IFF’s 2018-2022 Strategic Vision

ACCELERATING SOCIAL IMPACT

Strengthening nonprofits and the communities they serve.
“As an agency committed to fostering resiliency in children and families as they overcome trauma, we appreciate the impact IFF provides in helping us gain our own resiliency and the financial stability needed to fulfill our mission. We often cite the quote that ‘it’s not shelter from the storm, but learning to dance in the rain,’ and IFF helps us keep dancing.”

ROBIN WINNER, EXECUTIVE DIRECTOR
SYNERGY SERVICES, KANSAS CITY, MO
Dear Staff, Board, Partners, Investors, Clients, and Friends:

We're pleased to announce that IFF has adopted a new strategic vision for 2018-2022: “Accelerating Social Impact.” This plan recognizes in bold new ways IFF’s growing status as a systems change and community transformation leader. With the right combination of investment, development, partnerships, and actionable knowledge, IFF is forging into deeper, systems-focused, community-driven, collaborative ways of achieving positive impact for low-income communities in the Midwest. As part of this effort, we will be deepening our commitment to equity, diversity, and inclusion both in the way we operate internally and the way we impact change in the world.

Past plans have focused on broadening our market base, deepening our sector expertise, and growing our loan portfolio — and we have had tremendous success. Over the last two strategic plans spanning 10 years, IFF has grown from about 45 employees working in Illinois to nearly 100 employees in seven Midwest offices serving nine states and adjacent metropolitan areas of Louisville and Northern Kentucky. Our total assets have grown from $175 million in 2009 to over $600 million by the end of 2016.

Going forward, our challenge is to transform this steady growth into an even more efficient, effective engine of social change. Our core lending tools — those that make a CDFI a CDFI — will always remain a central part of IFF’s DNA; but we’ve known for a long time that IFF is no ordinary CDFI. This new plan ramps up IFF’s social impact engine to be as strong and powerful as our core lending and real estate consulting tools. What’s more, it calls for a significant investment in IFF’s organizational infrastructure — including our commitment to equity, diversity, and inclusion — to ensure that the right foundations are in place to support our broader, deeper work.

Bottom line: IFF is strengthening our infrastructure internally in order to achieve more impact externally. In this way, our strategic plan isn’t like a lot of other plans. It’s not about growing the size of our territory, loan volume, or staff; instead it’s about growing our impact by ensuring the suite of tools we offer is correctly blended and balanced for nonprofits to succeed, communities to thrive, and social service systems to achieve positive change. We hope you’ll join us for the journey ahead.

Sincerely,

JOE NERI
CHIEF EXECUTIVE OFFICER

JOHN SASSARIS
BOARD CHAIR
Guiding Principles
IFF Strategic Vision 2018-2022

Vision
IFF will provide comprehensive solutions with transformational outcomes in low-income and special needs communities throughout the Midwest.

Mission
IFF will strengthen nonprofits and the communities they serve by providing leadership, capital, and real estate solutions.

- We will provide leadership through our multi-sector expertise, as well as our research, policy, and convening roles.
- We will deploy capital through our range of loan products, equity, and New Markets Tax Credits.
- We will offer real estate solutions, including a range of consultant services, development, and ownership.

Approach

IFF will remain the leading provider for nonprofits seeking access to capital or real estate advice for discrete projects.

IFF will serve as a 'one-stop shop' for nonprofits seeking multiple tools to expand their impact and connect the dots in the communities they serve.

IFF will offer deep knowledge and data-driven strategies on multiple sectors that are vital to communities -- early childhood education, K-12 school systems, and universal access.

IFF will collaborate with communities to support the planning and implementation of comprehensive and equitable community development strategies. IFF's full range of services will be brought to bear: financing, real estate consulting, development, research and evaluation, networks, and convening capacity.
Approach
IFF Strategic Vision 2018-2022

Transformational Transactions
nonprofit + single IFF tool

Example: Mack Avenue Community Church (MACC) Development has created successful literacy, youth development, housing, and legal programs in Detroit’s east side. When they decided to expand and bring their services under one roof, they came to IFF to finance the project. A $270,000 loan helped them complete renovations on a 12,000-square-foot former warehouse. “The Commons” includes the only coffee shop in a 1-mile radius and the only laundromat in a 3-mile radius. An additional $188,000 equipment loan from IFF covered the cost of the commercial washers and dryers.

Collaborative Solutions
nonprofit + multiple IFF tools

Example: Running Rebels Community Organization’s youth basketball teams competed in the Milwaukee area for 35 years before they were able to play on their own court. IFF provided both real estate services and financing to help the organization locate and acquire a 48,000-square-foot facility capable of housing not only a gym, but plenty of space to provide after-school programming. More than 1,500 youth benefit from Running Rebels’ services, which include tutoring, community service projects, college-prep classes, and violence-prevention programs.

Place-Based Initiatives
market stakeholders + multiple IFF tools + IFF sector and market knowledge

Example: The Foundation for Homan Square has engaged in an intentional effort to transform the 55-acre former Sears catalog property on Chicago’s west side into a beautiful tapestry of community resources that includes a 70,000-square-foot community center; 14-story hub for arts education, youth leadership development, and job training; 400 units of affordable housing; affordable health care providers; early childhood education facilities; and public charter schools. IFF provided early financing and now is providing long-term management of the foundation and its growing assets.

Vital Services Solutions
sector stakeholder + multiple IFF tools + IFF sector and market knowledge

Example: In September 2016, three new charter schools opened in Kansas City, creating more than 1,650 seats for students who live in high-need areas. These three schools benefited from IFF’s Quality Schools Initiative — funded by the Kauffman Foundation — to improve the education landscape in neighborhoods across the city by providing research, financing, and real estate services necessary to support the growth of quality charter schools. One of the innovative resources IFF put forward was to acquire, develop, and then enter into a lease-to-own agreement with a quality charter school.
Goals and Strategies
IFF Strategic Vision 2018-2022

Goals to Achieve Greater Impact
Whether our client is an individual nonprofit, a group of nonprofits coordinating services, sector stakeholders, or a whole community, IFF will bring together our suite of services like never before to drive social impact.

Lead the Midwest in Nonprofit Facilities
— Improve and grow IFF’s core business offerings to best meet the needs of nonprofits and the communities they serve
— Establish IFF as a true ‘one-stop shop’ for nonprofit facility needs
— Provide critical financing to affordable housing developers and grocery stores aligned with IFF’s mission

Bring the ‘Best of IFF’ to Markets
— Tailor IFF’s business offerings to match the current needs of each individual market
— Build local market knowledge into governance structure and corporate strategy

Establish IFF as a Market Maker
— Build deeper relationships with emerging impact investors to support both on- and off-balance sheet investment opportunities

Catalyze Systemic Change
— Create a Social Impact Accelerator that propels nonprofits, sector leaders, and community stakeholders to drive scalable and replicable solutions
— Strengthen IFF’s position as a thought leader in its key markets and sectors
— Expand IFF’s evaluation capacity to drive internal strategy and external decision-making

Goals to Form a Foundation for Success
IFF will strengthen our infrastructure internally to achieve more impact externally.

Foster ‘One IFF’
— Cultivate and commit to a culture that values equity, diversity, and inclusion
— Invest in people through robust talent management and professional development
— Re-align organization to enable the strategic direction
— Build cross-functional teams to manage collaboration

Build IT & Data Systems for the Future
— Invest in foundational capabilities, including organizational infrastructure, technology, and data systems
— Create a data culture to drive strategy with financial and non-financial data, a customer-centric approach with deeper analytics, and new products and services
“One of the things that attracted us to IFF is the very concrete evidence of social impact that is reported out regularly. Every time I hear an IFF story, I think: ‘I’m glad we did this. These are continuous examples of how the investment makes a difference.’”

KURT KREIENBRINK, MANAGER OF SOCIALLY RESPONSIBLE INVESTING & INVESTOR ADVOCACY
PORTICO BENEFIT SERVICES, A FINANCIAL MINISTRY OF THE EVANGELICAL LUTHERAN CHURCH IN AMERICA

PHOTO: BI-OKOTO CULTURAL INSTITUTE, CINCINNATI, OH
Serving the Midwest
IFF Strategic Vision 2018-2022

IFF serves nonprofits and communities throughout our Midwest footprint, which includes these 9 states and the adjacent metro areas of Louisville and Northern Kentucky.

**All IFF Markets**
Throughout our states and metro areas, IFF provides access to our financing tools and research expertise.

**Emerging Markets**
IFF is ramping up our lending services and exploring real estate consulting in Cleveland, Columbus, and Cincinnati.

**Collaborative Solutions Markets**
IFF’s full lending and real estate consulting is available in Milwaukee and Indianapolis.

**Full-Service Markets**
IFF offers our full suite of services in Chicago, Detroit, St. Louis, and Kansas City. Our development tools and sector- and market-specific knowledge-sharing — combined with our core financing, real estate services, and research products — allow us to bring comprehensive community development to the neighborhoods that need it most.
Internal Structure & Leadership
IFF Strategic Vision 2018-2022

Core Business Solutions
Matthew Roth, President

- Capital Solutions
- Real Estate Solutions

Dana Lieberman, Senior Vice President, Capital Solutions
Terri Haymaker, Senior Vice President, Real Estate Solutions

Social Impact Accelerator
Kirby Burkholder, President

- Real Estate Development
- Place-Based Initiatives
- Research & Evaluation
- Vital Services
- Talent Management

Tara Townsend, Vice President of Research and Evaluation
Jen Kraemer, Director of Talent Management

Core Operations
Suza Leao-Reuter, Chief Financial Officer

- Communications & Public Policy
- Finance & Administration
- Resource Development
- Strategic Partnerships

Jose Cerna III, Vice President of Public Policy
Debra Walker Johnson, Vice President of Strategic Partnerships

Market Leadership

David Desai-Ramirez, Executive Director, Southern Region
Vickie Lakes-Battle, Executive Director, Chicago Region
Chris Uhl, Executive Director, Eastern Region
Over the next 5 years, even as we focus on revving up our social impact engine, our loan disbursements will continue at recent historic highs of $100 million annually. To achieve this, IFF will generate average annual surpluses of $2 million and raise $390 million in additional capital, including growing our Investor Consortium note sales to $50 million per year.

*A more detailed financial forecast is available at [www.iff.org](http://www.iff.org).*
## Key Metrics

**IFF Strategic Vision 2018-2022**

<table>
<thead>
<tr>
<th>Section</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deploy 800+ loans worth $600 million over the next 5 years, with market-specific targets</strong></td>
<td><strong>Bring 85 complex projects from vision to reality</strong></td>
</tr>
<tr>
<td><strong>Serve 600+ clients through real estate consulting over the next 5 years</strong></td>
<td><strong>Create 500+ high-quality early education seats and 1,000+ school seats</strong></td>
</tr>
<tr>
<td><strong>Create $80 million in real estate development projects in Chicago, Detroit, and St. Louis</strong></td>
<td><strong>Leverage $50 million to complete 230+ new housing units</strong></td>
</tr>
</tbody>
</table>
IFF Leadership
IFF Strategic Vision 2018-2022

2017 Board of Directors

John Sassaris, Chair
Group President for Commercial Banking,
MB Financial Bank, N.A.
Joseph Antolin
Principal,
Antolin & Associates
MarySue Barrett
President,
Metropolitan Planning Council
Alicia Mazur Berg
Assistant Vice President,
Campus Planning + Sustainability,
University of Chicago
Kristine Garrett
Managing Director,
The PrivateBank
Joseph N. Gomez
Senior Vice President,
Byline Bank
Oscar D. Johnson, Jr.
Senior Vice President, Regional
Head of Business Banking,
BMO Harris Bank
Deborah Kasemeyer
Senior Vice President,
Northern Trust
Steve Kent
Managing Director & Vice Chairman,
Piper Jaffray
Richard F. Klawiter
Partner,
DLA Piper
Amir Kirkwood
Vice President for Business Development,
Amalgamated Bank
Joe Neri
Chief Executive Officer,
IFF
Oscar D. Johnson, Jr.
Senior Vice President, Regional
Head of Business Banking,
BMO Harris Bank
Deborah Kasemeyer
Senior Vice President,
Northern Trust
Steve Kent
Managing Director & Vice Chairman,
Piper Jaffray
Richard F. Klawiter
Partner,
DLA Piper
Amir Kirkwood
Vice President for Business Development,
Amalgamated Bank
Joe Neri
Chief Executive Officer,
IFF

2017 Community Advisory Council

Guadalupe Preston, Chair
Executive Director, Central States SER, Jobs for Progress Chicago, IL
Ruben Alonso
President, AltCap
Kansas City, MO
Jason Paulateer
Vice President – Market Manager, PNC Bank
Troy, MI
Kate Barr
Executive Director,
Nonprofits Assistance Fund
Minneapolis, MN
Flint Fowler
President, Boys and Girls Club of Greater St. Louis
St. Louis, MO
Katie Rahn
Executive Director, SouthSide Early Childhood Center
St. Louis, MO
Andy Fraizer
Executive Director,
Prosperity Indiana
Indianapolis, IN
Jeanne Rehling-Golliher
Chief Executive Officer,
Cincinnati Development Fund
Cincinnati, OH
Mike Hynes
President,
The Housing Partnership Inc.
Louisville, KY
Michael Ronan
Chief Executive Officer,
MB Ronan Consulting
Northbridge, MA
Evan Krauss
Director, East Side Aligned
Greater United Way of St. Louis
East St. Louis, IL
Maria Saldaña
Executive Director,
Oak Park Residence Corp.
Oak Park, IL
Sam Miller
Chief Financial Officer,
Crusader Community Health
Rockford, IL
Joe Schwenker
Senior Project Manager,
Bear Development
Milwaukee, WI
Teri Zywicki
Chief Executive Officer,
SaintA
Milwaukee, WI

Contact IFF
Headquarters: 333 S. Wabash Ave., Suite 2800 | Chicago, IL  60604
Regional Offices: Columbus, OH | Detroit, MI | Indianapolis, IN | Kansas City, MO | Milwaukee, WI | St. Louis, MO
312 629 0060 | iff.org | IFF is an equal opportunity employer