Strength in Numbers: The Growth and Evolution of CDFI Partnerships
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Executive Summary

The Federal Reserve Bank of Richmond has researched developments in the community development financial institution (CDFI) industry on a regular basis since the 2009 inaugural launch of the biennial Survey of CDFIs in the Southeast.¹

To this end, the Federal Reserve Banks of Atlanta, Minneapolis, St. Louis and Richmond came together to author timely case studies on the following eight CDFI partnerships:

- Access to Capital for Entrepreneurs and Carver State Bank
- Atlanta Neighborhood Development Partnership and the Reinvestment Fund
- St. Louis CDFI Coalition
- Native CDFI Network
- Detroit CDFI Coalition
- Maryland CDFI Roundtable
- South Carolina Community Capital Alliance
- West Virginia Loan Fund Collaborative

The case studies yielded information about critical challenges for CDFI partnerships to navigate, including a lack of or inability to build trust, constrained capacity and resources, and difficulty sustaining engagement and activity.

Three key themes that emerged from the case studies are:

1. Be realistic about how membership composition impacts partnership goals.
2. Adopt an operating structure based on the needs of the member CDFIs.
3. Proactively seek a role in shaping local, state and federal policy.
The CDFI model is predicated on the assumption that the conventional financial sector does not lend to certain communities or constituencies because the credit risk and/or the operating cost is perceived as being too high. The former assumption, of credit risk, has frequently been a function of race, gender, income and/or collateral, and the latter, operating cost, has been a function of size, volume and the level of service required. To provide credit to these underserved communities and individuals, CDFIs have always required some form of financial subsidy. This subsidy breaks down into two parts: subsidized funding of community development assets, and subsidized funding of organizational expenses.

The financing of community development assets has seen a dramatic expansion of sources and vehicles over the last two decades. Among federal agencies, CDFIs have seen funding opportunities expand with, for example, the U.S. Small Business Administration’s 7(a) loan program, the U.S. Department of Agriculture’s Community Facilities Program, and the U.S. Department of the Treasury’s CDFI Fund Bond Guarantee and New Markets Tax Credit Programs. Opportunities to obtain debt instruments from the social investing market have arisen via CDFI-centric ratings like those provided by Aeris. Opportunities to obtain debt instruments from the capital markets via S&P ratings have also arisen. These developments have proven to be of tremendous benefit, particularly to some of the larger, higher volume CDFIs.

However, the CDFI field now includes more than 1,000 CDFIs. In many ways, the CDFI field is a field still characterized by a number of small, place-based institutions with limited resources. The CDFI field cannot be expected to scale up solely through the growth of individual CDFIs. It includes only a handful of organizations that have grown to a large enough size to exert influence in their local or regional markets and none are of sufficient size to influence the market on a national level. If the CDFI industry is going to pursue scale, industry structure becomes more important to that process.

As the industry is currently structured, the pace of organizational growth will limit the field’s reach into the low-income markets targeted by its members. In order to reach more people with value-added services, the industry will have to pursue means other than individual organizational growth.

One emerging direction for the industry is the development of partnerships among CDFIs and the development of more comprehensive infrastructure for networks of organizations working cooperatively to collectively deliver financial products or influence a market.

A number of experiments have begun to emerge in recent years — experiments that are beginning to address the problems of scale faced by the field. This publication documents eight partnership models and provides information about critical challenges for CDFI partnerships to navigate as the field continues to grow.

Michael Swack, Director
Center for Impact Finance
Carsey School of Public Policy, University of New Hampshire
Introduction: Scale and Sustainability in the CDFI Field: What is the Role of Partnerships?

CDFIs face distinct challenges of scale and sustainability that have been the topic of ongoing conversation and research for more than a decade. Many of the factors identified in early research that potentially limit CDFI sustainability and growth remain challenges today, including a lack of long-term, flexible capital, real or perceived reliance on government subsidy, high levels of need within the target markets that CDFIs serve and difficulty generating retained earnings from operations. Still, individual CDFIs have innovated to overcome these challenges, and the CDFI industry as a whole has experienced steady growth since the late 1990s.

Within the CDFI industry, a relatively small number of individual CDFIs have developed self-sustaining revenue streams and subsequently scaled their operations, products and services up to meet greater demand in new geographic or target markets. As a proxy point of reference, 80 of the 300 CDFIs represented in the CDFI Fund’s FY2015 Institution Level Report data have self-sufficiency ratios above one and just four have total assets above $1 billion. This is somewhat unsurprising given challenges to CDFI growth, and can also be seen as a positive given the benefits that CDFIs may derive from keeping their operations on a scale that enables and encourages relationship-building with their clients. Depending on a CDFI’s unique business model and target market — and despite overall growth trends in the industry — it may be imprudent, impractical or impossible for a CDFI to pursue larger-scale operations. As Jeremy Nowak found in his 2016 analysis of the industry:

By 2025, the industry may comprise as many as 20 organizations with assets of $1 billion or more and net assets or equity of more than $250 million. … [However] the majority of CDFIs will remain small due to choices they make, markets they cover, and/or their own management capacity. They will continue to play important roles in their environment and civic context, and offer retail network opportunities for larger CDFIs. The best scenario for the field is that the smaller CDFIs become networked through larger CDFIs to assist with deal sourcing, loan participations, and market development.

Strategic decisions to retool their business model, offer new products and services, and enter new target markets allow CDFIs to pursue sustainable and larger-scale operations individually. Although a full conversation of the business strategies by which CDFIs can individually self-sustain and grow is beyond the scope of this research, it is important to note that CDFIs — like any other business — can be capable of scaling as an individual organization. But at the same time that individual CDFIs are pursuing their individual business strategies, networking and partnerships are also widespread practices in the industry that help maximize the effectiveness of CDFI investment, technical assistance and community development advocacy.

For the purposes of this research, networking is defined as the development of connections that allow CDFIs to operate interactively. Partnerships, meanwhile, are defined as two or more CDFIs working together in some capacity. So, CDFI networking may lead to partnerships, but the two are different. Networking is an important conduit for strong partnerships, and actors in the CDFI field are increasingly using technology to facilitate both networking and partnerships. A few examples of these virtual CDFI networking platforms can be found on the next page.

The driving motivators that encourage CDFI partnership formation have been well covered in existing research. In particular, research from the Opportunity Finance Network (OFN) defines four categories that drive CDFI collaboration: capacity building, place-based initiatives, sector-focused initiatives and technology. These driving factors are echoed throughout this publication and are in no way mutually exclusive — CDFI partnerships frequently engage in more than one joint activity and one group effort often leads to additional collaborative action. For example, if a statewide CDFI partnership initially organizes around capacity building and peer-to-peer learning, a subset of member organizations may discover natural sector complementarities that allow for co-lending.
In light of the existing research on CDFI partnerships, and in an effort to contribute to that work, this publication explores the following three research questions:

1. How are CDFIs in the U.S. currently partnering to accomplish stated goals?
2. What leading practices and innovations are emerging that can help guide future CDFI partnerships?
3. What barriers persist that are keeping CDFIs from developing mutually beneficial partnerships within the field?

This publication explores the above research questions using eight case studies. As noted previously, a CDFI partnership is defined as two or more CDFIs working together in some capacity, be it co-funding a project, participating in collective advocacy, cost-sharing loan management systems or some other joint activity. The partnership may include non-CDFI partners, but the majority of member organizations should be CDFIs. The CDFI partnerships featured in the case studies are:

Access to Capital for Entrepreneurs (ACE)/Carver State Bank ........................................................ page 7
Atlanta Neighborhood Development Partnership (ANDP)/Reinvestment Fund ................................ page 9
St. Louis CDFI Coalition ........................................ page 12
Native CDFI Network ............................................. page 16
Detroit CDFI Coalition ........................................... page 20
Maryland CDFI Roundtable ................................... page 23
South Carolina Community Capital Alliance (SCCCA) .................................................. page 25
West Virginia Loan Fund Collaborative (WVLFC) .................................................. page 29

Five of the partnerships have been featured in past research: ANDP/Reinvestment Fund, the Detroit CDFI Coalition, the Maryland CDFI Roundtable, SCCCA and WVLFC. The inclusion of these same partnerships in this work allows for a longer-term understanding of the challenges and opportunities that arise as partnerships mature.

**How are CDFIs using technology to network?**
These virtual CDFI networking platforms are examples of the ways in which CDFIs can use technology to network and ultimately grow.

**Investment Connection**
Investment Connection is an online tool developed by the Federal Reserve Bank of Kansas City that connects funders seeking Community Reinvestment Act-eligible projects to community organizations — including CDFIs — with funding needs.
www.kansascityfed.org/community/investmentconnection

**Connect2Capital**
The Community Reinvestment Fund Inc. (CRF), a national CDFI, launched Connect2Capital in 2015 as a user-friendly small business lending platform that connects entrepreneurs to loan products provided through partner CDFIs.
www.connect2capital.com

**OFN CDFI Connect Community**
CDFI Connect Community is OFN’s online forum that allows CDFI leaders to connect with their peers across the country to discuss operating practices, share events and research, and learn about new opportunities.
www.cdficonnect.org
The oldest partnership in the case studies is the Native CDFI Network, which was founded in 2009. The two youngest, the ACE/Carver State Bank partnership and the St. Louis CDFI Coalition, both began in 2016. Additional summary information about the eight partnerships can be found in Table 1, which provides the origin year, number of participating organizations (both CDFI and non-CDFI), partnership structure and website for each partnership. Seven of the case study partnerships have member CDFIs that participated in past iterations of the Richmond Fed’s biennial Survey of CDFIs in the Southeast (SCDFISE). Only the Detroit CDFI Coalition falls outside of the current SCDFISE footprint, but plans to make SCDFISE a national effort in 2019 will bring the Detroit CDFIs into the footprint. Following the case studies, there is a discussion of common challenges that arise as CDFIs develop and maintain partnerships, along with information about the ways in which the case study partnerships navigated these challenges. The publication closes with key findings that point to the possibilities and limitations of partnerships, emphasize the importance of collective goal-setting and highlight the role of CDFIs in determining policy priorities.

Table 1: Summary Information for the Eight CDFI Partnerships

<table>
<thead>
<tr>
<th>Partnership</th>
<th>When did the partnership begin?</th>
<th>How many organizations participate?</th>
<th>Does the partnership have a formal legal structure?</th>
<th>Website</th>
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<td>ACE &amp; Carver State Bank</td>
<td>2016</td>
<td>2</td>
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<td>ANDP &amp; Reinvestment Fund</td>
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<td>2</td>
<td>Yes (MOU)</td>
<td>Does not exist at this time</td>
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<td>St. Louis CDFI Coalition</td>
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<td>8</td>
<td>Yes (MOU)</td>
<td><a href="http://www.communitybuildersstl.org/index.php/cdfi-coalition">www.communitybuildersstl.org/index.php/cdfi-coalition</a></td>
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<tr>
<td>Detroit CDFI Coalition</td>
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<td>Yes (MOA)</td>
<td><a href="http://www.detroitcdficoalition.org">www.detroitcdficoalition.org</a></td>
</tr>
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<td>Maryland CDFI Roundtable</td>
<td>2012</td>
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<tr>
<td>SCCCA</td>
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<td>12</td>
<td>Yes (501(c)(3))</td>
<td><a href="http://www.sccommunitycapital.org">www.sccommunitycapital.org</a></td>
</tr>
<tr>
<td>WVLFC</td>
<td>2011</td>
<td>8</td>
<td>No</td>
<td>Does not exist at this time</td>
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Access to Capital for Entrepreneurs and Carver State Bank Case Study

By: Will Lambe and Chris Thayer
Federal Reserve Bank of Atlanta

I. CDFI Partnership Genesis and Structure

Access to Capital for Entrepreneurs (ACE) and Carver State Bank (Carver State) have formed a partnership that may eventually serve as an example to other CDFIs that seek to broaden their geographic footprint. Both partners brought unique advantages to the table and found compelling synergies through their relationship, culminating in a shared New Markets Tax Credit (NMTC) allocation that allows ACE and Carver State to better pursue their missions of community investment and development.

Carver State Bank is the only CDFI-certified bank headquartered in the Savannah, Georgia, area, and is one of only 28 African-American-owned commercial banks in the nation. Founded in 1927, the bank has been an important part of the Savannah-Chatham County financial ecosystem, but faced sharp limitations in its impact outside that area and accordingly in bringing in external community development resources. For example, in an interview Senior Vice President Robert James II observed that “Carver [had] chased NMTCs for 15 years” without success, submitting six applications to no avail. The bank had five cycles’ worth of experience in activities related to other institutions’ NMTC allocations, having supported several “megabanks,” including USBank, Wells Fargo and Bank of America, in executing their allocation plans. However, Carver State’s limited geographic reach and relatively shallow business loan experience made gaining an award of its own challenging, which in turn limited its ability to invest in distressed communities and explore new intervention strategies.

ACE, by contrast, is a much younger organization. Founded in 2000, ACE specializes in smaller-balance small business loans in the Atlanta metro area and north Georgia. ACE is a mission-driven lender, focusing on investment in minority-owned small businesses and entrepreneurship as a path to wealth-building and empowerment for African-Americans. While its unregulated nature makes it more flexible than many of the traditional lenders it works with, ACE too ran into barriers when trying to attract outside funding, limiting its ability to effect change.

ACE shared Carver State Bank’s specific interest in the NMTC, but also had reservations regarding the program’s complexity. Senior leadership at both institutions recently recognized that a partnership could be a path to mutual benefit in the short-term and increased capacity, perhaps to the point of solo application, in the long-term.

The two organizations came together through the aid of a pair of facilitative outside forces. First, Carver State Bank hired a consultant to offer recommendations to strengthen the bank’s application for NMTC, a long-time goal of the bank. That consultant suggested seeking out a partnership with an outside organization that could supplement Carver State’s reach and bring unique subject-matter expertise to the application. Around that time, ACE Founder and President Grace Fricks attended a convening hosted by the Federal Reserve Bank of Atlanta. Robert James II, then director of Strategic Initiatives at Carver State, spoke at the event, and the two met. Upon further conversation, both parties realized they “fit” because they had a myriad of common interests that could be best pursued by working together. Indeed, Fricks reflected in an interview that “working with Carver aligns perfectly with our mission, even though they aren’t a client.” Based on this realization, the CDFIs formed a joint venture via a draft Memorandum of Understanding to pursue NMTCs (covering allocation management and investment decision-making processes).

II. Goals and Achievements

To the initial driving goal of pursuing an NMTC award, ACE brought its deep expertise in identifying loan-worthy small businesses and performed a study on need and demand in the area to strengthen the application. Carver State brought its rich history and deep roots in community financing in southeast Georgia, and funded the application’s expenses. Both parties co-produced pipelines of potential projects to fund, demonstrating the partnership’s readiness to proceed.
In 2017, they were finally successful, becoming the first Georgian entity outside of the Atlanta metro area, the first African-American controlled entity in Georgia, and only the sixth African-American controlled institution in the nation to win an allocation of NMTCs since the program began in 2000. The partnership will allocate these credits statewide, with at least 40 percent of the credits invested in rural areas and the remainder to focus on smaller Metropolitan Statistical Areas (MSAs), such as the Macon and Columbus, Georgia MSAs, targeting investments to maximize job creation.

The partnership is still very new, to the point of lacking a final name. Although its needs and staff are still evolving, its accomplishments are real.

III. Financing and Nonlending Activities

In addition to winning a $30 million NMTC allocation, ACE and Carver State Bank have worked together on other projects. Such projects include pursuing a 7(a) Small Business Administration loan for an Atlanta woman-owned business, directing loan applicants to one another as the best entity for their needs, holding annual outreach events, educating small business owners on the NMTC program’s operations and benefit, and getting communities interested in the tax credits as a potential resource. Led by a governing board composed primarily of Carver State personnel with one voting ACE member, the partnership is implemented through high-level personnel from both partner organizations.

IV. Impact and Assessment

Though still developing structures for contact protocols and formal metrics, the joint effort already has numerous victories to which it can attest. Once the allocation agreement is fully in place and NMTC investment begins, the principals indicated they look forward to offering publicly available press releases and annual reports covering the partnership’s successes in job creation, types of facilities supported and community impacts.

V. Challenges, Opportunities and Leading Practices

The partnership’s existing benefits span a number of areas. The NMTC’s infusion of additional capital allows the Carver State–ACE partnership to pursue more loans, larger loans and loans with broader lending criteria with less risk, particularly given their policy of holding a reserve for each transaction. Both CDFIs gain direct financial benefit through fee income and related activities, supporting financial sustainability. Finally, the allocation greatly increases both parties’ ability to leverage additional outside resources — such as raising capital from investors interested in the tax credit and from lenders who want to lend into leveraged funds — significantly improving their abilities to serve communities in need.

Both parties are excited for the potential opportunities their partnership might bring. Potential activities discussed include both NMTC and non-NMTC ventures. Within the program, the venture is considering creating leveraged funds to make investments in NMTC-eligible projects and starting a NMTC-funded small business loan fund. Outside the NMTCs, the organization plans to seek out more opportunities, such as the aforementioned SBA 7(a) loan, and ramp up educational efforts to introduce businesspeople to the array of products that can help their enterprises grow. Staff and leadership of both partner entities report a desire to learn and grow together, and cite the mutuality of the relationship as one of its greatest strengths. The organizations share similar cultures and priorities, with a focus on providing opportunities to their communities and to the next generation of leaders within their organizations. Fricks shared that “Business relationships are important, but values and cultures also must align for a partnership to work,” a point of agreement that has helped the Carver State–ACE venture. What’s more, both organizations are committed to “sharing the wealth” of benefits the relationship has brought. Indeed, when the NMTC award press release was initially drafted without ACE being mentioned, Fricks reports that Carver State’s leadership insisted ACE be included to honor their essential contribution to the win. “You can get a lot accomplished if you don’t care who gets the credit,” she advises other CDFIs interested in partnership, and Robert James II of Carver State echoes that “being respectful of one another’s contributions [and] demonstrating mutual willingness to be flexible” are key traits for any partnership’s success. This attitude, Fricks adds, makes the partnership a “win-win-win for the community and both institutions.”
Atlanta Neighborhood Development Partnership and the Reinvestment Fund Case Study

By: Will Lambe and Chris Thayer
Federal Reserve Bank of Atlanta

I. CDFI Partnership Genesis and Structure

Entry into a new market area can be a challenging and risky prospect for any CDFI. When the Reinvestment Fund decided to expand its operations outside the Mid-Atlantic region of the U.S., its leadership knew that adapting to a new lending environment could be tricky, and sought out a local partner to help them find and capitalize on the right opportunity. This expansion led the Reinvestment Fund to join forces with the Atlanta Neighborhood Development Partnership (ANDP), a relationship that has brought both parties considerable benefits since its inception in 2014. The process by which the Reinvestment Fund came to work in Atlanta offers a number of important insights for other CDFIs looking to broaden their geographic reach.

In early 2014, the Reinvestment Fund was ready to expand to a new market but had reservations about its lack of local experience in any of the candidate areas it was considering. Atlanta, Georgia, was one of the regions under consideration, but it was not until President and CEO Don Hinkle-Brown met with his long-time associate, fellow Housing Partnership Network Board member and ANDP’s President and CEO John O’Callaghan, for a friendly lunch that they identified a mutual prospect for success. ANDP’s loan fund was hit hard by the Great Recession and at that point was valued at approximately $3 million, a third of which was still in question, and the organization was concerned about attracting the talent needed to reopen lending activities, which the financial crisis had largely paused. While ANDP worked hard during the crisis to “work out” all its outstanding loans successfully, the resulting easing of pressure on struggling borrowers sharply restricted ANDP’s other activities, such as resizng loans and acquiring foreclosed single-family homes for rehab and sale to low- and moderate-income homebuyers. This pressure meant that ANDP was interested in the idea of finding a national partner to act as its “back office” to provide the underwriting and lending infrastructure ANDP could not itself scale, but the organizations it had considered up until that point had only offered their assistance out of, as O’Callaghan puts it, “respect for [ANDP’s] reputation” and past work, rather than to create synergy.

Meanwhile, the Reinvestiment Fund had been looking for a local partner in one of its potential expansion areas. As Hinkle-Brown describes it, “We flirted with and pitched, repeatedly, for launch capital and got no takers at all.” Instead, they felt that the expansion strategy that would be the most successful while staying true to the Reinvestment Fund’s internal compass and mission was to find a local partner with deep experience and support them first, following the idea that “we had to prove our value, come to town, then earn [additional funding].”

ANDP, with its strong reputation, award-winning work around the foreclosure crisis and an aptitude for working with a variety of government, not-for-profit, community and private sector partners, could bring a crucial capacity to the Reinvestment Fund’s market entry.

In openly discussing the challenges each organization was facing, the two presidents identified a previously unrecognized opportunity for mutual benefit. During the meal, they discussed O’Callaghan’s sense of Atlanta’s opportunity as well as its great need for more investment. Together, they realized that the Reinvestment Fund’s need for market entry and ANDP’s for lending expertise made them perfect potential partners.

The two organizations began negotiations regarding a partnership, and were motivated by their positive tone and smooth progress. Initially, some ANDP board members and community partners were concerned about the risk of a national partner “taking over” the organization, while the Reinvestment Fund staff were uncertain about the unusual model proposed and “what we’re supposed to do for these people,” wondering, “Are we really supposed to act like this is our loan?” However, O’Callaghan recounts the partnership formation process as “just the most amazing negotiation.” Both parties felt like equals co-developing the right model and sharing mutual investment in each another’s organizational sustainability and security, which quickly gained buy-in.
Both parties found they had organizational needs for which the other could provide very practical value, making the partnership both a transaction and a relationship. He describes the Reinvestment Fund’s clear and exciting commitment to respecting any partner’s existing work, and that dynamic contributed to a negotiation free of the hat-in-hand or overwhelmed sensations some smaller, local, weaker CDFIs report when negotiating with a national partner. Indeed, the process felt as if “both [parties] were negotiating for the other’s financial benefit” to the point that, when ANDP’s representative indicated that “the price you gave me doesn’t cover your cost; I need to pay you more,” Nancy Wagner-Hislip, the Reinvestment Fund’s chief investment officer and point-person on the partnership, reported to have replied to the effect of, “No, first [ANDP] doesn’t have that money, and second, [with] the value of your market knowledge and relationships — it’s worth it.” As a result of this negotiation, both parties felt confident in the other’s complete trustworthiness and were pleased with the extent to which their missions, business models and service focus aligned.

Directly after completing these negotiations, ANDP personnel had an opportunity to visit the Reinvestment Fund in its home base of Philadelphia as part of the Atlanta Regional Commission’s LINK program for mutual learning. While there, they were impressed by the scale at which the Reinvestment Fund was operating — nearly $1 billion — and struck by the similarities in need and cultural history (such as suburban vs. urban and racial tensions) Philadelphia shared with Atlanta. These similarities confirmed in the minds of both partners that Atlanta’s CDFI lending, then under $10 million across all active organizations, “needed Philly levels of cash,” which the Reinvestment Fund could help ANDP scale up to. The Reinvestment Fund provided much of the initial funding to get the partnership started, including hiring a shared employee with ANDP and funding the majority of underwriting, loan origination staffing and sourcing, which was supported by modest payments from ANDP. This initial shouldeing of burden gave ANDP a crucial opportunity to get back on its feet and restart lending, benefiting both organizations and Atlanta considerably.

II. Goals and Achievements

By all accounts, the presidents’ early predications for the partnership’s success have held true. In the four years since signing the annually updated Memorandum of Understanding (MOU) and service contract that govern ANDP and the Reinvestment Fund’s relationship, ANDP has consistently beaten its growth goals, more than doubling its fund size from barely $3 million to over $7 million, with the fund on track to reach its 2020 goal of $14 million ahead of schedule. Furthermore, the partners have collaborated to attain further funding from outside partners. Most notable was their success in competing for a Chase PRO Neighborhoods grant as two of the three members of the Equity Atlanta Collaborative (with Access to Capital for Entrepreneurs), receiving $4 million to split across the three organizations.

III. Financing and Nonlending Activities

The Reinvestment Fund and ANDP are working closely with other local partners, including Enterprise Community Partners, the Georgia Cities Foundation, Southwest Georgia United and NeighborWorks Columbus, in a unique, state-funded project. Managed by the Georgia Department of Community Affairs, the partners are working to match and direct Tax Credit Assistance Program (TCAP) funds into investments through local CDFIs to better match need with capacity. O’Callaghan identifies the “strength of a local Atlanta partner with a national partner [as] essential to the formation of both collaboratives,” and indicates that neither collaborative would have happened (nor would the resulting capital have been available) without the Reinvestment Fund’s presence and support.

ANDP’s greater capacity, made possible by the Reinvestment Fund’s investment and technical assistance, has also made it more competitive when independently competing for resources. Historically, ANDP had only received an award from the CDFI Fund on three occasions since its 1991 founding. Since partnering with the Reinvestment Fund, ANDP has received two successive years of funding from that source in the form of Financial Assistance awards, “lifting our game there” and beyond. Indeed, the partnership has even benefited parts of ANDP’s
organization beyond the fund, such as bringing in Capital Magnet Fund awards (one of 15 such awards per year nationally) in both of the past two years for housing development and NMTCs through the Housing Partnership Network, an award the size of which would not have been possible without the Reinvestment Fund’s support. The relationship has also improved day-to-day operations, opening ANDP up to deals involving larger, more leveraged and more complicated capital sources and needs, including select projects beyond housing, such as an early childhood education center. The support and security the Reinvestment Fund can provide helps “make ANDP a leader in developing single-family home financial approaches,” and has increased their non-HUD-funded development capacity from near zero to 75 homes per year, a “capital stack [that] wouldn’t be possible without the Reinvestment Fund.”

Likewise, the Reinvestment Fund has also enjoyed considerable individual success resulting from its partnership with ANDP. It has successfully entered the Atlanta market and participated in many deals in the region, and still appreciates ANDP’s advice on the context of the Atlanta Metropolitan Statistical Area. In the future, the Reinvestment Fund hopes to expand its operations, with ANDP’s support, to other parts of the Southeast, including Birmingham, Alabama; Savannah and Augusta, Georgia; to rural areas in the Southeast United States; and to new target organizations such as Historically Black Colleges and Universities, which historically have struggled with being deemed “unbankable” and not being able to attract sufficiently flexible and patient capital. Already, the Reinvestment Fund reports benefiting from ANDP’s insight into local politics and ability to introduce it to influential stakeholders and partner organizations in the region, such as the city of Atlanta, local academic institutions, the Federal Reserve Bank of Atlanta and more. Indeed, the Reinvestment Fund credits its recent receipt of a $2 million investment from Regions Bank to ANDP’s ability to “vouch for” and “credential” the Reinvestment Fund to funders that would not otherwise be familiar with the organization or its work. ANDP’s introduction of the Reinvestment Fund to Atlanta has also allowed it to pursue projects of its own in the area, such as the NMTC-funded Glenwood Kroger Marketplace and the ATL ACCESS Map of early childhood education and care dynamics. They also celebrate their exchange of best practices and increased capacity to provide technical assistance, such as the PolicyMap platform, to work towards improving the operations of the CDFI lending industry as a whole. As Wagner-Hislip put it, “I think the partnership will continue to open doors for [the Reinvestment Fund] in terms of raising capital, getting deals and opportunities, and influencing policy … sitting at [the right] tables,” furthering both the Reinvestment Fund and ANDP’s missions.

IV. Challenges, Opportunities and Leading Practices

The parties credit the success of their partnership to their shared values, as discussed above, and to the practical execution of their relationship. Each organization has its own internal hierarchy, with the Reinvestment Fund technically acting as a service provider — a vendor under contract — to ANDP, as laid out in their MOU, which also covers overlapping business areas and how to handle them. This explicit, formal relationship is made more dynamic by the closeness with which the two organizations operate, including their shared staffer Yonina Gray and their frequent communication on all levels. The organizations collaborate on deals, meetings, outreach, programs and technical assistance, keeping the relationship strong. Beyond formal monthly check-in meetings, the organizations also interact daily, sharing an office building in Atlanta and supporting one another’s work constantly, which they identify as a key success factor, especially when beginning the partnership. “Being a partner that is present and known,” Wagner-Hislip observes, “[and] pushing [that connection] down into staff and having relationships through the organization is important to doing this work.” Building staff commitment, buy-in and relationships is crucial to successful partnering, and “getting to know each other as completely as possible makes it a lot easier to course-correct if you hit a bump,” a strategy that has helped the ANDP/Reinvestment Fund partnership thrive.
This type of close partnership, O’Callaghan attests, is a result of “finding that partner you can trust, where both will benefit, both have mission alignment and care about each other’s mission and sustainability as much as you care about your own. … There are times that not-for-profits see others as competitors, [but we] only should be competing if one organization is not using resources well. ... So, question is, do you see others as competitors or collaborators?” He advises that CDFI partnerships can best thrive when “I see that their work is just as important to our mission at ANDP.” Given their strong returns thus far, both organizations hope to make their partnership model known and accessible to others, encouraging other local CDFIs across the country to work with national organizations and focus on mutual benefit rather than ego or glory, replicating the kinds of synergy ANDP and the Reinvestment Fund have found.

St. Louis CDFI Coalition Case Study
By: Mike Eggleston
Federal Reserve Bank of St. Louis

I. CDFI Partnership Genesis and Structure
The St. Louis CDFI Coalition (Coalition) traces its roots to the winter of 2015, when representatives from CDFIs in St. Louis and the Federal Reserve Bank of St. Louis recognized that, in order for the local CDFI industry to realize its potential, CDFIs needed to work more closely together. The St. Louis Fed began hosting meetings with representatives from six CDFIs, all of which remain active with the Coalition:

- Alliance Credit Union
- Gateway CDFI
- IFF
- International Institute
- Justine Petersen
- St. Louis Community Credit Union
- Rise Community Development
- First Financial Credit Union

The initial meetings served as an opportunity for representatives of local CDFIs to get to know each other on a personal level as well as to understand the products and services each of their organizations offered. While some of the individuals knew each other, others were meeting for the first time. In particular, the initial meetings sparked ideas regarding how CDFI credit unions and loan funds can work together.

The St. Louis Fed agreed to host and facilitate the meetings and the agendas were determined by the CDFIs. After a few monthly meetings, it became apparent that the group was interested in learning about best practices among CDFI collaborations across the country. Members of the Coalition realized that they did not have sufficient time to conduct this research on their own, so they hired a team of graduate students from Washington University in St. Louis and the University of Missouri–St. Louis. The best practices report, completed in May 2016, continues to serve as a guide for the Coalition.

One of the recommendations from the report was for the Coalition to establish a minimal organizational structure that included a fiscal agent and an external organization, besides the St. Louis Fed, that could facilitate meetings while also accomplishing necessary administrative tasks between meetings. The Coalition heeded this advice and chose not to incorporate as a separate organization. They have designated the Community Builders Network of Metro St. Louis (CBN) — an association of St. Louis-area nonprofit community-building organizations — to be the fiscal agent. Additionally, the Coalition has hired an employee of CBN on a part-time basis to facilitate meetings and accomplish needed administrative tasks. The Coalition’s relationship to CBN provides a link to neighborhood-based nonprofits, which are key partners of CDFIs. The St. Louis Fed, meanwhile, has remained engaged as an advisor to the Coalition.

In early 2018, the Coalition created an advisory board of non-CDFI partners as a means to solicit feedback and suggestions regarding the organization’s strategic direction. The Coalition actively sought a mix of perspectives from the public, private and nonprofit sectors. In addition to the St. Louis Fed, other organizations represented on the advisory board
include the city of St. Louis, Opportunity Finance Network, US Bancorp Community Development Corporation, PNC Bank, Washington University in St. Louis and Urban Strategies (a community-building nonprofit organization). The advisory board had its initial meeting in March 2018 and will meet quarterly.

In addition to creating the advisory board, the Coalition opened up membership to all CDFIs in the St. Louis area in January 2018 and is actively recruiting members. Rise Community Development and First Financial Credit Union joined the founding six CDFIs that make up the Coalition. Each Coalition member pays annual dues and the Coalition continues to meet monthly.

II. Goals and Achievements

The initial goal of the Coalition was to establish deeper connections and, through relationship and trust building, build the CDFI industry in St. Louis. Over the last three years, members have developed a strong bond. Below are the Coalition’s current goals and tactics to accomplish them:

- Promote positive financial strategies and policies for underserved communities
  - Form partnerships with trade associations and advocacy organizations where synergies exist to advance policy work
  - Increase peer awareness and ability of individual CDFIs to advocate on behalf of the entire CDFI sector
- Drive strong partnerships with key community stakeholders, including policymakers, banks and practitioners
  - Create an advisory board that consists of leaders from multiple sectors and perspectives
  - Identify stakeholders invested in the work of CDFIs
- Raise awareness of the critical role CDFIs play in community development and the services they offer

Members of the St. Louis CDFI Coalition and staff from the St. Louis Fed at a strategic planning meeting in 2017.
Photo credit: St. Louis CDFI Coalition
CDFI PARTNERSHIP CASE STUDIES

• Create a unified and accessible message about the spectrum of work performed by CDFIs
• Publish a regular series of op-eds that explain the importance of CDFIs and advocate for tools that support the creation of healthy communities
• Collaborate to drive innovative financial tools for high-impact community investors
• Evaluate the possibility of creating a collective fund as another mechanism to raise capital for CDFIs in St. Louis
• Obtain collective funding streams to support the ongoing work of CDFI collaboration in St. Louis

The Coalition has begun to make progress. As previously mentioned, the Coalition formed an advisory board. They have also demonstrated the ability of individual CDFIs to advocate on behalf of the entire industry. Maria Langston from the St. Louis Community Credit Union noted, “We are fortunate to have a person on staff that focuses exclusively on public policy. Prior to our involvement with the Coalition, our advocacy strategy focused on credit unions. Now we have learned about the value of CDFI loan funds and the ways in which a depository institution can partner with them. As a result, we now advocate for the entire CDFI industry, including loan funds.”

The Coalition has also obtained funding that supports their collaborative work. In the fourth quarter of 2017, they successfully raised more than $50,000 in contributions that they will use to work together more effectively and promote the CDFI industry in St. Louis.

III. Financing and Nonlending Activities

Since the Coalition formed, the members have found opportunities to finance a few projects jointly. They have also realized more opportunities to refer clients to each other to meet the financing needs of borrowers. In addition to the organic opportunities that have arisen for CDFIs to pursue these activities together, they are working to create the conditions for more opportunities beyond one-off deals or referrals.

The Coalition continues to work on philanthropic fundraising to support their collaborative work. While not an immediate priority, they aim to explore the possibility of creating a fund as a means to simplify the process of investing in St. Louis-based CDFIs.

With respect to nonlending activities, the Coalition has collaborated in a few areas. Three examples include Opportunity Zones, policy and advocacy, and economic development.

• Opportunity Zones: The Missouri Department of Economic Development issued a Request for Proposals (RFP) regarding which census tracts to designate as Opportunity Zones. St. Louis City and St. Louis County each asked for local input before responding to the RFP. The Coalition issued a joint statement offering feedback on how municipalities could assess which areas to recommend for inclusion.
• Policy and Advocacy: Individual CDFIs are advocating on behalf of their respective organizations but also increasingly on behalf of the CDFI industry as a whole. Additionally, the Coalition is seeking opportunities to advocate jointly (e.g., a 2017 meeting and subsequent CDFI project tour with Missouri Sen. Roy Blunt’s office organized by several Coalition members).
• Economic Development: The city of St. Louis is working to put together a comprehensive, equitable economic development plan. The Coalition has been included in talks with the city on how the plan should be informed and which stakeholders need to be part of the process (e.g., the Coalition has provided feedback on the city’s forthcoming racial equity indicators public dashboard).
IV. Impact and Assessment

To date, the Coalition has assessed its impact on the amount and diversity of their lending, though they acknowledge that can improve on assessing impact. While they are increasingly telling their collective story at community events and meetings, they recognize that their story is about more than lending amounts and the activities their loans support. They are interested in assessing impact in both the repayment rates of borrowers and the instances in which the additional flexibility they have afforded borrowers has resulted in win-win situations.

Diego Abente from the International Institute notes, “We had a small business owner who took out a loan that had a maturity of 5 years. His LLC folded and all his partners left. We worked with him to restructure the terms of the loan and next month he will have paid off the loan … after 10 years. Although cases like this are exceptional, as a mission focused lender we were able to help the borrower meet his credit obligations and recover the loan proceeds. Although the business failed, the customer succeeded in repaying the loan, and as a result he will have a much stronger credit profile.”
V. Challenges, Opportunities and Leading Practices

The Coalition has struggled a bit with assessment of their collective impact and, to some degree, their messaging with external audiences. In an effort to more effectively communicate the CDFI mission and impact to external audiences, the Coalition released a video in June 2018 that highlights their collective action.\(^{30}\) Still, there is a realization that they can do more to counter the stereotype that people and organizations in economically distressed communities cannot or will not repay loans. They also realize that they need to do more to lift up the creativity and ingenuity they see from their borrowers, whether those are consumers or organizations.

The Coalition has also recognized that they could benefit from greater specificity in their objectives and actions. With guidance from the newly formed advisory board, they will work to develop more concrete steps toward achievement of their goals. Coalition members see continued opportunities to deploy capital more collaboratively, to raise regional and national funds to support their work, and to make CDFIs a household name in the St. Louis area.

The keys to the Coalition’s success so far have included: 1) a commitment to facilitation by a neutral third party, starting with the St. Louis Fed and continuing with CBN; 2) receiving buy-in from each organization’s respective leadership; and 3) the camaraderie that they’ve cultivated. All three factors together have made for a strong and successful collaboration.

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Native CDFI Network Case Study

By: Michou Kokodoko
Federal Reserve Bank of Minneapolis

About 7 percent of the 1,079 community development financial institutions (CDFIs) in the U.S. are categorized as Native CDFIs (NCDFIs), which means they serve primarily American Indian, Alaska Native or Native Hawaiian communities.\(^{31}\) Due to a combination of historical, political and geographical factors, Native communities tend to face significant challenges, such as high rates of poverty and unemployment; limited physical, legal and telecommunications infrastructure; and limited access to affordable financial products and services. NCDFIs are working to fill credit and capital gaps and to provide Native consumers, entrepreneurs and potential homebuyers with needed information and training to access as-yet untapped sources of capital.

According to a Federal Reserve Bank of Minneapolis Community Development Report titled *Growth and Performance of the Native CDFI Loan Fund Sector, 2001–2012*, the NCDFI industry is growing rapidly but could benefit from expanding its sources of capital.\(^{32}\) To support the industry and strengthen the role of NCDFIs, a national NCDFI membership organization called the Native CDFI Network (NCN) was created in 2009. Since its inception, NCN has worked with constituents to support Native community development and encourage systemic change and equity building. The following sections will discuss the structure of NCN and how the organization is leading efforts to maximize its members’ impact through capitalization and policy advocacy.

I. CDFI Partnership Genesis and Structure

At a breakout session hosted by Oweesta during the December 2008 Opportunity Finance Network conference in Albuquerque, New Mexico, a few leaders in Indian Country economic development met to discuss financial literacy challenges in Native communities. During the discussion, Robin Danner (former President and Chief Executive Officer of the Council for Native Hawaiian Advancement in Honolulu, Hawaii) introduced the concept of starting a policy group for NCDFIs. At the end of the day after much discussion, a steering committee was formed with Chrystel Cornelius (Executive Director, Oweesta), Billie Spurlin II (Former Executive Director, Salt River Financial Services Institution), Tanya Fiddler (then Executive Director at Four Bands Community Fund), Andrea Levere (President, Prosperity Now), Elsie Meeks (Native American community development expert and current Chair of the Leadership Council of the Center for Indian Country Development at the Federal Reserve Bank of Minneapolis) and Robin Danner (current CEO of an emerging CDFI serving native Hawaiians) as its members. Danner and Fiddler were
asked to be co-chairs of the new steering committee for the Native CDFI Network (NCN). After this event, the group began to have regular meetings and Four Bands Community Fund was selected to be the fiscal agent and to incubate and raise funds for the network.

In 2009, NCN became official. Since then, NCDFI leaders have met annually, compiled the top challenges and policy solutions for the NCDFI field, and coordinated frequent educational briefings with members of Congress and federal agencies to increase the capacity and access to capital for NCDFIs. The work of NCN was done by its members without any full-time staff.

In 2014, the group held a strategic planning session. The steering committee agreed to hire a full-time staff person to help carry out the objectives identified in the strategic planning document. With funding from the Northwest Area Foundation, Johnson Foundation and Herron Foundation, the committee hired an interim executive director and applied to become a tax-exempt nonprofit corporation under Internal Revenue Section 501(c)(3). In addition, NCN received technical assistance and in-kind supports from several organizations, including Prosperity Now, Opportunity Finance Network, Oweesta, Federal Reserve Bank of Minneapolis and First Nations Development Institute. The 501(c)(3) status was obtained in 2015. In October 2015, Fiddler became NCN Executive Director. The organization now has three full-time employees and works with a policy consultation firm located in Washington, D.C.

The idea behind NCN is simple: formerly unnoticed NCDFIs should now be recognized as viable economic development agency vehicles. In addition, because Native communities have often not been represented by networks and trade associations that could speak effectively on their behalf, NCN organized its staff, consulting firms and committees around enhancing impact and creating opportunities for members to engage in its mission in four ways:

- **Policy**: Play an active and effective role in developing policy and influencing legislation that contributes to the advancement of NCDFIs nationwide, as well as federal agencies.
- **Membership**: Highlight membership benefits and recruit new members and partners.
- **Peer learning**: Provide a peer-to-peer learning environment so that members can share best practices and innovative ideas.
- **Data and impact**: Work in partnership with other partner organizations to develop community impact data and demonstrate the economic development impact of NCDFIs.

The NCN’s structure provides a platform that facilitates national policy engagement, encourages peer learning, promotes coordination and inspires collaboration among NCDFIs, non-Native CDFIs and any organization interested in contributing to the well-being of Native communities and their residents.

II. Goals and Achievements

NCN’s mission is to be a national voice and advocate that strengthens and promotes NCDFIs, creating access to capital and resources for Native peoples. NCN seeks to create opportunities to share NCDFIs’ stories, identify their collective priorities and strengthen the industry. In addition, NCN works to ensure that Native peoples are represented in the national policy dialogue and that innovative solutions created by CDFIs across the country are spread throughout Native communities. As a strong national network, NCN’s ultimate goal is to empower its members to engage their best ideas, connect them to one another, and collectively advance policy priorities that foster systemic changes and create sustainable Native community and economic development. To do this, NCN has engaged in a number of activities and initiatives designed to strengthen its membership and serve the community.

NCN’s scope of services includes:

- Holding an annual NCN meeting and election.
- Convening regional meetings and special events.
- Hosting a bi-monthly webinar series.
- Managing on-demand coaching and mentoring programs.
- Engaging in public education around NCN policy priorities.
- Assessing member satisfaction through surveys and other means of soliciting feedback.
- Improving member benefits continually, based on survey results and other feedback.
To date, NCN staff members have provided peer learning opportunities, coaching and mentoring, and brought new partners and resources to its members. They have created social media campaigns on Facebook and Twitter so that member NCDFIs can tell their stories.

In addition, they have developed an online policy and advocacy toolkit with information designed to assist NCDFIs in becoming an active voice for Native communities across the country. An interesting element of the toolkit is a step-by-step guide to help prepare a member to host a member of Congress.

NCN staffers also assist members in developing data and impact reports, and they attend these meetings as members tell their stories. Fiddler reports, “We have met with dozens of congressional offices, sent joint letters and spoken in front of elected officials to the effectiveness of NCDFIs in order to compel the administration for some NACA set aside.”

NCN has also brought a research component into the field through reports and materials created in partnership with other organizations. Examples include a Native entrepreneurship report in South Dakota and a Montana Native financial inclusion toolkit to help NCDFIs address economic development issues at the state and tribal levels.

In 2017, NCN offered its members small grants to support the development of core NCDFI skills that include financial management; fundraising; marketing and communications; and improved understanding of federal, state and tribal policy. Members could request up to $5,000 to cover costs associated with building those core skills.

III. Financing and Nonlending Activities

NCN currently offers no financing products, as it is not a CDFI. Although numerous conversations about providing lending services have taken place within the organization, the board is currently content with focusing solely on non-lending activities. Staff members continue to analyze the existing gap in access to capital for NCDFIs and to formulate the organization’s policy agenda accordingly. The executive director points to increases in NACA appropriations as NCN’s contribution to the NCDFI industry.

Other nonlending activities include assisting with the Native capital access reports initiated by the CDFI Fund, supporting the development of the Oweesta capital pool (a $10 million initiative to fund growth in Indian Country) and the Opportunity Through Impact System (OTIS) — an impact-tracking system created specifically for Native CDFIs — participating in ongoing conversations about persistent poverty in Indian Country and supporting research projects undertaken by the Center for Indian Country Development of the Federal Reserve Bank of Minneapolis.

IV. Impact and Assessment

Member satisfaction surveys are the primary tools NCN uses to assess its impact on the NCDFI industry. Staffers communicate survey results to members through newsletters. Detailed conversations on survey results also take place at annual meetings and board meetings. NCN board members are encouraged to discuss pertinent issues and success stories in the field. Furthermore, NCN tracks interesting developments in the field. The organization has been able to help members such as the Citizen Potawatomi Community Development Corporation successfully participate in the CDFI Bond Guarantee program and use available funds to promote economic development activities in Indian Country. Under NCN’s encouragement, Clearinghouse CDFI, a non-Native organization, expanded its target market to include Indian Country and plans to use its New Markets Tax Credit allocation to finance business activities and real estate development within Native communities.

NCN staffers would like to have the capacity to collect annual data from members and conduct analyses that could help increase recognition of the scale, scope and impact of the NCDFI industry. The organization attempted to do this in the past by hiring a consultant.
to collect income-statement and balance-sheet information from members. Participation was very low and preliminary reports were not useful.

V. Challenges, Opportunities and Leading Practices

"Being a voice for NCDFIs that are in such a bright continuum of development is very challenging," notes Fiddler. Since NCDFIs vary in location and asset size, they do not have identical policy-support needs. Moreover, tribal political environments vary. Finding the right pitch for the right-sized loan fund, for instance, is a challenge that NCN needs to overcome. Consequently, NCN webinars are designed to cover the full spectrum of economic development models.

Recognizing the challenge, NCN is currently working with a funder to help groom emerging NCDFIs and implement a plan for NCDFIs’ sustainability. There are currently 72 NCDFIs in the country, and only about 50 percent of them are NCN members. NCN does not have the capacity to develop recruiting materials, so staff members must spend time recruiting through direct communication. The decision to join usually depends on the size of the organization and its understanding of what NCN brings to the table. According to Fiddler, "All NCDFIs should be members, so we will have to work on that." NCN’s annual meeting this year in Washington, D.C., will explore the issue.

NCN has been at the forefront of racial equity conversations for a number of years and plans to stay there to raise awareness. The organization is also looking for ways to expand its capital sources. New bank and credit union partners — Federal Home Loan Bank of Des Moines, Deutsche Bank and Wells Fargo, to name a few — have expressed interest in learning more about NCDFIs and their needs. NCN board and staff members have not dismissed the idea of attaining CDFI certification.

With so many new and emerging NCDFIs working with youths, the need to create youth empowerment work continues to increase, especially in persistent-poverty counties. According to the NCN team, initial intervention through savings accounts is what Native youths truly need in order to change their future. Through its partners, NCN envisions creating a child savings account for each child born on a Native American reservation. Local NCDFIs and NCN members will serve as equity partners in the process.

The Access to Capital and Credit in Native Communities Report reveals that there has been a great increase in the flow of capital to Indian Country over the last few decades. However, the NCN team believes that Native communities are still 40 years behind the mainstream population and are still catching up to achieve parity with non-Native median household income in the country. Consequently, NCN’s strategies are long-term. The nature of the work may change but the partnership will not end until Native community members improve their standard of living.

The organization highly values collaboration and respect. Every member NCDFI is supportive of NCN’s efforts and there is no barrier to entry. NCN’s board, staffers and members view human capital as the greatest asset in Native communities. They believe that respect for people and tribal sovereignty promotes successful economic development strategies in Indian Country, and that as long as NCN and its partners continue to be transparent and respectful of each other as they come together, success will be achieved.
Detroit CDFI Coalition Case Study

By: Emily Wavering Corcoran
Federal Reserve Bank of Richmond

I. CDFI Partnership Genesis and Structure

The seed of the Detroit CDFI Coalition (the Coalition) was planted in 2014 when Dan Gilbert of Bedrock Detroit worked with the Opportunity Finance Network (OFN) to convene local and national CDFIs operating in the city of Detroit; the purpose of this initial meeting was to critically examine potential property development in Detroit’s city center. This meeting crystalized into strategic action by CDFIs active in Detroit, and, together with OFN, 16 partner organizations created the Detroit CDFI Coalition in 2015. The group’s driving motivation was to coordinate activities and develop a comprehensive inventory of products and technical assistance available to target markets.

Throughout 2015, OFN set up meetings for the Coalition members with the state of Michigan, the city of Detroit, the Michigan Economic Development Corporation, the Michigan State Housing Authority and the Detroit Economic Growth Corporation. The primary focus for all of these meetings was for member CDFIs to learn about state and city priorities in the Detroit market and for CDFIs to advocate for additional resources and project collaboration. Also in 2015, the Coalition released their CDFI Grid to collectively communicate the financing products and services of CDFIs serving Detroit.37

At its genesis, the group established a five-member executive committee — which has now expanded to seven members — and in November 2016 it formalized its goals, funding structure, and member roles and responsibilities via a two-year Memorandum of Agreement (MOA). OFN provided technical assistance to the group throughout this time period, both by providing MOA template language and by helping the group explore the possibility of obtaining 501(c)(3) status. The group ultimately determined not to organize as a 501(c)(3) organization at this time and instead designated Local Initiatives Support Corporation (LISC) as the fiduciary agent through their Detroit office (Detroit LISC).

The Coalition is entirely funded by the member CDFIs. Each member pays annual dues on a sliding scale based on their balance sheet. A Detroit LISC staff member, Stephanie Inson, dedicates 25 percent of her time to the Coalition and the group is currently seeking a contractor for an administrative role. Key future responsibilities for this role include updating the Detroit CDFI Coalition website, creating branding materials for the Coalition and organizing programming.

As of 2018, there are 14 CDFI member organizations and three partner organizations (*) in the Detroit CDFI Coalition:

- Capital Impact Partners
- CEEED Lending*
- Cinnaire
- Community Reinvestment Fund, USA
- CSH
- Detroit Creative Corridor Center*
- Detroit Development Fund
- Detroit LISC
- Enterprise Community Loan Fund
- First Independence Bank
- Housing Partnership Network
- IFF
- Invest Detroit
- Michigan Community Capital*
- One Detroit Credit Union
- Opportunity Resource Fund
- Urban Partnership Bank

The group meets every other month, with committee meetings occurring on a monthly basis. The Coalition has three standing committees:

- Executive Committee: As previously noted, this committee governs the Coalition and provides strategic leadership.
- Policy Committee: The Policy Committee focuses
on federal, state and local policy issues of concern to the Coalition and identifies key ways that Coalition members can help inform policy decisions.

- **Neighborhood Committee**: The Neighborhood Committee discusses real estate strategies in specific Detroit neighborhoods and looks for opportunities to align CDFI resources for neighborhood reinvestment.

### II. Goals and Achievements

From its inception, the overarching goal of the Detroit CDFI Coalition has been to provide a collaborative space for member CDFIs, many of which had not worked together previously, to build alliances and engage in open conversations about projects, policy initiatives and concerns. The group also aimed to quantify and qualify the ways in which CDFIs are important to Detroit’s development, and to elevate the visibility of CDFIs operating in Detroit. To this end, the group determined and publicized early on that they had collectively invested more than $1 billion in Detroit. A secondary early goal revolved around knowledge-sharing and strategic alignment as the member CDFIs sought to understand how their work fit into the city of Detroit’s redevelopment priorities. Relationship-building was a third early goal of the group, particularly with the acknowledgement that both collaboration and competition are essential to the growth of a healthy and robust community development industry.

*Members of the Detroit CDFI Coalition at a meeting in July 2018.*

*Photo credit: Detroit CDFI Coalition*
In addition to these three early goals, the Coalition defined the following specific goals via their MOA:

1. Strengthen existing relationships and forge new ones between CDFIs active in the city of Detroit in order to increase their effective deployment of capital and other resources in underserved areas.
2. Serve as an information-sharing forum with identified community stakeholders.
3. Determine and implement communications strategies to increase awareness in Detroit of CDFI resources and proactively connect those resources with targeted borrowers.
4. Identify and implement strategies to get individuals, businesses, projects and communities that are not yet financeable to a point where they are ready to borrow.
5. Work effectively with existing resources, such as OFN and the CDFI Coalition, to promote the work being done by Detroit CDFIs.
6. Strengthen ties with local, state and federal agencies to bring more resources to Detroit communities.
7. Address identified market gaps in consumer and commercial financial services.

The Coalition has made steady progress on all of its goals, particularly its collaboration and project goals. Its work has blossomed into several co-lending projects, including work by Detroit LISC, Opportunity Resource Fund and One Detroit Credit Union with the city of Detroit and Bank of America to provide small dollar home repair loans to new homeowners who have occupied their homes for six months or less. Invest Detroit is also currently working with the Kresge Foundation and the city of Detroit on a Strategic Neighborhood Fund that brings resources to targeted neighborhoods. This initiative will be formalized and moved into seven additional neighborhoods over the next five years. Tahirih Zeigler, executive director of Detroit LISC, also noted that a significant operational goal of the Coalition at this point in time is to determine whether 501(c)(3) status would benefit the Coalition.

III. Financing and Nonlending Activities

As previously noted, there are ample examples of Coalition members working together on individual projects, particularly those that involve NMTC. While Coalition partner CDFIs do not formally pursue projects collectively, collaboration develops organically in ways that make good business sense for the participating CDFIs. In a similar way, the Coalition itself does not maintain features to support financial sustainability — such as a loan loss reserve fund — but these features may be built into individual lending projects.

IV. Impact and Assessment

The Coalition has provided data to the Federal Reserve Bank of Chicago on lending projects, funding gaps and other metrics to better understand the full range of resources the Coalition makes available in Detroit. In terms of policy impact, the Coalition helped to successfully advocate for a local inclusionary housing ordinance and participated in federal advocacy days organized by OFN.

Within the Coalition, each meeting includes time for the member organizations to communicate their work and impact to each other. Furthermore, when member CDFIs submit their annual dues, they also submit individual statistics that are aggregated to assess the full activity and impact of the group. These statistics show that the Coalition’s lender members invested $105 million in Detroit in 2017 and have invested a grand total of $1.2 billion in the City on a cumulative basis from each CDFI’s inception.

In terms of communicating their work and impact to external entities, the Coalition engages with the mayor’s office to keep the mayor of Detroit informed of their activity. As a concrete example of this impact, the mayor’s office is currently using the Coalition as a focus group to help inform future community development in the city.

V. Challenges, Opportunities and Leading Practices

Although an effective partnership, the Coalition faces operational and leadership challenges. In recent years, the executive committee has lost representatives prior to the annual executive committee elections, which has caused a void in the group’s governance. The Coalition is currently in the process of developing
operating standards to help handle this type of organizational inconsistency. The Coalition is also developing term limit standards to facilitate leadership transition, as well as exploring the process of becoming a 501(c)(3) organization — as Zeigler noted, the absence of this designation limits the Coalition’s effectiveness.

While the Coalition does not currently have a strategic plan, developing one is a key objective for 2019. The challenge of developing a strategic plan is how to craft the Coalition’s mission so that it truly facilitates collaboration, rather than introducing a competing entity into the market. Similarly, the Coalition does not have a formal leadership succession plan beyond any succession planning by the individual partner CDFIs. This type of critical strategic planning may be a key opportunity for the Coalition to solidify its effectiveness and role in the Detroit community development space.

An additional opportunity for the Coalition revolves around bringing resources to scale in the market, as well as increasing the authentic partnerships within the Coalition. The solid examples of authentic, effective partnerships that exist between Coalition members can serve as good examples for future partner projects, particularly larger-capital development.

The Coalition does have a strong recruitment strategy: As they approach all new CDFIs that enter the Detroit market, a committee member is assigned to continue outreach with the new potential member. In addition, Coalition members are asked to bring business contacts to the table, either as member CDFIs or other partner organizations. This relationship-based growth allows the Coalition to have a wider and deeper reach in Detroit’s community development.

With regard to leading practices, Zeigler noted that OFN was instrumental in shaping the way in which the partner CDFIs approached coalition-forming. Participation in OFN research during the Coalition’s early days allowed the member organizations to think critically about organizational structure, policy work, available state resources, legal status and market solutions. Zeigler also remarked that it was critical to obtain buy-in from both long-term CDFIs and newer CDFIs early in the Coalition development process, in addition to developing clear operating guidelines and a dues structure that promoted inclusivity and diversity. Coalition members emphasize the importance of communication and collaboration to the success of the group. In addition to their collaborative work within Detroit, Coalition members have traveled to Baltimore, Chicago, Cleveland and Toledo, Ohio, Kansas City, Missouri, Minneapolis and Maine to share their experience with other CDFI groups looking to establish similar coalitions.

Maryland CDFI Roundtable Case Study
By: Emily Wavering Corcoran and Peter M. Dolkart
Federal Reserve Bank of Richmond

I. CDFI Partnership Genesis and Structure

What is now the Maryland CDFI Roundtable (Roundtable) began in 2012 as the Baltimore CDFI Roundtable, a strategic initiative of the Annie E. Casey Foundation (AECF), Opportunity Finance Network (OFN) and the Federal Reserve Bank of Richmond Baltimore Branch. Prior to the genesis of the Baltimore CDFI Roundtable, the city of Baltimore had a relatively weak CDFI infrastructure with a few larger-scale national CDFIs and numerous smaller-scale local CDFIs working independently in their target markets. According to research and interviews that OFN conducted from 2010 to 2011 to help inform capacity-building efforts, there was an opportunity to more effectively communicate CDFI expertise to philanthropic leaders, local policymakers and potential borrowers in Baltimore. Additionally, there existed opportunities to formalize sporadic interactions between CDFIs and the Maryland Department of Housing and Economic Development and to increase connectivity among CDFI leadership in the city. From this foundational research, AECF and OFN developed a capacity-building model based on three tenets:

1. Promote CDFI collaboration by arranging regular meetings.
2. Convene stakeholders from the philanthropic, nonprofit and public sectors to raise awareness about CDFIs.
3. Support CDFIs through targeted technical assistance.
The first informal meeting of Baltimore CDFIs took place in 2014. At the time of this first meeting, OFN reports drawn for the meeting indicate that there were 16 CDFIs operating in Baltimore and representatives from 10 CDFIs attended the inaugural meeting. The group’s early conversations centered on two main questions:

1. How can CDFIs in Baltimore best raise capital?
2. How can CDFIs in Baltimore best communicate the value of investing in CDFIs to traditional financial institutions and government entities?

This initial meeting led to the realization that many of the participating CDFIs were active in the affordable housing space, which motivated the group’s organizers to communicate with the Baltimore Housing Commissioner and Deputy Commissioner about potential investment projects for participating CDFIs.

The Baltimore CDFI Roundtable met on a quarterly basis from 2012 to 2016. During this time, at least three additional CDFIs entered the Baltimore market and began attending the meetings. After 2016, AECF and OFN refocused on different initiatives, but recognizing the value of the Roundtable, the Richmond Fed continued to convene the group on a biannual basis as the broader Maryland CDFI Roundtable.

New partners continue to come to the table to connect with the group’s expertise, including the Greater Baltimore Committee, the Community Development Network of Maryland and the Johns Hopkins University 21st Century Cities Initiative. In addition to the group’s early focus on affordable housing, small business access to capital is also a focus of the Roundtable. This increased focus on small business lending has been driven both by participating CDFIs and by ongoing research into the limited capital available for small business development in the Baltimore region. At this point in time, the group does not have any dedicated staff or formal structure.

II. Goals and Achievements

Although the Maryland CDFI Roundtable does not currently have explicit strategic goals, the group has continuously been driven by a desire to more effectively catalyze community development capital in Baltimore and in Maryland more generally. This driving objective led to the development of several tangential projects and products as participating CDFIs and other associated partners — including traditional financial institutions, technical service providers, developers, nonprofit organizations and local government entities — organically identified needs and developed solutions within the relationship-building of the Roundtable.

From 2012 to 2016, select member CDFIs partnered to co-finance three projects in the city of Baltimore, and OFN reported that the cumulative impact of these projects was 420,000 square feet of newly developed retail, commercial and residential space in Baltimore, the creation of more than 600 permanent jobs and the creation of 300 temporary construction jobs.

More recently, the Roundtable helped provide a catalyzing environment for Baltimore Business Lending (BBL), a subsidiary of Baltimore Community Lending that is also supported by OFN and the Calvert Foundation. BBL seeks to help fill a gap in lending to businesses with less than $1 million in annual revenues, particularly startup firms.

The Roundtable does not have additional strategic goals at this time, although Richmond Fed staff and the leadership of participating CDFIs continue to look for opportunities to leverage the expertise of the Roundtable to help inform the city of Baltimore’s community development work. The Roundtable has also engaged in discussions around a more formalized structure and dedicated resources for the partnership, but at this time is not taking additional action on those discussions.

III. Financing and Nonlending Activities

As noted above, Roundtable members have engaged in joint lending ventures together on an ad hoc basis in the past, although current collaboration on both lending and nonlending activities is limited. Roundtable members interviewed for this case study noted that the siloed and oftentimes competitive history of Baltimore’s CDFI industry creates tensions that endure today. While the
Roundtable serves as a place to grow trust and increase strategic collaboration, that process will take time. At this point in time, Roundtable members noted that their capital acquisition and deployment processes remain separate and are not impacted by Roundtable activities. However, members registered frustration at the limited activity of large traditional financial institutions in Baltimore and noted that the Roundtable may have more influence if high-level financial institution management is invited to the table to facilitate conversations about increased traditional financial institution investment in Baltimore’s CDFIs.

**IV. Impact and Assessment**

Although Roundtable member institutions independently track their portfolio and impact, there is not currently any effort to jointly measure or communicate the activity of participating CDFIs. Roundtable members noted that this is an area that may be beneficial to focus on, particularly if Roundtable members hope to work more closely with large traditional financial institutions on a community development strategy in Baltimore.

**V. Challenges, Opportunities and Leading Practices**

The origin of the Baltimore CDFI Roundtable was marked by active involvement and tangible support from OFN and AECF, which helped lead to co-financed projects and some increased awareness of the community development finance industry among key partner organizations in Baltimore. However, in recent years the group has expanded to include CDFIs across Maryland and the District of Columbia as CDFIs in the region have expressed interest in joining the partnership. Simultaneously, external resource support has lessened and the group has faced the challenges that come with limited resources, influence and trust.

The group made some strides in creating a more tightly networked CDFI ecosystem in Baltimore and the surrounding region, but Roundtable participants noted a persistent need for informal trust-building and more formalized systems of strategic cooperation, such as loan sharing and referral systems. Interviewees also expressed a desire to think more holistically and critically about who sits at the table when the group comes together — in particular, members felt that increased involvement from traditional financial institutions may allow for a transformation to more strategic community development investment in Baltimore and for the development of systems that would allow CDFI customers to more systematically “graduate” to traditional financial institutions. Overall, the foundation of the Maryland CDFI Roundtable has allowed for some progress to be made — particularly in the city of Baltimore — but members of the group acknowledge that continued networking, trust-building, strategic communication and development of deployment systems are necessary to fully serve the needs of Maryland’s low- and moderate-income communities.

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**South Carolina Community Capital Alliance Case Study**

*By: Jeanne Milliken Bonds*  
*Federal Reserve Bank of Richmond*

**I. CDFI Partnership Genesis and Structure**

In the state of South Carolina, community development practitioners have a history of organizing to capitalize on opportunities to create practical solutions for the state’s low- and moderate-income communities in both urban and rural areas. The statewide Community Development Corporation (CDC) association was founded in 1994 by four CDCs. And, in 2000, the state General Assembly provided $10 million in grants, loans and tax credits to certified CDCs by enacting a Community Economic Development Act. The legislation required a state certification of entities as CDCs and CDFIs. Even though CDFIs may be certified by the U.S. Treasury, the state of South Carolina is separate and apart from that process. To that end, the state Department of Commerce contracted with the statewide CDC association to manage and train the organizations through a new certification program. Businesses, corporations, insurance companies, financial institutions and individual residents are eligible for a 33 percent credit against state tax liabilities for every dollar invested in or donated to certified CDCs and CDFIs. The state CDC
association changed its name to the South Carolina Association of Community Economic Development (SCACED) to more closely align with similar references at a national level and to more closely align with the new legislation.

In 2011, a group of community development finance stakeholders came together to form a partnership called South Carolina Community Capital (SCCC). The goal of the stakeholders was to investigate whether or not the organizations could collaborate to attract capital and build additional finance capacity. The stakeholders included the Appalachian Development Corporation, CommunityWorks Carolina, Charleston LDC, the Mary Reynolds Babcock Foundation, the Michelin Development Corporation, South State Bank, SCACED, the South Carolina Community Loan Fund, the Support Center (now rebranded as the Carolina Small Business Development Fund) and Wells Fargo Bank. The first meetings were initiated by the CDFIs (CommunityWorks Carolina, South Carolina Community Loan Fund and The Support Center) and South State Bank, and later included the other stakeholders.

The goal of SCCC was certification as a CDFI by the U.S. Treasury and an application to the CDFI Bond Guarantee Program. Created as an independent 501(c)(3) organization, SCCC planned to raise and leverage capital, with a mission to work statewide to increase investments in the state’s low- to moderate-income communities and act as an aggregator for the state’s smaller CDFIs.

The CDFI Bond Guarantee Program was enacted through the U.S. Small Business Jobs Act of 2010 as a response to long-term, low-cost capital to “jump start community revitalization.” CDFIs positioned to act as a conduit to the broader CDFI community are able to apply to the CDFI Fund for authorization to issue bonds to be repaid over 30 years under a guarantee of the Secretary of the U.S. Treasury. Because the CDFI Bond Guarantee Program is intended to jump start larger commercial real estate projects and community facilities, and even municipal infrastructure, the scale proved too large for the newly created SCCC and the organization was not able to apply.

Another intermediary financing organization, the Southern Association for Finance Empowerment (S.A.F.E.), had been established in 2006 by the South Carolina Association of Community Development Corporations, now SCACED, to fill the need for statewide capital for CDCs. S.A.F.E. was also a CDFI, but because S.A.F.E. had not initiated intermediary or primary CDFI functions as a lender in the state, S.A.F.E. and SCCC agreed to a merger and the creation of South Carolina Community Capital Alliance (Alliance).

In March 2013, a process began to formalize the Alliance; S.A.F.E. formally merged with SCCC in 2015. SCACED provided fiscal administration for the organizations that fill a need for a network of CDFIs and community development organizations to educate the community as well as develop policy advocacy for the Community Development Tax Credit and potential future policy initiatives. Initially, each member organization made an investment to generate capacity for the new nonprofit. The Alliance quickly turned to engagement in public policy and capacity-building support to develop a network to support community investment and generate economic opportunities and growth. SCCC would raise, leverage and align capital for community economic development; identify gaps in community development financing; and facilitate co-lending opportunities between and among CDFIs for qualified projects.

The Alliance has a board, maintains a website and rotates leadership. The Alliance board of directors includes representatives from CDFIs and financial institutions. At present, the following organizations are represented on the organization’s board of directors: Bank of America, BB&T, Business Development Corporation of S.C., Charleston Local Development Corporation, CommunityWorks Carolina, PNC Bank, SCACED, SC Community Loan Fund, South State Bank, SunTrust Bank, The Innovate Fund, Carolina Small Business Development, TD Bank, Wells Fargo, First Citizens Bank, Benedict Allen Community Development Corporation, Self-Help, the Federal Reserve Bank of Richmond and the New America Corporation. SCACED continues to provide fiscal
management, incorporates the Alliance in its annual conference and provides communications and meeting planning assistance to the Alliance.

II. Goals and Achievements

In 2014, the Alliance held its first annual conference that offered peer-to-peer education on investment tools as well as identified a public policy platform for new investment tools. The Richmond Fed and more than seven financial institutions financially supported the initial conference and the three subsequent conferences. The four annual conferences have been held to bring new strategies and solutions to community development financing in the state. Sessions on Aeris ratings in 2017 prompted collaborative discussions of metrics for individual organizational effectiveness. The latest annual conference, held in May 2018, attracted more than 125 attendees, primarily from South Carolina, but also North Carolina, with a diverse planning team that included the Richmond Fed.

In fulfilling its mission to advance peer-to-peer education on investment tools and advocate for the implementation of new investment tools and strategies, the most recent annual conference included panels on layering community development finance tools and Opportunity Zones. A new community investment tool, Opportunity Zones are designed to drive long-term capital to eligible low-income urban and rural communities throughout the country by providing a new tax incentive for investors to re-invest their unrealized capital gains into Opportunity Funds that are dedicated to investing in Opportunity Zones designated by the chief executives of every U.S. state and territory. Opportunity Zones were introduced in the Investing in Opportunity Act (IIOA) and passed by Congress in the Tax Cuts and Jobs Act of 2017. The “Transforming Communities” program also offered participants the latest strategies, programs and resources to access capital in communities, and showed the participants how the finance deals look on the ground with three mobile workshops.

The original goals of the Alliance to establish a vehicle to easily accept and deploy capital, and to underwrite and finance debt and equity investments, remain goals for the Alliance as it looks ahead. The education and training, and the opportunity for partner networking and new connections to investors, are ongoing activities for the Alliance through its annual conference and in separate continuing education programs.

III. Financing and Nonlending Activities

The Alliance was originally created for financing activities, but determined that the scale was not sufficient in the state to pursue lending in the early phase of collaboration. Instead, the Alliance has focused on fostering collaborations between CDCs and CDFIs, and between CDFIs in North Carolina and South Carolina. Annual conferences have focused on CDFI education and building a network prepared to finance development in the state’s low- and moderate-income communities.

IV. Impact and Assessment

The Alliance’s impact on community development policy in South Carolina is most evident in its partnership with SCACED and the successful deployment of the Community Development Tax Credit.

After an inspirational program about inclusive economic prosperity that focused on impact investing and CDFI investments to help achieve social and economic impact in communities, local funders and the Alliance agreed new partnerships could be a strategic targeting tool for new investment strategies. To this end, the Alliance created a “CDFI 101” program to be delivered as a training program, via webinar and in-person, specifically targeted to foundations. The Alliance working group has focus group tested the training program to test its usefulness across different audiences and responsive to the diversity within the foundation community — ranging from small family foundations to larger foundations already making program related investments. The training tool was created by a collaboration of CDFIS, the Federal Reserve Bank of Richmond and a financial institution.
V. Challenges, Opportunities and Leading Practices

The Alliance faces the challenge of potentially engaging its own financing opportunities with partner CDFIs and CDCs, and a continuing challenge to provide cutting-edge information for new financing tools for South Carolina communities. In the summer of 2018, the Alliance and SCACED drafted a set of “do no harm” guidelines for stakeholders in South Carolina to consider as planning commences for the new Opportunity Zones. Deployment of the CDFI 101 training tool will continue in the winter of 2018. Collaboration on Opportunity Zones will be ongoing including the creation of an Investment Forum in the state.

In September 2018, the northeastern region of the state suffered devastating 1,000-year floods as a result of Hurricane Florence. This same region had barely recovered from the effects of 2016’s Hurricane Matthew. Low-income rural areas are facing another redevelopment. Toward this end, early discussions about new financing for small business recovery and housing are underway. Evaluation of a previous model deployed in North Carolina for post-Hurricane Floyd (1999) redevelopment included housing counseling, application processing for state and federal programs, and repair and replacement programs at the community level that produced new Low-Income Housing Tax Credits (LIHTC) developments, new subdivisions, infrastructure repair for water, sewer and roadways, delivered by CDCs and CDFIs, based on previous successful practices. Assessment of developable land and potential financing of local resiliency solutions in the face of a changing natural environments are also considerations for the redevelopment model for both states.

Source: Opportunity Finance Network and South Carolina Community Capital Alliance
West Virginia Loan Fund Collaborative Case Study

By: Jen Giovannitti
Federal Reserve Bank of Richmond

Note: The quotes contained in this case study were originally published in the Richmond Fed’s Marketwise Community Volume 5, Issue 2, “The West Virginia Loan Fund Collaborative: Small Business Lending in Underserved Areas.”

I. CDFI Partnership Genesis and Structure

The West Virginia Loan Fund Collaborative (WVLFC) is a peer group of mission investors focused on small business lending that are headquartered in and serving the state of West Virginia. This collaborative started without any strict strategy or funding. It emerged from a November 2011 meeting on rural capital organized by Community Development staff from the Federal Reserve Bank of Richmond in collaboration with the West Virginia Community Development Hub (WV HUB) and the Claude Worthington Benedum Foundation, both of which had community development expertise in the state and an interest in alternative lending as a strategy for investing in rural West Virginia.

When the partnership of the Richmond Fed, WV HUB and Claude Worthington Benedum Foundation organized the first meeting on rural capital in November 2011, they did so to learn more about small business lending in West Virginia. They started with several assumptions in mind. The first assumption was that the loan managers of the various funds were familiar with each other and possibly already working together with certain clients. The second assumption was that the loan funds were funding constrained and needed additional capital to meet the needs of their current and future clients. The final assumption was that the organizations with loan funds were located primarily in high population areas of the state and that their lending was clustered within these same areas. Using a mix of survey responses, meeting discussions and loan fund data, this case study will discuss below how these assumptions were proven false.

At this first meeting, participants provided details about their loan fund, lending activity and funding sources. There was also a wider discussion about current opportunities and challenges and the future of rural lending. It was during this wider discussion that the participants saw an opportunity to become more organized as a group, including meeting regularly, expanding participation to additional funds as needed, prioritizing a statewide approach, developing a consistent message and recognizing the need to work collectively. Multiple meetings were convened in 2012; by 2013, the group began to formally call themselves the West Virginia Loan Fund Collaborative with two formal meetings per year that rotate in various locations across West Virginia.

WVLFC members vary by organizational structure, programs and lending focus, but all had specific lending activity in West Virginia. The oldest fund in the collaborative began originating loans in 1988, while the youngest began in 2011. Only three out of the eight organizations are certified CDFIs. One organization was a certified CDFI but found it unnecessary to renew its certification to support its lending activity. Another organization is exploring the idea of becoming a certified CDFI. In its early meetings, others also came, including interested representatives from the Small Business Administration (SBA), the Small Business Development Center (SBDC) and a regional bank.
The Richmond Fed continues to convene the WVLFC at least twice a year, offering programming, facilitating shared learning and acting as a data partner for the collaborative. There is no formal legal structure for the WVLFC. It is considered a peer learning group and has no justification for dedicated staff or a legal structure.

II. Goals and Achievements

The goals of the WVLFC were to better understand the role and impact of mission-driven small business lenders. West Virginia provides an interesting study of rural capital deployment because the state is hard to serve on several fronts. It is a mountainous state with low population, high poverty and many distressed and underserved areas. When small business lending activity in West Virginia is examined at the county level and compared to other geographies across the United States, the National Community Reinvestment Coalition (NCRC) found that all counties in West Virginia could be considered small business lending “deserts.”

Understanding capital needs and default rates is also important. When the WVLFC was first analyzed, the members’ pools of funds for loans ranged from less than $1 million to close to $10 million. At the time of the data collection in July 2014, the majority of the organizations still had funds available to lend. In addition, those funds that reported an overall default rate for their loans have default rates that are well below the national average rate of 12 percent estimated by SBA for its microloan program in 2007.
Another goal was to create a strategy that addressed the difficult climate for small business credit access in West Virginia. Using a combination of private sector (Community Reinvestment Act (CRA)) and public sector (Small Business Administration and CDFI Fund) lending activity data, every county in West Virginia fell in the lowest quintile for access to loans. These results suggest a challenging environment for small business credit access in West Virginia. A potential strategy to overcome access issues is to seek credit from nontraditional sources. This was one of the driving forces that motivated the creation of a lending peer group in West Virginia.

To assess lending activity in the state, each fund participating in the WVLFC voluntarily submitted their active loan portfolio data to the Richmond Fed for mapping. Three rounds of mapping were conducted using data from 2012, 2014 and then 2017. Although it was “point in time” mapping, the goal was to see what trends or patterns were visible when the loan data from all of the funds was combined into one map. For 2012, which included loans active as of March and June of that year, the Richmond Fed received information on 293 loans totaling $20.1 million. For 2014, which included loans active as of March and July of that year, 372 loans were geocoded and mapped totaling $28 million. In the latest round of mapping in 2017, the collaborative was up to 647 loans and $45.1 million in active loans. The map on page 33 shows the zip code location of each active WVLFC loan as of 2017. This map conveys the presence of small business loans in all reaches of the state, which was a surprisingly expansive coverage of loans given the state’s challenging topography and very low population density in certain regions. Two strong areas for small business loans were visible, which were around the city of Beckley (Raleigh County) and the Mid-Ohio River Valley (Wood, Jackson, Wirt, Roane, Pleasants, Ritchie and Calhoun counties, generally).

The WVLFC has achieved much of what it set out to do. It has gained a better understanding of three primary items:

1. The lending impact of the core group of mission lenders in the WVLFC;
2. The geographic coverage of the overall lending (i.e., how well spread out and comprehensive their collective loans are in the state); and
3. The amount of credit and capital that the collaborative has put into the West Virginia market to support small business.

The WVLFC has also achieved the goal of building a strong peer network where the loan funds in the Collaborative refer business to each other, partner on loans and help each other with technical issues. The overall assets of the WVLFC are also growing due to their success over time.

III. Financing and Nonlending Activities

Each fund in the WVLFC is independent, there is no shared professional staff and there is no shared financing resources like a loan loss reserve fund. Each organization has an individual business model, separate sources of capital and varying years in existence and professional staffing. When it makes sense to collaborate by partnering on a loan, the fund managers generally know which funds to call to make an inquiry. This is an offshoot of the peer learning that the WVLFC brings to the funds. However, these referrals are entirely done on a case-by-case basis. If a loan fund is working with a business client and cannot serve their needs but they think another fund might be able to, they will readily refer that client along to another member of the WVLFC if it makes sense to do so.
Building a stronger referral network for clients to be served by alternative lenders has always been essential to growing the pipeline of activity for loan funds. These nonlending activities come down to educating bankers, economic developers, small business development offices and others. In West Virginia, the WVLFC has made a conscious effort by way of its collaboration to build a stronger referral network in the group and engaging a broader audience of people and organizations who serve small businesses.

With the WVLFC members, nonlending activities are done on a case-by-case basis. For example, if a fund manager is working with another fund to serve a client, the two providers may overlap in the technical assistance support. In broader learning, the loan funds share information as needed on their business models; for example, fund managers may talk with each about whether or not it is worth the effort of getting certified by the U.S. Treasury as a CDFI, or if becoming a SBA preferred lender is worthwhile and in what ways.

IV. Impact and Assessment

Prior to the WVLFC, there was no organizing body tracking the funds’ type of lending or maintaining a directory of funds and where lending was targeted. Staff members from the different loan funds did not regularly engage with one another. Once loan fund lending activity was mapped by the Richmond Fed as part of the engagement with WVLFC, it became apparent that small business loans were being deployed in all reaches of the state, including several
“hot spots” of loan activity. Finally, the analysis revealed a need for educating traditional financial institutions about the work of alternative lenders and the opportunities for collaboration. The development of WVLFC and its ongoing work may serve as a model for other states to understand alternative lending activity within their borders.

Since the inception in 2011, the WVLFC has mapped its loan activity in, roughly, two-year increments. The loans active in 2012, 2014 and 2017 were mapped. This gives the WVLFC some information on total loan activity, geography of the loans and from which funds the loans have originated. The data are submitted voluntarily by each fund, and while not scientific, help lay out some trends. Over this small window of time, there has been growth in loan activity and loan deployment, as well as an increase in overall lending capability. The Federal Reserve Bank of Richmond manages the collection of this loan information and mapping. The Richmond Fed’s Marketwise Community Volume 5, Issue 2, “The West Virginia Loan Fund Collaborative: Small Business Lending in Underserved Areas,” outlined the data and history of the WVLFC so that the funds had a way to share information about the Collaborative and communicate more consistently with internal and external stakeholders.

V. Challenges, Opportunities and Leading Practices

The loan fund managers see multiple challenges to continued loan fund lending in West Virginia. One challenge is the clients of the loan funds — the entrepreneurs themselves. There is concern about the weak level of entrepreneurism around the state. Dave Clark of Woodlands Community Lenders states, “In general, I think W[est] V[irginians] continue to be pretty risk averse. Encouraging entrepreneurship continues to be a struggle.” Another challenge mentioned was the staff turnover both on the loan fund side as well as at traditional financial institutions. Carol Jackson of the Mid-Ohio Valley Regional Council said that it has been a challenge “[w]orking with local banks with a revolving door in commercial lenders. Just when I get a good relationship with one, they accept a promotion and move out of state to [a] bigger bank.” On the loan fund side, there will be the loss of experienced community development lenders as well as county Economic Development Authority (EDA) directors, which, according to Marten Jenkins of Natural Capital Investment Fund, will “require an infusion of funding for staff development and marketing and outreach at a time of diminishing resources to support efforts of this nature.”

The other challenge mentioned in a variety of forms in the loan fund managers’ survey responses deals with business development services and technical assistance. The importance of these services was mentioned earlier when discussing the keys to lending success in the hot spots of activity. Jenkins wrote, “Lack of funding for business development services such as the [WV SBDC] make putting together good loan packages a challenge, particularly in rural markets.” Another response mentioned the impact of technical assistance on start-up businesses. Dan Reitz of the First MicroLoan of West Virginia commented, “There is also a clear lack of SBDC resources in our particular service area. The State can’t seem to find qualified SBDC agents and we see less and less help for the start-up[s]. One of the three [tenets] of the SBDC program is assistance to start-ups, which seems to be of little or [no] importance to the SBDC [in] our service area.” The significance of this challenge may be best summed up by John Reger’s response that “[t]echnical assistance and business coaching are vital to the success of small business borrowers.”

Having a reliable, third-party convener and manager of the Collaborative is a practice that is necessary for these types of lenders. Bringing together a collaborative group such as the WVLFC is a challenge. CDFIs are usually understaffed and hard pressed to find the time to act as a convener and data aggregator. They are expert at compiling data on their own funds, but to take up the responsibility of doing that for a group of lenders would be taxing on any one organization, and it would present trust issues in other funds sharing this data. An organization like the Federal Reserve has the capacity and is viewed as an honest broker.
The WVLFC does not have a strategic plan at this point but could possibly embark on such a project in the future. The primary challenges of the WVLFC include deciding when and how to integrate new funds into the Collaborative in a way that maintains reliable loan assessment and mapping consistency. One of the ongoing challenges for mission-based lenders is nurturing a referral network on the ground and working with local bankers to understand how to partner with their funds and understand these funds are not in competition with traditional lenders; rather they want to fill the gaps where banks are unable to lend.

The longevity of the WVLFC will come down to maintaining value in the peer network. The WVLFC will never need to be disbanded since the members meet voluntarily and without any resources going to the collaborative. If a third-party convener like the Richmond Fed, the Benedum Foundation or the WV HUB can no longer manage the group, it may voluntarily stop meeting.
Discussion of Common Challenges: Lessons From Hardship

Throughout the case study interviews conducted for this research, particular challenges arose repeatedly across partnerships. The three most common challenges navigated by every partnership profiled are:

1. Trust-building
2. Lack of capacity and resources
3. Sustained engagement and activity

The case study interviews also revealed that a need to clearly define the roles of partner organizations underpins all three challenges. If roles are clearly defined within the partnership, trust-building can move forward, resource needs can be defined and addressed, and partners have a deeper sense of commitment and responsibility. However, a lack of clear role definition may stall trust-building, limit access to resources and contribute to disengagement. These three challenges are examined in more detail below — within the context of the case study partnerships — to help similar existing and future collaborations understand how others have navigated these potential hurdles.

Trust Building
The partnerships studied exhibited varying levels of trust when they began. On one end of the spectrum are those partnerships that arose organically from high levels of existing trust among CDFI leaders working in a common target area. At the other end of the spectrum, however, are areas that acknowledge the potential benefit of strategic collaboration, but have experienced past breaches of trust. While a high level of existing trust is, of course, preferable, case study interviewees across the board emphasized that the partnership needed to be explicitly established as a neutral ground where all member CDFIs — regardless of size or prominence — were given an equal voice.

Several of the case study partnerships found that this atmosphere was most effectively achieved through the convening power of a third party, although some geographic areas with a high level of preexisting trust were able to convene and communicate effectively without a third party. The importance of trust has been emphasized in past research on CDFI partnerships, but bears repeating here simply because it is so foundational to any other goals the partnership may hope to achieve. Particularly in a trust-deficit environment, effective partnerships explicitly focus on building trust both on a personal and professional level.

Capacity and Resource Deficits
By their nature and mission, CDFIs run lean operations, and rarely — if ever — do they have the capacity to devote significant resources to a partnership. The case study partnerships provide an array of solutions to this challenge, be it the provision of resources by a larger partner CDFI, convening by a third party, member cost-sharing or some combination of these strategies. However, in addition to providing solutions, the case studies also point to challenges that come from capacity and resources deficits, including difficulty with robust and regular impact assessment. The most significant resource-related message that came through the case study interviews was that regardless of the entity providing operating resources, the partnership structure needed to match the vision and capacity of the partner organizations. Like the CDFIs they are comprised of, CDFI partnerships need to be lean and efficient entities that focus on the highest priority goals of their member organizations.

Sustainability
The final challenge brought up repeatedly by multiple case study partnerships was sustained, long-term engagement and activity of member organizations. Partnership organizations may naturally have varying levels of commitment and engagement over time depending on their individual leadership and strategic focus. One interviewee noted that this ebb and flow of collaboration is a natural occurrence as leadership transitions and new needs and opportunities arise. But this ebb and flow has to be balanced against the strategic foresight to have the necessary capacity and preparation in place to capitalize on new policy and business opportunities.

Within the case study partnerships, those that exist as legal entities generally reported a stronger ability to weather changes in engagement and commitment. Those without a legal structure cite the importance of a third-party organizer and/or national party with the
capacity — and explicit commitment — to convene the group. Additionally, the member organizations need to understand the strategic benefit of their active participation and have the foresight to identify future opportunities where collaboration results in a competitive edge.

Key Learnings from the CDFI Partnership Case Studies

Many of the themes that have arisen in past research around CDFI partnerships made an appearance in the case study interviews, which reinforces the importance of certain core principles over time. In particular, “CDFI Collaborations: Keys to Success” (2015) identified the following seven factors that contributed to successful CDFI partnerships:

1. Business opportunity and mutually beneficial goals
2. Leadership from within
3. Roles and responsibilities
4. Performance metrics
5. Trust
6. Funding sources
7. Organizational structure

Our case studies revealed that the partnerships generally followed these leading practices, with performance metrics being the most notable exception. Outside of the one-on-one partnerships that were organized around clear business opportunities, the CDFI partnerships seemed to struggle with collective performance metrics and impact measurement — a challenge that many tied back to the resource constraints that their organizations collectively face.

In addition to those best practices for partnership that are already well-established, several additional key recommendations arose from the case study interviews:

1. **Be realistic about how membership composition impacts partnership goals.**

Beyond simply establishing explicit goals for the partnership, these goals must be grounded in the specific competitive advantage the partnership generates by joining together multiple CDFIs. Partnership interviews made it clear that the composition of members at the table can either enable or limit what a partnership can hope to achieve. For instance, if a partnership is developed to execute a business deal (or set of deals), the business models of the partner CDFIs must be additive rather than duplicative. Conversely, a partnership that primarily focuses on influencing local economic development and policy — perhaps with deal referrals happening on an informal, ad hoc basis — may have a broader set of partner organizations, some with duplicative business models and areas of expertise.

2. **Adopt an operating structure based on the needs of the member CDFIs.**

Of the eight case study partnerships, two exist as formal nonprofit entities and one is weighing the costs and benefits of obtaining 501(c)(3) status. The two partnerships with legal structure — South Carolina Community Capital Alliance and the Native CDFI Network — have a variety of reasons for obtaining nonprofit status. In particular, the ability to raise funds from external sources, merge existing legal entities and hire designated staff are all driving factors that make a legal structure worthwhile for these partnerships. However, beyond these examples, the partnerships interviewed largely felt that the costs of obtaining and maintaining a legal structure outweighed the benefits. Numerous interviewees emphasized that the benefits of collaboration can be reaped with a lean structure, particularly when relationship-building and trust are central tenets of the partnership.

3. **Proactively seek a role in shaping local, state and federal policy.**

A final theme echoed throughout this work is the fact that CDFIs naturally operate at a critical intersection of policymakers, foundations, financial institutions and community groups. This unique position allows CDFIs to inform policy decisions at all levels of government, particularly when they are organized in a way that maximizes their voice. Partnerships should approach their influencing role intentionally and look for ways to help shape policy and development decisions. Concrete examples of the ways in which
CDFI partnerships proactively influence decision-making include the Detroit CDFI Coalition and the Maryland CDFI Roundtable partnering with respective city offices to help guide economic development, and the St. Louis CDFI Coalition and South Carolina Community Capital Alliance working at the state level to inform proposed Opportunity Zones.

**Recommendations for Future Research and Action**

The landscape of the CDFI industry is changing as CDFIs respond to competition from online lenders, experience leadership turnover and develop ways to remain competitive in an increasingly resource-constrained and technology-driven arena. As CDFIs continue to pursue collaborations for competitive advantage, future research efforts can continue to track the partnerships and understand long-term strategy and impact. Within the specific context of this work, several of the case study partnerships are in the midst of strategic changes — be that potential expansion of the partnership to new geographic areas, consideration of a new legal structure or a more significant role in advising local community development. Future research may track these developments and work to document the decision-making processes these groups go through as they evaluate new opportunities. Furthermore, given the relative dearth of assessment metrics for the partnerships in this piece, researchers may look to develop ways for CDFI partnerships to easily measure and communicate their collective impact.

As the Richmond Fed and our partner Federal Reserve Banks continue to play an active role in convening and researching leading practices in the CDFI industry, we plan to expand our biennial Survey of CDFIs beyond the Southeast region of the United States. The 2019 iteration of the survey is anticipated to be a national survey of CDFIs, and that survey tool will be used to gather additional information on existing CDFI partnerships nationwide.

CDFIs play a critical role in the community development sector and beyond, and their strength is essential for the economic stability of low- and moderate-income communities. As the industry grows and changes, strategic collaboration becomes ever more important for the vitality and prosperity of CDFIs and the communities they serve.

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**Note on Authors**

At the time of publication, several authors are no longer with their respective Federal Reserve Banks. Will Lambe and Chris Thayer are no longer with the Federal Reserve Bank of Atlanta, so any questions on their case studies may be directed to Karen Leone de Nie at karen.leonenedie@atl.frb.org. Jen Giovannitti is no longer with the Federal Reserve Bank of Richmond, so any questions on her case study may be directed to her at jgiovannitti@benedum.org.
REFERENCES


APPENDIX A: CASE STUDY INTERVIEWEES

Diego Abente, Vice President of Economic Development Services & President of the International Institute Community Development Corporation, International Institute

Oswaldo Acosta, Director of Small Business Services, Latino Economic Development Center

Bill Ariano, President and CEO, Baltimore Community Lending

Dave Clark, Executive Director, Woodlands Development Group and Woodlands Community Lenders

Robin Danner, President and CEO, Council for Native Hawaiian Advancement

Tanya Fiddler, Executive Director, Native CDFI Network

Grace Fricks, President, Access to Capital for Entrepreneurs

Yonina Gray, Director of Business Development, Reinvestment Fund and Atlanta Neighborhood Development Partnership

Don Hinkle-Brown, President and CEO, Reinvestment Fund

Carol Jackson, Secretary, Mid-Ohio Valley Regional Council

Robert James II, Senior Vice President, Carver State Bank

Marten Jenkins, President and CEO, Natural Capital Investment Fund

Gerard Joab, Executive Director, St. Ambrose Housing Aid Center

Mary Seaberg King, Senior Vice President, Invest Detroit

Maria Langston, Assistant Vice President of Community Development, St. Louis Community Credit Union

Michelle Mapp, CEO, South Carolina Community Loan Fund

Bernie Mazyck, President and CEO, South Carolina Association for Community Economic Development

Deborah McKetty, President and CEO, CommunityWorks Carolina

John O’Callaghan, President and CEO, Atlanta Neighborhood Development Partnership

Dan Reitz, Executive Director, First MicroLoan of West Virginia

Nancy Wagner-Haslip, Chief Investment Officer, Reinvestment Fund

Tahirih Ziegler, Executive Director, Detroit LISC
The case studies in this publication are based on interviews conducted using the case study questionnaire that follows. The structure of the CDFI partnership dictated the relevant interviewees, but, in general, the case study author interviewed three to four partnership leaders. These leaders included the current president/ED of the partnership, the presidents/CEOs/EDs of the most active partner CDFIs, the leading staff member of the convening/funding organization (if different than the partner CDFIs) and/or the founding president/ED of the partnership. Once all interviews were complete, the case study author then objectively synthesized responses to the case study questions into sections that mirror the case study questionnaire sections.

**Case Study Questionnaire:**

**I. CDFI Partnership Genesis and Structure**

1. When and how did the partnership begin? Were any non-CDFI organizations (e.g., CDFI Fund, OFN, a Federal Reserve Bank, foundation, etc.) involved in the creation of the partnership?
2. Who were the founding partner CDFIs?
3. How was the formation of the partnership funded?
4. What were the driving factors that motivated the creation of the partnership? Did any of the partner CDFIs use additional alternative methods to help achieve scale and sustainability prior to or following the creation of the partnership?
5. What partner CDFIs actively participate? Are these organizations certified or is the partnership open to noncertified CDFIs?
6. Does the partnership have a legal structure (including 501(c)(3))? If so, what is it?
7. What is the leadership structure of the partnership? How frequently and by what means do partner organizations communicate and meet?
8. Does the partnership have dedicated staff? *(Staff resources may be provided by the partner CDFIs or by an external organization.)*

**II. Goals and Achievements**

*Consider providing alternate questions depending on partnership goals.*

1. What were the partnership’s original goals and mission?
2. What accomplishments have been made toward those goals?
3. What are the partnership’s goals today? How does the partnership plan to achieve these goals?

**III. Financing and Nonlending Activities**

1. What financing activities, if any, do partner CDFIs pursue together? What nonlending activities, if any, do partner CDFIs pursue together?
2. Does the structure of the partnership allow partners to have increased access to capital, or increased ability for capital deployment? If so, how?
3. Does the partnership include features that help maintain financial sustainability, such as a loan loss reserve fund?
IV. Impact and Assessment
1. What impact and assessment activities do partner CDFIs undertake together? What are some ways the CDFI partnership assesses its impact? (This question is meant to capture collective impact and assessment activities, rather than the activities of each individual partner organization.)
2. How is impact communicated to internal and external stakeholders?
3. What additional metrics, if any, would benefit the partnership?

V. Challenges, Opportunities and Leading Practices
1. What challenges, if any, has the partnership faced? (Note: This question is intentionally broad, and can cover both internal and external challenges.)
2. Does the partnership have a strategic plan? If so, how frequently is it updated?
3. Does the partnership have a succession plan for its leadership? What happens if a strong partner exits the partnership?
4. Is the partnership open to new CDFI or non-CDFI partners? If so, does the partnership have a recruitment strategy for new partners? (The recruitment strategy may differ for CDFI and non-CDFI partners, e.g., partner CDFI recruitment vs. advisory board recruitment.)
5. What opportunities do you see for the future of the partnership?
6. Are there additional ways that the partner CDFIs have worked toward scalability outside of the partnership? If so, what are they?
7. At what point, if any, would the partnership be disbanded?
8. What practices have benefitted the creation and work of the partnership? What insights would you provide CDFIs that are interested in partnership creation?
Endnotes

1 For more information about the Richmond Fed’s Survey of CDFIs in the Southeast, please see: www.richmondfed.org/publications/community_development/community_scope/2017/community_scope_2017_no2.pdf.


4 The self-sufficiency ratio is defined as a CDFI’s total earned revenue divided by pre-tax operating expenses. CDFIs with missing revenue, asset or operating expense data were excluded. CDFI Fund, 2017, “2017 CDFI Program and NACA Program Data Release: Data, Documentation and Instructions.”


9 See e.g. SCAD. (September 18, 2014). Private Colleges and Universities Authority Revenue Bonds (the Savannah College of Art and Design Projects) (Ser. 2014.), Savannah, GA: SCAD; Bellweather. (December 9, 2014). Enterprise Community Investment Inc. and Bellwether Enterprise Secure $51.4 Million Deal Leveraging New Markets Tax Credits to Create Hundreds of Jobs in Atlanta Area Enterprise; Savannah Tribune. (May 6, 2015). New Markets Tax Credits Seminar Held in Savannah. The Savannah Tribune.


13 (February 21, 2018), Carver Receives $30 Million In New Markets Tax Credits. The Savannah Tribune.


15 See “Atlanta Neighborhood Development Partnership recognized with Visionary Award by the National Housing Conference;” U.S. Department of Housing and Urban Development.


17 O’Callaghan, J. (March 29, 2018).


19 O’Callaghan, J. (March 29, 2018).


22 For more information on the Capital Magnet Fund and New Markets Tax Credit programs, please see: www.cdfifund.gov/awards/state-awards/Pages/state-result.aspx?state=GA&Name=Georgia and www.housingpartnership.net/ideas/articles/in-push-to-develop-local-economies-homeownership-needs-a-boost.

23 O’Callaghan, J. (March 29, 2018).


27 PolicyMap can be found at www.policymap.com.


30 The video can be found at www.youtube.com/watch?v=8cFatpEkvROc&feature=youtu.be.

31 Per the list of certified CDFIs published the CDFI Fund on April 30, 2018.

33 The Native American CDFI Assistance (NACA) Program is a competitive funding program initiated by the CDFI Fund that provides financial and technical assistance awards to expand and build the capacity of NCDFIs.

34 This report can be accessed at https://prosperitynow.org/resources/native-entrepreneurship-south-dakotas-nine-reservations.


36 The report can be accessed at https://nni.arizona.edu/publications-resources/publications/policy-reports/access-capital-and-credit-native-communities.

37 The Detroit CDFI Coalition CDFI Grid can be found at www.lisc.org/media/filer_public/d5/4d/d54d3438-5fa9-43df-90e3-b501e957a09a/072017_detroit_coalition_cdfi_grid.pdf.

38 “Detroit to expand Strategic Neighborhood Fund, raise $130 million for 7 more neighborhoods,” Crain’s Detroit Business, May 7, 2018.


40 The three co-financed projects are the Howard Park Grocery Store, Centre Theatre and Remington Row. For more information about the financing of these development projects, please see Opportunity Finance Network. (September 2017). Baltimore, Maryland CDFI Roundtable.

41 Baltimore Business Lending’s website is baltimorebusinesslending.org.


46 For more information, please see “CDFI Collaborations: Keys to Success.”