



DC Community Development Consortium Ward 8 Community Investment Fund

Grant-Secured Loan Program Information Session

Monday, August 15, 2022



About DCCDC

WHO

A consortium of community economic development practitioners, investors, developers, residents, small businesses, government officials and other aligned institutions focused on closing the racial wealth gap through economic equity strategies.

WHAT

Curate high quality community-centered solutions.

Coordinate information, connections and resources to accelerate systemic solutions.

Create economic impact in neighborhoods that need a strategy and roadmap.

WHY

81x DC Racial Wealth Gap
\$3500 v. \$284K

Business Ownership



Start-Up Capital

BOBs  \$3500

WOBs  \$107K

HOW

Connect best in class public, private, nonprofit, philanthropic Influencers to DC's next generation of grassroots, East of the River leaders to accelerate the promotion of community economic empowerment, financial sustainability and asset building strategies for the underserved.



Ward 8 Community Investment Fund



Increase access to startup funding and growth capital for Black entrepreneurs in Ward 8.



To help Black businesses ultimately access traditional capital by leveraging public, private and philanthropic funding support to issue micro-grants and loans to startups, entrepreneurs and small business owners in Ward 8.



Grant-Secured Loan program



Grant-Secured Loan Program

30 Awardees



Explorer: 10 Awardees for \$5,000



Start-Up: 10 Awardees for \$10,000



In-Business: 10 Awardees for \$20,000

=

\$350,000



Grant-Secured Loan Program



30 awardees will receive awards of \$5,000, \$10,000, or \$20,000 through a grant-secured loan product. Half of these funds will be available to awardees on Day 1 in the form of a loan and half will be released as a grant, upon the full repayment of the loan.

The repayment will occur over a period from 12 to 36 months at the choice of the awardee. This will build the awardees' credit and support their business growth through access to funding. Any loan funds not repaid will be covered from the grant half of the funds and the remaining grant funds will be released to the awardee.



Step 1:

Submit Application

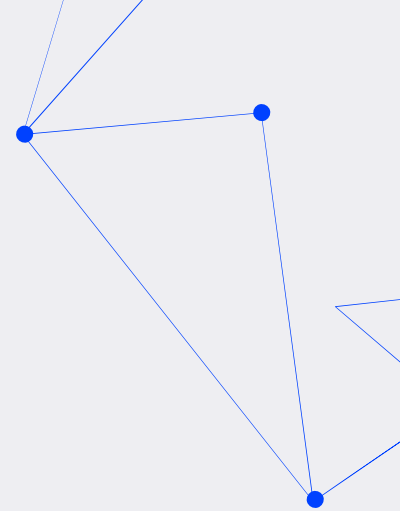
www.DCCDC.org

Click on:

- Grants
- Apply Now

The application opens Monday, August 15, 2022 at 5:00PM

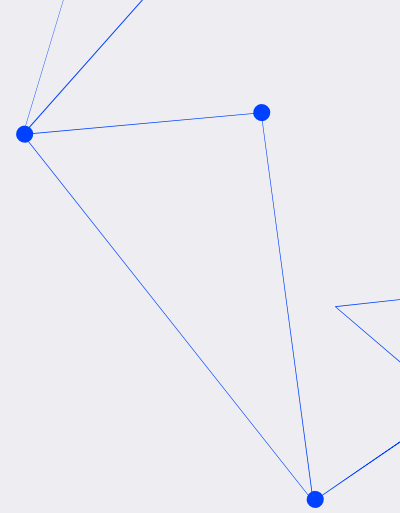
The application closes Wednesday, September 7, 2022 at 11:59PM



Step 2:

Awardees Announced

Awardees will be announced
via email on Friday,
September 16th.



Step 3:

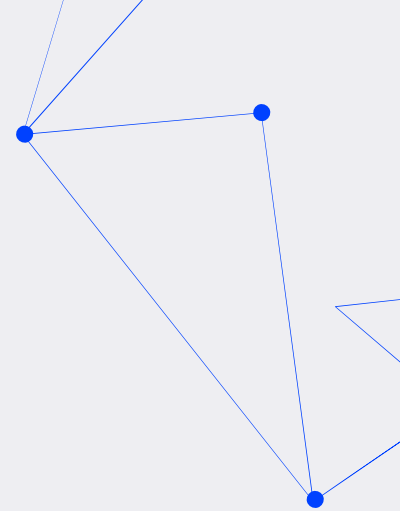
Attend Award Info Session

Attend Award Info Session

Need to sign:

- Grant Agreement
- Loan Agreement

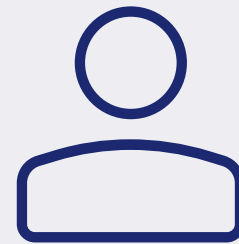
The Week of September 19th
(Exact date/time TBA)



Step 4:

Transfer Grant Funds

Immediately after being awarded the grant funds, the recipients will authorize DCCDC to deposit the full amount of the grant into an escrow account at City First Bank to use as collateral to secure their matching loan.



Awardee



Savings/Escrow Account



Step 5:

Receive Loan Funds

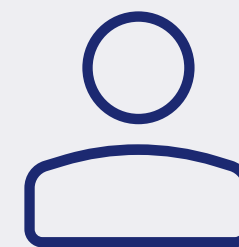
Life Asset, our partner CDFI, issues the matching loan amount in the form of an ACH transfer to the recipients' bank account, minus a 3% fee to cover the cost of hands-on instructional training classes for recipients.



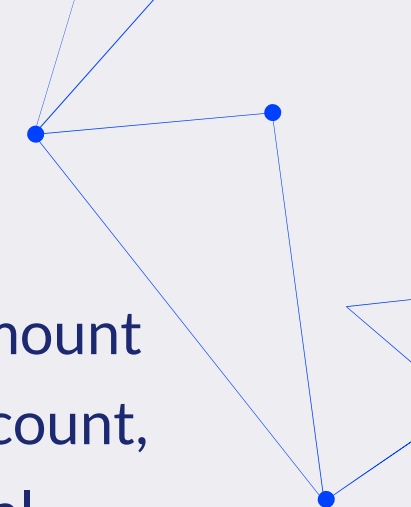
Life Asset



Loan Funds



Awardee



Step 6:

Use loan
Funds to start
or grow
business

Once the loan is secured the recipients can use the loan funds to start or grow their business and generate additional revenue.



Step 7:

Repay the Loan

Recipients begin paying on the loan amount 30 days after the loan is disbursed with the following terms:

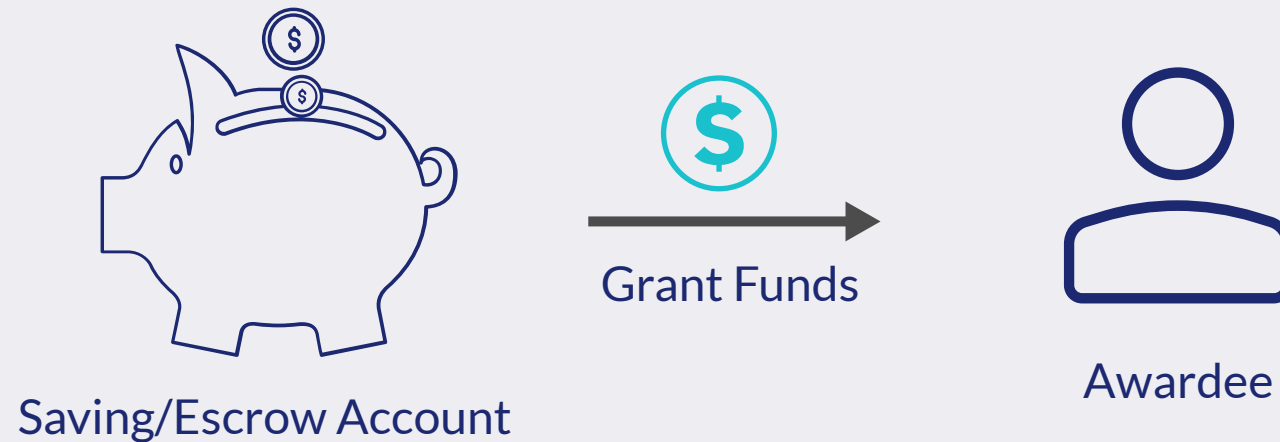
- 6% annual percentage rate
- Loan payment options of 12, 24 or 36 months
- Payments will be reported monthly to TransUnion and Equifax to enhance the recipients' credit reports.
- Repayments are paid via automated debit from the recipients' checking account monthly.
- If a recipient misses a monthly payment, the payment will be deducted from their grant funds in their escrow account.



Step 8:

Pay the loan in full. Unlock grant funds.

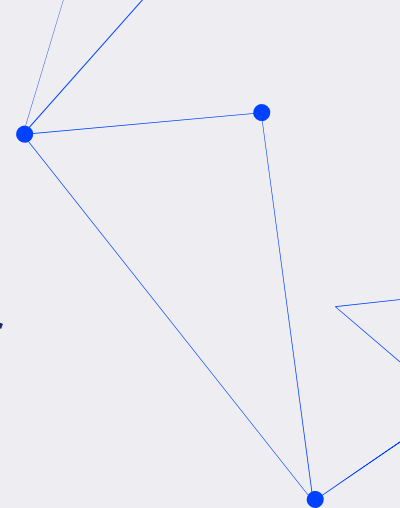
Once the recipient pays off the full balance of the loan per the terms, the recipient receives the remaining grant funds from their escrow account.



Step 9:

Use Grant
Funds to
continue
growing
business

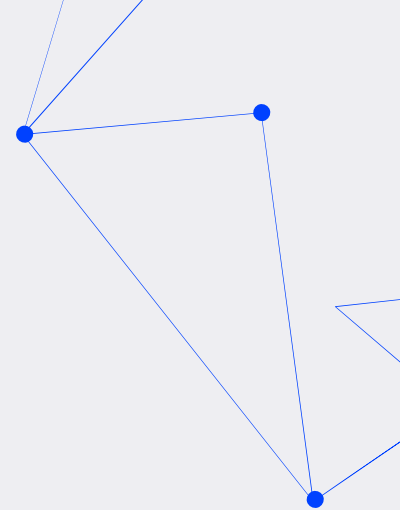
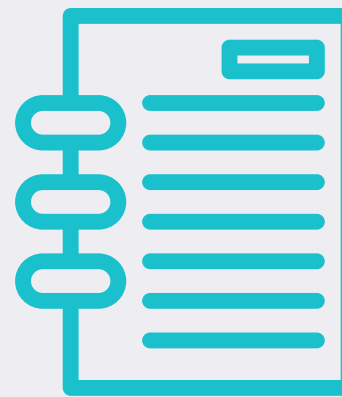
Recipients will use grant funds to continue building their business. No portion of the grant must be repaid.



Step 10:

Report

Recipients are required to return a recap survey declaring expenditures, other related information regarding the use of funds, and any economic impacts by Oct 23, 2022.



Explorer Tier

\$5,000 Award (\$2,500 Grant + \$2,500 Loan)

Ideal Applicant

The Explorer tier is for aspiring entrepreneurs who need funds to explore a business idea. Explorers may still be in the research phase and need funds to further that research to finalize the product, service, or business.

Must Provide:

Must provide a completed application and pitch deck.

Allowable Expenses

Planning, prototyping, testing, equipment, supplies, business formation, and marketing/branding

Loan Fees

6% APR

One-time 3% technical training fee.

Start Up Tier

\$10,000 Award (\$5,000 Grant + \$5,000 Loan)

Ideal Applicant

The Start-Up tier is for aspiring or current entrepreneurs who have completed the research phase and have a plan for a new business, service, or product ready for launch. Start-Up funding is to support entrepreneurs with launching their business or taking their new product/service to market.

Must Provide:

Must provide a completed application and an Executive Summary.

Allowable Expenses

Marketing/branding, equipment, and supplies

Loan Fees

6% APR

One-time 3% technical training fee.

In Business Tier

\$20,000 Award (\$10,000 Grant + \$10,000 Loan)

Ideal Applicant

The In-Business tier is for established business owners with a minimum of 1 year in operation, either as a sole proprietorship or other legal business entity. In-Business applicants should be seeking funding to enhance operations and build capacity.

Must Provide:

Must provide a completed application, proof of at least 1 year in business, a 1 year Profit & Loss Statement, 3 recent months of bank statements, and an implementation plan.

Allowable Expenses

Marketing/branding, equipment, personnel, inventory, and supplies

Loan Fees

6% APR

One-time 3% technical training fee.

Key Dates

Meet & Greet & Info Session (1)	Monday, August 15, 2022 3PM
Application Opens	Monday, August 15, 2022 5PM
Info Session - Virtual (2)	Monday, August 22, 2022 6:30PM
Info Session - In Person (3)	TBA
Application Closes	Wednesday, September 7, 2022 11:59PM
Awardees Announced	Friday, September 16, 2022
Awardee Info Session	The Week of Sept 19th (Date/Time TBA)
Funds Awarded	The Week of Sept 26th
Report Due	Sunday, October 23, 2022 11:59PM



Any Questions?

For questions about W8CIF or the Grant-Secured Loan application process please email us at connect@DCCDC.org.

