



BENEFIT
CHICAGO

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IFF Announced in First Round of Benefit Chicago Impact Investments

\$12 million committed to diverse projects across Chicago area

May 16, 2017 (Chicago, IL) – IFF, one of Chicago’s oldest nonprofit community development financial institutions, will receive one of six social impact loans announced today by Benefit Chicago. A collaboration of The Chicago Community Trust, the John D. and Catherine T. MacArthur Foundation, and Calvert Foundation, Benefit Chicago was created to expand the pool of loans and investments available to mission-directed for- and nonprofit entities, which, due to the communities or populations they serve, often find it difficult to access capital from commercial sources.

IFF, known for helping other nonprofits to plan, finance, and build their facilities, including everything from affordable housing and schools to community centers and commercial buildings, will receive \$5 million from the Fund to help finance a variety of projects including a children’s theatre in the Near West Side neighborhood, a child care and family services facility in Humboldt Park, and a youth sports and education facility in Bronzeville.

“At a time when needs seem greater and resources fewer, this loan allows us to confidently invest in important human services in diverse communities across the city,” said Joe Neri, President and CEO of IFF. “With financing from Benefit Chicago, we will pursue thoughtful investments in Chicago neighborhoods that span from Humboldt Park, to the Near West Side, to Bronzeville. We are investing not only in the resources communities need, but more importantly in what will make each neighborhood a more stable and vibrant place to live.”

In addition to IFF, Benefit Chicago Executive Director William Towns today announced loans to five other Chicago area organizations: AutonomyWorks, Chicago Neighborhood Initiatives (CNI), Garfield Produce Company, Sweet Beginnings, and the Southwest Corridor Collaborative of LISC Chicago for a total of \$12 million.

“We are excited by the diversity of the borrowers and the initiatives they submitted for financing,” Towns said. “Some are established, well-known organizations; others relatively new, but all represent the opportunities for and commitment to development in every part of Chicago and to the well-being of residents.” Towns stressed that the announcement today is

just the first of many loans to come over the next months. “We’ve already received more than 80 applications. While not all can or will be financed, they underscore the creativity and energy of organizations throughout the region.”

“The loans announced today confirm recent research and our own experience,” said Julia Stasch, President of the MacArthur Foundation. “Our region benefits from the great diversity of organizations that generate jobs and provide essential services and from the broad range of individual and institutional investors eager to help facilitate their growth and ensure their success.”

“The history of our three organizations is rooted in connecting financial resources to the causes and places people care about,” said Terry Mazany, President and CEO of The Chicago Community Trust. “Through Benefit Chicago, we’ve combined forces to help bring needed financial capital to organizations that are poised to innovate, expand, and grow. Investors in donor advised funds at The Chicago Community Trust are among those who are eager to help our neighborhoods and their residents thrive.”

Towns went on to describe the distinctive way the initiative works. “Through the investment fund created by the MacArthur Foundation, we benefit from individuals with significant experience investing in Chicago’s rich and diverse community of nonprofits. Through the Trust, we tap into deep concern for the vitality of the Chicago region and Chicago’s generous philanthropic community. And, Calvert Foundation’s Community Investment Note makes it easy for investors—large and small—to put their money to work for the benefit of the city that they love.”

Through Calvert Foundation, Towns explains, individuals, corporations, and institutions are able to buy Community Investment Notes that support making impact investments in Chicago. MacArthur has committed \$50 million of its own assets to the fund, and The Chicago Community Trust has purchased a \$15 million Community Investment Note. Individual and institutional investors have purchased an additional \$12 million in Notes, with other potential investors eager to see the kinds of investments the fund will make.

“Through our Community Investment Note, investors of all stripes have been able to participate in making impact investments in Chicago,” said Calvert Foundation President and CEO Jennifer Pryce. “From individuals investing only \$20 online, to institutional investors placing \$2 million with us, our investors have expressed strong interest in supporting Chicago. We think this can serve as a model for impact investing in other cities.”

Towns stressed that, while many applications remain in the Benefit Chicago pipeline, the application and lending processes are ongoing, and new applications are encouraged. With guidance from a Community Advisory Council, Benefit Chicago representatives will also engage in strategic outreach to identify potential borrowers in specific communities or sectors. All applicants must meet eligibility requirements that include serving a community of need, providing metrics for measurable outcomes, and demonstrating the ability to repay the loan or

provide a return of capital, as well as other standard loan terms. The loans announced today are expected to be documented and closed within the next few weeks.

Towns said that while Benefit Chicago has already raised \$77 million of the anticipated \$100 million fund, he encourages investors and donors, large and small, to learn about the opportunities to invest. "Whatever the size, all are expressions of a commitment to Chicago, our neighborhoods, and our people," Towns said.

Individuals, institutions, or organizations interested in purchasing Notes, or organizations interested in applying for financing should visit www.BenefitChi.org. Benefit Chicago accepts investments and loan applications on an on-going basis.

More about the Borrowers:

IFF is a mission-driven lender, real estate consultant, and developer that will use a \$5 million loan to finance a variety of projects that support youth and families on Chicago's west and south side.

Sweet Beginnings, a wholly owned for-profit subsidiary of the North Lawndale Employment Network, uses the production of beelove™ – a line of honey-based products – to provide job training to community residents who face barriers to employment. Sweet Beginnings \$500,000 loan will be used to expand production and sales, which will increase the number of people hired and their length of employment.

AutonomyWorks is a for-profit social enterprise that provides meaningful employment for adults with autism and will use a \$600,000 loan to expand marketing and training activities to increase the number of people hired.

CNI is a Community Development Corporation (CDC) and certified Community Development Financial Institution (CDFI) that engages in comprehensive revitalization work in Chicago's economically challenged neighborhoods. CNI will use a \$2 million loan in part to facilitate the completion of the 111th Street Retail Gateway in Pullman.

Garfield Produce Company is a hydroponic vegetable farm that creates sustainable local employment and generates wealth in disinvested neighborhoods through the production of fresh produce year-round. Garfield Produce will use a \$500,000 loan to expand production capacity and hire additional employees.

LISC Chicago is a leading national community development intermediary that invests in community-based organizations throughout Chicago and will use the \$3.5 million loan to support the Southwest Corridor Collaborative (SWCC), a new community partnership focused on revitalizing the 63rd Street corridor.

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