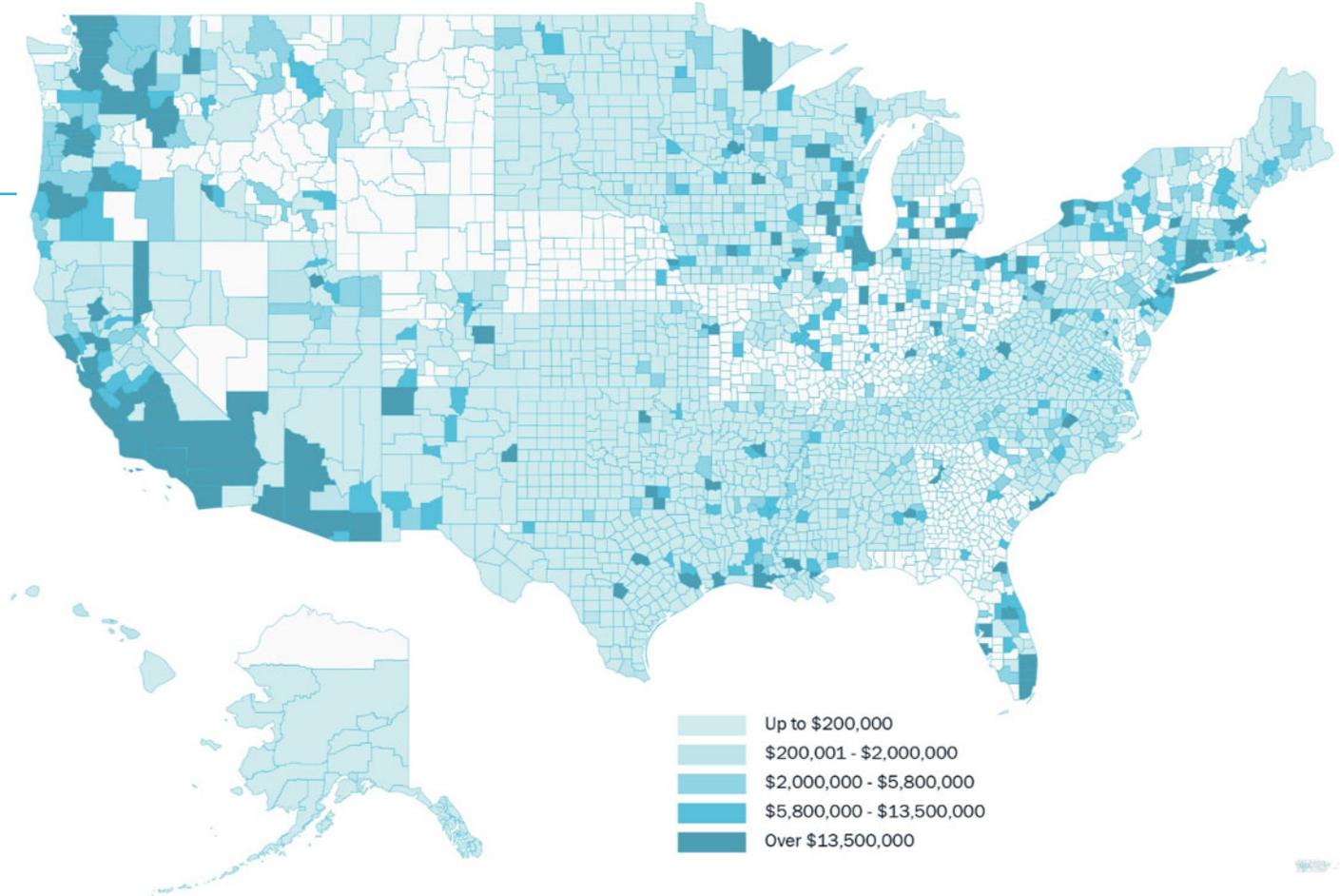
- Net worth has increased 48% in the past 5 years
- Closed on more than \$1.7 billion of debt transactions with NO defaults
- Raised \$98 million in private grant funds in 2018

S&P 'AA' Rating

LISC is the first CDFI to tap the general obligation bond market, with a \$100 million issuance in 2017

**We have made
investments
in every state.**

Investments by
US county



Our Comprehensive Approach



Empower people

- Job skills training & career development support
- Financial coaching
- Educational facilities
- Investments in access to healthcare, healthy food & recreation



Transform places

- Preservation & construction of affordable housing
- Commercial, industrial & community facilities & district development
- Creative placemaking
- Transit oriented development
- Stewardship of sustainability & disaster resiliency
- Community / law enforcement partnerships



Support enterprises

- Small business lending & coaching
- CBO capacity building
- Leadership development
- AmeriCorps deployment



Drive systems innovation

- Resource advocacy & coalition building
- Partnership facilitation across sectors
- Advocacy to increase protections, change policies & practices at national, state & local levels

Our Model

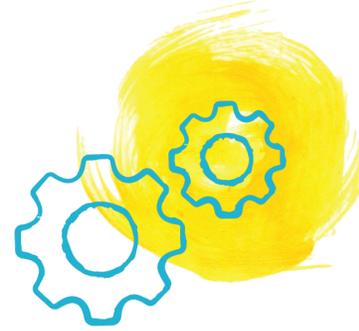
LISC is an investor, capacity builder, convener and innovator.



Pool Public and Private Dollars

We raise funds from philanthropies, corporations and financial firms, federal, state and local governments and through the capital markets.

We also generate income from consulting, and lending services.



Work With Local Partners

Through a network of local offices and community-based partners across the country, we provide grants, loans, equity and technical assistance.

We also lead advocacy efforts on local, regional and national policy.



Support People and Places

By investing in housing, businesses, jobs, schools, public spaces, safety, youth, health centers, grocery stores and more, we catalyze opportunities in communities nationwide.

Unique Arizona Tools to expand and preserve Affordable Housing



Figure 1. The Three Stages of Affordable Housing Development Financing





ARIZONA
COMMUNITY
FOUNDATION

Affordable Housing Loan Fund

Housing Units and Leverage Results

- The first \$1.5 million in the Fund created \$4.5 million in loans, generating three times the leverage since 2007.
- \$4.5 million in loans has financed \$512.8 million in project costs for a leverage ratio of 114:1.
- The default rate is 0.93%, less than 1% of the loans initiated.

Arizona Housing Fund

A Fund to create
nonprofit grant
opportunities

Donors

- Nonprofit housing developers,
- Home Builders Association of Central Arizona,
- Financial institutions,
- Arizona Association of Realtors,
- Arizona Community Foundation
- Homebuyers

Goals

- Dedicated funding source
- Build and Operate
 - Permanent supportive units
 - Low income units
 - Working poor housing

The Arizona Housing Partnership

To increase the supply of permanent supportive housing for Medicaid- eligible individuals across the State of Arizona and to shift the housing market toward sustainable affordable housing solutions.



This goal encompasses strategic priorities of both health care and community development leaders. Significant collaboration across sectors – and among multiple institutions within those sectors – will be required to achieve meaningful results for people and communities in Arizona.

Forging Opportunities



Project Feature: Conway Center, Washington, DC

Organization: So Others Might Eat (SOME)

Location: Washington, DC

LISC Financing: \$34M

Total Development Cost: \$90M



- **Project Description:** So Others Might Eat (SOME) developed the site to combine housing, job training and health care, with Unity Health Care as the FQHC tenant in a transit hub. Services include:

- Primary medical care

- dental care

- behavioral health

- opioid abuse,

- pharmacy

- **Impact:**

- 5,200 new patients served

- 182 units housing

- 20 units opioid abuse treatment

Partnership for the Bay's Future

Fund Type: Syndication

Description: Residents across the Bay Area struggle every day to find and hold on to their homes. Two full-time workers, making \$15 per hour – over \$62k per year – can only afford to live in 5% of the region's neighborhoods and 6 out of 10 households are at risk of displacement at any given time. Yet currently there is one house being constructed for every 6 jobs created.

The Investment Fund seeks to increase the number of affordable housing units in the five county region of San Francisco, San Mateo, Santa Clara, and Contra Costa counties and to advance a long-term regional policy agenda to foster the development of equitable communities of racial and economic diversity in the Bay Area.

The Investment Fund will leverage the \$40 million in capital from Chan Zuckerberg Initiative (CZI), along with investments from other partners, with the goal of reaching \$500 million within five years.

Impacts (Expected):

An effective coalition to drive advocacy and research and to help raise the capacity of smaller organizations working for housing equity on the ground.

A Policy Fund to support advocacy for inclusive, fair housing policies by supplying local governments with access to the technical expertise, capacity, and resources (via grants) to change policies, deploy funding, and build the public will.

An Investment Fund to preserve and produce approximately 8,000 housing units over the next 5-10 years by offering flexible capital to be invested directly in affordable, mixed and middle income housing projects



Health Care Investor:



ProMedica-LISC Health Impact Fund



Description: Communities in Toledo and the surrounding region experience health disparities tied to long-term disinvestment and market decline.

The fund aims to catalyze community development that improves health and well-being of individuals and communities, by addressing a broad spectrum of social determinants of health.

LISC is managing deployment of \$10 million from ProMedica, loaned to LISC at low interest and leveraged by \$15 million from other public and private sources

Complementary initiatives include \$20 million for programming such as safety initiatives, retail market analyses and non-profit capacity building, supported by grant funding raised by both organizations

Impacts (expected):

Investments must advance one or more of these priorities:

- Access to quality, stable rental or ownership housing
- Strong environment for job creation, entrepreneurial activity and other commerce that builds wealth and the local economy
- Safe, connected and vibrant neighborhoods

Projects receiving financing must also meet minimum requirements for health impact across five evidence-informed domains.

Health Impact Assessment Domains

<u>Environmental</u>	<u>Economic</u>	<u>Social</u>	<u>Health</u>	<u>Community</u>
- Energy Efficiency and Building Performance	- Financial Opportunity	- Placemaking / Community Building	- Physical Activity	- Partnerships
- Non-Toxic/Hazardous Interiors	- Education	- Safety	- Health Care Access	- Connectivity
- Water and Waste	- Housing Affordability	- Cultural relevance	- Nutrition and Healthy Food Access	- Engagement
- Brownfield Remediation	- Neighborhood Stability		- Mental and Social Services	



For further discussion, please contact:

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