

The Texas CDFI Coalition



**Texas
Community Capital**

Leading • Lending • Leveraging

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Collective Voice of Texas CDFI's

- ❑ A CDFI focuses on lending to LMI communities traditionally excluded from access to capital
- ❑ State-wide network of CDFI's and their allies
- ❑ Launched in September 2023
- ❑ The Texas CDFI coalition's mission is to engage and strengthen the Texas CDFI sector and promote comprehensive community development that produces financially sustainable & equitable results
- ❑ Our goals are to elevate and amplify the work of CDFIs; provide networking opportunities that result in promoting & strengthening partnerships; advocate for funding, facilitate technical assistance and training that support the viability and growth of the sector as well as share best practices and findings

Why We Need a CDFI Coalition

- ❑ Texas is the second largest state with only 49 CDFI's, total assets \$12.9billion (CA \$57.5)

- ❑ We trail behind Ca, MS, LA, and PR in the number of CDFI's that serve our communities, we are #6. The total number of CDFI's nationwide is 1414, with CA. at #1 @114, MS @105, LA 105 followed by PR @ 86 & NY @ 80 (most recent list on the CDFI Fund Website dated 1/13/25: <https://www.cdfifund.gov/tools-resources>)

- ❑ Nearly 50 CDFI Coalitions across the Country, in Ca., Va, NY, MN, Ohio, NC, Arkansas, Kansas, So. Dakota, Pa., Mass, Maine, Vermont, Washington & MI to name a few
 - ❑ All advocate for increased capitalization and access to capital for CDFI's
 - ❑ Some succeeded in getting State funds through legislation & budget line items (NY & VA)
 - ❑ Many facilitate training and TA
 - ❑ Many advocate for public policies that promote and support CDFI's
 - ❑ All provide networking, peer sharing and partnership opportunities

Who We Are & What We Do?

- ❑ The Coalition is open to all forty-nine (49) Texas CDFI's-no membership
 - ❑ Credit unions = 17 total; 1 active in the Coalition
 - ❑ Loan funds = 25 total; 15 active in the coalition
 - ❑ Bank holding co. = 3
 - ❑ Bank or thrift = 4
- ❑ Four (4) nationals working in TX – all participate
- ❑ Six (6) banks - attend
- ❑ Eighteen (18) allies -attend
- ❑ Where others see risk, we see opportunity in small business, affordable housing, consumer loans, clean energy and mortgage lending
- ❑ Our clients are not served by mainstream traditional lenders

CDFI's are critical to providing access to capital to marginalized communities

- ❑ A study conducted by Austin Community Foundation & Dell in 2018 focusing on the Austin region, found that there is a “clear need to deploy more community investment into the region...and that CDFI's could and should play a greater role.”
- ❑ CDFI's in Texas need support:
 - ❑ Story & impact amplification- who we are & our value
 - ❑ Greater access to reasonably priced patient capital
 - ❑ More collaborations and partnerships
 - ❑ Advocacy for supportive policy
 - ❑ Consistent technical assistance, training & peer sharing
- ❑ CDFI's partner with foundations and other investors to help them meet their objectives:
 - ❑ Reach marginalized communities & address racial and gender barriers to economic stability
 - ❑ Direct impact through CDFI lending to consumers, small businesses, affordable housing developers...etc.
 - ❑ Fund capacity building, training, TA and convenings
 - ❑ Support data collection and impact reporting