



CAPITAL IMPACT
PARTNERS

Recipes For Success

Mission-Driven Partnerships that Work!

03.14.2019



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Panelists

Fathia Macauley, Capital Impact Partners

Neelura Bell, ExED

Sarah Simms, Low Income Investment Fund

Tina Lin, Pacific Charter School Development



Panelist Biographies

Fathia Macauley, Capital Impact Partners

Fathia Macauley is the California Business Development Officer for Capital Impact Partners. Fathia has been in the field of community development finance for the past 23 years. In the last six years she has originated and closed over \$81 million in lending and NMTC transactions. Fathia has managed over \$455MM in CRA and affordable housing development projects and participated in the creation of over 1,000 units of affordable housing. Her experience encompasses community development lending, affordable housing development, consulting and nonprofit management.

Neelura Bell, ExED

Neelura Bell has over 30 years of experience in community development. She joined ExED in 2017 as Director of Facility Financing where she is in charge of school facility technical assistance, loan underwriting and asset management. Prior to joining ExED, she was a Project Manager/Special Projects Officer for the Community Redevelopment Agency of the City of Los Angeles (CRA/LA). She managed an \$82 million annual work program in two project areas. Before CRA/LA, she was the Executive Director of the Los Angeles office of the Local Initiatives Support Corporation leading the underwriting and portfolio management for over \$50 million projects.

Sarah Simms, Low Income Investment Fund

As Deputy Director for National Charter School Lending Sarah oversees LIIF's charter school lending and strategy work. During her nine year tenure at LIIF, Sarah has presented on charter facilities finance at various charter forums, conferences, and trainings around the State of California and nationally. Prior to joining LIIF Sarah worked on tax-exempt bond financing for higher education institutions with J.P. Morgan's Tax-Exempt Capital Markets group, and spent several years as a Legislative Assistant for the U.S. Senate Committee on Banking, Housing and Urban Affairs, where she focused on issues related to federal housing and urban development policy.

Tina Lin, Pacific Charter School Development Corporation

Tina Lin is a Director of Finance for Pacific Charter School Development. She handles project finance for schools building permanent facilities in the Los Angeles and Southern California region. Prior to PCSD, Ms. Lin was part of U.S. Bank's NMTC deployment team, where she closed over \$961M in QEI allocation over the last 7 years (80 QLICs) with over 30 CDE partners.



**DELIVERING EXCELLENT
EDUCATIONAL OUTCOMES**





CAPITAL IMPACT
PARTNERS

VISION AND MISSION

Vision: Our vision is a nation of communities of opportunity built on a foundation of equity, inclusiveness, and cooperation.

Mission: Through capital and commitment, Capital Impact Partners helps people build communities of opportunity that break barriers to success.



STRATEGIC PILLARS



ADDRESS SYSTEMIC POVERTY

Effect systemic change at scale —from social systems to government programs—so that all people have paths out of poverty.



CREATE EQUITY

Support equitable access to quality services and economic opportunity regardless of race, ethnicity, gender, or income.



BUILD HEALTHY COMMUNITIES

Foster connections and social supports that strengthen the links between health, education, housing and opportunity that help people and communities thrive together.



PROMOTE INCLUSIVE GROWTH

Build diverse, mixed-income communities that promote economic mobility and empower individuals to break the barriers to success.





HOW WE CREATE IMPACT

What We Do

Mission Driven Lending

- Aggregate & Direct Capital

Policy to Practice

- Fund & Program Incubation
- Partnerships & Convenings
- Cutting Edge Research

Impact Investing

- Investment Notes
- Innovative Investment Portfolio

Public Policy

- Advocate for Federal, State, & Local Programs

Where We Focus



Health Care



Education



Affordable Housing



Healthy Food



Cooperative Development



Dignified Aging



Placed-Based Revitalization

How Communities Benefit



Address Systemic Poverty

Effect system change at scale people have paths out of poverty



Create Equity

Support equitable access to services & opportunity regardless of race, ethnicity, gender, income or geography



Healthy Communities

Foster connections and social supports that strengthen links between health, education, housing and opportunity.



Inclusive Growth

Build diverse, mixed-income communities that promote economic mobility & empower individuals to break the barriers to success.



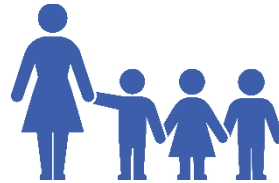
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High Quality Schools

Capital Impact's Guiding Principles For Lending



College and
career pathways



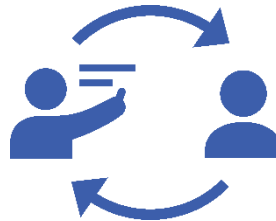
Supportive
environment & culture



Engaged & Connected
Leaders and Staff



Invest in professional
development



Innovative and
rigorous instruction



Community hubs



ExED's mission is to fulfill the need for a business management provider with the financial expertise, skills and integrity required to help charter schools operate at the highest level.

Our Core Offerings



Support Services

We bring expertise and personal care to the business end of managing a charter school.



Facility Financing

We're a recognized national leader in providing innovative facility financing solutions to charter schools.



Custom Tools

We offer a range of user-friendly digital solutions to promote sound financial management and efficiency.



☐ FINANCIAL SERVICES

- Budgeting, Financial Reporting and Forecasting
- Accounting and Bookkeeping Services
- Cash Management

☐ PAYROLL PROCESSING & RETIREMENT REPORTING

☐ COMPLIANCE AND DATA MANAGEMENT SERVICES

- Authorizing and external agencies reporting
- Funding applications
- Management and reporting of CALPADS school data

☐ START UP SERVICES

☐ BOARD GOVERNANCE



- ❑ NEW MARKETS TAX CREDIT FINANCING
 - \$229 million in allocation
 - 34 school sites
 - 17,000 students
- ❑ PREDEVELOPMENT/SHORT-TERM FLEXIBLE LOANS
- ❑ TECHNICAL ASSISTANCE



- ❑ MARKETPLACE PURCHASING
- ❑ BUSINESS GUIDE & CALENDAR
- ❑ MONTHLY E-NEWSLETTER

Low Income Investment Fund

LIIF is a leading national CDFI that invests capital to support healthy families and communities. LIIF provides loans, grants and technical assistance to create economic opportunities in distressed neighborhoods that help individuals and families break the cycle of intergenerational poverty.

OUR FINANCING TOOLS

- Revolving Loan Fund
- Credit Enhancements
- Structured Funds
- Bond Guaranty Program
- New Markets Tax Credits

OUR PROGRAMS

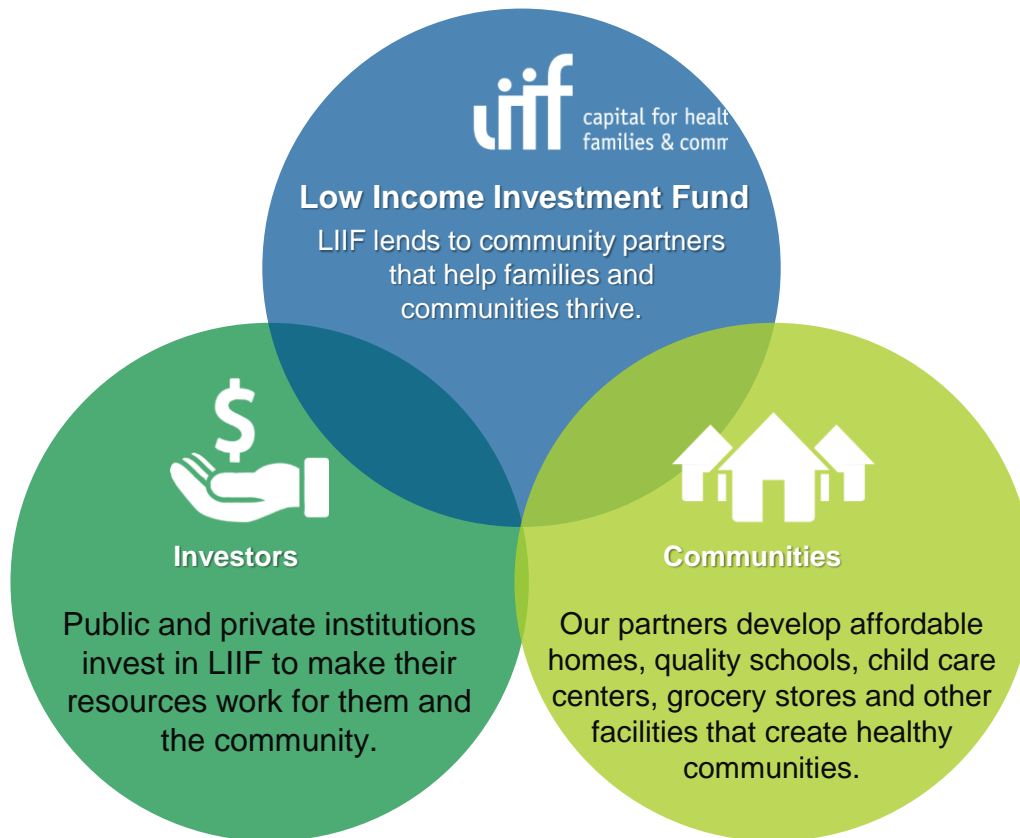
- Education
- Child Care
- Affordable Housing
- Community Health Care
- Healthy Food
- Transit-Oriented Development

Mission Statement

LIIF is dedicated to creating pathways of opportunity for low income people and communities.

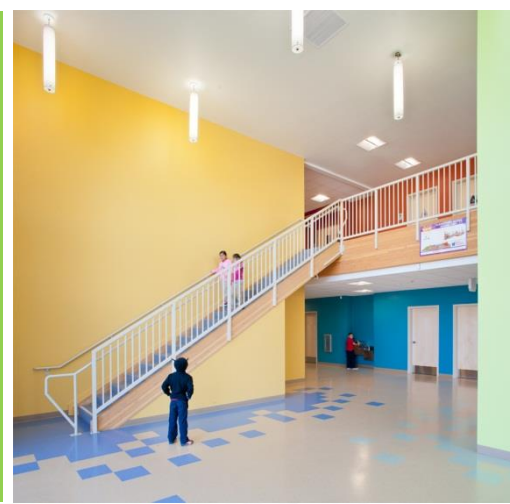
Serving the poorest of the poor, LIIF is a steward for capital invested in community-building initiatives. In so doing, LIIF provides a bridge between private capital markets and low income neighborhoods.

How LIIF Works



OUR IMPACT

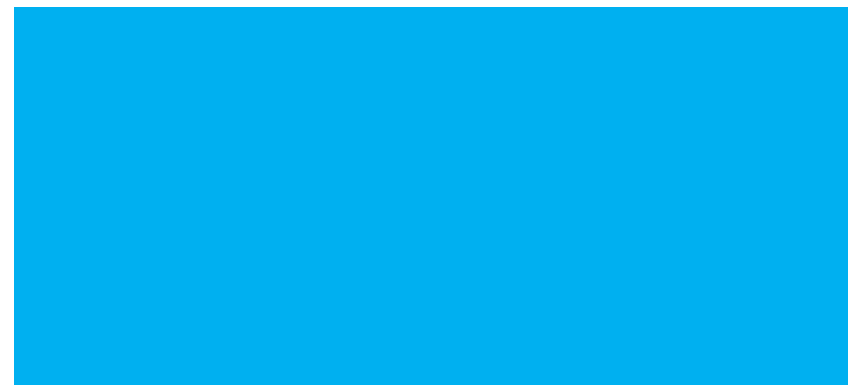
- **\$2.5 billion** invested
- **2 million** people served
- **98,000** spaces for students
- **271,000** childcare slots
- **78,000** homes built/preserved
- **\$29.5 billion** in family & societal benefits generated
- **167,000** jobs created/preserved



Pacific Charter School Development

Recipes for Success: Mission-Driven Partnerships that Work!

March 2019



Pacific Charter School Development, Inc.
600 Wilshire Blvd., Suite 200
Los Angeles, CA 90017

T: 213.542.4700 | F: 213.542.4701
www.pacificcharter.org

PCSD provides long-term affordable facilities solutions to increase the availability of high-quality charter schools for underserved students.



PCSD Milestones

83

schools built

Since 2004, PCSD has developed 83 campuses. PCSD delivered 16 more campuses in 2018 alone.

60

in Los Angeles

In 2018, PCSD delivered its 60th campus in Southern California.

Projects have introduced 37,275 high-quality charter school seats. 8,000 more are currently in development.

37,000+

high-quality seats

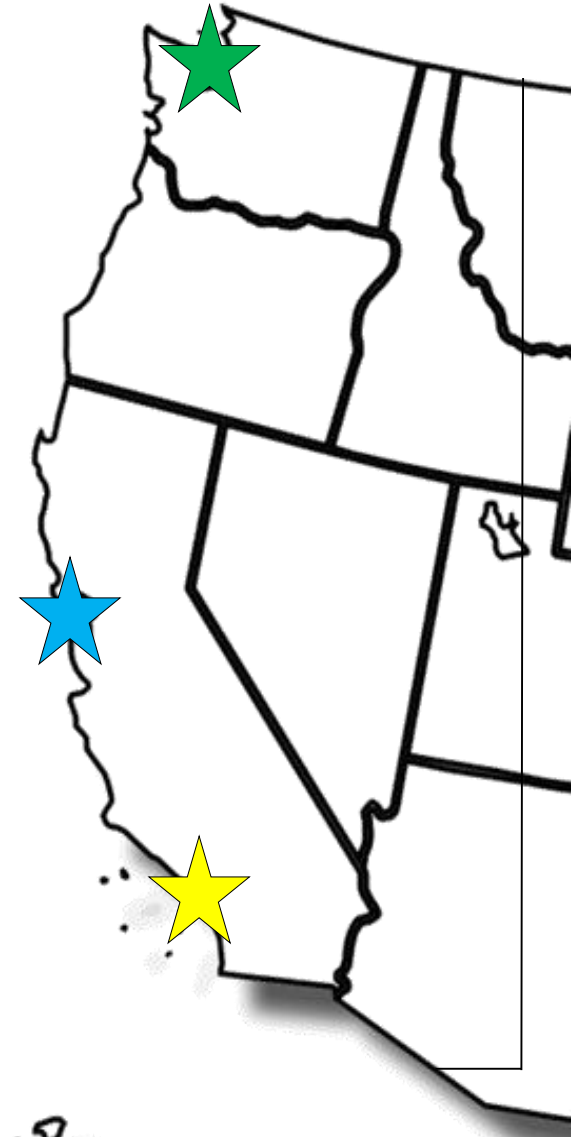
Most PCSD investment clients outperform their local districts, many outperform state averages.

PCSD has developed \$828MM in total projects leveraging philanthropy, private financing, and state funding.

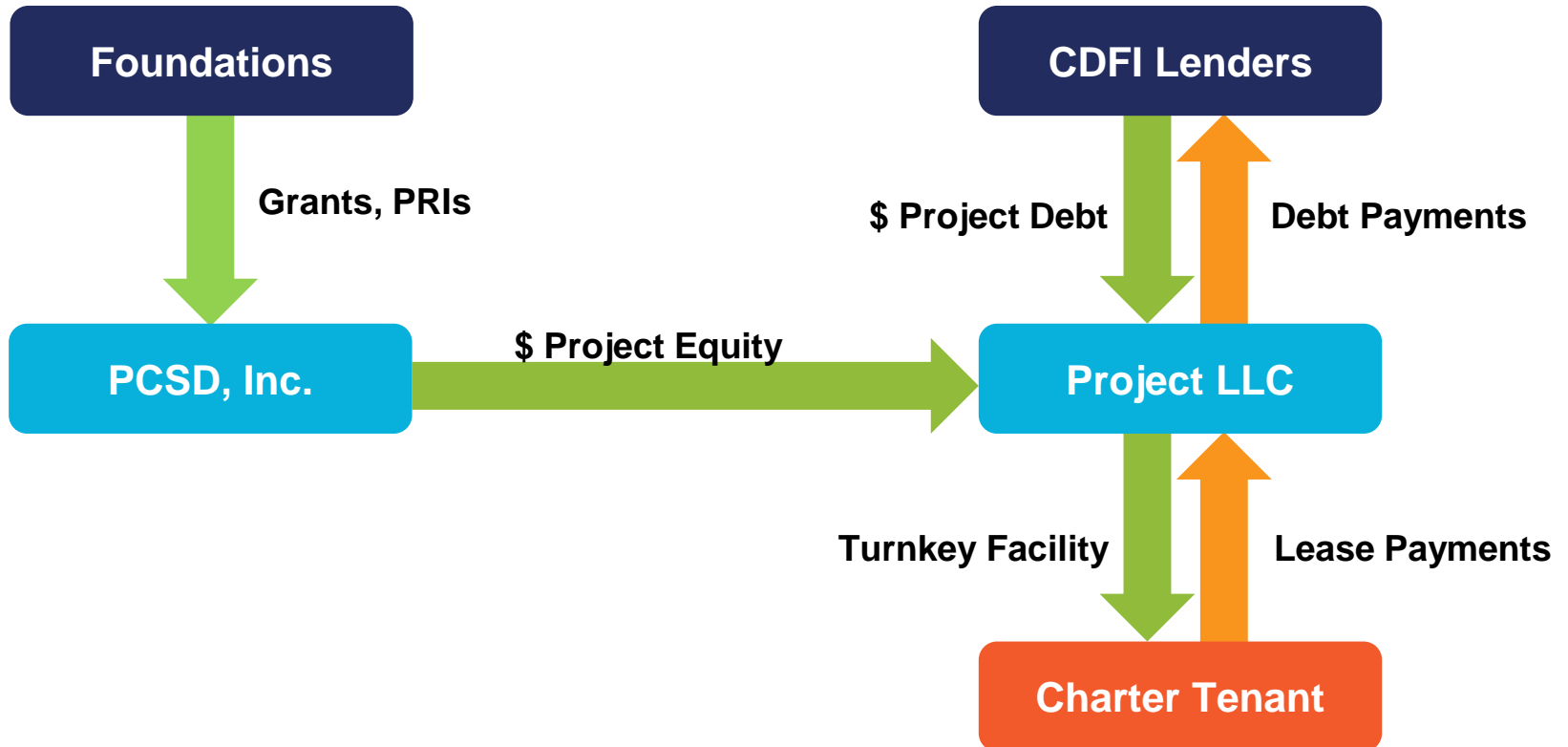
75%

Outperform local district

PCSD has raised a pool of \$112MM in philanthropic dollars to continue high-quality charter school growth.

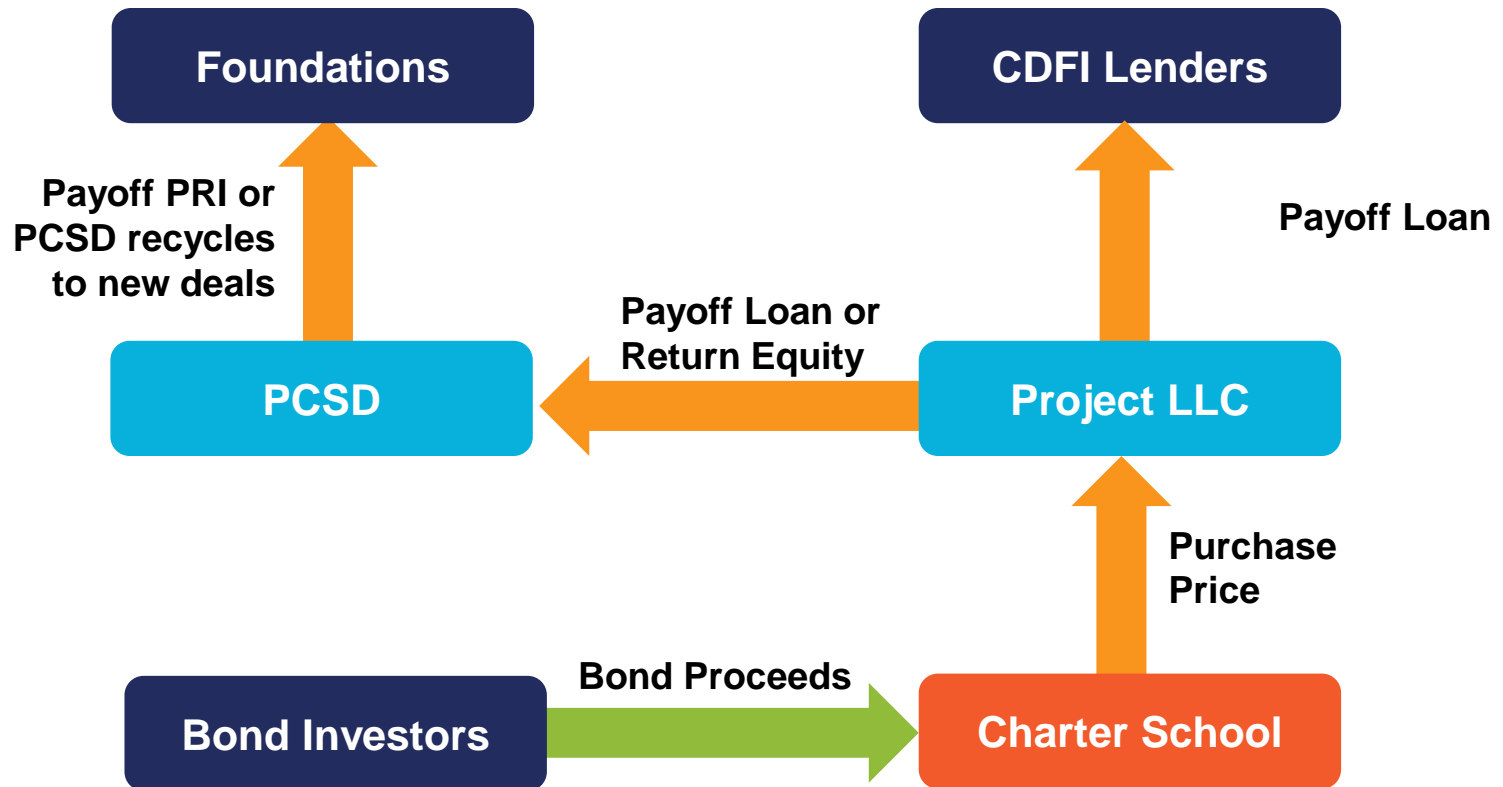


Our Primary Model



Takeout Through Client Purchase Option

Charter tenant obtains long-term financing (e.g. tax-exempt bonds) and purchases the facility at full enrollment, usually within 5-7 years.



Criteria include both academic and financial considerations

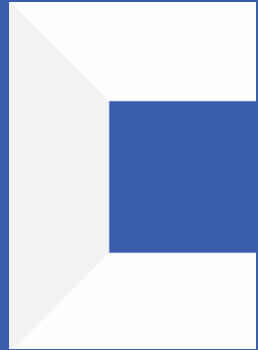
Growing Operator

High-Quality School

Financeable
Organization

Economical and
Financeable Deal

Portfolio
Considerations



Mission-Driven





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ALIGNMENT

□ PURPOSE OF OUR MISSION

- Excellent public education opportunities/options
- Supporting establishing, expanding, stabilizing and sustaining high performing schools

□ BUSINESS MODEL THAT OFFERS

- Operational efficiencies
- Maximizing percentage of school resources on direct educational and instructional components
- Low-cost facility financing = minimizing as much as possible per seat costs
- Intra-agency client service and information sharing coordination

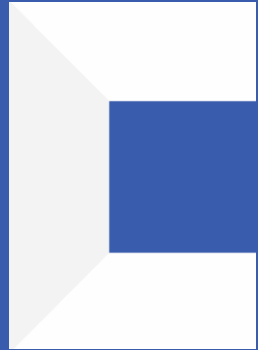
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Partnerships



Endeavor K-8: \$22.3 Million, 648 Students



Ednovate USC Hybrid HS: \$17.7 million, 480 students



Equitas ES: \$9.4 million, 500 students





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QUESTIONS?