



**GREATER
FORT WAYNE INC.**
METRO CHAMBER ALLIANCE

Expanding CDFI Capacity for Small Businesses & Individuals

Allen County Leaders Luncheon
Wednesday, July 9, 2025





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Ellen Cutter

Greater Fort Wayne Inc.

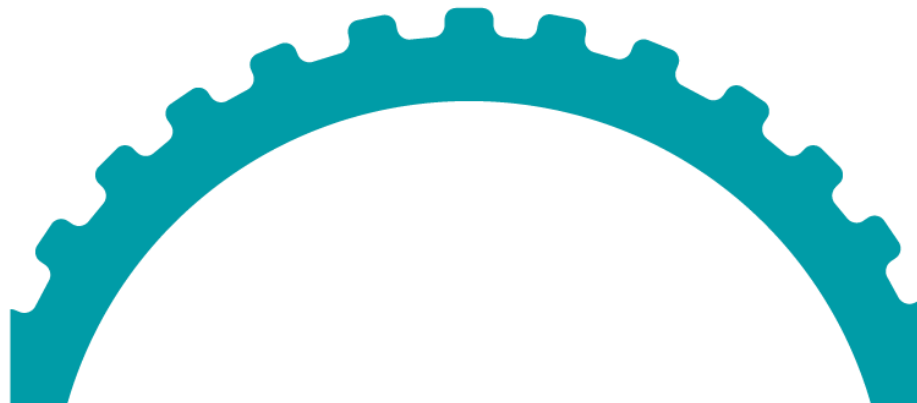
Chief Economic Development Officer





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COUNCILMAN

Geoff Paddock

Fort Wayne City Council

5th District





GREATER FORT WAYNE INC.

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Our Mission

*Building A Nationally
Recognized Economy*

*Grow Jobs.
Grow Wages.
Grow the Economy.*

Our Partner Organizations

As the Local Economic Development Organization (LEDO), we collaborate with local municipalities and organizations to transform Fort Wayne & Allen County.



Allen County Together (ACT)

Economic Development Plan



PILLAR ONE:

High-Growth



PILLAR TWO:

Innovative



PILLAR THREE:

Inclusive



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A woman with dark curly hair is focused on sewing a piece of bright yellow fabric with a red and orange floral pattern. She is wearing a black top with a colorful floral print and a pearl necklace. A measuring tape is draped around her neck. The background is a pink workshop with a wooden rack holding various spools of thread in different colors. A sewing machine is visible on the table in front of her.

CDFI LENDING

- DEPLOY \$10M IN FUNDING BY 2026
- DEPLOY \$25M IN FUNDING BY 2031

Sew Pinky



BUILD INSTITUTE

DETROIT INTER-CITY VISIT, 2018

BUILD Institute Fort Wayne

2019-2024 Results

- ▶ 413 entrepreneurs enrolled
- ▶ 337 graduated BUILD Institute
- ▶ Established 178 new (and still active) businesses in Allen County
 - ▶ 135 of which (75%) are women-owned
 - ▶ 123 of which (68%) are minority-owned
 - ▶ 87 of which (49%) are brick and mortar





COMMUNITY DEVELOPMENT

LOUISVILLE INTER-CITY VISIT, 2019

What is a CDFI?

- ▶ Community Development Finance Institutions
- ▶ Certified by the U.S. Department of Treasury
- ▶ Serving people and businesses in underserved areas to promote economic development through job creation, neighborhood revitalization, affordable housing, etc.
- ▶ Nationwide, 83% of CDFI clients are low income and 61% are people of color.





CDFI Friendly America Study

CDFI lending in Allen County was found to be 29% of the national average.

CDFI gaps in the Fort Wayne area identified include:

- ▶ Mortgage assistance, affordable housing, multifamily housing, community facilities, commercial real estate, or businesses needing more than \$250,000;
- ▶ Leveraging opportunities in Fort Wayne's neighborhoods;
- ▶ Serving low-income people and places.



**COMMUNITY
FOUNDATION**
OF GREATER FORT WAYNE



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Startup Success Stories

- ▶ Brotherhood Mutual
- ▶ Do it Best
- ▶ Franklin Electric
- ▶ Ruoff Mortgage
- ▶ Steel Dynamics
- ▶ Sweetwater Sound



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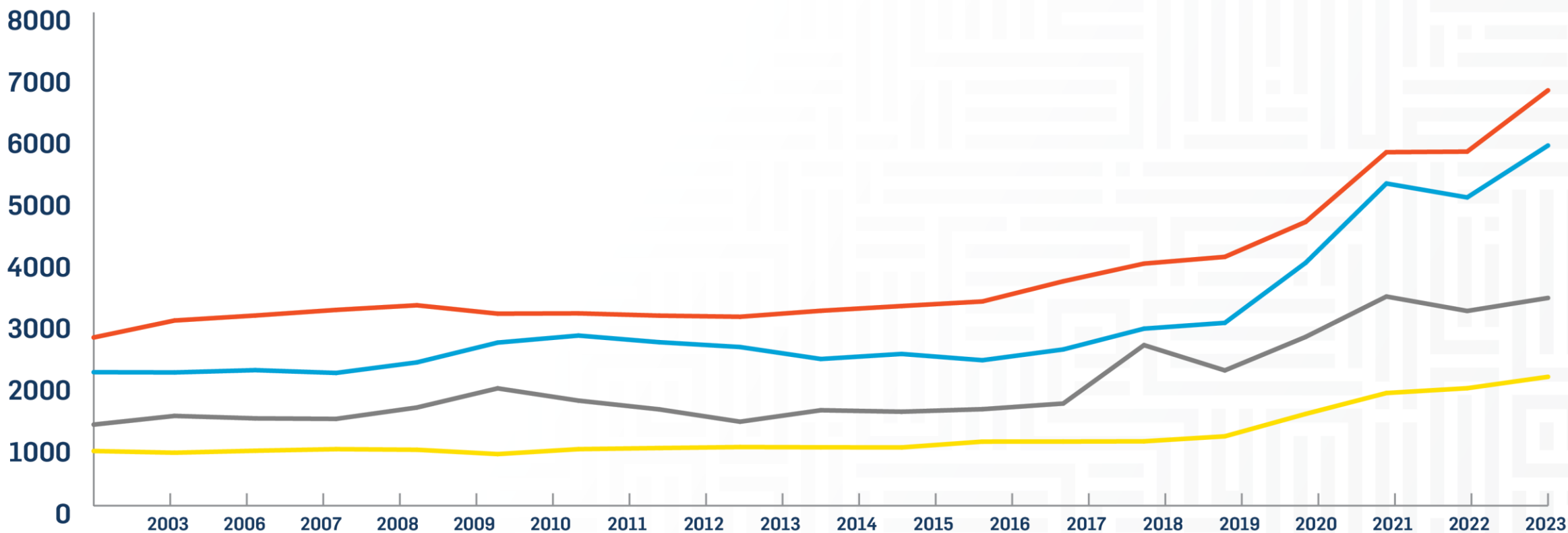


Employee at Steel Dynamics

Surge in Small Businesses

New Business Applications 2005 - 2023

5-Year Growth in New Business Applications	
Allen County	100%
Hamilton County	69%
St. Joseph County	45%
Vanderburgh County	92%
Indiana	76%
USA	56%



Source: U.S. Census Bureau, 2024

Welcoming Fort Wayne

Immigrant Entrepreneurs

- ▶ 1,300 immigrant-owned businesses in Allen County
- ▶ 59% of first-generation residents in Allen County aspire to own their own business, compared to 22% among other Allen County residents





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TOP-10

**Best states to start
a business in 2025**

GoBankingRates.com



City Barbeque Ribbon Cutting

Fort Wayne Ranked

TOP-5

**U.S Metro with an Increase
in Black-Owned Businesses**
as a proportion of all businesses (2017- 2022)

Source: Brookings' analysis of American
Business Survey data



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K.Y.D.A. Creative Studio Ribbon Cutting



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Matt Crouch

Brightpoint

VP of Community Economic Development



CDFI 101



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CDFI History

Beginning in the 1880s when the first minority-owned banks focused on low-income areas, community organizations have developed to provide needed financial services.

From the creation of credit unions in the 1930s and 1940s and community development corporations beginning in the 1960s and 1970s, to the more recent emergence of nonprofit loan funds in the 1980s, the predecessors to CDFIs sought to better the conditions in these economically underserved markets.



Laying the Foundation for the CDFI Movement

The Federal Credit Union Act established a new independent agency, the National Credit Union Administration (NCUA)

1970

1973

Inclusiv was formed to help low- and moderate-income people and communities achieve financial independence by assisting credit unions.

1974

The Institute for Community Economics Revolving Loan Fund was formed to bridge the gap between community groups and potential lenders, building a blueprint for the modern CDFI loan fund model.

1977

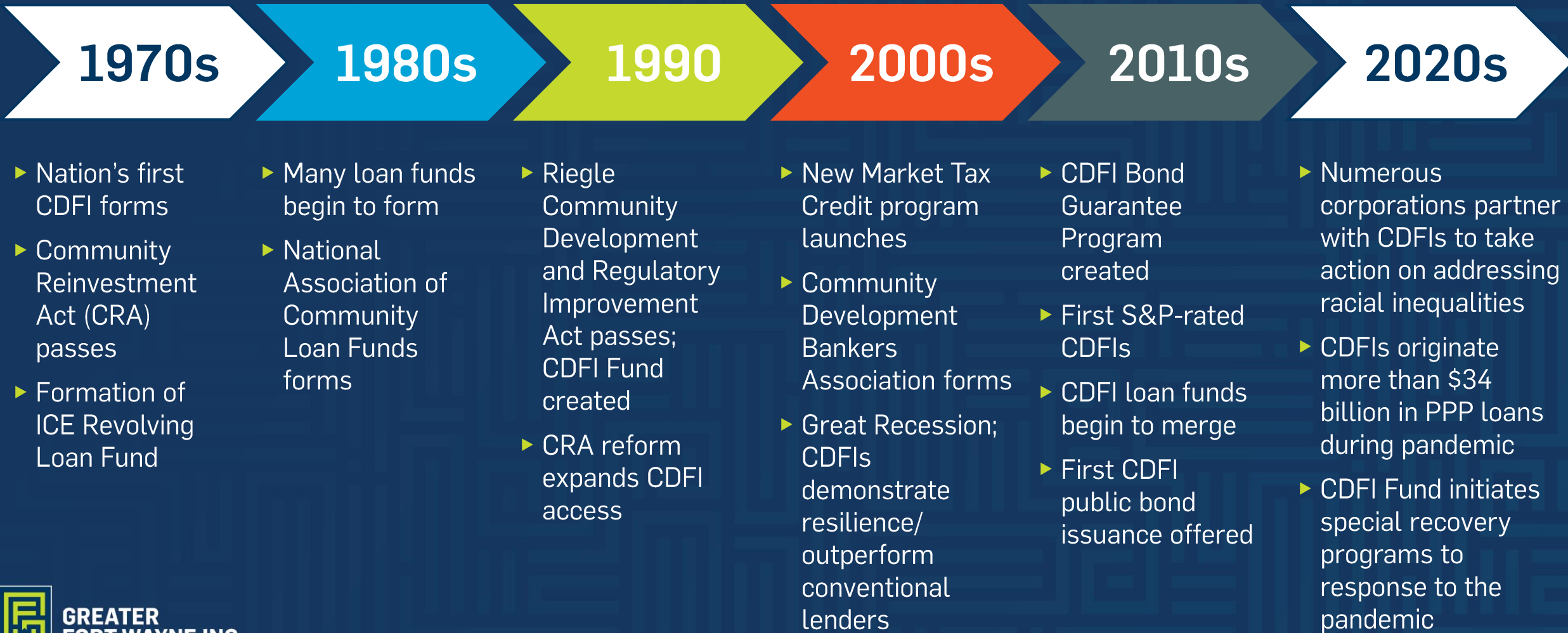
1979

The first Community Development Bank, ShoreBank, which is also considered the nation's first CDFI, launches in Chicago, IL.

A new generation of CDCUs emerged throughout the 1970s, such as those serving rural and faith-based communities, as well as others rooted in alternative and cooperative culture.



Since the 1970s, CDFIs have worked for economic, social, and racial justice.



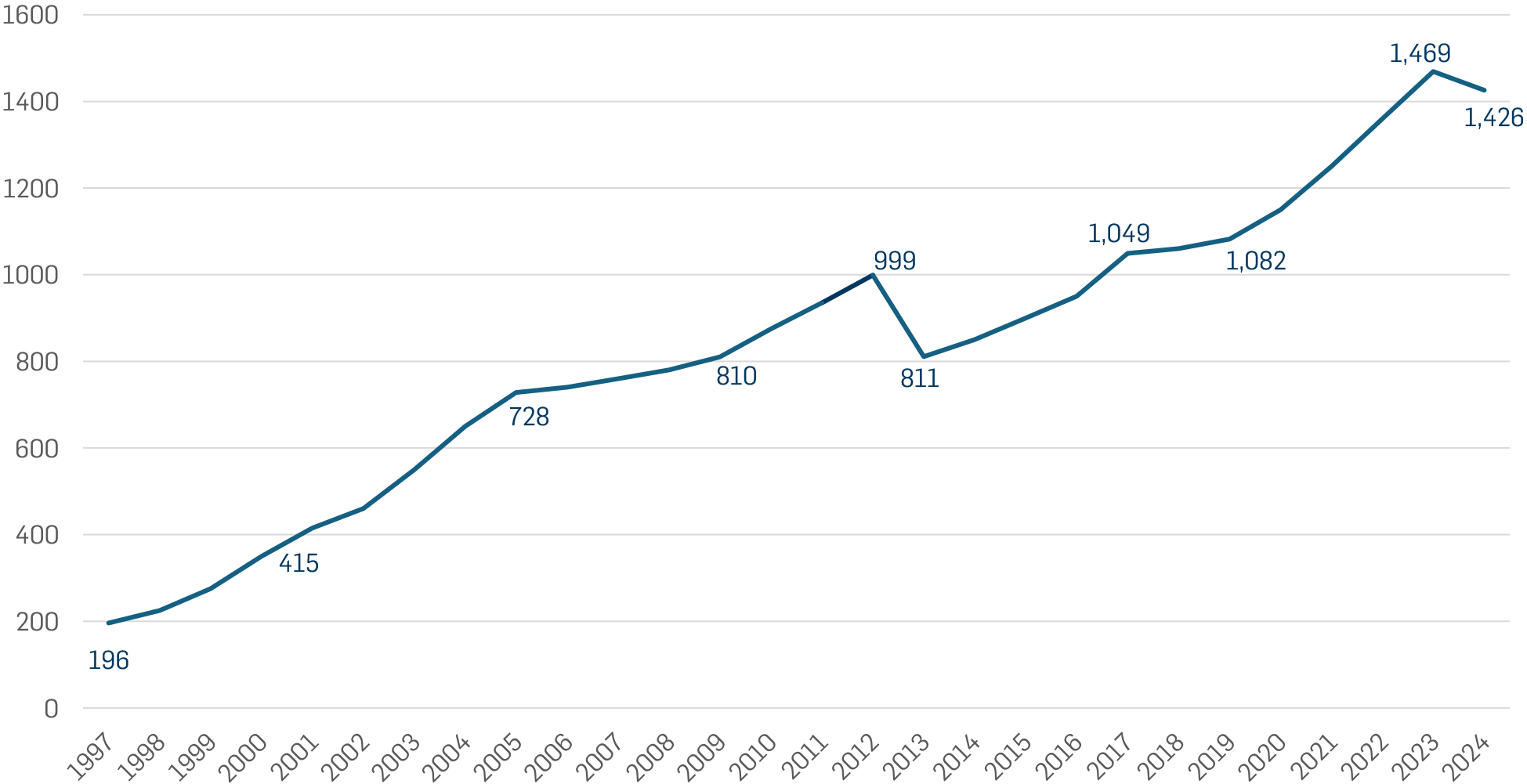
Who can be a CDFI?

CDFI can be a variety of entities, including banks, credit unions, loan funds, and venture capital funds.





Number of Certified CDFIs from 1997 to 2024



The Four Types of CDFIs

Community Development Institution	Banks	Credit Unions	Loan Funds	Venture Capital Funds
Structure	Primarily for-profit; Some mutually-owned	Non-profit, Cooperative	Primarily non-profit; Some for-profit	Typically for-profit
Regulation	FDIC, Federal Reserve, OCC, and state banking agencies	National Credit Union Administration (NCUA); state banking agencies	Unregulated	Unregulated
Capitalization Structure	Insured deposits, subordinated debt, and equity	Insured deposits, subordinated debt, and equity	Unsecured and secured debt, EQ2, and equity (grants)	Equity (and potentially debt)
Financial Services Offered	Loans and depository services for housing, business, commercial real estate, and consumer	Promote asset building and savings; affordable credit and retail financial services for individuals and small businesses	Loans for housing, microenterprise, small business, consumer, community facilities, and commercial real estate	Equity and debt with equity features to mid-sized businesses with high growth potential and social impact



Sources of CDFI Funding

CDFIs (Non-Profit or For-Profit Structure)

Public Funding

CDFI Fund is administered by the US Department of Treasury

Private Funding

Comes from corporations, individuals, religious institutions, or private foundations.

Investments

Loans

Banks and other institutions at Class A/senior debt

Foundation PRIs or impact investments at Class B/subordinate debt

Equity Investments

Direct investment in CDFI or CDFI fund in exchange for equity in underlying business

Philanthropy

Grants

Direct support for CDFIs

Recoverable Grants

Offer flexibility to build CDFI asset base

Can support first loss or junior position capital

Deposits

Provide liquidity to CDFIs who support communities through lending / banking activities

CDFI Financing Sectors

Financing Sector	Description
Affordable Housing	Financing to both: 1) Funding for housing groups to develop, acquire, or renovate rental, for-sale, or supportive housing. 2) Individuals to support homeownership and home improvements.
Commercial Real Estate	Financing for construction, rehabilitation, acquisition or expansion of nonresidential property used for office, retail, or industrial purposes.
Community Facilities	Funding for nonprofits and service organizations to acquire, build, or expand facilities and operations.
Consumer	Credit extended for personal (secured and unsecured) loans to individuals for health, education, emergency, debt consolidation, transportation, and other consumer purposes.
Intermediary	Financing provided to other CDFIs.
Small Business	Financing typically in an amount greater than \$50,000 to for-profit and non-profit businesses that typically have more than five employees and for the purpose of expansion, working capital, or equipment purchase/rental, etc.
Microenterprise	Financing to for-profit and non-profit businesses that typically have five or fewer employees and with a maximum loan/investment amount of \$50,000. This financing may be for the purpose of start-up, expansion, working capital, or equipment purchase/rental, etc.



Are CDFIs Under Attack?

YES!

Now more than ever, CDFIs,
banks, credit unions, and
loan funds need to band
together to do what is right
for communities!



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Does Fort Wayne have CDFIs?

- ▶ **Brightpoint Development Fund**
- ▶ **Fort Financial Federal Credit Union**
- ▶ **Urban Beginnings Choice Federal Credit Union**
- ▶ **Additionally, some CDFIs such as Bankable and IFF, serve all of Indiana or a multi-state area in the Great Lakes region.**



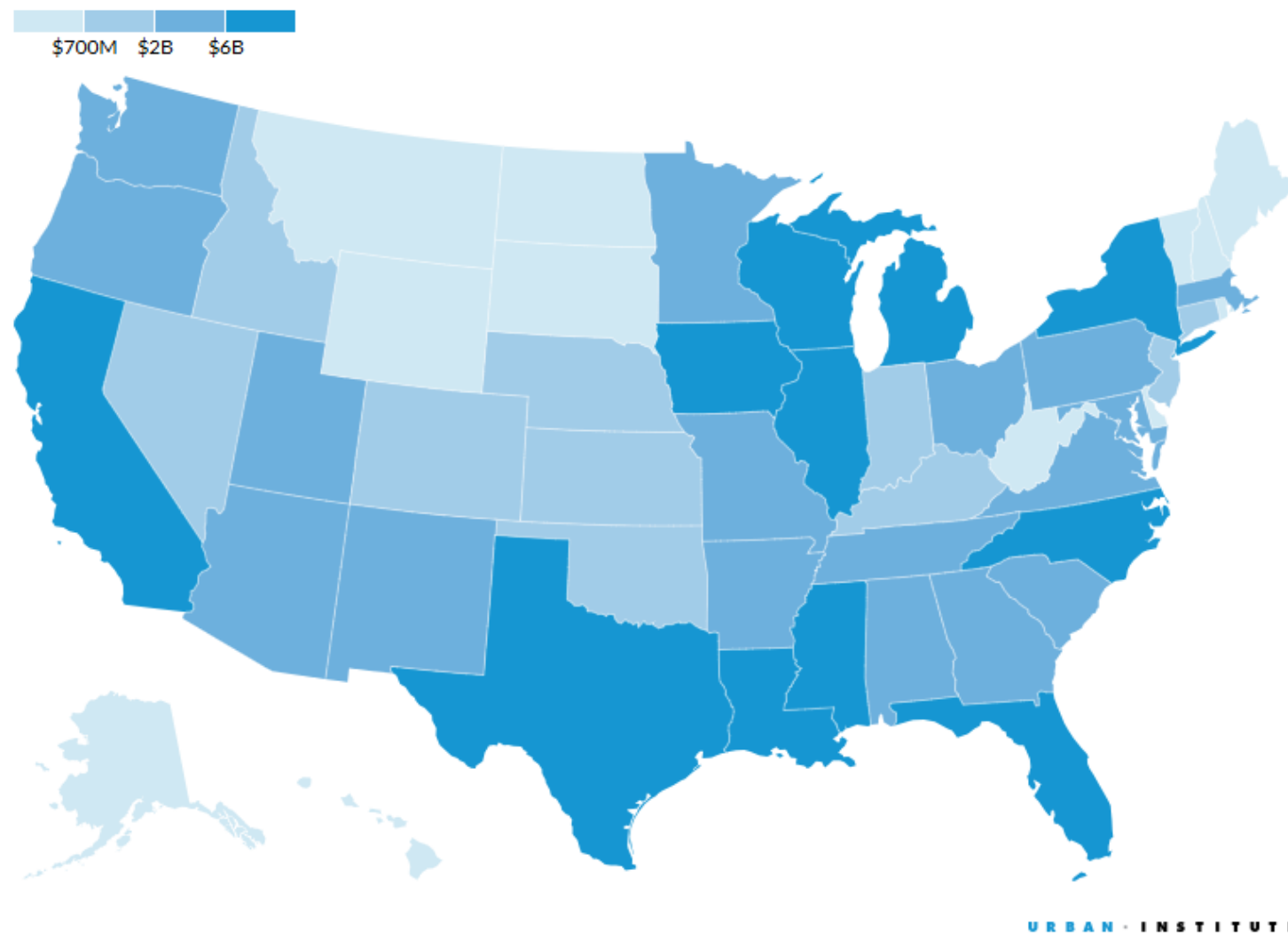
Why does Fort Wayne need CDFIs?

For a community to thrive economically, it requires access to basic financial services, affordable credit, and investment capital.

Yet historically, for low-income communities and individuals, access has often been limited.



CDFIs Support Communities in Every State



Source: US Department of the Treasury Community Development Financial Institutions (CDFI) Fund Transaction Level Report data, 2013-22.

Notes: Dollar values are adjusted for inflation to 2024. Data include all CDFIs that received Financial Assistance awards in a given year.



Indiana Impact Data

Amount of NMTC Investments

▶ **\$1,054,728,342**

Amount of CDFI Loans

▶ **\$898,247,236**

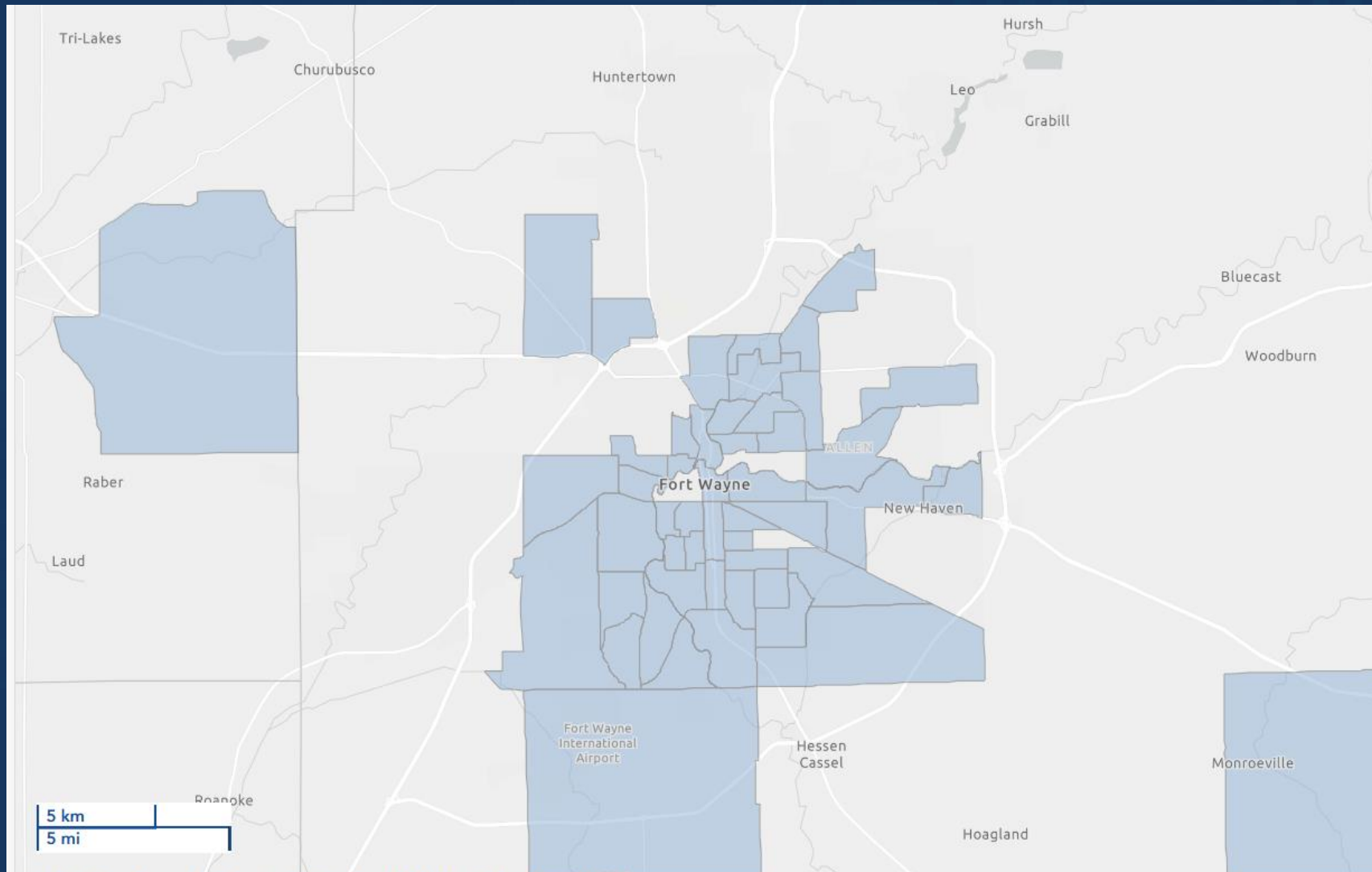
Number of NMTC Investments

▶ **116**

Number of CDFI Loans

▶ **60,224**

Fort Wayne/Allen County is a CDFI Desert





Brightpoint Development Fund

- ▶ BDF is a leader in the local ESO ecosystem, collaborating with a broad range of partners:
 - ▶ Local government
 - ▶ Chambers of Commerce
 - ▶ Philanthropic organizations
 - ▶ Nonprofit organizations
 - ▶ Private lenders
- ▶ SBA-certified micro lender, helping entrepreneurs to launch and grow their businesses
- ▶ Largest CDFI in Northeast Indiana

Expanding CDFI Capacity

- ▶ Affordable Housing
- ▶ Small Business Loans
- ▶ Community Loan Center
- ▶ Auto Lending



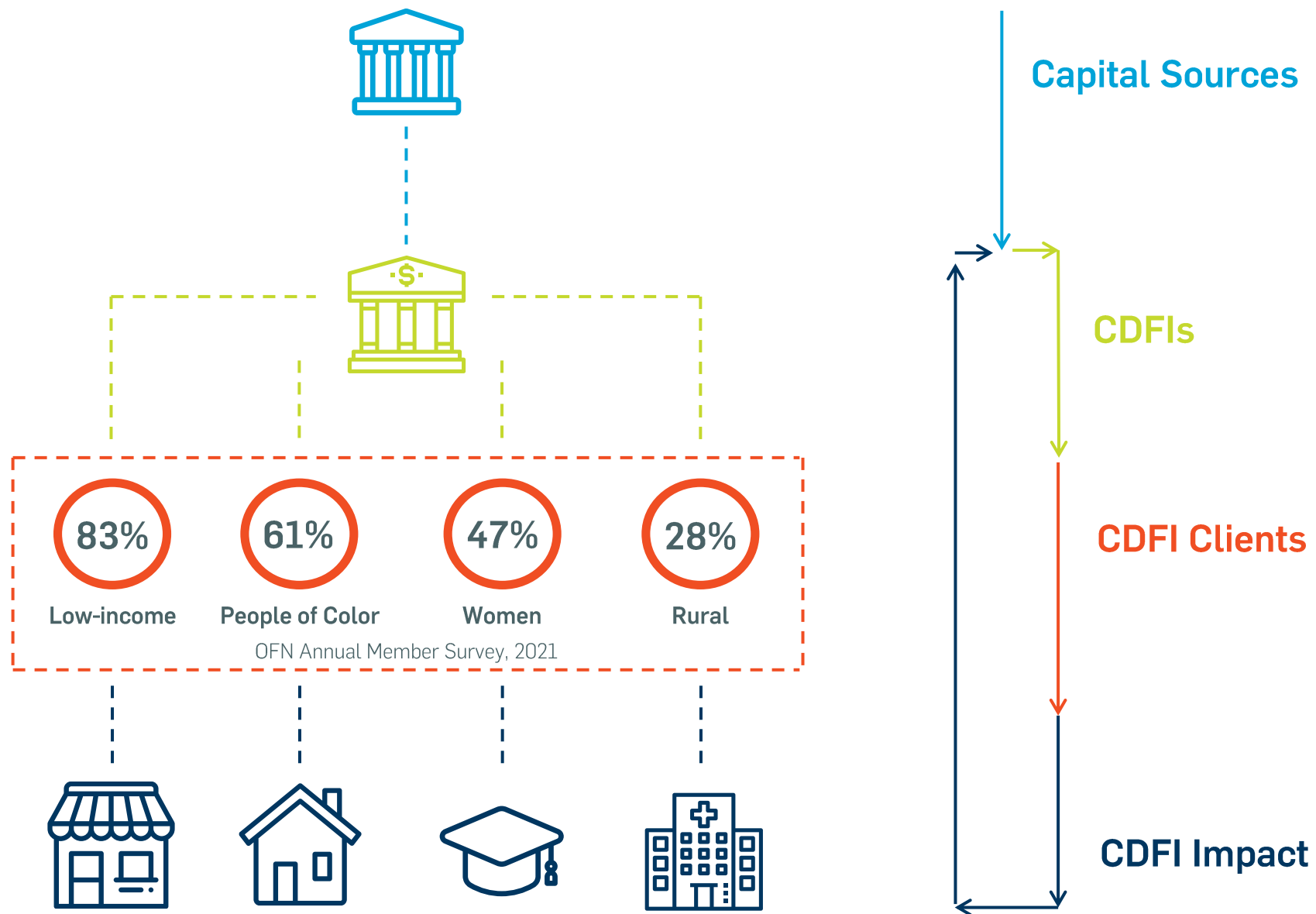
The logo for the Brightpoint Development Fund features the word 'brightpoint' in a blue and purple sans-serif font, with a stylized graphic of three colored triangles (yellow, blue, and purple) above the 't'. Below it, the words 'Development Fund' are written in a smaller, blue, sans-serif font.





CDFIs RECYCLE CAPITAL

As borrowers
repay their loans,
CDFIs recycle the
money back into
the community
through new
borrowers.



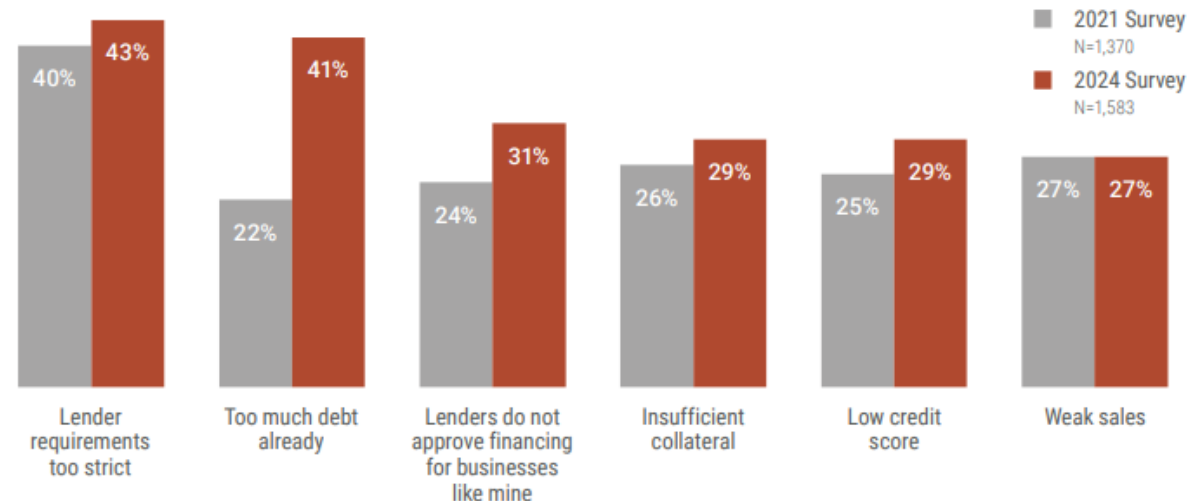


Why Traditional Financing Falls Short

- ▶ Many small businesses, especially in underserved markets, are denied or underfunded by traditional lenders.
- ▶ 43% of credit applicants cite barriers like too much existing debt or strict lender requirements.
- ▶ Systemic gaps in access remain most pronounced for minority-, immigrant-, and rural-owned firms.
- ▶ Fear of rejection keeps many from applying at all.
- ▶ CDFIs are designed to serve where traditional lenders retreat — by meeting businesses where they are.

Applicants that were denied financing were far more likely in 2024 than in 2021 to attribute their denial to having too much debt already.

REASONS FOR CREDIT DENIAL, Prior 12 Months^{1,3} (% of applicants that were not approved for at least some of the financing sought)



Source: Federal Reserve Small Business Credit Survey

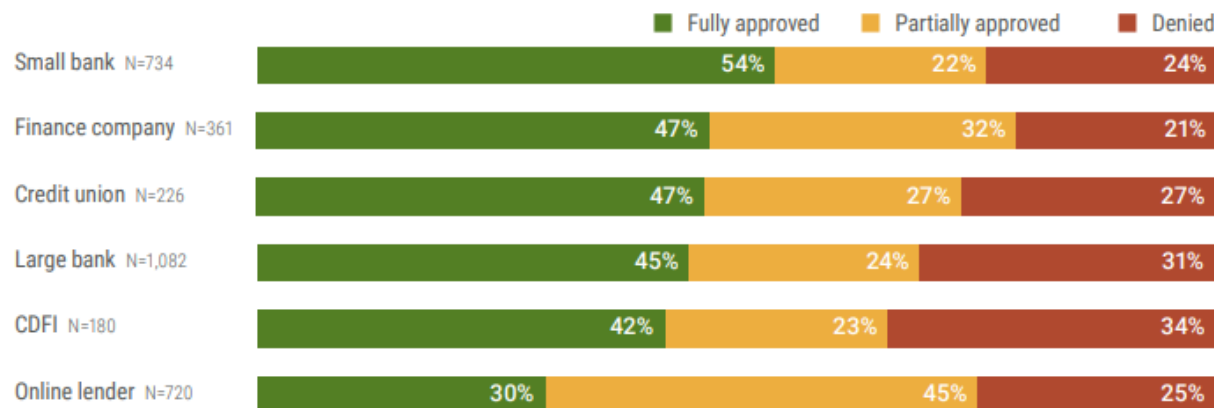


Approval Doesn't Always Mean Success

- ▶ Even among applicants who are approved, most don't receive the full amount requested.
- ▶ CDFIs and small banks offer better approval outcomes than large banks and online lenders, but firms still face capital shortfalls.
- ▶ Online lenders approve quickly but often impose high rates and unfavorable terms.
- ▶ CDFIs help bridge the gap with flexible capital and deeper relationships.

Firms that applied for financing at small banks were more likely than firms that applied at large banks and nonbanks to be fully approved.

OUTCOMES FOR LOAN, LINE OF CREDIT, OR CASH ADVANCE APPLICANTS, By Source, Prior 12 Months^{1,2}
(% of loan, line of credit, and cash advance applicants at source)





CDFIs Address the Root Causes

- ▶ The top reason businesses seek capital? Operating expenses and cash flow — not expansion.
- ▶ Inflation, delayed payments, and rising costs have pushed many small businesses to the brink.
- ▶ The average small business has less than a month's worth of cash on hand.
- ▶ CDFIs are uniquely positioned to provide:
 - ▶ Working capital loans
 - ▶ Financial coaching & technical assistance
 - ▶ Mission-aligned lending focused on long-term sustainability



Drive to Success Data

▶ Amount Loaned	\$200,175
▶ Loans Made	22
▶ Current Portfolio	\$70,150

Community Loan Center

▶ Amount Loaned	\$7,218,445
▶ Loans Made	7,377
▶ Current Portfolio	\$1,185,405

Small Business Loan Performance

▶ Amount Loaned	\$3,575,890
▶ Loans Made	196
▶ Current Portfolio	\$1,221,402

Small Business Training & Coaching

▶ Number of Clients	5,328
▶ Number of Hours	8,980
▶ Training Classes	38
▶ Number of Attendees	334



OUR GOAL

Bring on additional partners to help
fulfill our goal in Allen County

Together for an additional:

- ▶ **\$10 million in CDFI capacity by 2026**
 - ▶ **\$25 million by 2031**



NEXT STEPS

We are on track to deploy an additional \$14.3 million in CDFI capital.

15% (\$2 million) is needed in Loan Loss Reserve to do so.

Loan Type	Partners	Total Capital Available	Partner Contribution Type	LLR/ Guarantee Needed	Current Status
Mortgage	MidWest America FCU FWNMTC	\$4,800,000	Grant to establish loan guarantee fund	\$600,000	Commitment: \$100,000 Brightpoint; \$500,000 FWNMTC
Multi-Sector Lending	Federal Home Loan Bank, MidWest America FCU	\$2,500,000	Below-market capital + rate buy-down grant	\$375,000	Pending Confirmation
Small Business	City of Fort Wayne	\$2,500,000	Direct grant for loan capital	\$375,000	In development
Multi-Sector Lending	Old National Bank	\$2,000,000	Equity investment into BDF lending operations	\$300,000	In development
Small Business	Capital Improvement Board	\$500,000	Direct grant for loan capital	\$75,000	In development
Small Business	Small Business Administration	\$500,000	Sub-prime loan capital via federal program	\$75,000	In development
Consumer	PNC Bank	\$1,500,000	Sub-prime line of credit for underserved borrowers	\$225,000	In development
TOTAL		\$14,300,000		\$2,025,000	



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**Laura
Castone**

First Merchants Bank

VP / Corporate
Social Responsibility



**Matt
Crouch**

Brightpoint

VP of Community
Economic
Development



**Tracy
Hanlin**

STAR Financial Bank

VP, Director of
Compliance &
Community Reinvestment



**Andrea
Robinson**

City of Fort Wayne / SEED

Economic
Development
Administrator

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COUNCILWOMAN

Rohli Booker

Fort Wayne City Council

6th District



Call To Action

CDFIs are catalytic – but we can't do it alone.

If you're a banker, funder, economic developer, or business support organization, we invite you to the table.

Together, we can support startups, grow small businesses, and ensure every entrepreneur has a path to thrive.

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THANK YOU FOR ATTENDING TODAY'S EVENT!



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SAVE THE DATE

Upcoming GFW Inc. Events

See our full upcoming
events calendar at
EVENTS.GFWINC.COM

Onboard Fort Wayne Newcomer / Networking Social

Thursday, July 17, 2025 | 5:05 – 7:00 PM

Power Up Action Park

Small Business Exclusive: Customer Loyalty Unlocked

Tuesday, August 26, 2025 | 4:00 – 6:00 PM

STAR Financial Bank

Allen County Leaders Luncheon:

“Beyond Accommodations: Designing Spaces That Welcome Everyone”

Wednesday, August 27, 2025 | 11:00 AM – 1:00 PM

The Lodge at Camp Red Cedar

2025 GFW Inc. Economic Development Summit

Thursday, September 11, 2025 | 11:00 AM – 5:00 PM

Allen County War Memorial Coliseum, Conference Center

Meet Me @ 5:05

Tuesday, October 14, 2025 | 5:05 – 7:00 PM

The Fairfield



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Stay in the loop. Follow us on **social media!**

Follow Greater Fort Wayne Inc. and stay informed on upcoming events, community developments & more!



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