

New Partners for Smart Growth Conference

Financing Smart Rural Places:
Wealth Building Tools to Propel
Economic Transition

February 12, 2016



Why Foundations invest in CDFIs

- Use their resources in local projects
- CDFIs can do things foundations cannot do, e.g. lend to for-profit businesses
- Leverage other funds for CDFIs
- Support economic development work
- Help CDFIs become more self-sufficient



How Foundations invest in CDFIs

- Grants for operating support or to add to loan capital available



Resolution 3000 x 2200 px - Free JPG file download - www.psdgraphics.com

- Mission Related Investments or Program Related Investments

Craft3 is a Nonprofit CDFI Loan Fund Serving Oregon and Washington

- Founded in 1994 to strengthen economic, ecological and family resilience in Pacific Northwest communities
- A regional institution serving rural and urban communities
- Staff of 52 people with feet on the ground from 7 offices (Astoria, Bend, Portland, OR; Ilwaco, Port Angeles, Seattle Spokane, WA)
- Manages \$190 million in assets
- Historic deployment of \$380 million supporting triple bottom line outcomes



Craft3 Delivers Loans to Businesses, Nonprofits, Governments and Families

■ **Commercial Loans**

- Business Loans for start-up and expansion; real estate; equipment; working capital
- Community Development Loans for health care, childcare, education and human services initiatives; and
- Conservation Loans to acquire sensitive lands, restore habitat and protect water quality.

■ **Consumer Loans**

- Energy-Efficiency Loans to property owners to reduce CO2 emissions
- Clean Water Loans to property owners to repair or replace failing septic systems



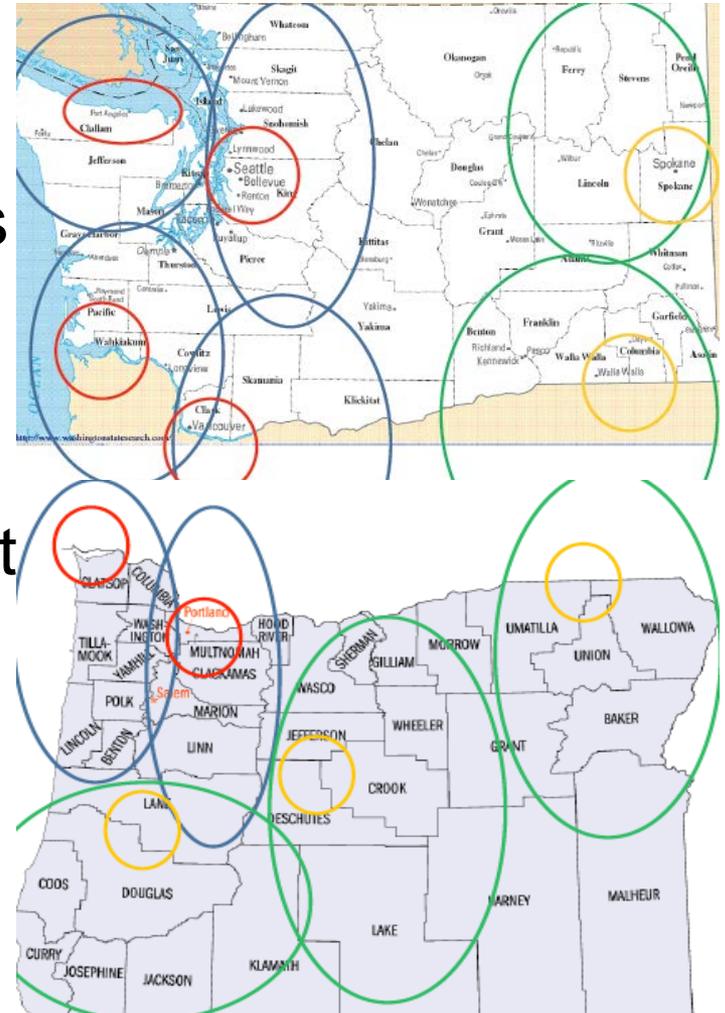
Craft3 Strategically Collaborates with Trusted and Aligned Partners

- **Capital:** Foundations, banks, corporations, government agencies, religious institutions and individuals support capitalization.
- **Referrals:** Banks, economic development corporations, government agencies, CDFIs advance product delivery.
- **Capital Plus:** Community colleges, small business development centers, SCORE, attorneys and CPAs and others deliver technical assistance beyond that offered by Craft3.

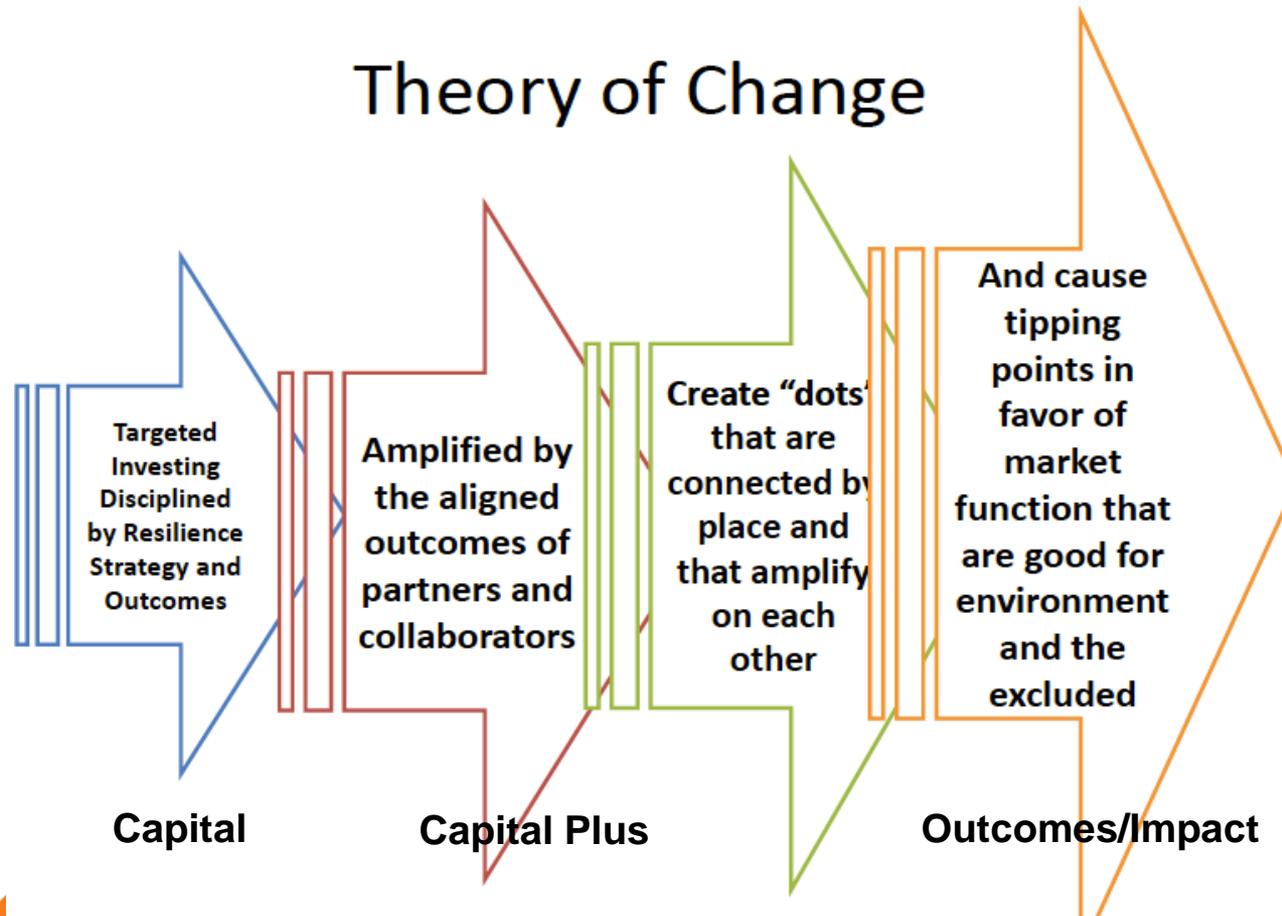


Craft3's Strategy Advances Regional Resilience

- **Regional Economic Centers**
 - Craft3 concentrates investment and locates offices in these places to amplify outcome achievement.
- **Rural-Urban Linkages**
 - Craft3 makes investments that strengthen the value proposition between rural and urban communities.

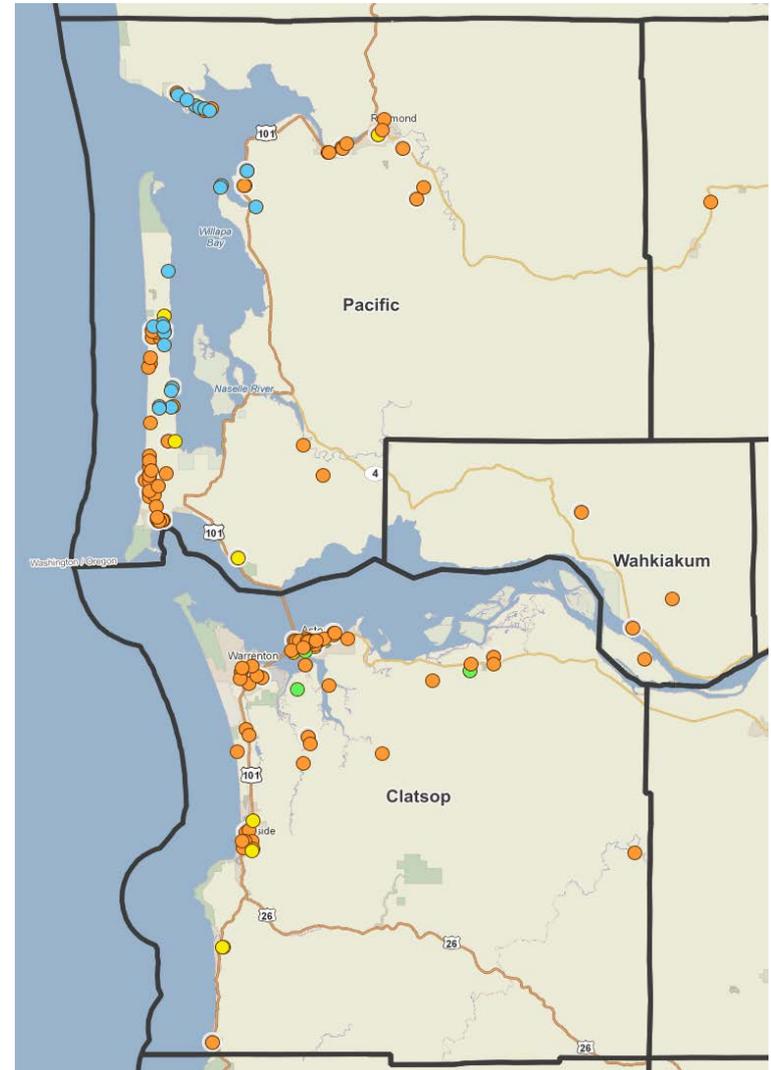


Craft3's Uses Traditional Inputs and Adds Value to Drive Resilience



Craft3 has Served the Lower Columbia Region for Over Two Decades

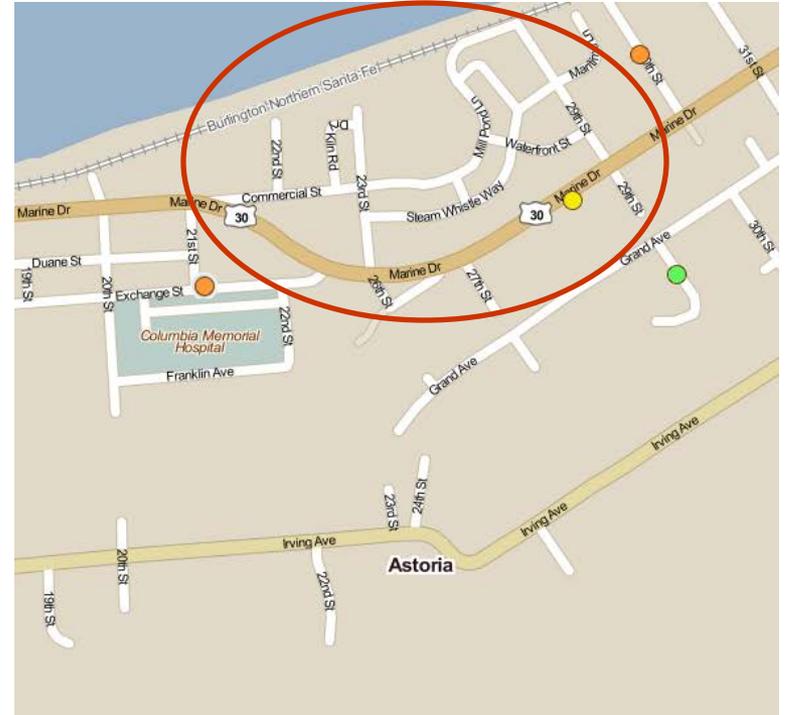
- 350 Loans Totaling \$49.7 million has supported:
 - 2,800 jobs created/retained
 - 3,600 low-income families assisted
 - 233 million gallons of water treated or conserved
 - \$52 million in investment leveraged



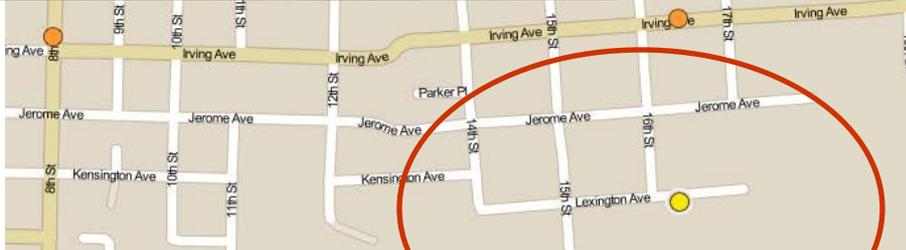
Lending to people, Investing for resilience

Mill Pond Village Astoria, OR

- \$1 million loan for brownfield remediation
- Cleaned up 16 acres of contaminated lands on former sawmill site
- Supported the development of mixed use housing and catalyzed redevelopment of a low-income CT
- Craft3 Loan funded by Meyer Memorial Trust. Leveraged funds from U.S. EPA.

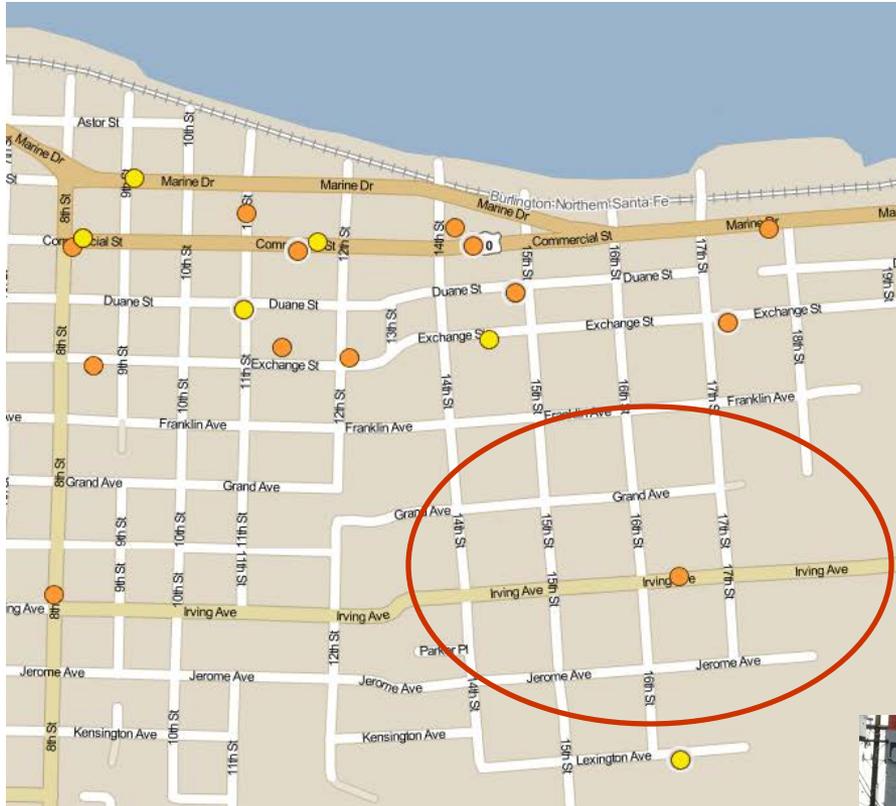


Clatsop Community College Astoria, OR



- \$10 million NMTC investment for new construction, building renovation and demolition and ADA accessibility
- Retained 120 jobs in a high-poverty census tract
- Assisted 400 low-income families
- Created/ retained 7,000 education and training slots
- Leveraged \$17.5 million
- Craft3 Loan funded by Wells Fargo. Leveraged funds from Meyer Memorial Trust and other foundations, FEMA, and bond proceeds.

Fort George Brewery + Public House Astoria, OR



- \$679,000 in loans to purchase a larger 30-barrel brewing system, a cold storage warehouse and building improvements.
- Created/ retained 70 jobs
- Leveraged \$255,000
- Craft3 Loan funded by JPMorgan Chase & USDA IRP
Leveraged funds from Evergreen, Astoria URA, State of Oregon



Fort George Brewery + Public House Brewing Up Family Wage Jobs



Video:

<http://www.craft3.org/results/videos/video-details/brewing-up-jobs>



Lending to people, Investing for resilience

Learn more about Craft3 and The Ford Family Foundation

**Maggie Kirby, VP, Development Manager
Craft3**

mkirby@craft3.org

(888) 231-2170, Ext. 165

www.Craft3.org

**Nancy Straw, Director of Community Economic
Development**

The Ford Family Foundation

nstraw@tfff.org

541-957-1525

www.tfff.org

