

CDFIS: BOOTS ON THE GROUND FOR DISASTER RECOVERY

Restoring Businesses, Homes, and Local Stability

Natural disasters hit vulnerable communities the hardest, often damaging homes, disrupting local businesses, and straining already limited financial resources. CDFIs play a critical role in helping these communities recover by providing flexible financing and rapid-response capital after events such as hurricanes, floods, wildfires, and severe storms. They offer emergency loans, recovery financing, and bridge funding that help small businesses reopen, homeowners repair or rebuild properties, and community facilities restore essential services. By stepping in when traditional financing may be unavailable or delayed, CDFIs help stabilize local economies and support the rebuilding process.

Beyond immediate recovery, CDFIs support long-term resilience by financing rebuilding efforts that strengthen infrastructure, preserve affordable housing, and help businesses prepare for future disruptions. They also provide technical assistance and financial counseling to help borrowers navigate insurance claims, disaster relief programs, and rebuilding plans. By working closely with local partners and community organizations, CDFIs help ensure recovery efforts address local needs, restore economic opportunity, and support stronger communities.

In the wake of a disaster, speed and flexibility determine whether families and businesses recover or permanently close their doors. The following case studies demonstrate how CDFIs deploy rapid-response capital, bridge financing, and long-term recovery support when traditional systems cannot move quickly enough. From a multi-CDFI collaboration delivering resources to more than 2,100 small businesses after Hurricane Helene, to targeted gap financing that helped Colorado families rebuild after the Marshall Fire, these stories show how CDFIs stabilize communities in crisis and support recovery that lasts well beyond the immediate emergency.

WESTERN NORTH CAROLINA GRANT INITIATIVE

CDFI COLLABORATION SUPPORTS SMALL BUSINESS RECOVERY FROM HELENE

Western North Carolina

CDFIS: COMMUNITY REINVESTMENT FUND, USA (CRF), APPALACHIAN COMMUNITY CAPITAL, MOUNTAINBIZWORKS, PARTNER COMMUNITY CAPITAL, CAROLINA SMALL BUSINESS DEVELOPMENT FUND, CAROLINA COMMUNITY IMPACT, ICAP INSTITUTE CAPITAL, EAGLE MARKET STREETS DEVELOPMENT CORPORATION

When Hurricane Helene devastated western North Carolina in September 2024, small businesses faced unprecedented challenges—from destroyed storefronts to disrupted supply chains. These challenges can be existential for small businesses. Research cited in a March 2025 congressional report shows that 40 percent of businesses do not reopen after a disaster, and another 25 percent close within a year.



Community Reinvestment Fund, USA (CRF), Appalachian Community Capital, and the Dogwood Health Trust partnered with local CDFIs through the Western North Carolina Small Business Initiative to provide grants ranging from \$5,000 to \$50,000 to small businesses impacted by Hurricane Helene. Responding to the urgent challenges facing entrepreneurs in the aftermath of the hurricane, the program was launched in 5 business days, with funds flowing in 3 weeks and full funding distributed in 7 months. The program exceeded expectations and was significantly expanded several months after launch, bringing the total amount of grants deployed to \$55 million to more than 2,100 businesses.