



An Unexpected Partnership: Southern Lessons for Today's Times

Opportunity Finance Network
2017 Conference



Context

“At a time when our national commitment to economic inclusion and equal opportunity is in question, CDFIs have never been more important.”



Speakers

- **Michelle Mapp**, *CEO*, South Carolina Community Loan Fund
- **Chris Kabel**, *Deputy Director for Health Program*, The Kresge Foundation
- **Ryan Schlegel**, *Senior Research and Policy Associate*, National Committee for Responsive Philanthropy



Who's in the room?

- Name, organization, location
- What brought you to this session?





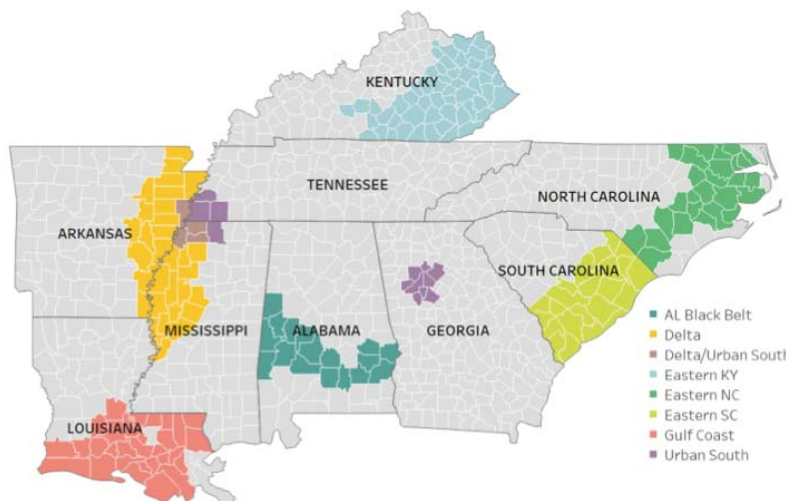
GRANTMAKERS FOR
SOUTHERN PROGRESS

= “As the South Grows”

As The South Grows

1. **More, sustainable funding** to the South
2. From **Southern AND national** philanthropy
3. To strengthen the **power** and **quality of life** of **people most affected by inequity**
4. Who **call the shots** on how the money should be spent

As The South Grows



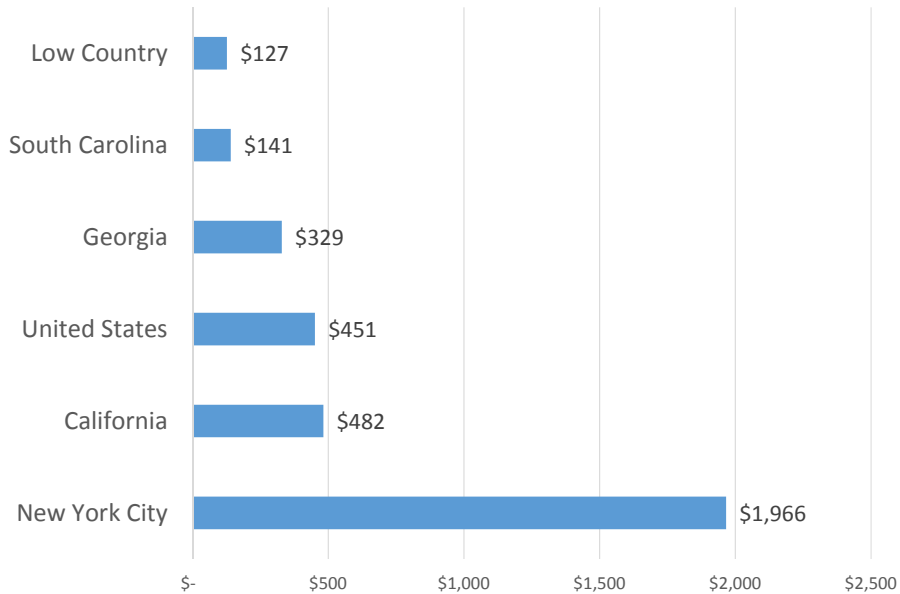
“Justice for Southern communities means having access to clean water and air, having access to high quality affordable housing, having access to a good, safe job that didn’t force one to choose between protecting your personal health and the health of the environment. **Many communities in our region have been starved by lack of public and private investments, while at the same time, what natural resources and assets were held by low-income people and communities were being stolen, extracted and exploited, trapping many communities in poverty for decades.**

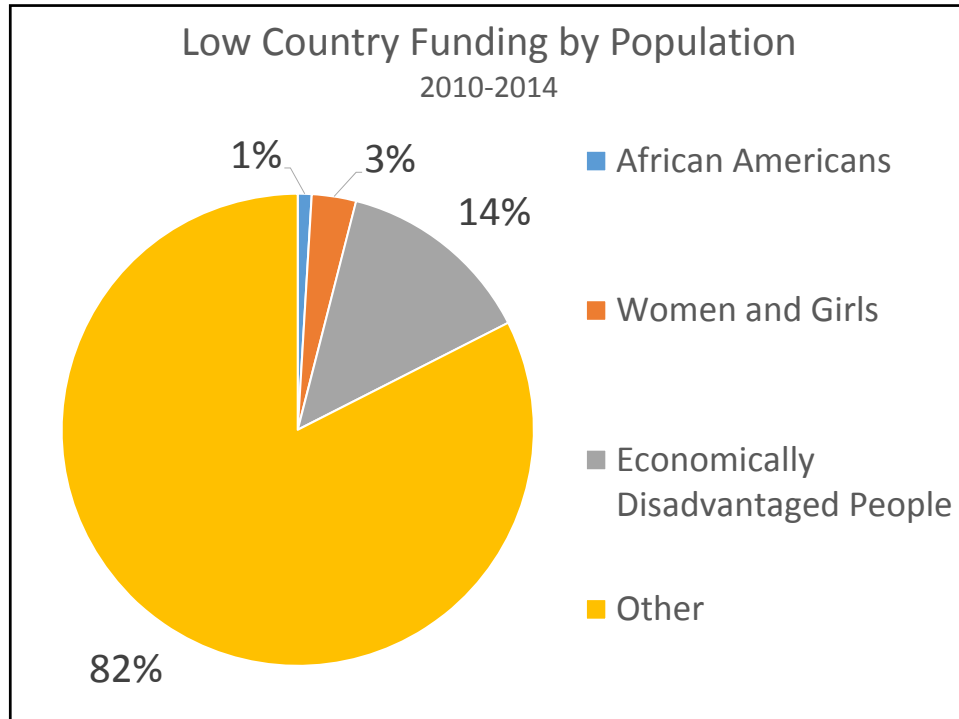
-Lavastian Glenn, Program Director at the Mary Reynolds Babcock Foundation

“It is this same structural racism and bias that led local community leaders to create an alternative vehicle for addressing community issues and leading change in places across South Carolina.”

-Lavastian Glenn, Program Director at the Mary Reynolds Babcock Foundation

Per Capita Grantmaking, 2010-2014



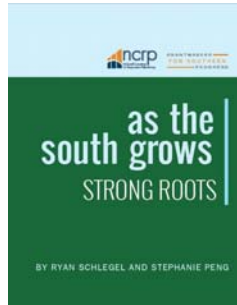
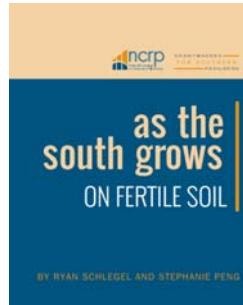


Getting Started

- Rethink risk
- Be physically present
- Invest in data
- Lean in to shared history

- Consider in what ways Southerners, Americans across the country, and our chosen leaders have harmed Southern communities – in what we have done and in what we have not done.

As the South Grows



...and 3 more in 2017 and 2018!

SOUTH CAROLINA Community Loan Fund
Investing in Community

INVESTING IN COMMUNITY

SCCLF is a nonprofit Community Development Financial Institution (CDFI) serving the state of South Carolina. We advance equitable access to capital by providing loans, technical assistance, and advocacy in four main program areas:

-  Affordable Housing
-  Healthy Food Access
-  Community Businesses
-  Community Facilities

HEALTHY FOOD RETAIL LENDING

We work to increase access to healthy food enterprises in underserved communities across the state.

We provide loans up to \$1 million to nonprofits, for profits, and government entities seeking to finance the construction and renovation of retail or wholesale outlets. Examples of healthy food projects we finance include, but are not limited to:

- Grocery stores
- Corner stores
- Farmer's markets
- Food hubs
- Mobile markets



www.sccommunityloanfund.org

LENDING IMPACT

Healthy Food Retail Program



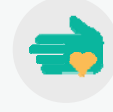
9
Loans



\$8.7
Million in Financing



\$23.5
Million in Development



116
Jobs Created or Retained

8

out of 9 of SCCLF's healthy food loans have funded projects located in food desert communities, serving the **32,164** individuals who live in these low access areas.



www.sccommunityloanfund.org


CONTACT


Questions? Please contact

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Interested in receiving news + updates from SC Community Loan Fund?

 SCommunityLoanFund

 SCCLF

TEXT
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THE KRESGE FOUNDATION

An Unexpected Partnership: Southern Lessons for Today's Times



Opportunity Finance Network

September 27, 2017

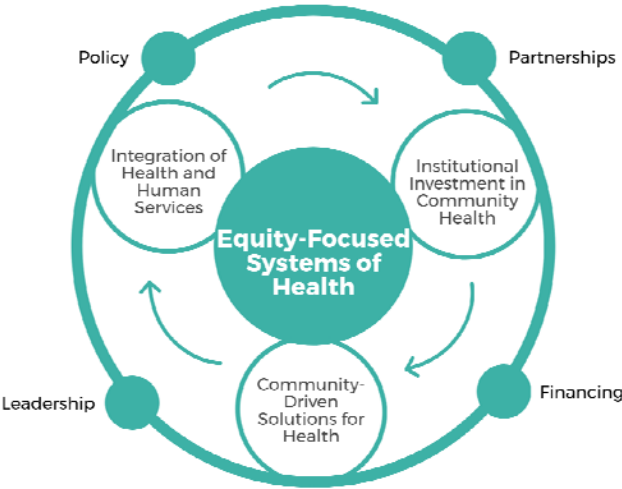
About The Kresge Foundation

The Kresge Foundation is a national, \$3.5 billion foundation working to expand opportunities for people with low incomes in America’s cities through grants and investments in:

- Arts & Culture
- Education
- Environment
- Health
- Human Services, and
- Community Development in Detroit



Kresge Health Program





THE KRESGE FOUNDATION

Kresge's introduction to SCCLF

Factors that led to our investment:

- Timing
- Opportunity for regional balance in the portfolio
- Flexibility
- Strategic alignment
- Professional interest
- Serendipity

Result: \$500K PRI, \$250K grant, \$200K LLR

THE KRESGE FOUNDATION

Subsequent Kresge investments in the South

Hope Credit Union

- \$3 million in secondary capital provided in 2015
- Primary markets are New Orleans, Memphis, Jackson, Little Rock
- Kresge program sponsor: American Cities Practice



THE KRESGE FOUNDATION

Subsequent Kresge investments in the South

Memphis EDGE:

- Kresge made a \$1 million PRI plus \$50,000 net assets grant in 2017
- The loan pool that will finance: a) mixed-use real estate development; b) small business capital; and c) multi-family housing development.
- Creative placemaking to support inclusive development in Soulsville, Crosstown/ Medical District, South City, and Binghampton/Broad Avenue) including creative industry.
- Kresge Program sponsor: Arts & Culture



THE KRESGE FOUNDATION

Subsequent Kresge investments in the South

Self-Help Ventures Fund

- \$3 million PRI plus \$150K net assets grant in 2017
- Intended to support community-owned and value-added innovators across the food supply chain, including grocers, producers, aggregators and distributors.
- Majority of pipeline in North Carolina, Virginia
- Kresge program sponsor: Health



Panel Conversation

- Why was this partnership unexpected?
- How and why was it successful?
- What has Kresge and SCCLF learned?
- What recommendations do Chris and Michelle have for national partners who want to engage in the South?



Your Turn

What do you see as the biggest barriers to more and more effective investments in the South?

What are promising ways to overcome those barriers?

What would it take to get there? What tools do we need?



Thank you!

- **Michelle Mapp** – michelle@sccommunityloanfund.org
 - **Chris Kabel** – cmkabel@kresge.org
 - **Ryan Schlegel** – rschlegel@ncrp.org

Please complete your session evaluation!

You can find it in the Conference app.

