



STRATEGIC PRIORITY UPDATE

IMPACT INVESTING

An innovative tool for social and economic impact

Our communities are brimming with talent and assets, but in too many places, the lack of external investment holds people back from economic opportunity and quality of life.

Disinvestment drives many of the disparities we see in employment, income and homeownership that disproportionately harm communities of color – and economic disruptions like those of the last few years only exacerbate these challenges.

That's why the Greater Milwaukee Foundation is leading a new wave of investment in people, neighborhoods and enterprises across Milwaukee

– through the innovative model of **impact investing**, which invests capital in carefully chosen opportunities to help create the first rung on the economic ladder for neighborhoods and residents.

The Foundation and its partners have shown how impact investments can deliver measurable social and economic impacts, while also creating financial returns that generate revolving funds for future investments.

Now, it's time to take this powerful model to a whole new level of impact.



Our Vision

Impact investing offers a uniquely powerful way to advance our campaign vision of a Milwaukee for all – mobilizing opportunity across our region.

Driven by that opportunity, the Foundation will invest \$30 million in 50+ investments over a five-

year timeframe, including a goal of securing and deploying \$10 million in private philanthropy. This level of investment will have a transformative, lasting impact on businesses and communities.

How Impact Investing Works

Impact investments are structured as loans and equity investments that give recipients the support they need to move forward while creating the potential for returns.

Each investment **delivers a financial return** that can be reinvested into new projects – making this one of the most far-reaching ways to make a difference in our community.

By nature, impact investing **targets places that other investors and lenders have been unable to support** – responding to under-recognized opportunities that arise from our deep

engagement with the community and bringing resources to where they are most needed.

Impact investments backed by the Foundation **help leverage private and public investment** from other funders – creating a multiplier effect beyond the Foundation's initial investment.

Investments are driven by the Foundation's Impact Investment Committee made up of respected community leaders with investment expertise, who report to the Foundation's Board of Directors and vet all deals through a technical subcommittee.

Results to Build On

Since 2017, the Foundation has committed more than \$18 million across 34 impact investments – more than halfway to our goal of \$30 million and 50+ projects. These investments have already delivered on their promise of producing both social and financial returns, including the following highlights.

98% Loans in good standing

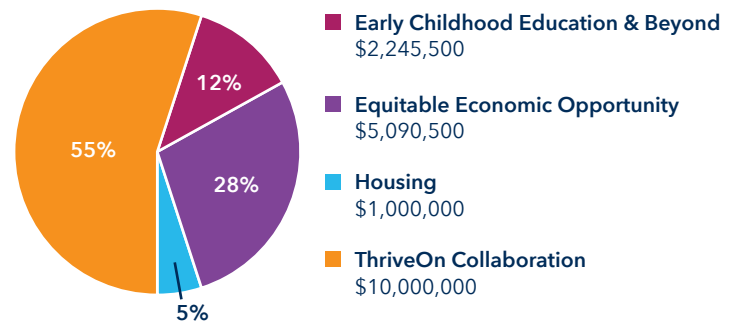
\$15.7M Investment dollars supporting businesses/projects led by people of color

\$1.8M Investment dollars supporting businesses/projects led by women

368 Jobs created or retained as a result of investments

\$57.4M Leveraged investment, including other investment capital in conjunction with Foundation support

Impact Investment by Focus Area



Cumulative committed investments to date

Featured Projects

JCP Construction

JCP Construction – founded by brothers Clifton, James and Jalin Phelps – received a \$1.54 million direct loan from the Foundation in 2022 to support growth and job creation, building on the Milwaukee-based firm’s 15-year track record.

The Foundation’s investment has helped JCP book more than \$35 million in new work, add five full-time and three part-time new staff, establish relationships with key partners and work on new and developing projects including the ThriveOn Collaboration’s ThriveOn King project.

Investment Type: Direct loan

Amount: \$1.54 million

Focus Area: Equitable Economic Opportunity

Northwest Side CDC: Home MKE Developer Support Initiative

This investment supports Northwest Side CDC’s Home MKE Developer Support Initiative, which provides affordable capital to ACRE program alums participating in the City of Milwaukee’s Home MKE program to rehab 150 homes.

The aim is to increase quality housing stock and homeownership for Black and Brown families while supporting developers of color to build their portfolio.

Investment Type: Loan to qualifying intermediary

Amount: \$500,000

Focus Area: Housing

ThriveOn Small Business Loans, Round 2

This relief round of funding focused on for-profit early childhood education centers in the city of Milwaukee, particularly in the Halyard Park, Harambee and Brewers Hill Neighborhoods prioritized by the ThriveOn Collaboration. Loans will allow center owners to hire personnel, sustain or grow operations, and/or provide capital support. Six centers were awarded loans.

Investment Type: Direct loan

Amount: Each up to \$50,000; total \$245,000

Focus Area: Early Childhood Education & Beyond

“Businesses and organizations in our region have to work collaboratively towards a shared vision for a bigger, brighter future. Impact investing provides that opportunity.”

GREG OBERLAND

Greater Milwaukee Foundation Board Member
and Donor

Immediate Funding Opportunity

For donors interested in joining in impact investing, the Foundation offers this immediate funding opportunity:

- Contribute to the Foundation’s **Impact Investing Fund**, which will invest in promising opportunities throughout our city to create both social and financial returns