### Appendix C: Federal Funding Sources

<table>
<thead>
<tr>
<th>FUNDER</th>
<th>PROGRAM</th>
<th>AMOUNTS &amp; USES OF FUNDS</th>
<th>CONSIDERATIONS</th>
</tr>
</thead>
</table>
| US Dept. of Health & Human Services – Administration for Native Americans (ANA) | Social and Economic Development Strategies (SEDS) | • Grant funds used for a variety of economic and community development activities and capacity building  
• Up to $400k per year for up to three year project period  
• Can NOT be used for lending capital | • 20% non-federal match required  
• Annual application competition  
• Highly competitive |
| US Dept. of Agriculture – Rural Development (USDA-RD)                  | Intermediary Relending Program (IRP)              | • Debt financing used for small business lending capital  
• Up to $2 million  
• 30-year term at 1% IR  
• Interest-only payments first 3 years  
• Native set-aside once a year | • Must serve rural areas <50K population  
• Non-federal match required to be competitive  
• Accept applications multiple times during the year  
• Reporting is cumbersome  
• USDA approves loans for first $$ out |
| Rural Business Development Grant (RBDG)                                |                                                   | • Grant funds used to benefit small businesses including training/TA, capitalize a loan fund, incubators, feasibility and business planning  
• No max amount, smaller requests get higher priority  
• Native set-aside once a year | • Must serve rural areas <50K population  
• Non-federal match required to be competitive  
• If used to capitalize RLF funds are permanently restricted |
<table>
<thead>
<tr>
<th>FUNDER</th>
<th>PROGRAM</th>
<th>AMOUNTS &amp; USES OF FUNDS</th>
<th>CONSIDERATIONS</th>
</tr>
</thead>
</table>
| US Small Business Administration (SBA) | Microloan Program | • Low-cost debt capital for small business loans  
• Loan amounts to CDFI depend on loan volume  
• Loans to borrowers up to $50K  
• Comes with a TA grant | • Limitations on IR and fees CDFI can charge borrowers  
• Must have experience small biz lending  
• Data collection is cumbersome  
• Can position CDFI to be access other SBA programs |
| | Program for Investment in Micro Entrepreneurs (PRIME) | • Grant funds up to $50K first year of award  
• Used for either (1) building capacity of CDFI to provide training/TA to entrepreneurs, or (2) provide training/TA to disadvantaged entrepreneurs  
• Generally one-year grant period | • Must have demonstrated record of delivering microenterprise services to disadvantaged entrepreneurs  
• Highly competitive  
• Annual application |
| Economic Development Administration (EDA) | Revolving Loan Fund (RLF) Program | • Grant funding, amount varies, used for lending capital  
• Must leverage $2 for every $1 in EDA RLF funds over the portfolio | • Funds permanently restricted  
• Ongoing applications accepted  
• Use a form of CAMELS analysis in application/ongoing risk rating of RLF  
• RLF should be part of a larger community economic development strategy  
• Just came out with new rules  
• Reporting can be challenging |
<table>
<thead>
<tr>
<th>FUNDER</th>
<th>PROGRAM</th>
<th>AMOUNTS &amp; USES OF FUNDS</th>
<th>CONSIDERATIONS</th>
</tr>
</thead>
</table>
| Economic Adjustment Assistance              | Economic Adjustment Assistance                | • Grant funds used for RLF, construction, incubator, and other economic development projects  
• Various max amounts, up to and greater than $1 million | • Much larger investments available  
• Ongoing applications accepted  
• Projects should be part of a larger community economic development strategy  
• Long reporting periods  
• EDA maintains lien on assets  
• Reporting can be challenging |
| Federal Home Loan Bank (FHLB)               | Affordable Housing Program (AHP)              | • Grant funds up to $1 million  
• Used to support development / single family purchase of low-income housing; rehab, down payment assistance, closing costs  
• Can NOT be used for lending capital  
• Must partner w/ FHLB member to apply | • Very competitive program  
• The lower income population you serve the higher you score  
• Need to partner with FHLB member  
• Annual application period |
### Appendix D: Summary of Investment Types

<table>
<thead>
<tr>
<th>INVESTMENT SOURCE</th>
<th>INVESTMENT TYPE</th>
<th>APPROACH</th>
<th>CONSIDERATIONS</th>
</tr>
</thead>
</table>
| **BANKS** | GRANTS, SPONSORSHIPS, LOC, EQ2, SENIOR DEBT | - Start small w/ request for sponsorships, operating grants  
- Build financial and lending strength before asking for lending capital | - Highly numbers focused  
- Stringent underwriting process  
- Limited reporting  
- Can be larger amounts  
- Funds usually unrestricted in terms of lending |
| **TRIBES/TRIBAL ORGANIZATIONS** | GRANTS, CONTRACT FOR SERVICES, DEBT, GUARANTEES | - Demonstrate competency  
- Build connections  
- Identify best partner entity  
- Show benefit to tribal community | - Politics—strings attached  
- Limited underwriting and reporting  
- Funding tailored to Native CDFI needs  
- Usually restricted funds for tribal members |
| **FOUNDATIONS** | GRANT PRI | - Identify appropriate person to build relationship  
- Tell your story  
- Demonstrate fit with foundation priorities | - Highly relationship driven  
- Underwriting more stringent for PRIs  
- More flexibility  
- Impact focused  
- Applications and reporting typically simpler  
- Usually restricted funds |
| **FEDERAL** | GRANTS DEBT | - Build good programmatic foundation  
- Have a plan for growth or addition of services  
- Write a strong application | - Larger amounts of multi-year funding available  
- Less numbers focused  
- Activity, outcome focused  
- Applications can be complex  
- Extensive reporting  
- Restricted funds  
- Much less relationship driven |
<table>
<thead>
<tr>
<th>INVESTMENT SOURCE</th>
<th>INVESTMENT TYPE</th>
<th>APPROACH</th>
<th>CONSIDERATIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>CDFI INTERMEDIARY</td>
<td>GRANTS DEBT</td>
<td>• Identify intermediary with funding that meets your needs</td>
<td>• More flexible</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Talk to the appropriate person within the org to get started</td>
<td>• May have free TA or small grants available</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Typically higher cost loans</td>
</tr>
<tr>
<td>CORPORATIONS</td>
<td>CONTRIBUTIONS SPONSORSHIPS</td>
<td>• Find marketing/PR person for larger businesses</td>
<td>• Unrestricted funds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Application and reporting almost non-existent</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Usually smaller funding amounts</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• May have to educate biz about CDFI</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Provide PR opportunities</td>
</tr>
<tr>
<td>INDIVIDUALS</td>
<td>DEBT</td>
<td>• Can approach high wealth individuals you have connections to, or conduct individual outreach campaign</td>
<td>• Unrestricted, flexible funds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• No application</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• No reporting (but stay in touch)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Short-term</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Time consuming to develop and manage</td>
</tr>
<tr>
<td>RELIGIOUS INSTITUTIONS</td>
<td>GRANTS DEBT</td>
<td>• Identify ROs that serve your geographic area, identify appropriate contact person</td>
<td>• Application and reporting are very simple</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Tell your story</td>
<td>• Lending investments are unsecured and unrestricted</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Usually very low cost funds</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Often required to have majority low-income people on the board</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• May require you complete strategic plan or training</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Investments are often shorter-term</td>
</tr>
<tr>
<td>INVESTMENT SOURCE</td>
<td>INVESTMENT TYPE</td>
<td>APPROACH</td>
<td>CONSIDERATIONS</td>
</tr>
<tr>
<td>---------------------------</td>
<td>----------------</td>
<td>----------------------------------------------</td>
<td>-----------------------------------------------------</td>
</tr>
</tbody>
</table>
| INSTITUTIONAL INVESTORS   | DEBT           | • Work in collaborations with close partners to press for larger investment  
|                           |                | • Anticipate a formal presentation to their Board | • Much larger investments  
|                           |                |                                              | • Difficult to access for small CDFIs  
|                           |                |                                              | • Look for socially minded investors |