

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.

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 foot 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.

CUMMULATIVE 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.