Local Initiatives Support Corporation Health Initiatives

Forging Opportunity for Improved Community Health & Wellness

NOSORH Rural Capital Resource Council Stakeholder Gathering June 2024

LISC

About LISC

Together with residents and partners, LISC forges resilient and inclusive communities of opportunity across America — great places to live, work, visit, do business, and raise families.

LISC is a community development finance institution (CDFI) and an investor, connector, and innovator with a local and national presence.

Investor

Providing access to capital through our own investments and the multiplier effects they bring.

Connector

Connecting partners to resources and each other to advance community-driven priorities.

Innovator

Designing and implementing creative solutions to drive systems change.

Local Expertise & Partner Network

Deep local presence and a robust set of relationships to help us deliver on the ground.

National Scale

Nationally recognized strategies that can replicate solutions and foster ecosystem-level impact at both local and national levels.

Financial Inclusion

Decades of experience providing 'but for' capital where it would not otherwise flow & serving as a 'bridge to' accessing the capital ladder.
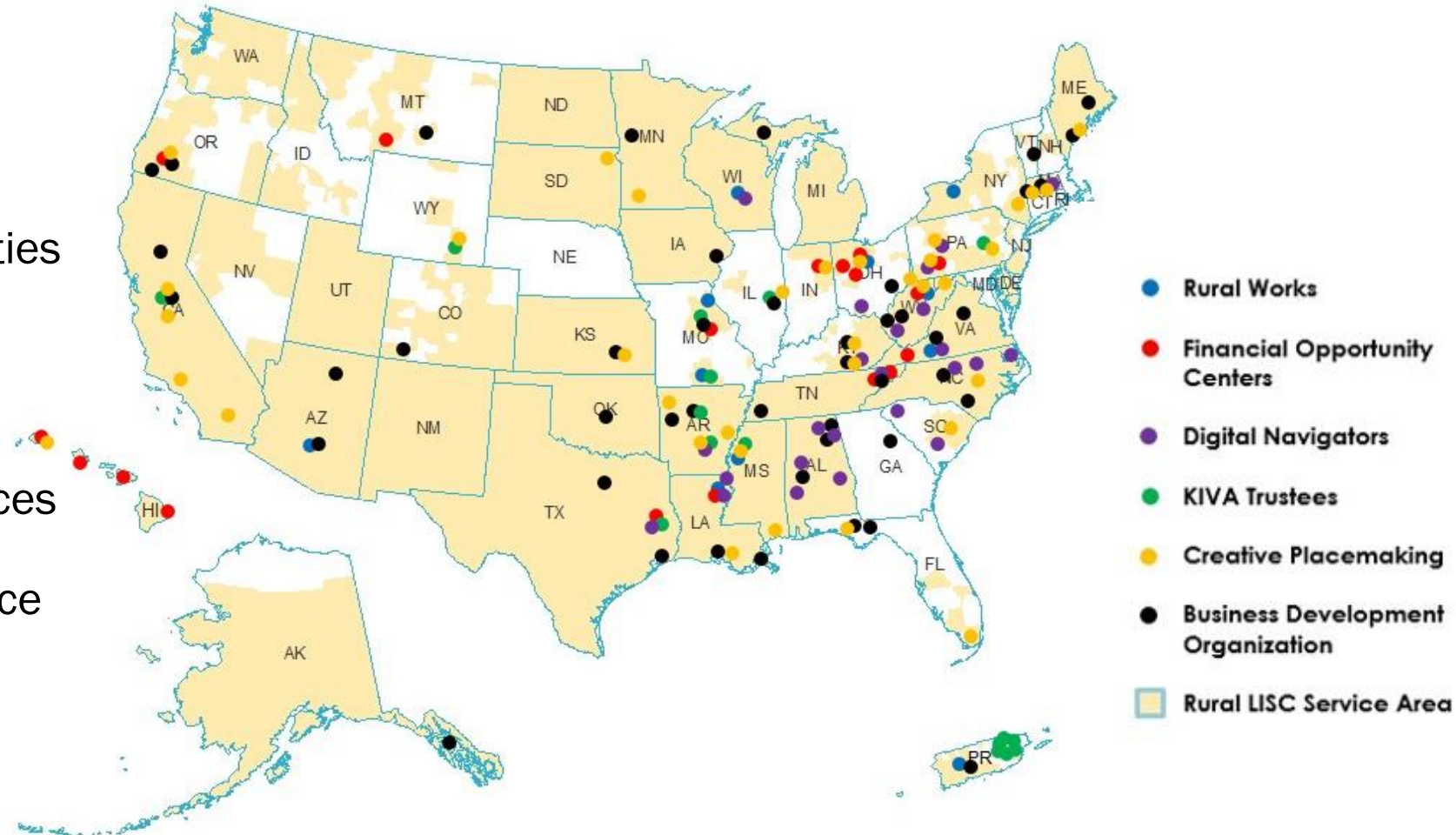
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About Our Model

We are driven by our purpose **to empower underserved communities to achieve optimal health** by using the resources, access, and network of LISC.

Pool public and private dollars

Work with local partners

Support people and places

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Rural LISC Impact

Rural LISC has created **$5.5 Billion** in total development with 150 rural community-based partners across the United States and U.S. Territories

- Partner with grassroots organizations in rural communities

- Connect partners to national opportunities and to each other

- Leverage and aggregate resources

- Amplify the rural community voice

- ● Rural Works
- ● Financial Opportunity Centers
- ● Digital Navigators
- ● KIVA Trustees
- ● Creative Placemaking
- ● Business Development Organization
- ☐ Rural LISC Service Area

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USDA Rural Partners Network + Rural LISC

The Rural Partners Network (RPN) is an all-of-government program that helps rural communities find resources and funding to create jobs, build infrastructure, and support long-term economic stability.
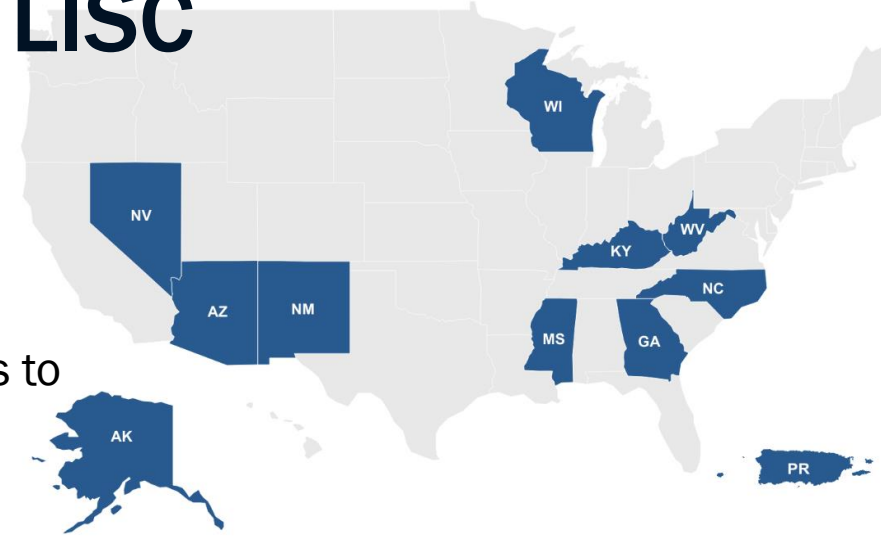
Rural LISC provides technical assistance and economic development services to 11 states and territories

- The model
  - Working directly with and prioritizing the unique needs of local rural communities
  - Setting priorities, navigating programming, connecting to assistance providers and funders, developing applications
  - Bridging to incorporate other government agencies (23 departments actively engaged)
- The success
  - Identifying champions (partners, organizations, individuals), and USDA state teams
  - The community perspective is the driver and is setting the prioritized needs and solutions
- The assistance
  - LISC is the technical advisor, acting as an intermediary to support priority developments and to connect communities to resources, funders, applications, and infrastructure to develop robust and lasting economic development

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Capital Access - Lending Products

LISC offers predevelopment, acquisition, and bridge products.
Various flexible lending products are designed to help local groups bring development projects to fruition.

- Loans cover every phase of development, from acquisition to working capital and all the steps in between.
- LISC is committed to working with developers to get projects done, whether it entails building affordable housing, a school, a health center, or launching a retail or commercial venture.

Lending products include:

- Predevelopment
- Acquisition
- Construction
- Site Development
- Perm/Mini-Perm or Construction to Perm/Mini-Perm
- Bridge
- Working Capital Line/ Leasehold Improvement FFE

How do LISC loans differ from bank loans?

As a Community Development Financial Institution, LISC is committed to helping community-development corporations, small businesses, entrepreneurs and local government access Capital and more flexible credit standards than banks can offer.

- LISC is flexible on collateral requirements
- LISC works with borrowers with personal credit issues
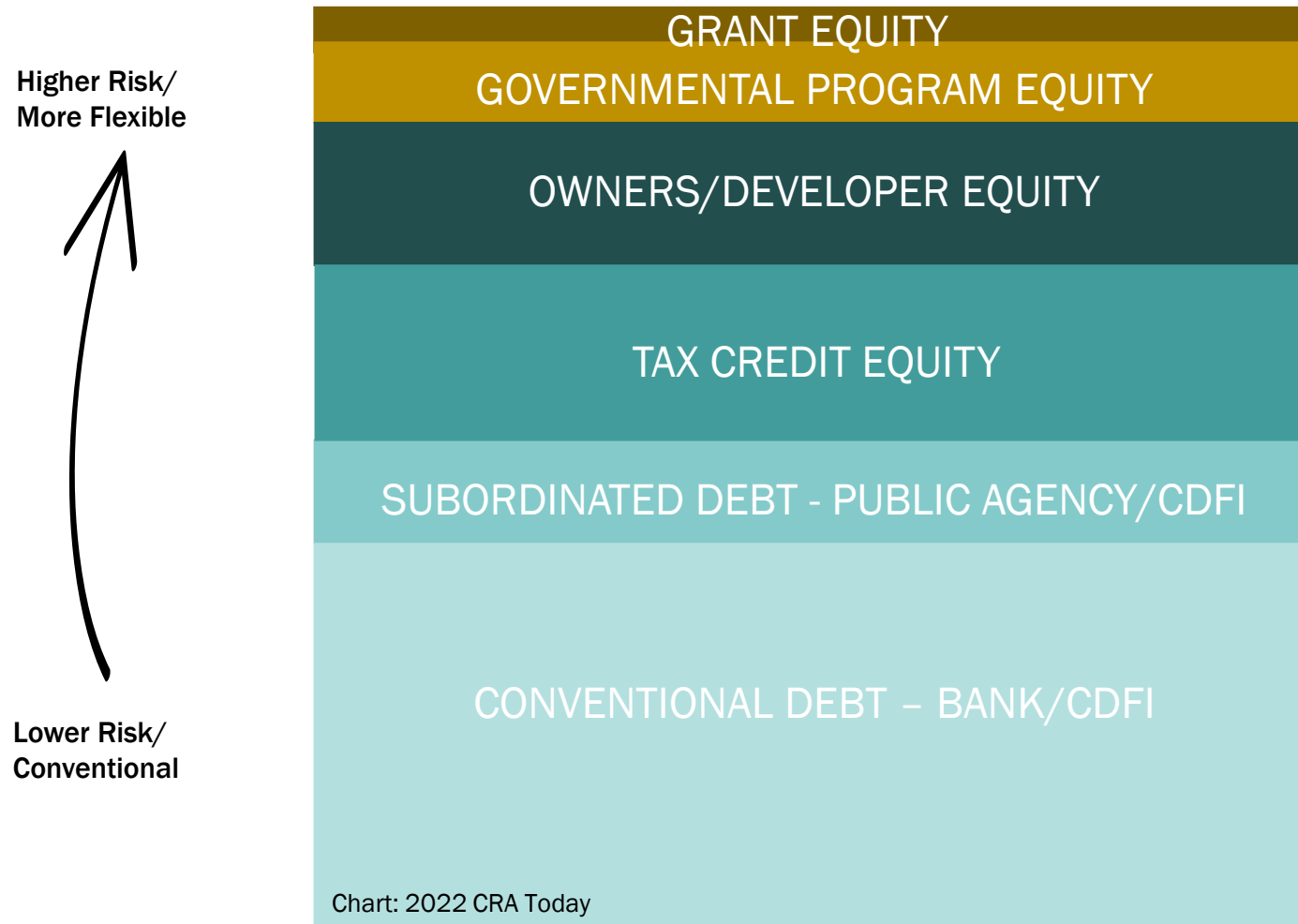
Capital Access - Preparation

Considerations when reaching out to and working with a CDFI

- When does it make sense to approach a CDFI?
  - When you need to leverage the expertise of a finance professional to think through how to make a prospective project work.

- Questions a borrower may ask a lender:
  - What is the general process?
  - What does a partnership look like?
  - What funding resources or products are currently available?

- Questions a lender may ask a borrower:
  - Who is on the development team?
  - If housing, how many units and what are the targeted incomes?
  - New construction or rehab? If new construction, is the land secured?
  - What is the location and/or the service area?

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Capital Stacking: Financial Layering + Partnering

Unique capital stacking and partnerships make difficult community development projects possible

**Higher Risk/
More Flexible**

**Lower Risk/
Conventional**

GRANT EQUITY

GOVERNMENTAL PROGRAM EQUITY

OWNERS/DEVELOPER EQUITY

TAX CREDIT EQUITY

SUBORDINATED DEBT - PUBLIC AGENCY/CDFI

CONVENTIONAL DEBT – BANK/CDFI

Chart: 2022 CRA Today

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Rural Healthy Housing Initiative

The Rural Healthy Housing Initiative has invested $4.37MM in 269 grants to 66 community-based partners. Grants and investments support preservation, rehab, retrofitting for seniors, training and education on healthy housing, improving energy efficiency and indoor air quality, and conducting water quality and saving surveys.

OPAL Community Land Trust
Eastsound, WA

- Construction of 20 new rental residences for households earning below 50% of Area Median Income (AMI).

- Permanent Supportive Housing, with 75% of the tenants experiencing homelessness immediately prior to moving in.

- Built with high-efficiency materials, heat recovery systems, and solar panels.

- Campus will including a food center.

North Florida Educational Development Corporation Gretna, FL

- Preservation and redevelopment of an old tobacco warehouse into a mixed-use building containing a community learning center and 12 units of affordable housing.

- Built to the Passive House Standards of the Green Building Codes and utilize solar panels donated by the city.

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Healthcare Projects

Altura Centers for Health in Tulare, CA

- Altura Centers for Health is a Federally Qualified Health Center (FQHC) and Section 330 Grantee that has been providing medical services to the community since 1995.

- Altura operates seven sites, providing underserved patients with comprehensive medical, dental, behavioral health care, chiropractic care, and other educational opportunities.

- LISC provided $5MM in financing to support the construction of a 41,882 square foot health center, the Cartmill Clinic, which will house pediatric and OB/GYN services.

- Cartmill Clinic is expected to increase annual encounters to serve approximately 100,000 patients annually.

- The project will create 58 permanent full-time jobs at the clinic, and will preserve 212 existing full-time jobs, for a total of 270 jobs.

Sources	Amount
Capital Impact Partners	$10,000,000
Borrower Equity	$16,500,000
LISC Loan	$5,000,000
Total	$31,500,000

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Healthcare Projects (cont.)

Native American Connections in Phoenix, AZ
Patina Wellness Center

- A residential substance use treatment center designed to support women and families in recovery from addiction or substance use disorder and prevent family separation.

- Houses 70 beds for adult women, their young children from birth to 5 years old, and on certain circumstances coupled families in recovery.

- Supportive services include on-site childcare, services for pregnant and post-partum women, family unification support, substance use disorder treatment, and traditional healing.

Sources	Amount
Land Equity	$1,116,798
Equity/Grants	$1,300,438
LISC (with ACF participation)	$1,000,000
Wells Fargo	$3,820,414
Total	$7,237,650

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Contact Information

Erin Kelley, MSW

Program Director, Health

LISC National Programs

EKelley2@lisc.org

Kjestine Woods, CHES, MSHA

Program Officer, Health

LISC National Programs

KWoods@lisc.org

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Thank You

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