

Catholic Impact Investing Collaborative (CIIC)

October Community Forum: *Affordable Housing*



Thursday, October 14th, 2021 | 11:00 AM CDT

CIIC is excited to announce our **October Community Forum**, part of an ongoing series of webinars focused on a specific issue area for CIIC community members to engage in open dialogue, exchange resources, and identify opportunities for mutual learning and collaboration.

COVID-19 has created a critical, national affordable housing crisis. Today the U.S. is 6.8 million units short of what is needed to meet housing needs. October's Forum will focus on **Affordable Housing**, supporting the basic need for access to affordable housing for families and individuals.

This webinar was originally broadcast on Thursday, October 14th, 2021 and [you can find a recording here](#).

Our Speakers will be:

- **Nathan Taft**, Partner/Senior Managing Director, Acquisitions, Jonathan Rose Companies
- **Daryl Newell**, President, Seaway, a division of Self-Help Federal Credit Union
- **Evan Gill**, Senior Director, Policy and Legislative Affairs, Catholic Charities USA

WHO WE ARE

By sharing our experience and celebrating our Catholic faith & values, we seek to expand the use of wealth in service to people & planet.

The **Catholic Impact Investing Collaborative** (aka **CIIC** - pronounced "seek") was established in November 2014 as an informal "neutral space" for people to come together, share a meal and stories, and build relationships based on their spiritual as well as financial commitment to Impact Investing. Our goals are to share stories, build relationships, foster collaboration, and grow the Catholic Impact community, while leaving room for the Holy Spirit.



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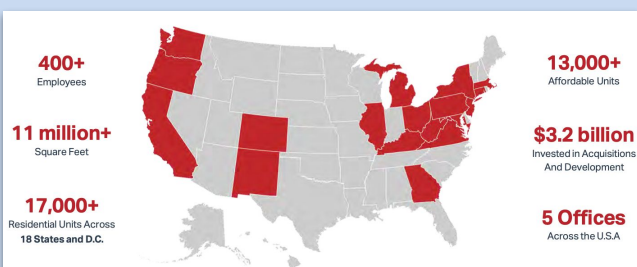
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Nathan Taft
Partner/Senior Managing Director, Acquisitions
Jonathan Rose Companies

The [federal definition of affordable housing](#) is housing that is affordable to people who earn 60% of the area median income or less. Affordable housing can be divided into three buckets: subsidized, regulated and naturally occurring housing. Subsidized housing is rent subsidized where tenants pay 30% of their income in rent and the government pays the balance. Regulated housing is low-income “tax-credit” housing and is rent-restricted for people earning 60% of median area income or less. Naturally occurring affordable housing refers to housing that is unregulated and unsubsidized. In 2021, most affordable housing properties are energy-inefficient, made from toxic and old materials, mismanaged and unsafe for residents.

At [Jonathan Rose](#), we’ve created investment funds to invest in affordable housing preservation. We are a leading developer and investor in sustainable, affordable, and mixed-income multifamily real estate in the U.S. We’ve acquired and developed \$3.2B+ of real estate projects and maintain 17k rental units across 18 states and D.C. We believe every community and property we invest in should provide our residents opportunities to propel their lives forward, so we introduce social, educational and cultural services to our residents. In 15 years of doing funds, we’ve been able to generate market rate returns that are competitive for our asset class.



With each property, we invest in energy efficiency and water conservation to lessen the demand for natural resources. We set corporate goals around greenhouse gas, water and energy reduction, and have adopted third party standards, including the [Enterprise Green Communities](#), to benchmark and measure performance. We share best practices with a network of partners and have aligned with the impact investment ecosystem by adopting the [U.N. SDGs](#). We do environmental reporting at the asset and fund level, produce case studies, and use a location intelligence tool to look at demographic and climate change trends.

10 Categories of Impact

SAFETY

Ensuring that our residents feel safe and secure at home is key to improving their lives.

FOOD SECURITY

Providing solutions that offer free or discounted healthy food for low-income families.

FINANCIAL SECURITY

Economic stability is essential in ensuring the long-term success of our residents.

CIVIC ENGAGEMENT

The voice of our residents is extremely important in civic life, and participation can influence policies that may affect their daily life.

TRANSPORTATION

Access to safe and reliable public transportation can increase opportunities for our residents.

COMMUNITY BUILDING AND RECREATION

Connecting residents with their neighbors creates a sense of connectedness and can contribute to overall well-being.

HEALTHY LIVING

Encouraging a healthy lifestyle can greatly improve residents' physical and mental health.

LIFELONG LEARNING

Providing education support and technology to children and adults fosters a foundation for success.

GREEN EDUCATION

Building environmentally friendly properties can instill sustainable habits in the lives of our residents.

COMMUNICATION AND SHARING

Transparent and frequent communication between building staff and residents is vital in creating impactful communities

Our social impact strategy is to regenerate the fabric of communities in which every resident has equal access to opportunity, environmental quality, health, and well-being. We’ve defined 10 impact categories in our work and have received [CORES Certification](#) from [Stewards of Affordable Housing for the Future \(SAHF\)](#). We build collective efficacy through organized tenant associations and hiring resident service coordinators. We release an annual impact report that reports on our financial, social and environmental impact and we’re also working on an academic study on how social service interventions change life outcomes.

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Daryl Newell

President

Seaway, a division of Self-Help Federal Credit Union

[Self Help Federal Credit Union](#) is a small, but sophisticated grassroots credit union. We have two credit unions and a lending company that works across the country, though [the Seaway division](#) works across Milwaukee and Chicago. Since 1980, Self Help Federal Credit Union has done more than 170,000 loans to individuals and organizations which totals over \$9.1 Billion, and there are 162,000 members of our credit union. Since we began originating home loans in 1987, Self-Help has served over 12,000 borrowers with \$1.4 billion in mortgages out of our credit union branches. Reflecting our mission “to create and protect economic opportunity for all,” 72% of these loans have reached low-income borrowers while 90% have been to BIPOC borrowers. We provide homes to people, renovate properties that will become rental units, and work with nonprofits who need affordable space to work in the community.

OUR IMPACT: 1980 - 2019

LOANS TO:

82%	Low-Income Borrowers	29%	Rural Areas	40%	Women
63%	People of Color	69%	Underserved Areas		

84,000 SCHOOL OR CHILDCARE SPACES

47,900 JOBS CREATED OR MAINTAINED

HOME LOANS FOR **66,400** FAMILIES

\$506 MILLION IN CONSUMER LOANS

\$1.5 BILLION LOANED TO SMALL BUSINESSES AND NONPROFITS

COALITION OF **500 GROUPS** AGAINST PAYDAY LENDING

Our [Secondary Market Home Mortgage Purchase Program](#) has had exponentially greater impact as these relationships have facilitated financing to over 66,8000 borrowers, with 82% being low-income and 40% serving BIPOC families. Since we entered the Chicago market in late 2012, we have originated 3,575 loans for \$487M and purchased another 2,632 for \$301M in the greater Chicago area. We also created a program called the Racial Wealth Gap Initiative to address barriers to affordable homeownership that often sideline prospective borrowers of color. Through this program, we have shifted our focus to low-wealth from low-income and are seeking partnerships to help us expand our outreach to prospective borrowers of color at younger ages and different income levels. We also created the Neighborhood HUB, a community hub that provides much-needed financial services, and work with the [Center for Responsible Lending](#), which funds research, advocacy and policy work to combat predatory lending practices.

How can Impact Investors support our efforts?

We seek to grow our pipeline of prospective first-time or first generation homebuyers, who can benefit from our financial coaching, credit building programs/products, etc. as they work towards mortgage readiness. The easiest way to support us is to put your capital with us in the form of investments, grants, or long-term, low-interest, subordinated loans. Self-Help maintains a conservative 12.5% net worth ratio and every \$1 of capital allows us to take in \$7 of deposits; resulting in \$8 of community investment. Mission Supportive Deposits provide liquidity for loans to members and communities.

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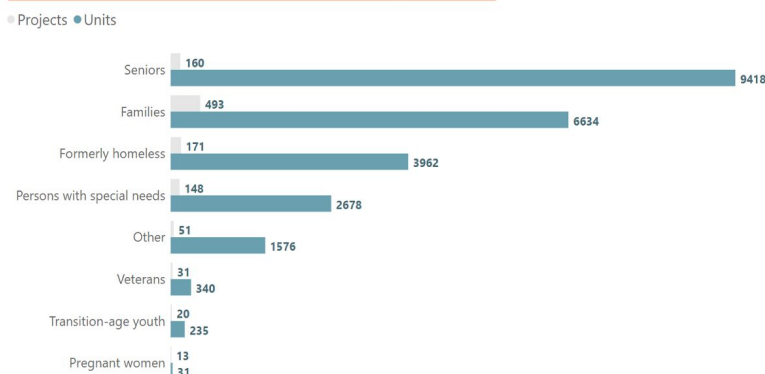
Evan Gill

Senior Director, Policy and Legislative Affairs
Catholic Charities USA

[Catholic Charities USA](#) is a national office of a membership network of 167 Catholic Charities member agencies. Many of these agencies are involved in the affordable housing space both in building and rehabbing units, and some have their own real estate development companies. In total, we have 38,000 units across the US in all 50 states. We have 180,000 housing clients, those that are being housed, and we provide housing counseling and wraparound services to more than 400,000 clients in general with our homelessness work. We still have 73,000 households on the waiting list, which speaks to the lack of affordable housing. We have a number of different groups that we look to house, though according to our annual survey, families are our largest category of units, followed by seniors and the formerly homeless. Because our work is driven by local agencies, we have a variety of housing types and projects represented here, including mixed use, mixed income, buildings, homes, etc.

Our [Healthy Housing Initiative](#) aims to co-locate health, affordable housing and wrap-around services for the chronically homeless, defined as people who have been homeless for at least a year and have some form of disability. This population is particularly vulnerable. We have five pilot agencies in the CC network working on this initiative - Catholic Charities of Southeast Michigan (CCSEM Detroit), Catholic Charities of Southern Nevada (CCSN Las Vegas), Catholic Charities of Oregon (CCO Portland), Catholic Charities of Eastern Washington (CCEW Spokane), Catholic Charities Archdiocese of St. Louis (CCSTL St. Louis). This initiative has three main goals: to reduce chronic homelessness by 20% in each city, to decrease hospital readmission rates for homeless persons by 25%, and connect 35% of newly housed persons to primary care and behavioral health services. We're working to expand this to other agencies in our network and take advantage of the natural mission-alignment and collaborate with the [Catholic Health Association](#) and Catholic hospitals, especially utilizing land already owned by the archdiocese and others within the Catholic community. This is one initiative within our group of different types of housing projects. We also have a policy group, and affordable housing is something we are pushing forward in our advocacy agenda.

Affordable Housing Unit Breakdown by Population



We have been talking to [Catholic Energies](#) (Mission Energies) and they are launching a small \$10M solar debt fund in 2022. They bring solar projects to Catholic facilities with a focus on affordable housing. They've finished 15 projects with 14 more under construction, and their largest project is with Catholic Charities DC. We're also exploring pre-development, construction and permanent debt financing in this space, as well as gap financing, bridge loans and a pay for success model to better serve our members.