



The Community Foundation Announces First Impact Investments of \$1.1 Million

Local charitable funds are providing low-cost loans to expand affordable housing, generating a financial return that can be re-invested in the community

JACKSONVILLE, Florida – December 21, 2022 – On the first anniversary of the launch of its Local Capital Pool, The Community Foundation for Northeast Florida has made its first impact investments totaling \$1.1 million to expand the supply of affordable housing in Northeast Florida.

These investments are designed to increase access to capital for local community development corporations (CDCs) that otherwise might not qualify for loans through traditional lenders. The result is increased capacity of local CDCs to expand inventory of affordable single-family homes in Northeast Florida. Plus, structuring these investments as interest-bearing loans means capital can be re-invested in the community, an approach called impact investing.

“For almost 60 years, The Community Foundation has partnered with people who want to *give back* to their community,” said Nina Waters, president of The Community Foundation. “Impact investing is an exciting way to *give forward*, helping address our affordable housing crisis through access to capital.”

The investments include a \$1 million loan to LISC Jacksonville, to be re-loaned to CDCs to advance affordable housing through home ownership, filling a critical gap in the area as rents have risen 31 percent in one year. Many of these CDCs are Black-led nonprofit real estate development companies focused on under-served communities. The Community Foundation has supported LISC, a community development organization, since helping bring the national organization to Northeast Florida in 1999, and these investments represent a new way of collaborating with a longstanding partner.

“Northeast Florida is facing an affordable housing crisis, and the American dream of homeownership is out of reach for too many of our neighbors,” said Dr. PeDro Cohen, executive director of LISC. “This loan will promote home ownership in the short term and the long term, generating a return that will allow us to continue developing housing long into the future.”

The Community Foundation is also guaranteeing payment of loans made by LISC to local CDCs, up to 10% of each loan. This guarantee reduces lender risk on these loans and lowers interest rates charged to CDCs, further expanding access to capital.

The Community Foundation has also made a \$125,000 loan to the Northwest Jacksonville Community Development Corporation to ensure an affordable rental house stays affordable to local families. This investment began in an unlikely place: a cold call to The Community Foundation. A local couple who own a series of modest houses in Northwest Jacksonville were looking to sell these rental properties, but also wanted to ensure they didn’t go into the hands of real estate speculators who have been driving up the cost of rent. They emailed info@jaxcf.org to ask if The Community Foundation could help, and the impact investing team developed a plan. The couple donated the first house as a tax-deductible gift to The



Community Foundation, which then made a low-cost loan to Northwest Jacksonville CDC to purchase the house. Through this arrangement, the Community Foundation's charitable financial services and impact investing capacity are working together to preserve affordable housing in our community and fulfill the goal of the donors. The CDC can then earn revenue to support its mission and provide affordable rental housing for families who need it.

"We have a waiting list of families looking for affordable housing, and we're thrilled to be able to offer a home to a family before the holidays," said Paul Tutwiler, executive director of the Northwest Jacksonville CDC. "Just as important, the investment in LISC will help CDCs like ours continue expanding the supply of affordable housing on an even larger scale."

About The Community Foundation for Northeast Florida

The Community Foundation for Northeast Florida (www.jaxcf.org), Florida's oldest and largest community foundation, works to stimulate philanthropy to build a better community. The Foundation helps donors invest their philanthropic gifts wisely, helps nonprofits serve the region effectively, and helps people come together to make the community a better place. Created in 1964, the Foundation has \$630 million in assets as of 12/31/2021 and has made approximately \$640 million in grants since inception.

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