

# THE IMPACT

I N V E S T O R

A Publication of Community Capital Management, Inc.

## CCM's 2016 ANNUAL IMPACT REPORT

We recently published our 2016 Annual Impact Report (now in its fourth edition). Highlights of the report include: impact investing outcomes and emerging themes in 2016, types of bonds that have positive environmental and social impacts, and how to customize market-rate fixed income impact investment portfolios. The report also includes details on our firm's commitment to the community and environment.

To download a copy of the report and to listen to a webinar discussing highlights from the report, please visit [www.ccminvests.com](http://www.ccminvests.com).

## CCM On-Site Visits

In the last year, we have visited several of the properties and small businesses across the country that our bonds are helping to finance. This has been a wonderful and rewarding experience. We have met residents, small business owners, property managers, among others, and have been able to see first-hand the many progressive initiatives taking place in their communities. Highlights of three recent visits are included below.

### Elizabeth Seton Pediatric Center: Yonkers, NY

The Center provides specialized clinical and rehabilitative services to medically complex children with multiple physical and neurological conditions and disabilities. In 2012, the Center relocated from Manhattan to a brand new, state-of-the-art facility in Yonkers. The 165,000 square foot complex serves 137 of New York State's most medically complex children. The Center is also committed to the environment through its green initiative and building design.

*continued on page 2*

**W**e are excited to present the 2017 spring issue of *The Impact Investor*. In this edition, we focus on disaster recovery through impact investments. Included is a Q&A with the Jon Bon Jovi Soul Foundation who has donated millions to families impacted by disasters such as Hurricane Sandy and is now also using investments to make a positive impact. We are also excited to spotlight our 2016 Annual Impact Report along with a story on recent visits to several of the affordable housing properties and/or small businesses our bonds are financing. The last two pages spotlight three of CCM's fixed income impact investments focused on disaster recovery along with our spring conference schedule.

## Q&A with the Jon Bon Jovi Soul Foundation



*The Jon Bon Jovi (JB) Soul Foundation exists to combat issues that force families and individuals into economic despair. Through the funding and creation of programs and partnership, the Foundation supports innovative community efforts to break the cycle of poverty and homelessness. In the following Q&A, the JB Soul Foundation shares with us why they started making impact investments.*

### **1. Why did the JB Soul Foundation decide to make impact investments?**

A few years ago, the Foundation learned about impact investing as a way to finance redevelopment. At the time, the Foundation was making an effort to help those affected by Superstorm Sandy and was deeply concerned for New Jersey's recovery from the hurricane, knowing that funds would be depleted faster than the

actual recovery. The sustainable aspect to impact investing was equally interesting and appealing. That's how Impact New Jersey was created.

### **2. Can you share what types of impact investments the Foundation has made and how you are selecting them?**

The Foundation works with a private wealth advisor, Maria Tanzola, at UBS Private Wealth Management, on the selection of its impact investments. To date, the Foundation has made two fixed income investments (the CRA Qualified Investment Fund and the Calvert Notes) and one equity investment (the UBS Global Sustainable Equity Strategy).

### **3. What type of impact is created as a result of these investments?**

Investment funds are

*continued on page 2*

### **VISIT [WWW.CCMINVESTS.COM](http://WWW.CCMINVESTS.COM) TO:**

- Download CCM's 2016 Annual Impact Report
- Watch a webinar discussing highlights from the 2016 Annual Impact Report
- Obtain quarterly fact sheets and commentary



## Q&A with the Jon Bon Jovi Soul Foundation *continued from page 1*

directed to key partners working in targeted areas: affordable housing, mortgage relief, and local, economic development. Impact New Jersey pairs place-based investments with a fixed rate of return with market-rate investments. "People who want to do good with their money can see positive impact in communities and help with long-term recovery while earning money," says Bon Jovi of the collaboration.

### **4. What resources helped the Foundation in its commitment to impact investing? What does the Foundation hope it has accomplished with Impact New Jersey?**

The Foundation is always excited to share with others how and why it began to make impact investments. Education was a key component. The Foundation sought the expertise and experience from The Center for High Impact Philanthropy at The University of Pennsylvania which conducted an

independent review of need in Sandy-affected areas and identified possible philanthropic and 'impact investment' solutions. Additionally, finding advisors, like Maria, that specialize in impact investments is extremely important. The Foundation hopes that Impact New Jersey will influence other investors to look at a variety of ways to positively advance a cause or mission. Both grants and impact capital are powerful drivers of social change.

## CCM On-Site Visits *continued from page 1*



*David Sand, chief investment strategist, visiting the Elizabeth Seton Pediatric Center in Yonkers, NY. The Center provides specialized clinical rehabilitative services to medically complex children.*

### On-Site Visit

David Sand, chief investment strategist, visited the property and was fortunate to go on a tour and was genuinely impressed with the Center, its level of care for the children, and its commitment to the environment. He learned about the many services offered including clinical, rehabilitation, palliative care, and creative arts therapies. One of the creative arts therapies is music which provides an avenue for children to communicate freely and uniquely and to connect with others, building self-esteem and optimizing their strengths.

### Congress Building: Miami, FL

The Congress Building is an historic Beaux Arts high-rise community in the heart of downtown with 128 units for low-income

tenants. It was added to the National Register of Historic Places in 1985. Originally built in 1923 as office space, the building was restored and converted to affordable apartments in 1998. On-site resident amenities include financial counseling, educational courses, and job training. The property is located next to the Miami-Dade Metromover.

### On-Site Visit

Jamie Horwitz, chief marketing officer, and Gabby Bastos, marketing assistant, visited the Congress Building and were given a tour of the building by the property manager who mentioned that 100% of the units were being occupied by low-income tenants. At the visit, Jamie and Gabby met with residents and saw the different types of apartments in addition to the resident community room and other onsite amenities. The property is conveniently located next to the Miami-Dade Metromover, a free, electrically-powered system connecting points in downtown Miami.

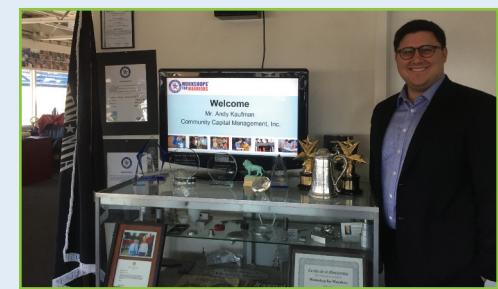
### VetPowered: San Diego, CA

VetPowered is a small business providing state-of-the-art manufacturing, welding/fabrication, machinery repair, and customized training for veterans. Founded in 2009, VetPowered services the intersection of a highly qualified Veteran manufacturing workforce with industry needs. Every product made and serviced by VetPowered

supports Workshops for Warriors (WFW), a 501(c)(3) non-profit, dedicated to training, certifying, and placing veterans and wounded warriors into advanced manufacturing careers.

### On-Site Visit

Andy Kaufman, senior portfolio manager, recently went on a tour of the property that houses VetPowered and WFW. He was able to meet the instructors and several of the students currently enrolled in the welding and machinery certifications. The business is looking to expand to a 3-story building as well as create another building for more training and for student housing. All of the students are within six months of being discharged or have been honorably discharged. One of the students told Andy that it is an amazing program helping veterans transition back into civilian life.



*Andy Kaufman, senior portfolio manager, visiting VetPowered in San Diego, CA. The veterans at VetPowered are dedicated to bringing advanced manufacturing back to America.*

## SPOTLIGHT ON CCM FIXED INCOME IMPACT INVESTMENTS SUPPORTING DISASTER RECOVERY RELIEF

*One of CCM's impact investment themes is disaster recovery. As highlighted and described in our 2016 annual impact report, disaster recovery includes: supporting various community development activities in federally-designated disaster areas and disaster-prone areas to enable the recovery, prevention, or continuation of daily life associated with natural or human-induced disasters. Included on this page are three examples of bonds helping disaster recovery efforts.*



*David Sand, chief investment strategist, visiting Harlem River Point North in Harlem, NY. The property is one of many City-subsidized affordable housing developments for income-eligible New Yorkers displaced from their homes by Hurricane Sandy.*

### Harlem River Point North

Harlem River Point North is an affordable rental property with 173 units located in a moderate-income census tract in Harlem, New York. Of the 173 units, 137 are restricted to residents with incomes at or below 60% of area median income and 35 units are restricted to residents with incomes at or below 40% of area median income.

The building gives preference for 43 units to qualified households displaced by Hurricane Sandy. The property is one of many City-subsidized affordable housing developments for income-eligible New Yorkers displaced from their homes by the

Hurricane. Harlem River Point North meets the Enterprise Green Communities criteria as well as the New York State Energy Research & Development Authority's efficiency standards.

### San Francisco Water System Improvement Program (WSIP)

The WSIP is a \$4.8 billion dollar program to provide reliable, affordable, and high quality drinking water in an environmentally sustainable manner to 2.6 million people in the San Francisco Bay Area. It is one of the largest water infrastructure programs in the nation and the largest infrastructure program ever undertaken by the City of San Francisco. By strengthening water systems to endure potential damage from earthquakes and/or shortages from droughts, the WSIP serves an important role in disaster prevention.

Its objectives include:

- Improve the system to provide high-quality water that reliably meets all current and foreseeable local, state, and federal requirements.
- Reduce vulnerability of the water system

to damage from earthquakes.

- Increase system reliability to deliver water by providing the redundancy needed to accommodate outages.
- Provide improvements related to water supply/drought protection.
- Enhance sustainability through improvements that optimize protection of the natural and human environment.

### Salvation Army

The Salvation Army is an international religious and charitable organization which operates in the United States as four divisions: Adult Rehabilitation Centers, Care Group Services, Silvercrest Residences, and Emergency Disaster Services.

For almost 100 years, the Salvation Army disaster response teams, comprised of commissioned officers, trained employees and volunteers, have provided services at disaster sites throughout the world. The Salvation Army relief staff and volunteers have provided response and recovery services, as well as provided food and shelter, basic commodities, reconstruction, counseling, and financial assistance at disaster sites to serve those in need.



*Hurricane Sandy (unofficially referred to as "Superstorm Sandy") was one of the deadliest and most destructive hurricanes of the 2012 Atlantic hurricane season. The track of Sandy resulted in a worse-case scenario for storm surge for coastal regions from New Jersey north to Connecticut including New York City and Long Island.*

2500 Weston Road, Suite 101  
 Weston, FL 33331  
 Phone: 954-217-7999  
 Toll-Free: 877-272-1977  
[www.ccminvests.com](http://www.ccminvests.com)

## Spring 2017 Conferences:

CCM will be at the following conferences this spring/summer:

**Confluence Philanthropy**  
*March 14-16, New Orleans*

**Women Presidents' Organization**  
*May 4-6, Orlando*

**US SIF Annual Conference**  
*May 10-12, Chicago*

**ICCR**  
*June 12-16, Grand Rapids*


  
**ENVIRONMENTAL BENEFITS STATEMENT**  
*of using post-consumer waste fiber vs. virgin fiber*

For the Period: **3/15/2016 to 3/9/2017**

**Community Capital Management**

Saved the following resources by printing on recycled content paper.

TREES	WATER	GREENHOUSE GASES	ENERGY	SOLID WASTE
<b>13</b> fully grown	<b>8,576</b> gallons	<b>2,616</b> pounds	<b>16,279,286</b> BTU's	<b>1,419</b> pounds

Environmental impact estimates were made using the Environmental Defense Paper Calculator. Comparing virgin uncoated freesheet with the average recycled content used. For more information visit [www.papercalculator.org](http://www.papercalculator.org).

  
**You can make a difference.**



In an effort to be more environmentally friendly and reduce the amount of paper used for marketing materials, we are no longer mailing copies of our newsletter. We will also be printing the newsletter in much smaller quantities. If you would like a hard copy, please contact Jamie Horwitz at [jhorwitz@ccminvests.com](mailto:jhorwitz@ccminvests.com).