

## Academies for Social Entrepreneurship Cofosts Symposium on Impact Investing

“Impact Investing”, a new trend in the philanthropic sector, was the motive behind a gathering of foundation executives, consultants, investment brokers, and social entrepreneurs on December 6<sup>th</sup> at the California Endowment’s Center for Healthy Communities. Academies for Social Entrepreneurship (ASE), a not for profit organization focused on promoting social enterprise throughout California, convened the gathering in cooperation with the Hub LA, and EastWind Consulting .

Attendees heard from some of the most knowledgeable and experienced people in the field. Fran Seegull of Impact Assests, Lisa Richter of GPS Capital and Tina Castro of The California Endowment described impact investing as the meeting point between philanthropic donations and traditional capital investments. While foundations, venture capitalists and other investors traditionally make investment decisions based on solely capital investment return, impact investing involves investment in companies that aim to produce social or environmental good, whilst also delivering financial returns. This strategy of double or triple bottom line investing is a growing practice amongst foundations and is manifest in the form of Program Related Investments (PRI), those that provide high social return but below market rate financial returns, and Mission Related Investments (MRI), those that create positive social impact and bring market rate financial returns. Using these tools, foundations can fulfill their social missions not only through their grant giving activities, but by means of their investing activities as well.

Symposium presenters outlined the landscape, tools, and potential benefits of impact investing in California; discussed how to leverage capital to increase returns and create positive community impact; and encouraged attendees to take steps in their respective organizations towards increasing impact investments.

Fran Seegull works as part of a team to strategically plan, create and introduce impact investing platforms and products. She explained that impact investing is a \$50-125 billion market today and described how social and environmental issues such as global poverty and dwindling natural resources are driving the expansion of the impact market because they present investors with opportunities to reap social, environmental as well as financial return.

Lisa Richter provided foundations with a step by step roadmap of how to get started in impact investing and educated the audience about key actors. Tina Castro followed with a detailed case study. The California Endowment recently recruited big banks, government agencies, not for profit organizations, grocery chains, community development organizations and others to take part in a \$264 million impact investment project aimed at expanding access to healthy foods in low income communities across California. This model, she said, could be duplicated but stressed that one could start smaller with a minimal amount of stake holders and capital.

Regarded as “a major success and a powerful starting point for continued conversation on the topic” by symposium convener Betsy Densmore, the meeting ended with an energetic group discussion about the future of impact investing locally and the role each will play in it. Attendees and other key figures are expected to continue the conversation at a larger gathering to be held early next year.

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