In 2014, our Social Investment Practice made 12 new commitments totaling $20.4 million. Kresge’s investments aim to solve complex social problems with cross-sector solutions such as integrating social services into affordable housing, narrowing the digital divide in the health care safety net, financing small-business development in Detroit and supporting interventions to reduce juvenile recidivism. Over the course of the year, three loans were fully repaid and several others partially repaid, returning nearly $3 million to the foundation for new investments.

Our 2014 investments bring active commitments to $76 million, which has attracted an additional $400 million from third-party investors to advance Kresge’s program strategies.

HEALTHY FUTURES FUND

Established by Kresge, Morgan Stanley and the Local Initiatives Support Corp. in 2012, the $100 million fund utilizes Low-Income Housing Tax Credits and New Markets Tax Credits to expand access to health care and affordable housing for low-income residents. It supports the construction of affordable housing units with integrated health services and the expansion of federalally qualified health centers, fostering collaboration between affordable housing developers and health care providers. This add-on investment builds on a previous commitment and was made in concert with increased commitments from Morgan Stanley and LISC.

INVEST DETROIT

This guarantee supports a $5 million loan from Goldman Sachs Urban Investment Group as part of its $10.000 Small Businesses (10KSB) initiative. 10KSB is designed to help small businesses create jobs and economic opportunity through provision of access to business education, financial capital and support services. Our guarantee serves to offset a portion of the real and perceived risks of lending to small-business borrowers in underserved areas of Detroit.

MASSACHUSETTS HOUSING INVESTMENT CORP.

This investment supports the BUILD Health Challenge, a multilateral initiative of the Kresge, de Beaumont and Robert Wood Johnson foundations and the Advisory Board Co., a Washington-based firm that advises hospitals nationwide. BUILD – Bold, Upstream, Integrated, Local and Data-Driven – is expected to support community initiatives to improve health in as many as 14 low-income urban neighborhoods across the United States. This investment was made alongside related grant funding from our Health Program. At the end of 2014, fund commitments to the initiative totaled $6.5 million.

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This loan will be combined with $2.5 million from NeighborWorks Capital to provide the initial capitalization of the NeighborWorks Strategic Growth Fund, which will offer enterprise-level financing to NeighborWorks member organizations providing affordable housing, community development and other services in all 50 states and the District of Columbia. Financing will be made available to organizations seeking to plan in operational facilities, expand or create revenue-generating activities and finance capital contributions to new real estate development subsidiaries, Kresge and NeighborWorks Capital will work together to attract additional market-rate capital to expand the fund.

REGIONAL INVESTMENT FUND

Our $5 million loan will support the NeighborWorks Community Investment Fund, which will provide $15 million in loans and grants to NeighborWorks member organizations. The loan will support the initial capitalization of the fund, allowing it to provide additional financing to community development projects.

Partnering for Impact

This joint initiative of Kresge and the California HealthCare Foundation supports companies that have technology- or service-based solutions that extend the reach and effectiveness of the safety net – principally community health centers and clinics – by increasing patient access to care and lowering the cost of providing care. A complementary grant from our Health Program will be used to evaluate the effectiveness of the solutions.

OMADA HEALTH

Omada Health works in the emerging field of digital therapeutics. This investment extends the reach of an online diabetes program to low-income populations via pilots in select clinics and increased access among Medicaid plans.

Seamless Medical Systems

This investment accelerates the development of a technology product designed to improve the quality of patient intake, assessment and data, reduce billing errors and improve clinical site efficiency.

SC COMMUNITY LOAN FUND

The fund supports the development of vibrant, sustainable communities by providing loans, technical assistance and advocacy for affordable housing, healthy food retail and community facilities and businesses. This loan was made alongside a $450,000 grant from our Health Program, allowing the expansion of the lender’s healthy food financing and related activities.

THE STRONG FAMILIES FUND

This joint initiative of Kresge and the California HealthCare Foundation funds community service coordination to improve outcomes for residents and investors as well as savings for the public sector. We have committed $7.75 million to the initiative, including $6.5 million in social-investment commitments and a $1.25 million grant to the New York-based Corporation for Supportive Housing, which will administer the fund. The Robert Wood Johnson Foundation will provide $4.8 million in grant funding, a significant portion of which will fund the outcome payments.

COMMUNITY DEVELOPMENT TRUST

We have partnered with Community Development Trust and Westpah, the pension and investment fund serving the United Methodist Church, to provide permanent financing to housing projects in the Strong Families Fund. Our loan provides credit enhancement and reduces the cost of capital to projects.

NATIONAL AFFORDABLE HOUSING TRUST

Great Lakes Capital Fund

The above two guarantees will increase project-level reserves for projects in the Strong Families Fund, enabling that money to be used for resident service coordination. Our partners in the Strong Families Fund are Goldman Sachs Urban Investment Group, Key Bank, the National Affordable Housing Trust and Great Lakes Capital Fund.