



CDFI FUND 30TH ANNIVERSARY REPORT

Stories of CDFIs providing financial services in America's underserved communities.



CDFI FUND

30TH
ANNIVERSARY
REPORT

1994-2024



About the CDFI Coalition



The CDFI Coalition is the unified national voice of community development financial institutions. Our mission is to encourage fair access to financial resources for America's underserved people and communities.

ABOUT THE REPORT

This report was prepared by Rapoza Associates for the CDFI Coalition. The principal author is Paul Anderson.

As the unified, national voice of Community Development Financial Institutions, its mission is to encourage fair access to financial resources for America's underserved people and communities. The CDFI Coalition is represented by Rapoza Associates, a public interest lobbying and government relations firm located in Washington, D.C. that specializes in providing comprehensive legislative and support services to community development organizations, associations and public agencies. All photographs used in this report were provided courtesy of the CDFIs.

Data and stories were collected through a survey of CDFI Coalition members conducted September, 2023.

The CDFI Coalition
1155 15th Street, NW, Suite 400 · Washington, DC 20005
(202)393-5225 · (202) 393-3034 fax



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Table of Contents

30th Anniversary Report

Introduction	5
Executive Summary	6
About the Riegle Act	9
CDFI Fund Programs	10
About CDFIs	11
Growth of the CDFI Industry	12
The CDFI Fund: By The Numbers	15
Supporting Diverse Communities	16
Three-Year Impact Survey	17

CASE STUDIES

Access to Capital for Entrepreneurs	18
Affordable Housing Resources	19
African American Alliance of CDFI CEOs	20
AltCap	21
American Community Capital	22
Anchor Financial Services	23
Arkansas Capital Corporation	24
Capital Impact Partners	25
Center for Rural Affairs	26
Chicago Community Loan Fund	27
Cinnaire Lending	28
CityWide Development Corporation	29
Clearinghouse CDFI	30
CLIMB Fund	31
Coastal Enterprises, Inc. (CEI)	32
Colorado Enterprise Fund	33
Community Development Bankers Association	34
Community Development Venture Capital Alliance	35
Community Health Center Capital Fund	36
Community Reinvestment Fund, USA	37
Cooperative Fund of the Northeast	38
Craft3	39
Detroit Development Fund	40
Dorchester Bay Neighborhood Loan Fund	41
Economic Justice Fund	42
Enterprise Community Loan Fund	43
Federation of Appalachian Housing Enterprises	44
FNBC	45
GECU Federal Credit Union	46
Grow America Fund	47
Harlem Entrepreneurial Fund	48
Housing Trust Silicon Valley	49
ICA Fund	50
IFF	51
Invest Detroit	52

Justine PETERSEN	53
Kentucky Highlands Investment Corporation	54
LIFTFund	55
Local Initiatives Support Corporation	56
Local Government Federal Credit Union	57
Locus	58
Low Income Investment Fund	59
Michigan Community Capital	60
Midwest Minnesota CDC	61
MOFI	62
Mountain Association	63
National Community Investment Fund	64
Neighborhood Impact Investment Fund	65
Neighborgood Partners	66
New Jersey Community Capital	67
NewWest Community Capital	68
Northern Initiatives	69
Northern Maine Development Commission	70
Northwest Native Development Fund	71
Ohio Capital Finance Corp.	72
Opportunity Finance Network	73
Partner Community Capital	74
Pathway Lending	75
Prestamos CDFI	76
Primary Care Development Corporation	77
Redbud Financial Alternatives, Inc.	78
Rural Community Assistance Corporation	79
Self-Help	80
Telhio Credit Union	81
The Genesis Fund	82
The Housing Fund, Inc.	83
Three Roots Capital	84
Women's Opportunities Resource Center	85
Working Solutions CDFI	86





Baltimore-based CDFI, Neighborhood Impact Investment Fund, preserved the AREA 405 building in the Greenmount West neighborhood.

Commemorating the 30th Anniversary of the Enactment of the Riegle Act

Thirty years ago, the landmark Riegle Community Development Banking Act of 1994 created the Community Development Financial Institutions (CDFI) Fund, a new agency tasked with supporting a burgeoning movement of mission-driven lenders. Since that time, CDFIs have become a beacon of hope, driving economic growth, fostering financial inclusion, and uplifting low-income and underserved communities through innovative financial solutions.

To celebrate the 30th Anniversary of the CDFI Fund, the CDFI Coalition, the unified voice of CDFIs, surveyed its membership and curated 70 inspiring case studies providing a testament to the resilience, creativity, and impact of CDFIs over three decades. Each story is a unique narrative of empowerment, illustrating how CDFIs have

not only provided essential capital but also catalyzed community development, supported small businesses, enabled affordable housing, and much more. These stories encapsulate the spirit of CDFIs' mission-driven work, highlighting the profound difference they make in people's lives and the communities they serve.

We hope this publication inspires policymakers, financial professionals, community leaders, and to reflect on the achievements of the CDFI sector.

Executive Summary

30th Anniversary Report

Thirty years serving and empowering economically distressed communities.

In 1994, President Bill Clinton signed the bipartisan Riegle Community Development and Regulatory Improvement Act of 1994 into law, creating the Community Development Financial Institutions (CDFI) Fund. Thirty-years later, the landmark legislation is widely regarded as a smashing success. CDFIs, the mission-focused financial intermediaries supported by the CDFI Fund, have delivered hundreds of billions in financial products and services to rural and urban communities outside of the economic mainstream.

To celebrate the 30th Anniversary of the CDFI Fund, this report shines a light on seventy stories, large and small, of CDFIs' transformative impact in underserved

communities across the country. These stories illustrate the diverse and powerful ways in which CDFIs have catalyzed change, fostered economic development, and enhanced the quality of life for millions individuals and families.

The report also includes three-year impact data from a survey of CDFI Coalition members, descriptions of CDFI Fund programs and initiatives, and sections on the growth of the CDFI sector and CDFIs support for diverse communities.

THREE-YEAR IMPACT SURVEY, BY THE NUMBERS

564k

JOBS SUPPORTED

including 465.9k FTE jobs and 117.2k construction jobs

151k

COMMUNITY FACILITIES

including hospitals, nonprofits, daycare centers, job training programs, and more.

105k

HOUSING UNITS

Including 93k affordable rental and single-family units

5.5k

FIRST-TIME HOMEBUYERS

provided financing for mortgage loans.

\$22.7B

TOTAL ORIGINATIONS

Including \$186M in equity investments and \$22.5B in debt and EQ2.

61.5M

SQUARE FEET

of real estate rehabilitated or constructed

437.3k

BUSINESSES FINANCED

over the past three years, including PPP.

67.4%

Minority-owned

35.6%

Women-owned

CASE STUDY HIGHLIGHTS

Woodward Station: Bridging the Gaps in Affordable Housing:

CDFI financing for the Woodward Station Apartments in Maryland is a testament to the role of CDFIs in addressing the affordable housing crisis. A CDFI loan fund's predevelopment loans were pivotal in developing 158 affordable rental homes, and is one of many examples of CDFIs helping fill critical financing gaps.

Crimson Melt: Supporting a Veteran-owned Businesses:

"Crimson Melt" provides one of the countless examples of CDFIs supporting veteran-owned businesses, describing Ashontay and Cori Owens' journey from military service to entrepreneurship. With financing from a CDFI, the couple opened a gourmet grilled cheese and milkshake restaurant in Oklahoma City.

Supporting Entrepreneurship in Communities of Color:

The Urban League of Greater Madison, with the support of a CDFI venture fund and a CDFI bank, established a \$17.5 million Black Business Hub in South Madison, WI. The hub aims to support at least 100 Black-owned businesses and entrepreneurs, creating over 150 jobs and 250 temporary construction positions in a predominantly African American, low-income community.

Jump-starting the Rural Manufacturing Economy:

The Emerson manufacturing story showcases how CDFIs can drive economic development and job creation in rural manufacturing sectors. A CDFI bank facilitated the relocation of Emerson, a manufacturer of specialty tools, to a long-vacant facility, revitalizing the small town of Ash Flat, AR.

Ensuring the Survival of Small Businesses During an Economic Shock:

Lily Vizcaino and Alan Gomez, immigrants from Mexico and owners of El Tiny Cafe in Berkeley, California, received crucial support from Working Solutions CDFI during the COVID-19 pandemic. The cafe obtained a microloan that helped sustain their business through the pandemic and position it to thrive in the future.



Fostering Community Partnerships: Housing Trust, Kingdom Builders, and BACBO Drive Housing Equity:

A CDFI's partnership with a faith-based consortium leverages church-owned land to combat gentrification and displacement in Oakland. The Kingdom Builders project, a 40-unit affordable housing development, is a prime example of how CDFIs collaborate with local organizations to create sustainable community solutions.



Executive Summary

30th Anniversary Report

First-time Homeowners Discover the Promise of Home: Will and Chelsea Darley's ability to purchase a family home in Landrum, S.C., through a CDFI's First-time Homebuyers Loan product, showcases the critical role of CDFIs in supporting families by making the dream of homeownership accessible and affordable.

Salyersville IGA Adds Solar, Reducing Energy Costs and Carbon Emissions. The report includes more than a dozen examples of CDFIs weaving together environmental and economic sustainability. For example, Salyersville IGA's transition to solar power, supported by Mountain Association, not only reduced energy costs but also ensured the viability of a crucial community resource in persistently poor rural Kentucky community.

These case studies are not unique. Over the past three decades, CDFI products and services have facilitated homeownership, supported and sustained small businesses, promoted environmental sustainability, expanded access to healthcare and education, and created new opportunity for millions of Americans in thousands of communities across the country.

Looking forward, CDFIs will continue to be instrumental in fostering resilient communities and catalyzing economic growth in underserved areas. As we reflect on their achievements, it's clear that the journey of CDFIs is not just about financial transactions and services, but about building hope, opportunity, and a brighter future for all Americans.



About the Riegle Act

30th Anniversary Report

The landmark legislation establishing the CDFI Fund was enacted in 1994.

During his presidential campaign in the late summer of 1992, then-Governor Bill Clinton made a significant campaign stop at South Shore Bank in Chicago, Illinois, recognized as the nation's pioneering community development bank. It was in this setting that Clinton articulated his ambitious vision to boost investment in overlooked neighborhoods. He committed to creating a new program that would establish 100 community development banks inspired by South Shore Bank, along with 1,000 microenterprise lenders, should he win the election.

On July 15, 1993, President Clinton formally introduced this vision as a legislative proposal. That same day, the Senate Banking Committee, under the leadership of Senator Donald W. Riegle (D-MI), convened its inaugural hearing to discuss the President's initiatives. Key testimonies in support of the legislation were provided by Treasury Secretary Lloyd Bentsen and Comptroller of the Currency Eugene Ludwig.

Following this, a hearing was organized by Representative Henry B. Gonzalez (D-TX), Chairman of the House Committee on Banking, Finance, and Urban Affairs, to further examine the President's proposal. During this session, Treasury Secretary Bentsen highlighted the CDFI Fund as a strategic answer to the urgent needs for capital and financial services in struggling communities, praising the potential of CDFIs to offer adaptable, market-driven solutions. On July 21, 1993, the Community Development Banking Act of 1993 was put forward in the House by Chairman Gonzalez (H.R. 2666) and in the Senate by Chairman Riegle (S. 1275), enjoying robust bipartisan backing.

The bill was overwhelmingly approved in the House with a vote of 410 to 12 and received unanimous consent in the Senate. Following deliberations in a House and Senate conference committee, the Riegle Community Development and Regulatory Improvement Act of 1994 was enacted into law by President Clinton on September 23, 1994. A key section of the law, Section 102, underscores the essential role of CDFIs, celebrating their proven capacity to meet community needs through equity investments, loans, and a range of development services.

The Riegle Act played a transformative role in the financial sector. It represented a significant federal commitment toward fostering community-based,

mission-driven financial institutions dedicated to providing financial services tailored to economically underserved populations. The Fund initially operated by offering financial assistance to CDFIs through grants and other financial assistance. Since its inception, the CDFI Fund's portfolio has grown from grants and now includes programs providing bond authority and tax credit allocation.

The CDFI Fund's programs and initiatives have helped expand mission-driven lending from a modest concept into an industry with over \$400 billion in assets by 2023.



President Clinton signs the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 as Senate Banking Committee Chairman Don Riegle and Treasury Secretary Lloyd Bentsen look on. (Photo: Associated Press; Photographer: Doug Mills)

CDFI Fund Programs

30th Anniversary Report

The CDFI Fund manages a variety of innovative grant, bond, and tax credit programs.

Certification: CDFI certification is a designation given by the CDFI Fund to specialized financial institutions that provide financial services in low-income communities and to people who lack access to financing. The certification allows these institutions to access financial grants and support from the CDFI Fund, as well as other public and private-sector programs and financing.

The process for obtaining CDFI certification involves meeting several requirements related to legal status, financing activities, serving a target market, being accountable to the community, and having a primary mission of community development.

CDFI Certification opens the door to opportunities for CDFIs to excel—both operationally and financially. As of February 15, 2024, there were 1,460 Treasury certified CDFIs.

In addition to overseeing CDFI certification, the CDFI Fund administers a range of innovative programs designed to strengthen the ability of CDFIs to provide financial products and services in underserved communities. The CDFI Fund administers the following core programs and each program awards funds annually through an independent and competitive application process:

Financial Assistance (FA) – FA awards, the largest CDFI Fund grant program, can be used for lending capital, loan loss or capital reserves, operations, or development services. A CDFI is required to match its FA award dollar-for-dollar with non-federal funds.

Technical Assistance (TA) Awards – TA awards of up to \$150,000 to certified CDFIs and emerging CDFIs support efforts to expand organizations' success and sustainability. There is no match requirement for TA awards and funds can be used to support a variety of capacity building activities.

The Native American CDFI Assistance Program was launched in 2001 to encourage investing in Native Communities by supporting the creation and expansion of Native CDFIs, which in turn help to create jobs, establish, or improve affordable housing, and provide appropriate financial services and counseling to community residents. The number of Native CDFIs has increased from 14 in 2001 to 66 in 2024.

The Bank Enterprise Award (BEA) Program – The BEA Program provides monetary awards to FDIC insured banks and thrifts that have increased their investment activity in communities with high rates of poverty and unemployment. The size of a BEA award is based on how much the bank or thrift has increased its investing in low-income communities or in CDFIs. All BEA funds awarded must be reinvested either into a distressed community or in a CDFI.

The New Markets Tax Credit (NMTC) Program was authorized in 2000¹ to stimulate private investment in low-income communities. Through 2022, the NMTC leveraged more than \$130 billion in capital investment in communities with high rates of poverty and unemployment.

The CDFI Bond Guarantee Program was authorized in 2010² to empower the Treasury Department to guarantee notes or bonds issued at no cost to the federal government to support CDFI lending and investment activity.

The Capital Magnet Fund (CMF) provides grants on a competitive basis to CDFIs and other non-profit organizations to finance the acquisition, construction, preservation, and rehabilitation of affordable housing projects and related economic development efforts for low-income families and communities. CMF is authorized under the Housing and Economic Recovery Act of 2008 and is funded by allocations from Government Sponsored Entities regulated by the Federal Housing Finance Agency.



1. The NMTC was authorized as part of the Community Renewal and Tax Relief Act of 2000 (PL 106-554).
2. The CDFI bond Program was authorized as part of The Small Business Jobs Act of 2010 (PL 111-240).

Mission-driven financial institutions serving the underserved.

CDFIs, are mission-driven financial institutions that deliver affordable credit, development services, capital, and financial services to residents and businesses in minority and economically distressed communities.

CDFIs fill a vital niche in the nation's financial services delivery system by serving communities and market sectors that conventional lenders cannot - with the ultimate goal of bringing CDFI customers into the mainstream economy as bank customers, home owners and/or entrepreneurs.

CDFIs distinguish themselves from conventional lenders by not only providing capital but also offering technical assistance and financial education to their borrowers. This approach ensures that clients not only get the financial support they need but also the knowledge and skills to manage their finances effectively, thereby increasing their chances of success.

CDFI Loan Funds

CDFI loan funds are nonprofit or mission-oriented organizations dedicated to facilitating economic development and community revitalization in low-income, distressed, and underserved areas. Among their offerings, CDFI loan funds provide small business loans to support entrepreneurs and startups, microloans for individuals and small enterprises with minimal capital needs, and loans supporting the construction or rehabilitation of affordable housing. They also offer loans for community facilities, such as healthcare centers, schools, and social service agencies, contributing to the overall well-being and development of underserved communities. Beyond financial products, CDFI loan funds often deliver technical assistance and financial education to their clients.

CDFI Credit Unions

A CDFI credit union is a type of credit union that has been certified by the CDFI Fund as primarily serving low-income and underserved populations and focusing on providing financial services and products that promote economic development and community well-being. CDFI credit unions are mission-driven organizations committed to empowering financially underserved communities by offering access to affordable credit, savings opportunities, and other financial products that might not be readily available through traditional financial institutions.

CDFI credit unions share the same foundational principles as other credit unions, which are cooperative, nonprofit financial institutions owned and controlled by their members. However, what distinguishes CDFI credit unions is their explicit focus on serving populations and areas that face barriers to accessing financial services.

CDFI Banks

CDFI Banks are a type of bank that has been certified by the CDFI Fund as having a primary mission to promote community development.

CDFI banks are unique in that they combine the objectives of community development with the operations of a traditional banking institution. This means they offer a full suite of banking services, including deposit accounts, loans, and other financial products, but with a strategic focus on creating positive economic impacts within underserved areas. The goal is to make financial services accessible to people and businesses that might otherwise be overlooked by conventional banks.

CDFI Venture Funds

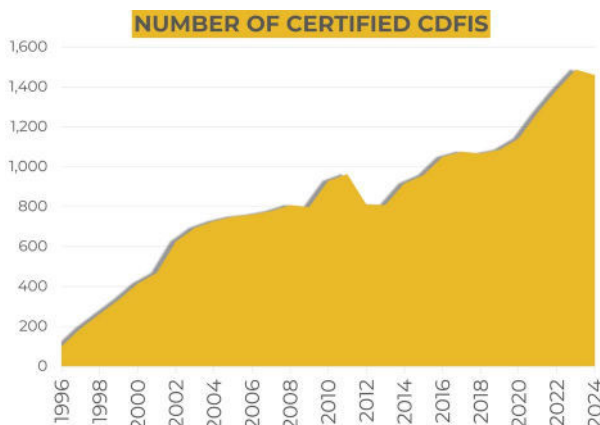
A CDFI venture fund is a type of CDFI that specializes in providing equity investments, venture capital, and related financial and technical assistance to businesses in underserved and low-income communities. Unlike traditional CDFIs, which may focus on loans and savings products, CDFI venture funds aim to fill the equity investment gap for small and medium-sized enterprises, startups, and entrepreneurs who may not have access to conventional sources of capital.

CDFI venture funds are mission-driven, focusing on generating social and economic impact alongside financial returns. They invest in businesses that promise not only growth and profitability but also the potential to create jobs, provide needed services, and foster economic development within their target communities. These funds often take an active role in the companies they invest in, providing guidance, mentorship, and business development resources to ensure their success and sustainability.

Growth of the CDFI Industry

30th Anniversary Report

The CDFI industry has enjoyed rapid growth since the advent of the CDFI Fund, but more growth is needed to meet the needs of underserved communities and populations.



The CDFI industry began taking shape in the late 1960s and early 1970s. Some of the first organizations dedicated to community development were created out of governmental efforts to address poverty alleviation and racial discrimination. The Johnson Administration, under its “War on Poverty” campaign and through the Office of Economic Opportunity, launched community development corporations (CDCs) to work in both urban and rural poor communities. In the successes of many of these early CDCs lay the foundation for today’s CDFI industry.

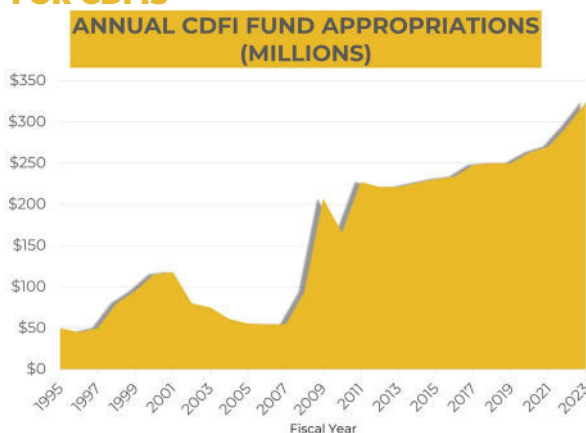
In the 1970s, CDFIs expanded their funding sources by reaching out to private organizations, particularly religious institutions and individuals. Many business-development loan funds were launched with federal funds from the Department of Housing and Urban Development, the Economic Development Administration and the Department of Agriculture. Community development credit unions and banks were started in the 1970s, such as South Shore Bank in Chicago (1973) and the Santa Cruz Community Credit Union (1977). The Neighborhood Reinvestment Corporation (NRC), a national intermediary that supports local Neighborhood Housing Services offices, was created in 1973 and began financing affordable housing in 1978. In April 2005, Neighborhood Reinvestment Corporation began doing business as Neighborworks® America.

Despite the increased diversity of funding

sources, CDFIs grew only incrementally through the 1970s and 1980s. It wasn’t until the 1990s that the CDFI industry expanded dramatically, after the passage of the Riegle Act.

Since CDFI Fund’s establishment, the industry has grown steadily, averaging about 40 new certified CDFIs each year. CDFIs’ record of success has attracted new sources of public and private funding, a trend that accelerated over the past decade.

GROWING PUBLIC SECTOR SUPPORT FOR CDFIS



CDFI Fund Appropriations: Unlike most other federal community development initiatives, which have seen significant cuts over the past two generations,¹ CDFI Fund appropriations have been on the rise, thanks to strong bipartisan support from policymakers across the ideological spectrum. Annual appropriations to the CDFI Fund increased from \$50 million in FY 1995 to \$324 million in FY 2023.

Creation of the New Markets Tax Credit: The 2000 enactment of the New Markets Tax Credit (NMTC) program, a powerful tool to attract private investment into low-income communities, helped CDFIs expand their impact and capacity. The NMTC program offers tax credits to investors for equity investments made in certified Community Development Entities (CDEs), many of which are CDFIs or are

1. Rapoza Associates analysis of federal outlay data from FY79 to FY21.

Growth of the CDFI Industry

30th Anniversary Report

closely affiliated with CDFIs. The influx of capital from NMTC investments enabled many CDFIs to increase their lending and investment activities. This expanded financial capacity allowed CDFIs to undertake larger or more complex projects that can create more significant community impacts.

An Unprecedented Federal Investment for Pandemic Relief: Recognizing the critical role played by CDFIs in America's most vulnerable communities, the 116th Congress made a substantial investment in CDFIs.

The Consolidated Appropriations Act, 2021 (PL 116-260) provided \$12 billion in new funding for CDFIs and MDIs through three temporary programs. The Rapid Response Program (RRP) provided \$1.25 billion to help CDFIs to provide technical and financial services to communities and businesses hard hit by the Coronavirus pandemic. In June 2021, the CDFI Fund awarded grants to 850 certified CDFIs. Congress provided another \$1.75 billion for CDFIs and Minority Depository Institutions (MDIs) to increase lending and investment activity in low-income communities of color hit hard by the pandemic. In addition, Treasury Department received an appropriation of \$9 billion for the



Sen. Mark Warner, Vice President Kamala Harris, Treasury Secretary Janet Yellen, and Rep. Maxine Waters at a June 15, 2021 event announcing \$12 billion in appropriations for community-based lenders.

Emergency Capital Investment Program (ECIP). ECIP was designed to provide capital to depository institutions that are certified CDFIs or MDIs.

Congress also created a set-aside for Community Financial Institutions (CFIs, which included CDFIs) to serve as lenders through the second round of the Paycheck Protection Program. Through May 24, 2021, CFIs made 1.3 million PPP loans totaling over \$30 billion or 21% of all PPP loans. CFIs served smaller borrowers than most PPP lenders. Their average loan size was \$21,653 compared to \$41,560 across all lender classes, and nearly 40% of their loans reached business in low- and moderate-income communities, compared to 28% across all lending sources.²

State Support for CDFIs

In recognition of CDFIs effectiveness in using public investment to marshal private sector resources toward community development, many states have created their own programs supporting CDFIs.

New York created the first state CDFI Fund in 2008. In 2021, Virginia created the Virginia CDFI Fund, providing \$10 million in support for Virginia CDFIs, and the program was codified in the Virginia statute in 2023.³ In its 2022/2023 budget cycle, California created the California Investment and Innovation Program, which includes \$50 million for CDFIs to be distributed in 2024.

In addition to state CDFI Funds, states have supported CDFIs through two rounds of the federally funded State Small Business Credit Initiative (\$1.5 billion in 2010 and \$10 billion in 2021).

2. "COVID Relief Paycheck Protection Program Report, Data as of 05/24/2021." U.S. Small Business Administration, 2021.

3. "Virginia Becomes the Latest State To Create a CDFI Fund." Next City, August 7, 2023.



Delegate Danny Marshall (R-VA)

Lead sponsor of Virginia CDFI legislation

"Small businesses are the economic engine of the Commonwealth. Expanding their access to financing through loans, grants, or forgivable loans, as well as community revitalization real estate projects, will offer new and significant economic development opportunities for our rural areas. The Commonwealth is a national leader, becoming one of the first states to create a CDFI Fund in the state budget. This public/private partnership can be a model for other states."

Growth of the CDFI Industry

30th Anniversary Report

INCREASED PRIVATE SECTOR SUPPORT FOR CDFIS

CDFIs raise capital from the private sector from a variety of sources, including corporations, individuals, religious institutions, private foundations, and impact investors.

The largest private sector funders of CDFI loan funds are regulated financial institutions. Banks partner with and fund CDFIs by providing capital investments, grants, and loan participations, enabling CDFIs to expand their lending and service capabilities in underserved communities. These partnerships not only help enhance banks' Community Reinvestment Act performance but also help to channel private investment into distressed communities.

According to Aeris' January 2023 survey of CDFI loan funds, "among mid-sized CDFIs, which represent the largest group in the analysis...debt from banks made up nearly half of total debt."

In the wake of the murder of George Floyd and the advent of the pandemic, banks ramped up their commitments to CDFIs. The eight largest U.S. banks provided \$9.2 billion between 2020 and 2022.⁴

Increasingly, CDFIs are participating in secondary markets, providing them with immediate liquidity and enabling them to reinvest capital into new loans and services.⁵ Most CDFIs accessing secondary markets are depositories, though CDFI loan funds have

4. Financial Services Forum survey of members, 2020-2022.

5. "2023 CDFI Survey." Federal Reserve Bank of Richmond, August 2023.

made some recent strides in this regard.

CDFIs have also recently benefited from investor interest in sustainable, socially responsible investments. As trusted intermediaries with a boots on the ground in underserved communities, CDFIs are well-positioned to help socially-conscious investors provide capital to projects and services that contribute to sustainable development goals. The number of CDFIs accessing capital markets with issuer credit ratings from Standards and Poor increased from 9 to 13 between 2021 and 2023.⁶ Thanks to increased support from public and private sources, CDFIs industry assets nearly tripled between 2018 and 2023, from \$187 billion to \$452 billion.⁷

DEMAND STILL STRONG FOR CDFI PRODUCTS AND SERVICES

Despite exponential growth, the CDFI industry has not scaled to the level where it can fully meet the credit needs of underserved communities and populations. There are still some geographic coverage gaps, though fintechs are striving to address those challenges.

In 2023, three out of four CDFIs saw an increase in demand for financial services in their target markets, and only forty percent of those CDFIs were able to fully meet the new demand.⁸ Federal support for CDFIs remains critically important, particularly with the high cost of capital in 2023 and into 2024.

6. "CDFIs and the Capital Markets: Trends in Investment & Impact Measurement." A collaboration between Local Initiatives Support Corporation and Enterprise, 2023.

7. "Sizing the CDFI Market: Understanding Industry Growth." Federal Reserve Bank of New York, August 2023

8. 2023 CDFI Survey." Federal Reserve Bank of Richmond, August 2023.



Senator Mark Warner (D-VA)

Co-chair of the Congressional Community Development Financing Caucus, Aug. 1, 2022

"CDFIs and MDIs play an essential role in providing access to capital in underserved communities. While Congress took significant steps to support community-based lenders over the last two years on a bipartisan basis, CDFIs continue to need more long-term patient capital, operating capital, and resources to modernize their systems and compete in an era of rapid financial innovation."

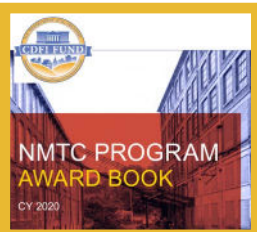
THE CDFI FUND

BY THE NUMBERS



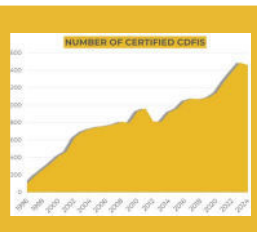
30 YEARS

The Community Development Financial Institutions Fund (CDFI Fund) was created in 1994 by the Riegle Community Development and Regulatory Improvement Act.



\$85 BILLION IN AWARDS

including \$76.2 billion in tax credit allocation, \$525 million in bond authority, and \$8.3 billion in grants to CDFIs.



1,460 CERTIFIED CDFIS¹

including 573 loan funds, 356 CDFI banks, 516 credit unions, and 16 venture capital funds. There are 66 Native CDFIs.



\$38 BILLION IN LOANS & INVESTMENTS²

annually by CDFI Program Financial Assistance award recipients.



53,836 AFFORDABLE HOUSING UNITS³

financed annually by CDFI Program Financial Assistance award recipients.



3.7 MILLION CLIENTS SERVED⁴

annually with development services annually in target markets, including business technical assistance, credit counseling, financial education, homeownership counseling, and other assistance.

1. As of Feb. 15, 2024.

2. FY2022 CDFI Fund Agency Financial Report.

3. Ibid.

4. CDFI Annual Certification and Data Collection Report: FY 2020 Snapshot.

Supporting Diverse Communities

30th Anniversary Report

Addressing racial disparities and supporting historically disadvantaged communities a foundational concept for CDFIs. Many of the CDFIs active today can trace their founding to the Civil Rights Movement. The injustice of redlining and the legacy of generations of discrimination continues to resonate in low-income communities today.

Like many other mission-driven organizations, the murder of George Floyd galvanized CDFIs into action. Many CDFIs re-examined and then re-tooled their strategies for supporting BIPOC communities.

Increased funding the public and private sector afforded CDFIs with the opportunity to expand existing initiatives and launch new efforts to address the disparity in financial services between communities of color, indigenous lands, and everywhere else.

Addressing Pandemic Relief Disparities

During the COVID-19 pandemic, CDFIs intensified their efforts by launching new programs, offering emergency loans with favorable terms, and providing technical assistance to BIPOC-owned and minority businesses to help them navigate the crisis.

Black- and other minority-owned businesses were disproportionately underserved by the federal COVID-19 relief effort, and by the distribution of PPP funds in particular.¹

CDFIs' targeting of BIPOC communities exceeded other lenders in this regard, providing a higher percentage of their loans to majority-Black neighborhoods than any other type of financial institution.²

Climate Change and Clean Energy

CDFIs are also working on climate adaptation and mitigation strategies in BIPOC communities and to support clean energy investments.

For example, to promote opportunity in the transition to a green economy, LISC has designed "green jobs" training-and-support programs for workers interested in living-wage jobs in weatherization in Boston and solar-panel installation in Newark and Los Angeles, among others. LISC Twin Cities' capacity-building program for developers of color supplied local solar-energy executive Jamez Staples with technical and

financial resources that helped Staples realize his vision for a renewable-energy job training center in the North Minneapolis community where he grew up.

As part its environmental justice efforts, the Alliance of African American CDFIs leads a Community Builders of Color Coalition of 18 national BIPOC organizations urging the U.S. Environmental Protection Agency to ensure that minority communities can benefit equally from the Greenhouse Gas Reduction Fund as authorized by the Inflation Reduction Act. The fund will provide competitive grants to mobilize financing and leverage private capital for clean energy and climate projects that reduce greenhouse gas emissions – emphasizing projects that benefit low-income and disadvantaged communities.

Supporting BIPOC Entrepreneurs

Detroit Development Fund established the Entrepreneurs of Color Fund (EOC Fund) in 2015 to address issues surrounding insufficient access to capital for BIPOC entrepreneurs, to provide pre/post-loan technical assistance and business knowledge, and to provide loan capital in low-to-moderate-income neighborhoods who primarily hire local residents. Since the inception of the EOC Fund, it has generated more than \$18 million in loans provided to BIPOC entrepreneurs, including 190 Black-owned businesses in the City of Detroit and 47 percent Black women-owned businesses.

Supporting Indigenous Communities

Native CDFIs play a crucial role in providing financial services within Native American communities, areas that often lack access to traditional banking resources. These institutions are uniquely positioned to understand and serve the specific needs of Native populations, providing culturally competent financial services.

For example, Jared Holt, a Colville Tribal descendant with extensive experience at a local auto body shop, faced challenges securing traditional financing to purchase and continue the business upon the owners' retirement. The Northwest Native Development Fund recognized the opportunity's value, assembling a tailored financing package that preserved local jobs and a community staple, enabling Holt to embark on his entrepreneurial journey and quickly become a community leader.

1. "Minority Entrepreneurs Struggled to Get Small-Business Relief Loans." New York Times, April 4, 2021.

2. "New data shows small businesses in communities of color had unequal access to federal COVID-19 relief." Brookings Institution, September 27, 2020.

THREE-YEAR IMPACT SURVEY AND CASE STUDY REPORT

The CDFI Coalition's survey of its members concerning their impact over the past three years.

In September of 2023, the CDFI Coalition surveyed its members and requested data and stories from their past three years of operation. The survey responses provide a broad cross-section of the CDFI industry's support for vulnerable communities and populations during a tumultuous period that included the social unrest following the tragic murder of George Floyd, the unprecedented COVID-19 pandemic and associated economic collapse, and fragile recovery that followed.

Seventy coalition members participated in the survey, including 66 CDFIs and 4 trade associations. Survey participants provided case studies and also had the option to provide an example of a green financing activity.

The survey results provide a broad cross-section of the CDFI industry's impact.

THREE YEAR IMPACT Financing Activities

Survey participants provided a total of \$22.7 billion in originations, including \$22.5 billion in loans and EQ2 and \$186 million in equity investments.

The most popular use of funds was to finance non-real estate microenterprises (43%) followed by mortgage lending (22.3%), and loans and investments to operating businesses (13.9%). As mentioned earlier in this report, Congress provided a set-aside for CDFIs in the Paycheck Protection Program (PPP). CDFIs were much more likely to provide PPP loans to smaller borrowers in more distressed communities. Survey respondents financed a total of 151,033 nonprofits, social service providers, and community facilities ranging from hospitals

and health clinics to schools and recreational facilities.

Of the 437,356 businesses financed, 294,534 (67.4%) were minority-owned and 155,648 (35.6%) were women-owned.

Impact Data

CDFI investments generated 583,168 FTE jobs, including 117,229 FTE construction jobs and 465,939 permanent FTE jobs created or retained at businesses or tenants or real estate projects.

CDFIs financed the construction or renovation of 61.6 million sq. ft. in commercial real estate.

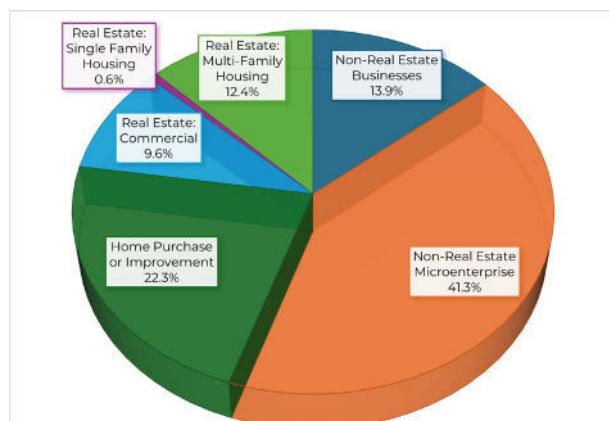
In terms of housing, CDFIs financed the construction or rehabilitation of 198,090 homes. This included 98,135 rental units, 87,897 of which were affordable, and 6,818 in for-sale, owner occupied homes, of which 5,258 were affordable.

CDFIs made the dream of homeownership a reality for 5,515 first-time homebuyers.

Organization and Borrower Case Studies

All seventy survey respondents submitted information on their organizational mission and impact, along with a borrower success story and an optional anecdote about a green financing activity. CDFI trade associations were asked to describe their work and provide an example of the work of one of their members.

The case studies that follow illuminate CDFIs' transformative impact in underserved communities across the country and illustrate the diverse and powerful ways in which CDFIs have catalyzed change, fostered economic development, and enhanced the quality of life for millions individuals and families.



ACE | ACCESS TO CAPITAL FOR ENTREPRENEURS

Atlanta, GA



OVERVIEW

ACE is a Georgia-based nonprofit CDFI whose mission is to grow small businesses by removing barriers to access to capital, combined with coaching and connections. ACE helps small business owners that traditional banks will not by providing economic development to underserved people and communities.

ACE was started in 2000 by our female founder and CEO with a \$50,000 grant to serve four rural North Georgia counties. Today, 24 years later, ACE covers 100 counties and has deployed over \$200 million, impacted 2,600 businesses and helped them create or retain more than 21,000 jobs. Underserved business owners, including women, low-to-moderate income, and small business owners of color have received 91 percent of the capital that ACE deployed.

ACE has delivered over 90,000 hours of highly-personalized business advisory services to more than 7,000 entrepreneurs, offering expertise and guidance for running and scaling sustainable businesses. In addition to Business Advisory Services staff who support ACE loan clients, Women's Business Centers located in metro Atlanta and Savannah support entrepreneurs at all stages of business development. ACE's Relief, Recovery, and Reinvention program provided \$220,000 in grants and \$3.77 million in earned loan forgiveness in pandemic relief. An additional \$2.5 million in debt payment relief was facilitated via federal relief for 250 clients. From 2021 to 2022, ACE's interest rate reduction programs provided \$16 million in loans to over 200 small businesses.

ACE is implementing an ambitious new strategic plan to deploy \$300 million in capital over five years that will enable meeting three goals:

- serve more clients through operational efficiencies;
- generate more impact through innovative products and programs; and
- expand to more markets by broadening our geographic footprint.

ACE SUPPORTS SKYLAR SECURITY

Olympic champion Jamine Moton started her own business, Skylar Security, in 2014. Skylar Security is a luxury security company that emphasizes client support, success, and retention.

After Moton was turned down for a line of credit by her bank, she was introduced to ACE through a colleague at Atlanta's Women's Entrepreneurship Initiative. ACE made her a \$30,000 loan through the Interest Rate Buydown (IRB) Program. The IRB program allows borrowers to have a more affordable payment by providing funds to "buy down" the rate by a few percentage points. Participants also receive complimentary business advisory services.

The loan allowed Moton the runway needed to scale her business financially. Her company was chosen to work the Super Bowl in 2019 in Atlanta and again in Miami in 2020. Moton received two additional loans to supplement operations during the pandemic and a larger one for \$199,000 in October 2022 to cover technology development and free up cash flow. Moton's relationship with her ACE business coach has paid big dividends, including changes in price points, and the company is now looking at over \$2 million in revenue in 2022 with 326 security guards.

"Over the years, I've learned that helping others is easier said than done," says Moton. "ACE found a way to service the capital needs of so many entrepreneurs. In doing so, they've removed a frequent barrier to growth: lack of funding. Skylar is forever grateful."

THREE-YEAR IMPACT

- ▶ \$109 million in loans
- ▶ 51 community facilities financed
- ▶ 1,111 total businesses financed (895 minority-owned, 614 women-owned)
- ▶ 7,200 jobs created or retained at businesses

Green Financing Examples:

- ▶ ACE provided low-interest capital to small business owners seeking to make energy efficiency improvements to their business.

AFFORDABLE HOUSING RESOURCES, INC.

Nashville, TN



OVERVIEW

Affordable Housing Resources, Inc. (AHR) is a non-profit organization whose mission is to create affordable housing and strong neighborhoods. For over 30 years, AHR has been laying a foundation for successful homeownership for Middle Tennessee's workforce. AHR is committed to providing homeownership opportunities for low-to-moderate-income families, which enable these families to become successful homeowners over the long term. As the oldest nonprofit housing organization in Nashville, Affordable Housing Resources, Inc. (AHR) knows the importance of building partnerships with neighborhood residents and stakeholders.

We provide training to local nonprofits and public housing agencies as well as work closely with government organizations, including: the Metropolitan Development Housing Agency (MDHA), U.S. Department of Housing and Urban Development (HUD), Tennessee Housing Development Agency (THDA), and NeighborWorks® America.

AHR believes in and actively supports the Fair Housing Act, a federal law that prohibits discrimination in residential real estate transactions on the basis of race, color, religion, sex, handicap, familial status or national origin. The prohibition applies to both the sale of a home and the decision by the lender to approve a loan to help pay for a home.

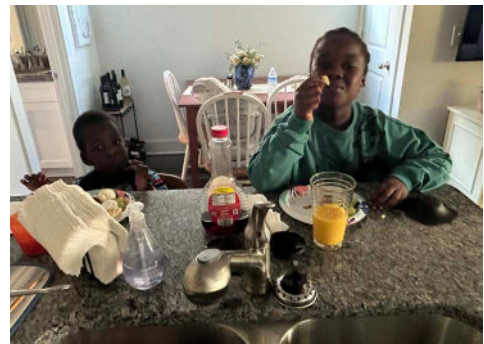
A NEW HOME BRINGS A FAMILY CLOSER

Beatrice Cochran was living in Clarksville, TN, and spending one hour each day commuting to work. With assistance from AHR, Beatrice was able to buy a new home in Nashville.

"We are loving every second of our home. My son loves playing in the yard. He loves to run from front to back and back to front. His favorite is running into the neighbors yard," said Beatrice.

AHR's loan to Beatrice was possible thanks to a down payment program AHR created with its 2021 CDFI Fund Program Financial Assistance grant. The new home put her closer to a new job opportunity and reduced her commute, adding two hours to her day to spend with her children at home.

"I want you to know that [AHR's] program has made a big difference in our lives! My daughter Jane especially loves her big bedroom, and we are all very much happier."



THREE-YEAR IMPACT

- ▶ \$8.7 million in loans for home purchase
- ▶ 155 first-time home buyers provided with financing

AFRICAN AMERICAN ALLIANCE OF CDFI CEOS

Orlando, FL



OVERVIEW

The African American Alliance of CDFI CEOs, known as “The Alliance,” is a membership organization of over 76 Black-led CDFIs. These institutions include loan funds, credit unions, venture capital firms, and non-profit developers. Since its establishment in 2018, The Alliance’s extensive network has provided services across all 50 states and the District of Columbia.

The Alliance supports and empowers Black CDFI CEOs to lead and grow their institutional operations, teams, and social impact. As a membership-driven intermediary, the Alliance aims to achieve its vision by building the capacity of member organizations, bridges to economic stability, well-being, and wealth for Black individuals, families, and communities, and power in Black communities by challenging and influencing financial sectors to operate more equitably.

As part of environmental justice efforts, the Alliance leads a Community Builders of Color Coalition of 18 national BIPOC organizations urging the U.S. Environmental Protection Agency to ensure that minority communities can benefit equally from the Greenhouse Gas Reduction Fund as authorized by the Inflation Reduction Act. The Fund is a first-of-its-kind program that will provide competitive grants to mobilize financing and leverage private capital for clean energy and climate projects that reduce greenhouse gas emissions – emphasizing projects that benefit low-income and disadvantaged communities.

At The Alliance, members are driven by a shared mission: to close the racial wealth gap and empower communities through access to capital and financial services. As Black-led CDFIs, members understand the unique challenges and opportunities of serving disadvantaged communities. Through their work, they are building stronger communities and creating lasting impacts for future generations.

One of the ways Alliance members are making a difference is by providing affordable financing to underserved communities. By offering loans and other financial products to businesses and individuals who may not have access to traditional banking services, our members are helping to promote economic growth and equity. This leads to job creation, increased access to goods and services, and a greater sense of community pride and ownership. By focusing on community-driven solutions, members can address the unique needs and priorities of the people they serve.

MEMBER SPOTLIGHT: NEIGHBORHOOD DEVELOPMENT CENTER AND FROGTOWN CROSSROADS

The Neighborhood Development Center is a nonprofit organization that has been helping entrepreneurs in low-income neighborhoods in Minnesota for over 25 years. They are dedicated to addressing the racial wealth gap – one of the largest in the nation - by building wealth and revitalizing disinvested neighborhoods through entrepreneurship and small business ownership.

The NDC recently opened Frogtown Crossroads, a spacious, modern new building with retail, office, and apartment space. It serves as a beacon of hope in St. Paul’s Rondo and Frogtown neighborhoods, which were torn apart by Highway 94.

The building has first-floor retail and restaurant space for businesses – with two black woman-owned businesses Urban 29 and Flava Café as tenants. NDC’s own offices are also there, providing open and inspiring space to do their work and welcome in entrepreneurs. The top floor features trainings and community space. In addition, there are 40 units of family affordable housing in the project, most of which went to local residents. With their core focus on supporting entrepreneurs in diverse, inclusive, and influential ways, NDC is poised to make an even bigger impact in the years to come.

ABOUT

- Members cover all 50 states and are focused on a variety of sectors, including small businesses, affordable housing, commercial real estate development, education, and health.



OVERVIEW

Founded in 2005 with a mission to stimulate economic activity and investment in economically-distressed communities, AltCap is a critical source of alternative financing for communities and entrepreneurs who fall outside the financial mainstream.

We are impact-driven and community-focused. To date, AltCap has deployed nearly \$300 million in capital, financing small businesses and real estate development projects that were overlooked by traditional financial institutions.

With the main office in Kansas City, Missouri, AltCap serves individuals from Missouri, Kansas, Texas, Colorado, and Nebraska. AltCap California is an affiliate organization servicing California.

AltCap provides loans between \$5,000 and \$250,000 and has recently released its new Revenue Based Financing product.

Revenue-based financing gives small business owners more flexibility with the repayment of their loans. AltCap also participates in the New Markets Tax Credit program, having deployed over \$250 million in NMTC capital.

THREE-YEAR IMPACT

- ▶ \$19.3 million in loans
- ▶ 10 community facilities financed
- ▶ 699 total businesses financed (283 minority-owned, 278 women-owned)
- ▶ 1,972 jobs created by CDFI financing to businesses

MONARCH CONSERVATORY FLIES INTO LARGER SPACE AND GREATER COMMUNITY CONNECTION

Like many entrepreneurs, Chloe Nitcher and Jennifer Bopp's business was born in a basement. Nitcher and Bopp's Monarch Conservatory dance business required mirrors, sprung flooring, and ample space for their students to run, jump, tumble, or glissade. With the help of two AltCap loans over five years, Monarch Conservatory was able to go from their basement to a 3,000-square-foot space in 2019, and most recently to a 7,000-square-foot studio in Blue Springs, Missouri.

In late 2022, the pair leased an abandoned car wash, which had sat vacant for more than five years, and turned it into their new dance studio. Bopp, Nitcher, and their students' families helped revamp the dark, musty car wash into a dancer's haven, complete with dozens of mirrors, ballet bars, padded flooring, a gathering and retail space, and artistic touches. The former car wash's large garage doors also offer the dancers flexibility and a breeze on cool days. The space accommodates Monarch Conservatory's more than 150 students, ranging from two years old to adult. The larger space also allowed the Conservatory to expand its dance offerings and better host its community of families. Nitcher noted, "This loan was to create the space that we wanted as opposed to doing what we could do at the time and then building it out later," Nitcher said. "It helped us create our dream space. It is a work in progress and always will be, but it is still a dream come true. It's wild. I can't even believe that we are here."

AMERICAN COMMUNITY CAPITAL

Boston, MA



OVERVIEW

American Community Capital is an innovative CDFI subsidiary lender to Boston Financial, a national leader in affordable housing capital solutions and the low-income housing tax credit (LIHTC) industry. American Community Capital's mission is to promote community development and support the creation and preservation of affordable housing for low-income populations earning up to 80 percent of area median income.

American Community Capital makes loans and provides technical assistance to affordable housing developers and communities throughout the United States. Our lending platform uniquely complements Boston Financial's LIHTC syndication platform and addresses the need for supplementary capital at different affordable housing investment cycle stages. American Community Capital sources loan originations through Boston Financial's developer relationships and referrals from Boston Financial's equity originations team. Boston Financial's relationship management approach with affordable housing developers generates regular touchpoints with almost 1,000 longstanding clients, leading developers to approach Boston Financial regarding lending opportunities and vice versa. More than 80 percent of our developer partners have worked with us for over ten years, and more than 30 percent are nonprofits.

American Community Capital provides various flexible loan products, including predevelopment loans, which cover project-based expenses for affordable housing developments; working capital loans, which improve liquidity for affordable housing developers; and equity bridge loans, which bridge LIHTC equity disbursements. Additionally, American Community Capital can nimbly create new offerings to meet the needs of our diverse developer partners.

BRIDGING THE GAPS IN AFFORDABLE HOUSING

The construction of Woodyard Station Apartments and Woodyard Station Senior Apartments in Clinton, Maryland, brings 46 new affordable rental homes for low-income families and 112 affordable rental homes for low-income seniors to the community. These two adjacent properties were developed by a joint venture between Pax-Edwards and Osprey Property Companies, two Maryland-based, experienced affordable housing developers and longstanding partners of Boston Financial.

In November 2020, American Community Capital stepped in to provide two unsecured \$500,000 predevelopment Loans to fill gaps in financing and enable the developers to cover critical predevelopment expenses – including architectural design fees, environmental surveys and inspection, appraisals, market studies, and legal fees – before the construction loan closings.

Construction began in the fall of 2021 and was completed in July 2023. The community's amenities include a computer center, library, fitness center, and shared community space. Robust resident services include food and clothing assistance and a crisis intervention program.

Scott Link, Vice President of Development for Pax-Edwards, reflects, "Partnering with Boston Financial / American Community Capital at Woodyard Station proved vital to the project's success. Execution of the predevelopment loans they provided was fast, hassle-free, and enabled us to maintain momentum over a lengthy entitlement process."

THREE-YEAR IMPACT

- ▶ \$155.5 million in loans
- ▶ 24,694 jobs created

Housing Financing:

- ▶ 8,225 rental units (8,012 affordable)

ANCHOR FINANCIAL SERVICES

Perrysburg, OH



OVERVIEW

Anchor Financial Services (Anchor) is a CDFI serving Ohio, Florida, Michigan, Pennsylvania, Kentucky, and Indiana communities, providing capital to businesses serving low-income rural populations to promote financial equality and sustainable economic growth. Anchor aims to support underserved communities through lending initiatives that provide long-term, cost-effective financing strategies. Anchor helps to build strong, diverse, and vibrant communities where access to capital is within reach for those committed to entrepreneurship and hard work.

Anchor's loan products cooperatively benefit small businesses through sustainable funding and community banks with participatory financing. Anchor bridges the government gap between community banks and the businesses and families they serve, offering small business loans with long-term, cost-effective financing strategies for underserved communities to increase job creation.

Anchor specializes in supporting small businesses within rural markets with access to capital and financial support services, offering working capital loans of less than \$100,000 and subordinated real estate financing up to \$5.5 million. Over 92.8% have supported rural businesses, 45.2% have funded start-ups, and 32.4% have financed women-owned businesses.

GREAT LAKES TONICS, LLC

Great Lakes Tonics, LLC dba Boochy Mama's Probiotic Tonic is a Kombucha brewer and distributor owned and operated by Stacy Jurich, who started the business in January 2015. This business brews well-balanced, nature-inspired tonics that make the community a healthier place. In Toledo, Ohio, Boochy Mama is located in a low-income community with a poverty rate of 45 percent. To increase business, Jurich constantly tried to scale up within the confines of her revenue, which limited her ability to purchase larger equipment: a refrigerated delivery van and a Brite Tank, Kombucha Tank, and bottling machine to take her production to a level acceptable for large-scale retailers. She didn't qualify for traditional loans because of the uniqueness of the collateral.

Anchor helped Stacy with two loans. The first loan financed \$45,000 for the production equipment, delivery van, and working capital to support the increased production costs. The second loan took the bottling process in-house with an additional \$16,000 termed debt. Anchor offered a five-year term to keep monthly payments manageable. This will allow the business to continue utilizing annual operating profits for ongoing growth without additional debt.

Since obtaining financing in September 2021, Boochy Mama has hired two additional employees to meet increased production needs. New retailers have been added to their distribution network to expand the market, now covering a 350-mile radius. Boochy Mama also recently opened a tap room with space to enjoy her authentically brewed, herbal kombucha in a revitalized space.

"One of the things I like about Anchor is they believe in makers, and you don't find that necessarily in a traditional bank. Anchor can see the value of a small business in the community. They are an ally in the growth of my business," said Stacy Jurich.

THREE-YEAR IMPACT

- ▶ \$8.3 million in loans, including:
 - ▶ \$6.8 million to operating businesses
 - ▶ \$1.5 million non-real estate microenterprises
- ▶ 108 total businesses financed (6 minority-owned, 35 women-owned)
- ▶ 530 jobs created at businesses

ARKANSAS CAPITAL CORPORATION

Little Rock, AR



OVERVIEW

Arkansas Capital Corporation (ACC) is a private, nonprofit finance company formed in 1957 through the efforts of Winthrop Rockefeller and other business leaders in Arkansas. ACC's mission is to empower entrepreneurs and stimulate economic growth within its community. ACC fosters regional economic development and creates and preserves employment opportunities while focusing on promoting growth and expansion among underserved communities. Since its creation, ACC and its partners have deployed over \$2.58 billion to small businesses and economic development projects. ACC is certified by the U.S. Department of Treasury as a CDFI Institution and by the Arkansas State Bank Department as an Economic Development Enterprise. These certifications affirm ACC's commitment to serving all communities, including unserved and underserved areas.

ACC promotes new opportunities by partnering with banks to provide loans to small and medium-sized businesses that do not meet the requirements for traditional bank financing. This allows for more flexible underwriting and often includes bank participants, SBA or USDA guarantees, smaller injection requirements, and longer terms. ACC offers loans for startups, acquisition and expansion of existing businesses, building or expanding commercial real estate, working capital, purchase of commercial equipment, facilitating the rehabilitation of properties, and debt refinance. Industries include restaurants, manufacturing, retail trade, professional services, and other services.

ACC has committed to increasing racial equity financing and has hired a Director of Community Development who leads ACC's efforts to become more involved in minority communities across Arkansas. Through sponsorships and participation in focused events, ACC is endeavoring to become the organization these underserved communities will turn to when contemplating the financing needed to start or expand their businesses.

ACC is also launching a new microlending program, which will be tailored to meet the needs of minority, rural, and women borrowers, providing loans in much smaller amounts than usually contemplated by area banks or other lenders.

CERTIFIED PIES

Kreg and Samantha Stewart began Certified Pies, Arkansas's first black-owned pizzeria, in 2019 as a side business providing healthy meals. In 2020, they pivoted their focus after their friend, Harlem Wilson, made homemade pizzas for a birthday celebration. The trio decided to partner on the new venture and created Certified Pies. Operating out of a shared space, they were limited to 18 hours per week with no dine-in options. Despite these limitations, their carry-out business gained traction and operated at a profit. For Certified Pies to thrive, they knew they needed to find a new space for their business.

The partners invested over \$100,000 of equity but needed additional capital. Through a ten-year loan closed in May 2023, they leased and equipped a new dine-in space. They are now open full-time and have hired seven new employees. Samantha Stewart says, "I'm so thankful for ACC. Without these funds, we would not have been able to grow our business and be a catalyst for the success of other businesses."

THREE-YEAR IMPACT

- ▶ \$80.8 million in loans
- ▶ \$420,000 in equity investments
- ▶ 166 community facilities financed
- ▶ 1,236 total businesses financed (285 minority-owned, 304 women-owned)
- ▶ Jobs created via financing: 2,766 jobs

CAPITAL IMPACT PARTNERS

Arlington, VA



OVERVIEW

Capital Impact Partners (CIP), a national nonprofit CDFI, helps to build inclusive and equitable communities by providing people access to the capital and opportunities they deserve. CIP's vision is for an economic system that respects and uplifts all peoples' rights to achieve the dreams they have for themselves, their communities, and generations to come.

CIP partners with mission-aligned developers, organizations, and businesses to revitalize neighborhoods and deliver social impact. As a leading nonprofit lender, CIP delivers much-needed capital to key community pillars, including high-quality health centers and education facilities, healthy food retailers, mixed-use and affordable housing, cooperatives, and dignified aging facilities. Since its inception, CIP has deployed over \$3.2 billion across the country, serving over 7 million residents, with a focus in California, Michigan and northwest Ohio, the New York Tri-State Area, Texas, and Washington, DC.

Rising inequality has been manifesting in ways that fracture communities and strain the fabric of society. Underinvested communities face vulnerabilities across healthcare, education, housing, food, and, at the core, equality of opportunity. The leading contributor to this economic inequity is a lack of access to capital driven by antiquated and exclusionary underwriting, a broken capital delivery system, and limited and predatory products. CIP believes that our diverse menu of capital products and capacity-building programs provide a holistic solution that builds capacity, increases access to opportunities, and reduces wealth disparities for communities of color, which supports economic mobility and lasting wealth creation.

MEDICI ROAD

In April 2021, CIP provided a \$934,000 acquisition loan to Medici Road to purchase a vacant lot in the Deanwood neighborhood of Washington DC's Ward 7. Medici Road was founded by a graduate of CIP's DC-Maryland-Virginia (DMV) Equitable Development Initiative (EDI) program. The loan was supported by funds from the Diversity in Development DMV Loan Fund (DiD-DMV), which was created to support developers of color in the DMV area using proceeds of a CDFI Program Financial Assistance award.

EDI graduate Thomas Houston founded Medici Road to address disparate outcomes in health, education, and housing caused by systemic racism. Mr. Houston and his development partner, a fellow EDI graduate, Talayah Jackson, will develop the vacant lot into a 17,000-square-foot building with 12 condo units for sale at prices affordable to DC residents earning 80% of the Area Median Income – a path to intergenerational wealth building, and a way for long-time residents to stay local in a gentrifying neighborhood. For the ground floor, they envision shared office space for local entrepreneurs and what will be the farthest-east true grocery store in DC (nearby bodegas lack a full variety of groceries). During the loan period, Medici Road planned to add two new full-time employees to its staff. The project is expected to generate 55 construction jobs and 16 permanent jobs while providing housing for 54 residents. The co-working space will support many entrepreneurs, and the grocery store is expected to be franchise-owned and staffed by local resident(s).

Houston says "Capital Impact has been very proactive and diligent about their organization's racial equity journey and what that means for the products they are developing and the people they are serving. They are mission-aligned with us, and that is another reason why I encourage other Black developers to work with Capital Impact."

THREE-YEAR IMPACT

- ▶ \$250.1 million in loans
- ▶ 22 community facilities financed
- ▶ 76 total businesses financed (42 minority-owned (24 women-owned)
- ▶ Jobs created via financing: 2,784 FTE construction jobs, 750 jobs created at businesses
- ▶ 2,060,202 sq. ft. of commercial real estate

Housing Financing:

- ▶ 1,352 rental units (1,220 affordable)
- ▶ 1,303 for-sale units (1,274 affordable)

CENTER FOR RURAL AFFAIRS

Lyons, NE



OVERVIEW

We are unapologetically rural. We stand up for rural America—the small family farmer and rancher, new business owner, and rural communities.

Since 1973, we've been a leading force engaging people to build a better rural future. Our policy work spans the nation and is focused in Nebraska, Iowa, South Dakota, and Minnesota. Our on-the-ground work with communities and farmers takes place in Iowa and Nebraska. We lend to small businesses and homeowners in Nebraska.

As long as rural advocates are needed for sustainable agriculture, clean energy, and community development, you can bet we'll be on the front lines, building a bright rural future.

The Center for Rural Affairs' mission is to establish strong rural communities, social and economic justice, environmental stewardship, and genuine opportunity for all while engaging people in decisions that affect the quality of their lives and the future of their communities.

THREE-YEAR IMPACT

- ▶ \$5.4 million in loans
- ▶ 101 total businesses financed (46 minority-owned, 40 women-owned)
- ▶ 113 jobs created at businesses

GRANITE COUNTERTOP BUSINESS OWNER DOESN'T TAKE CENTER ASSISTANCE FOR GRANTED

After moving from Mexico to Minnesota in 1998, Froylan C. Roustand found his passion while working for a company installing granite countertops. The more experience he gained and the more he learned of the trade, the more he loved it. He decided to move to Nebraska in 2008 to pursue his dream of opening his own business.

At first, Froylan kept busy doing side jobs. As customer interest in his work grew, he was able to provide his services to others, which opened the door for him to start his own business. Froylan made his dream official when he opened Husker Granite Top, LLC, in March 2020, in Omaha. As the business grew, Froylan looked to the Center for Rural Affairs for financial assistance after his wife, Elizabeth Gaona, attended a small business workshop with the Center and learned it offered loans.

In August 2022, Center staff helped him secure a loan to expand and purchase specialized heavy equipment, including a granite saw machine, forklift, and compressor. Veronica Spindola, Latino loan specialist with the Center, guided Froylan and Elizabeth through the process. Veronica says she's had the opportunity to visit one of Froylan's project sites and was impressed by all of the logistics involved. "He is a rock star when it comes to countertops," she said. "Froylan is very focused and is always finding ways to grow and move his business to the next level, but he is not alone. I believe he couldn't do it without the support of his amazing wife, Elizabeth."

Although the construction-based business specializes in marble and granite countertops, Froylan and his three full-time employees, including one of his sons, also offer other services. They can install marble and granite almost anywhere—walls, fireplaces, bathrooms, kitchens, outdoor grills, and more, in residential and commercial properties. Froylan's daughter also works part-time for the company, helping with accounting.

Froylan credits the Center for helping him get his business to where it is today. "Working with the Center has been good and very productive," he said. "Other business owners can benefit from them too, because we have had a great experience and it was a great opportunity to be able to start something and purchase tools with that loan."

CHICAGO COMMUNITY LOAN FUND

Chicago, IL



OVERVIEW

Chicago Community Loan Fund (CCLF) is a certified CDFI founded in 1991 to provide responsible financing and technical assistance for community development efforts that improve neighborhoods and result in social impacts that benefit populations that have been setup to fail by preventing access to quality and affordable housing, robust education, qualified health care, healthy foods and services.

CCLF provides flexible, affordable and responsible financing and technical assistance for community stabilization and development efforts and initiatives that benefit low- to moderate-income neighborhoods, families and individuals throughout metropolitan Chicago. CCLF's financing products target real estate projects that aim to improve the economic health of low-income individuals and families and their neighborhoods. CCLF considers applications for financing in four key sectors: housing, commercial real estate, community facilities and social enterprises. CCLF provides financing in low-income census tracts within the six-county area surrounding the Chicago market: Cook, Will, Kane, DuPage, McHenry and Lake.

Recognizing that a history of discriminatory practices and disinvestment have stymied economic progress in low-income communities of color, CCLF works to advance communities by unlocking potential, ensuring fairness in opportunities, and pursuing justice for all. Committed to long-term system change, CCLF promotes anti-racism, equity and inclusion; celebrates individual and collective diversity; and proudly stands in solidarity with those in our communities who are marginalized.

With grants from the CDFI Fund, CCLF has been able to work with other financial institutions to reduce poverty, improve health, expand access to quality education, increase employment, and build stronger and more resilient communities.

REGAL MILE STUDIOS MAKES CHICAGO'S SOUTH SIDE THE HOLLYWOOD OF THE MIDWEST

CCLF provided Regal Mile Ventures with a \$5 million predevelopment loan in 2022 for the development of Regal Mile Studios, a state-of-the-art, independent film and television facility. The developers expect the \$100 million project to create 250 construction jobs, 34 permanent full-time studio jobs and nearly 300 production jobs on Chicago's South Side.

In recent years, the television and film industry has selected Chicago for major productions like Chicago Fire, Chicago Med, Chicago PD and more. The growing film industry has added over \$700 million to the local economy in 2022. This industry provides quality jobs for thousands of Chicagoans and creates opportunities for hundreds of local businesses. Regal Mile Studios will occupy 7-acres of land that has been vacant for two decades with 220,000 square feet dedicated to five sound stages, pre- and postproduction facilities, administrative offices, a mill, wardrobe room, cafeteria and flex space. In their desire to be the "Hollywood" of the Midwest, the developers plan to attract production companies, television networks, cable networks, streaming services, movie studios and other types of entertainment companies.

Chicago natives Derek Dudley, producer of Showtime's "The Chi," and Jim Reynolds, Founder/CEO of Loop Capital investment company along with entrepreneur Gregory Peck, are among the members of the development company. They have attracted investors like Chance the Rapper and Common to capitalize on the rising demand for content from streaming companies such as Netflix, Amazon and Hulu. "We take great pleasure in helping launch this exciting project," explains Calvin Holmes, President, Chicago Community Loan Fund. "This area needs revitalizing, and this expansive studio will help to do that." Regal Miles Studios will develop an apprenticeship program in conjunction with Chicago Public Schools leading to robust career opportunities for youth in the media industry.

THREE-YEAR IMPACT

- ▶ \$84.3 million in loans
- ▶ 12 community facilities financed
- ▶ 106 businesses financed (78 minority-owned, 35 women-owned)
- ▶ Jobs created via financing: 1,865 construction and 1,472 at businesses and tenant businesses

Housing Financing:

- ▶ 856 affordable rental and 99 for-sale units

Green Financing Example:

- ▶ The Green Era sustainable campus in the Auburn Gresham neighborhood in Chicago.

CINNAIRE LENDING

Chicago, IL



OVERVIEW

Cinnaire Lending is committed to building stronger, more equitable communities by providing financing for affordable housing, education, healthcare, community facilities and economic development. As a certified CDFI, we are a trusted partner with nonprofit organizations, government agencies and mission-driven businesses to connect communities, regardless of income or zip code, with financing that supports economic growth and opportunity.

Racial and economic equity are core to Cinnaire: We invest in people and places to transform lives through equitable financial and development solutions. Cinnaire Lending is guided by that mission.

With offices in five states and a footprint spanning nine states throughout the Midwest and Mid-Atlantic, Cinnaire Corporation provides access to investment funding, lending options, development services, and title services that support community-driven economic development and create stable, sustainable, and vibrant communities.

THREE-YEAR IMPACT

- ▶ \$67.7 million in loans
- ▶ 2 community facilities financed
- ▶ 36 total businesses financed (11 minority-owned, 9 women-owned)
- ▶ Jobs created via financing: 2113 FTE construction jobs, 74 jobs created at businesses, 138 at tenant businesses
- ▶ 118,235 sq. ft. of commercial real estate

Housing Financing:

- ▶ 2,362 rental units (2,271 affordable)
- ▶ 76 for-sale units (70 affordable)

JORDAN RICHARDSON – PROPERTY BROS – SOUTH BEND, IN

Jordan Richardson is an emerging real estate developer of color located in South Bend, Indiana. Mr. Richardson hopes to expand his development business to other markets. He has over seven years of experience as a solar project manager and, more recently, as a single-family home developer. With three residential rental properties developed in South Bend, he is currently in the process of developing four additional homes. Mr. Richardson believes all families should have an opportunity to live in high-quality housing and is making a concerted effort to rent homes to tenants with Housing Choice Vouchers.

CDFI Friendly South Bend connects local borrowers with existing CDFIs and other financial institutions to bring much-needed capital to the region. After unsuccessfully trying to secure funding from local banks, CDFI Friendly South Bend connected Mr. Richardson with Cinnaire Lending to consider funding his development plans.

Cinnaire Lending provided a \$500,000 line of credit in April 2022 to Property Bros to purchase distressed properties from the open market in the range of \$40,000 to \$60,000 and rehabilitate them for families to rent. Mr. Richardson will invest between \$30,000-60,000 in rehabilitating each home depending on the scope of work required and the projected after-rehab value. Over the loan term, Property Bros hopes to buy and rehabilitate four to five homes. Cinnaire Lending is currently working on extending the line of credit for an additional 24 months.

The City of South Bend commissioned a housing study by Rice University, which found approximately 21 percent of the housing units in the community are vacant, with many in need of repair. The study also found the city has a shortage of approximately 2,500 low-income units. Property Bros' interest in providing quality Housing Choice Voucher tenants will help meet this need.

CITYWIDE DEVELOPMENT CORPORATION

Dayton, OH



OVERVIEW

Since 1972, CityWide Development Corporation has served as a non-profit organization with a mission to strengthen Dayton through strategic economic, community, and real estate development. Through our deep roots in the community and experienced staff, CityWide leverages funds, relationships, and partnerships to engage in catalytic projects and bring desired services to neighborhoods. We offer several loan programs to businesses and development projects aimed at encouraging the vitality of our region. Our diverse financing tools are designed to complement private-sector lenders and investors while offering possible solutions for many project sizes and businesses in a nine-county region. CityWide is also a leader in the creation and implementation of comprehensive community development strategies. Our innovative team works on large-scale neighborhood transformation projects, creates consensus as part of community development planning, and turns visions into triumphs.

THREE-YEAR IMPACT

- ▶ \$3.6 million in loans
- ▶ 11 total businesses financed (3 minority-owned, 3 women-owned)
- ▶ Jobs created via financing: 400 FTE construction jobs, 295 jobs created at businesses
- ▶ 958,731 sq. ft. of commercial real estate

FIRST FLOOR FUND STORY

Sweet smells and delicious treats have been a staple in the Old North Dayton neighborhood for over a century. A Troy Street building served as the original Kroger Bakery, and was later bought and run by the Evans family for over 50 years. In 2022, the Evans family decided it was time to move on from the bakery and put the business up for sale. A local baker, Benjamin Stuckey, saw the opportunity to keep the legacy alive.

Stuckey had been baking out of his home and knew it was time to find a brick-and-mortar location. When Evans Bakery went up for sale, Stuckey reached out to CityWide Development for financing to purchase the business, recipes, and equipment. The bakery reopened as Baker Benji's Cakes and Desserts in May 2023, making it the first business to open that was financed through the newly established First Floor Fund (FFF), a loan program created and managed by CityWide and funded by the city of Dayton.

"Honestly, without their funding, this dream of mine would not have come true," Stuckey said.

The goal of FFF is to help mitigate COVID-related, systemic funding and economic challenges facing small, women-owned and minority-owned businesses. The program also promotes vibrancy and walkability in downtown Dayton and along neighborhood business corridors by activating vacant, commercial first-floor spaces. The city of Dayton made a \$7 million investment from the Dayton Recovery Plan to fund the FFF program.

FFF was developed in response to the needs of small business owners seeking affordable capital to launch their businesses. The program provides low-interest loans with a portion that is forgivable to businesses that are approved. CityWide's community development team has assisted loan officers in connecting to neighborhoods and small business owners.

Since launching in Q4 of 2022, 16 businesses have been approved for loans totaling \$3.9 million. The program continues to experience robust interest and is contributing to the city's post-pandemic recovery.

CLEARINGHOUSE CDFI

Lake Forest, CA



OVERVIEW

Clearinghouse Community Development Financial Institution (Clearinghouse CDFI) operates as a dedicated force for positive change, serving for 28 years. Our commitment extends to delivering substantial financing to underserved communities across the southwest, embodying a mission to enhance economic opportunities and the quality of life for lower-income individuals.

Functioning as a nationwide, full-service, direct lender with a focus on California, Nevada, Arizona, New Mexico, Texas, and Indian Country, Clearinghouse CDFI provides innovative and affordable financing solutions for projects spanning affordable housing, community facilities, small businesses, and commercial real estate. Our approach to racial equity financing involves close collaboration with borrowers, implementing creative solutions to disrupt disinvestment cycles and foster long-term development. Clearinghouse CDFI's impact reaches beyond financial services, contributing to the creation of thriving, healthy communities.

TERRA ALEUTIANS

TERRA Network is a hybrid terrestrial fiber-optic & microwave network under development by General Communication Inc. (GCI). TERRA brings connectivity to some of Alaska's most remote regions—delivering access to healthcare, education, and other critical public resources to more than 45,000 Native Alaskans. The TERRA Network is 3,300 miles long—further than Seattle to Miami—and includes both overland and undersea fiber.

Terra Aleutians, phase two of a three-phase Unicom Project, expanded existing high-speed internet and telecommunication infrastructure via fiber-optic cable to bring affordable and effective broadband to another rural, low-income community: the Aleutian Islands.

The Aleutian Islands, inhabited by Native Alaskans, suffer from isolation, poor access to health services, and substandard educational tools. Similar to the project impacts in phase one, phase two brought dependable broadband access to improve the quality of life for Native Alaskans living in the Aleutian Islands by providing them with improved access to critical remote medicine, economic growth opportunities, and education. The five communities served are each located in an Alaska Native Village Statistical area in economically distressed and underserved counties of Larsen Bay, Sand Point, King Cove, and Akutan.

This second phase of the project faced the same financing challenges as phase one: complex construction plans, the rural location of the project, and very challenging financial ratios. After many years of searching for financing, the borrower turned to Clearinghouse CDFI and the New Markets Tax Credit community for all three project phases. Wells Fargo provided NMTC equity on phase two, and GCI Communication Corp provided leverage debt.

Phase two serves 2,715 residents (95% of clients served are low-income). It created 211 construction jobs, all paying a living wage.

THREE-YEAR IMPACT

- ▶ 624 loans totaling \$448.5 million
- ▶ \$15.8 million in equity investments
- ▶ 31 community facilities and 624 businesses financed (117 minority-owned, 175 women-owned)
- ▶ Job creation: 3,650 FTE construction jobs, 5,837 FTE permanent jobs

Housing Financing:

- ▶ 3,002 rental units (2,174 affordable)
- ▶ 302 single-family units (286 affordable)

Green Financing Examples

- ▶ Over the past 3 years, CDFI invested in real estate projects to champion green energy, decarbonization, and climate mitigation. These initiatives strategically incorporate technology to minimize greenhouse gas emissions in diverse areas, including commercial, mixed-use commercial, community, health, housing, and industrial sectors.

CLIMB Fund

Charleston, SC



OVERVIEW

CLIMB Fund makes an impact in communities across South Carolina by providing access to capital for small businesses. We exclusively lend to small business owners and entrepreneurs who have struggled to access traditional sources of capital. Despite that, CLIMB Fund has a higher successful repayment rate than most commercial banks, with many clients paying off early and/or refinancing with a traditional lender. That client success is the heart of fulfilling the CLIMB Fund's mission.

CLIMB Fund empowers our borrowers' passion and dreams. We seek opportunities to provide outstanding customer service and create long-term partnerships. We bring respect and compassion to our interactions.

We bring a growth mindset, flexing to new opportunities to serve our customers better. We actively seek to understand evolving environmental factors to better inform our approach, and we are mindful of the diverse communities we serve and inclusive in our engagement.

We are fiscally responsible, thoughtful in our decision making and excellent in our execution.

INTERSTATE 95 COFFEE

At CLIMB Fund, we take immense pride in the incredible success stories of the small businesses we support. Out of all the inspiring client success stories over the past year, one has truly captured our admiration: Mbarek Kabba and his coffee shop, Interstate 95 Coffee.

Mbarek was born and raised in Kenitra, Morocco, a beach town in Northwest Africa. To further his education, Mbarek moved to the United States when he was 20 years old. Charleston has been his home for the past seven years; this is where he began his entrepreneurial pursuit of the American Dream. Through incredible hard work, resilience, and dedication, Mbarek turned his business idea, Interstate 95 Coffee, into an immensely successful business. As an immigrant turned small business owner, Mbarek embodies the very essence of what the American Dream is all about.

The CLIMB Fund met Mbarek in May 2022 when he introduced us to his company, Interstate 95 Coffee, and presented us with his plan to open its first brick-and-mortar coffee shop. Equipped with delicious coffee, the support of his community, and a business plan, Mbarek came to the CLIMB Fund to secure the last thing he needed to catapult his entrepreneurial dreams: funding. Mbarek's status as an immigrant and minority in the Charleston community puts him among the target demographics of small business owners small business owner that the CLIMB Fund seeks to support.

A few months later, CLIMB Fund approved funding for \$50,000 for Mbarek's project. Mbarek impressed our staff as the embodiment of what it means to be a true entrepreneur. His persistence, resilience, and CLIMB Fund's support allowed him to grow his cold brew business into a thriving manufacturing company and brick-and-mortar storefront.

THREE-YEAR IMPACT

- ▶ \$15.2 million in loans
- ▶ 112 total businesses financed (50 minority-owned, 37 women-owned)
- ▶ 454 job created at businesses via financing

Housing Financing:

- ▶ 400 rental units (all affordable)
- ▶ 400 for-sale units (all affordable)

Green Financing Examples:

- ▶ Financing for a recycling company, waste management company, sustainable oyster farm, and a farm to table sustainable seafood restaurant.

COASTAL ENTERPRISES, INC. (CEI)

Brunswick, ME



OVERVIEW

Coastal Enterprises, Inc. (CEI) works to build a more equitable economy by focusing on growing good jobs, livelihoods and diverse business ownership, while advancing a just transition to a climate-resilient future.

We take a holistic view of community development. CEI advocates for system-wide change. We listen to individuals and businesses. We inform our decisions through the lens of our mission, values and vision of vibrant, equitable and environmentally sustainable local economies that enable all people and communities to thrive.

As a certified CDFI, we are part of a network of over 1,000 organizations nationwide working to empower low-income and underserved people and communities to enter the financial mainstream. We regularly work with our peers and other nonprofits to develop and implement products and programs that improve equity and remove barriers to capital access. We also advocate for federal policies that drive resources to the communities and people that need them most.

THREE-YEAR IMPACT

- ▶ \$58.8 million in financing to 19 community facilities and 216 total businesses (26 minority-owned, 98 women-owned)
- ▶ Jobs creation: 172.5 FTE construction jobs, 1245.25 FTE permanent jobs

Green Financing Examples:

- ▶ Renewable energy (mostly solar), aquaculture, organic farms, organic food manufacturing

Housing Financing:

- ▶ 566 rental units (244 affordable)
- ▶ 289 for-sale units (121 affordable)

BRINGING CLIMATE RESILIENCE TO MAINE'S BLUE ECONOMY

Maine, with nearly 3,400 miles of coastline and over 2,000 coastal islands, is inextricably tied to the sea. The deep waters that edge the state have long supplied Mainers with both livelihoods and food, but the Gulf of Maine, which stretches from Massachusetts to Nova Scotia, is one of the fastest-warming bodies of water on the globe, with the average temperature rising by four degrees Fahrenheit over last four decades.

For CEI, investing in aquaculture supports community economic development and diversifies income streams along the rural coastline, building climate resilience while helping to ensure families that worked Maine's waters for generations can continue for generations to come, while also welcoming a new crop of sea farmers to the coast.

Client Story: Love Point Oysters: Try telling a banker that your first crop will take three years to harvest and that their collateral will literally be in or underwater. That's the challenge many oyster farmers face when trying to get start-up capital. It was one faced by Cameron Barner of Love Point Oysters, when he realized that the company had outgrown their small skiff and would need to purchase an additional boat.

Barner turned instead to CEI's Sea Farm Loan. "We didn't have the capital to go buy a new boat outright, so we reached out to CEI."

Because CEI has over 45 years of experience working with marine-based businesses, with technical experts and business advisors who have developed accurate and detailed financial forecasting models for the industry, they knew exactly the risks and potential of the businesses. They could provide not only a loan but one explicitly designed to meet the needs of Maine's working waterfront, with a low-interest rate and seasonal payment schedule that would help marine businesses thrive and reduce the burden of carrying debt. This kind of tailored product is made possible through long-term, flexible, low and no-cost philanthropic and government funding to CEI, which then passes along those reduced costs and flexibility to the borrower.

Thanks to the investment in equipment, plus advising, Love Point is growing, with goals to increase distribution beyond southern Maine, which is good for business and the environment.

CDFI CONTACT

Betsy Biemann, CEO
Keith Bisson, President
www.ceimaine.org
207-504-5900
info@ceimaine.org

COLORADO ENTERPRISE FUND

Denver, CO



OVERVIEW

The Colorado Enterprise Fund works to accelerate community prosperity by financing and supporting entrepreneurs and small businesses.

Making small business possible since 1976 – Colorado Enterprise Fund believes every idea, however small, has the potential to be something bigger. Yet, not every person may have the same ability to set their ideas in motion. Colorado Enterprise Fund was created in 1976 to expand access to financing and offer flexible terms to business owners when traditional lenders couldn't.

Today, CEF provides business consulting services and connects budding small businesses and entrepreneurs to relevant resources. The loans offered vary in size from \$10k to \$1M, and CEF has assisted more than 7,500 Colorado small businesses and counting. Colorado Enterprise Fund doesn't just believe in the power of a diverse and growing small business sector in Colorado. They invest in it.

THREE-YEAR IMPACT

- ▶ \$87.7 million in loans (including PPP loans)
- ▶ 112 community facilities financed
- ▶ 2,516 businesses financed (42% minority-owned and 48% women-owned)
- ▶ Jobs created via financing: 2,523 jobs created at businesses
- ▶ 302,283 sq. ft. of real estate

ARTISTICO

ArtistiCO is a Denver nonprofit dance academy that opened its doors in May 2020. Jose Rosales and his business partner and husband, Alfonso Meraza Prudente, wanted to bring the love of Folklorico and Flamingo dancing to their community. Jose struggled to secure financing from a traditional bank for a startup nonprofit, so he was introduced to CEF. In 2022, after working with CEF's Business Navigation team to help with their financials, projections, and business plan, CEF approved ArtistiCO for a \$20K loan to purchase a state-of-the-art dance floor and other equipment for their primary studio at 6th & Inca.

ArtistiCO works to make dance lessons to Latinos and Hispanics accessible to all, regardless of income or demographics. Jose and Alfonso collaborate to secure funding and grants to cover the cost of 50 students to participate in their classes, along with four annual professional performances to showcase and educate the community on their Latino/Hispanic culture. The academy hosts local, national, and international dancers to achieve this objective. "If it weren't for CEF giving us the opportunity when no one else would, we would not have been able to purchase state of the art floor or access the resources CEF has provided ArtistiCO. CEF is accessible and amazing," says Jose Rosales.

As a result of ArtistiCO's success, ArtistiCO had an opportunity to purchase the studio at 6th & Inca that they had been renting. Once again, ArtistiCO reached out to CEF in the spring of 2023 for a \$400K loan to purchase real estate. During the second loan review, ArtistiCO's financials were stronger and more organized as revenue had increased significantly. With CEF's commercial real estate loan, Jose and Alfonso are not only securing a permanent home for the ArtistiCO dance studio, they are also building wealth for themselves and families. This studio is in a Denver creative district enterprise. Despite the ongoing revitalization of this neighborhood in recent years, ArtistiCO is committed to serving a predominantly low-income, high-minority community. Their objective is to provide a safe, inclusive environment where the vibrant Latino/Hispanic dance culture can be embraced and enjoyed by all. The future looks bright for ArtistiCO, and CEF is excited to be part of their business journey.

COMMUNITY DEVELOPMENT BANKERS ASSOCIATION

New York, NY



OVERVIEW

The Community Development Bankers Association is the voice and champion of the community development bank sector: CDFI-certified banks and thrifts with a mission of serving low- and moderate-income communities. Many of CDBA's members are also Minority Depository Institutions (MDIs). In addition, CDBA represents a growing cadre of mission-focused banks specifically focused on environmental finance.

CDBA educates policymakers, regulators, legislators, and the general public on the importance of community development and mission-focused banks, as well as the unique circumstances under which our banks operate. CDBA has helped grow the industry from a handful of small banks in 2001 to nearly 200 strong with \$119 billion in total assets in 2023. These efforts have helped seed new institutions and empowered banks to grow and improve their capacity to deliver on their mission.

CDBA and its members work to be catalysts for change. Community development banks work in urban, rural, minority, and Native American communities across the country that lack access to credit and are not adequately served by the traditional banking industry. The places and people they serve are often communities of color disproportionately impacted by systemic oppression and historically starved of access to capital.

CDBA members are particularly active in federal programs that promote economic conditions and systems that reduce racial disparities and produce stronger economic outcomes for all communities. For example, CDFI Fund programs successfully leveraged by CDBA members include grant programs such as the Bank Enterprise Awards, Financial Assistance/Technical Assistance Programs, Small Dollar Lending Program, Capital Magnet Fund, Native American CDFI Assistance Program as well as the New Markets Tax Credit Program. A majority of CDFI and MDI banks are also Small Business Administration approved lenders, active in the 7(a) and 504 programs, and were among the earliest and most active participants in the Paycheck Protection Program. Many of our members are also active in programs managed by the Department of Agriculture.

The coming decade will see exceptional transformation as community development banks leverage the capital from approximately \$6.2 billion in equity investments via the U.S. Treasury's Emergency Capital Investment Program. Investments have also been made and are anticipated from private sources, as well as investments and partnerships encouraged by provisions included in the 2023 joint agency Community Reinvestment Act final rule. Community development banks are ready to deploy these funds, incorporating them into their operations in what is already one of the federal government's best market-based strategies for leveraging federal investments and private dollars to drive financial inclusion and restore economic vitality.

CDBA MEMBERS AT A GLANCE (AS OF YEAR END, 2023)

- ▶ CDBA's CDFI, MDI and mission-focused member banks serve their communities via 1,063 branches across 33 states
- ▶ Total member employees: 15,408
- ▶ Total member assets: \$104.0 billion
- ▶ Average member assets: \$838.8 million
- ▶ Members that are also minority depository institutions (MDIs): 25%
- ▶ Total small business loans in member portfolios (defined as \$1 million or smaller): 53,553, totaling over \$3.6 billion, of which 47,414 (\$1.75 billion) are \$250,000 or smaller

COMMUNITY DEVELOPMENT VENTURE CAPITAL ALLIANCE

Chicago, IL



OVERVIEW

The Community Development Venture Capital Alliance (CDVCA) is the national association of community development venture capital (CDVC) funds, which provide much-needed flexible equity risk financing to startup and growth businesses that create good jobs, productive wealth and entrepreneurial capacity that advance the livelihoods of low-income people and the economies of distressed communities. Our network includes 170 fund managers managing more than 100 funds. We build the field of CDVC funds by providing training, technical assistance, networking opportunities, development of best practices, and public policy work. CDVCA, itself, manages over \$300 million, invested both in CDVC funds and directly in businesses. CDVCA has invested in over 250 companies and created over 30,000 jobs across the Continental United States and Puerto Rico. We are the Managing General Partner of the \$46M Innovate New York Fund and the \$45M Puerto Rico Fund for Growth (PRFG).

SKOOTEL

After spending almost a decade in Silicon Valley, two visionary Stanford alumni, Juan Carlos Parra and Aldo Briano, returned to their home island of Puerto Rico, intent on creating a company that would generate employment and make eco-friendly transportation more accessible for Puerto Ricans. With the launch of Skootel, in August 2019, Juan and Aldo introduced the first micromobility service in Puerto Rico, offering eco-friendly transportation alternatives through an innovative app-based platform.

CDVCA invested \$250,000 in Skootel in November 2022 to help the company expand its low-carbon transportation operations to 10 new markets in Puerto Rico and further develop its innovative logistics and data software.

"Our mission is to improve the lives of our users with eco-friendly transportation options. With the operational expertise, playbooks and proprietary technology we've developed, we believe Skootel is on track to becoming LATAM's #1 micro-mobility operator, no doubt," said CEO Juan Carlos Parra.

CDVCA's investment programs serve a target market of businesses located in low to moderate-income areas and employing low to moderate-income persons. Much of Puerto Rico is distressed and has suffered from decades-long persistent poverty. FA awards help CDVCA reach these vulnerable communities who do not have access to equity or affordable growth risk capital and may have no other options except high-cost alternative lenders.

"CDVCA is pleased to support Skootel's innovation and growth, bringing convenient, affordable, low-carbon micro-mobility options to Puerto Rico, and at the same time creating significant numbers of high-quality employment opportunities for Puerto Ricans," said CDVCA President, Kerwin Tesdell.

Skootel has 48 full-time employees, and has grown to 2,600 scooters, 120 bikes, 5 markets, 1.8M+ rides, and more than 400K users. Users have clocked more than 2M miles, saving 700+ tons of CO2 emissions. Skootel has strategically positioned itself to revolutionize transportation in Puerto Rico. With plans to expand its shared micromobility services. Skootel's journey from a startup with CDVCA's initial investment to a leading force in Puerto Rico's transportation landscape is a testament to the potential for social impact through strategic investments and visionary entrepreneurship.

THREE-YEAR IMPACT

- ▶ \$100.4 million in total equity investments
- ▶ 46 total businesses financed (16 minority-owned, 4 women-owned)
- ▶ 14,305 jobs created at businesses

Green Financing

- ▶ CDVCA and our members are active investors in businesses developing innovative solutions to the climate crisis. We are helping entrepreneurs in low-income communities and communities of color to participate in the tremendous opportunity for business development, job creation and wealth building created by the transition of our economy from fossil fuels to alternative energy. CDVCA has invested \$90.2M in 34 green businesses.

COMMUNITY HEALTH CENTER CAPITAL FUND

Boston, MA



OVERVIEW

Community Health Center Capital Fund (Capital Fund) supports the growth and development of community-based health centers serving low-income and uninsured individuals by providing the capital needed to expand and improve their services.

Capital Fund was established in the early 1990s by the Massachusetts League of Community Health Centers and Neighborhood Health Plan to facilitate improved access to capital for Massachusetts health centers. Today, as a certified CDFI and the lending arm of Capital Link, a national training and technical assistance resource for health centers seeking capital financing, Capital Fund offers targeted direct loans to support the growth of health centers nationally. Through its Direct Loan Program, Capital Fund provides affordable, flexible loans to Federally Qualified Health Centers (FQHCs) and similar organizations to support their capital financing, equipment and operational growth needs.

Capital Fund offers direct loans for facility and equipment projects, and New Markets Tax Credit financing for eligible health center projects. It also develops and manages health center loan programs, provides underwriting services, and participates in health center-controlled LLC as necessary for tax transactions. Generally, Capital Fund seeks to use funds to leverage multiple sources of capital, thereby filling “funding gaps” in a center’s capital financing plan. Loans are available for construction, renovation, and expansion of health center facilities and related equipment costs; bridge loans and strategic growth loans are also available. Recognizing that each health center has unique needs, Capital Fund endeavors to meet those needs on an individualized basis.

SAN YSIDRO HEALTH

When San Ysidro Health (SYH) was established along the U.S./Mexican border in 1969, its founders—a grassroots group of seven concerned mothers—simply wanted access to medical care for their children. Today, providing care through 50 program sites across San Diego County, with the help of CDFIs such as Capital Fund, SYH continues to expand its reach—most notably, recently growing its much-needed support program for its majority bilingual elderly community. In September 2022, Capital Fund provided SYH with \$2 million in financing to support its \$52.9 million health center project, which included the first PACE (Program of All-Inclusive Care for the Elderly) facility in the city. This program, which can drastically improve aging patients’ quality of life, ultimately reduces barriers to mobility and health care that could mean the difference between life and death.

With their new expansion project, SYH aims to create 115 permanent jobs at the new site, enabling them to round out the workforce necessary to meet its service area’s unique and diverse demands. The new site is projected to serve over 14,000 patients and generate over 41,000 clinic visits in its first year. Eighty seniors are expected to enroll in PACE the first year with full enrollment totaling 650 seniors by 2030. Overall, SYH anticipates they will serve over 61,000 additional patients and generate almost 500,000 additional clinic visits while creating over 2,100 new FTEs across all sites.

By 2030, thanks to this project and to Capital Fund’s commitment to supporting community health centers such as SYH, 650 elderly residents in National City will be able to receive PACE services, changing the course of their lives for the better.

THREE-YEAR IMPACT

- ▶ \$18.3 million in loans
- ▶ 8 community facilities financed
- ▶ Jobs created via financing: 2,656 health center FTEs and 645 FTEs due to construction
- ▶ 243,383 sq. ft. of commercial real estate

Green Financing Example:

- ▶ Entered into a partnership with two other partners to expand the use and ownership of solar power systems by community health centers

COMMUNITY REINVESTMENT FUND, USA

Minneapolis, MN



OVERVIEW

Founded in 1988, Community Reinvestment Fund, USA (CRF) is a national, non-profit CDFI with a mission to improve lives and strengthen communities through innovative financial solutions. CRF advances this mission by serving small businesses with a history of underinvestment. When small businesses have access to capital and resources, they empower people, build sustainable communities, and help close the racial wealth gap.

CRF works to complement and amplify the scale and effectiveness of the small business ecosystem with our lending, technology and service solutions. We work together with community partners to drive collective impact by filling access to capital gaps with innovative financial solutions, growing the capacity of the small business support ecosystem, designing and managing financial programs, and enhancing the distribution of capital in service of small businesses with a history of underinvestment. In partnership with community stakeholders, through programs like the NYC Small Business Opportunity Fund, which provides loans at a fixed, below-market interest rate and small business support services to NYC entrepreneurs, this work helps drive collective impact in communities across the country.

Over our 35-year history, CRF has injected more than \$3.6 billion to stimulate job creation and economic development and support community facilities.

CRIMSON MELT

Owned by Ashontay and Cori Owens, Crimson Melt is a new first responder, military veteran firefighter-inspired restaurant concept in Oklahoma City, OK, offering gourmet grilled cheese sandwiches (Crimson Melts) and mind-bending milkshakes.

Ashontay first found his groove in the kitchen while serving in the U.S. Air Force. During several different deployments and duty installations, he would whip up new culinary creations to feed his fellow service members. After retiring from the military and his role as a fire chief, Ashontay was ready for something new and decided to share his flair for over-the-top grilled cheeses and milkshakes and open his own restaurant.

Ashontay first worked to secure a business license and develop his own brand and marketing identity. His next step was to purchase a building, but obtaining financing proved challenging.

"Nobody was working with me when it came to funding," Ashontay explained. "People said I didn't have any experience or wanted to know how much collateral I had. Nobody would give me the time of day." After searching for financing, Ashontay eventually connected with CRF. In December 2022, the Owens received an SBA 7(a) loan from CRF to make improvements to the building, purchase furniture, fixtures, and equipment, and for working capital. They successfully opened their business during the summer of 2023 and are now serving delicious grilled cheeses and milkshakes while providing 15 jobs in their community.

THREE-YEAR IMPACT

- ▶ \$848.2 million in loans
- ▶ 249 community facilities financed
- ▶ 6,310 total businesses financed (2,531 minority-owned, 1,695 women-owned)
- ▶ Jobs created via financing: 153 FTE construction jobs, 67,044 jobs created at businesses

COOPERATIVE FUND OF THE NORTHEAST

Watertown, MA



OVERVIEW

The Cooperative Fund of the Northeast (CFNE) is a regional nonprofit community loan fund that serves cooperatives and community-based nonprofits. Founded in 1975 by co-op activists and social investors to provide financial assistance to food cooperatives, CFNE now offers loans and technical assistance to a wide range of co-ops and nonprofit groups.

We serve borrowers and partners from offices in various locations across New England and New York state. CFNE is a U.S. Treasury certified CDFI.

THREE-YEAR IMPACT

- ▶ \$19.5 million in loans
- ▶ 70 total businesses financed (25 minority-owned, 42 women-owned)
- ▶ 537.5 jobs created at businesses

Housing Financing:

- ▶ 2,042 rental units (99.9% affordable)
- ▶ 36 affordable for-sale units

ALL IN THE DETAILS WITH TOOTIE'S TEMPEH

Tootie's Tempeh is a worker-owned cooperative that produces organic, sustainably made, locally sourced tempeh. This woman-owned business was founded in 2019 to "model how food production can support local and sustainable agriculture, foster a more democratic economy, and eliminate single-use plastics."

At the start of Tootie's journey, the COVID-19 Pandemic took the world by storm, leaving businesses around the world faced with uncertainty. For start-up businesses, the economic headwinds were even more daunting. For example, the pandemic drastically shortened Tootie's purchase window for start-up equipment. The company saw a unique opportunity to purchase all the equipment they needed from one source at a below-market price.

Even after raising over \$170k in equity and social investments, undergoing careful business planning and budgeting, and receiving extensive support from mentors and technical assistance providers (including Start-up co-op and the Cooperative Development Institute) – the firm needed additional capital if it was going to meet its growth milestones and complete a timely purchase.

Co-founder Sarah Speare was introduced to CFNE on February 14th, 2020. By May 20th, 2020, their loan for \$80,000 was approved by CFNE's Loan Committee — just in time for their May 31st, 2020 deadline to purchase their needed equipment. From the start, Tootie's was organized, strategic, and passionate about their co-op's mission – just a few traits of the type of co-op that CFNE loves to work with.

Fast forward to 2023, and Tootie's Tempeh is now in 74 co-ops, natural food stores, and grocery stores across Maine, Massachusetts, and New Hampshire. Tootie's also uses 50% less plastic than other tempeh brands and is working on introducing recyclable or plant-based bags.

As of September 2023, Tootie's was awaiting its first order from a large regional grocery store in the northeast, which would allow them to upgrade or add additional units of equipment. Since its launch, Tootie's has also grown from 2 workers to 4, with plans to hire more staff in the near future. Holding tight to its original vision of franchising across the United States, Tootie's continues to reach its goals.

CRAFT3

Seattle, WA



OVERVIEW

Craft3 is a nonprofit community development organization that uses capital, relationships, and voice to build a thriving, just, and empowered Pacific Northwest.

Our primary tool is capital. Our loans provide responsible capital that enables entrepreneurs to launch and grow businesses, nonprofits to deepen their community impact, and homeowners to invest in their homes.

Craft3 has long focused on economic equity and expanding access to capital for entrepreneurs of color. In 2019, we began examining how we might make our commercial lending more accessible. Like many CDFIs, we were keenly aware that entrepreneurs of color face additional barriers when it comes to loan readiness and meeting underwriting criteria. In 2021, we changed how we underwrite and process loans up to \$250,000 for entrepreneurs of color by: lowering credit score requirements; allowing for higher personal debt-to-income ratios; no longer requiring personal collateral for loans under \$150,000; reducing interest rates for entrepreneurs of color; waiving loan fees, typically two percent; and reducing closing costs to a flat \$200 fee. In 2021, we launched Business Services to provide one-on-one coaching and loan readiness support, prioritizing entrepreneurs of color.

These changes have proven successful. In 2022, we made over \$42 million in commercial loans and 41 percent went to entrepreneurs of color. That same year, we also made \$15.8 million in loans to homeowners (25 percent to people of color). We continue to look for new ways to expand access to capital for historically underserved communities.

FEELING AT HOME AT OHSUN BANCHAN DELI & CAFE

For Sara Upshaw, opening OHSUN Banchan Deli & Cafe near Pioneer Square in Seattle, and her journey as an entrepreneur have both been about feeling at home. She explains, "I wanted to make the place warm and cozy, so it feels like you're coming home to Grandma's house." The restaurant, which serves small Korean plates known as banchan, is named after Oh Sun Pak, Sara's grandmother. As an entrepreneur who as she puts it, "looks different," Sara has struggled to feel at home in the world of business.

When asked if there were things she didn't know when she started on this journey, Sara laughs. "I think about this a lot. When you think about people who start a business, the stereotype is that the person comes from money and they're not diverse. It's often a boys' club that feels very secretive. I look different. I'm a woman, I'm Korean, and I'm not part of the boys' club. I wanted to be an entrepreneur, but I didn't think I was allowed to. Then the pandemic hit. Everyone was examining their lives and I had time to slow down and listen to myself."

As Sara worked to launch her business, she connected with Craft3. For Sara, the experience was different and a breath of fresh air. "Every conversation I had about financing before I found Craft3 was terrifying. Largely because of the gatekeeping. Everything was secretive and opaque. Working with Craft3 was the complete opposite. Every step of the process was clear, transparent, and felt personal."

Craft3's in-house Business Services program connected her with one-on-one coaching and loan readiness support, including teaching her how to generate and work with cash projections. After a few months, Sara was ready to apply for and receive a loan. The loan financed tenant improvements and other startup costs. "Craft3 is a big part of why my restaurant and space looks so great. The loan gave me an opportunity and a chance I wouldn't otherwise have been able to get with my background."

THREE-YEAR IMPACT

- ▶ \$148.5 million in loans
- ▶ 40 community facilities financed
- ▶ 442 total businesses financed (143 minority-owned, 196 women-owned)
- ▶ Jobs created via financing: 433 FTE construction, 2,415 at businesses, 222.5 at tenant businesses
- ▶ 269,029 sq. ft. of commercial real estate

DETROIT DEVELOPMENT FUND

Detroit, MI



OVERVIEW

The Detroit Development Fund (DDF) has been a trusted partner in the local entrepreneurship ecosystem, providing access to capital for over 25 years. Our journey began in 1996 as ShoreBank Enterprise Detroit, servicing the city's east side community. Today, we are a certified nonprofit CDFI with expanded financial products and services that stretch across the city of Detroit, with our microloans also including the cities of Hamtramck and Highland Park, Michigan. To date DDF has provided over \$85 million in small business loans to Detroit area entrepreneurs.

Our approach is centered on relationship building and customer empowerment. We are not just motivated by the number or value of approved loans, but motivated by their long-term success and sustainability. We are intentional about increasing the capacity of entrepreneurs, developers, building owners, contractors, and subcontractors through our loan and technical assistance programs. We prepare and empower entrepreneurs for growth and the next stage of their business by removing barriers.

Our focus on economic and racial equality has been unwavering with over 90 percent of our loans made to Black- owned businesses, entrepreneurs of color, and women-owned businesses. We established the Entrepreneurs of Color Fund (EOC Fund) in 2015 to address issues surrounding insufficient access to capital for minority (BIPOC) entrepreneurs, to provide pre/post-loan technical assistance and business knowledge, and to provide loan capital in low-to-moderate-income neighborhoods who primarily hire local residents. Since the inception of the EOC Fund, it has generated more than \$18 million in loans provided to BIPOC entrepreneurs, including 190 Black-owned businesses in the City of Detroit and 47 percent Black women-owned businesses. As a result, these businesses created 1,996 jobs, and retained 992 jobs in the City of Detroit. Moreover, there were over 209,443 sq. ft. of vacant commercial space filled by Black-owned and BIPOC companies in the City of Detroit.

DEANA NEELY, FOUNDER OF DETROIT VOLTAGE, LLC

Established in 2016, Detroit Voltage, LLC is a Black, woman-owned electrical contracting firm specializing in residential and commercial electrical installation, repair, remodeling, and renovation services. Detroit Voltage has successfully completed over 1,200 projects in the metro Detroit area. The business has experienced continuous growth year to year. Through 2018-2020, Detroit Voltage's sales revenue remained above \$100,000; in 2021, that grew to over \$334,000.

On April 22, 2022, Detroit Development Fund's Entrepreneurs of Color Fund provided a \$100K contractor's line of credit to be used for working capital and the much-needed support to help Neely's business continue to grow.

The EOCF helped Neely identify the capital needs for Detroit Voltage and helped her understand how to utilize debt to nurture its growth. Neely is now able to reach for larger commercial projects. Her experience underscores how access to alternative financing options can be transformative for small businesses and help revitalize the community it serves. Her company has retained seven jobs and created five jobs in the City of Detroit.

"The Entrepreneurs of Color Fund enabled me to secure a contractor's line of credit, which boosted my business significantly, allowing me to generate an additional six figures in just one year," Deana Neely said.

THREE-YEAR IMPACT

- ▶ \$8.95 million in loans
- ▶ 2 community facilities financed
- ▶ 87 total businesses financed (72 minority-owned, 39 women-owned)
- ▶ Jobs created via financing: 13 FTE construction jobs, 381 jobs created at businesses
- ▶ 19,805 sq. ft. of commercial real estate

Housing Financing:

- ▶ 35 affordable rental units

DORCHESTER BAY NEIGHBORHOOD LOAN FUND

Dorchester, MA



OVERVIEW

Dorchester Bay Neighborhood Loan Fund (DBNLF) is a certified CDFI based in Boston's Dorchester neighborhood. DBNLF is a subsidiary of Dorchester Bay Economic Development Corporation (DBEDC), a community development corporation founded in 1979 by local civic associations to address the problems resulting from the chronic disinvestment undermining Roxbury and North Dorchester neighborhoods. Since DBEDC was established, it has played a key role in the stability, well-being, and vibrancy of the communities we serve. DBEDC's mission is to build a strong, thriving, and diverse community in Boston's North Dorchester and Roxbury neighborhoods. DBEDC works closely with neighborhood residents, businesses, and partners to develop and preserve homeownership and rental housing across income levels, create and sustain economic development opportunities for businesses and individuals, strengthen the community through organizing and civic engagement, and for leadership development.

As a community-based organization, DBEDC is equipped with organizing and communication teams to support outreach and engagement for our programs. To reach small business clients, we use social media, distribute fliers, send mailings, emails, and newsletters, and host events to engage existing clients and attract new ones. In addition, we conduct site visits, coordinate direct technical assistance services and workshops for our small business clients, network with local partners, and coordinate with them to provide services to local small businesses.

Our services include: Startup capital through micro-lending and co-lending opportunities, Small Business Technical Assistance and Educational programs, and Access to Professional Services and Resources via our partners.

Many of our small business clients are "Mom-and-pop" stores and restaurants, family-owned and independent businesses that struggle to compete with chains and reach sustainability. The main identified challenges that our target business communities face are: Inadequate accounting systems and financial statements, insufficient cash flow to sustain operational costs, trouble with securing commercial space and lease negotiations, talent acquisition, and limited access to capital.

DBEDC has a strong track record of assisting our clients with these challenges because we: a) provide culturally and linguistically appropriate TA intervention; b) access to the necessary resources for these small businesses to deal with their challenges; c) and offer and explore the financial solutions to increase stability and growth and support job creation and preservation.

MY LAM - NICOYA CONSTRUCTION

Nicoya Construction, LLC is a minority-owned and operated business located in Dorchester, Massachusetts. This small business primarily operates in the single-family housing construction industry as a general contractor. The company specializes in Electrical, Project Management, Wood Framing, Rough Carpentry, HVAC, Concrete, General Construction Management, Earthwork, and Plumbing. After speaking with several financial institutions who denied Nicoya Construction financing, the company reached out to Dorchester Bay, seeking \$170,000 in loan capital assistance to purchase equipment to execute three open contracts, retain seven full-time employees, and create ten new part-time jobs.

THREE-YEAR IMPACT

- ▶ \$2.5 million deployed to micro enterprises
- ▶ 250+ jobs created and sustained
- ▶ \$250k+ granted to subsidize commercial rent
- ▶ Free TA provide to 750+ businesses

ECONOMIC JUSTICE FUND

Sacramento, CA



OVERVIEW

The Economic Justice Fund is a mission-driven, nonprofit financial institution dedicated to providing fair, affordable financing and free credit building services to empower borrowers to realize their dreams. Our loans have low fixed rates, no application fees, no origination fees, no servicing fees, and no prepayment fees. We also offer flexible terms and flexible underwriting to meet the needs of a wide range of borrowers.

As a certified CDFI founded to serve the underserved, we believe that all Americans, regardless of income, race, gender, or zip code, should have access to fair, affordable financing.

Our Core Values:

- *Justice:* We are committed to creating opportunity for those who are excluded from the economic mainstream of American life.
- *Integrity:* We are dedicated to acting with honesty, fairness, transparency, and accountability in everything we do.
- *Community:* We are committed to respecting diverse perspectives and working in harmony with others for the benefit of others.
- *Impact:* We measure our effectiveness by the positive impact we generate in the lives of the individuals and communities we serve.

CREATING OPPORTUNITY FOR A FIRST-GENERATION GHANAIAN AMERICAN FAMILY

Like so many Americans, Norina's priority when the pandemic hit was her family's physical and financial survival. That meant some financial goals, like buying a first home, "fell to the wayside," as she put it.

But about two years into the pandemic, the mental health professional's young children started asking when they'd have their own rooms. Those questions became an inspiration to Norina. "I realized it's time to start thinking about purchasing a home so they could have their own space," she says.

Norina turned to her passion for helping others and became a Licensed Professional Counselor to provide mental health services to individuals from marginalized communities. Next, she prepared to build her private practice. Knowing her high-interest credit card balances were a liability, Norina started shopping around for personal loans to consolidate her debt.

Finding a loan proved more challenging than Norina expected. She also experienced how people get into a vicious cycle of loan repayments when they become victims of a predatory lender.

Norina fortunately discovered the Economic Justice Fund. Soon after applying for a loan, one of the organization's Loan Specialists called to discuss her financing request. "My spirit was immediately lifted. This is amazing to have an organization look at me as more than just a piece of paper and a credit score," she says.

Within a month of receiving a loan from the Economic Justice Fund, Norina had paid off all her high-interest credit cards and soon saw her credit score improve. She then formed an LLC for her business and put money aside to pay for the required insurance and credentials to offer mental health services. As for securing her future home, Norina says that based on her new and improved credit score, she's only a few months away from talking to mortgage lenders.

When asked about her overall experience with the Economic Justice Fund, Norina stated: "Please continue to do the beautiful work you do to help everyone from all backgrounds get a shot at the American Dream and bring equality back to the forefront."

ABOUT

- ▶ Commenced first full year of lending in 2021 and achieved CDFI certification in 2022. Through Sept 2023:
 - ▶ Originated 118 loans totaling \$603K (98% went directly to low-income borrowers)
 - ▶ Empowered a diverse population of borrowers—72% are Black, Indigenous, and people of color, and 76% of borrowers are women with an avg. household size of 3-4 people, the majority being young children.

ENTERPRISE COMMUNITY LOAN FUND

Columbia, MD



OVERVIEW

For more than 40 years, Enterprise Community Loan Fund (ECLF) has been a national CDFI whose mission is to deliver innovative financial products and technical assistance to mission-aligned organizations. Our borrowers acquire, develop, and preserve quality affordable housing that is connected to good jobs, first-rate schools, transportation, and healthy living environments. We strive to revitalize communities and create access to opportunity by financing housing, community facilities, and sustainable development. ECLF has invested over \$2.6 billion in communities across the country. Through its lending products, ECLF addresses the shortage of flexible, fair-priced capital, allowing developers to tackle critical social and environmental problems facing communities. In communities with market gaps, ECLF facilitates public-private partnerships to make more appropriate capital available. For example, in Denver, Colorado, ECLF began the Transit-Oriented Development Fund, a model that has been adopted in many urban areas to preserve affordable housing and community facilities near transit corridors. Enterprise has laid the groundwork for interventions related to three goals specified in our 5-year strategic plan. Those goals – increasing housing supply, advancing racial equity, and building resilience and upward mobility – are being advanced under our national strategy through the Equitable Path Forward, a five-year, \$3.5 billion nationwide initiative to help dismantle the legacy of racism in housing. This includes what types of homes get built, where they're built, who builds them, and the wealth that they generate.

With the support of approximately \$106 million in awards from the CDFI Fund, ECLF has helped organizations to provide quality, affordable housing and access to educational options, primary healthcare, and good jobs, as well as transportation and healthy living environments.

DC SOLAR

ECLF partnered with the DC Green Bank to provide \$7.5 million in construction converting to permanent financing for the installation of solar photo-voltaic systems at four affordable properties in DC, including the Randle Hill and Overlook at Oxon Run housing communities. The rooftop solar was installed at Randle Hill, and solar carports and new electric vehicle charging stations will be installed at Oxon Run. Enterprise and DC Green Bank were able to deploy more capital with lower financial risk due to additional support offered by the Solar Revenue Put production insurance from kWh Analytics.

The project leveraged approximately \$12 million in total development costs and will install 2.2 megawatts of solar panels on properties owned by Enterprise's subsidiary, Enterprise Community Development. The solar panels are expected to eliminate greenhouse gas emissions by the equivalent of up to 1,794 tons of carbon dioxide each year. In addition to the environmental benefits, a new community solar program will be offered to residents, providing subscribers with a 25% discount on their electric bills. Enterprise Community Development, working with local community providers and installer Prospect Solar, will also offer a complete workforce development program to residents interested in a career in solar energy.

THREE-YEAR IMPACT

- ▶ \$513.8 million in loans
- ▶ 2 community facilities and 125 businesses financed (45 minority-owned, 29 women-owned)
- ▶ 46,625 FTE construction jobs created
- ▶ 64,987 sq. ft. of commercial real estate

Housing Financing:

- ▶ 11,829 rental units (11,662 affordable)
- ▶ 788 for-sale units (651 affordable)

Green Financing Examples:

- ▶ Energy efficient affordable housing, projects with green build certification, energy storage (such as solar), and clean transportation.

FEDERATION OF APPALACHIAN HOUSING ENTERPRISES, INC.

Berea, KY



OVERVIEW

Fahe brings people, organizations, and resources together to build homes, communities, and a thriving Appalachia through expanding economic opportunity and security for all. As leaders, we speak with a unified voice to influence policy, philanthropy, and systems change.

As a purpose-oriented Network of 50+ diverse community-based nonprofits serving Appalachia, Fahe has cultivated the deepest-reaching platform to connect investment to boots-on-the-ground leadership throughout one of the most challenging regions to serve in the country. While we are located in and directly serve the Appalachian region, we also focus on advocacy and change on a national stage to increase the level of investment in all our nation's underserved communities.

Fahe's service area includes some of the most economically distressed regions in the country. Its geographic and social isolation exacerbates problems such as addiction, poor health, lack of stable and affordable housing, and low educational attainment. Fahe supports Appalachia through a variety of services, including housing, disaster recovery, community development, community lending, workforce development, and substance use recovery services.

People of color are twice as likely to live below the poverty line in Appalachia. 93% of our region's population is white, but 30% of the people we serve are BIPOC. In recent years, FAHE has worked to build stronger relationships with partners in BIPOC communities to learn how our expertise, relationships, business platforms, and capacity can be helpful in their communities. For example, Fahe partnered with the Appalachian Black Community Developers, a coalition of black-owned and -led nonprofits to advance equity and social justice for BIPOC communities in Central Appalachia. Together, we are seeking resources to support our collaborative work to develop plans that support the growth of existing businesses and new entrepreneurship, preserve regional culture, and invest in the capacity of current and future local leaders of color. Fahe is also partnered with First Nations Oweesta Corporation to expand access to the secondary mortgage market to Native communities.

HOME SWEET HOME: FIRST GENERATION HOMEOWNER

The Home Sweet Home program allows Fahe to close many of the pervasive accessibility gaps in Appalachia for people who would otherwise qualify for conventional mortgages yet cannot satisfy down payment and closing cost requirements. Supported by a \$500,000 grant from Truist, Fahe is helping moderate-income borrowers like Gerardo Soto achieve the dream of homeownership by providing \$9,000 to offset down payment and closing costs.

"My mom and dad came to the US from Mexico so I could have a better life," said Gerardo. "This is me doing my part. It's a stepping stone to my future."

After graduating college in Kentucky and returning home to Birmingham, AL, Gerardo learned there wasn't room to live with his mother and newly arrived sister. He decided to live below his means for one year to place him financially closer to purchasing his first home. During the year between college and homeownership, Gerardo researched prospective lenders. Ultimately, Gerardo was attracted to Fahe's approachability and \$9,000 down payment assistance.

"I think the down payment assistance is a great resource for people new to the housing market. It's a very powerful resource, and I appreciate it. It helped me get my home amidst all the skyrocketing costs of living. I'm actually a first-generation homeowner because of the program, and my mom is really proud of me."

THREE-YEAR IMPACT

- ▶ \$398.5 million in loans
- ▶ 14 community facilities financed
- ▶ 36 total businesses financed
- ▶ 756 jobs created at businesses via financing

Housing Financing:

- ▶ 520 rental units (all affordable)
- ▶ 1,637 for-sale units (1,266 affordable)
- ▶ 1,341 first-time home buyers provided with financing



OVERVIEW

FNBC is the definition of a community bank: community is at the core of everything we do because we are #BetterTogether. Our story begins in 1912, when our bank was first chartered to meet the needs of a rural, industrious community by a group of farmers and businessmen.

Throughout our century-long history of demonstrating diligence, passion, and execution, we built an organization rooted in dependability, resourcefulness, honesty, and integrity. After more than 100 years in North Arkansas, we've demonstrated that community banking is a powerful catalyst for communities and individuals to pursue and achieve their highest aspirations.

The mission of FNBC Bancorp, and its CDFI bank subsidiary FNBC Bank, is to build profitable relationships. We provide financial products and services that foster economic development throughout each market we serve, including a focus on underserved communities. FNBC received designation as a CDFI in 2016.

Today, our bank has 14 locations across the predominantly rural, economically distressed region of North Central Arkansas, Northeast Arkansas, and South-Central Missouri, with assets in excess of \$800M. FNBC provides various financial products and services, including unsecured and secured Consumer Loans, 1st and 2nd Mortgage Loans, Small Business and Agriculture Loans, and Commercial Real Estate Loans, as well as depository services for individuals and small businesses. By providing these products and services in conjunction with Business Technical Assistance, Credit Counseling and Financial Education, FNBC helps to build the local economy and bring customers into the financial mainstream.

EMERSON COMES TO ASH FLAT, AR

While the pandemic brought business to a halt and wreaked havoc on the economy throughout much of the United States in 2020, FNBC was able to bring new jobs to tiny Ash Flat, AR, with a population under 2,000.

The city was seeking to attract a new employer, Emerson, a manufacturer of Greenlee® specialty tools, to a 270,000 sq. ft. building that had been vacant for nearly 40 years. As negotiations ramped up, the small city government realized it did not have excess funds to offer economic incentives to remain competitive.

FNBC has had a long-standing banking relationship with the City of Ash Flat. The mayor and local economic development representative worked with the city to purchase a tract of land valued at \$500,000 to use as an incentive. This tract of land sat directly in front of the vacant facility and helped make the project financially feasible. The bank donated \$250,000 in funding to the city and loaned the remaining \$250,000 at 2.4% interest. Ash Flat now owns the piece of land and can use it as a future development incentive at the new Ash Flat business park.

Emerson has invested more than \$35,000,000 in building renovations and is on track to employ 286 people full-time in the manufacturing sector. The annual impact is expected to be more than \$40 million once fully staffed. The project also accounted for over 200 construction jobs in the area. Emerson is now the largest industrial employer in four counties in North Central Arkansas.

Without FNBC's investment and commitment to the community, this significant economic development project wouldn't have landed in Ash Flat, Arkansas. Today, the community has seen an increase in new residents and diversity. Housing inventory has dropped significantly, and we expect more supply partners to relocate to the area.

THREE-YEAR IMPACT

First Chance Mortgage Lending (2020-2023):

- ▶ 65 loans totaling \$5.4 million
- ▶ Average credit score: 598
- ▶ Average income: \$36,719
- ▶ Average loan: \$84,432

Smart Start Loans (2020-2023):

- ▶ 330 loans including 61 Smart Start Credit Builder loans
- ▶ \$611,421 in total loans
- ▶ Average credit score: 549
- ▶ Average loan amount: \$1,852

GECU FEDERAL CREDIT UNION

El Paso, TX



OVERVIEW

GECU's journey began in 1932 when a group of civil service employees saw a great need in our community during the Great Depression. They came together and volunteered their time to help their neighbors by bringing them essential financial services from the back of a bicycle. Since our humble beginnings 90 years ago, our dedication to our "people helping people" philosophy and our spirit of service and commitment to our community have remained unchanged.

GECU has more than 427,000 member-owners, 30 state-of-the-art branches, innovative online services, and more than \$4.4 billion in assets. We are part of the fabric of our community and provide essential financial products and services, financial education, and philanthropic giving.

We provide free 24/7 remote access to financial services and products, including checking and savings accounts, loans, mortgages, credit cards, commercial services, and credit-rebuilding programs. To offer members an alternative to predatory lending products, we have expanded the GECU payday lending alternatives products like Small Dollar Loans, Credit Builder Loans, and Member Auto Solution Loans, so that families can decrease the burden of high-interest loans and increase their financial experience and knowledge. We offer convenient financial products and services, but more importantly, we are there to personally guide our members with the purchase of a first home or vehicle, or to help them develop a savings habit.

We are part of a bilingual multi-national community and offer services in English and Spanish — an important factor in a community where a large portion of the population speaks Spanish. In 2021, we decided to expand our influence to help even more people beyond the El Paso area. In 2022, we became a federally chartered credit union, making it possible to serve communities throughout Texas and New Mexico.

A NEW HOME FOR AN EL PASO FAMILY

As a single mother with two boys, Ms. Salgado struggled to make ends meet. She dreamed of owning her own home and showing her sons that working hard and staying diligent would pay off. In April of 2023, Ms. Salgado completed GECU's financial education and homeownership seminar. Soon after, she learned that her work hours would be reduced. She moved out of their apartment and in with family. She could no longer afford her car payment and considered either selling it or letting the bank take it. That is when our financial coach, Alma Garcia, reached out to Ms. Salgado as a follow-up from the seminar she attended in the spring. During one-on-one counseling, Ms. Salgado met Alma with enthusiasm and gratitude, saying she felt like the call was heaven-sent due to her recent financial stress.

Two days later, Ms. Salgado met with Alma for pre-purchase counseling, primarily focusing on budgeting to save for a future down payment. Alma quickly realized Ms. Salgado had options. GECU refinanced her vehicle loan, reducing the interest rate 1.72% and her auto payment by more than \$200. Ms. Salgado was also approved for a 60-month bill consolidation loan that reduced her monthly payments by nearly another \$200.

Before, refinancing, Ms. Salgado never reached a monthly budget surplus of more than \$100. Now, her monthly surplus is \$511, some of which she can save for a future down payment. In the end, Ms. Salgado will potentially qualify for a better interest rate on her future mortgage, accomplishing her ultimate goal and dream of owning the house she and her two boys can call home.

THREE-YEAR IMPACT

- ▶ \$3.5 billion in loans

GROW AMERICA FUND

New York, NY



OVERVIEW

Grow America, formerly NDC, is the first dedicated American community and economic development nonprofit organization. Founded in 1969, the organization focuses on four program areas: investments in community development, innovative lending and entrepreneurial support, advisory support for community and economic development, and professional education and training. Grow America's mission is to invests capital to craft equitable, vibrant futures and to improve the lives of millions of people through new economic opportunity.

THREE-YEAR IMPACT

- ▶ \$202.7 million in loans
- ▶ 1,229 businesses financed (1,059 minority-owned, 799 women-owned)
- ▶ Jobs created: 3,992 at businesses

Housing Financing:

- ▶ 899 affordable housing units

TURN TWO SOLAR: DOING GOOD AND DOING WELL

"Turn Two" (or in some spellings, "Turn To") is a military expression that means "Get to it!". With its crisp economy of language, the expression makes its point sharply and clearly. And there couldn't be a better name for the young and vibrant Broward County business, Turn Two Solar (TTS.)

Nearly three years ago, TTS founders -- Brittany Anthony, Lashawn Lattibeaudiere, and Nikole Cleare -- chose that name for their new solar panel installation business because they wanted to get to it: bring the benefits of solar power to their community and beyond. When it comes to the idea of a "triple bottom line" -- profit, planet, people -- no business better embodies that model. First bottom line: the profit, to continue the enterprise and to provide income and equity. The second bottom line: help preserve the planet, in this case by increasing the use of solar energy. The third bottom line, people, integrating a societal impact.

Anthony, Lattibeaudiere and Cleare recognized that communities of color and low-income communities bear a disproportionate share of the burdens of climate change and environmental degradation, and conversely have less access to solutions that lessen that burden. They wanted a business that spread the use of alternative, renewable, and earth-friendly energy but equally importantly also increased access to the benefits of that alternative energy to people and communities that have been underserved. The three principals operate as an integrated team, with specific responsibilities for the field (installations), project management, certifications, licenses, permits, contracts, and finances.

The business began with equity financing from Turn Two Electric, an established electrical contractor owned by Lattibeaudiere. After meeting their first-year sales goal -- \$500,000 -- and aiming to increase sales to \$2 million, they needed additional financing. During this same early period, TTS connected to Grow America's full range of services: our Entrepreneurship Academy and one-on-one business technical assistance and counseling; became a Broward County and State of Florida Certified WMBE; received a Broward County Black Chamber of Commerce/Truist Bank Small Business Award.

The additional financing was a \$50,000 loan from our Community Interest Loan Fund to meet projected working capital needs for inventory, receivables, and a workforce of 15 employees. They have reached their \$2 million goal, and the TTS is poised for its next stage of growth. The principals have been nimble in quickly recognizing how, when, and where to make changes to keep their enterprise on the right track. Early lessons learned include adopting a widespread solar industry model of separating sales from product installation, pivoting from an approach that sapped resources to one that enables TTS to concentrate its field, financing, and management resources on its product -- solar panel installation. Sales are now handled by national organizations that do only solar installation sales. And while the current TTS footprint covers a large portion of Florida, serving the entire state is their near-term goal.

HARLEM ENTREPRENEURIAL FUND

Harlem, NY



OVERVIEW

The Harlem Entrepreneurial Fund (HEF) was established in 2007 by the Harlem Commonwealth Council to provide low-income and minority entrepreneurs with supportive loan capital and technical assistance in Harlem, Washington Heights, Inwood and the Bronx. Lending Operations began in the summer of 2008, and HEF was certified by the US Treasury Department as a Community Development Financial Institution (CDFI) in 2012. Since inception, HEF has provided \$12 million in loans to 420 businesses and has helped to create and retain over 1,500 local jobs.

We are committed to the success of women and minority small business owners. We listen to what they need and provide access to capital, resources, and technical assistance.

Our mission is to serve low-income and minority populations by providing capital and technical assistance to facilitate small business expansion and job creation in underserved Harlem, Washington Heights, Inwood, and Bronx communities.

HARLEM ZEN

Angela McTair, the founder of Harlem Zen, has a diverse background in the skincare and beauty industry. She has used her personal journey and business acumen to create a business that reflects its community and provides a safe and compelling customer experience.

Founded by Angela McTair in 2015, Harlem Zen offers safe and effective aesthetic treatments for all skin tones. Angela founded the business based on her struggles with chronic acne and a commitment to hiring experts who reflect the customer's needs. Using her deep industry expertise gained from companies such as Nutress and Estee Lauder and her rich academic background that includes a BS in Chemical Engineering, an MA in Chemistry and Cosmetic Science, and an MBA in Marketing and Strategic Planning, Angela manages locations in Harlem and Atlanta.

Financial support from the Harlem Entrepreneurial Fund empowered Harlem Zen to tap into new market opportunities and solidify its position as a leader in the skincare industry. Angela has refocused her efforts on the Harlem location to enhance services and offerings and plans to revisit franchising operations in 2024.

"I believe that people of all skin tones deserve access to safe and effective skincare solutions. Harlem Zen's focus on treating skin of color fills a vital niche, and with the support of this HEF loan, we'll continue expanding our reach and making a difference in the lives of our clients."

THREE-YEAR IMPACT

- ▶ \$7.3 million in loans
- ▶ 173 total businesses financed (120 minority-owned, 80 women-owned)
- ▶ 550 jobs created at businesses via financing

HOUSING TRUST SILICON VALLEY

San Jose, CA



OVERVIEW

We use transformative housing finance and public and private partnerships to create more equitable and affordable communities. To this end, we lead the greater Bay Area in delivering innovative financial solutions and creating a strong affordable housing market.

Led by the County of Santa Clara and the Silicon Valley Leadership Group, affordable housing activists, local businesses, and foundations joined together to create a nonprofit Housing Trust. Since 2000, Housing Trust Silicon Valley has always been unique as a place where public and private resources could come together in creative ways to support housing solutions addressing needs including homeownership, rental housing, and homelessness prevention.

Housing Trust has invested over \$522.9 million to create more than 46,732 homes for the region's workforce, families, seniors and special needs individuals. We are now one of the largest housing trusts in the nation, and the first nonprofit CDFI to receive a Standard & Poor's rating, AA-.

THREE-YEAR IMPACT

- ▶ \$130.3 million in loans
- ▶ 5 community facilities financed
- ▶ 40 total businesses financed
- ▶ Jobs created via financing: 3,550 FTE construction jobs, 283 tenant business jobs
- ▶ 1,007,807 sq. ft. of commercial real estate

Housing Financing:

- ▶ 3,147 rental units (2,324 affordable)
- ▶ 11 for-sale units (all affordable)
- ▶ 11 first-time homeowners provided with financing

HOUSING TRUST, KINGDOM BUILDERS, AND BACBO DRIVE HOUSING EQUITY WITH INNOVATIVE LOANS

Addressing the housing crisis in your hometown may sound like a daunting challenge. Not for Pastor L.J. Jennings. Born, raised, and proudly immersed in the Oakland community as a church and nonprofit leader, Pastor Jennings is on a mission to help his neighbors and congregation in need by building affordable housing on church-owned properties. Kingdom Builders is one of these transformative properties.

When Pastor Jennings came to Housing Trust Silicon Valley last spring seeking funds to acquire a 0.2 acre lot, we saw his vision and were inspired. Located in the Eastmont neighborhood of Oakland, the Kingdom Builders project involves the construction of a new 40-unit, five-story building with affordable homes for low-income community members who are seniors, formerly homeless veterans, and people with special needs.

Community Housing Development Corporation co-developed the project, while the nonprofit organization where Pastor Jennings is President, Bay Area Community Benefit Organization (BACBO), is providing consulting services.

Gentrification and displacement, and dwindling church memberships and revenues, are also hot issues that the Kingdom Builders project and other BACBO developments are aiming to address. "When we look at our communities and the changing landscape, the buzzword is this notion of gentrification," said Pastor Jennings. "I've coined it. Gentrification is the white man's word –displacement is what is happening to the BIPOC community. The demographics shows it, the data shows it. If we look at the broader housing arena, we have to be cognizant of the fact that what's really happening at the end of the day is that more and more of our folks are being displaced."

To help faith-based communities solve dwindling revenue and an exodus of members, Pastor Jennings explains, "How do we replace the plates? By really repurposing church-owned land, whether it's an old school building, part of a property we don't need anymore, a surplus parking lot, or leveling something and putting up something new, that's the birth of BACBO," explains Pastor Jennings. "This is the whole vision of what we're doing collectively."

BACBO is a 501c3 consortium of diverse faith groups throughout Alameda County. Formed in 2017, it is an influential voice in Bay Area government and economic development. BACBO works with faith-based community entities of all sizes in the area of social service delivery and community development. Their focus is to build effective, sustainable ministries that have a measurable impact on improving outcomes for individuals and families in Alameda County.

CDFI CONTACT

Noni Ramos, CEO
www.housingtrustsv.org
408-703-3837
info@housingtrustsv.org

ICA FUND

Oakland, CA

**OVERVIEW**

With a vision of an economy that works for all, ICA Fund cultivates equity in the Bay Area, believing all entrepreneurs have the power to transform communities as leaders, believers, and agents of change.

ICA Fund's mission is to accelerate great businesses through mentoring and investments to close the racial and gender wealth gaps. ICA lifts up underrepresented voices, seeks out different points of view, cultivates new perspectives and ideas, and listens intently. ICA earns the trust of its community of entrepreneurs, partners, investors, and donors because they do what they say, when they say they'll do it, and they do it with integrity.

In 2022, ICA invested \$2.4 million in local businesses, with 100% of every dollar going to women or people of color. Companies that worked with ICA had a 16% overall job growth, contributing a total of 836 local jobs in the Bay Area.

BAKE SUM

Oakland's Bake Sum received a \$200,000 equity investment, including \$150,000 from the ICA small business accelerator fund. Bake Sum is a popular bakery that won a cult following for its purple pineapple buns, green onion croissants, and other Asian-inspired delicacies. Focusing on nostalgic, Asian-influenced pastries, Bake Sum's creations reflect the unique backgrounds of its employees, many of whom are Asian American Bay Area natives.

ICA Fund's convertible equity funding, made through the ICA Fund Impact Note, will enable Bake Sum to increase capacity at their Berkeley production space, invest in upgraded equipment, and hire more employees to expand hours at their Oakland storefront. The Impact Note offers equity-based, debt-free funding that allows founders to recoup equity as the business meets social impact milestones. For Bake Sum, target milestones include increasing its number of employees, implementing profit sharing as a benefit, and distributing equity to its workforce.

Launched in 2020 as a pandemic pivot from a wholesale bakery operation, Bake Sum operated for nearly a year as a pop-up selling boxes of pastries out of the Bread Project, a shared commercial kitchen in Berkeley. In fall 2021, Bake Sum's first brick-and-mortar store opened in Oakland to lines out the door and rave reviews, including being named one of the best bakeries in the Bay Area by the San Francisco Chronicle.

In addition to receiving an investment from ICA Fund, Bake Sum founder Joyce Tang is also a graduate of the Accelerator at ICA, an intensive 12-week program helping small businesses with growth strategy, people strategy, capital strategy, and investment readiness. The program also connects participants to a network of peers who can use each other as resources on their entrepreneurial journeys.

Tang commented, "This investment from ICA Fund is going to allow us to expand the business in a thoughtful and sustainable manner, bring our pastries to more people, and continue supporting our employees and neighbors. The advising, funding, and network of entrepreneurs I've found through ICA Fund have been game-changing, and I am thrilled to have them with me on this journey."

"We chose Bake Sum for our Accelerator program and for our investment portfolio because not only do we see the business' incredible growth potential, but also Joyce's relentless dedication to supporting the community and ultimately building a more equitable economy for everyone," said Allison Kelly, CEO of ICA Fund. "We can't wait to see this business continue to thrive and succeed."

THREE-YEAR IMPACT

- ▶ \$500,000 in loans
- ▶ \$6.2 million equity investments
- ▶ 59 total businesses financed (47 minority-owned, 38 women-owned)
- ▶ 585 jobs created at businesses



OVERVIEW

Grounded in equity and deep sector expertise, IFF champions nonprofits to shape more equitable and vibrant communities through community-centered lending, development, and real estate consulting. IFF serves nonprofits and communities throughout the Midwest from its headquarters in Chicago and regional offices in Cleveland, Columbus, Detroit, Grand Rapids, Indianapolis, Kansas City, Milwaukee, and St. Louis.

Since 1988, IFF has provided \$1.4 billion in flexible, affordable financing to nonprofits serving a variety of sectors – affordable housing, health care, education, community development, arts and culture, and more – in order to increase their financial stability and programmatic offerings. These investments have leveraged \$4.5 billion, developed more than 35.6 million square feet of real estate, and created more than 15,800 child care slots, 159,600 school seats, 647,900 new patient visits, and 16,700 units of affordable housing.

IFF holds the top-ranked Aeris four-star rating for impact management and AAA rating for financial strength and performance.

THREE-YEAR IMPACT

- ▶ \$286.2 million in loans
- ▶ 115 community facilities financed
- ▶ 190 total businesses financed
- ▶ Jobs created via financing: 3,038 FTE construction jobs, 209 jobs created at businesses

Housing Financing

- ▶ 4,207 rental units (2,629 affordable)
- ▶ 48 for-sale units (30 affordable)

Clean Energy Financing Example:

- ▶ IFF has continued to provide financing for green projects across the Midwest and developed municipal-based partnerships in the years since IFF's inaugural energy efficiency-focused lending program launched in 2011.

GOING “ALL IN” TO ELIMINATE A FOOD DESERT IN IOWA

In October 2023, community members in Waterloo, Iowa celebrated the grand opening of All-In-Grocers, the first full-service grocery store on the city's east side in 54 years. Located in a neighborhood previously considered a food desert, the \$10 million development represents the single largest investment in the community in decades and has provided residents with access to fresh and affordable food, created employment opportunities for up to 60 members of the community, and brought a slew of additional resources to the neighborhood.

Beyond All-In-Grocers, the 28,000-square-foot facility includes a 3,600-square-foot restaurant, a 2,400-square-foot laundromat, and a 600-square-foot community room that offers high-quality space for community gatherings that several local nonprofits have also leveraged to expand their programming. Among those organizations are Road Home, which offers a life skills curriculum to individuals returning from incarceration, and the 1619 Freedom School, which uses the space as a satellite location for after-school programming that includes intensive literacy instruction for elementary school students.

After struggling to secure financing for the project locally, developers Rodney Anderson and Lance Dunn turned to CDFIs for key sources of capital for the project. In addition to a \$1.5 million loan from IFF, the facility was developed with loans from Self-Help Credit Union and Rochdale Capital. Additional sources of capital for the project included corporate support from the American Family Insurance Institute for Corporate and Social Impact and TruStage Financial Group, as well as government funding from the City of Waterloo and the Small Business Administration.

“Economic and community development on the east side of Waterloo has in many ways been paralyzed since the late 1960s, and what we wanted to show is that it is possible to do a project like this,” says Anderson. “Someone needed to go first to demonstrate that and to disprove the perception that, because it hadn't happened before, it was never going to happen. We want the grocery store, restaurant, laundromat, and community room to be an anchor that attracts more investment to the east side for quality housing and other local amenities.”

INVEST DETROIT

Detroit, MI



OVERVIEW

Invest Detroit is a nonprofit community development financial institution (CDFI) and community development Entity (CDE). We are a mission-driven lender, investor, and partner that supports business and real estate projects that will ignite economic growth in Detroit and support startups across Michigan.

Our vision is a thriving city that works for all Detroiters with an improved quality of life—inclusive housing, resourced and walkable neighborhoods, and equal opportunities for jobs and business growth. We work to achieve this vision through four goals: Density, jobs, thriving neighborhoods, and inclusivity.

Invest Detroit is based in Detroit and offers financial programs within the city. Our programs support commercial real estate, commercial and industrial, and small business lending.

THE RIBBON

The Ribbon is a new mixed-use affordable housing development in Detroit's East Warren neighborhood. The project is the largest development along the East Warren Ave. corridor in decades and will bring \$8.2m of investment. The Ribbon will help catalyze the neighborhood's revitalization efforts, directly responding to the community's desire for mixed-use projects that support affordable housing options and local businesses accessible to the community. The Ribbon is the first project led by Edward Carrington of Flux City, an emerging developer of color based in Detroit.

The Ribbon embodies the mission of Detroit's Strategic Neighborhood Fund, a \$150 million initiative launched in 2016 by Mayor Duggan and Invest Detroit focused on leveraging investments in four key areas: improving parks, streetscapes, commercial corridors, and single-family housing. The plans are guided by resident input, empowering them to decide the future of their neighborhoods.

The project, expected to be completed in fall 2024, includes the construction of a 3-story, 20,240 sq. ft. mixed-use building (the Ribbon) on the site of a former bank building. The development will provide 18 affordable apartments, 14 with rents at or below 80% AMI, and four with rents at or below 60% AMI. The first floor will include retail space occupied by a local foodie favorite, Gajiza Dumplings, making the Ribbon its first permanent home after operating in pop-ups and out of a food truck.

Invest Detroit through the Strategic Neighborhood Fund provided a \$1.4 million grant to the development and a \$7.75 million NMTC allocation, contributing a net subsidy to the project of approximately \$1.4M. The project also received almost \$1 million in loans and Preferred Equity from the Detroit Housing for the Future Fund, \$2.2 million from Capital Impact Partners, a Capital Impact Partners grant of \$75,000, and \$1.3 million from the Michigan Economic Development Corporation.

Edward Carrington, the project developer, commented, "I am beyond grateful for how Invest Detroit has contributed to The Ribbon's progress. As an emerging developer in Detroit, we face challenges in ensuring our projects are both financially feasible and beneficial to the community. The funding gap we encountered due to the rising costs of materials and labor could have been a significant roadblock. However, the Strategic Neighborhood Funding grant dollars Invest Detroit provided were game-changing, allowing us to continue moving forward with confidence."

THREE-YEAR IMPACT

- ▶ \$35.1 million in loans
- ▶ 24 businesses financed (16 minority-owned, 12 women-owned)
- ▶ 938 FTE construction jobs
- ▶ 1155 jobs created at businesses
- ▶ 1.4 million sq. ft. of commercial real estate

Housing Financing:

- ▶ Financing for 9 for-sale units
- ▶ Financing for 611 rental units (412 affordable)

JUSTINE PETERSEN

St. Louis, MO



OVERVIEW

Justine Petersen Housing and Reinvestment Corporation (JP) is named after the late Justine M. Petersen who helped hundreds of low- to moderate-income families in the St. Louis area purchase their own homes. She believed owning a home promoted one's building of assets and contributed to individual growth and to neighborhood development and stabilization.

Justine PETERSEN's (JP) affiliated CDFI is Great Rivers Community Capital, which originates consumer, housing and micro-enterprise loans to low-income families who lack access to safe and affordable capital. Great Rivers is the country's largest SBA microlender.

JP knows that Credit Building and Financial Education is the building block for all of its programs. JP's approach emphasizes new active lines of credit to positively impact a client's credit score. JP counselors meet one-on-one with clients to assess income, debt, credit history and financial goals and create a Credit Action Plan to overcome barriers to accessing affordable capital. A Credit Action Plan may include disputing erroneous information, establishing new active lines of credit, making monthly payments on-time, reducing consumer debt and completing financial education classes. A high credit score can save an individual thousands of dollars over a lifetime and is a great way to optimize a household budget.

As a HUD certified housing counseling organization, JP provides pre-and-post-purchase housing counseling, including reverse mortgage assistance. During the pandemic, JP took a proactive approach, expanding services to those affected by COVID19 and obtaining rental assistance grants to support those in danger of losing their homes.

GARCIA FAMILY MEDICINE

Imagine...a doctor who takes the time to build a relationship with her patients, get to their root issues and develops a plan to help them get well again — no insurance required. That's the promise behind Garcia Family Medicine, a Direct Primary Care practice in Blue Springs, Missouri. Led by founder Dr. Tess Garcia (or Dr. Tess, as her patients call her) and office manager Gigi Garcia, the practice specializes in providing a level of personal, customized care, all for an affordable monthly fee. With no insurance company to come between patient and physician, Dr. Tess is free to steward her clients' health and well-being: spirit, body and soul.

"I went into medicine to serve my patients, especially the underserved. As a direct primary care practice unhindered by insurance companies, I am free to spend as much time as I need with each patient as I see fit," said Dr. Tess. This enables Garcia Family Medicine to provide a personal level of care and healing at an affordable price.

Dr. Tess Garcia came to Justine PETERSEN in 2020 and received a loan to expand into a full primary care practice for patients of all ages with a focus on working with whole families, providing them with more affordable health care than they will find in a traditional fee-for-service practice. The loan helped Dr. Garcia procure the necessary supplies and equipment, cover operating costs, and provide wages for employees.

Since then, Dr. Garcia has received two more loans from Justine PETERSEN, including a PPP, in efforts to grow the business, allowing increased marketing efforts and enabling the retention of employees. The practice serves patients in Eastern Jackson County, including Blue Springs, Grain Valley, Oak Grove, Independence and beyond.

THREE-YEAR IMPACT

- ▶ \$2.5 million in consumer loans
- ▶ \$34.7 million for non-real estate microenterprise loans
- ▶ 266 total businesses financed (266 minority-owned, 266 women-owned)
- ▶ 814 jobs created at businesses

Green Financing Example:

- ▶ Through our partnership with the Opportunity Finance Network, we will be able to expand our financial assistance to businesses who practice green energy.

KENTUCKY HIGHLANDS INVESTMENT CORPORATION

London, KY



OVERVIEW

Kentucky Highlands Investment Corporation's (KHIC) mission is to "Provide and retain employment opportunities in southeast Kentucky through responsible investments, training, and management assistance." Founded in 1968 to create jobs and alleviate poverty in economically distressed rural Appalachian Kentucky, KHIC provides businesses and nonprofits financing and Technical Assistance (TA). Among its many pioneering initiatives, KHIC was one of the only three First Round Federal Empowerment Zones, the first non-bank lender certified by USDA for the Business and Industry Guaranteed Loan program, the first SBA Community Advantage Loan originator in the nation, the first designee by USDA as a Rural Business Investment Corporation, the first rural Promise Zone, and one of 24 mission-driven lenders selected by OFN and Goldman Sachs 10,000 Small Businesses to participate in the Small Business Finance Collaborative.

In 2020, the USDA designated KHIC as a OneRD Guaranteed Loan Lender to service USDA's four loan guarantee programs. In 2022, KHIC was named lead of the Kentucky Highlands Community Network, part of the Rural Partners Network. This new USDA-led initiative will help rural communities access government resources to create jobs, build infrastructure, and support long-term economic viability. KHIC is a pioneer in energy-efficient housing construction, including a near zero-energy solar subdivision in Whitley County.

THREE-YEAR IMPACT

- ▶ \$151.7 million in loans
- ▶ 8 community facilities financed
- ▶ 462 total businesses financed (15 minority-owned, 106 women-owned)
- ▶ 1,041 jobs created

Green Financing Examples

- ▶ Funding to medical facility for solar panel installation
- ▶ Microloan provided to solar panel installer

WOMEN OF STEEL

Missy Carter is the President of Solid Steel in Middlesboro, KY. When the company was in turmoil, Carter, who was one of the original employees, kept the business going. Starting as a secretary, Carter worked her way up to office manager, then ultimately became President. Under her leadership, Solid Steel purchased the 20,000 sq. ft. facility it had previously leased and has grown to thirteen full-time employees. KHIC supplies a line of credit for working capital, equipment, building financing, and TA. Solid Steel has made a name for itself, particularly for repairing and reworking high wall mining coal auguring equipment throughout the region. Carter is leading efforts to diversify Solid Steel's client base to include other industries. She commented, "I've always worked hard for Solid Steel. It's always meant a lot to me. It's important not just to me but to all the people who work here and their families. It's big to be able to provide jobs in the county."

Crystal Watkins is the CEO and majority owner of LaCrosse Solutions (now known as LaCrosse Enclosures) in Albany. When the previous owner's health issues led him to sell the company, Michael Watkins and his wife, Crystal, decided to buy it. Not only did the Watkins' decision save the jobs at LaCrosse Solutions, but it also helped preserve the tax base. KHIC provided financial assistance to the buyers for working capital, building financing, and TA. For LaCrosse Enclosures, the Kentucky Highlands Empowerment Zone Loan Fund provided financing for acquiring the business and some working capital. The Watkins continue to employ twenty-eight skilled individuals. The company also collaborates with the local vocational school to provide co-op opportunities for welding students and engages the community. Outdoor Venture Corporation (OVC), its largest customer, makes tent frames for the military. LaCrosse Enclosures also has its own military contracts. "I like the unique challenges in the steel industry," said Watkins. "You are definitely learning something new every day."

LIFTFUND

San Antonio, TX

**OVERVIEW**

LiftFund is a nonprofit small business lender that transforms lives by opening doors, leveling the financial playing field, and building a community of shared success through entrepreneurship. Founded in 1994 in San Antonio, Texas, LiftFund provides funding, business guidance and resources to entrepreneurs who do not have access to financial mainstream.

Since inception, LiftFund has provided access to nearly \$1 billion in capital, and nearly 27,000 loans, to diverse business owners throughout its 15-state service area, which includes Alabama, Arkansas, California, Florida, Georgia, Kentucky, Louisiana, Mississippi, Missouri, New Mexico, New York, Oklahoma, South Carolina, Tennessee and Texas.

LiftFund provides a variety of lending products including micro and small business loans, SBA 7a Community Advantage loans, SBA 504 loans, EDA loans, loans for veterans and spouses and other special loan programs.

In addition to funding, LiftFund offers various business support services, such as individual consultations, training workshops, accelerators and peer learning and networking opportunities.

COLORFULL PLATES

Although Robin Oloyede had a successful career in marketing, she was always an entrepreneur, noting, “I had small, small businesses in the years prior, but nothing that really fleshed out. I just kept on in my marketing career.” An idea for a new business venture came from an unexpected place. Robin recalls, “My son told me he wanted to be an astronaut, and I couldn’t find any astronaut that represented him. And so, in trying to create something that I could put in front of him every day, I ended up on kid’s tableware.”

“Toys are disposable. I developed the concept of tableware because everybody has to eat, and some of the most important things that happen to people in their lives happen over meals.” Colorfull Plates, Robin’s business, make meals into special moments. “We focus on helping children see themselves at every meal as they do in their imagination - an astronaut, doctor, scientist, or ballerina. Our goal is to help empower children.”

Robin faced multiple challenges. She and her business partner are minority and female, “so, receiving any type of funding was a huge obstacle. We were constantly turned down due to the size of our business and because we were a startup, but not tech.” Finding LiftFund, Robin was able to give her business the push it needed. She says, “we were immediately able to level ourselves up to move into a wholesale space.”

THREE-YEAR IMPACT

- ▶ \$119.7 million in loans
- ▶ 4,377 total businesses financed (2,841 minority-owned, 1,649 women-owned)
- ▶ 21,605 jobs created at businesses

LOCAL INITIATIVES SUPPORT CORPORATION

New York, NY

Before & After:



OVERVIEW

In 1979, when the Ford Foundation first conceived of LISC, it envisioned an “intermediary”—a nimble non-profit with strong community partnerships that would connect hard-to-tap public and private resources with underinvested places and people working to access opportunities every one of us deserves.

The premise is still as it was then: government, foundations and for-profit companies have the capital; residents and local institutions understand the need; and LISC helps bridge the gap by offering the relationships and expertise to assist community organizations in attracting the kinds of resources that allow them to do their best work.

The components of our programming and our role continue to evolve and expand, in particular, our commitment to systems change, equity and an overt anti-racist approach to the work. But for 40 years, our mission has remained the same.

THREE-YEAR IMPACT

- ▶ \$534.3 million in loans
- ▶ 55 community facilities financed
- ▶ 395 total businesses financed (211 minority-owned)
- ▶ Job creation: 11,774 FTE construction, 742 at businesses and 3,877 at tenant businesses

Housing Financing:

- ▶ 17,666 rental units (14,925 affordable)
- ▶ 1,055 for-sale homes (683 affordable)

Green Financing Examples:

- ▶ Energy retrofits, solar, grant and TA programs supporting: disaster response and recovery, transit-oriented development, and efforts to ensure low-income and BIPOC people are not excluded from the green economy transition.

HOMEOWNERSHIP PROGRAM FOR SECTION 8 VOUCHER HOLDERS IN NEWARK, NJ

Homeownership is one of the most transformative forms of wealth building a family can have. Affordable homes not only provide safe, stable housing for families, home equity can be used to support new businesses, education costs and generational wealth accumulation. LISC currently has 40 loans in its portfolio that support homeownership, from single-family homes being constructed in California to tenant groups that organize to buy their buildings in Washington, DC.

In 2022, LISC provided a \$1.9MM construction line of credit to Invest Newark, a nonprofit based in Newark, NJ, that is converting 25 vacant properties into homeownership opportunities for families in the Newark Housing Authority’s Section 8 voucher program. LISC’s loan also leveraged a \$500,000 program-related investment from the Victoria Foundation. The rental assistance vouchers will be converted to mortgage assistance vouchers that will pay up to 75% toward a mortgage for 15 years. Pre- and post-closing counseling will be provided to proposed buyers by partner nonprofit organizations. This project will help reduce costs for the Public Housing Authority and achieve its ultimate mission of ending low-income residents’ dependence on government assistance within 10 to 15 years. It also makes additional Section 8 vouchers available without requiring additional government assistance when the Section 8 vouchers are allocated to other low-income individuals at the end of the 15 years. In addition to providing rehabilitated homes to BIPOC and low-income residents, Invest Newark is committed to hiring local minority- and women-owned contractors and development firms to help support their portfolio growth. This project is expected to create over 750 local jobs (30 jobs per home) and stimulate the local economy

Invest Newark is a New Jersey nonprofit and is effectively the economic development agency and land bank entity for the City of Newark. Its goals include supporting small, women and minority-owned businesses, investing in world-class internet service, spurring real estate development, and executing economic development activities to produce and sustain economic growth, generate jobs and create wealth for the citizens of Newark.

LOCAL GOVERNMENT FEDERAL CREDIT UNION

Raleigh, NC



OVERVIEW

LGFCU is a Low-Income Designated Credit Union (LIDCU) and Community Development Financial Institution (CDFI) that has been serving all 100 counties in North Carolina since 1983.

Our field of membership includes North Carolina's local government employees and volunteers, elected and appointed officials, and their families. Since 1983, LGFCU has served members who live with financial fragility every day, with 40% of our loan dollars provided to members earning low and extremely low incomes. We have demonstrated a considerable amount of capital and lending dedicated to low-income markets and borrowers and, as a result, received our low-income designation (LID) in September 2012. In addition, LGFCU was certified as a CDFI in November 2014.

THREE-YEAR IMPACT

- ▶ \$4.3 billion in loans
- ▶ Financing provided to 2,250 first-time home buyers
- ▶ 102 total businesses financed

Green Financing Examples:

- ▶ We provided three \$1 million participation loans to support solar farms in rural North Carolina.

THE PROMISE OF HOME

It was just a routine day, until Will Darley saw a "For Sale by Owner" sign in front of his former family home in Landrum, S.C., the same house he lived in when he met Chelsea, the woman who later became his wife.

Will and Chelsea jumped at the chance to buy this home. Having worked to build their credit scores, they crunched numbers using LGFCU's online calculators, then turned to their Credit Union for a mortgage loan. The Darleys are now making new memories in this special house with their son, Connor.

The Darleys knew their Credit Union offers mortgage options with competitive rates for members not only in North Carolina, but in its bordering states of South Carolina, Georgia, Tennessee and Virginia.

Will and Chelsea were approved for LGFCU's First-time Homebuyers Loan, an adjustable-rate mortgage with a term up to 30 years and up to 100% financing. Like all LGFCU mortgages, it requires no private mortgage insurance, which can save the borrower thousands of dollars each year.

Chelsea Darley commented, "It actually made more sense for us to purchase a home instead of renting, due to the rising cost of long-term rentals in our area. Without the First-Time Homebuyers Loan, it would have definitely been harder. We did not need to have a down payment, and we were able to finance the closing costs, so it made the most sense."

Will Darley summed up his experience by saying, "The process was different than I expected, but in a good way. I went into it thinking it would be stressful. I won't say it was easy, but it was smooth sailing. Landrum is a pretty little town, like in a movie. It is a good place to raise kids, and it means a lot to see our family here. It all worked out. Sort of like a fairy tale."

OVERVIEW

Locus (formerly Virginia Community Capital) is a nonprofit certified CDFI Loan Fund based in Richmond, Virginia. We create equitable access to capital by developing community partnerships and innovative tools that tackle systemic challenges and advance promising opportunities.

Our lending and technical assistance programs focus on five key sectors: Housing, Small Business, Community Facilities, Climate, and Healthy Foods. Our loan products target affordable housing developers, businesses, and nonprofits.

Locus partners with communities where the capital system is not working to ensure that everyone, no matter their background, location or economic status, can live in healthy, thriving communities. We believe a capital system that centers community input and impact is essential to making this a reality.

FLYWHEEL DEVELOPMENT

The complexities of reforming our energy infrastructure require tenacity and exceptional commitment. Locus' Bill Greenleaf recognized those qualities immediately in the founders of Flywheel Development—sustainable builders that specialize in resiliency and equity. While relentlessly undertaking over 49 projects within DC and Maryland, principals Jessica Pitts and John Miller have demonstrated leadership at a critical stage.

Funding can be an obstacle for organizations like Flywheel. Solar installation requires a significant cost outlay, and banks that accept the equipment as collateral are scarce. Mission-driven lending, experience with grants, interest buydowns, and innovative financing all make this type of work possible.

The challenges, however, divert attention from where it should actually be paid. We have the ability to harness a natural, renewable, abundant resource for the planet's benefit. We also have the technology to do it. "Whatever the risks or challenges are," Pitts insists, "the benefits far outweigh them." This perspective is both normative – as it should be—and essential to sustaining work that must be done.

We share the same focus and urgency. For our first collaboration, Flywheel received financing to set up 10 commercial systems that will deliver free solar energy to 200-300 households over the course of 15 years. The energy collected by the systems will be distributed into the grid for DC's Solar for All Program, which aims to provide energy for 100,000 residents in low-to-moderate income neighborhoods. Recent data indicates that households facing energy insecurity frequently pay more than average consumers. A cost reduction in utility bills and better air quality will benefit both the health and wealth of our communities.

The idea of the Solar for All program was recently adopted on a federal level under the Greenhouse Gas Reduction Fund, which seeks to provide benefits to communities that have inequitably shouldered the effects of environmental injustice. They are estimated by the Department of Energy to be three times higher than average.

An additional solar installation across 11 properties in the northeastern area of the District will generate 1.7MW of solar energy. As a result, approximately 500 households will see energy cost reductions. DC is required to run on 100% renewable energy electricity by 2032, which creates an environment ripe for opportunity. Flywheel Development is leading the way forward with determination and perspective. We would all benefit from following.

THREE-YEAR IMPACT

- ▶ \$71.32 million in loans
- ▶ 48 businesses financed
- ▶ 379,238 sq. ft. of commercial real estate
- ▶ 1110 jobs created and preserved

Housing Financing:

- ▶ 556 rental units (536 affordable)

Green Financing:

- ▶ Since 2015, originated \$40 million in solar loans across 50 projects in Virginia, Maryland, Washington DC, New Jersey, and New York.

LOW INCOME INVESTMENT FUND

San Francisco, CA



OVERVIEW

Low Income Investment Fund (LIIF) mobilizes capital and partners to achieve opportunity, equity and well-being for people and communities. We believe that everyone in the United States should benefit from living in a community of opportunity, equity and well-being. LIIF mobilizes capital and partners to achieve this vision for people and communities. Since 1984, LIIF has deployed more than \$2.7 billion to serve millions of people by providing financing and technical assistance to create and preserve affordable housing, child care centers, schools, healthy food retail, health clinics and transit-oriented developments. LIIF is driving \$5 billion in investments to advance racial equity (2020-2030). LIIF has offices in San Francisco, Los Angeles, New York, Washington, D.C. and Atlanta.

THREE-YEAR IMPACT

- ▶ \$491.7 million in loans
- ▶ 34 community facilities financed
- ▶ 24.8 million sq. ft. of commercial real estate
- ▶ Jobs created via financing: 18,180 FTE construction jobs, 1,784 tenant business jobs

Housing Financing:

- ▶ 24,241 rental units (22,938 affordable)

Green Financing Example:

- ▶ LIIF has worked and advocated around the Greenhouse Gas Reduction Fund, specifically around early child care facilities.

GAP COMMUNITY CHILD DEVELOPMENT CENTER

GAP Community Child Development Center, located in the Petworth neighborhood of Washington, D.C., faced a precarious future amid the pandemic and escalating costs due to gentrification pressures. Led by President and CEO Travis Harmon, this Black-led, nationally accredited institution serves a crucial role for families with young children. Facing a lack of access to capital from traditional lenders, GAP turned to LIIF, securing funds for a 15,000-square-foot building acquisition. LIIF stepped in, providing vital capital support with a \$4.23 million low-cost loan through the Brighter Futures Fund (BFF), a program geared toward providers who are acquiring, developing or renovating licensed child care centers.

Additionally, GAP received \$518,230 from the Office of the State Superintendent of Education's (OSSE) Access to Quality Child Care Grant program. LIIF was selected by OSSE to administer the grant program and assisted GAP through the application process. This funding expanded infrastructure, adding four classrooms, creating 11 jobs and increasing capacity to serve up to 96 children.

LIIF and OSSE also granted \$97,000 to address outdoor space needs in collaboration with the National Wildlife Federation. The revamped play area now includes a rainbow track, shaded zones and interactive benches.

By owning rather than renting their building, GAP is saving a staggering \$200,000 per year. By nimbly deploying capital, in the form of low-interest loans and grants, LIIF seeks to support historically excluded communities reclaim their power and agency.

MICHIGAN COMMUNITY CAPITAL

Lansing, MI



OVERVIEW

Michigan Community Capital (MCC) is a public-private partnership fostering investment in disadvantaged communities throughout Michigan, including rural communities and communities of color via loans, equity investments, direct development, and development support. Our financial and community development tools help disadvantaged people and communities eliminate blight, provide safe and attractive affordable housing, and revitalize downtown districts devastated by disinvestment.

By partnering with banks, under the Community Reinvestment Act (CRA), as well as philanthropy, and federal, state, and local governments, MCC provides for and tackle problems and projects previously unsolvable. MCC is an IRS supporting organization to the Michigan Economic Development Corporation and the Michigan State Housing Development Authority. MCC is a certified CDFI and a Community Development Entity. With a focus on missing middle housing, access to healthy foods, and projects that provide quality, accessible jobs to low- to moderate-income individuals, MCC continues to support its community.

ALLEN PLACE BRINGS NEW COMMUNITY SPACE TO DOWNTOWN

MCC supported, with other mission-driven partners, the redevelopment and expansion of the Allen Neighborhood Center (ANC) in Lansing, MI in 2020, including the new development of Allen Place apartments. The full project included the redevelopment of an existing, two-story building into a three-story mixed-use development consisting of affordable housing units, community-based health care services, a culinary training school, and an accelerator kitchen for food-based entrepreneurs.

Allen Neighborhood Center serves as a dynamic hub where Lansing Eastside neighbors access resources to improve their health and well-being and job and entrepreneurial opportunities and create a strong sense of place, belonging, and community pride. Prior to this redevelopment project, a small portion of an existing two-story building was occupied by ANC. The rest of the building was vacant and in disrepair.

As a result of MCC's \$9.7 million New Markets Tax Credit allocation and \$2 million bridge loan, the Allen Place project is now providing 21 mixed-income rental homes, a health clinic, a food co-op specializing in locally grown/raised food products, and increased access to healthy food options for area residents. An Accelerator Kitchen is catalyzing expanded business opportunities and growth for small scale food entrepreneurs. The Accelerator, along with ANC's six-year-old Incubator Kitchen, is creating a pipeline of small food business development infrastructure on the block. The initial makers in the Accelerator Kitchen include Teff-rific (Ethiopian cuisine,) Tantay (Peruvian cuisine,) Hobie's, and Slows BBQ. Fourteen full-time jobs have been created as a result of the project. The development team has partnered with the Lansing Board of Water and Light to create a micro-grid incorporating multiple methods of solar collection.

Conveniently located near Downtown Lansing, the project will provide much-needed affordable housing options for individuals, families, young professionals and seniors. Allen Place provides an age-friendly environment designed to facilitate social interaction and social programming and allowing senior residents to age in place. Other project amenities for residents will include active programming from ANC, a community room, computer center, outdoor picnic areas and 'green spaces', an on-site farmers market, nutrition education and cooking classes.

THREE-YEAR IMPACT

- ▶ \$27.4 million in loans
- ▶ \$8.6 million equity investments
- ▶ 1 community facility financed
- ▶ 19 total businesses financed
- ▶ Jobs created: 301 FTE construction jobs, 41 jobs created at businesses, 88 at tenant businesses

Housing Financing:

- ▶ 553 rental units (367 affordable)
- ▶ 42 for-sale units (29 affordable)

MIDWEST MINNESOTA CDC

Detroit Lakes, MN

OVERVIEW

Midwest Minnesota Community Development Corporation is a leading private nonprofit company providing commercial and home mortgage lending, as well as housing, business and community development services throughout Minnesota and the Upper Midwest. We also are the parent company of a reservation-focused community development company. In addition, we are the founding member of a housing construction cooperative.

MMCDC's overall vision is to help businesses and communities succeed. We aim to improve and empower communities by providing capital, training and technical assistance through the financing and development of housing, commercial and community facilities.

The mission of MMCDC is to assist communities and individuals achieve a better quality of life.

HEARTLAND HAIR PARK

After Sue Brandon-Cadwell and her husband relocated to Park Rapids, Minn., Sue was working at two salons and commuting out of town. With a \$140,000 loan from MMCDC, an investment from her father, and other resources, she opened Heartland Hair Park. In less than a year, it became home to her business, two additional cosmetologists, and a Miracle Ear hearing aid office.

"Sue's project took a previously vacant building in the downtown and opened a new business in the community, which is great for Hubbard County and the City of Park Rapids," commented Mary Thompson, the Heartland Lakes Development Commission Executive Director.

"My mom passed away in 2015; she would have been so proud of me!" Sue said. Sue's mother was a business owner who served on MMCDC's board of directors from 1979-1985. She might have been proud to know the company has a focus on women-owned businesses today, and that her daughter is among them.



THREE-YEAR IMPACT

- ▶ \$65.4 million in loans
- ▶ 1 community facility financed
- ▶ 112 total businesses financed (21 minority-owned), (54 women-owned)
- ▶ 73 jobs created at businesses and 4 at tenant businesses
- ▶ 119,920 sq.ft. of commercial real estate

Housing Financing:

- ▶ Financed 18 affordable rental units and 1 for-sale home.
- ▶ 210 first-time homebuyers





OVERVIEW

MoFi is primarily a small business lender, providing loans to disadvantaged entrepreneurs and business owners. MoFi helps people who lack the assets, income, experience, and/or credit history to qualify for bank financing. MoFi provides clients with access to capital through its small business loan program, then pairs each loan with free, comprehensive business training to help build successful businesses, achieve financial sustainability, and establish a long-term banking relationship. MoFi helps clients build economic security, stop living paycheck-to-paycheck, break the cycle of poverty, and join the financial mainstream. MoFi also offers New Market Tax Credit financing for large-scale investment projects and down payment assistance for home buyers.

MoFi started in 1986 as a Women's Opportunity and Resource Development project and then became Women's Economic Development Group (WEDGo), focused on entrepreneurial training to raise women's economic status. Now known as MoFi, we provide financing and consulting to entrepreneurs and small business owners, as well as affordable housing solutions. We continue to expand our services where needed, while staying true to our mission of transforming lives and strengthening communities. MoFi operates across Montana, Idaho, Wyoming, Utah, Eastern Washington and Eastern Oregon with offices in Missoula, Bozeman, Boise and Salt Lake City.

THREE-YEAR IMPACT

- ▶ \$160.1 million in loans
- ▶ Provided financing for 186 first-time homeowners
- ▶ 5,346 total businesses financed (391 minority-owned, 1,035 women-owned)
- ▶ Jobs created via financing:
 - ▶ 237 FTE construction jobs
 - ▶ 15,971 jobs created at businesses
 - ▶ 349 tenant business jobs created
- ▶ 95,638 sq. ft. of commercial real estate rehabbed, constructed and/or improved via financing provided

NOURISHING PEOPLE AND BUILDING COMMUNITY IN SOUTHERN IDAHO

Oakley, Idaho is cattle ranching country, but locally produced beef was almost impossible to find, which gave Rogelio Magaña the idea of starting a meat processing business. He knew his neighbors would buy locally produced meat if possible, and he had the skills, having worked in a Colorado meat processing facility after moving from Michoacan, Mexico decades earlier. There was a defunct butchering facility attached to a local grocery store that would be a perfect location. Although he and his wife, Maria, owned their own small trucking company, they were seeking a change. They were consistently having trouble hiring enough drivers, and Rogelio was eager to be off the road and closer to home. The entrepreneurial couple decided to go for it. When their offer was accepted, they sold their truck fleet and invested in renovations, and used a home equity loan to cover remaining start-up costs. But those costs added up more quickly than expected, and the Magañas found themselves without enough capital to finish the job. They went to multiple banks for help, but were consistently denied funding, and they feared they might lose everything they'd invested, which was their entire life savings.

Fortunately, one of the bankers who couldn't help them was a long-time MoFi partner and suggested they give MoFi a call. MoFi provided them with \$50,000 to complete their renovations and purchase the necessary equipment. The business took off immediately, and they returned the next year for another \$50,000 to expand and upgrade their freezer to accommodate the business growth. Initially it was only Rogelio and Maria, but with the business' growth and success, they've been able to hire 5 full-time and 1 part-time employees. They're thrilled to be serving their community by providing high quality, locally sourced meat, all while building connections between consumers and ranchers, and a greater appreciation for the land that sustains and nourishes them all. Rogelio was effusive about the funding he received from MoFi and what it has done for his family, and his community: "I'd give MoFi 100 out of 100 and something higher if I could. Banks won't lend money to an idea, but you did. You're the only reason we're here. You saved us."

MOUNTAIN ASSOCIATION

Berea, KY



OVERVIEW

The Mountain Association invests in people and places in Eastern Kentucky to advance a just transition to a new economy that is more diverse, sustainable, equitable and resilient.

Established in 1976, we are a community economic development nonprofit and a CDFI. Our region of Central Appalachia has been economically distressed for generations, even before the decline of coal. Our mission is to reinvest in our communities, helping create places where the local economy is regenerative and restorative, and where people have what they need to thrive in the place they love.

We serve this mission in a number of ways. Our Lending team provides flexible loans to businesses and organizations, while our Business Support team connects business owners and nonprofit leaders to expert consultants who can work one-on-one on projects that help their operation succeed long-term. Our Energy experts help enterprises find energy savings through energy efficiency and solar assessments, financing, and grant application support. We also engage in community development, communications and policy work, and provide fiscal sponsorship for aligned initiatives.

THREE-YEAR IMPACT

- ▶ \$10.4 million in loans
- ▶ 532 total businesses financed (5 minority-owned, 108 women-owned)
- ▶ 274 jobs created at businesses

Green Financing Example:

- ▶ The Mountain Association has a team of five energy experts on staff, providing energy efficiency and renewable energy technical assistance. They provide utility bill analysis, on-site efficiency and solar assessments, and grant application support - connecting clients with financing as needed to support their energy project.

SALYERSVILLE IGA ADDS SOLAR

A thriving grocery store is central to a community where residents want to live. However, groceries are businesses that operate with very tight margins, a key reason why many rural grocery stores struggle to keep their doors open in the face of factors like declining populations and online shopping.

A few years ago, Salyersville IGA, the only full-service grocery store in Magoffin County, Kentucky, doubled the size of its previous location and completed major upgrades resulting in greater product diversity, including specialty diet foods and six times the amount of fresh produce. The new store was designed to be energy efficient with state-of-the-art equipment.

The last step in tackling high bills was to add solar. Salyersville IGA worked with Mountain Association's energy experts and added 256 solar modules, knocking more than \$17,000 per year off their bills. Mountain Association supported their applications for \$60,000 in solar grants, and financed the remaining costs.

"Ready access to healthy food can be a challenge in our communities," Peter Hille, Mountain Association President, said. "We are proud to be a financial partner in Salyersville IGA. We applaud their vision in making the energy investments that helps keep their food fresh, costs down, and staff and customers comfortable."

Over the last decade, Mountain Association has worked with dozens of Eastern Kentucky grocers to cut utility costs through energy efficiency and renewable energy systems.

NATIONAL COMMUNITY INVESTMENT FUND

Chicago, IL



OVERVIEW

National Community Investment Fund (NCIF) was set up in 1996 as a nonprofit CDFI and Impact Investor with a mission of increasing the flow of financial products and services in underserved US communities.

NCIF's Theory of Change revolves around catalyzing mission oriented financial institutions ("MOFIs": which include CDFI Banks, Minority Depository Institutions and other institutions with an impact mission) that often act as anchors in underserved markets.

NCIF achieves its mission via three complementary business lines - equity investing, deployment of New Markets Tax Credits and lending. In addition, all programs are evidence-based and supported by NCIF's rigorous impact measurement and analysis. NCIF pioneered Social Performance Metrics for banks' financial activities in underserved communities (www.bankimpact.org) to increase the flow of capital to the sector. Since inception, NCIF has invested in or worked with over 45 banks and credit unions and catalyzed projects greater than \$1.4 billion that have created 15,551 direct jobs. It has become the largest single investor in CDFI and MDI Banks delivering superior impact in underserved communities. NCIF measures its impact around three areas - economic opportunities, racial justice, and the environment.

CUMULATIVE IMPACT

- ▶ Total costs of projects financed: \$1.5 billion
- ▶ NMTC deployed: \$371 million
- ▶ Total loans (including NMTCs): \$407.2 million
- ▶ Total CDFI and MDI banks and credit unions funded: 31
- ▶ Largest private sector investor in CDFI banks
- ▶ Total jobs created directly: 15,709
- ▶ Total jobs created indirectly: 113K

Green Financing Example:

- ▶ The Rust Belts to Green Belts (R2G) program focuses on addressing the historical tension between industrial corridors and surrounding neighborhoods. It supports clean technology adoption, job creation, wealth building, and environmental improvements in communities that would otherwise be left behind.

URBAN LEAGUE OF GREATER MADISON HOMEOWNERSHIP AND BLACK BUSINESS HUB

Despite Madison being a rapidly growing city, there are pockets where there is extreme poverty and unemployment. These areas are also predominantly minority (African American). The poverty rate in this South Madison community is 33.80% and income is 39.32% of area medium income.

NCIF supported Urban League Greater Madison (ULGM) with a loan of \$4.6 million along with a minority CDFI bank, Carver Federal Savings Bank. Established in 1963, ULGM aims at ensuring that there is broad based development including in African American communities and opportunities are created for education, employment, and entrepreneurship. This loan enabled ULGM to finance a \$17.5 million Black Business Hub that filled a critical void for supporting the growth of Black owned businesses in South Madison, WI and creating an opportunity for inclusive economic development in a distressed neighborhood, rather than gentrification. The Hub is under construction in Villager Mall on Madison's south side. Over the next few years, it is estimated that the 76,000 square feet Hub will support a minimum of 100 Black-owned businesses and entrepreneurs, and create, or relocate more than 150 jobs as well as 250 temporary construction jobs. NCIF has provided NMTC allocations to this Hub as well.

Prior to this, in 2020, NCIF had supported ULGM with an effort to increase homeownership for low - and moderate - income communities as it is one of the most reliable means of creating economic self-sufficiency. NCIF innovative NMTC product adapted NMTC to create 16-energy start for-sale housing in this community. Thirteen of the sixteen households are people of color.

Combination of the Black Business Hub and the for-sale housing is key to creating comprehensive community development and to reduce the typical impact of the "tale of two cities" in large urban centers.

NEIGHBORHOOD IMPACT INVESTMENT FUND

Baltimore, MD



OVERVIEW

Launched in 2019, and certified as a CDFI in 2021, The Neighborhood Impact Investment Fund (NIIF) delivers capital and promotes inclusive, equitable growth in Baltimore's historically disinvested neighborhoods. Initially capitalized with a \$51.7 million loan from Baltimore City, NIIF supports communities by providing loans and investments that accelerate economic growth, catalyze business activity, deliver needed services, and create greater economic opportunity for residents. NIIF is a place-based fund with investments targeting specific Eligible Neighborhoods defined by Baltimore City. Located outside the downtown core and waterfront areas, these neighborhoods have suffered for decades from a lack of investment, segregation, and racial discrimination. NIIF, in collaboration with public and private sector partners, works to support these communities with affordable, flexible financing that is not otherwise available.

IMPACT SINCE INCEPTION

- ▶ \$52.5 million in loan commitments
- ▶ A majority of borrowers are minority-led organizations
- ▶ Jobs created: 2,494 FTE construction jobs and 649 FTE permanent jobs

Housing Financing:

- ▶ 1,761 rental units (1528 affordable);
- ▶ 364 for-sale units (208 affordable)

Green Financing

- ▶ Predevelopment of affordable, IECC-compliant multi-family housing buildings

NONPROFIT SAVES AREA 405, CONTINUING A LONGSTANDING ARTIST STUDIO COMPOUND

Over two decades, a group of artists transformed the AREA 405 building in Greenmount West from a blighted industrial warehouse into a vital and beloved component of the City's arts community. Local creatives were attracted to this inexpensive, functional space in downtown Baltimore and a vibrant neighborhood amenity was born. The building offered affordable studio space, a large exhibition gallery, and the Station North Tool Library, a small nonprofit that provided residents with over 3,000 tool rentals, 30 classes, a woodworking shop, a DIY workspace, and a home repair classroom.

The building went up for sale in 2021 and marketers painted a very different picture. Promotional materials rebranded the property as "Oliver Street Lofts", a fix-and-flip luxury apartment investment opportunity that would attract "sophisticated urban renters" thanks to the "greater regional connectivity" promised by the ongoing renovation of Penn Station. Longtime artist tenants and neighborhood residents feared displacement and the dissolution of their community.

Recognizing the urgency of the situation and the importance of this asset, the Central Baltimore Partnership collaborated with local developer Ernst Valery to acquire and preserve the building as an affordable workspace for Baltimore's artists. "Together with Ernst, our team plans to work with the current tenants, members of the Station North Arts District, and the Greenmount West Community Association to both protect the existing uses and activate the building to enhance its contribution to both the arts and the broader community," said Ellen Janes, Executive Director of the CBP. "We have a strong track record of creating opportunities for Black-and women-owned enterprises in Central Baltimore, and we will give priority to emerging Black and Brown artists and makers in recruitment and support for new tenants."

The new owners received support from the State of Maryland, the City of Baltimore, and several foundations to make the development possible. NIIF joined Reinvestment Fund, a national CDFI focused in Baltimore, to provide approximately \$2.7 million in acquisition and renovation financing to support the total development costs of \$5.9 million. Post acquisition, initial stabilization work is being completed to bring the building to code and activate ground floor gallery and event space. Longer term, the new owners intend to expand the number of artist studios in the building, add retail or other offerings at the street level and create affordable apartments for artists.

NEIGHBORGOOD PARTNERS

Dover, DE



OVERVIEW

NeighborGood Partners (formerly known as NCALL) has been serving the Delmarva Peninsula since 1976. Their mission is to strengthen communities through housing, lending and education. The organization specializes in affordable housing counseling and development, financial education, and lending.

Neighborhood Partners' services to nonprofit corporations include developer consulting for multi-family housing projects and technical expertise for USDA's Rural Development Self-Help Housing program. NeighborGood Partners' Loan Fund, a CDFI, provides financing to nonprofit and for-profit corporations interested in providing affordable housing and other living spaces, neighborhood revitalization, and community facilities. As a service provider for families and individuals in Delaware, NeighborGood Partners offers pre-purchase and foreclosure prevention counseling, and financial education. It is a HUD-approved housing counseling agency.

NeighborGood Partners also provide community development services and is the lead agency for Restoring Central Dover, a resident-driven neighborhood revitalization initiative.

THREE-YEAR IMPACT

- ▶ \$24 million in loans
- ▶ 16 community facilities and 38 businesses financed (11 minority-owned, 9 women-owned)
- ▶ 182,597 sq. ft. of commercial real estate

Housing Financing:

- ▶ 215 affordable rental homes
- ▶ 38 affordable for-sale homes

Green Financing Example:

- ▶ One of our borrowers is a nonprofit, affordable housing developer that builds homes to Energy Star ratings.

LATIN AMERICAN COMMUNITY CENTER

Located in Wilmington, Delaware, the Latin American Community Center (LACC) is a multi-service community organization offering its clients an array of services: financial coaching with programs such as Stand By Me; adult education classes for learning English or citizenship preparation; and after-school program and summer camps for children and young adults. After noticing a tremendous need within its community, which is predominantly Latinx and low-income, LACC began working to expand its Early Childhood Development Center facility offerings for children five and under.

LACC knew NeighborGood is an active community development lender in the area and had heard about NeighborGood's recent successful collaboration with Cinnaire and True Access Capital via JPMorgan Chase's PRO-Neighborhoods Initiative, so LACC reached out to NeighborGood Partners about their project. In August 2021, NeighborGood Partners provided a 7-year, \$3.6 million construction/mini-perm loan in which Cinnaire is a participant lender. NeighborGood Partners also provided a low rate, 7-year, \$1.45 million loan through its New Markets Tax Credit allocation. Overall, LACC's expansion of its Early Childhood Development Center cost a total of \$7.75 million.

LACC was able to expand its facility by 17,200 sq. ft. and increase its enrollment from 106 children to 214. Maria Matos, President and CEO of LACC, said, "For years, we have dreamed of expanding our Early Development Center for children ages 6 weeks to 5 years. We know that high-quality preschool programs have an impact on the academic success of children, particularly those from low-income families. It was hard to tell parents that our Early Development Center was full and had a waiting list. With financing from the NeighborGood Partners, we've been able to start construction on a new building to serve more children. Their technical support and step-by-step guidance—from beginning to closing—made this project a reality."

NEW JERSEY COMMUNITY CAPITAL

New Brunswick, NJ



OVERVIEW

New Jersey Community Capital (NJCC) is a nonprofit community development financial institution (CDFI) that provides financing and technical assistance to foster the creation of affordable housing, educational spaces, community facilities and economic development projects in underserved communities across New Jersey. Since established in 1987, we have believed in comprehensive and collaborative approaches to community development and offered a diversity of flexible financing options to support our borrowers and partners.

New Jersey Community Capital, New Jersey's largest CDFI, is committed to creating thriving communities through strategic investments and knowledge. We take a comprehensive and holistic approach to building stronger and more equitable communities by investing in people and places. We are a team of dedicated professionals that works every day to create equitable and thriving communities by supporting women- and minority-owned small businesses, expanding affordable homeownership opportunities, spurring job growth, making access to high-quality education a reality, and much more.

THREE-YEAR IMPACT

- ▶ \$177.1 million in loans, \$3.5 million in equity
- ▶ 65 community facilities financed
- ▶ 100 businesses financed (40 minority-owned, 28 women-owned)
- ▶ Jobs created: 624 FTE construction jobs, 2,002 jobs created at businesses, 472 tenant business jobs created
- ▶ 299,602 sq.ft. of commercial real estate

Housing Financing:

- ▶ Financing for 705 rental units (670 affordable)
- ▶ Financing for 239 for-sale homes (74 affordable)

ARGUS-ELLISON AFFORDABLE HOUSING

The Argus Mill served various industrial uses in its long history in the Great Falls Historic District of Paterson. The property sat vacant and underutilized for many years until 2020, when a local developer, Winn Development, embarked on a project to transform the abandoned mill into an affordable housing complex designed for multi-generational tenants.

In March 2021, NJCC provided a \$5.3 million loan toward the \$39.9 million revitalization of the mill into six, affordable two-bedroom apartments. The project also included the construction of a new four-story, wood-frame apartment building with 68 units of affordable rental housing, energy efficient appliances, lighting, and water-saving fixtures. A small office building on the property will house offices and program space for community organizations and property management. NJCC provided 50% lead participation along with two other non-profit lenders.

A total of 52 of the units are affordable to families earning below 50% of the AMI, while the remaining 22 units are moderate-income and affordable to families earning below 80% of the AMI. The building includes set-asides for multi-generational households, and the ground floor of the Argus Mill building was developed into a community space designed for programming at the Grandparents Relatives Care Resource Center and Winn Residential property management staff.

"Grandparents raising grandchildren is a growing portion of the Paterson population, so I am particularly pleased they are being targeted as future tenants," said Patterson mayor Andre Sayegh. "Also, the fact that the development team involves local Patersonians makes this project a win-win."

In total, the construction and renovation of the project created approximately 110 construction jobs—all paid at New Jersey Prevailing Wage rates. This project was completed in August 2023.

NEWWEST COMMUNITY CAPITAL

Boise, ID



OVERVIEW

NewWest Community Capital is a nonprofit loan fund dedicated to providing economic opportunity throughout the western U.S. Our mission is to increase access to capital for affordable housing and community facilities, halt community deterioration and create jobs throughout the economically disadvantaged areas of the west.

NewWest serves eight states in the Intermountain West: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming. We provide financing for a variety of nonprofit projects including healthcare clinics, childcare centers, charter schools, homeless services, mental health centers, and program office space. We finance nonprofit and for-profit affordable housing developers, who create rental and ownership housing options for families, seniors, special needs, transitional, homeless, and veterans.

NewWest's financing products and services include land acquisition, pre-development, construction, permanent financing, acquisition and rehab, bridge and gap financing, adaptive reuse, and tenant improvements. Working with a variety of stakeholders throughout the Intermountain West, NewWest strives to connect and collaborate with diverse leaders to bring equity solutions to build healthy neighborhoods. We engage in community meetings, conferences, stakeholder summits, nonprofit volunteerism, advisory leadership, and task force appointments.

SAVING HOUSING FOR THOSE WHO NEED IT MOST

For more than 30 years, El Centro has been home to 26 previously chronically homeless people in Reno, NV. Originally built in 1958, the development was rehabilitated in 1993 when Northern Nevada Community Housing (NNCH) acquired the property. However, by 2021, the improvements NNCH had made were in dire need of an update. To continue providing housing to residents who had called El Centro home for so long, NNCH needed flexible financing from an experienced, reliable source with a history of working with public and private funders. NewWest Community Capital helped NNCH save El Centro.

The number of people experiencing homelessness in Washoe County is steadily increasing. In March 2023, county data revealed 2,350 people as homeless, up from 1,845 in May 2021. Community and state leaders are committing more resources to help. These leaders recognized El Centro as one of the few developments that can provide much needed permanent housing, affordable to households at 30% Area Median Income (AMI) and below.

Several key funding resources supported the rehabilitation of El Centro. These include a National Housing Trust Fund (NHTF) loan from the Nevada Housing Division; a HOME Investment Partnerships Program (HOME) loan; Low-Income Housing Tax Credits (LIHTC); a deferred development fee; and a low-interest permanent loan from NewWest Community Capital.

Completed in 2022, the latest renovation was extensive—adding kitchenettes to each studio apartment, updating the entire interior and exterior, addressing accessibility standards and increasing energy efficiency, while preserving the building's architectural significance. Furniture is provided to residents and an outdoor courtyard and patio area, laundry facility, management office, and library are onsite.

All 26 units are reserved for people who are chronically homeless, with priority given to homeless veterans. As of March 2023, 65% of the residents are veterans and/or have a disability, and 96% are senior citizens.

THREE-YEAR IMPACT

- ▶ \$22.4 million in loans
- ▶ 1 community facility financed
- ▶ 21 businesses financed (9 minority-owned, 2 women-owned)
- ▶ Jobs created: 400 FTE construction jobs, 120 jobs created at businesses
- ▶ 70,647 sq. ft. of commercial real estate

Housing Financing

- ▶ 1,138 rental units (1068 affordable)
- ▶ 25 for-sale homes (24 affordable)

NORTHERN MAINE DEVELOPMENT COMMISSION

Caribou, ME

OVERVIEW

Northern Maine Development Commission (NMDC) is a Certified CDFI located in Caribou, and serving Aroostook, Washington, Piscataquis, and Penobscot counties. Our organization was built on a long-standing designation as a regional planning commission, and has grown into an intermediary for several local, federal, and state programs since its inception in the 1960's. Our organization provides technical assistance and guidance to municipalities, existing businesses, and microentrepreneurs, along with hosting the Aroostook County Tourism board, an APEX procurement counselor, and several specialized experts in online marketing, graphic design, and product conceptualization.

We provide low-interest commercial lending and grant services to businesses throughout Northern and Eastern Maine, focusing primarily on rural communities that are impacted by rising interest rates. Although we have no specific industries served, it's always noted that we are one of the few lenders who work with restaurants and child care facilities in the area, and we are proud to have created or saved more than 500 child care slots in what is otherwise known as a "child care desert" region, where demand overwhelmingly outpaces supply.

NMDC understands the growing need for racial equity financing and our economic hub program's goal is to provide 10% of grant funds and pandemic technical assistance to BIPOC individuals, a goal we are on-par to reach by the end of this calendar year, thanks to strong word-of-mouth marketing in BIPOC communities about the assistance we offer.

PROUDLY PUTTING DOLLARS INTO START-UPS

In 2022, the NMDC team worked with Kristin Kingsbury, a young entrepreneur who 'went away' to southern Maine and then returned to Aroostook County to bring her expertise as a spa operator to the community.

In late 2022, Safe Haven Spa opened in Presque Isle. The much-demanded med spa allows individuals to access both medical and cosmetic options without having to travel, saving low-income individuals hundreds of dollars yearly in travel costs. The NMDC team toured the beautiful facility and were impressed by the modern touches.

Kristin explained the appreciation she had for the ability to pick up the phone and actually reach the exact team member she was working with, along with how simple NMDC made the lending process.

Safe Haven Spa created 2 full time and 2 part-time jobs. NMDC funded \$350,000 of the total project through grants and loans.

Proudly putting dollars in start-ups.

In 2022, the NMDC team worked with Kristin Kingsbury, a young entrepreneur who "went away" to Southern Maine and then returned to Aroostook County to bring her expertise as a spa operator to the community.

Kristin worked with Josh Nadeau, NMDC Loan Officer for lending, along with Brandon McDonald, SBDC Business Advisor for counseling.

In late 2022, Safe Haven Spa opened in Presque Isle. The NMDC team toured the beautiful facility and were impressed by the modern touches.

Kristin explained the appreciation she had for the ability to pick up the phone and actually reach the exact team member she was working with, along with how simple NMDC made the lending process.



THREE-YEAR IMPACT

- ▶ \$30.3 million in loans
- ▶ 516 businesses financed (18 minority-owned, 229 women-owned)
- ▶ 263 jobs created at businesses

Green Financing Example:

- ▶ Helped finance clean heating projects for both a record store in Presque Isle, and a hotel in Caribou.

NORTHERN INITIATIVES

Marquette, MI



OVERVIEW

Northern Initiatives is a nonprofit lender headquartered in Marquette with offices throughout Michigan. Northern Initiatives is celebrating 30 years of providing loans and business services to entrepreneurs and small business owners who create jobs and help their communities thrive.

Knowing that one of the best ways to build generational wealth is through business ownership, Northern Initiatives has a mission to level the playing field in business ownership. We also know that small businesses build resilient communities, provide good jobs, and improve quality of life. Northern Initiatives' typical customer is one with strong growth prospects, but often has a limited track record, limited or insufficient collateral, and is cash constrained. What Northern Initiatives measures as compensating factors are character and cash flow. In 2022, that was reflected in the fact that 67% of our loans were to startups. But access to capital is only part of Northern Initiatives' mission. We also support our customers with training, education, and technology systems that we've been building for years. That's why we created Initiate, our online small business education platform with hundreds of interactive tools, templates, videos, and guides available in both English and Spanish.

THREE-YEAR IMPACT

- ▶ \$18.9 million in loans
- ▶ Financing provided to 226 businesses financed (72 minority-owned, 155 women-owned)
- ▶ Jobs created: 467 at businesses, 107 at tenant businesses
- ▶ 305,930 sq. ft. of commercial real estate

THIRTY YEAR IMPACT

- ▶ 1,706 loans totaling \$101.96 million
- ▶ 2,651 jobs created, 4,406 jobs retained

NEWLYWEDS MAKE BUBBLE TEA DREAMS TRUE

Kaila and Daniel Ball, newly married during the pandemic, had dreams of something fresh, away from metro Detroit. Before they left the Great Lakes State, they decided to take "one last trip" to the Upper Peninsula. They're still there. And Marquette is losing its mind over Blossom Bird Bubble Tea.

"This shop opening up is one of the best things to happen to the Marquette area," Sam Benedict wrote on Facebook. "My girlfriend and I make a point to go here once a week. We both love it. The staff is amazingly kind and friendly. The drinks are always great. The atmosphere is always cheerful and inviting."

"Everything about this business is an extension of us," Daniel Ball said. "We're passionate and we're sharing that." Bubble tea, a drink that originated in Taiwan, is the star, but the supporting cast includes milk teas, boba lemonade, flavored iced teas, and a selection of clever and yummy baked goods. Kaila is the baker and wishes she could do more of it; she also makes custom cakes but is limiting orders for now. Turning a former fitness center into an airy and inviting café was hard work – and expensive. Daniel "kept working and I Googled," Kaila laughed, and they admitted they weren't aware of all the resources they could have tapped into.

A local bank, which wouldn't loan to a startup business, recommended Northern Initiatives. "This wouldn't be possible without Northern Initiatives," Daniel said. "It paid for the plumbing. The Northern Initiatives loan was the last chunk of money we needed to complete the whole project," he said. "We were at a point where we had everything taken care of except for redoing the plumbing in the building so we could actually hook up all of our sinks and ice machine. The money we had already secured was spent on all the appliances and other startup costs, and we were left faced with a larger expense for the plumbing than we initially expected." Northern Initiatives got the water flowing and freezing, and Blossom Bird Bubble Tea opened in June 2021. After a successful first year in business, the Balls refinanced their SBA Microloan and consolidated other debt into a new SBA Fast Track Loan that closed in August 2022.

NORTHWEST NATIVE DEVELOPMENT FUND

Coulee Dam, WA



OVERVIEW

The Northwest Native Development Fund seeks to foster economic and financial independence for Native people by assisting in the development of personal assets through financial and entrepreneurial education as well as providing access to capital through creative lending products. NNDF promotes this mission by increasing homeownership and economic opportunities.

NNDF works to achieve their goal through four primary avenues. First, NNDF works within community development, working with multiple partners to help create a more economically vibrant Native community. The Northwest Native Development Fund offers a variety of financial and business educational courses, increasing and furthering the personal development of its community. The NNDF seeks to foster economic and financial independence for Native people through various types of loan assistance. Finally, NNDF continues to keep its community up to date on the latest news and happenings with the Fund to further promote the resiliency, and economic and financial independence of its Native people and community.

THREE-YEAR IMPACT

- ▶ \$10.9 million in loans
- ▶ 2 first-time home buyers financed
- ▶ 47 businesses financed (47 minority-owned, 18 women-owned)
- ▶ 57 jobs created at businesses

BIRDS AUTOBODY

In 2020 Jared Holt, a local Colville Tribal descendant, had been working for Birds Autobody since he was in high school. He had been working there for almost ten years when the current owners let the community know they were going to retire and likely close down the business.

Jared knew cars, and still does. He knew Birds Autobody. It had been his life since he was a child. His wife understood finance as she was once employed at a local Credit Union. Together they believed that they could successfully operate this business.

However, the big obstacle was that no traditional financing institution would provide financing for a young man with little to no assets even though he had significant experience and the business was a community icon for more than 50 years. Jared approached the NNDF and staff went to work. The previous owner of Birds Autobody was gracious in providing historical financial information, current market information, and staffing levels. NNDF staff ran the analysis and Mr. Holt began assessing his existing assets.

The story told by the company's financial history said that this was a great business opportunity for someone who had experience in the autobody industry. The Northwest Native Development Fund put together a "Star Quilt" of a financing deal that saved local jobs and a local cornerstone business AND helped a young Colville descendant begin his journey as an entrepreneur and in growing his personal assets. In addition, Jared Holt as the new owner of Birds Autobody has, in a short period of time since the spring of 2020, become a leader in his community.

OHIO CAPITAL FINANCE CORPORATION

Columbus, OH



OVERVIEW

Ohio Capital Finance Corporation has a 20-year history as a nonprofit affordable housing lender and CDFI primarily serving Ohio, Kentucky, and West Virginia. Their mission is to provide flexible financing products for the expansion and preservation of affordable housing and neighborhood development, which serve to strengthen low-income communities across the region.

OCFC partners with investors, developers, government agencies, and community organizations to raise capital and deploy it to projects benefiting low-income communities and their residents. To date, OCFC has raised \$380 million from outside sources and loaned over \$900 million to partners, leading to the creation or preservation of more than 30,000 affordable housing units. OCFC is the lending affiliate of Ohio Capital Corporation for Housing and is a member of the Federal Home Loan Bank of Cincinnati.

THREE-YEAR IMPACT

- ▶ \$281.2 million in loans
- ▶ 1 community facility financed
- ▶ 90 businesses financed (10 minority-owned, 15 women-owned)
- ▶ Jobs created: 5,496 FTE construction jobs
- ▶ 112,653 sq. ft. of commercial real estate

Housing Financing:

- ▶ 7,311 rental units (7,052 affordable)

PEARL HOUSE ZANESVILLE

Pearl House Zanesville is a 34-unit affordable housing development in Zanesville, Ohio for individuals and families recovering from substance addiction and at risk for homelessness. The project was led by Fairfield Homes, an experienced affordable housing developer, and Muskingum Behavioral Health (MBH), with assistance from numerous state and local partners.

MBH identified a need to provide stability to recovering families at a time when the county was experiencing high levels of opiate and heroin addiction. Recovery housing developments such as this one provides a safe, healthy living environment where residents can access voluntary services including case management, mental and behavioral health care, peer support, and other services to aid in their recovery.

OCFC combined its 2018 CDFI Fund Financial Assistance award with its own funds to offer a new Recovery Housing Loan product to Pearl House Zanesville. The Recovery Housing Loan - a pre-development/ construction/bridge loan product - was designed to complement Recovery Housing funding from the Ohio Department of Mental Health and Addiction Services (ODMHAS) and fill a funding gap in these often-complex and nontraditional projects. OCFC provided loans to the project in 2018 and 2020, totaling more than \$2.4 million. OCFC was able to offer interest-only payments throughout the term of the loan with principal due at maturity, and a 2% interest rate on the construction/bridge loan portion, with additional flexibility offered when extensions were needed. These favorable terms helped Pearl House reach the finish line after having been conceived of nearly eight years prior.

The \$8 million project opened to residents in September 2022 and is now fully leased. As the first new construction housing project in downtown Zanesville in over 10 years, Pearl House is having an impact beyond the recovery community. OCFC was proud to play a part in this truly collaborative and transformational project.

OPPORTUNITY FINANCE NETWORK

Washington, DC



OVERVIEW

Based in Washington, D.C., Opportunity Finance Network (OFN) is the largest financial intermediary and leading national network of more than 400 community development finance institutions (CDFIs) and mission-driven community lenders.

Our membership includes community development banks, credit unions, loan funds, and venture capital funds of all asset sizes. These lenders specialize in providing affordable, responsible financial products and services in low-income rural, urban, and Native communities nationwide. We support them with capital, training and events, research, policy advocacy, and more.

As a powerful intermediary between CDFIs and the public and private sectors, OFN partners with banks, philanthropies, corporations, government agencies, and others to align capital with economic, climate, and racial justice by strengthening and investing in CDFIs.

FINANCE JUSTICE FUND

In November 2020, OFN launched the Finance Justice Fund, a socially responsible investment that leverages corporate and philanthropic capital for catalytic investments in mission-driven community lenders. The Fund aims to help close the racial wealth gap by accelerating the work of OFN members serving rural, urban, and Native communities experiencing disproportionately high rates of persistent poverty and disinvestment.

The Finance Justice Fund supports mission lenders of varying sizes, balance sheets, and operational capacities with capital designed to increase their impact. It offers low-cost, fixed-rate loans for new lending activities paired with grants that support operations, loan loss reserves, capacity building, and other purposes driving the Fund's objectives.

In its first three years, the Finance Justice Fund has provided more than \$210 million in loans and grants to more than 100 OFN members. These CDFIs are focused on financing and technical assistance for climate, small businesses, affordable housing, community facilities, and more.

Among the recipients is Partner Community Capital, which is launching an Energy Efficient Enterprise Initiative to finance renewable energy and energy efficiency investments in low- to moderate-income communities across West Virginia and North Carolina. In Ohio, Cleveland Development Advisors is using its funds to invest in more real estate development that promotes inclusive, thriving neighborhoods and economic growth. And in South Alaska, Native CDFI Spruce Root received a loan and grant to boost its lending and business coaching for entrepreneurs.

These are a few examples of how and where the Finance Justice Fund is a powerful force for change in areas mainstream finance doesn't traditionally reach.

OFN IN PRACTICE

- ▶ OFN assets under management — \$1 billion
- ▶ OFN staff — 50+

OFN MEMBERS

- ▶ Employees — 7,000+
- ▶ Assets under management — \$40.1 billion

Through 2022, OFN members have originated \$111 billion in financing in rural, urban, and Native communities. This financing has helped to create or maintain roughly:

- ▶ 14,000 community facilities
- ▶ 850,000 business and microenterprises
- ▶ 3 million jobs
- ▶ 2.4 million housing units

The communities OFN members serve are:

- ▶ 85% low-income
- ▶ 65% people of color
- ▶ 48% women
- ▶ 27% rural

Source: OFN Annual Member Survey, FY 2022

PARTNER COMMUNITY CAPITAL

Charles Town, WV



OVERVIEW

Partner Community Capital (PCAP) is a certified CDFI based in Charles Town, WV. PCAP provides affordable, flexible loan-based capital to small and emerging businesses and nonprofits in underserved and rural communities that create jobs in West Virginia and North Carolina, and that cannot obtain traditional bank financing.

PCAP provides working capital, equipment, and real estate loans as follows:

- Structure: senior and subordinated debt.
- Interest rates: fixed and variable, based upon risk.
- Terms: Up to 30 years; no prepayment penalties.
- Loan amount: from \$10,000 to \$1,500,000; up to \$2.5 million for USDA Business and Industry guaranteed loans.

PCAP specializes in financing “triple bottom line” enterprises that a) create employment and community benefits, b) generate positive environmental impacts, and c) operate in a financially sustainable manner. Target sectors include, but are not limited to, environmental services and technologies, forest products, local food system infrastructure, value-added agriculture, eco-tourism, renewable energy, energy efficiency and green building, recycling and waste reduction, water conservation and treatment, natural medicines, rural health care providers, community facilities and critical community infrastructure.

Since 2001, PCAP has created (4,127) or retained (23,819) over 27,946 jobs through investments totaling \$144 million in 909 small or medium-sized businesses and nonprofits. Our lending is paired with technical assistance (TA) that strengthens the operations of prospect and portfolio companies.

OLD WORLD LEVAIN (OWL) BAKERY

Old World Levain (OWL) is owned and operated by Susannah Gebhart, a 2022 James Beard Award semi-finalist. She specializes in naturally-leavened breads and European-inspired pastries, prioritizing organic and locally-sourced ingredients. In 2014, Gebhart started small with her vision, selling baked goods via online subscriptions and word of mouth. She grew tremendously over the last eight years and now operates two successful storefront locations.

Through a \$100K loan from PCAP in 2018, Gebhart expanded her menu and hours at the initial location in West Asheville. In 2020, Gebhart was granted a PPP loan from PCAP, and saw consistent growth despite expected COVID-19 setbacks. In 2021, to open a second location in North Asheville, Gebhart and PCAP worked together for a \$254K loan for the expansion.

Over the years, OWL Bakery has become a culinary destination for locals and visitors alike. OWL’s two locations employ 28 people and serve as integral community gathering spaces and drivers of economic development, encouraging other businesses to open nearby. OWL Bakery is committed to providing all staff with living wage compensation and career development, resulting in a dedicated team and happy clients.

“We take our role and responsibility very seriously,” Gebhart explains. “I think that in so doing, it feels like OWL and Asheville are inseparable. I don’t think OWL could exist outside of Asheville. And I think I can say I don’t think Asheville could work without OWL. It is personal for me.”

THREE-YEAR IMPACT

- ▶ \$61.3 million in loans
- ▶ 44 community facilities financed
- ▶ 411 total businesses financed (72 minority-owned, 165 women-owned)
- ▶ 504 jobs created at businesses
- ▶ In 2022, delivered a total of 4808 hours of technical assistance to 599 small businesses.

Green Financing Example:

- ▶ Financed rooftop solar array for small manufacturer.

PATHWAY LENDING

Nashville, TN



OVERVIEW

Pathway Lending, formerly Southeast Community Capital, was created in 1999 as an economic development agency to increase access to capital for Tennessee businesses. It was certified as a CDFI in 2002.

Pathway Lending aims to provide term loans and lines of credit for small business, commercial real estate, energy efficiency, and mixed-income and affordable housing financing. Our activities focus on underserved Target Markets that include businesses in low-income census tracts, with high rates of poverty and unemployment and African American-owned businesses.

Pathway Lending provides technical and financial assistance to businesses and entrepreneurs throughout Tennessee and Alabama; we also serve Kentucky through our Veterans Business Outreach Center.

Our educational programming prepares clients to start, grow, or strengthen their businesses and access the capital they need to succeed. These programs help entrepreneurs with their unique paths to success through a flexible combination of classroom training, peer cohorts, and mentoring. We provide business lending, commercial real estate financing, and support for preserving and creating affordable housing.

ROOTED IN STYLE: A NATURAL AFFAIR

Following inspiration from her mother, TaKeisha Berry-Brooks shifted her career focus from hair stylist to full-time business owner when she opened A Natural Affair Beauty Lounge in Memphis, Tennessee, in 2012. TaKeisha wanted to cultivate a space to serve clients with natural hair or those transitioning into natural hairstyles that helped clients feel empowered to take hold of their natural beauty.

Finding success in her first location, TaKeisha decided her business's growth was quickly overtaking her capacity due to the lack of more natural hair salons of its kind in Memphis and the surrounding areas. With demand exceeding the capacity of her space, TaKeisha saw an opportunity to expand into a second location but needed funding to take that next step. Due to uneven cash flow, a result of the impact of COVID-19 on the salon industry, TaKeisha had challenges getting a loan from a traditional bank.

TaKeisha worked with Pathway's local lending and advisory staff to refine her request and prepare her application. In July 2021, TaKeisha secured the \$50,000 loan to make her second location a reality. The loan supported a variety of capital expenses, rent, signage, stylist stations, and general working capital needed to get the new location operational and generate revenue.

TaKeisha is the first salon to partner district-wide with Shelby County schools to help train women in cosmetology school through mentorship and a work-study program. The expansion created three new full-time positions, with plans to add two full-time positions as the second location is fully established.

TaKeisha has been recognized by Essence Magazine as one of the '25 Most Beautiful and Inspiring Black Women in the World' (2006), and her salon and A Natural Affair Beauty Lounge received the 'Best in Black' award for #1 hair salon in Memphis from the New Tri-State Defender Newspaper. TaKeisha partnered with Amazon as they have launched a new program spotlighting black-owned businesses, where she sells several of her natural hair products.

THREE-YEAR IMPACT

- ▶ \$157.8 million in loans
- ▶ 23 community facilities and 620 businesses financed (268 minority-owned, 211 women-owned)
- ▶ 4,975 jobs created at businesses

Green Financing Example:

- ▶ Energy Efficiency Loan Program offers financing for projects up to \$5 million for projects providing significant reductions in energy, emissions, and/or utility consumption.

Housing Financing:

- ▶ 1,197 affordable rental units

Prestamos CDFI, LLC

Phoenix, AZ



OVERVIEW

Since 1980, Prestamos CDFI has been dedicated to reducing barriers to capital and providing equality for businesses and individuals, promoting community revitalization by creating jobs, increasing the availability of capital, and supporting local economic growth. Regardless of the business size, we support our clients in the growth process, meeting their needs at different stages over time through lending programs and business coaching.

Prestamos CDFI, LLC ("Prestamos") is a CDFI and a Community Development Entity that provides high-quality financial products and services for small businesses and impactful economic development projects. Prestamos, through its parent corporation, Chicanos Por La Causa, Inc., has administered various lending programs since 1980. In light of the success of its loan programs and the continued need and demand for these services, CPLC created Prestamos CDFI, LLC in 2000. Prestamos promotes economic and community development to create jobs, revitalize communities, and facilitate community wealth building.

THREE-YEAR IMPACT

- ▶ \$6.8 million in loans
- ▶ 407,644 total businesses financed (283,862 minority-owned, 146,812 women-owned)
- ▶ 230,168 jobs created at businesses via financing

EMPOWERING PETS AND OWNERS: THE WHOLE GROOM SUCCESS STORY

When Stacy and Janeen Howard embarked on finding a reliable pet grooming service in Surprise, Arizona, they quickly realized a gap in the market. This realization led to the birth of Whole Groom, LLC, a black-owned business committed to meeting the unmet needs of pet owners in their community.

With professional backgrounds in the healthcare industry and prior consulting and school uniform business ventures, the Howards were well-equipped to undertake this new endeavor. Janeen Howard, in particular, played a pivotal role in establishing Whole Groom LLC. She conducted extensive market research on pet care services and now oversees a dedicated team of five full-time employees.

Whole Groom LLC offers standard pet grooming and goes the extra mile by providing wellness checks. Their primary goal is to enhance the overall quality of life for the animals they serve.

A Remarkable Journey

The inspiration for Whole Groom LLC came from a rescued dog named Zoose, who became a cherished member of the Howard family eight years ago. Since its grand opening in April 2023, in just eight weeks, the business has already served over 275 pets, thanks in no small part to their advanced online appointment system. The Howards have ambitious plans: opening four more stores in Phoenix, Arizona, and exploring transforming Whole Groom LLC into a franchise in the coming years.

The journey of Whole Groom LLC was made possible through a partnership with Prestamos CDFI, which provided a \$45,814.00 low-interest rate loan, which made it possible for the Howards to acquire equipment, renovate their premises, and develop a robust marketing strategy and online appointment system. With new facilities, top-notch equipment, premium products, specialized services, and a team of dedicated pet caretakers, Whole Groom LLC is poised to become the leading dog grooming salon in the Metro Phoenix area.

CDFI CONTACT

Jose Martinez, President
www.prestamoscdfi.org/
602-258-9911
prestamosloans@cplc.org

PRIMARY CARE DEVELOPMENT CORPORATION

New York, NY



OVERVIEW

Primary Care Development Corporation (PCDC) supports healthy, thriving communities nationwide through capital financing, expertise, and advocacy. Over the last 30 years, we have leveraged over \$1.7 billion in capital and investment to develop and improve the primary care field and its infrastructure. Our comprehensive approach makes better, more equitable, and more accessible primary care a reality.

PCDC's mission is to serve disinvested communities, which are historically excluded from traditional capital market products. We provide a variety of financial services to these communities, including traditional term financing, short-term and/or bridge financing, tax credit financing, or selective working capital. PCDC offers a tailored approach to each project, often combining multiple financial services to best fit the needs of the provider.

THREE-YEAR IMPACT

- ▶ \$50.6 million in loans
- ▶ 20 community facilities financed (4 minority-owned, 10 women-owned)
- ▶ Jobs created via financing: 10,090.6 FTE construction jobs, 862.8 tenant business jobs
- ▶ 744,486 sq. ft. of commercial real estate

SANTA CRUZ COMMUNITY HEALTH CENTERS

Responding to Health Care Needs of Unhoused People in California

In March 2022, PCDC provided a bridge loan and NMTC allocation to Santa Cruz Community Health Center (SCCHC) to finance a new clinic at 1500 Capitola Road in the Live Oak neighborhood of Santa Cruz, CA. The health center faced numerous obstacles in its goal to help its surrounding community, including how to expand primary care access to its core homeless population and a financing gap in fundraising.

SCCHC is a Federally Qualified Health Center (FQHC) and an HRSA-designated Healthcare for the Homeless provider. According to 2020 HRSA data, 90% of SCCHC's patients were at or below 200% of the Federal Poverty Guideline, and just under 60% were at or under 100%. Over 67% had Medicaid insurance, 16% were uninsured, and 32% were best served in a language other than English. The Live Oak school district reports that between 13% and 26% of its students are homeless.

By 2020, SCCHC's East Cliff health clinic had reached capacity, and SCCHC's management began to plan the construction of a new 20,000-square-foot, two-story health center to replace it. The new clinic would provide medical, behavioral health, and specialty care, focusing on pediatrics and those experiencing homelessness. The clinic could accommodate an additional 3,000 patients and 20,000 visits annually.

To respond more effectively to immense community needs, the new clinic would be part of a larger project on a 3.7-acre site that would bring medical care, dental services, and affordable housing to Live Oak. With strong community support, SCCHC conducted a very successful capital campaign for the new clinic, raising almost \$12MM. The total project cost for SCCHC's portion was \$18.5 million. Because the project's costs had outstripped the center's ability to fundraise, additional financing was necessary to help close the capital gap.

PCDC provided a \$2 million loan and used \$10 million in NMTC allocation to bridge the capital campaign pledges for the project. The clinic had its grand opening in November 2022.

REDBUD FINANCIAL ALTERNATIVES, INC.

Hazard, KY



OVERVIEW

Redbud Financial Alternatives, Inc. (Redbud) is a 501 (c)(3) nonprofit that provides small-dollar auto, debt consolidation, and personal loans. Our mission is to provide fair and equitable loans alongside financial education and coaching to empower people to achieve their financial goals. Redbud serves a 14-county region in the coalfields of Southeastern Kentucky that has historically been viewed as a credit desert with no national financial institutions. Our constituents have a history of being trapped in the endless debt cycle brought on by predatory lenders that market their services as fast and easy. This ease comes at the cost of high rates and hidden fees perpetuating the debt cycle many of our constituents find difficult to escape.

THREE-YEAR IMPACT

- ▶ \$1.63 million in consumer loans

CLIENT STORY

Lindsey King came to Redbud at her parents' advice because, after two years of on-time loan payments, she noticed that the balance of her car loan was not decreasing. In investigating her loan, Redbud realized she was paying an interest rate of over 22%. In addition to her high-interest rate auto loan, Lindsey had an additional loan from a finance company on which she paid over 35% interest.

Having worked with Lindsey in the past with a credit-building loan and financial counseling, her credit was to a point where we were able to combine both of her loans, lowering her interest rate to 6%, which helped reduce her debt-to-income ratio by 7.85%. A lower debt-to-income ratio made her eligible for a homeownership program with a low-income housing provider in the community.

RURAL COMMUNITY ASSISTANCE CORPORATION

West Sacramento, CA



OVERVIEW

Founded in 1978, Rural Community Assistance Corporation (RCAC) is a nonprofit organization. Our work includes environmental infrastructure (water, wastewater, and solid waste facilities), affordable housing development, economic and leadership development, and community development finance.

RCAC serves rural and Indigenous communities, farmworkers, Tribal organizations, colonias, and others in Alaska, Arizona, California, Colorado, Hawaii and other Pacific islands, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming. RCAC has an annual operating budget of over \$15 million and more than 160 employees working from field offices throughout the service region.

RCAC provides environmental assistance to small municipal and nonprofit water systems, wastewater systems, and solid waste management programs in 11 western states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, and Washington. RCAC is one of six regional agencies comprising the Rural Community Assistance Partnership (RCAP), which are “on the ground” working directly with rural communities, so we have a common experience and knowledge base. RCAP maintains an office in Washington, D.C., which provides direct access to federal policymakers. RCAC’s dedicated staff and active board, coupled with its key values: leadership, collaboration, commitment, quality, and integrity, have helped effect positive change in the rural West.

THREE-YEAR IMPACT

- ▶ \$174.9 million in loans
- ▶ 14 community facilities financed
- ▶ 384 total businesses financed (62 minority-owned, 117 women-owned)
- ▶ Jobs created via financing: 277 FTE construction jobs, 46 jobs created at businesses

Housing Financing:

- ▶ 528 affordable rental units

Green Financing:

- ▶ \$86,018,847 across 67 green projects

RCAC HELPS WOMEN-OWNED LAW FIRM IN ARIZONA’S ‘LEGAL DESERT’ ENDURE PANDEMIC

D’Arcy Downs-Vollbracht, an attorney and small business owner in rural Mohave County, AZ, had earned a reputation as a tenacious problem solver dedicated to ensuring justice for her community. But the firm struggled to stay afloat during the pandemic as revenue, primarily from healthcare providers in underserved areas, ground to a halt.

“I was working nonstop to keep healthcare organizations compliant,” she said. “My physician clients awaited government relief, and my income just stopped. “D’Arcy found it challenging to cut costs. A \$9,000 federal PPP loan provided some help, but it was a mere band-aid for the deep financial wound.

In the rural West, a significant “legal desert” exists due to a shortage of qualified attorneys and a high demand for legal services, denying many rural individuals access to legal protections or justice. A recent study highlighted lawyers’ essential role in rural areas, especially during the pandemic. Arizona ranks among the states with the fewest attorneys per capita.

Now, D’Arcy’s ability to provide discounted and free services to low-income clients was on the line. As she faced the possible end of her practice, D’Arcy connected with an RCAC loan officer and secured a \$20,833 second-round PPP loan just before the deadline, allowing her to maintain her lease and refocus on her pro bono and sliding-scale cases.

In the face of the pandemic’s economic impact, D’Arcy’s practice reflects the unbroken spirit of rural communities. “RCAC treated me with respect like my business mattered and understood what I was doing in my community,” D’Arcy said. “RCAC took a chance and helped me when I needed it most. What more could you ask for?”

SELF-HELP

Durham, NC



OVERVIEW

Self-Help, headquartered in Durham, NC, is one of the nation's largest community development financial institutions. Since 1980, Self-Help has provided more than \$10.9 billion in financing to help more than 160,000 families, individuals, and businesses in a broad range of sectors. We help drive economic development and strengthen communities by providing responsible financial services, lending to individuals, small businesses, and nonprofits, developing real estate, and promoting fair financial practices nationwide. Through our credit union network, Self-Help serves more than 180,000 people in California, Florida, Illinois, North Carolina, South Carolina, Virginia, Washington and Wisconsin.

Sustainability is a cornerstone of Self-Help's business activities and investments, and our loan portfolio includes businesses and nonprofits dedicated to sustainable development. We believe environmental justice is economic justice: many of the communities we serve are disproportionately affected by climate change, pollution, and related economic and health impacts. We do not finance fossil fuel projects, and we build sustainability into our practices and policies.

THREE-YEAR IMPACT

- ▶ \$1.39 billion in loans
- ▶ 1,175 community facilities financed
- ▶ 249 total businesses financed (203 minority-owned, 85 women-owned)
- ▶ 33,537 jobs created at businesses
- ▶ 5,899,345 sq. ft. of commercial real estate

Housing Financing:

- ▶ 911 rental units (195 affordable)
- ▶ 25 for-sale units (24 affordable)
- ▶ 3,056 first-time homebuyers

Green Financing:

- ▶ **Over the last three years, \$249 million in direct loans to sustainable businesses, nonprofits, and community facilities, including healthy foods systems (\$14.5 million); energy-efficient buildings (\$137 million); and recycling businesses (\$15 million).**

BORROWER SPOTLIGHT: JESSICA REED-HILL OF THE SUGAR HILL KAKERY

Self-Help Credit Union was founded in 1980 with \$77 in proceeds from a bake sale. It only stands to reason we'd be funding bakers 43 years later.

When Jessica Reed-Hill began baking cakes for neighbors and friends in her hometown of Laurinburg, NC, she had no idea the cakes would become so popular that she'd eventually have to choose between her job as a teacher's assistant for the local public schools and her baking. The decision became easier for Jessica, who specializes in wedding cakes and "look-alike" cakes, when she received an order for delivery to a wedding venue in Virginia. By then, her business was growing and she needed a brick-and-mortar location to support that growth. With careful planning and a \$118,000 loan from Self-Help Credit Union to finance equipment and renovations, Jessica signed a lease on a commercial space in downtown Laurinburg. She then partnered with an accounting firm and reached out to her family and faith community for staffing leads. Now, The Sugar Hill Kakerly is not just a place to order a cake for a celebration but also a café for enjoying Jessica's signature baked goods.

While not technically a start-up, the business would be transforming from a wholesale operation to a retail site, requiring staffing, financial management, and physical plant oversight very different from the business as it was prior to the loan request. The loan officer followed mission guidelines to see through limitations, focusing on the borrower's leadership, expertise, and entrepreneurial spirit. This project offered an additional "win" by creating six jobs, including two that offered vocational training, and supporting Laurinburg's efforts to develop its downtown by creating a locally owned gathering place along its main street.

TELHIO CREDIT UNION

Columbus, OH



OVERVIEW

Since 1934, Telhio Credit Union has been a strong and stable financial institution in central Ohio. We are a not-for-profit, full-service financial institution cooperative; our members are owners and expect to receive high-quality financial services to meet their needs.

Telhio began as a credit union for Columbus Telephone Company employees. The expanded vision of our board of directors and management staff took our credit union beyond just that select group. We now serve all who live in Central and Southwest Ohio and Select Employer Groups across various industries.

Telhio has been a strong financial institution for decades, serving its members and community by providing extraordinary service and innovative financial solutions. Throughout our mission, we are guided by our three core values - caring, commitment, and integrity - which remain at the center of everything we do. Our Statement of Commitment contains six sections that address the philosophical views of Telhio management: (1) Service to Members; (2) Member Education; (3) Government Involvement; (4) Public Service and Corporate Citizenship; (5) Diversity; and (6) Commitment to the Credit Union Movement.

Telhio is proud to partner with organizations doing important work throughout our Central and Southwest Ohio communities. Telhio is dedicated to supporting the local and national organizations that help children and families in the communities we serve.

COMMUNITY GROUNDS: COFFEE & MEETING HOUSE

Community Grounds: Coffee & Meeting House is a safe space where the community can share in fellowship, music, poetry, books, and ideas, all while enjoying locally sourced coffee. This space also hosts events, classes, and other community-centric events. Telhio's underlying commitment to community mirrors that of Community Grounds. CDFI Fund Financial Assistance amplified Telhio's ability to help small business owners throughout the region.

Joel and Tara, the co-owners of Community Grounds, have more than one business. Tara founded Childcare Training Ohio in 2013, and recently, they started Center: Patio & Pub. One woman single-handedly ran this restaurant (under a different name) for 21 years. When the owner was interested in selling, Joel and Tara immersed themselves in all operations to retain what worked while putting their own spin on the menu.

Recently, Tara shared that their businesses wouldn't exist without Telhio's help. Other Central Ohio financial institutions were unwilling to help or to believe in their vision for the company. Telhio was able to provide loans, and they are now thriving in the communities in which they operate.

They also give back to their community. Tara and Joel encourage "suspended giving," which is the donation of funds to supply people in need with a cup of coffee or bakery items. They have the support of community leaders because of their work and promotion of the people in the area.

Much like Joel and Tara, many others have grown with Telhio. Certifications and designations, such as CDFI or Small Business Administration Preferred Lender, have allowed Telhio to assist hundreds of small- and medium-sized businesses.

THREE-YEAR IMPACT

- ▶ \$153.6 million in loans
- ▶ 221 total businesses financed
- ▶ Jobs created via financing: 319 FTE construction, 1,445 at businesses
- ▶ 998,996 sq. ft. of commercial real estate

Housing Financing:

- ▶ 374 affordable rental units, 3 for-sale units
- ▶ 30 community facilities financed

Green Financing Examples:

- ▶ Electric Vehicle loans and the purchase of solar loans.

THE HOUSING FUND, INC.

Nashville, TN



OVERVIEW

The Housing Fund provides resources and creative leadership to help individuals and communities create and maintain affordable, healthy places in which low- and moderate-income people live.

Since 1996, The Housing Fund (THF) has assisted over 4,400 first-time homebuyers to receive more than \$37 million in down-payment assistance loans, as well as provided more than \$89 million in financing to assist over 3,200 individuals and organizations for the purchase, rehabilitation, or construction of homes for low-to-moderate income families. THF has lent over \$126 million, leveraging over \$752 million in private financing for more than 7,600 affordable units.

THF provides downpayment assistance, home improvement loans, commercial lending, shared equity homeownership, and real estate financing for facilities serving low- and moderate-income neighborhoods. Additionally, to help meet community needs around rising unaffordability and minimize displacement of lower-income households, THF programs and services have expanded into property acquisitions, stewardship of Metro-Nashville's inaugural Community Land Trust, home rehabilitation and weatherization, mortgage/rent assistance, and property-tax relief.

THREE-YEAR IMPACT

- ▶ \$30.7 million in loans
- ▶ \$32,571,278 total equity investments
- ▶ 2 community facilities financed
- ▶ 59,298 sq. ft. of commercial space

Housing Financing:

- ▶ 246 affordable rental units
- ▶ 77 affordable for-sale units
- ▶ 514 first-time homebuyers provided with financing

LEGACY HOUSE NASHVILLE WELCOMES FAMILY

Architecture and design firm Moody Nolan Nashville, in partnership with The Housing Fund (THF), welcomed a new homeowner just in time for the 2023 holiday season, marking the completion of Legacy House Nashville. The Legacy Project is Moody Nolan's philanthropic endeavor to provide under-resourced neighborhoods with fully-furnished, architecturally-modern houses in each of the 12 cities where the firm has an office, modeling a new approach to affordable housing.

The house, donated to THF, sits on land leased through a Community Land Trust. This initiative opens the door to homeownership for individuals and families earning below 80 percent of Nashville's median income by eliminating the burdensome cost of land, allowing these families to have a home they can pass on for generations. Pinnacle Financial Partners and THF also provided Legacy House Nashville's new owner with an affordable mortgage so her family will not experience housing-cost burden.

"We're excited to bring this opportunity for homeownership to the Napier neighborhood by partnering with Moody Nolan, the largest African-American-owned architecture firm in the country," said Marshall Crawford, President and CEO of THF. "As part of the Community Land Trust, the Legacy House will always be an affordable housing unit for a first-time homebuyer. Our objective is to ensure intergenerational wealth-building through homeownership."

Located in Nashville's J.C. Napier neighborhood, the contemporary two-story, three-bedroom, two-bath home features an open kitchen that seamlessly flows into a double-height, sun-soaked living space, creating a warm and inviting atmosphere. A generously-sized covered outdoor patio welcomes visitors and residents alike, while a thoughtfully-landscaped backyard extends the joys of nature and outdoor activities.

Motivated by Moody Nolan's desire to increase visibility around the nation's housing crisis while creating a lasting act of kindness and allowing recipients to build generational wealth, Legacy House Nashville exemplifies the notion that affordable housing can be both practical and aesthetically pleasing.

THE GENESIS FUND

Brunswick, ME



OVERVIEW

The Genesis Community Loan Fund connects communities creating affordable housing and other essential community resources with the capital and expertise they need to overcome barriers to opportunity and prosperity. A nonprofit CDFI, Genesis works throughout Maine and other northern New England sites to make flexible loans, deliver expert project guidance, advance policy solutions, and promote systemic change.

Genesis provides loans and guidance to organizations developing and preserving affordable housing and community facilities such as childcare centers, food pantries, and health clinics.

Genesis helps:

- Expand affordable housing, childcare, healthcare, and community infrastructure;
- Establish safety nets for homelessness, substance abuse, domestic violence, food insecurity, and healthcare access;
- Offer supportive housing for those with persistent mental illness or disabilities;
- Foster wealth and prosperity for marginalized communities; and
- Cultivate vibrant, resilient, and equitable communities.

As a CDFI, the Genesis Fund is part of an industry that emerged from the civil rights movement with the explicit goal of addressing systemic racism that denies communities of color access to financing capital. The disparate impacts of the COVID-19 pandemic on BIPOC communities have combined with (and further magnified) barriers to personal and economic prosperity. To support these communities, Genesis provides loans tailored to their unique needs as well as pro bono guidance services. We've built racial equity goals into our strategic plan.

EMPOWERING YOUTH TO TRANSFORM THEIR LIVES

The Genesis Fund is proud to have delivered capital and expertise to Tree Street Youth, a project serving 500 students from pre-K through 12th grade in Lewiston, ME. Tree Street's vision is to empower youth to become leaders who "fear less, love more, dream big, and work together." Many of the young people are part of a local community that, over 25 years, has found asylum in Maine from violence in Somalia and other parts of Africa.

Julia Sleeper-Whiting leads Tree Street Youth. Her remarkable dedication to the city's young residents exemplifies how passion and commitment can positively change a community when flexible CDFI financing and expert project guidance are made available.

In 2014, Sleeper-Whiting's determination and creativity, combined with Genesis's lending and technical guidance, made Tree Street owner of the building where its programs are based. Genesis helped Tree Street forge new partnerships and raise funding for renovations that made it possible to expand the organization's summer camp to year-round, community-driven programming.

Genesis is proud of its ongoing relationship with Tree Street Youth. Tree Street Youth's growth is a testament to the transformative role a CDFI can play when it brings financial and technical resources into collaboration with visionary community leaders and their partners.

THREE-YEAR IMPACT

- ▶ \$37.2 million in loans
- ▶ 7 community facilities financed
- ▶ 1,729 FTE construction jobs

Housing Financing:

- ▶ 1,638 rental units (1,250 affordable)
- ▶ 126 for-sale units (29 affordable)

THREE ROOTS CAPITAL

Knoxville, TN



OVERVIEW

Three Roots Capital (aka 3Roots) is a qualified community development entity registered as a 501c3 non-profit corporation, which provides impact capital and coaching for job-creating small businesses, placemaking real estate projects, and community facilities.

The Corporation is primarily engaged in activities to stimulate economic growth throughout Tennessee and the Appalachian region. The Corporation has an education and community development mission of supporting access to capital and related activities in LMI-qualified census tracts in 10 states: Tennessee, Kentucky, Ohio, West Virginia, Virginia, North Carolina, South Carolina, Georgia, Alabama, and Mississippi. Our financial services include equity investing, commercial debt, subordinated debt, tax credit transactions, community development services, and business coaching services. We partner with the Knoxville Area Urban League, a co-starters program, to provide finance and business strategy workshops. The Knoxville Area Urban League is a licensed Co/Starters Entrepreneurship training center training program for entrepreneurs at all stages. Participants discuss business concepts and learn collaboratively with a small group of entrepreneurs and guest speakers.

THREE-YEAR IMPACT

- ▶ \$62.9 million in loans and \$430k in equity investments to 29 businesses (2 minority-owned and 3 women-owned)
- ▶ 890 FTE construction jobs and 1,573 jobs at businesses financed
- ▶ 2.8 million sq. ft. of commercial real estate
- ▶ \$250,000 in green financing

Housing Financing:

- ▶ 490 affordable rental units

REPURPOSING A STATE PENITENTIARY

Brushy Mountain State Penitentiary (Brushy) opened in 1896 and operated until 2009, housing notable criminals like James Earl Ray and Byron "Low Tax" Looper. Today, the prison is a popular tourist attraction, featuring a museum, restaurant, concert venue, moonshine distillery, tours, and gift shop for visitors traveling to Morgan County in Petros, Tennessee.

Brushy is in a rural, severely distressed census tract. Operating Partner Pete Waddington spent several years working with state and local agencies to repurpose the facility. Despite years as a successful business owner, Pete said Brushy has been his most complex project to finance.

The 3Roots team worked with Waddington to refine his financing strategy, provide financing, and support the business's launch, which has thrived since opening, enduring the challenges of the COVID-19 pandemic. 3Roots assisted Brushy in multiple ways over five years. 3Roots provided direct microloan financing through its USDA Rural Microentrepreneur Assistance Program (RMAP) and CDFI-qualified senior commercial debt. 3Roots has grown its relationship with Brushy to include multiple regional banks and local government partners. 3Roots' financing of Brushy supported creating more than 80 accessible jobs, 21 of which are full-time.

Over the past five years, 3Roots provided \$2.9M in total financing, including six microloans and one \$2.7M loan. The loans have financed: furniture and fixtures to replace porta potties with renovated bathrooms; booking deposits paid to performers for seasonal concerts; equipment for the distillery and restaurant; and a consolidation loan to dramatically reduce total interest expense, thereby setting the financial stage for a 2024 expansion project, including a campground and RV park.

Brushy has strong community support and more than \$1.9 million from federal, state, and local governments and the Appalachian Regional Commission, which has improved infrastructure and established a concert resort and music stage.

Waddington wants to keep growing and providing economic benefits to the region. 3Roots continues working with him on future growth opportunities. "I don't think we would be open without the help of Three Roots," said Waddington. "I can't say enough great things about those guys. I will work with them again."

WOMEN'S OPPORTUNITIES RESOURCE CENTER

Philadelphia, PA



OVERVIEW

Founded in 1993, Women's Opportunities Resource Center (WORC) and its nonprofit subsidiary Economic Opportunities Fund (EOF) are certified CDFIs. WORC is also a certified U.S. SBA microloan intermediary and Community Advantage Lender.

WORC's mission is to promote social & economic self-sufficiency for disadvantaged individuals – primarily women – through self-employment training, savings programs, and access to business & financial resources. WORC has been nationally-recognized for its efforts receiving, among other awards, the U.S. Treasury Dept. 2001 Presidential Award for Excellence in Microenterprise Development: Poverty Alleviation, and 2019 Greater Philadelphia Social Innovation Award for Small Business Development.

WORC serves a particularly vulnerable target market including low-income women, People of Color, and new Americans (immigrants, refugees & asylees) in greater Philadelphia. Our clients throughout their lives have endured some combination of un/underemployment, non-existent or limited credit, language barriers, and isolation from mainstream financial resources. Clients span consumer-focused industries including retail food & services, childcare, and professional services, among others. They arrive at WORC/EOF needing to improve credit or secure loans for working capital, inventory, equipment or real estate acquisition.

Loan products include microloans up to \$50K and owner-occupied commercial real estate (CRE) loans up to \$350K. WORC/EOF combines lending with self-employment training and incentive-saving into an overall asset-building approach – enabling low-income families to build not just income but assets & wealth. Target assets for the Family Savings Account (FSA) incentive-saving include business, first-time home, or education for self/child; for business the match rate is 2:1, typically \$3,000 match for \$1,500 saved.

BEAUTIFUL BEGINNINGS CHILDCARE CENTER

Beautiful Beginnings Childcare Center (BBCC) is a PHLPReK-certified childcare program serving 100+ children aged six weeks to five years out of two locations in northeast Philadelphia. BBCC utilizes the research-based Creative Curriculum for Preschool and a facilitated learning style in which children engage directly in all aspects of education including blocks, dramatic play, art, library, discovery, sand & water, as well as music & movement. Owner Lalita Paris, an African-American woman and veteran of the early education and childcare space, founded BBCC in 2005 and has since grown it into a two-location company with 15 employees.

WORC is proud to have helped fuel BBCC's growth. Since 2005 Lalita has received nine microloans from WORC totaling \$65K, to upgrade her original Bustleton Ave location and to help outfit her newer Frankford Ave location opened in 2017.

WORC has provided Lalita with pre- and post-loan technical assistance throughout her expansion. Like many of WORC's lending clients, Lalita first arrived at WORC with a strong business concept but facing challenges including credit, a limited amount of personal funds to fuel the business, and difficulty securing financing particularly as a new venture. WORC worked hand-in-hand with Lalita to strengthen her credit and to shore up aspects of her business plan and projections needed to approve her first loan and to continue to receive much-needed capital in subsequent years.

Lalita is just one of many WORC clients concentrated in consumer-focused industries including retail food (café, restaurant, grocery, ethnic markets), retail services (auto, hair/nail), childcare, and professional services (printing, security, tax advisory), among others. Businesses are often brick-and-mortar on key commercial corridors. BBCC supports two Northeast Philadelphia thoroughfares by providing a core service to neighbors and stimulating economic activity.

Says Lalita of her experience, "WORC was a source for someone that didn't even know the first thing to do with a business. They gave me my very first loan. I'll never forget, \$1,500, because I needed a refrigerator and 2 microwaves! Over the years we've grown into 2 locations. WORC has lent us money for classroom expansion, equipment that we needed...Without the guidance and access to capital I received at WORC, Beautiful Beginnings wouldn't be an essential part of its neighborhood."

THREE-YEAR IMPACT

- ▶ 231 loans closed totaling \$3.84 million
 - ▶ Micro: 226 loans for \$2.84 million
 - ▶ Commercial RE: 5 loans for \$1.00 million
- ▶ 3 community facilities, 228 businesses financed
- ▶ Borrowers: 87% low-income, 86% BIPOC, 69% women
- ▶ FSA Program: 31 business grads saving \$46,500 & matched \$93,000 to start/grow the venture

¹Includes 126 Paycheck Protection Program loans made in FY20-21 and all since forgiven

WORKING SOLUTIONS CDFI

San Francisco, CA



OVERVIEW

Working Solutions CDFI (WS) is the *First to Believe in Small Business* with a focus on start-up and early-stage financing. WS provides entrepreneurs—particularly lower-income individuals, women, and entrepreneurs of color—with affordable small-dollar loans and grants (\$5,000-\$100,000), customized business consulting, and community connections to increase economic opportunity in Northern California.

Established in 1999 and certified as a CDFI in 2009, WS has delivered significant impact over the past 25 years:

- over \$50 million in small-dollar loans and grants made to small businesses, with a stellar 95 percent loan repayment rate;
- more than 50,000 hours of free consulting support delivered pre-loan and post-loan to entrepreneurs;
- more than 3,000 businesses served in a variety of sectors, including food and beverage, salon and personal care, construction and skilled trades;
- more than 9,000 jobs created or retained in the local community; and,
- over 25,000 entrepreneurs educated about starting and growing a business.

WS has scaled its work intentionally to meet increased market demand, with more than half of capital deployed since 2020. Even at increased scale, WS remains committed to inclusive entrepreneurship, especially for individuals who may not have access to traditional financing. In FY23, WS provided 79 percent of capital to low- and moderate-income (LMI) borrowers, 60 percent to women, and 78 percent to people of color, including 34 percent to Black and African American entrepreneurs, 24 percent to Latino entrepreneurs, and 19 percent to Asian American and Pacific Islander entrepreneurs.

WS also helps entrepreneurs build long-term financial health and generational wealth—60 percent of entrepreneurs improve their credit scores within the first year of their WS loan; nearly 50 percent show an increase in household income; and 75 percent show an increase in business revenue. WS envisions a future where all small business owners—no matter their race, gender, or income—are financially resilient and strengthen their communities through sustainable entrepreneurship.

EL TINY CAFE

Lily Vizcaino and Alan Gomez immigrated to the U.S. from Mexico and opened El Tiny Cafe in Berkeley, California, after a decade of working at other coffee shops. As their family grew, they wanted a chance to build assets through small business ownership. In April 2022, to help weather the impacts of the pandemic, Lily and Alan received a microloan through a special program that Working Solutions CDFI administers in partnership with the City of Berkeley. In addition to loan capital, Lily and Alan gained access to a suite of business support services, including a Spanish-speaking Working Solutions business consultant who helped them streamline operations and enhance profitability. Today, El Tiny Cafe is a community anchor in their South Berkeley neighborhood.

THREE-YEAR IMPACT

- ▶ \$16 million in loans
- ▶ 427 total businesses financed (312 minority-owned, 250 women-owned)
- ▶ 2,031 jobs created at businesses via financing

Green Financing Example:

- ▶ WS green financing to date has been in partnership with government and philanthropic institutions and includes emergency relief loans and grants made to businesses affected by fires, flooding, and other climate-related disasters.



1155 15th Street NE, Suite 400
Washington, DC 20002
cdfi.org