



Desert Blooms: Nourishing Future Abundance Through Investment

Leveraging Partnerships for Increased Impact:

How Alaska's Business & Economic Development Low-Interest Lending is Now More Accessible



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Alaska Fishing Tours

Loan Request:	\$500,000	Assessment	+/-	Gap Funding Solution
Loan Use:	Fishing Charter			
Credit Score	725	Meets		
Owners Project Contribution	\$20,000	NSF	> \$30,000	Down Payment Assistance Loan
Debt Service Capacity Ratio	\$10,000	Meets		
Debt Equity Capacity Ratio	\$475,000	NSF	> \$25,000	Loan Guarantee
Relevant Industry Experience	15 years	Meets		
Consecutive Profitable Years	0 Years	NSF	Verified Knowledge/ Experience	Business Plan & Business Training



Government Aims to Serve All, but is structured to Serve the Majority

State of Alaska

Purpose: Economic development in industries and areas that are not adequately serviced by the private sector.

Mission: Direct lending and job creation.

Programs: Commercial Fishing, Fisheries, Mariculture, Community Quota Entity, Rural Development Initiative Fund, Alternative Energy, Microloan, and Small Business Economic Development.

CDFI's Aim to Serve the Needs of Minority and Marginalized, but rely on the structures that Serve the Majority

Spruce Root, Inc.

Purpose: Finance to rural, urban, Native, and other communities that mainstream finance doesn't traditionally reach.

Mission: We are a driver of a regenerative economy across Southeast Alaska so communities can forge futures grounded in this uniquely Indigenous place.

Programs: Path to Prosperity, Loan Program, The Sustainable Southeast Partnership, The Seacoast Trust, and Resilience Circles.



Government Aims to Serve All, but is structured to Serve the Majority

- Underwriting Resources
- Over \$500K lending capacity
- Low interest – Long Term
- Patient Capital
- Revenue Agency Services

- Weak local connection/engagement
- Lacks cultural and community understanding
- Restrictive loan terms, 100% collateral, statutory requirements

CDFI's Aim to Serve the Needs of Minority and Marginalized, but rely on the structures that Serve the Majority

- Small staff – narrow industry experience
- Under \$500K lending capacity
- Outsourced Revenue Agency Services

- Cultural-community liaison
- Imbedded in community throughout the region
- Provider of business training and workforce development
- Flexible gap financing, down payment and collateral support



CDFI's are built to bridge gaps

Benefits of Spruce Root-CCED Collaboration

- Leverage:
 - Lending capital
 - Expertise and resources
- Enhance:
 - Underwriting capacity and resources
 - Efficiency and cost-effectiveness
 - Revenue management capacity
- Reduce risk and incentivize larger projects
- Expand:
 - Services without increasing administrative costs
 - Capacity for economic development and job creation
- Align resources and shared attention fosters innovative solutions



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9th Annual Native CDFI



Capital Access Convening