



Jacksonville Affordable HOUSING FUND

AN OPPORTUNITY TO INVEST
in affordable housing and make an
impact that will last for generations

THE ISSUE: A Shortage of Affordable Housing

Affordable housing is scarce in Duval County, affecting teachers, nurses, police officers, other workers, as well as seniors. Long-term residents face increased risk of displacement from their homes as rents rise beyond what they can afford. In recent years, the majority of Jacksonville's renter households were rent burdened, spending more than 30% of their income on housing. For every 100 families searching for housing on 50% of the median household income, only 48 rental units are available to them.



**PERCENT OF
JACKSONVILLE
RENTERS WHO ARE
COST BURDENED:**

52%

THE PROPOSAL:

The Jacksonville Affordable Housing Fund

Drawing on best practice research from across the country, the Jacksonville Affordable Housing Fund is a specially designed investment vehicle to increase the supply of affordable, multifamily rental housing. The first investor would be the City of Jacksonville, which would commit \$10 million to jump-start the fund, and private and philanthropic partners would then invest \$30 million to create the \$40 million fund. The fund would be administered by Self-Help Ventures Fund, a Community

Development Financial Institution that has managed four similar funds in North Carolina. The fund would have a 20-year lifespan, and offer two products: **bridge financing for acquisition and pre-development costs**, and **gap financing for development**.

The Community Foundation and the Jessie Ball duPont Fund have researched housing solutions for years, and are working in partnership with Self-Help Ventures Fund,

Northern Trust, and the City of Jacksonville to replicate this proven model in Jacksonville.

“As impact investors, we hear about proposed housing funds often. This fund is exciting because it uses a proven model with a trusted loan administrator, and it provides significant protection to private and philanthropic investors,” said John Donahoo, Managing Director of the North Florida Market for Northern Trust.



Why Gap Financing

Developers rely on tax credits to make affordable housing projects work. The largest source of funding is 9% tax credits, but they quickly run out – on average financing only one project in Duval County per year. Meanwhile, 4% tax credits are more available, but they provide less financing and often go unused. The state of Florida offers gap financing through the State Apartment Incentive Loan (SAIL) program to developers who want to use 4% tax credits. SAIL financing has been successful in getting affordable housing projects off the ground, but it, too, runs out every year.

The proposed Housing Fund would create Florida's first private, local equivalent of SAIL. It replicates a proven model that has already been successful in Raleigh, Durham, and Greensboro, North Carolina.

The Housing Fund emerged as a top recommendation in several city-led studies on housing, including the Special Committee on Critical Quality of Life (December 2022), the City of Jacksonville Housing Partnership Strategy Summit (December 2022), as well as the Special Committee on Homelessness and Affordable Housing (August 2023).

LEVERAGING CAPITAL FOR IMPACT:



\$120M in Affordable Rental Housing

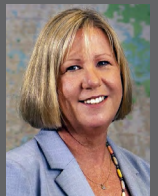
The fund enables the development of an estimated \$120 million of real estate:

500-1,000 NEW UNITS

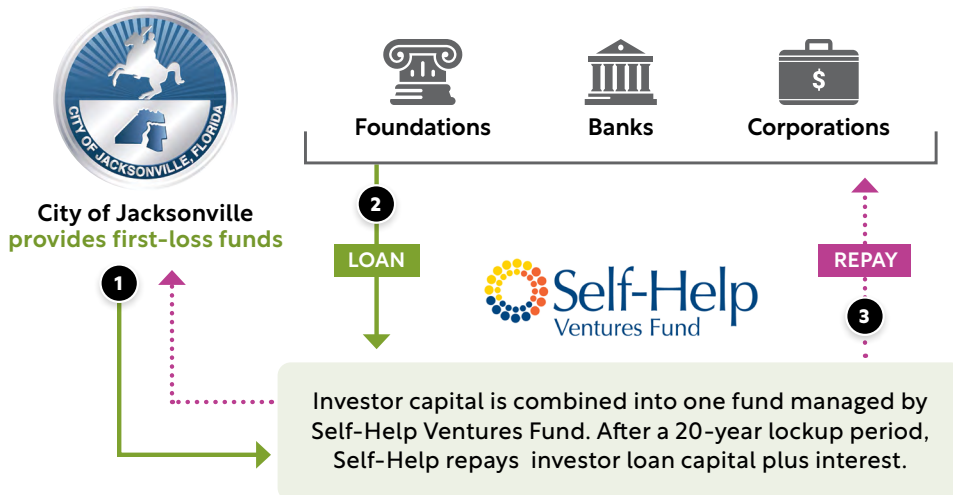
of multifamily, affordable rental housing that otherwise would not exist. Investors' capital is returned, & can be re-invested to create another housing fund.

“ Our housing crisis is becoming more urgent every day. We need creative solutions like the Jacksonville Affordable Housing Fund to bring much more capital into our community to increase the supply of housing.

— Shannon Nazworth, CEO, Ability Housing



HOW THE FUND IS CAPITALIZED:



To discuss or join this investment opportunity, contact James Coggin at jcoggin@jaxcf.org or Chris Crothers at ccrothers@dupontfund.org.

