

**To the Mayor and Members of the City Council****April 4, 2023**

Page 1 of 1

SUBJECT: PROPOSED CONTRACT AMENDMENT WITH CDFI FRIENDLY AMERICA, LLC

The purpose of this Informal Report is to update City Council regarding the need to amend the agreement that previously authorized funds for CDFI Friendly America, LLC (CDFI America).

In March 2021, the President signed the American Rescue Plan Act (ARPA), providing aid and relief to various sectors of the United States economy. The City of Fort Worth's allocation from these funds was a total of \$173,745,090.00 of which a first tranche (50%) in the amount of \$86,872,545.00 was received on May 19, 2021. Subsequently, the City entered into an agreement with CDFI America (pursuant to Mayor and Council Communication (M&C) 21-0445; June 22, 2021) (CSC 56783), committing up to \$3,000,000.00 as follows:

- \$1,500,000 for CDFI America to assess the potential roles of community development financial institutions ("CDFI") in the City, organizing strategies, developing a CDFI-friendly business plan, providing consultative capacity-building support, and establishing a framework for the use of ARPA funding to include funding to bring financing from one or more community development financial institutions ("CDFIs") to the City.
- \$500,000.00 for a pool of grant funding that CDFI America will use to incentivize CDFI engagement in Fort Worth.
- \$1,000,000 to seed capitalize a CDFI Friendly Fort Worth Enhancement Fund ("Enhancement Fund"). The City and CDFI America agreed that they would enter into a separate agreement for the Enhancement Fund.

From January 26, 2022 to December 31, 2022, CDFI Friendly America has assisted with a total of 149 loans for a total of \$10,322,238 in Fort Worth (report included). Pursuant to the Agreement, CDFI America created a local nonprofit entity called CDFI Friendly Fort Worth, LLC to match CDFIs to financing needs in Fort Worth. CDFI Fort Worth is currently ramping up its operations and requires seed money as leverage to gain more access to capital. This requires an amendment to the current Agreement to serve out the terms and conditions with CDFI Fort Worth to govern the use of the money in the Grant Fund and the Enhancement Fund.

For further questions, please contact Robert Sturns, Director of Economic Development Department, at 817-392-2663 or Christina Brooks, Chief Equity Officer/Director of Diversity and Inclusion, at 917-392-8988.

David Cooke
City Manager



Summary of CDFI Loans Closed in Fort Worth from 1/26/2022-12/31/2022

Table 1: CDFI Lending by Loan Purpose

Sorted in descending order by *Total Loaned*

<i>Loan Purpose</i>	<i>Total Loaned</i>	<i>Loan Count</i>	<i>Average Loan Size</i>	<i>Minimum Loan Size</i>	<i>Maximum Loan Size</i>	<i>% of \$</i>	<i>% of #</i>
To Buy a Home	\$8,475,546	43	\$197,106	\$120,000	\$504,000	82%	29%
Small Business	\$1,643,723	55	\$29,886	\$210	\$200,000	16%	37%
To Buy a Car	\$166,878	8	\$20,860	\$12,011	\$32,125	2%	5%
For Personal Use	\$36,091	43	\$839	\$60	\$1,500	0%	29%
All Purposes	\$10,322,238	149	\$69,277	\$60	\$504,000	100%	100%

Table 2: CDFI Lending in Revitalization Target Areas (RTA)

Note: These figures represent CDFI lending activity within RTAs and does not include activity outside of RTAs and within the surrounding areas of influence. Table 3 (below) shows lending activity by surrounding area of influence (i.e., Neighborhood), regardless of whether a loan is actually located within a designated RTA.

Sorted in descending order by *Total Loaned*

<i>Revitalization Target Area</i>	<i>Total Loaned</i>	<i>Loan Count</i>	<i>Average Loan Size</i>	<i>Minimum Loan Size</i>	<i>Maximum Loan Size</i>	<i>% of \$</i>	<i>% of #</i>
Non-RTA	\$10,122,328	146	\$69,331	\$60	\$504,000	98%	98%
Como	\$154,700	1	\$154,700	\$154,700	\$154,700	1.5%	0.7%
Riverside East	\$45,000	1	\$45,000	\$45,000	\$45,000	0.4%	0.7%
Altamesa and McCart	\$210	1	\$210	\$210	\$210	0.0%	0.7%
Fort Worth Total	\$10,322,238	149	\$69,277	\$60	\$504,000	100%	100%
All RTA Activity	\$199,910	3	\$66,637	\$210	\$154,700		
% in RTA	1.9%	2.0%					



Summary of CDFI Loans Closed in Fort Worth from 1/26/2022-12/31/2022

Table 3: CDFI Lending in Surrounding Areas of Influence (SAI)

Note: These figures represent CDFI lending activity in surrounding areas of influence, some of which includes RTAs, but non-RTA activity is also included. Table 2 (above) shows lending activity located within RTAs.

Sorted in descending order by *Total Loaned*

<i>Surrounding Area of Influence</i>	<i>Total Loaned</i>	<i>Loan Count</i>	<i>Average Loan Size</i>	<i>Minimum Loan Size</i>	<i>Maximum Loan Size</i>	<i>% of \$</i>	<i>% of #</i>
Non-RTA Neighborhood	\$5,988,348	99	\$60,488	\$60	\$504,000	58%	66%
Polytechnic	\$1,267,555	9	\$140,839	\$525	\$200,000	12.3%	6.0%
Stop Six	\$1,027,370	7	\$146,767	\$210	\$182,100	10.0%	4.7%
East Berry	\$816,750	6	\$136,125	\$10,800	\$188,800	7.9%	4.0%
Altamesa and McCart	\$363,929	16	\$22,746	\$60	\$245,471	3.5%	10.7%
West Camp Bowie	\$196,065	4	\$49,016	\$210	\$176,600	1.9%	2.7%
Historic Handley	\$185,900	1	\$185,900	\$185,900	\$185,900	1.8%	0.7%
Near Northside	\$179,700	2	\$89,850	\$1,500	\$178,200	1.7%	1.3%
Como	\$154,700	1	\$154,700	\$154,700	\$154,700	1.5%	0.7%
Historic Southside	\$96,921	3	\$32,307	\$421	\$95,000	0.9%	2.0%
Riverside East	\$45,000	1	\$45,000	\$45,000	\$45,000	0.4%	0.7%
Fort Worth Total	\$10,322,238	149	\$69,277	\$60	\$504,000	100%	100%
All SAI Activity	\$4,333,890	50	\$86,678	\$60	\$245,471		
% in SAI	42.0%	33.6%					



Summary of CDFI Loans Closed in Fort Worth from 1/26/2022-12/31/2022

Table 4: CDFI Lending by Loan Purpose and City Council District

<i>Loan Purpose</i>	<i>2 - Carlos Flores</i>	<i>3 - Michael D Crain</i>	<i>4 - Alan Blaylock</i>	<i>5 - Gyna Bivens</i>	<i>6 - Jared Williams</i>	<i>7 - Leonard Firestone</i>	<i>8 - Chris Nettles</i>	<i>9 - Elizabeth M Beck</i>	<i>Total</i>
For Personal Use	\$3,000	\$3,500	\$2,000	\$1,750	\$4,310	\$9,850	\$11,681	\$0	\$36,091
Small Business	\$84,013	\$219,560	\$464,551	\$62,029	\$114,870	\$237,915	\$211,077	\$249,708	\$1,643,723
To Buy a Car	\$0	\$0	\$50,407	\$19,030	\$0	\$24,498	\$43,367	\$29,576	\$166,878
To Buy a Home	\$484,100	\$1,387,620	\$439,000	\$2,755,660	\$245,471	\$459,645	\$1,508,350	\$1,195,700	\$8,475,546
All Purposes	\$571,113	\$1,610,680	\$955,958	\$2,838,468	\$364,651	\$731,908	\$1,774,475	\$1,474,985	\$10,322,238

Table 5: CDFI Lending in Revitalization Target Areas (RTA) by Loan Purpose

<i>Revitalization Target Area Neighborhood</i>	<i>Small Business</i>	<i>To Buy a Home</i>	<i>Total</i>
Altamesa and McCart	\$210		\$210
Como		\$154,700	\$154,700
Riverside East	\$45,000		\$45,000
All Purposes	\$45,210	\$154,700	\$199,910

Table 6: CDFI Lending in Revitalization Target Areas (RTA) by City Council District

<i>Revitalization Target Area</i>	<i>2 - Carlos Flores</i>	<i>3 - Michael D Crain</i>	<i>4 - Alan Blaylock</i>	<i>5 - Gyna Bivens</i>	<i>6 - Jared Williams</i>	<i>7 - Leonard Firestone</i>	<i>8 - Chris Nettles</i>	<i>9 - Elizabeth M Beck</i>	<i>Total</i>
Altamesa and McCart	\$0	\$0	\$0	\$0	\$210	\$0	\$0	\$0	\$210
Como	\$0	\$154,700	\$0	\$0	\$0	\$0	\$0	\$0	\$154,700
Riverside East	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$45,000
All RTA Lending	\$0	\$154,700	\$0	\$0	\$210	\$0	\$0	\$45,000	\$199,910



Summary of CDFI Loans Closed in Fort Worth from 1/26/2022-12/31/2022

Table 7: CDFI Lending in Surrounding Areas of Influence (SAI) by Loan Purpose

<i>Surrounding Area of Influence</i>	<i>For Personal Use</i>	<i>Small Business</i>	<i>To Buy a Car</i>	<i>To Buy a Home</i>	<i>Total</i>
Altamesa and McCart	\$5,460	\$90,811	\$22,187	\$245,471	\$363,929
Como				\$154,700	\$154,700
East Berry		\$10,800		\$805,950	\$816,750
Historic Handley				\$185,900	\$185,900
Historic Southside	\$1,921	\$95,000			\$96,921
Near Northside	\$1,500			\$178,200	\$179,700
Polytechnic		\$525	\$19,030	\$1,248,000	\$1,267,555
Riverside East		\$45,000			\$45,000
Stop Six		\$210		\$1,027,160	\$1,027,370
West Camp Bowie		\$19,465		\$176,600	\$196,065
All Purposes	\$8,881	\$261,812	\$41,216	\$4,021,981	\$4,333,890

Table 8: CDFI Lending in Surrounding Areas of Influence (SAI) by City Council District

<i>Surrounding Area of Influence</i>	<i>2 - Carlos Flores</i>	<i>3 - Michael D Crain</i>	<i>4 - Alan Blaylock</i>	<i>5 - Gyna Bivens</i>	<i>6 - Jared Williams</i>	<i>7 - Leonard Firestone</i>	<i>8 - Chris Nettles</i>	<i>9 - Elizabeth M Beck</i>	<i>Total</i>
Altamesa and McCart	\$0	\$0	\$0	\$0	\$275,891	\$0	\$81,304	\$6,734	\$363,929
Como	\$0	\$154,700	\$0	\$0	\$0	\$0	\$0	\$0	\$154,700
East Berry	\$0	\$0	\$0	\$0	\$0	\$0	\$816,750	\$0	\$816,750
Historic Handley	\$0	\$0	\$0	\$185,900	\$0	\$0	\$0	\$0	\$185,900
Historic Southside	\$0	\$0	\$0	\$0	\$0	\$0	\$96,921	\$0	\$96,921
Near Northside	\$179,700	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$179,700
Polytechnic	\$0	\$0	\$0	\$721,455	\$0	\$0	\$546,100	\$0	\$1,267,555
Riverside East	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$45,000
Stop Six	\$0	\$0	\$0	\$1,027,370	\$0	\$0	\$0	\$0	\$1,027,370
West Camp Bowie	\$0	\$196,065	\$0	\$0	\$0	\$0	\$0	\$0	\$196,065
All Purposes	\$179,700	\$350,765	\$0	\$1,934,725	\$275,891	\$0	\$1,541,075	\$51,734	\$4,333,890

Locations of Borrowers Receiving CDFI Loans from 1/26/2022 to 12/31/2022 in Relation to FWO Council Districts, RTAs, and SAIs

