



Project E3: Educate, Empower, and Employ

Community Development Financial Institutions and the Role they Play in Addressing Economic Disparities

projecte3.com



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AGENDA

- ⇒ Problem analysis and theory of change
- ⇒ The CDFI Fund and its role in mobilizing economic development in local communities
- ⇒ What do CDFIs do?
- ⇒ Types of resources provided by CDFIs
- ⇒ Strategies for exploring new partnerships
- ⇒ What CDFIs want and need to know
- ⇒ Resource links



E3TC

The Context





A Little Background Information...



Characteristics

According to national statistics (pre-COVID):

⇒ 9% gap in less-than-high-school attainment

⇒ 22.8% gap in college – or more

⇒ 40.3% gap in employment

⇒ Median earnings gap of full/year-round workers of \$5,796

⇒ 14.7% gap in the rate of living below the poverty line.

⇒ Higher risk of food scarcity

Other Financial Characteristics

- ⇒ More likely to be unbanked or underbanked (+18%)
- ⇒ More likely to lack trust in financial institutions (+8%)
- ⇒ Likely to own a savings account (-23%)
- ⇒ Likely to use alternative financial institutions (+13%)
- ⇒ Lack funds to keep in banking accounts (+9%)
- ⇒ Cite banks are not interested in serving them (+5%)
- ⇒ Have no access to credit (+23%)

Source: Goodman, N. and Morris, M., 2017.

Theory of Change

Public benefit protections

- Income supports
- Health insurance
- Access to services.

Increase the participation in State VR programs and employment:

- Access VR and fulfill competitive integrated employment
- Maximize earned income, work incentives, tax credits and savings programs.
- Financially informed consumers.

Increase the amount of community support services provided;

- Establish new partnerships with CDFIs to address community-level needs for capital and economic opportunity through workforce, housing, and financial well-being initiatives.





Top 5 Concerns Limiting Service Provision or Economic Opportunities of People with Disabilities





The Community Development Financial Institutions (CDFI) Fund



“The CDFI Fund plays an important role in generating economic growth and opportunity in some of our nation’s most distressed communities. By offering tailored resources and innovative programs that invest federal dollars alongside private sector capital, the CDFI Fund serves mission-driven financial institutions that take a market-based approach to supporting economically disadvantaged communities.”



What are CDFIs?

“Successful community development requires community-based decision-making”

What are CDFIs?

- Banks
- Credit Unions
- Loan Funds
- Microloan Funds
- Venture Capital Providers





Access to financial services

Technical Assistance \$125,000

Financial Assistance \$2 Million

⇒ **Housing**

⇒ **Small Business Loans**

⇒ **Micro-Enterprise Loans**

⇒ **Financial literacy and coaching**



Affordable Accessible Housing

Key issues: Affordability, Accessibility & Discrimination:

⇒ **Pre-development loans**

⇒ **Bridge/Gap financing**

⇒ **Land/Property Acquisition Loans**

⇒ **Construction Loans**

⇒ **Home modification and rehabilitation loans**



Small Business Lending

Examples of small business lending:

⇒ **Microenterprise Loans**

⇒ **Small business loans**

- Real Estate
- Equipment
- Operating Capital

Exploring new partnerships

With CDFIs

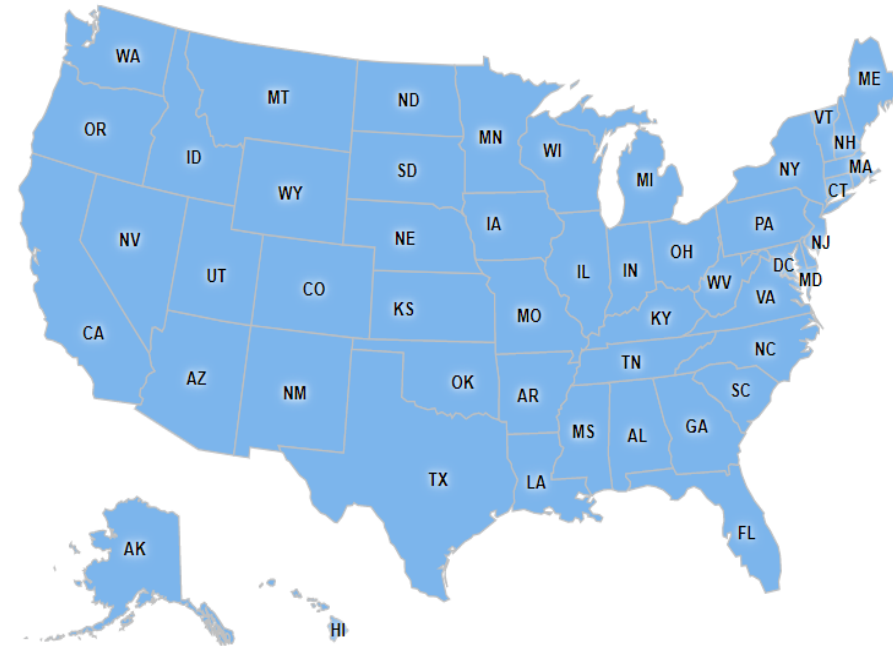
- ⇒ **What CDFIs want to know from you.** What is the demand? How will collaborations create high impact?
- ⇒ **What can VR provide in supports and resources?** Technical assistance; supporting borrower pipeline; and funding advocacy.
- ⇒ **Evaluation methods and collective impact.** How well is the collaboration working? Is this a beneficial relationship in mission fit?



[Home](#) > [Awards](#) > [State Awards](#)

SEARCHABLE AWARDS DATABASE

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CDFI Networks

Find a CDFI near you!



Resources

- ⇒ **National searchable database of CDFIs:**
<https://www.cdfifund.gov/Pages/FAQ.aspx>
- ⇒ **Financial Resilience Center:**
<https://www.nationaldisabilityinstitute.org/financial-resilience-center/>
- ⇒ **ABLE National Resource Center:** <https://www.ablenrc.org/>
- ⇒ **Access for All: Expanding Impact in the Disability Community:**
<https://www.cdfifund.gov/programs-training/training-ta/Pages/AccessforAll.aspx>



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The Vocational Rehabilitation Technical Assistance Center: Targeted Communities (VR-TAC-TC) is established under a grant from the Department of Education, Rehabilitation Services Administration (RSA) award CFDA H84.264F15003.