In 2020, the Inclusiv $1M Racial Equity Grant Fund supported 59 MDIs to deliver $20 million in economic relief. Inclusiv is now raising our next round racial equity fund.

**MDIS EXPAND ACCESS TO SAFE AND AFFORDABLE FINANCIAL SERVICES**

Minority Depository Institutions (MDI) credit unions, led by people of color and serving predominantly Black, Latino, Native American, and Asian American communities, effectively serve their communities’ financial needs and advance racial equity. Today, over 500 MDI credit unions serve 4 million people in communities of color across the United States. Inclusiv is committed to preserve the rich legacy of MDI credit unions through grant support, technical assistance, and investment.

**INCLUSIV RACIAL EQUITY GRANT FUND**

The Inclusiv Racial Equity Grant Fund is a key part of our commitment to investing in communities of color. It initially responded to the economic damage caused by the COVID-19 pandemic in low-income communities of color by awarding grants to small MDI credit unions to expand their emergency small dollar lending, loan payment relief, and financial counseling and to ensure access to the Paycheck Protection Program (PPP) for small businesses led by people of color.

Inclusiv’s technical assistance ensures that MDI credit unions have the information and tools needed to grow, including accessing federal support through the Community Development Financial Institutions (CDFI) Fund’s Rapid Response Program (RRP). The RRP awards announced in June 2021 included $402 million in grant funding awarded to 244 CDFI credit unions. Inclusiv’s technical assistance ensured that these funds also reached smaller MDI credit unions, which have historically been unable to access federal support.

A total of $134M RRP awards went to 89 credit unions led by and serving communities of color in the U.S. and in Puerto Rico.

Inclusiv’s Racial Equity Grant Fund and technical assistance are made possible through support by the Annie E. Casey Foundation, Bank of America, Capital One Financial Corporation, Citi, Goldman Sachs, JPMorgan Chase, PNC Bank, and Prudential Financial.
Guadalupe Centers FCU is an integrated service model combining Guadalupe Center, a social services agency, and the credit union, which provides financial services. During the pandemic, the credit union offered loan forbearances and waived late fees and penalties as well as created a small dollar loan fund for graduates of the financial education program. They plan to utilize their RRP award to build a homeownership initiative for the Latino community. “Without the CDFI designation and accompanying resources, we wouldn’t have thought it possible to expand affordable housing,” says Salvador López, GCFCU Board Member.

“Guadalupe Centers FCU (Kansas City, KS)

Northeast Community FCU, which serves a large Asian population, discovered that the PPP application and guidance were not provided in Asian languages. With its language capabilities and reputation for assistance, NEFCU used their Racial Equity and NerdWallet Bay Area Impact Fund awards to help over 370 small businesses in San Francisco's Chinatown to apply for $6.6M in city, state, and federal financial assistance programs, including PPP. Lily Lo, the CEO of NEFCU, was honored by Mayor London Breed, who proclaimed March 31st as Lily Lo Day to acknowledge Lo's dedication and leadership in advancing financial inclusion (pictured right). The NEFCU's RRP award will scale up their work.

“Northeast Community FCU (San Francisco, CA)

Mt. Zion Credit Union had helped Kurt Moore with the down payment on the building of K-Love's Auto Detailing, which serves forty auto dealerships. As COVID-19 devastated livelihoods, Mr. Moore needed funds to keep K-Love's running. When his PPP application was in limbo at a larger bank, he sought help from the credit union and received much needed funds within days. “Mt. Zion Credit Union has been there for me as a small credit union, and their services are equal to, if not better, than big banks,” says Mr. Moore. Mt. Zion Credit Union disbursed over $400,000 PPP lending to 36 small businesses in Indianapolis and used their Racial Equity Grant to offer consumer and auto loan relief to members facing hardships. They will use their RRP award to increase their reach and impact.

“It's a loop. Credit unions serve our community as a whole. They help me, I help another, that person helps one more person. We’re all uplifted.”

Mt. Zion Credit Union (Indianapolis, IN)

"Our members were amongst the hardest hit by the pandemic, but thanks to our partnership with Inclusiv, we were able to get funding to provide relief for our members during this hardship."

Guadalupe Centers FCU (Kansas City, KS)

“Mt. Zion Credit Union (Indianapolis, IN)

Northeast Community FCU (San Francisco, CA)

Mt. Zion Credit Union (Indianapolis, IN)

Guadalupe Centers FCU (Kansas City, KS)

W W W . I N C L U S I V . O R G
WHAT'S NEXT FOR INCLUSIV?

MDIs have had tremendous impact over generations, building wealth and opportunity with their members. However, they have remained historically undercapitalized and underinvested. We have a moment of opportunity now to fundamentally shift the flows of capital, driving investment to areas that were not just neglected but historically excluded.

The $12 billion allocated from Congress presents an unprecedented opportunity to build more inclusive economies on a broad scale. The RRP deployed the first round of these funds, including $402 million, to CDFI and MDI credit unions. Inclusiv is now actively working to ensure that MDI credit unions are prepared and able to access the additional federal resources in the coming year. Currently, Inclusiv is working with nearly 200 credit unions and cooperativas to provide information and technical assistance on how to apply and leverage these funding sources to scale financial inclusion and empower their communities.

INCLUSIV RACIAL EQUITY INVESTMENT FUND

Following the success of the Racial Equity Grant Fund, Inclusiv launched the Racial Equity Investment Fund to deploy larger scale investment capital into credit unions serving communities of color. In turn, credit unions leverage these investments to increase lending to minority-owned businesses, homeowners, and consumers. Comcast, as Inclusiv’s first corporate investment, has committed $10 million, which will enable local financial institutions to deploy at least $200 million in total capital in communities that need it the most. The Inclusiv Racial Equity Investment Fund is made possible through support from Comcast, Robert Wood Johnson Foundation, and Mercy Investment Services.

Community development and MDI credit unions can have significant impact on their communities if supported with the capital necessary to thrive. Secondary capital allows CDCUs and MDIs to do more of what they do best – extend credit and provide safe and affordable financial services to underserved individuals who may not otherwise have access to them. Inclusiv studies have shown that CDCUs that received these investments leveraged capital up to 60 times over 5 years – resulting in more loan deployment, more financial products and services offered, and more specialized lending.

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