

## FFTC Announces \$5 Million Program-Related Investment to Boost Affordable Housing

May 24, 2018 – Foundation For The Carolinas announced today that it will make a \$5 million program-related investment to address Charlotte’s affordable housing crisis. The Foundation’s governing board unanimously approved the investment to kickstart a new Housing Opportunity Fund, a privately-financed mechanism to help build more affordable housing. It will work in tandem with the City of Charlotte’s Housing Trust Fund, which is publicly financed.

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### Foundation For The Carolinas

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The private fund will be held and managed by Local Initiatives Support Corporation (LISC), which will join the Charlotte community later this summer. The fund’s purpose is to mitigate the growing affordability gap to develop housing that serves residents in a range of incomes.

“The Leading On Opportunity Report specifically calls for the creation of a Housing Opportunity Fund,” said Todd Mansfield, chair of the FFTC governing board. “The report also encouraged us to approach problems differently. By making a program-related investment instead of a traditional grant, we – and others in the philanthropic community – can participate at a more significant financial level.”

A program-related investment, or PRI, is a mission-related investment in the community in lieu of traditional investment vehicles, and that garners low-yield return. FFTC’s investment, which leverages the Foundation’s corpus, is the largest of its kind in its 60-year history. The PRI is contingent upon the passage of the \$50 million bond referendum the City of Charlotte has proposed for the November ballot to increase its Housing Trust Fund.

FFTC also announced that it is developing additional paths to address affordable housing, including a mechanism for its fundholders to recommend allocating a portion of their gift funds to the Housing Opportunity Fund. FFTC is also exploring the use of its subsidiary, Community Real Property Holdings, Inc., to create a land bank for the purpose of boosting affordable housing in the Charlotte-Mecklenburg region.

A 2014 study ranked Charlotte last in economic mobility among America’s 50 largest cities. Released in 2017, the Leading On Opportunity Report is a roadmap that details determinants for mobility, and makes specific recommendations for addressing the issue. Increasing access to affordable housing is a key recommendation in the report.

“We’ve seen tremendous progress since the report was released last year,” said Michael Marsicano, president and CEO of FFTC. “The City has proposed a \$50 million bond referendum on the ballot in November to boost its Housing Trust Fund, thereby serving more low-income residents.

“In addition, the County has approved a budget increase to expand access to preschool. Now it’s time for the private and foundation sectors to step up. While we are the first to announce our investment in the Housing Opportunity Fund, we are certain that others will join us.”

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### About Foundation For The Carolinas

Celebrating its 60<sup>th</sup> year, Foundation For The Carolinas is the sixth-largest nonprofit community foundation in the country, serving donors and a broad range of charitable purposes in North and South Carolina. With assets of \$2.4 billion, FFTC’s mission is to inspire philanthropy and empower individuals to create a better community. Visit [www.fftc.org](http://www.fftc.org).

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