

# Omaha Front Porch Investments

# OUR SUMMARY IN THE PRESENTATION

## THE ISSUE

### PROMISING PRECEDENT

#### Omaha, NE Front Porch Investments (FPI) Development & Preservation Fund

- **Currently \$54M public-private fund**
- Seeded by a \$27M from the The Sherwood Foundation
- Provides low-interest loans to nonprofit and for-profit developers for both multi-family and single-family affordable housing with a focus on 50%-120% Area Median Income
- Also provides grants to nonprofits to support access to housing opportunity and innovative solutions to housing

## THE POTENTIAL IMPACT



# DEVELOPMENT FUND

## PRECEDENT

### SOURCES OF FUNDS

#### **\$34 million in private funding**

- Seeded by commitments of from The Sherwood Foundation, Lozier Foundation and Peter Kiewit Foundation

#### **\$20 million in public funding**

- Supported by City of Omaha American Rescue Plan Act (ARPA) funding
- City of Omaha staff participate in the review of all ARPA funded projects

Funds **managed by Front Porch Investments** in collaboration with **CDFI partner, Impact Development Fund**

**Two funding cycles annually**, awarding between \$7M-\$12M per round. Approximately of 80% of awards are allocated as low-interest loans and 20% as grants.



# DEVELOPMENT FUND

## PRECEDENT

### USE OF FUNDS

#### **Mixed-Income, multifamily rental projects**

- New construction and preservation, 30-120% AMI

#### **Single-family, for-sale homes**

- New construction and preservation, 80-120% AMI

Approval **process** includes:

- Full underwriting by CDFI partner
- Review committee (FPI staff, board, community members, and City staff when applicable)
- Final approval of recommendations by **Front Porch Investments** board of directors

Loan Products include both short-term and long term:

- Short-term: up to 36 months, non-amortizing loans 1%-2% interest rates vary based on nonprofit or for-profit status
- Long-term: up to 25-year, 2% amortized, loan product with option for up to 2-years of deferment based on DTI
- Lien position based on percentage of capital stack and loan size; flexibility to accept second or third lien position at its discretion

**Targets** based on long-term and immediate housing goals

- FPI uses a [priorities matrix](#) in initial project alignment evaluation

