



# Policy Priorities

Local Initiatives Support Corporation (LISC) is dedicated to helping community residents transform distressed neighborhoods into healthy and sustainable communities of choice and opportunity – good places to work, do business, and raise children. LISC mobilizes corporate, government, and philanthropic support to provide local community development organizations with financial assistance, technical guidance, and policy support. LISC has local offices in over 30 different cities and a national rural program that partners with more than 70 organizations in 47 different states.

LISC's comprehensive community development strategy focuses on five key objectives:

1. Expanding investments in affordable housing;
2. Stimulating economic development and community revitalization;
3. Increasing family income and wealth;
4. Improving access to quality education; and
5. Supporting safe and healthy communities.

LISC's commitment to this comprehensive approach towards community development means that we utilize a wide array of federal programs, cutting across numerous agencies and Congressional committees. Some of the most critical federal programs that contribute to our efforts, and to those of our community partners in rural and urban communities nationwide, are listed below. Maintaining funding and support for these programs is critically important to building healthy communities and expanding economic opportunity nationwide.

## Department of Housing and Urban Development

» The **Section 4 Capacity Building Program** provides critical grant support and technical assistance to build the capacity of local community development organizations, thereby allowing them to grow their work in affordable housing, economic development, and related activities.

- o LISC has invested Section 4 resources to build the capacity of 1,207 CDCs in 321 cities and rural communities. From 2003 to 2014, LISC's Section 4 investments have leveraged more than \$6.6 billion in direct real estate investments and have supported the development or preservation of over 41,000 affordable housing units.

» The **HOME Program** spurs revitalization in blighted communities by providing much-needed gap financing for the construction of rental and for-sale housing targeted to low- and moderate-income households.

- o Since 1992, the HOME Program has created or improved over one million affordable homes, and has provided rental assistance for over 271,000 tenants.



*UL2, a Native American Connections development supported by Section 4 dollars in Phoenix, Arizona.*

- » Other HUD programs that are critical to our work include:
  - o Community Development Block Grants;
  - o Housing Counseling Assistance;
  - o Section 8 Tenant- and Project-based Rental Assistance;
  - o McKinney-Vento Homeless Assistance Grants;
  - o Public Housing Capital and Operating Fund;
  - o National Stabilization Program;
  - o Choice Neighborhoods;
  - o Rental Assistance Demonstration (RAD);
  - o Section 202 Elderly Housing Program;
  - o Section 811 Persons with Disabilities Program; and
  - o Integrated Planning and Investment Grants.

## Department of the Treasury

- » The **Low Income Housing Tax Credit (LIHTC)** is the single most important federal resource available to support the development and rehabilitation of affordable housing—currently financing about 90 percent of new affordable housing development.
  - o In 2015, LISC, through its subsidiary the National Equity Fund (NEF), placed over \$960 million of equity investments into tax credit properties. Since inception, it has invested more than \$12.4 billion in 149,082 affordable rental residences.
- » The **New Markets Tax Credit (NMTC)**, administered by the Community Development Financial Institutions Fund, strengthens distressed communities by providing a tax credit to investors that make investments in businesses, real estate projects, and community facilities located in low-income communities.
  - o LISC, through its subsidiary the New Markets Support Company (NMSC), has placed \$854 million in NMTC equity investments in 100 different projects in low-income communities throughout the country, supporting \$2.3 billion in total development costs.
- » The **Community Development Financial Institutions (CDFI) Fund** offers numerous funding programs that support the capacity and growth of CDFIs, including the Financial Assistance program, the Technical Assistance program, the CDFI Bond Guarantee Program, and the Capital Magnet Fund.
  - o CDFI Fund award dollars have allowed LISC to offer innovative and flexible financial products used to finance affordable rental housing, charter schools, foreclosure mitigation, and healthy food retail projects.



*Paseo Verde, a mixed-use transit oriented development financed in part with LIHTC and NMTCs in Philadelphia, Penn.*

## Department of Agriculture

- » The **Section 502 Direct Loan Program** provides the targeted boost low-income families living in rural communities across the country need to purchase their own homes—it is one of the most cost-effective federal housing programs, with each loan costing the government on average \$9,000.
  - o According to the National Rural Housing Coalition, over the past 60 years, the direct loan program has helped more than 2.1 million families achieve homeownership and has helped build their wealth by more than \$40 billion.
- » Other USDA programs critical to our work include:
  - o Section 515 (Rural Rental Housing);
  - o Section 523 (Self-Help Housing Land Development Loans);
  - o Section 533 (Housing Preservation Grants);
  - o Section 542 (Multifamily Revitalization);
  - o Section 538 (Guaranteed Multifamily Loans);
  - o Rural Community Development Initiative;
  - o Section 504 (Very Low Income Repair Loans and Grants);
  - o Section 514/516 (Farm Labor Housing Direct Loans/Grants); and
  - o Section 521 (Rental Assistance).



*Self Help Housing Program participants building their new homes at Winegar Estates in Payson, Utah.*

## Department of Education

- » The **Charter School Credit Enhancement Program** helps charter schools overcome one of the biggest challenges they face—their inability to secure and finance adequate facilities. Credit enhancements provide leverage of private sector capital for acquisition, construction, or renovation to ensure precious public resources can be reserved for use in the classroom.
  - o To date, LISC has received five grants totaling \$41.5 million through the Credit Enhancement Program, which it has used to leverage more than \$533 million in private sector investments in 194 charter schools.



*Achievement First Academy is a charter school that opened in August of 2013 and will serve students from kindergarten to fourth grade in Providence, Rhode Island.*

# Department of Justice

- » The ***Byrne Criminal Justice Innovation (BCJI) Program*** mobilizes community members to work with law enforcement and other organizational partners to address crime using comprehensive, data-driven strategies.
  - o LISC was selected by the Department of Justice to be the national training and technical assistance provider for the BCJI program, and in that capacity is working with 60 communities around the country to help them use data and research to develop comprehensive crime - fighting strategies.



*Betsey Head Park, part of a BCJI grant site in Brownsville, Brooklyn, New York.*

# Corporation for National and Community Service

- » ***AmeriCorps*** engages Americans in intensive community service each year at nonprofits, schools, public agencies, and community and faith-based groups across the country.
  - o Since 1994, LISC has been an AmeriCorps grantee, helping to place over 2,700 AmeriCorps members in neighborhood organizations in more than 54 cities nationwide.
- » The ***Social Innovation Fund (SIF)*** makes grants to experienced grant-making intermediary organizations that are well-positioned within communities to identify the most promising program opportunities in the areas of economic opportunity, healthy futures, and youth development.
  - o LISC was one of 11 awardees from the inaugural 2010 award round, receiving \$21 million over five years to expand its Financial Opportunity Centers (FOCs). These one-stop shops that provide low-income individuals with critical services across three different areas (i) employment placement and career improvement; (ii) financial education and counseling; and (iii) income and work supports. LISC is now supporting over 70 FOCs in 26 different cities.
  - o In 2015, LISC received a new \$11 million, three year award from the SIF to implement the Bridges to Career Opportunity Program to improve employment for low-income, hard-to-employ unskilled workers.



*LISC AmeriCorps volunteers in Biloxi, Mississippi rebuilt and repaired fourteen homes on Carolina Avenue, which were severely damaged by Hurricane Katrina.*