

CAPITAL IMPACT PARTNERS

Arlington, VA



OVERVIEW

Capital Impact Partners (CIP), a national nonprofit CDFI, helps to build inclusive and equitable communities by providing people access to the capital and opportunities they deserve. CIP's vision is for an economic system that respects and uplifts all peoples' rights to achieve the dreams they have for themselves, their communities, and generations to come.

CIP partners with mission-aligned developers, organizations, and businesses to revitalize neighborhoods and deliver social impact. As a leading nonprofit lender, CIP delivers much-needed capital to key community pillars, including high-quality health centers and education facilities, healthy food retailers, mixed-use and affordable housing, cooperatives, and dignified aging facilities. Since its inception, CIP has deployed over \$3.2 billion across the country, serving over 7 million residents, with a focus in California, Michigan and northwest Ohio, the New York Tri-State Area, Texas, and Washington, DC.

Rising inequality has been manifesting in ways that fracture communities and strain the fabric of society. Underinvested communities face vulnerabilities across healthcare, education, housing, food, and, at the core, equality of opportunity. The leading contributor to this economic inequity is a lack of access to capital driven by antiquated and exclusionary underwriting, a broken capital delivery system, and limited and predatory products. CIP believes that our diverse menu of capital products and capacity-building programs provide a holistic solution that builds capacity, increases access to opportunities, and reduces wealth disparities for communities of color, which supports economic mobility and lasting wealth creation.

MEDICI ROAD

In April 2021, CIP provided a \$934,000 acquisition loan to Medici Road to purchase a vacant lot in the Deanwood neighborhood of Washington DC's Ward 7. Medici Road was founded by a graduate of CIP's DC-Maryland-Virginia (DMV) Equitable Development Initiative (EDI) program. The loan was supported by funds from the Diversity in Development DMV Loan Fund (DiD-DMV), which was created to support developers of color in the DMV area using proceeds of a CDFI Program Financial Assistance award.

EDI graduate Thomas Houston founded Medici Road to address disparate outcomes in health, education, and housing caused by systemic racism. Mr. Houston and his development partner, a fellow EDI graduate, Talayah Jackson, will develop the vacant lot into a 17,000-square-foot building with 12 condo units for sale at prices affordable to DC residents earning 80% of the Area Median Income – a path to intergenerational wealth building, and a way for long-time residents to stay local in a gentrifying neighborhood. For the ground floor, they envision shared office space for local entrepreneurs and what will be the farthest-east true grocery store in DC (nearby bodegas lack a full variety of groceries). During the loan period, Medici Road planned to add two new full-time employees to its staff. The project is expected to generate 55 construction jobs and 16 permanent jobs while providing housing for 54 residents. The co-working space will support many entrepreneurs, and the grocery store is expected to be franchise-owned and staffed by local resident(s).

Houston says "Capital Impact has been very proactive and diligent about their organization's racial equity journey and what that means for the products they are developing and the people they are serving. They are mission-aligned with us, and that is another reason why I encourage other Black developers to work with Capital Impact."

THREE-YEAR IMPACT

- ▶ \$250.1 million in loans
- ▶ 22 community facilities financed
- ▶ 76 total businesses financed (42 minority-owned (24 women-owned)
- ▶ Jobs created via financing: 2,784 FTE construction jobs, 750 jobs created at businesses
- ▶ 2,060,202 sq. ft. of commercial real estate

Housing Financing:

- ▶ 1,352 rental units (1,220 affordable)
- ▶ 1,303 for-sale units (1,274 affordable)