CRF FISCAL YEAR
2020 annual report
CREATING A BIGGER, BOLDER,
AND MORE INNOVATIVE VISION
FOR ECONOMIC JUSTICE
2020 tested our resiliency as a nation.

Together, we responded by creating and inspiring change where it was most needed: our marginalized small business communities. Together, we brought our collective strengths as financial institutions, mission-driven organizations, community partners and innovators to deliver bigger, better, and more effective lending solutions for underserved entrepreneurs — especially women and people of color — throughout the country.

This collaborative work has evolved since our inception, but our goal of leveling the playing field remains the same. We believe capital is a key ingredient for systemic improvement and economic justice. We are creating scalable, equitable opportunities for historically underserved individuals and communities to access capital and seize the opportunity to realize their small business aspirations. For people of all incomes, races, ethnicities and genders, we are cultivating new income growth, building community wealth, creating quality jobs for low-income people, and maximizing economic mobility for all.

Despite these efforts, income and opportunity gaps are wide and are continuing to widen. The economic system shuts out many people from opportunity, including access to capital and quality jobs. This has never been more apparent than it is today as small businesses struggle with the unpredictability of a crisis economy.

The COVID-19 pandemic and the social response to the tragic deaths of George Floyd, Breonna Taylor, and others, have shined a spotlight on the systemic racism that prevents people of color from accessing the same opportunities as others. Our commitment to the people, small business owners and community development organizations in communities across the country is firm: we will fight and defeat the systemic and institutional racism that still permeates and divides the country we love.

This task will not always be easy, but if we raise our voices in the name of social and economic justice, we can create real and lasting change for generations to come. Together, we can turn the challenges of 2020 into opportunities for change in the future, knowing that CRF has a vital role to play – alongside its partners – in fulfilling our mission and advancing economic justice.

We’re proud to present this annual report to highlight the work CRF has done to achieve this change and how we will press forward into the future. On behalf of everyone at CRF, thank you for your ongoing support and partnership.

Frank Altman
Co-founder and CEO
The events taking place in 2020 have demonstrated the importance of acting with a purpose.

When states and cities across the country were forced to shut down due to the COVID-19 pandemic, CRF and other Community Development Financial Institutions (CDFIs) acted swiftly and decisively to deploy emergency capital to speed recovery for small businesses and nonprofit organizations in need.

This year, we worked with community partners to provide $633 million in capital to more than 2,500 businesses and nonprofits throughout the country, retaining 55,000 jobs in communities where local economies had faltered due to the pandemic and its business restrictions. This required a multi-level approach that harnessed partnerships with federal, state and city governments, non-profit organizations, community partners, financial institutions, and others to make emergency capital available through loan funds and social investments.

But deploying capital is not enough. We must be bold and act decisively to create a more just and equitable system that offers equal opportunity to all. We must look in the mirror and evaluate what we are doing to create this system and determine whether we might even be contributing to its unfairness.

CRF has doubled down in our efforts to promote diversity, equity and inclusion within our own organization. These efforts are more than issuing a statement but are aimed at truly increasing cultural competency, evaluating program efficiency, examining workforce disparities and more, all in an effort to create greater equity and improve responsiveness throughout our organization.

Dismantling the current systems that discriminate against women, veterans, immigrants, and especially people of color, will not be easy, but CRF and its partners are leading the way with innovative strategies and technologies that support systemic change. Together, I know that we can create a more fair and just economic development system.

Jennifer Anderson
President and CFO

“We must be bold and act decisively to create a more just and equitable system that offers equal opportunity to all.”
Community Reinvestment Fund, USA (CRF) stands in solidarity with all those fighting for social justice, equity and transformational change. We know that the social changes taking place today will yield a lasting positive impact on the lives of millions.

Our commitment to the people, small business owners and community development organizations in communities across the country is firm: we will fight and defeat the systemic and institutional racism that still permeates and divides the country we love.

CRF will remain dedicated to supporting those who are fighting for economic, social and racial justice as together we denounce and combat racism, xenophobia and violence in all its forms.

If we all raise our voices in the name of social and economic justice, only then can we create real and lasting change for generations to come.
FY20 Required Speed, Flexibility and Agility

CRF takes a programmatic and systematic approach to solving challenges small business owners face in a crisis economy, particularly individuals who have been marginalized and shut out of the lending process. But recovery and lasting economic impact are possible when all of the players and pieces are in place. This requires tailored, responsive strategies that apply to different geographies, business types and local needs for investment.
**FY20 OVERVIEW**

**IMPACT HIGHLIGHTS**

72% of our lending volume supported organizations located in low-income communities and/or served low-income people

- **$633,767,135** in capital deployed
- **54,938** jobs created or retained

Deployed **$97 million** under the CDFI Bond Guarantee Program

- Provided **44** SBA 7(a) loans, totaling **$25,896,506**
- Provided **2,429* Paycheck Protection Program loans, totaling **$519 million***
- Launched recovery programs in **New York** and **Chicago**

Partners leveraged SPARK, our loan origination technology platform, to deploy **$5.8 billion**

*through August 8, 2020
Eliminating barriers to PPP financing for businesses owned by women and people of color

When the PPP loan was announced by Congress, many businesses – particularly those owned by women and people of color – found themselves shut out of the process due to a lack of information and access to the program through traditional financial institutions.

Using our established network of CDFIs and community partners, our financial technology solutions, and our expertise in deploying capital to underrepresented small businesses, CRF created a process designed to speed access to PPP capital for community-based, women- and minority-owned small businesses and nonprofit organizations.

With these technology tools, partnerships, and community outreach strategies in place, CRF and its partners enabled a digital PPP application process that eliminated the need for face-to-face contact during the pandemic. Businesses owned by Black people, indigenous people and people of color – as well as nonprofits serving communities where these businesses operate – were encouraged to apply for PPP funds and used CRF’s technology solutions to submit and track their PPP applications.

CRF and its partners were able to provide PPP loans to 2,429 businesses totaling $519 million, much of the funding going to nonprofit organizations and businesses making an outsized impact on their communities. This impact would have been impossible without generous support from organizations like Goldman Sachs 10,000 Small Businesses, Bank of America, Mastercard Center for Inclusive Growth, Kresge Foundation, Ballmer Group, PNC Bank, First Republic Bank, Wells Fargo, and U.S. Bank, N.A.

These statistics represent CRF’s PPP lending through August 8, 2020.
A public-private partnership to deploy relief capital to small business owners

With a capital commitment from Goldman Sachs and other private investors, the City of Chicago created the $100 million Chicago Small Business Resiliency Fund (CSBRF) to provide small businesses and nonprofits with emergency cash flow during the COVID-19 pandemic.

The CSBRF provided immediate help to Chicago businesses at the start of the pandemic. The program directed $21.6 million in loans to 861 small business borrowers, with an average loan size of $25,116, all before October 1, 2020 as the pandemic created greater urgency for small business owners.

The City worked with CDFI partners, including Accion-Chicago and CRF, to loan CSBRF funds directly to Chicago small businesses. The City also established Small Business Resource Navigators – community-based small business support service providers – to provide one-on-one guidance to businesses to help them navigate the many available financial and support resources.

these statistics represent information as of October 1, 2020
CDFIs partner with New York State to deliver critical small business financing

When Gov. Andrew Cuomo created the New York Forward Loan Fund, small businesses and non-profit organizations in the Empire State breathed a sigh of relief.

Thanks to a partnership between five CDFIs, New York State, LISC, Calvert Impact Capital and target borrowers, New York made more than $100 million available as part of the program. CRF created and supported the loan application interface for the fund, which provided low-interest loans to small businesses, landlords and nonprofits.

With the fund, women- and minority-owned small businesses, nonprofits and multi-family housing companies that did not receive federal COVID-19 assistance are now on the road to recovery, thanks to New York State, CDFIs and community lenders that are making a difference.
Forward-looking and Forward-thinking

Our focus for the next two years
We’re intensifying our efforts to confront systemic racism in lending and engage with local communities, nonprofits and fellow CDFIs to create more responsive and equitable access to small business capital through partnerships that build capacity.

In an uncertain economic environment brought on by the COVID-19 pandemic, the need for community-inspired solutions is greater than ever. Accordingly, CRF and its partners continue to create and refine solutions that are driven by community needs and supported by stakeholders.

As economic growth continues to ebb and flow, these community-driven approaches to economic recovery – as part of a continuum of strategies and programs that create real and lasting change in the community economic development ecosystem – can inspire economic justice and opportunity for all. We must be forward-looking and forward-thinking. We must continue to innovate, with technology and with community engagement, and position the industry to think big and act big to solve big challenges.
We can’t do this alone

Creating a more equitable economy will require all of us. That’s why CRF supports other mission-driven lenders by building their capacity and providing a suite of tools and support services including capital solutions, technology, and loan servicing capabilities. Our goal is to strengthen mission-driven lending industry players across the country in order to address the wealth gap in our country through capital availability, capital deployment and capacity-building for the entire industry.

Working side-by-side with community stakeholders and partner organizations at the local level, CRF designs innovative financial solutions that drive exponentially greater and more sustainable impact, particularly in communities with multiple challenges and barriers to capital access.

“We had put all of our savings into the company and we were desperate for help. When we finally heard from CRF that our loan was approved, we cried and prayed. It was a miracle.”

Maria Palacio, Owner, Progeny Coffee Farmers, Berkeley, California
How CRF has helped

As we work to transform the community development finance system, CRF and its partners are continuing to build on the strategies and tactics we’ve honed and proven for 30 years: leveraging the capital markets to create stronger local economies, enhance job growth and support economic equity and mobility.

“Receiving our PPP loan was such a sigh of relief. We all spent many sleepless nights wondering whether we would have to close. Once I got the email telling us that we got our loan, I was ecstatic. I got on the phone with my employee and shared the great news. Our customers who need a bit of inspired art in their lives are also greatly appreciative.”

Nicole O’Brien, Owner
Unique PL8Z, Warwick, Rhode Island

“Receiving our PPP loan was such a sigh of relief. We all spent many sleepless nights wondering whether we would have to close. Once I got the email telling us that we got our loan, I was ecstatic. I got on the phone with my employee and shared the great news. Our customers who need a bit of inspired art in their lives are also greatly appreciative.”

Suzanne Batlle, Owner,
Azucar Ice Cream Company,
Miami, Florida and Dallas, Texas

CRF IMPACT TO DATE

134,000
jobs created or retained

$3 billion+
deployed

1.8 million+
people served

6,000+
small businesses, community facilities, housing organizations and nonprofits
“Being able to digitally access capital during this critical time helps entrepreneurs like me pivot our businesses quickly to meet the needs of a changing economy.”

Raquel Graham, Founder and CEO, ROQ Innovation, Chicago, Illinois

Funders and Investors
Support from funders and investors empower CRF to create catalytic change and serve people and communities across the country. We are grateful for your support.

**GRANTORS:**
- Ameriprise Financial
- Associated Bank
- Ballmer Group
- Bank of America Charitable Foundation
- Capital One
- TCF Bank (fka Chemical Bank)
- City National Bank
- First Republic Bank
- Goldman Sachs Foundation
- Huntington Bank
- JPMorgan Chase Bank
- Kresge Foundation
- Marquette Bank
- Mastercard Center for Inclusive Growth
- MetLife, Inc.
- New York Community Trust
- Opportunity Finance Network
- Otto Bremer Trust
- PNC Foundation
- Synchrony Bank
- Target
- Target Foundation
- U.S. Bank, N.A.
- Wells Fargo

**INVESTORS AND OTHER SUPPORTERS:**
- Bank of America
- Ballmer Group
- First Republic Bank
- Kresge Foundation
- Otto Bremer Trust
- PNC Bank
- U.S. Bank, N.A.
Financials
Generous support from our funders and investors enabled CRF to accomplish the activities described throughout this report.

**Balance Sheet**

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>$34,594,183</td>
</tr>
<tr>
<td>Loans Receivable, net</td>
<td>158,977,381</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>21,222,977</td>
</tr>
<tr>
<td>Other Assets</td>
<td>21,362,918</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$236,157,459</td>
</tr>
</tbody>
</table>

**Liabilities**

<table>
<thead>
<tr>
<th>Liabilities</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued Expenses and Other Liabilities</td>
<td>$19,067,396</td>
</tr>
<tr>
<td>Notes Payable</td>
<td>165,987,803</td>
</tr>
<tr>
<td>Subordinated Notes Payable</td>
<td>15,300,000</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>$200,355,199</td>
</tr>
</tbody>
</table>

**Net Assets**

<table>
<thead>
<tr>
<th>Net Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted Net Assets</td>
<td>$30,919,819</td>
</tr>
<tr>
<td>Restricted Assets</td>
<td>4,882,441</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>$35,802,260</td>
</tr>
</tbody>
</table>

**Income Statement**

<table>
<thead>
<tr>
<th>Revenue</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Earned Revenue</td>
<td>$33,715,593</td>
</tr>
<tr>
<td>Grants and Contributions</td>
<td>14,027,348</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$47,742,941</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Expenses</td>
<td>$21,328,029</td>
</tr>
<tr>
<td>Management and General &amp; Other</td>
<td>5,907,863</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>$27,235,892</td>
</tr>
</tbody>
</table>

**Change in Total Net Assets**

<table>
<thead>
<tr>
<th>Change in Total Net Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Change in Unrestricted Net Assets</td>
<td>$18,855,488</td>
</tr>
<tr>
<td>Change in Restricted Assets</td>
<td>$1,651,561</td>
</tr>
</tbody>
</table>

**Total Liabilities and Net Assets**

Total Liabilities and Net Assets: $236,157,459

*as of June 30, 2020*
Board of Trustees

Reza Aghamirzadeh, Chair
Executive Vice President/
Head of Community Development Bank
Citizens Bank

Luther Ragin Jr., Vice Chair

Frank Altman, CEO
Community Reinvestment Fund, Inc.

Laura Trudeau, Secretary
Board Director
Invest Detroit

Steve Kent, Treasurer
Vice Chairman & Managing Director
Financial Services Investment Banking
Piper Sandler Companies

David Adame
President & CEO
Chicanos Por La Causa

Michael Banner
President & CEO
Los Angeles Local Development Corporation

Gavin Borowiak
Division Manager, Midwest & Gov’t
Not-for-profit Business Banking
JP Morgan Chase Bank N.A.

Tony Brown
Board Member
Neighborhood Lending Partners

Calvin L. Holmes
Executive Director
Chicago Community Loan Fund

Bill Krugler
President
Milwaukee Jobs Work
Milwaukee Community Business Collaborative, Inc.

Kimberly Latimer-Nelligan
President
Low Income Investment Fund

Willie F. Logan
Founder, CEO & President
Opa-locka Community Development Corporation

Andy Posner
Founder & CEO
Capital Good Fund

Kathy Rock
Board Member
Tenderloin Neighborhood Development Corporation

Daniel Spiller
SVP, Chief Risk Officer-Payments
U.S. Bank
ABOUT COMMUNITY REINVESTMENT FUND, USA

Vision Statement
Transform the community development finance system so all people have the opportunity to realize their full potential.

Mission Statement
To empower people to improve their lives and strengthen their communities through innovative financial solutions.

Our Values
Create Equitable Economic Opportunities  |  Lead Through Collaboration  |  Transform Through Innovation
Excel in All We Do  |  Act with Integrity

Contact Us
801 Nicollet Mall
Suite 1700 West
Minneapolis, MN 55402
crfusa@crfusa.com
800-475-3050/612-338-3236
www.crfusa.com