



Partnerships and Capital Stacks for Advancing Minority Businesses in Real Estate Development

Maria Sourbeer

Senior Vice President of Development



Partnerships and Capital Stacks for
Advancing Minority Businesses in Real
Estate Development

Agenda

- 1 PANEL OVERVIEW
Introductions – Maria Sourbeer
- 2 STRATEGIC PARTNERSHIPS IN:
Professional Services – Yanitza Brongers-Marrero
Lending – Lauren Stebbins
Development – Anthony Fullard
- 3 PANELIST DISCUSSION
- 4 Q&A

**Homes Within
Reach Conference**

Mosaic Overview

Mosaic Development Partners, LLC JV is a Philadelphia based Minority Certified commercial real estate development company founded in 2008. Mosaic primarily focuses on ground up and adaptive reuse of small- and large-scale real estate that drives full economic inclusion in its projects. Mosaic primarily operates in the mid-Atlantic region of the US with additional offices in MD. Mosaic develops office, mixed use residential, affordable housing, institutional education, sports complexes, life sciences, university housing, and hospitality.



\$7B

in current project value



1M SF

of Development completed since 2008



\$250M

invested in affordable housing



\$1B

invested through 2024



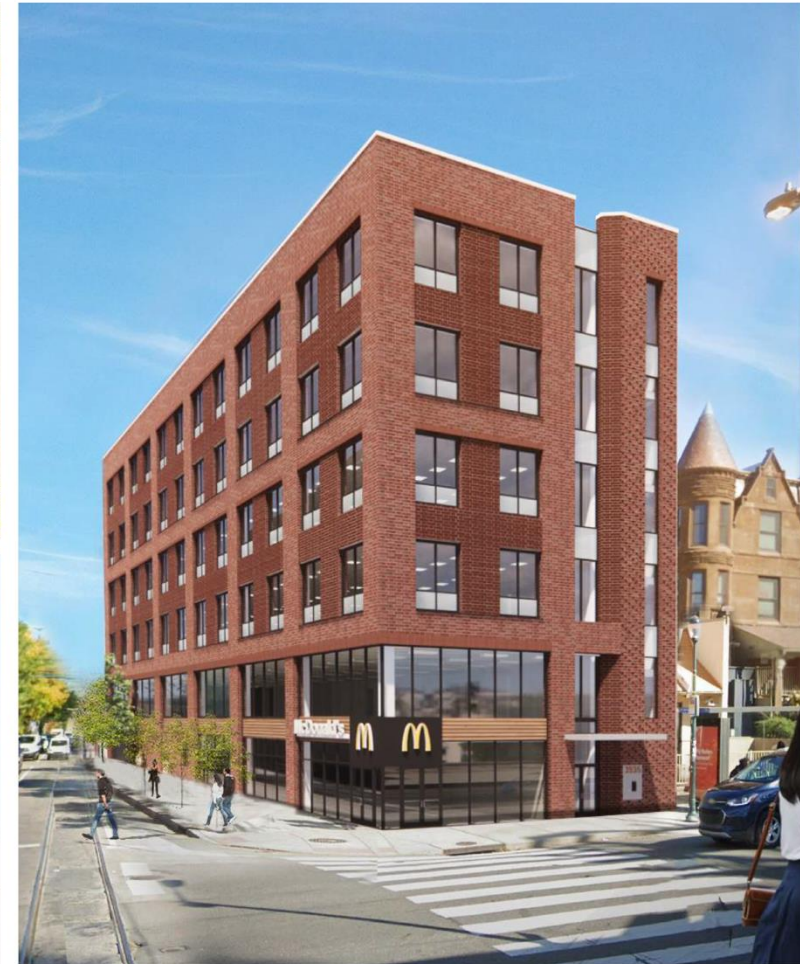
100s

of permanent jobs created



Over 1.3M SF

of blight removed



Our Pillars



Sustainable and Impactful Developments

We seek to bring positive impact in communities where we develop. We strive for sustainable developments that promote job creation, diversity, environmental sensitivity and community acceptance



Full inclusion

We include women and minority owned businesses to drive full inclusion throughout development, construction investment, leasing and operations



Diverse third party partnerships

We use a hybrid development approach, where we engage third parties to partner together to increase diversity and create new opportunities for emerging and established businesses



Affordable & mixed-income developments

We are committed to affordable, mixed income and high quality developments, which includes using modular and panelized construction to reduce overall costs

There is a lack of diversity in Real Estate

TWO EXAMPLES OF HOW REDEVELOPMENT NEEDS TO CHANGE:

33%

of women in real
estate
development

5%

of developers are
African American

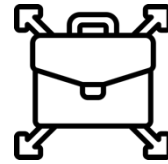
Partnerships in Professional Services

Dedication to partnerships between small & large professional services to grow minority businesses is crucial for promoting diversity in real estate development.

Such partnerships offer several benefits:



Access to resources
(capital, networks, expertise)



Capacity Building



Market Access



Diversity in the Industry



Knowledge Transfer



Community Impact


Pairing Capital Sources


We work to pair capital sources for high community impact projects where no single source allows low-income housing, market-rate housing and commercial development, much less transit-oriented development to come together in a simple, clean manner.

Mosaic's dedication to partnerships

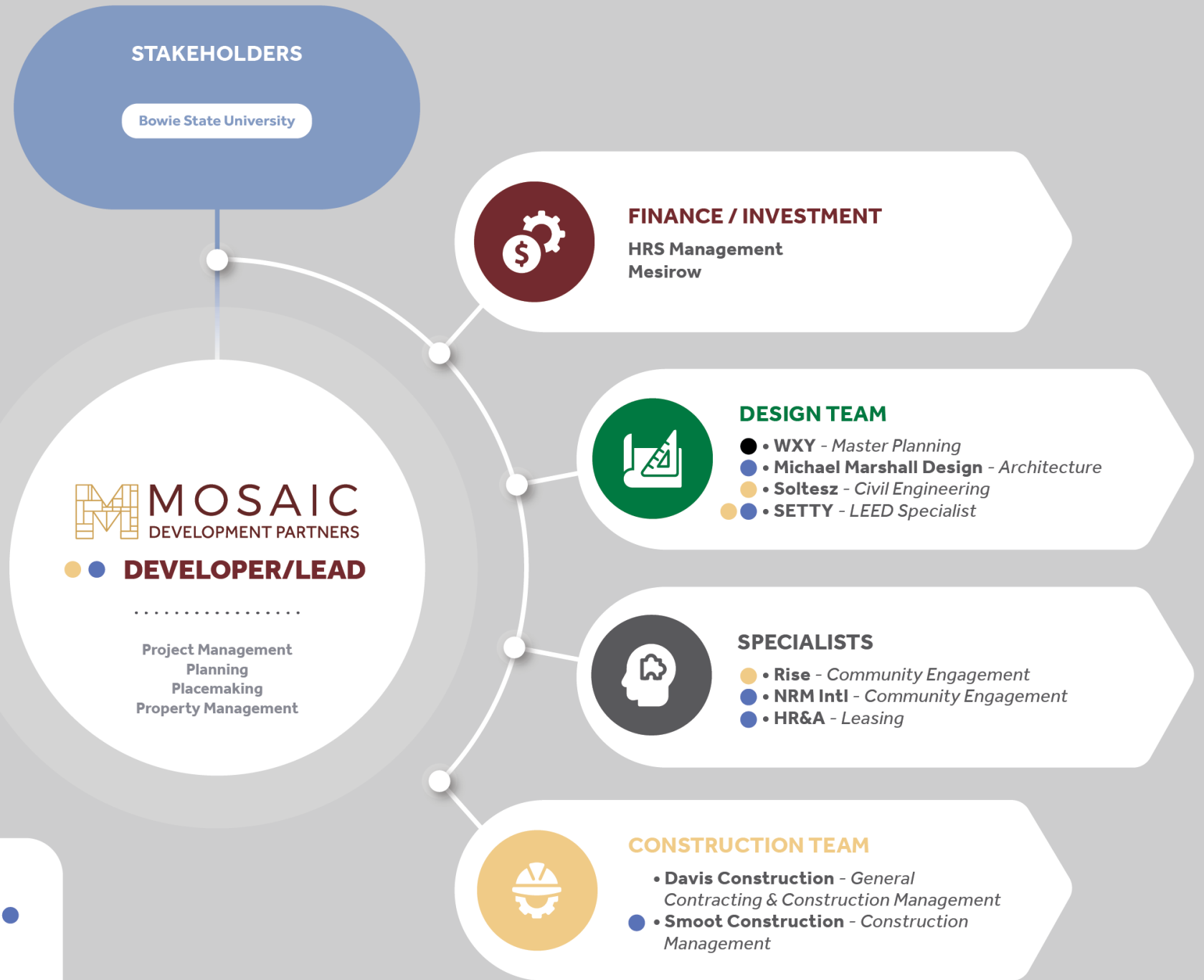
Example:
Bowie State University
Development



 → ●

 → ●

COUNTY-BASED → ●



Our Panel

*Partnerships and Capital Stacks for Advancing
Minority Businesses in Real Estate Development*



MARIA SOURBEER

Senior VP of Development

*Mosaic Development
Partners JV*



YANITZA

BRONGERS-MARRERO

Partner, Director of Housing

Moody Nolan Architects



LAUREN STEBBINS

Program Officer

Barra Foundation



ANTHONY FULLARD

President

West Powelton Development

Moody Nolan

Firm Overview



2021 AIA Architecture Firm Award

2024 AIA Chicago Firm Award

#8

Fast Company
**Top 10 Most Innovative
Architecture Firms 2022**

#23

Building Design + Construction
Top 175 Architecture Firms

#46

Architectural Record
Top 300 Architecture Firms

#23

Building Design + Construction
Top 175 Architecture Firms

#32

Building Design + Construction
Top 190 Multi-Family Design Firms

Firm Overview

As the largest Black-owned design firm in the country, we're committed to designing a better future.

65%
Black-Owned

42%
Racial and Ethnic Diversity

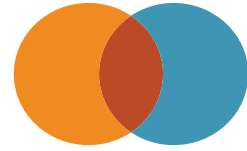
23%
Black Employees

46%
Female Employees

350 Total Staff
12 Offices



High Performance Design Responsive to **People**



We center people in everything we do.
We listen intently, helping clients
discover what's unique about their
people and organization.

Community

Diversity
Context
Engagement

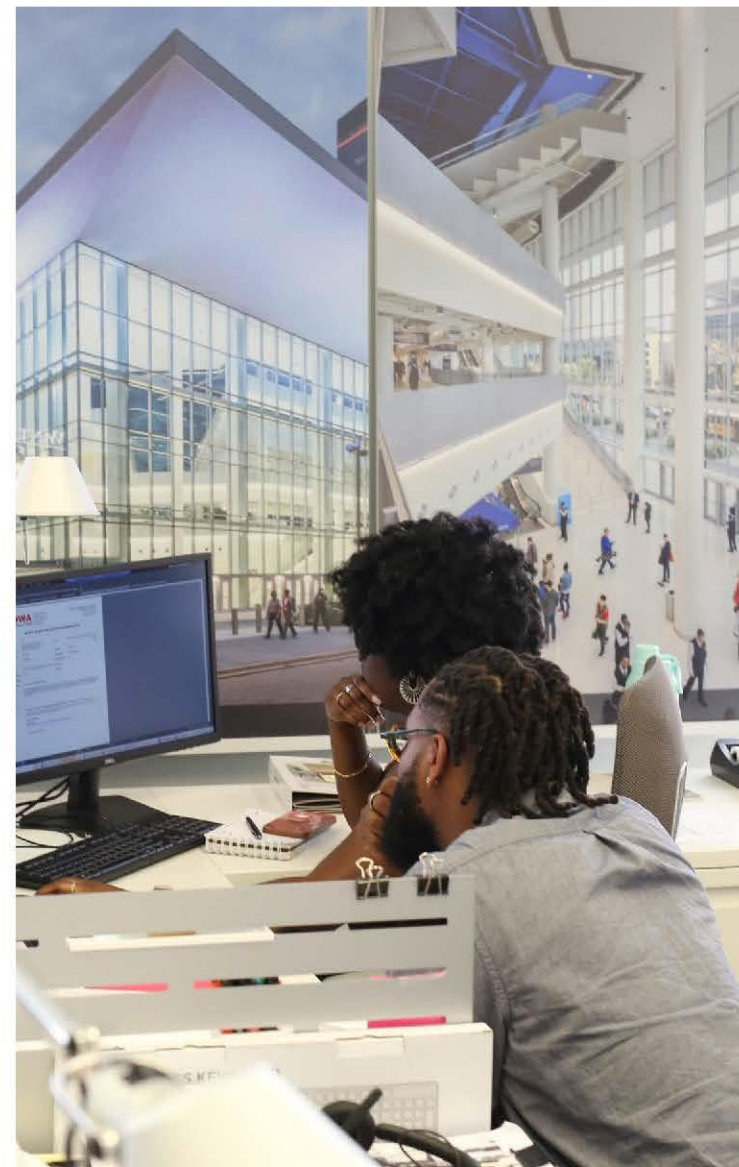
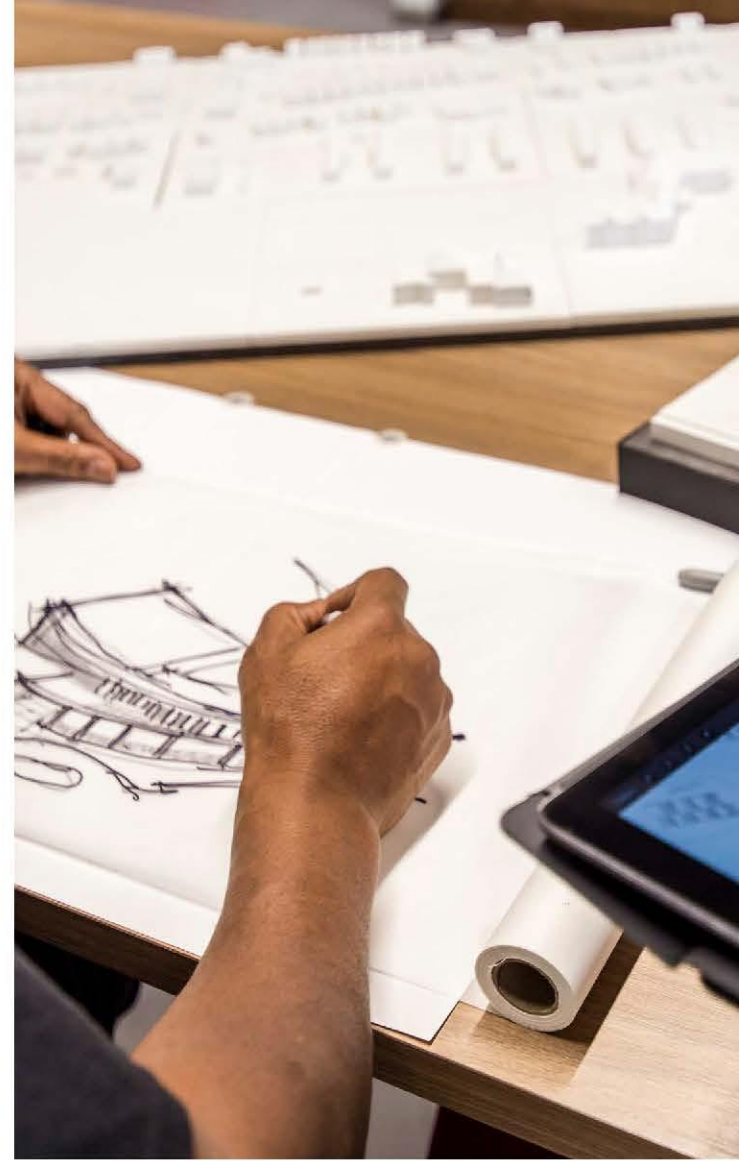
Client

Vision and Mission
Experience
Well-being

AIA Framework for Design

Wellness
Resources
Change
Discovery
Economy Community
Integration





Expertise

Architecture
Interior Design
Experiential Design

Markets

Aviation
Cultural and Civic
Classical Architecture
Education
Healthcare
Historic Preservation
Hospitality
Housing
Mixed Use
Retail
Recreation
Sports
Workplace



Moody Nolan Housing



We are proven design team partners.

We have collaborated with more than 120 design architects.

AECOM	Elkus Manfredi	MANICA	Perkins Eastman
Antoine Predock	Foster + Partners	Marlon Blackwell Architects	Peter Eisenman
Arata Isozaki	Gensler	MVRDV	Populous
Ayers Saint Gross	Gresham Smith	Morphosis	Rafael Vinoly
Bassetti	Harley Ellis Devereaux	NADAAA	Robert A.M. Stern
Blur Group	HNTB	Pei Cobb Freed	Smith Group
Cannon Design	HOK	Pelli Clarke Pelli	Smith-Miller+Hawkinson
DLR Group	Hord Coplan Macht	Perkins + Will	TVS

We are proven design team partners.

In the last 7 years we have executed 500 contracts with Minority Firms on 200+ Projects.

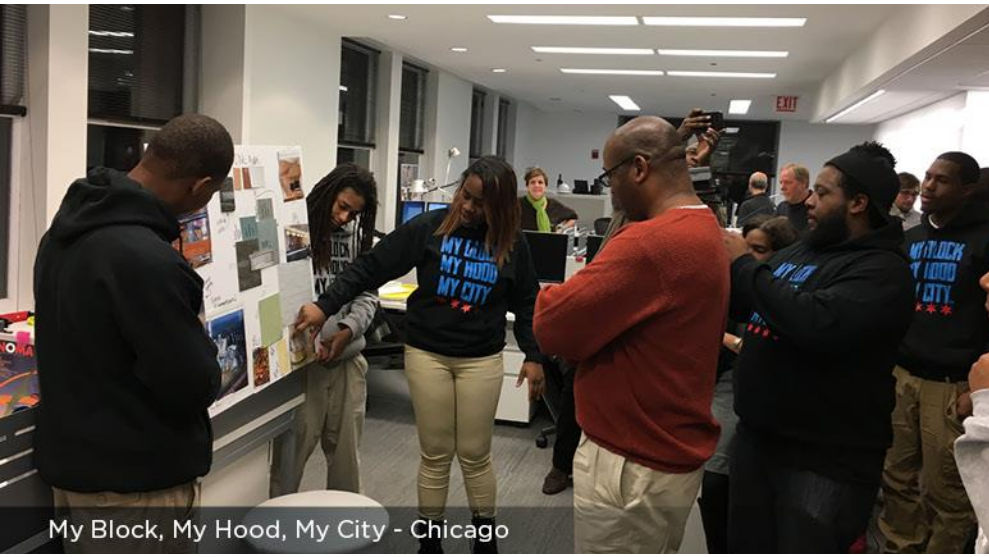
Chapel Block : Mosaic Development

We have collaborated with several MBE/WBE Firms representing 50% of the professional service fees for the project.
(dbHMS, O&N, MN, RODRIGUEZ)

Chapel Block provides an opportunity for MN to establish a Philadelphia Office. We are excited to bring diversity and design excellence in Pennsylvania!



Social Responsibility & Community Purpose



My Block, My Hood, My City - Chicago



Hip Hop Architecture Camp



National Organization of Minority Architecture Students - Chicago



The Credits Count Young Men of Color in STEM Careers Conference



Boone County Schools - Kelly Elementary Career Expo

Social Responsibility & Community Purpose



AIA Advocacy Day at the US Capitol



Smithsonian Building a Legacy Panel - Shifting the Landscape: Black Architects and Planners, 1968 to Now



City of Columbus Parks and Recreation Linden Kids Design Day



Nashville Urban League



Salvation Army Greater Cleveland Food Drive



Hurricane Harvey Relief Effort



TEDxColumbus

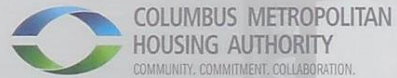
The Legacy Project

**"Do what you can
When you can,
With what you've got
While you've got it."**

Curtis J. Moody, FAIA, NOMAC



COLUMBUS LEGACY HOUSE



Marvin Windows

Feazel Roofing

Elford Construction

Kohler

5/3 Bank

Gilbane Costruction

Judy Dillon Smith

Jones Schlater

JANUS et Cie

Fujitsu

Columbus Coal & Lime

Corna Kokosing

Southeast Inc.

Bradford White

Dan Binford & Associates

Werth

Hamilton Parker

YMCA

Interface Flooring

Lighting Systems Of Columbus

Loth

Smoot

Truechoice Graphics

Mohawk

CTL

Gotcha Covered

Edgework

Gordon International

KMA & Associates

Brenda Kroos Gallery

Allegion

APCO





Legacy House Nashville Handover Ceremony

THE BARRA FOUNDATION

- The Barra Foundation seeks to advance innovation in the nonprofit sector by supporting novel ideas and projects that have the potential for transformative change.
- Barra has been supporting innovation since 1963, when it was founded by the late Robert L. McNeil, Jr., former Chairman of McNeil Laboratories.
- We provide approximately \$4 million in annual grants that are focused on supporting innovation in and across the fields of Arts & Culture, Education, Health and Human Services.
- In addition, we aim to further leverage our assets and drive impact through the practice of impact investing.



THE BARRA FOUNDATION

THE CASE FOR IMPACT INVESTING

- By law, private foundations are required to spend at least 5 percent of their assets in grants and operations each year.

→ ***BUT, what about the rest?***

- Increasingly, more foundations like Barra are using impact investing to leverage the other 95 percent.
- Impact investing is investing to generate both a financial return and positive social and/or environmental impact.



THE BARRA FOUNDATION

THE CASE FOR IMPACT INVESTING

- Impact investing often entails investing in public equity, private equity or venture capital funds that have an explicit social impact or environmental sustainability thesis that accompanies a strategy for generating competitive financial returns.
- Private foundations like Barra have a unique opportunity to invest in such funds but also to provide capital that is patient, risk-tolerant and flexible to advance the foundation's mission and values.



THE BARRA FOUNDATION

MISSION- ALIGNED INVESTMENTS

- Part of Barra's impact investing strategy is making **mission-aligned investments** (MAIs) that can be in the form of loans, guarantees or other types of investment vehicles.
- These investments are designed to attract or leverage additional investment from the public and private sectors along with generating a positive social, economic and/or environmental impact for the Greater Philadelphia region.



THE BARRA FOUNDATION

MAI PRIORITIES

Priorities for Barra's mission-aligned investments include:

- Addresses the needs of low-income, disinvested communities and/or needs for a vibrant cultural sector in the Greater Philadelphia region
- Attracts both public and private investment or fills a critical early-stage funding gap
- Leverages public sector funds designed to target under-invested neighborhoods and businesses
- Bolsters or complements other development initiatives in a neighborhood or investment funds for under-resourced businesses and disinvested areas
- Led by a management team that is substantially comprised of people of color, women, people with disabilities, veterans, LGBTQIA+ individuals and/or other historically marginalized groups
- Provides an opportunity for learning for the Foundation and/or the field



THE BARRA FOUNDATION

AFFORDABLE HOUSING INVESTMENTS

To help boost the supply of deeply affordable housing in the city of Philadelphia, Barra is investing in the following projects and organizations:

- **Pathways Housing Wellness Corporation**
 - \$300,000 predevelopment loan
 - Will support a LIHTC project in North Philadelphia
- **Women's Community Revitalization Project**
 - \$350,000 debt investment into WCRP's Acquisition and Predevelopment Loan Fund
 - Supporting LIHTC projects in West Philadelphia
- **Xiente**
 - \$350,000 perm loan for 20 units of deeply affordable housing in North Philadelphia
 - Not using LIHTC



THE BARRA FOUNDATION

FTC TRANSIT-ORIENTED DEVELOPMENT PROJECT

- Barra participated with a DC-based CDFI to provide \$2,500,000 in acquisition and predevelopment financing.
- Barra's loan helped blend down the total cost of this capital and support the overall financial feasibility of the project.
- This project will bring a full-service supermarket back to the Frankford neighborhood in Northeast Philadelphia, which has been without one since 2015.
- The project will also bring mixed-income housing and a much needed health center.



THE BARRA FOUNDATION

REV. LEON SULLIVAN COMMUNITY IMPACT CENTER

- Barra is partnering with another local foundation to provide a letter of credit (LOC) for this project.
- The LOC is needed to secure Historic Tax Credits that will generate equity in the capital stack. It serves as a financial backstop if construction contingency funds are exhausted.
- The project will rehabilitate the Zion Baptist Church Annex in North Philadelphia, which has been vacant for decades.
- The Annex will once again serve as a community center but also so much more, particularly with the expansion of primary healthcare services from Temple Family Medicine.



THE BARRA FOUNDATION



WEST POWELTON
DEVELOPMENT

WEST POWELTON DEVELOPMENT PORTFOLIO

SOCIALLY CONSCIOUS AND COMMUNITY CENTERED DEVELOPMENT

OUR MISSION

To contribute to the **growth and strengthening of Philadelphia's** minority real-estate development and construction industry by **increasing the number of professionally competent minority developers**, general contractors, sub-contractors, and their workforce.



COMPLETED + ADVANCING PROJECTS

COMPLETED:

- West Powelton Homes
- Osage & Pine Homes

ADVANCING:

- Mount Airy Mews
- 152 W. Logan St.
- Erdrich Park



OSAGE & PINE HOMES

The Osage-Pine project was a redevelopment of 36 homes in the Cobbs Creek section of Philadelphia. This historical site has ties to the 1985 MOVE bombing. What started as a multi-year clash between the Philadelphia Police and a Black liberation group known as MOVE ended when police dropped a bomb on the group's compound on 6200 Osage Avenue, destroying 61 rowhouses and causing many deaths.

In 2020, the full project was completed. All the homes were developed with modern interiors and sold between \$249,000 and \$285,000. The homes included rear decks, parking garages, and high-end finishes.





Civetta Property Group



*Created by
Civetta Team*

In partnership with





Why partner with CPG?



Civetta Property Group, is Philadelphia-based real estate developer, specializing in crafting "Affordable Homes." Collaborating closely with the **Turn The Key Initiative**, we strive to empower home buyers in realizing their dream of homeownership.

In partnership with





Turn The Key will help up to **1,000** Philadelphia families buy new affordable homes and build equity for their futures.



In partnership with





TTK Breakdown

- You must be a first-time buyer. A person who has never owned a home or a person who has not owned a home for three years prior to applying to the program*.
- Preference will be given to income qualified municipal employees, and then to income eligible households.
- You must complete one-on-one homeownership counseling through Turn The Key or a City-funded housing counseling agency before signing an Agreement of Sale.
- Income eligibility up to 100% AMI.

In partnership with





TTK Breakdown - Part 2

- Most of the newly constructed homes will be 3 bedrooms with and not to exceed a sales price of \$290K.
- Neighborhood Preservation Initiative (NPI) funds will be used to create more affordability based on income
- Units will be developed on publicly-owned land
- 20-year forgivable note placed on property
- Resale is restricted to other qualified income homebuyers

In partnership with



Our Projects

Our project offers a diverse range of options, from energy-efficient 2-story to 3-story homes, featuring both 2 and 3 bedrooms with 2 baths. These homes are situated in various neighborhoods across Philadelphia, providing a wide selection to suit different preferences and needs.

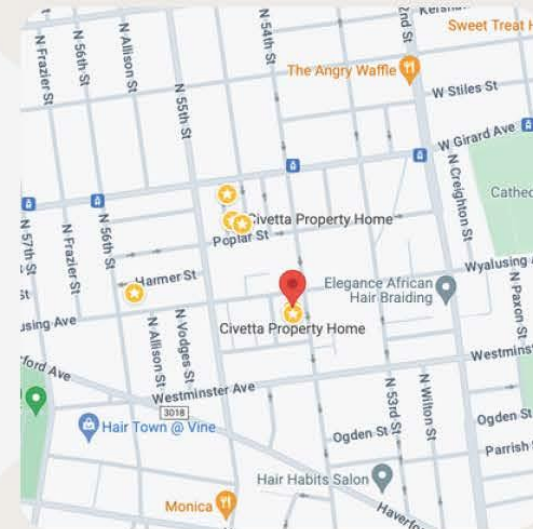


Brewerytown, 2024

Available for move-in now! More locations coming

Pastor Allen, 2024

Coming to West Philly Spring / Summer 2024



10th & Cecil B Moore, 2024

Coming the Summer/Fall of 2024

In partnership with



Panel Questions



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Q&A

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