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MEMO

To: Board of Trustees
From: Nick Williams, Impact Investment Committee Staff Liaison
Date: December 4, 2024
Re: Impact Investment Committee Update

The Impact Investment Committee met on October 31st to hear a pitch from the NM Angels about the New Mexico Vintage Fund. The Committee met again on November 7th. After discussing the presentation, the Committee determined to invest \$100,000 in the NM Vintage Fund 2024.

Additionally, the Committee heard from the Levado Consulting group at the November 7th meeting. Levado reviewed the work they had done with the Committee during 2024. Then Levado reviewed a deal they were presenting to invest in housing project with YES! Housing. The Committee will be meeting in December to vote on the YES! Housing deal.

Lastly, the Impact Investment Committee is pleased to present the following report summarizing the social returns of the Foundation's impact investments in 2024.

November 2024 Impact Investment Committee Report

In 2016, the Albuquerque Community Foundation launched an impact investing portfolio where the Foundation may invest up to 5% of the Foundation's endowment funds in local investments seeking positive social and environmental impacts and returns alongside financial returns. While our developing experience over the last several years demonstrates that we can obtain social impact returns without sacrificing financial returns, this program also allows the Foundation to promote and seek social returns even financial returns do not achieve rates of return consistent with the policy goals of ACF's regular investment portfolio.

The Foundation's Impact Investment portfolio is aligned with the Foundation's broader vision and focuses on the Greater Albuquerque Metropolitan Area. However, investments elsewhere in the State of New Mexico are permitted. To date the portfolio has invested \$5.45M. During the life of the impact investing program, the Foundation has also deployed \$141.6k in community impact grant funding toward portfolio investees.

Impact Investment Program Objectives

- To stimulate entrepreneurial initiatives and economic development;
- To contribute to the creation and retention of jobs that offer living wages and benefits;
- To provide availability and access to affordable capital;
- To increase the supply of and improve access to affordable housing;
- To enhance the quality of life through the vitality of the downtown area and other strategic locations;
- To promote a more vibrant community, especially in collaboration with other investors (including donors) to increase leverage: and/or
- To promote quality educational opportunities.

To date, impact investments have been made in two basic ways: (a) equity (ownership) investments in intermediaries who invest in private companies in the Greater Albuquerque Metropolitan Area; and (b) low-interest loans to a range of non-profit entities. With regard to the equity investments, ACF has sought to utilize intermediaries led by knowledgeable investors in start-up and early stage companies headquartered in New Mexico. The use of intermediaries allows the Foundation to take advantage of local, sophisticated expertise, while relieving the Foundation of (arguably) be in the position of picking individual "winners" and "losers" for our investments. The investments are described in detail below, broken into various categories based on the nature of the investments and the types of social returns envisioned.

Private Equity Investments

As detailed in this section, job creation is one of the key goals of our private equity investments. A related goal is retention of the businesses in which these funds are invested in New Mexico. Business retention is important to developing the private economy in New Mexico, of course, and we need to promote local investment to help combat the risks that out-of-state funders

would insist that local companies move closer to the investor base. Hence, the social returns we seek through these investments include job creation and retention, business growth and retention. Of course, we also seek a financial return as well. The private equity funds in which ACF has invested, in turn, have invested a total of \$42.8M in NM early-stage companies.

1. **ABQid Fund I LP:** The investment strategy of ABQid Fund I, L.P. is to make investments in early stage, high-growth companies, mainly those who participate in an accelerator program operated by ABQid, Inc., a New Mexico nonprofit corporation. The Accelerator was created on the belief that there is substantial untapped entrepreneurial potential in the Albuquerque, New Mexico area and that training, support and seed investment are necessary to realize that potential.

2 & 3. **Ingenuity Venture Fund I & Ingenuity Venture Fund II, LP:** The investment strategy of the Ingenuity Venture Fund I (ABQid Fund I Sidecar, LP) and Ingenuity Venture Fund II, LP is to foster entrepreneur-led economic development by funding high growth startups in NM and connecting them with investors within as well as outside NM. <https://ingenuityventurefund.com/>

4, 5 &6. **Tramway Venture Partners LP, Tramway Venture Partners II, LP & Tramway Venture Partners III, LP:** Tramway Venture Partners and Tramway Venture Partners II, LP are early-stage funds making equity investments in high return opportunities in health care and the life sciences, primarily in New Mexico. The focus will be business opportunities with products or services that exploit convergent technologies: those that lie at the intersection of physical sciences/information technology with the life sciences and health care. For more information about Tramway Ventures, see <https://tramwayventures.com/>

7. **Verge I II Combined, LP:** The investment strategy of Verge I II Combined, LP is to build an innovation economy in NM by investing in high growth startups in NM. The Partnership will focus its investment activity in four specific high-technology sectors: cleantech/energy, electronics/instrumentation, human factors and software-as-a-service (SaaS). For more information about Verge, see <https://www.vergefund.com/>

Social Return for Private Equity Investments: Supporting Entrepreneurship, Job Creation and Access to Capital Investments => Please note that the number of jobs created is not due solely to ACF’s investment, but rather is the result of the Private Equity funds total investments:

	ACF Investment	Jobs Created*	Avg. Salary	Portfolio Companies**
1. ABQid Fund I	\$250,000	24	\$67,000	9
2. Ingenuity Ventures Fund I	\$500,000	130	\$58,000	11
3. Ingenuity Ventures Fund II	\$500,000	Not yet deploying capital		
4. Tramway Venture Partners	\$250,000	27	\$151,823	3
5. Tramway Venture Partners II	\$750,000	5	\$146,407	3
6. Tramway Venture Partners III	\$250,000	Unknown, investment approved in Q3 24		
7. Verge I II Combined Fund	\$250,000	56	\$79,474	5

* As of 06/30/2024, current active portfolio companies only

**current active NM portfolio companies (does not include companies acquired or written-off)

Loans to Entrepreneurs Through Intermediaries – Access to Capital

- 1. Nusenda Credit Union Foundation’s Co-Op Capital Program:** NUSENDA is a not-for-profit corporation chartered under the Federal Credit Union Act. NUSENDA has created and operates an innovative, relationship-based, micro-lending program that provides capital to entrepreneurs that have no access to collateral, are credit-challenged, or lack the support of alternative financing, enabling the entrepreneurs to start or expand businesses (the "Co-Op Capital Program"). For more information about Nusenda’s Co-op Capital program, see <https://www.nusendafoundation.org/partner-programs/co-op-capital>

2024 Update & Metrics

We are in our sixth year of a seven-year PRI award from the Albuquerque Community Foundation, which we first received in 2018. The following report details data for the second quarter of 2024, as well as cumulative data for the overall program where appropriate. We continue to reach people of color, women, Indigenous people, and immigrants through this project. Seventy-seven percent of borrowers this quarter identify as people of color ($n=17$). Five borrowers are Latino (two of whom are immigrant borrowers), 10 are Native American, one is African American, one is Asian American, and five are white/non-Latino. Over half of the borrowers this quarter identify as female (63%). In terms of the workforce, the loans supported 14 full-time employees, three part-time employees, and one contractor.

Progress Toward Goals: At the time of this report, we have exceeded almost all our projected goals. We have onboarded 21 organizations (210% of goal), lent over \$2,673,554 (over 534% of goal), and approved 432 loans (over 144% of goal), with one more year to go on the investment.

The most exciting part, however, is the diversity of our portfolio and the successful repayment of our borrowers. Of the 22 borrowers this quarter, 17 identify as Black, Indigenous, and People of Color or BIPOC (77%), five are Latino (two of whom are immigrant borrowers), 10 are Native American, one is African American, one is Asian American, and five are white/non-Latino.

Albuquerque Community Foundation – Co-op Capital 2024 Q2 PRI Report 10

Fourteen of the 22 borrowers this quarter identify as female (63%). Six borrowers this quarter have children ages zero to eight.

Since inception of the grant, approximately 92% of borrowers have identified as BIPOC, with half being Indigenous (50%), and one third are immigrants (31%). Our loans have reached 11 counties in New Mexico, as well as Indigenous borrowers in seven counties in Arizona and 10 borrowers outside of New Mexico and Arizona. Twenty-eight percent of borrowers have children ages zero to eight. Repayment is at 98%.

The loans support a variety of purposes including business expansion, purchasing equipment and inventory, improving operational efficiencies, and funding specific projects like

installing irrigation systems and solar panels. Loans also provided personal assistance for essential needs such as housing repairs, utility bills, and school supplies for grandchildren.

Quantitative Measures	Actual Result This Quarter	Actual Results PRI Period to Date	Projected Results by End of PRI Period
# of member organizations offering new financial loan products to their affiliates during the PRI period	20	20	11
# of loans provided by member organizations serving low-income, immigrant, minority, and Native American micro-entrepreneurs	22	432	300
Cumulative \$ affordable capital disbursed to low-income entrepreneurs, entrepreneurs of color, and immigrant families	\$174,000	\$2,673,554	\$500,000
% of loans paid back on time	98%	98%	95%
% of recipients successfully meeting the expectations of their loan agreements	98%	98%	75%

Quantitative Social Impact Metrics	Quarter to date	Inception to date	Year 10 Goal	
A Target Entrepreneurs¹ who received a SEG Pledge / Co-op Capital Loan	April 1 to June 30, 2024	Inception to June 30, 2024	Range Low – High	
# of loans	22	432	200	330
\$ amount of loans	\$174,000	\$2,673,554	800,000	1,320,000
B Loans to Native American entrepreneurs on Tribal Lands²				
# of loans	7	104	19	31
\$ amount of loans	\$40,000	\$650,444	56,250	93,750
C End borrowers with children 0-8 years old				
# of loans	6	120	21	34
\$ amount of loans	\$55,000	\$749,281.76	82,500	137,500
D Loans to immigrants to address immigration status				
# of loans	0	11	49	81
\$ amount of loans	0	\$89,397	36,750	61,250
E Loans to immigrant entrepreneurs				
# of loans	1	50	38	63
\$ amount of loans	\$10,000	\$312,078.89	37,500	62,500
F Loans to immigrants for higher education				
# of loans	0	4	51	85
\$ amount of loans	0	\$12,100	52,500	87,500
G Loans to immigrants for other purposes (e.g., medical expenses, auto loans)				

# of loans	1	69	24	40
\$ amount of loans	\$10,000	\$310,149	12,000	20,000
H Jobs created or retained due to SEG Pledge Loans³				
# of jobs created or retained among Target Entrepreneurs	18	562	214	353
I Other Metrics				
Average % increase in owner's draw as a result of receiving SEG Pledge Loan (to be reported annually by each partner organization) ⁴	0	0	20%	28%
# and % of businesses funded in years 1-3 still in operation on the 5th and 10th anniversary dates of the disbursement date	0	0	128; 60%	212; 60%

2. **DreamSpring:** DreamSpring (formerly known as Accion) is a New Mexico nonprofit corporation. DreamSpring is an award-winning organization that increases access to credit, issues loans, and provides a community of support to help entrepreneurs realize their dreams. DreamSpring’s sole program provides microenterprises and small businesses primarily in New Mexico, Arizona, Colorado, Nevada, and Texas with credit and business support not available from the commercial lending sector. The ACF loan to DreamSpring was to expand its credit and business support, focused on the area of providing support to businesses affected by Covid-19. For more information about DreamSpring, see <https://www.dreamspring.org/>

- DreamSpring issued 2,414 loans totaling \$69,898,717 in New Mexico through Q2 2024, creating or sustaining an estimated 4,053 jobs.

Access to Capital - Loans

	<u>ACF Investment</u>	<u>Loans</u>	<u>Avg. Loan</u>
1. Nusenda Credit Union (Co-op Capital)	\$200,000	432	\$7,206
2. DreamSpring	\$250,000	4,053	\$27,253

Real Estate Equity Investment

1. **Titan Development Real Estate Fund:** Titan is an Albuquerque-headquartered real estate development company. Titan’s fund is designed to create development in high growth secondary and tertiary markets. Their strategy is to develop best-in-class assets, lease up to 90% stabilization and sell, returning capital to investors. Their primary asset classes are multifamily, self-storage, senior living and industrial. The Highlands East project, adjacent to the renovated and expanded downtown location of Presbyterian Hospital, drew attention to help with east Downtown urban redevelopment. The projects in which this Fund is invested include several other projects. To learn more about Titan’s investment funds, see <https://www.titan-development.com/privateequity>

Direct Loans – Real Estate Project Investments

As indicated in the narratives and table that follows, many of ACF’s impact investments have been made in parallel to investments from other entities, public and private. Through our

program, we have learned that other foundations (Kellogg, Kaufman, for example) look to ACF to assess whether there is local community support for various projects before they decide to invest in themselves. Consequently, while ACF's investments may appear modest when considering the size of ACF's loan, the impact of ACF's participation is far greater.

1. **Homewise Orpheum Theatre Project:** The mission of Homewise, which was started in Santa Fe and has expanded its mission to Albuquerque, is to help create successful homeowners and strengthen neighborhoods so that individuals can improve their financial wellbeing and contribute to the vitality of communities in New Mexico.

This loan, the first investment ACF made through its impact investment program sought help fund the purchase and rehabilitate the Orpheus theater building at 2nd and Coal in downtown Albuquerque for Homewise's Albuquerque homeownership center and creative community hub. The first floor includes Homewise's Albuquerque Homeownership Center offices in addition to theater and conference spaces, which are open for community use and where Homewise conducts financial literacy workshops. On the second floor, Homewise manages nine apartment units occupied all by low-to-moderate income residents. By locating Homewise's Albuquerque homeownership center in the heart of the communities they most heavily serve, they are not only contributing to enhanced quality of life through the services they provide, but also through their very own financial and physical commitment to increasing the vibrancy and vitality of the area. The large open performance space in the building offers an ideal location for their classes as well as an opportunity for Homewise to host art, theater and performance exhibitions to support the local artistic community as well as community related meeting and activity space. Since the Orpheum reopened in 2019, Homewise has hosted a total of 16 Artwalk events, 84 community events, 20 Homebuyer Education classes and 9 Financial Fitness classes. Burque Unite, the thesis exhibition for UNM student, Gerald Lovato, is a recent example of the type of community event Homewise hosts at the Orpheum. In addition to sharing his artwork, Lovato organized this as a community event that included a free meal and created a community healing space in which residents could have open conversations about mental health. It was the best-attended event to date with approximately 300 attendees. Homewise has also partnered with Healthcare for the Homeless' s Artstreet program, which is a program that provides marginalized communities access to the arts by offering a safe space for artists to create art, learn skills and connect to artistic communities. For more about Homewise generally, see <https://homewise.org/>

** Note, this loan has been repaid in full.

2. **Homewise Home Renovation:** This loan to Homewise was to help fund their Neighborhood Revitalization without Displacement program in Albuquerque neighborhoods with widespread blight and few housing options for the population living in this part of town. To date the objectives of this program are to:
 - Improve quality of life and economic conditions in disinvested neighborhoods
 - Provide affordable housing options for residents and help support property values to limit displacement.

- Transform homes that have become symbols of distress into symbols of revitalization and hope.

To accomplish these objectives, Homewise follows a three-pronged strategy:

- Acquire/rehabilitate/resell vacant, abandoned, and neglected homes.
- Offer home improvement assistance to current homeowners for needed repairs.
- Offer an affordable purchase/rehabilitation loan for new homebuyers to buy a home in need of repair.

2024 Update/Metrics:

- # of homes acquired and/or rehabbed: there are 9 homes in the pipeline for Q3 of FY24 and Q2 of FY25
- # of low-income families assisted through the program: 8 properties were sold to low-to-moderate income families. 7 were < 80 AMI, and 1 was at 150 AMI.
- # of homes sold as part of this program/increase in equity after rehab: 8 rehabbed properties were sold between Q3 of FY24 and Q2 of FY25.

3. **Homewise Ruppe:** This loan to Homewise was to help renovate the Ruppe Drugstore on south Fourth Street in Barelás. The Ruppe Drugstore was a cultural institution that served the residents of Barelás, one of the oldest neighborhoods in Albuquerque. The store’s closing in 2011 left a cultural and economic hole in an already economically distressed area. Homewise purchased the building in 2017, renovated it and re-opened the space in 2019. The activation has brought the Ruppe to life while providing accessible and affordable artistic, cultural, and educational programming.

2024 Update/Metrics:

Homewise is excited to have secured a new tenant at the B. Ruppe, the first commercial development it completed in the Barelás neighborhood in 2020. Solamente Holistic Health, who took over the lease in July 2024, employs therapists, healers, and medical professionals who come together to provide ongoing holistic care, supportive therapy for all ages, grief counseling, and other beneficial practices such as yoga and nutrition. This health and wellness use is responsive to community desires for a health operator to practice at the Ruppe and addresses local health needs indicated by provider availability and general conditions. Solamente’s owner, Elisha Rose Trujilo, is honoring the history of this building as a community space, hosting dance, music, and arts events during evening hours when the clinic is closed for the day.

4. **Homewise Barelás Kitchen Project:** Barelás Central Kitchen will be a commissary and training facility to support entrepreneurs engaged in emerging local food businesses. It will be located at 4th & Bell, a large commercial building in Barelás with a long history of experimental arts and food production. The 10,000 square-foot facility will include certified commercial kitchens, a tasting room, culinary classroom, community event space, and office and production space for entrepreneurs.

2024 Update/Metrics:

While the Barelvas Community Kitchen construction is still underway as of the writing of this report, Homewise continues to engage community members in advance of the project's completion, which we expect in mid-December 2024. The team is working closely with the anchor tenant – the Street Food Institute – to identify businesses and creative entrepreneurs to fill the three-street facing food retail units and the nine second-story office/studio units.

5. **Homewise Barelvas Early Education Project (Koala Learning Academy):** This loan to Homewise is to help open a high quality bilingual early learning center located at the historic corner of Second and Hazeldine, directly across from the Railyards in the Barelvas neighborhood. The daycare will occupy 3,432 square feet and will serve roughly 60 children, from infants up to age five. Additionally, this five-star daycare intends to hold over 50% of the slots for low-income families who use state subsidy to pay for their services.

2024 Update:

In June 2024, Koala was awarded a grant for the New Mexico PreK (NM PreK) program less than a year after opening. NM PreK is a free program during the school year that delivers high-quality education and focuses on providing a fun, rewarding, and developmentally appropriate learning environment for children ages three and four. The program is the most significant financial stabilizing source of income for childcare and education programs. As a reminder, the development of this early learning facility was directly in response to the Voice of Barelvas Community Impact Measurement Survey that Homewise conducted in 2020, where residents overwhelmingly identified high quality childcare and workforce development opportunities as development priorities. The Community Development Department completed a second round of the Voice of Barelvas Community Impact Measurement Survey in Barelvas this summer. Staff completed surveys with 140 households. Key findings include:

- Residents' satisfaction with the neighborhood has increased since 2020, but so has their concern about being priced out of the neighborhood due to rising housing costs.
- Residents report feeling somewhat safer in the community at night than in 2020, but their top concerns with the neighborhood are crime/safety and homelessness.
- More residents are walking and biking in the neighborhood now than in 2020. Personal health is the greatest barrier for those that aren't.
- Residents are proud of the culture and history of the neighborhood.
- Over 80% of respondents said that they would most like to see a grocery store if there is future development in the neighborhood.

See below chart for Homewise metrics across all investments:

INDICATOR	OUTPUT DESCRIPTION	ANNUAL TARGET	FY24
Place Making: Support commercial corridor activation through events and business coordination activities.	Visitors / customers attracted to events hosted in Homewise owned commercial properties in Barelas (B. Ruppe, Orpheum Community Hub)	750	1265
Economic Development: Support local businesses through responsive commercial development projects and local sourcing. Tenant engagement.	Commercial occupancy rate (B. Ruppe, 4 th and Barelas storefront units, Koala Learning Academy)	90%	96%
	% of businesses growing/expanding (increased sales, jobs, customers/visitors)	25%	67%
	Tenant satisfaction rate (anonymous)	90%	100%
Koala / 4 th and Barelas Construction Jobs	Full-time construction jobs (daycare and kitchen)	80	72
	Average hourly wage of construction jobs	\$22.21	\$ 25.00
Koala Learning Academy Specific Outcomes	Permanent full-time jobs	14	9 ¹
	Average hourly wage of full-time jobs	\$18.70	\$10.00
Koala Learning Academy Specific Outcomes	Salary range for full-time jobs	\$37,400 - \$81,740	\$20,107 - \$25,653
	Permanent part-time jobs	12	4
	Average hourly wage of part-time jobs	\$14.50	\$15.50
	Hourly wage range for part-time jobs	\$14-\$15	\$11-\$20
	Permanent jobs with benefits (health, dental, vision, life, 401k, vacation/sick)	25%	39%
	Children (0-5 years old) enrolled in high quality childcare	60	26 ²
	Childcare enrollees who are covered by state subsidy	50%	80.77%
Street Food Institute Specific Outcomes	Businesses supported through commissary kitchen leases	15	Opening Winter 24
	Jobs supported through commissary kitchen leases	20	Opening Winter 24
	Businesses enrolled in Street Food Institute's training program	20	Opening Winter 24
	SFI businesses that are woman and/or minority owned	70%	Opening Winter 24
	SFI businesses that complete the program	18	Opening Winter 24
	SFI businesses launched	4	Opening Winter 24
			Opening

Home Renovation / Rehab	# low-income families assisted through the program	7 <80AMI 1@150AMI
	# acquisition rehab homes sold	8

6. **South Valley Social Enterprise Center:** This loan helped support the mission of Partnership for Community Action (PCA), which is to build strong, healthy communities throughout New Mexico by investing in people and families, supporting people to become strong leaders in our neighborhoods and in New Mexico. The South Valley Social Enterprise Center is a private-public partnership that will implement economic development strategies to alleviate poverty and create opportunities across generations.

The Center is a community-led economic development initiative allowing families and neighborhoods to benefit from production/manufacturing jobs, professional development, a high quality dual-language early learning center, and educational support. The Center will be managed by the South Valley’s PCA and anchored by tenant Southwest Creations Collaborative (SCC), a women-driven, 25-year-old contract sewing social enterprise, enabling SCC to expand its operations. The center is a total of 17,360 sq. ft. and Southwest Creations Collaborative occupies 12,487 sq. ft.

Current tenants in the building include Partnership for Community Action, Abriendo Puertas/Opening Doors National, Southwest Creations Collaborative. NM Environmental Law Center is also on the campus in the old building.

- As of October 2024, PCA employs 10 full time staff members, 3 independent contractors, Southwest Creations Collaborative employs an unknown number of people, and Abriendo Puertas/Opening Doors AP/OD (national non-profit) employs 3 fulltime NM based staff, 4 independent contractors, and has 35 implementing partners + vendors. AP/OD has 11 national staff connected to the NM operations.
- The Social Enterprise Center is a community action campus that supports and drives community-led economic development- building power through dignified wage jobs, leadership development and action, career pathways, strong local small businesses, multigenerational family engagement, and educational support resources. The SEC invests in people as drivers of transformational change, building engaged, healthy, vibrant communities where everyone has quality education, holistic well-being, and economic prosperity.
- Including the 2023 PCA impact report that uplifts the activity the SEC supported last year: <https://www.forcommunityaction.org/wp-content/uploads/2024/05/impact-report-2023.pdf>

7. **Siembra Leadership High School Foundation:** Siembra Leadership High School Foundation is a New Mexico nonprofit corporation and a public charity. In 2022, Siembra purchased two existing facilities in downtown Albuquerque which will be developed into a charter school facility. This loan was to provide financial assistance to Siembra for the acquisition and renovation of these properties.

2024 Update/Metrics:

- Number of students currently enrolled - 458
 - 307 - Day students
 - 75 - Night students
 - 66 - Virtual students
 - 10 - Asynchronous credit recovery
- Enrollment trends. e.g.- year over year enrollment is up/down by x%
 - In nine years, Siembra has seen a 1,568.97% increase in enrollment from October 2016 (29) to October 2024 (455)
 - Between Fall 2023 and Fall 2024, the student enrollment at Siembra Leadership High School increased from 279 to 450 students. This represents a growth rate of approximately 62%, highlighting a strong and increasing demand for the school's programs and educational offerings.
 - Siembra has made an intentional choice to increase enrollment during each school year, rather than refuse service to young people. For the 2023-2024 school year, Siembra saw the sharpest increase in enrollment during a year with 150 additional students.
 - As of October 2024, Siembra has successfully offered placements to 119 students who were on the waitlist.
- Student demographics. This can look like general household income levels, underserved population info, etc.
 - Hispanic/Latinx - 73%
 - American Indian - 7.6 %
 - Black - 5.7 %
 - Asian - .2 %
 - Special Education - 24%
 - English language learners - 17%
 - Students who come to Siembra behind on credits: 30%
- Graduation rate
 - We have consistently graduated 95-97% of our students within 4 years or sooner after they have come to Siembra.

The strategic funding and expanded facilities have transformed Siembra Leadership High School's ability to honor our young entrepreneurs in Albuquerque. With two full and vibrant buildings, students now have dedicated spaces that honor their cultural heritage through beautiful murals while providing room for movement and hands-on project-based learning. This enhanced environment has empowered students to develop and grow their business ventures with greater resources and support. As these young entrepreneurs launch their initiatives, they're not just building their own futures – they're contributing to Albuquerque's economic development, creating a ripple effect of positive change throughout the community.

This funding directly empowers its junior and senior students to become real-world entrepreneurs. Through access to capstone funds, these students receive crucial seed money to launch and grow their own personal businesses. These young entrepreneurs actively participate in Albuquerque's downtown scene, showcasing and selling their products at community events like Art Walk and Siembra Open House. Students retain their profits, allowing them to reinvest in their businesses and gain authentic experience in financial management and business growth. With two new buildings providing enhanced spaces for movement, culturally relevant murals, and project-based learning, Siembra has created an environment where students can fully develop their entrepreneurial vision. This approach not only provides valuable hands-on business experience but also contributes to downtown Albuquerque's economic vitality, as students transform from learners into active participants in the local business community.

8. NM Black Leadership Council

The NM Black Leadership Council works in five (5) areas of impact: Positive Youth Development, Advocacy & Civic – Engagement, Workforce & Leadership Development, Health (Behavioral, Financial, Physical) and Cultural Vibrancy.

In order to have maximum impact in each area of interest, the NMBLC is working diligently to create an appropriate communications network infrastructure within our communities in order to mobilize effortlessly in times of joy and sorrow. In addition, we work with community organizations to develop a collective impact organizing strategy that allows the Black communities to come together to work on important projects in a way that celebrates the diversity within our communities and identifies areas of shared interest for research, new policy initiatives, and the development and continued support of established programs and services.

ACF lent \$250,000 towards improvements on a building in the International District to serve as their headquarters. This investment in real estate is a step in the right direction towards long-term stability for the New Mexico Black Leadership Council to continue its operations in the International District and for Black communities around the state of New Mexico. There are only a handful of Black-led community benefit organizations that own property in the entire state of New Mexico.

Social Return for Real Estate Project Investments =>

	<u>ACF Investment</u>	<u>Total Project Investment</u>
Revitalization of Downtown / Central Ave. Corridor		
1. Homewise Orpheum Theatre	\$250,000	\$2,733,154
• Albuquerque headquarters for Homewise (affordable housing nonprofit)		
• Artist studios and apartments		
2. Titan Development Real Estate Fund I	\$250,000	\$28,100,000
• Highlands Mixed Use Development (apartments and hotel)		

3. Siembra Leadership High School	\$250,000	\$2,160,000
• Charter school for entrepreneurship		

Development of South Valley / Barelás Neighborhoods

1. South Valley Social Enterprise Center	\$250,000	\$2,730,000
• Partnership for Community Action		
• Southwest Creations Collaborative manufacturing space		
• Day care center		
2. Homewise B Ruppe Drug Store	\$250,000	\$579,008
• Museum and gallery		
3. Homewise Barelás Kitchen	\$250,000	\$3,178,962
• Commissary kitchen and incubator for food entrepreneurs		
• Street Food Institute		
4. Homewise Barelás Early Education Center	\$250,000	\$755,220

Development of International District

1. Homewise Home Renovation	\$250,000	\$8,609,575
• Renovation and resale of abandoned homes		
• Home mortgage financing for buyers		
2. NM Black Leadership Council	\$250,000	\$680,000
• Renovation of HQ		

Closing Comments

In addition to the social metric returns noted above the impact investment program has earned a financial return of 3.03% since the program’s inception, as of June 30, 2024. Financial returns for the Impact Investment portfolio are updated quarterly, with a one quarter lag, by our financial adviser and included in regular reporting to the Investment Committee and the Impact Investment Committee.

	Investee	Amount Invested	# Early-Stage Companies (Current)	\$ invested in NM companies (current)	\$ invested in NM (from inception)	# Jobs Created	Avg. Salary Jobs Created (\$k)	# Real Estate Projects	Invested in Real Estate (\$m)	# Loans to ABQ Homeowners	# Loans to ABQ Entrepreneurs	Avg Loan Size (\$k)	Lending to Small Businesses (\$m)
1	ABQid Fund I, L.P.	\$ 250,000	9	\$ 1,022,232	\$ 1,858,465	24	\$ 67,000	n/a	n/a	n/a	n/a	n/a	
2	Ingenuity Venture Fund	\$ 250,000	11	\$ 1,716,591	\$ 1,716,591	130	\$ 58,210	n/a	n/a	n/a	n/a	n/a	
3	Ingenuity Venture Fund II, LP	\$ 500,000	N/A not yet deploying capital										
4	Titan Development Real Estate Fund I LP	\$ 250,000	n/a	n/a	n/a	n/a	n/a	6	\$ 28,100,000	n/a	n/a	n/a	
5	Tramway Venture Partners, L.P.	\$ 250,000	3	\$ 4,804,424	\$ 4,804,424	27	\$ 151,823	n/a	n/a	n/a	n/a	n/a	
6	Tramway Venture Partners II, L.P.	\$ 750,000	3	\$ 3,930,290	\$ 3,930,290	5	\$ 146,407	n/a	n/a	n/a	n/a	n/a	
7	Tramway Venture Partners III, LP	\$ 250,000	Unknown, investment approved in Q3 2024										
8	Verge I II Combined, LP	\$ 250,000	5	\$ 18,854,505	\$ 40,750,000	56	\$ 79,474	n/a	n/a	n/a	n/a	n/a	
9	Homewise Orpheum Theatre Project	\$ 250,000	n/a	n/a	n/a	n/a	n/a	6	\$ 2,733,154	n/a	n/a	n/a	
10	Homewise Home Renovation	\$ 250,000	n/a	n/a	n/a	n/a	n/a	0	\$ 8,609,575	160	n/a	n/a	
11	Homewise Rupee	\$ 250,000	n/a	n/a	n/a	n/a	n/a	1	\$ 579,008	n/a	n/a	n/a	
12	Homewise Barelas Kitchen Project	\$ 250,000	n/a	n/a	n/a	n/a	n/a	1	\$ 3,178,962	n/a	n/a	n/a	
13	Homewise Barelas Early Education Project	\$ 250,000	n/a	n/a	n/a	12	\$ -	1	\$ 755,220	n/a	n/a	n/a	
14	South Valley Social Enterprise Center	\$ 250,000	n/a	n/a	n/a	n/a	n/a	1	\$ 2,730,000	n/a	n/a	n/a	
15	Nusenda Co-op Capital	\$ 200,000	35	\$ 2,673,554	n/a	432	n/a	n/a	n/a	n/a	371	\$ 7,206	\$ 2,673,554
16	DreamSpring	\$ 250,000	n/a	\$ 69,898,717	n/a	4053	n/a	n/a	n/a	n/a	2414	\$ 28,956	\$ 69,898,717
17	Siembra Leadership Academy	\$ 250,000	n/a	n/a	n/a	n/a	n/a	1	\$ 2,160,000	n/a	n/a	n/a	
18	NM Black Leadership Council	\$ 250,000	n/a	n/a	n/a	n/a	n/a	1	\$ 680,000	n/a	n/a	n/a	
Portfolio Total		\$ 5,200,000	66	\$ 102,900,313	\$ 53,059,770	4,739	\$ 502,914	18	\$ 49,525,919	160	2,785	\$ 36,162	\$ 72,572,271
<i>As of 06/30/2024</i>													