# Sustainability Bond Framework

## Enterprise Community Loan Fund

May 2023

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# Sustainability Bond Framework

As one of the largest nonprofit community development financial institutions in the country, Enterprise Community Loan Fund (ECLF) delivers high-impact capital to the people and places that need it most.

Partnering with community groups and investors, we combine financial discipline, deep expertise and highly-collaborative partnerships to build and preserve homes people can afford, and develop other essential neighborhood resources, including schools, federally qualified health centers, stores with healthy food options and more. Since 1982, including the period before we began operations as a separate legal entity in 1991, ECLF has lent and/or committed more than $2.6 billion to develop, preserve and/or rehabilitate 138,000 affordable housing units and 9 million square feet of commercial and community real estate; created over 16,200 school seats; and facilitated over 576,000 annual health care visits. Our track record has played a major role in the overall impact and track record of Enterprise. Enterprise has raised and invested over $64 billion to help build or preserve 951,000 affordable and workforce/market rate rental and for-sale homes to create diverse, thriving communities.

ECLF's framework is based on the four components of the International Capital Market Association's Green Bond Principles, Social Bond Principles and the Sustainability Bond Guidelines updated as of June 2021:

1) Use of Proceeds exclusively to finance or refinance eligible Green and/or Social Projects;

2) Process for Project Evaluation and Selection;

3) Management of Proceeds; and

4) Reporting.

**Green Projects** contribute to environmental objectives, such as climate change mitigation and natural resource conservation, and include:

1) renewable energy; 2) energy efficiency; 3) pollution prevention and control; 4) environmentally sustainable management of living and natural resources; 5) terrestrial and aquatic biodiversity conservation; 6) clean transportation; 7) sustainable water and wastewater management; 8) climate change adaptation; 9) circular economy adapted products, production technologies, and processes; and 10) green buildings.

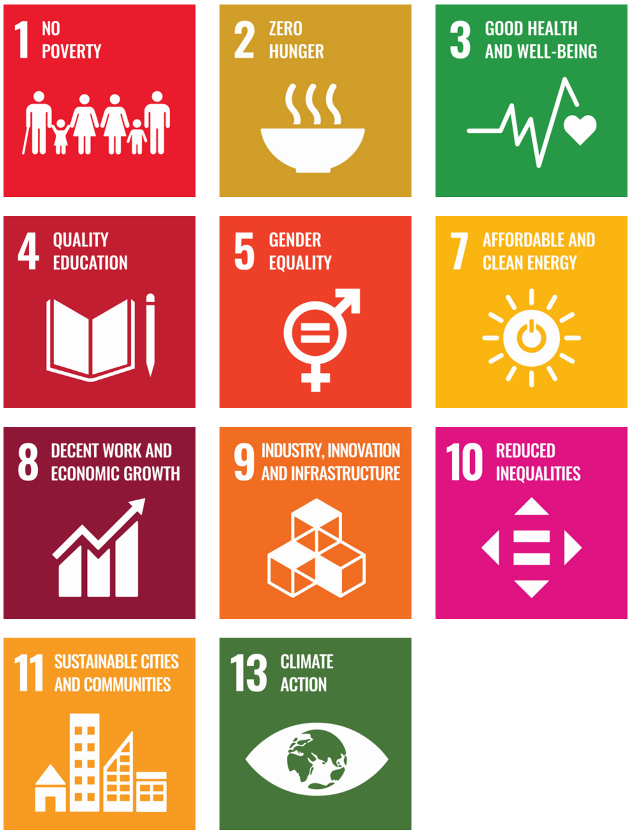
**Social Projects** aim to address specific social issues and target, though not exclusively, specific populations. Categories include:

1) affordable basic infrastructure; 2) access to essential services; 3) affordable housing; 4) employment generation; 5) food security; and 6) socioeconomic advancement and empowerment.

Targeted populations include those that are:

1) living below the poverty line; 2) excluded or marginalized; 3) people with disabilities; 4) migrants or displaced; 5) undereducated; 6) underserved; 7) unemployed; 8) women and/or sexual and gender minorities; 9) aging populations or vulnerable youth; and 10) other vulnerable groups, including as a result of natural disasters.

ECLF also aims to further certain of the United Nations 17 Sustainable Development Goals and Targets (UNSDGs). The UNSDGs were set in September 2015 and form an agenda for achieving sustainable development by the year 2030. An investment in ECLF allows investors to invest in the UNSDGs identified below.




## I. Use of Proceeds

To support our loan products, ECLF raises debt capital that is classified as either general or programmatic lending capital. General capital lenders may express a preference regarding the geographic areas associated with our loans, but that is almost exclusively on a best-efforts basis. General capital lenders also include proceeds raised through our Impact Note program. Programmatic lending capital is capital that has been borrowed and designated for specific lending programs that cannot be lent for purposes other than designated in the loan agreement. Each year, ECLF develops a capital plan to assess our need to raise additional debt capital.

ECLF uses proceeds of debt capital to finance projects that serve a low-income population nationally with targeted focus in areas of economic distress. Proceeds are intended to be used primarily to make loans to community-based, nonprofit, and mission-aligned for-profit, affordable housing and community facilities borrowers, though we may also make loans to our parent, Enterprise Community Investment and its subsidiaries, which share a common mission to make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all.

See Use of Proceeds Matrix starting on page nine.

## II. Process for Project Evaluation & Selection

In addition to meeting Sustainability Bond Framework eligibility criteria, all projects undergo a rigorous due diligence process that is informed by our decades-long track record.

ECLF works with a variety of stakeholders, including other Enterprise business lines and Enterprise local market teams to originate loan requests. ECLF originates a significant portion of its loans in the same markets where other Enterprise entities operate. As part of origination, ECLF loan officers work closely with stakeholders to identify community needs and develop financing solutions, relying on local office staff when needed to provide in-depth knowledge of the local market and available public-sector resources to support affordable housing and community development projects. ECLF will also make loans in other areas, both rural and urban, most often when another part of Enterprise is involved in the transaction or ECLF has an existing relationship with the borrower

Each request is evaluated and underwritten in accordance with ECLF's Lending Standards and Guidelines, with exceptions permitted where risks are mitigated via additional collateral, repayment options, underlying loan attributes or structuring, or otherwise at our discretion. The Lending Standards and Guidelines are approved by our Loan Committee and the ECLF Board.

In addition to underwriting criteria, our Lending Standards and Guidelines also dictate how a loan is approved. Approval authority is delegated by a six-person Loan Committee, with approval authorities based on loan type and loan amount per an approval matrix. The approval matrix incorporates the risk associated with various loan types relative to approval thresholds. All loan requests, regardless of size, must be reviewed and approved for further action by the Chief Credit Officer. The Board appoints all members of the Loan Committee, which is comprised of three senior Enterprise staff members and three external members with expertise in credit and/or real estate development.

A key consideration for our lending is mission-alignment. Our goal is to deliver innovative financial products and technical assistance to mission-aligned organizations to acquire, develop and preserve quality and resilient affordable housing for low-and moderate-income families, and to revitalize communities by providing access to good jobs, schools, transportation and healthy living environments. We provide critical and flexibly designed early-stage predevelopment, acquisition, construction, bridge, mini-permanent and permanent loans. Our loans are often the first dollars in a given transaction, and often the most difficult dollars to attract.

In addition to mission alignment, ECLF's underwriters evaluate each organization's operational, management and development track record, as well as financial health. In particular, we analyze trends for key benchmarks and ratios around cash position, liquidity, leverage, income and accounts receivable diversification and asset quality. Further, organizations are evaluated based on their pipeline of projects, contingent liabilities, and cash flow projections. In today's market, significant emphasis is placed on diversity of cash flow and the likelihood of achieving receivable income whether from grants, developer fees and/or government contracts. For growing organizations, we evaluate if they are growing appropriately, in our view, by examining their margins over time for efficiencies. Lastly, we assess local market conditions to ensure the intended development is coordinated with local government plans for targeted areas.

## III. Management of Proceeds

All proceeds are deposited into a separate account held by ECLF. Funds are allocated to Eligible Projects as defined in the Use of Proceeds section of the Framework. A portion of proceeds may also be used to purchase securities or other assets that will be utilized to support ECLF's lending activities, which is governed by ECLF's Investment Policy. ECLF has comprehensive policies around taking and managing interest rate risk and liquidity risk, as well as debt capital and net assets.

With respect to cash management, ECLF tracks and forecasts loan disbursements and repayments. Community development loans are not commodity products and CDFIs can be more flexible with respect to repayments than traditional financial institutions. Therefore, ECLF maintains a cash balance to cover three months of operating expenses plus two times its average loan size. ECLF draws new capital as needed to minimize the level of undeployed, drawn capital and potential negative arbitrage. ECLF uses revolving credit facilities as needed if large loans close earlier than forecasted or require an extension.

## IV. Reporting

ECLF provides an annual update on the impact of our financing activities through various reporting mechanisms using the indicators outlined in our Framework. ECLF approaches reporting and assessment of portfolio impact through several avenues: 1) we collect impact indicators across all projects and on a portfolio level as outlined in our Sustainability Bond Framework; we perform analysis on a specific portfolio sub-set or a specific initiative to understand impacts that may go beyond portfolio-wide indicators; and 3) we perform impact evaluations on specific projects to understand the long-term impact of a particular project on individuals and their community.

**Project Level Indicators**

See Use of Proceeds Matrix on page nine.

**Portfolio Level Indicators**

Reporting Indicators

- Outstanding on-balance sheet portfolio funded by eligible category (USD) (IRIS+ FP2630)
- Assets Under Management: Total (IRIS+ ID9608)
- $ of capital leveraged based on Total Development Costs (IRIS+ PI7233; IRIS+ PI5983; IRIS+ PI2410)

Economic Impact

- # of jobs created or retained (IRIS+ PI3687; IRIS+ PI5691; IRIS+ OD0660)
- # of construction jobs (IRIS+ PI3687; IRIS+ OD0660) (Planned Indicator)
- Tax Revenues Generated

Systems Impact

- # and % of loans closed with Black, Indigenous, and People of Color (BIPOC)-led developers (IRIS+ OI0667)
- $ and % of capital invested through BIPOC-led developers (IRIS+ II6610)
- # and % of loans closed with women-led developers (IRIS+ OI0667)
- $ and % of capital invested through women-led developers (IRIS+ II6610)
- Majority BIPOC Board (IRIS+ OI0667)

**Area Median Income:** Area median income (AMI) is defined as the midpoint of a specific area's income distribution and is calculated on an annual basis by the Department of Housing and Urban Development (HUD). HUD refers to the figure as MFI, or median family income, based on a four-person household.

**Community Action Agency:** Community Action Agencies (CAA) are local private nonprofit or public organizations that were created through the 1964 Economic Opportunity Act to combat poverty in geographically designated areas. CAAs receive designation from the local government under the provisions of the Economic Opportunity Act of 1964, or from the state under the Community Services Block Grant Act of 1981, as amended; are recognized as eligible entities as defined in the CSBG Act and can receive funding from the state under the Community Services Block Grant; have a governing board consisting of at least one-third democratically selected representatives of low-income people, one-third local public officials or their designees, and the remainder representatives of business, industry, labor, religious, social welfare, and other private groups in the community; and belong to a national network of similar agencies, the majority of which received their initial designation, federal recognition and funding under the amended Economic Opportunity Act of 1964.

**Community Service Facility:** As defined in 12 C.F.R. 1807.104, community service facility means the physical structure in which service programs for residents or service programs for the broader community (including, but not limited to, health care, childcare, educational programs including literacy and after school programs, job training, food and nutrition services, cultural programs, and/or social services) operate that, in Conjunction With Affordable Housing Activities, implements a Concerted Strategy to stabilize or revitalize a Low-Income Area or Underserved Rural Area.

**Community Development Corporations:** Community development corporations (CDCs) are 501(c)(3) nonprofit organizations that are created to support and revitalize communities, especially those that are impoverished or struggling. CDCs often deal with the development of affordable housing. They can also be involved in a wide range of community services that meet local needs such as education, job training, healthcare, commercial development, and other social programs. More information can be found here.

**Community Health Centers:** Community driven nonprofits that serve as a safety net for underserved, uninsured and homeless individuals. As part of their charter, they are dedicated to serve communities with limited access to medical care, despite their ability to pay. FQHCs, FQHC look-alikes and health centers may receive a mix of public and private funding to serve their target communities, as well as develop sliding fee schedules to help individuals gain access to care despite their ability to pay.

**Community Housing Development Agency:** As defined in the U.S. Code here.

**Community Solar:** The U.S. Department of Energy defines community solar as any solar project or purchasing program, within a geographic area, in which the benefits of a solar project flow to multiple customers such as individuals, businesses, nonprofits, and other groups.

**Economic Distress:** According to the CDFI Fund, an Investment Area (or the units that comprise an area) must meet at least one of the following objective criteria of economic distress (as reported in the most recently completed decennial census published by the U.S. Bureau of the Census):

1. The percentage of the population living in poverty is at least 20%;
2. In the case of an Investment Area located:
   i. Within a Metropolitan Area, the median family income shall be at or below 80% of the Metropolitan Area median family income or the national Metropolitan Area median family income, whichever is greater; or
   ii. Outside of a Metropolitan Area, the median family income shall be at or below 80% of the statewide non-Metropolitan Area median family income or the national non-Metropolitan Area median family income, whichever is greater;
3. The unemployment rate is at least 1.5 times the national average;
4. In counties located outside of a Metropolitan Area, the county population loss during the period between the most recent decennial census and the previous decennial census is at least 10%; or
5. In counties located outside of a Metropolitan Area, the county net migration loss during the five-year period preceding the most recent decennial census is at least 5% (12 C.F.R. Part 1805).

**Energy Community:** An "energy community" has been defined in the Inflation Reduction Act to incentivize the development of factories and projects in areas where job loss will be most felt by the transition away from traditional energy generation. An Energy Community is defined as either (i) a CERCLA brownfield site, (ii) an area with significant employment (as determined by the Secretary of the Treasury) related to coal, oil, or natural gas, or (iii) a census tract (and any adjoining census tracts) in which a coal mine has closed after December 31, 1991, or a coal fired electric generating unit has been retired since December 31, 2009.

**Federal Housing Finance Agency Duty to Serve:** Duty to Serve areas include very low-, low-, and moderate-income families tied to specific high needs and high opportunity areas as defined by the Duty to Serve regulation. These areas include Rural areas, Indian tribe areas, High opportunity areas and Areas of Concentrated Poverty. Official definitions for these areas can be found here.

# Glossary

**FEMA Disaster Recovery:** The Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. §§ 5121-5207 (the Stafford Act) §401 states in part that: "All requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected State." A State also includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands. The Republic of Marshall Islands and the Federated States of Micronesia are also eligible to request a declaration and receive assistance through the Compacts of Free Association.

**Free or Reduced Lunch:** According to the definition/guidance from the National School Lunch Program here.

**Federally Qualified Health Centers:** The definition of Federally Qualified Health Centers (FQHCs) can be found here.

**Food Desert:** According to the CDFI Fund's guidance for the Healthy Foods Financing Initiative, Food Deserts are defined as distressed geographic areas where either a substantial number or share of residents has low access to a supermarket or large grocery store. For the purpose of satisfying this requirement, a Food Desert must either: (1) be a census tract determined to be a Food Desert by the U.S. Department of Agriculture (USDA), in its USDA Food Access Research Atlas; (2) be a census tract adjacent to a census tract determined to be a Food Desert by the USDA, in its USDA Food Access Research Atlas; which has a median family income less than or equal to 120 percent of the applicable Area Median Family Income; or (3) be a Geographic Unit as defined in 12 CFR part 1805.201(b)(3)(ii) (B), which (i) individually meets at least one of the criteria in 12 CFR part 1805.201(b)(3)(ii)(D), and (ii) has been identified as having low access to a supermarket or grocery store through a methodology that has been adopted for use by another governmental or philanthropic healthy food initiative.

**Healthy Food Retail Outlet:** Defined as commercial sellers of Healthy Foods including, but not limited to, grocery stores, mobile food retailers, farmers markets, retail cooperatives, corner stores, bodegas, stores that sell other food and non-food items along with a range of Healthy Foods.

**Healthy Food Non-Retail Outlet:** Wholesalers of Healthy Foods including, but not limited to, wholesale food outlets, wholesale cooperatives, or other non-retail food producers that supply for sale a range of Healthy Food options; entities that produce or distribute Healthy Foods for eventual retail sale, and entities that provide consumer education regarding the consumption of Healthy Foods.

**Healthy Foods:** Healthy Foods include unprepared nutrient-dense foods and beverages as set forth in the USDA Dietary Guidelines for Americans 2015–2020 including whole fruits and vegetables, whole grains, fat free or low-fat dairy foods, lean meats and poultry (fresh, refrigerated, frozen or canned). Healthy Foods should have low or no added sugars, and be low-sodium, reduced sodium, or no-salt-added. (See USDA Dietary Guidelines here).

**Indian Tribe Area:** ECLF defines Indian Tribe Areas as areas within which an Indian tribe operates affordable housing program or the area in which a Tribally Designated Entity, as authorized by one or more Indian tribes, operates affordable housing program. Whenever the term jurisdiction is used in Native American Housing Assistance and Self Determination Act, it shall mean Indian Area, except where specific reference is made to the jurisdiction of a court. Source here.

**Infrastructure/Spaces:** These infrastructure/spaces are intended for the following purposes: Manufacturing, Industrial, Offices (e.g., community development corporations, mission-aligned for-profits and other nonprofits that are developing or building out space to house their own staff and programs or to lease to other nonprofits, for-profits or government entities), Retail and Commercial Retail, including leverage loans to New Market Tax Credit transactions.

**Land Banking:** "Land bank" loans are defined as loans to acquire improved or unimproved land where there is (i) no well-developed project plan in place at the time of proposed acquisition, and (ii) no specific financing plan that appears achievable in the near term, and (iii) there is no clear sense of the need to be filled by development of the land, nor market that would be served.

**Low-Income:** For a specified geographic unit, individuals whose family income (adjusted for family size) is:
- For Metropolitan Areas, 80% of the area median family income; and
- For non-Metropolitan Areas, the greater of:
  - 80% of the area median family income; or
  - 80% of the statewide non-Metropolitan Area median family income

**Low- to Moderate- Income Community:** Communities where at least 51% of households have incomes at or below 80% AMI according to census data.

**Medically Underserved Populations:** Areas or populations designated by Health Resources and Services Administration (HRSA) as having too few primary care providers, high infant mortality, high poverty or a high elderly population. Health Professional Shortage Areas (HPSAs) are designated by HRSA as having shortages of primary medical care, dental or mental health providers and may be geographic (a county or service area), population (e.g. low income or Medicaid eligible) or facilities (e.g. federally qualified health center or other state or federal prisons).

# Glossary

**Mixed-Use Development:** Mixed-use development are projects that blend a combination of residential, commercial, cultural or institutional uses. A mixed-use development can offer many benefits to members of ECLF target communities, including greater housing variety and density, reduced distances between housing, workplaces and retail businesses, stronger neighborhood character and pedestrian and bicycle-friendly environments. Most often, such developments are comprised of buildings with retail space located on the lower floors and affordable rental housing on the higher levels. ECLF follows the NMTC definition where a minimum of 20% of revenue has to be non-housing to be characterized as mixed use.

**Mission-aligned for-profit:** Mission-aligned for-profits are identified by ECLF on a project by project basis to develop an asset in a target ECLF community. ECLF works with community partners to identify existing gaps and needs and then brings public and private sector partners to develop needed assets. When a nonprofit developer does not exist in a market, ECLF will work with for-profit developers that are capable of developing projects that meet these gaps. For-profit borrowers undergo additional underwriting scrutiny, including their track record of working in LMI communities, particularly where the specific project is located.

**Persistent Poverty County:** Persistent Poverty Counties (PPCs) are defined by Public Law Number 115-31 (enacted May 5, 2017) for the CDFI Fund as counties where 20% or more of their population lives in poverty as measured by the U.S. Census Bureau (1990 and 2000 decennial censuses, and 2011-2015 American Community Survey). Public Law 114–187 (enacted June 30, 2016) created the Congressional Task Force on Economic Growth in Puerto Rico, which recommended the CDFI Fund be inclusive of Puerto Rico in its program, including PPCs, if areas are qualified based on poverty and income criteria.

**New Market Tax Credit Tract:** The NMTC Program provides an incentive for investment in "Low-Income Communities" (LICs). LICs are census tracts: where the poverty rate is at least 20%; or where the median family income does not exceed 80% of the area median family income; or where the median family income does not exceed 85% of the area median family income provided the census tract is located in a high migration rural county; or where the census tract has a population of less than 2,000 and is contained within a Federally designated Empowerment Zone and is contiguous to at least one other LIC. Source here.

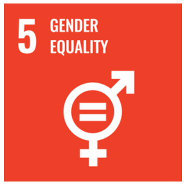
**Rural Area:** To determine a rural area, ECLF relies on the applicable government program in addition to coordinating with Enterprise's Tribal Nations & Rural Communities team.

**Rural Census Tract:** A Rural Area is defined per 12 CFR § 1282.1 (the Enterprise Duty To Serve Final Rule) as: (i) a census tract outside of a Metropolitan Statistical Area (MSA) as designated by the Office of Management and Budget (OMB); or (ii) a census tract in a MSA as designated by OMB that is outside the MSA's Urbanized Area, as designated by the U.S. Department of Agriculture's (USDA) Rural-Urban Commuting Area (RUCA) Code #1, and outside of tracts with a housing density of over 64 housing units per square mile for USDA's RUCA Code.

**Racially/Ethnically Concentrated Areas of Poverty (R/ECAP):** Defined as "a geographic area with a significant concentration of poverty and minority concentrations." To assist communities in identifying racially/ethnically-concentrated areas of poverty (R/ECAPs), HUD has developed a census tract-based definition of R/ECAPs. The definition involves a racial/ethnic concentration threshold and a poverty test. The racial/ethnic concentration threshold is straightforward: R/ECAPs must have a non-white population of 50 percent or more. Neighborhoods of extreme poverty are defined as census tracts with 40 percent or more of individuals living at or below the poverty line. Because overall poverty levels are substantially lower in many parts of the country, HUD supplements this with an alternate criterion. Thus, a neighborhood can be a R/ECAP if it has a poverty rate that exceeds 40% or is three or more times the average tract poverty rate for the metropolitan/micropolitan area, whichever threshold is lower. Census tracts with this extreme poverty that satisfy the racial/ethnic concentration threshold are deemed R/ECAPs.

**Qualified Opportunity Zone:** A Qualified Opportunity Zone (QOZ) is an economically distressed community where new investments, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as QOZs if they have been nominated for that designation by a state, the District of Columbia, or a U.S. territory and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service (IRS). Source here.

| Social Project Category | Definition | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
| --- | --- | --- | --- | --- |
| **Affordable Housing** | Loans for predevelopment, acquisition, construction / renovation, operation or preservation of affordable single family, for-sale housing, multifamily rental and mixed-use projects in rural and urban areas. Multifamily housing includes condominium and cooperative housing; single family includes co-housing and group homes; special-purpose housing includes transitional facilities and shelters, mixed-use development, and mixed-income communities.<br><br>**Type of borrowers:** Community development corporations, community housing development organizations, quasi-public entities, housing authorities, community action agencies, redevelopment agencies, and other nonprofit and for-profit mission-aligned affordable housing developers with a track record of serving communities. | **Selection criteria:** Housing is deemed affordable when the rent burden is not higher than 30% of 80% of AMI.<br><br>At least 20% of the housing units financed within the project need to be set aside (through public subsidy) as affordable for populations at or below 80% of AMI, with prioritization of projects that have higher levels of affordability for longer terms.<br><br>Unsubsidized Affordable Housing (residential rental properties that maintain low rents without federal subsidy) are also eligible. In these cases, ECLF assesses at what level the market rate units are affordable without public subsidy through review of rent and market studies and will covenant that all units are affordable to 80% of AMI during the loan term and that the borrower will make "best efforts" to ensure affordability after loan repayment.<br><br>**Exclusions:** 100% market rate housing developments that do not meet definitions of unsubsidized affordable housing or areas that do not meet geographic requirements; land banking; loans that will result in displacement of existing low-income residents without an adequate plan for re-location to comparable or better housing. | • # of affordable rental and for-sale units created (IRIS+ PI5965)<br>• # of affordable rental and for-sale units preserved (IRIS+ PI5965)<br>• AMI Splits: 0-30% AMI, 31-50% AMI, 51-80% AMI, 81-120% AMI, 121%+ AMI (IRIS+ PD5752)<br>• # of homes affordable to seniors (IRIS+ PD5752)<br>• # of homes with supportive housing services (IRIS+ PD5752)<br>• # of homes occupied by women-led households (IRIS+ PD5752) | 1 NO POVERTY<br>5 GENDER EQUALITY<br>11 SUSTAINABLE CITIES AND COMMUNITIES |

| Social Project Category | Sub-Category | Definition | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
|---|---|---|---|---|---|
| **Access to Essential Services** | Education | **Charter Schools:** Loans for predevelopment, acquisition, construction or leasehold improvements of high-quality public charter schools that serve predominately low-income students.<br><br>**Type of borrowers:** Independent operators with business service providers, nonprofit charter management organizations, development intermediary, or independent nonprofit operator. | **Selection criteria:** Projects where at least 50% of the student body is eligible for categorical funding (e.g., Title I-IV and/or free and reduced lunch) and has superior academic quality compared to district schools. | • # of student seats at closing and full enrollment (IRIS+ PI4060)<br>• % of students eligible for free and reduced price lunch (IRIS+ PI4555)<br>• % students of color (IRIS+ PI7774)<br>• % of students identifying as female (IRIS+ PI1081)<br>• # of square feet (IRIS+ PI4765) |  |
| | | **Early Child Care Facilities:** Loans for predevelopment, acquisition, construction and rehabilitation of quality early learning facilities serving children from birth to five years.<br><br>**Type of borrowers**: Nonprofit and for-profit early childhood program operators, community development corporations and other mission-driven development organizations providing space for early childhood centers. | **Selection criteria:** Early Child Care facilities that are linked to affordable housing or NMTC transaction. | • # child care slots (IRIS+ PI4060)<br>• # of square feet (IRIS+ PI4765) | |

| Social Project Category | Sub-Category | Definition | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
|---|---|---|---|---|---|
| **Access to Essential Services** | Healthcare | Loans for predevelopment, acquisition, construction and rehabilitation of Community Health Centers and other service facilities, including federally qualified health centers (FQHCs) and FQHC look-alikes. Healthcare financing focuses on expanding access to high quality, affordable healthcare to medically underserved individuals, families or communities regardless of their ability to pay.<br><br>**Type of borrowers:** Experienced community health center operators that have a solid infrastructure, strong operations and demonstrated financial and business management capacity. Such borrowers include existing community health centers in expansion mode and established community health centers moving from leasing facilities to ownership of facilities. The preference is to work with FQHCs (both Section 330 designated and Look Alikes) operating in a state with strong, supportive Medicaid policies with at least three years of successful operating history. | **Selection criteria:** Projects where at least 50% of the patients served are eligible for Medicaid, Medicare or meet other criteria as "medically underserved". | • # of patient visits annually by new facility (IRIS+ PI4060)<br>• # of new patient visits<br>• # of square feet (IRIS+ PI4765) | 3 GOOD HEALTH AND WELL-BEING |

| Social Project Category | Sub-Category | Definition | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
|---|---|---|---|---|---|
| **Access to Essential Services** | Community Services | Loans for predevelopment, acquisition, construction and operation of facilities and service providers that provide vital community services (e.g., job training, financial coaching, nonprofit office space, food banks, continuing education, mental health, HIV/AIDS, drug/alcohol and domestic violence counselling, as well as services to youth, the disabled and elderly) that benefit low-to moderate-income individuals and / or communities.<br><br>**Type of borrowers:** Community development corporations and other nonprofit providers. | **Selection criteria:** Community facilities and service providers that work in either low-to moderate-income communities or serve low-to moderate-income individuals with focus on projects that are heavily supported by local stakeholders and / or public funders, that are integral to community needs, and benefit residents of housing units financed by the Enterprise family of companies.<br><br>**Target population:** Extremely low-to low-(80% of the area median income) to moderate-income (120% of the area median income) recipients. | • Service type (IRIS+ PD7557)<br>• # of square feet (IRIS+ PI4765) | 10 REDUCED INEQUALITIES |

| Social Project Category | Definition | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
|---|---|---|---|---|
| **Food Security** | Loans for predevelopment, acquisition, construction and operation of healthy food outlets and healthy food retailers in USDA Food Deserts which identify areas with a substantial number or share of residents with low levels of access to retail outlets selling healthy and affordable foods. Loans for predevelopment, acquisition, construction and operation of healthy food nonretail outlets involved in healthy food production, distribution and consumer education on the consumption of healthy foods.<br><br>**Type of borrowers:** Nonprofit and for-profit operators of healthy food businesses including retail food stores, farmers' markets, and other healthy food production or distribution activities. | **Selection criteria for healthy food retailers:** Retailers located in USDA Food Deserts. Additional preferential criteria: retailers accepting SNAP, WIC, or equivalent food benefits.<br><br>**Selection criteria for healthy food non-retail outlets:** Outlets that broaden access to healthy foods in underserved areas including USDA Food Deserts or other target markets. | • % of projects in Food Deserts (IRIS+ PI2771)<br>• # of food retail outlets financed (IRIS+ PI8007)<br>• # of food non-retail outlets financed (IRIS+ PI8007)<br>• # of square feet (IRIS+ PI4765) | 1 NO POVERTY<br>2 ZERO HUNGER |

| Social Project Category | Sub-Category | Definition | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
|---|---|---|---|---|---|
| **Employment Generation** | Commercial Facilities | Loans for predevelopment, acquisition, construction and operation of infrastructure/spaces (including mixed-use development, retail, manufacturing and office space) to be leased or owned by nonprofits, for-profits, or government entities in underserved communities to foster job creation and community revitalization.<br><br>**Type of borrowers:** Community development corporations, other nonprofits and mission-aligned for-profits. | **Selection criteria:** Nonprofit or community partner identified by Enterprise to develop community asset, with focus on markets where Enterprise has on-the-ground presence.<br><br>**Exclusion criteria:** Non-target Enterprise communities; no community buy-in of asset; speculative real estate transactions; land banking; New Market Tax Credit (NMTC) ineligible businesses (e.g. residential rental property where minimal improvements are made, golf courses, racetracks, gambling facilities, certain farming businesses, and liquor stores). | • # of jobs created or maintained (IRIS+ PI3687; IRIS+ PI5691)<br>• # of square feet (IRIS+ PI4765) | 8 DECENT WORK AND ECONOMIC GROWTH<br>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE |
| **Affordable Basic Infra-structure** | | Loans for installation of solar photovoltaic systems to be leased or owned by nonprofits or mission-aligned for-profit developers to expand access to renewable energy in low-income communities.<br><br>**Type of borrowers:** Community development corporations, other nonprofits and mission-aligned for-profits. | **Selection criteria:** Nonprofit or community partners identified by Enterprise to develop renewable energy that benefits LMI communities, including through community solar.<br><br>**Exclusion criteria:** Non-target Enterprise communities, no participation of community members in benefits of solar. | • Capacity of energy produced in kWh (IRIS + OI2496) (Planned Indicator) | 7 AFFORDABLE AND CLEAN ENERGY<br>13 CLIMATE ACTION |

| Green Categories | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
|---|---|---|---|
| **Green Project Categories** | • Enterprise Green Communities<br>• LEED<br>• NAHB Green<br>• EarthCraft<br>• Build it Green<br>• Energy Star with EPA Water Sense and EPA Indoor airPLUS<br>• Energy Star;<br>• Passive House;<br>• Zero Net Energy;<br>• For LIHTC projects, ECLF may rely on the LIHTC status to determine if projects are classified as a green or energy efficient building. In order to be competitive in the LIHTC allocation process, prospective developers frequently must score full points on various environmental and energy metrics in the areas of sustainable design, building methods and materials, including compliance with various recognized green building standards and the integration of energy and water efficiency measures to be competitive in the awarding of LIHTC investment.<br>Certifications not listed will be considered on an ad hoc basis. | • # of projects built to green standard (IRIS+ OI6765) (Planned Indicator)<br>• # of green units (IRIS+ OI6765) (Planned Indicator)<br>• AMI Splits: 0-30% AMI, 31-50% AMI, 51-80% AMI, 81-120% AMI, 121%+ AMI (IRIS+ PD5752) | 13 CLIMATE ACTION |

| Green Categories | Eligibility & Exclusion Criteria | Impact Indicators | SDG Alignment |
|---|---|---|---|
| **Transit-Oriented Development** | Properties must be located within half a mile of public transportation including bus stops (urban areas), train lines and subway lines. Additional considerations will be made for properties located in less dense or more rural areas, such as access to demand-response public transportation (dial-a-ride), traditional and deviated fixed route services (e.g., shuttles, circulators), vanpool or reimbursement programs. | • # of transit-oriented projects (Planned Indicator)<br>• # of affordable rental and for-sale units created (IRIS+ PI5965)<br>• # of affordable rental and for-sale units preserved (IRIS+ PI5965)<br>• AMI Splits: 0-30% AMI, 31-50% AMI, 51-80% AMI, 81-120% AMI, 121%+ AMI (IRIS+ PD5752) | 11 SUSTAINABLE CITIES AND COMMUNITIES |