

Develop the Developer Overview NCST

May 15, 2024



Develop the Developer (DtD) Program



Freddie Mac earned the **2023 International Innovations in Diversity Award**, presented by *The Diversity Journal*, recognizing the DtD program for its work to transform workplace, cultural, and social landscapes.



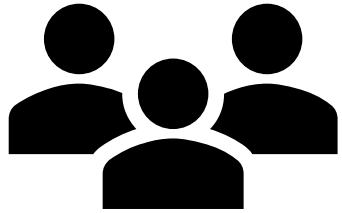
Overview

- The Develop the Developer (DtD) program provides education and financing opportunities for emerging and traditionally underserved developers, including minorities and female developers whose focus is on building wealth in their home communities.
- Freddie Mac serves as a catalyst of the program in each market by providing financial support, subject matter experts to train new developers, and access to technical assistance providers for development project support.
- The program aims to inspire investment into underinvested areas while offering mechanisms to foster connectivity within local markets.

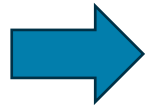


DtD Education Models

DtD delivers education and technical assistance in various models including in-person, virtual deep dives, and hybrid methods.



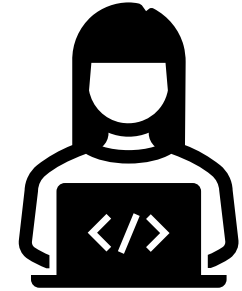
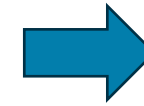
Freddie Mac trains organizations to become local academy hosts



Developers receive 36 hours of in-person training from Freddie Mac contracted providers



Freddie Mac partners provide technical assistance



Graduates are offered ongoing Deep Dive sessions & networking opportunities

DtD Keys to Success



DtD delivers training, resources, and assistance to emerging community-centric developers to create affordable housing supply in underserved communities.



Freddie Mac provides:

- ✓ Low-cost access to development education
- ✓ Technical assistance providers for project support
- ✓ Networking opportunities

The program trains developers on:

- ✓ Core development topics
- ✓ Localized development needs
- ✓ Financing & subsidy opportunities

Continued learning opportunities:

- ✓ Deep Dive sessions
- ✓ “Concept to Keys” post grad support
- ✓ Grant/subsidy/financing application support

Success Measures:

- Diverse Participant Representation – High rate of minority participation.
- Community-Centric Development – High concentration of housing units developed in historically underserved markets and/or majority minority census tracts.
- Affordability – SF for sale units, MF below market rates units .

Develop the Developer Program Impact



DtD local academies have hosted 9 cohorts and produced 129 cohort graduates. Eighty-six percent of graduates identify as minorities, ninety-six percent of graduates are women. (As of 1/2024)

NEW 2024 Project Updates

16 New Active Projects
15 Single-Family, 1 Multifamily

148 Single-Family Units – 32% in redevelopment zones and majority minority census tracts.

73 Multifamily Units – 100% in redevelopment zones and majority minority census tracts.

\$5.3M in grants and subsidies.

\$18.9M in new construction financing.

\$9.7M of land secured by developers post-graduation.

Based on Local Academy Reports

2020-2024 Combined Developer Graduate Results

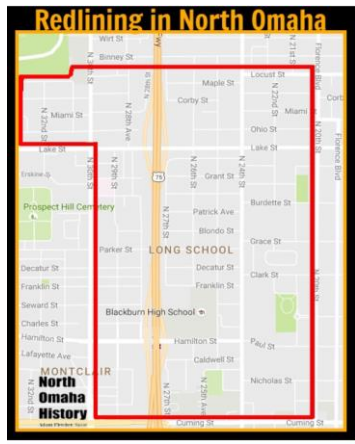
- **345 Single-Family Units**
- **558 Multifamily Units**
- **\$37.8M** in grants and subsidies
- **\$123M** in new construction financing

Market Selections



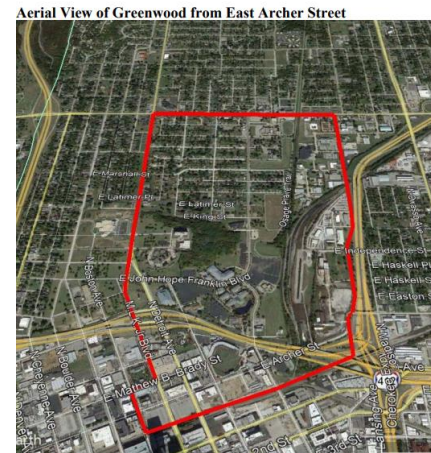
DtD markets were selected based on the need for affordable housing stock, low minority homeownership rates, and a sizable minority mortgage possible population. A climate resiliency focus was added in 2023.

Omaha (Launched 2020)



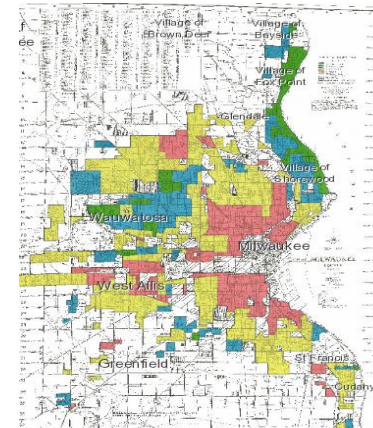
<https://northomahahistory.com/2015/08/02/a-history-of-red-lining-in-north-omaha/>

Tulsa (Launched 2022)



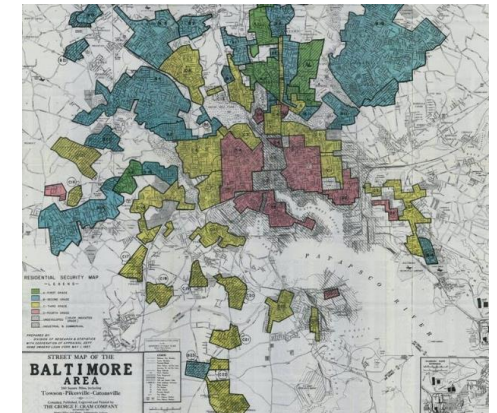
<https://www.okhistory.org/shpo/docs/ReportforGreenwoodDistrict.pdf>

Milwaukee (Launched Oct 2023)



<https://www.arcgis.com/apps/webappviewer/index.html?id=f530b8db110b443a8ffb04f1912d6e1b>

Baltimore (Planned Launch 2024)



https://www.researchgate.net/figure/The-Baltimore-Redlining-Map-Ranking-Neighborhoods-Johns-Hopkins-Sheridan-Libraries_fig1_359602839

Development Outcomes:

- Vacant lot development
- Disaster response projects
- Net Zero housing units
- Zero-entry, Senior housing

Development Outcomes:

- MF & SF mixed use
- Historical site restoration
- SF unit re-development
- Manufactured housing

Expected Outcomes:

- TIF funded SF re-development
- MF mixed use
- Climate resilient development

Expected Outcomes:

- SF / MF redevelopment
- Climate resilient development
- Manufactured housing



Franchell Abdalla – Franchell is a graduate from our first DtD cohort in Omaha, NE, who relocated to Tulsa, OK. She helped Spark and NDC launch a similar Developer Academy in Tulsa, OK with TEDC Creative Capital. Additionally, she led a team to the successful bid on the redevelopment of City owned property in Greenwood, the historically Black area in Tulsa (the former “Black Wall Street”. Franchell’s proposed development project, estimated at \$225M will include residential condos for sale and lease, retail shopping, and entrepreneur workspaces. The pictures above are of the Greenwood site and a rendition of her development project.



Tamara Brunow – Tamara is a graduate for our Fall 2021 DtD cohort in Omaha, NE. She is currently re-developing 24 net-zero, ADA compliant homes in a rural area outside of Omaha. This project will allow senior citizens previously displaced from the area due to flooding to return and inhabit affordable SF units. Tamara is utilizing Disaster Recovery Block Grants that will allow her to sell homes to LMI households for \$175k purchase price that cost her \$350k per unit to develop.



Donell Brown

Donell Brown – Donell, a graduate from our Fall 2020 cohort, successfully acquired 3 vacant lots owned by the City of Omaha and one lot owned by Habitat for Humanity of Omaha on 25th and Ohio. Donell has secured \$1.2 million from Front Porch Investments and Spark Capital to develop four single-family homes set to break ground later this summer.

Justine Knapp – Justine, another graduate from our Fall 2020 cohort, held a groundbreaking ceremony to launch construction of the Ponca Heights Elder Community near 84th Street and Lakeview Drive in Ralston. The \$12 million project will include 20 housing units, a community center and walking trail. The 20 zero-entry housing units will be divided among a fourplex and eight duplexes. Each will include two bedrooms, one or two bathrooms, a storm shelter, and a garage. Plans call for the project to be completed in December 2024.



Justine Knapp

Future Considerations

Partnership Opportunities:

- Widen access to education, technical assistance and resources to support equitable community development.
- Funding support. Pre-development funding, acquisition and rehab funding, development financing, local academy financing.
- Mentorship opportunities.
- Developer partnerships.



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Make Home Possible

