

Community Reinvestment Fund, USA

Minneapolis, Minnesota

CDFI
COALITION

Community Reinvestment Fund, USA (CRF) is a national, nonprofit CDFI with a mission to empower people to improve their lives and strengthen their communities through innovative financial solutions. CRF develops flexible financial products and services to meet the needs of small businesses that lack access to conventional sources of capital in underinvested communities across the country.

CRF has a 30-year history of working with a network of lending partners to make credit available in low-income communities to start or grow businesses and develop community facilities with a focus on creating and preserving high-quality jobs for residents.

CRF's financial products and services include New Markets Tax Credits, CDFI Guaranteed Bonds, Small Business Administration 7(a) loans, and Contract Loan Servicing.

Organization Highlights

- Timeframe/years for the organization highlights: 1989 – December 2018
- Jobs created or retained: 85,000 jobs created and retained
- Businesses assisted: 1,700 businesses
- Communities served: 1,000 in 49 states and D.C.
- Total dollar amount loaned: \$2.4 billion
- People served by CRF's work: 1.8 million people served

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American Cable in Philadelphia



After immigrating to the United States with his wife and two children, Carlos Gonzalez continued the great American tradition of entrepreneurship and in 1976 started a cable company out of his family's garage called American Cable. By 1978, he employed 30 people and was able to purchase his first commercial facility in Philadelphia.

The business continued to grow by manufacturing battery cables, wiring harnesses and other products for the original equipment market. By the early 1990s, the founder's son, Carlos Jr., took over as business manager. Despite surviving other sluggish economic times, the business was hit hard by the Great Recession. Due to the automotive industry crisis and customers who moved manufacturing overseas to cut

costs, the company struggled and took on high-interest debt to stay open.

Eventually the business recovered from the recession and started to grow again. To support this growth, American Cable needed to refinance real estate and retire their high-interest debt. Despite upward trends in business, the owner was unable to find a conventional lender willing to take a chance on the business. That's when the owner was referred to CRF.

CRF recognized that American Cable had a strong and diverse client base and the company's positive impact on the community. CRF provided \$2.3 million in SBA 7(a) financing and saved American Cable more than \$233,000 per year in interest payments. American Cable now boasts 64 full-time employees (FTE) and plans to add 20 more jobs in the near future.

The Financial Assistance awards CRF receives provide foundational support for CRF's SBA 7(a) lending activities and enable the organization to provide credit to firms like American Cable that create jobs and serve as "economic engines" in low- and moderate-income communities. Without these award dollars, CRF and other CDFI small business lenders would not be able to extend credit to small business owners who cannot qualify for conventional financing from banks.

Project Highlights

- Median Income Compared to Area Median Income (AMI): 62.33%
- Unemployment Rate: 10%
- Poverty Rate: 30.9%
- Persistent Poverty County
- Jobs created or retained: 64 FTE jobs; planning 20 more jobs