

Spring 2014

## The Wisconsin Women's Business Initiative Corporation



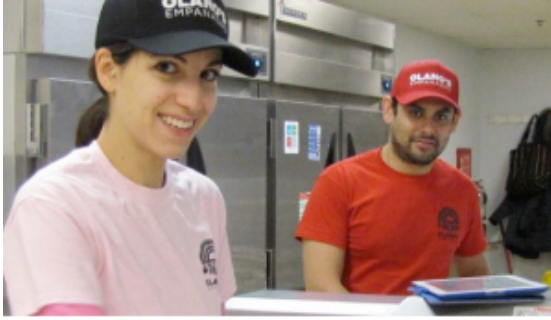
Simply reading through the Wisconsin Women's Business Initiative Corporation (WWBIC) loan portfolio reveals the organization's broad support of the state's small entrepreneurs. WWBIC's clients run jewelry shops, restaurants, bakeries, insurance offices, doggy day cares, preschools, salons, personal training centers, construction companies, optometry and chiropractic offices, and so much more.

Over the past 27 years, WWBIC, a Community Development Financial Institution (CDFI), has loaned \$34.4 million (ranging from \$1,000 to \$100,000) to over 2,500 small business owners. "We receive many referrals from our local banks which they can't handle. These individuals are higher risk because of credit scores, lower net worth, and lower income. But that's why we're here," says Wendy Baumann, WWBIC's President and Chief Visionary Officer.

WBIC sees its future growth in rural areas and with the state's growing Spanish-speaking community. New business loans for rural development have included community-based residential facilities, small manufacturing companies, and a trucking business (see above photo). "We are a sponge in rural Wisconsin," Baumann explains. "We are welcomed there and they want us to come and provide capital, as well as business education and training."



After being denied a business loan by other lenders, Melvin and Viola Tucker approached WWBIC and received financing for Tucker's Truck Driving Academy, which opened in November of 2013 in the town of Waterloo. Eventually they plan to construct a 10-acre driving course with classroom facilities and expand to multiple locations.



Leslie and Victor Olano took WWBIC's 10-week "Small Biz Planning" series and in November of 2013 opened Olano's Empanadas, a catering business specializing in Peruvian baked empanadas in the city of Racine. The couple rents a kitchen in the incubator at HALO (Homeless Assistance Leadership Organization) with a long-term goal of owning a café or food truck.

To better serve the Spanish-speaking community, WWBIC hired a full-time bilingual loan officer and four bilingual outreach specialists. The organization's "Start Smart" 12-16 week business education series is also now offered entirely in Spanish.

Beyond its role as a small business lender and educator, WWBIC also provides financial capability support to help individuals save money, reduce debt, and build wealth. "The larger concern is assisting individuals with understanding their personal financial household," Baumann says. "If they can do that, they will become economically stronger for themselves, for their family unit, for their community, and for the world."



Amanda Morales successfully completed WWBIC's "Make Your Money Talk" financial awareness series and subsequently opened an Individual Development Account (IDA) with a goal of using her savings and the matching funds toward education – specifically, eight natural science courses which would qualify her by 2014 for entry into the Latin American School of Medicine in Havana, Cuba.

## IFF: Moving Toward Service To 12 Midwestern States



During the Great Recession, many commercial banks either shut their doors to nonprofits, or shut down altogether. Fortunately, Community Development Financial Institutions (CDFIs), like IFF, were able to weather the crisis to meet the financing needs of nonprofits serving low-income communities. “We provided capital at a time when capital was really difficult to find,” says Andrea Arnold, IFF’s Assistant Director of Resource Development.

Today, even as traditional banks show signs of life and again welcome business from nonprofits, IFF continues to be an affordable, flexible financing alternative. “What sets us apart is our flexibility,” Arnold explains. “We will work with our borrowers to put together a financing

package that is best for them, even if it is a complex transaction.”



A participant in Operation School Bell—an innovative program run by the Assistance League of St. Louis, Missouri that provides uniforms to school-age children in need. An IFF loan of \$750,000 allowed the Assistance League of St. Louis to purchase its own facility and attract new volunteers, resulting in a 30% increase in the number of students served through the program.



The 70-unit Countryside Senior Apartments, an affordable rental housing development for independent seniors in Countryside, Illinois that opened in 2010. IFF provided a \$1.3 million loan to the project’s developer, Mercy Housing, and also obtained \$8 million in federal tax credits and \$3.45 million from county HOME funds.

Since 1988, IFF has lent more than \$450 million to over 1,100 organizations. While IFF works with any human services nonprofit, its largest lending activity currently occurs in the charter school and affordable housing sectors. In particular, IFF now focuses on housing for individuals with disabilities, buying apartments and homes and renovating them for ADA (Americans with Disabilities Act) accessibility. “It’s a huge growth area for us,” adds Arnold. “We have many individuals with disabilities in Illinois living in institutional settings who want the choice to move into integrated, community-based housing that has access to transit and services.”

IFF also expects growth in the healthcare area due to recent federal legislation as more previously uninsured gain coverage. The lender anticipates its own geographical expansion across the Midwest from currently serving five states to 12 in the next few years. “We fill a gap in the marketplace and want to make sure we are there for organizations that are credit worthy, yet unable to find traditional loans,” says Arnold.

## The Congregation of St. Joseph Invests in RCIF

When RCIF approached the Congregation of St. Joseph (CSJ) for possible investment, the Midwest-based group found itself faced with a difficult dilemma; its own community development investment fund already shared overlapping loans to organizations in RCIF's portfolio. "Do we want to repeat ourselves?" thought Sister Grace Sbrissa, a member of CSJ's Community Development committee.



Despite the overlap, CSJ decided to go forward with its investment for two main reasons; first, to reach out to new organizations through RCIF; second, to be a model and encourage other Midwest-area congregations to follow suite. "If smaller communities see we are invested in RCIF, they might say 'let's look into it,'" says Sister Grace. "We hope our involvement will give RCIF leverage."

The Sisters of St. Joseph community has a long history of socially responsible investing that dates back to the 1970s. Today, CSJ remains committed to the tradition using three main strategies; community development investment, portfolio screening ensuring investments meet policy and value criteria, and shareholder action specifically with corporations committing unjust policies or practices to people or nature. "Our community development investment in RCIF will expand our ability to help groups that don't have capital to do the good they want to do," Sister Grace states.



Map of the Congregation of St. Joseph, founded in 2007 by seven formerly independent communities within the Heartland Region of the U.S.



Staff members from the CSJ Ministry Taller de Jose (Joseph's Workshop) participate in a Chicago march for immigration reform. Taller de Jose volunteers accompany Chicago-area Hispanic community members to various social services

Formed in 2007 out of the union of seven Midwest Sisters of St. Joseph congregations, CSJ today has approximately 600 sisters with over 500 associates. Its broad list of activities includes the Ministry Against the Death Penalty, originating out of Sister Helen Prejean's work, the co-sponsorship of Ascension Health, and Taller de Jose, a ministry of accompaniments assisting Chicago-area Hispanic residents with various services. "We always say our mission is that of unity, that all may be one," says Sister Grace. "We work very hard to unite neighbor with neighbor, and neighbor with God."