Community Development Financial Institutions

The Role of CDFIs in Building Quality Childcare

Presented by:
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Objectives

- CDFIs: What are they and who do they serve?
- Forward Community Investments: Mission, vision, history and what we do
- Connection to early childhood education
- Projects funded by FCI
CDFIs Today

CDFIs are:

• Private **mission-driven** financial institutions
• Dedicated to serving **customers that cannot meet conventional underwriting** requirements
• Profitable but **not profit-maximizing**
• Put **community first**, not the shareholder
• **Create economic opportunity:** jobs, affordable housing, community services
• **20+** CDFIs in Wisconsin
CDFI Loans

• CDFIs provide loans to:
  – MICROENTERPRISES & BUSINESSES
  – NONPROFIT ORGANIZATIONS
  – INDIVIDUALS

• These loans:
  – CREATE JOBS
  – BUILD LONG-TERM FINANCIAL SUSTAINABILITY
  – STABILIZE COMMUNITIES
Community beneficiaries of CDFI Loans
CDFIs = Opportunity
Forward Community Investments

We are...

- a statewide community development financial institution (CDFI)
- providing mission-based financing,
- advisory services,
- and grants to Wisconsin mission-based organizations addressing socioeconomic disparities and racial inequities.
An equitable and inclusive Wisconsin built on cooperative social action
We work in communities across WI with organizations that are addressing the root causes of social, racial and economic disparities and inequities.
Since 1996...

$90M+
Loans to 150+ mission-based organizations

500+
Organizations received advising and training

$3M
Grants to nascent social justice groups

$75M
New Market Tax Credits awarded to FCI
Social Impact of FCI Loans (since 1994)

- 9,167 children provided with childcare
- 2,106 affordable housing units
- 333,408 clients served
- 3,065 jobs created
How is FCI Connected to Childcare?

FCI finances organizations and projects that provide quality childcare in communities where access is not readily available.

- Quality Childcare
  - For-Profit and Nonprofit Businesses
  - Two-Generational Approach
  - Infant to 4K & 5K
  - Incorporates Healthy Food and Healthy Bodies
Forward Community Investments
In Action

Madison
WI

Designed by TownMapsUSA.com
One City Early Learning Center

$800K: Building Acquisition and Renovation
Small World Childcare Center

$50K: Renovation
Jo’s Learning Academy

$500K: Renovation and Expansion
What Do All of These Projects Have in Common?

• Lots of time – years not months to get from concept to “let’s buy/expand/renovate”
• Multiple cross-sector stakeholders – nonprofit, for-profit, community and government partners
• Money came from multiple sources for multiple purposes – starting with pre-development to construction to operations
• One dedicated person who carried the torch
Final Questions

• When is it appropriate for an organization or project to seek financing from a CDFI?
• How does an organization or project qualify for financing?
• What steps can an organization take to qualify for financing from a CDFI?
• In addition to financing, what are other ways a CDFI can help an organization?
For information about CDFIs and Forward Community Investments, go to www.forwardci.org or reach out to me at sallim@forwardci.org