

City of Fort Worth, Texas

Economic Development – CDFI Friendly
Fort Worth

Recovery Plan

State and Local Fiscal Recovery Funds

2025 Report

City of Fort Worth, Texas
CDFI Friendly Fort Worth
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GENERAL OVERVIEW:

Executive Summary

The City of Fort Worth is working with CDFI Friendly America to increase the supply of flexible, affordable, and patient financing in the city by establishing CDFI Friendly Fort Worth. CDFIs are community development financial institutions. They specialize in financing small businesses, affordable housing, nonprofits, and commercial real estate in historically underserved communities.

CDFI Friendly Fort Worth will work just outside the margins of conventional finance with more than 1,400 CDFIs in the United States managing more than \$220 billion in all 50 states in urban, rural, and native communities.

CDFI Friendly Fort Worth will partner with banks and other financial institutions to help those markets outside the margins get better access to the economic mainstream. At the same time, they will help businesses and people in the economic mainstream work in these emerging markets.

Link: <https://www.cdfifriendlyfortworth.org/>

Justice40 Initiative addressed: Increase access to low-cost capital in DACs. The city believes that increasing CDFI financing in Fort Worth can create opportunities, inclusion, and wealth for entrepreneurs, homeowners, renters, businesses, and developers in DACs.

Use of Funds

Fort Worth is currently underserved by CDFIs: from 2005 through 2019, Fort Worth received just \$39 in CDFI financing per person, much less than the state average of \$119 per person and the national average of \$235 million per person. The Department of Economic Development and the Department of Diversity & Inclusion will work with CDFI Friendly America to establish CDFI Friendly Fort Worth to understand where there are financing gaps that CDFIs can fill and show us how to work with CDFIs, especially in Revitalization Target Areas (RTAs) and Surrounding Areas of Influence (SAIs). CDFIs are in great demand in Texas and across the nation. We will be able to attract them to Fort Worth by making it easier for them to identify the opportunities they can finance. We will also use a small fund of local capital to accelerate the financing.

CDFI Friendly Fort Worth will be governed by a local Board including business leaders, finance leaders, community leaders, and public officials, and led by an executive Director.

CDFI Friendly Fort Worth will do the work of connecting local financing needs to CDFIs that can meet those needs. CDFI Friendly America expects that Fort Worth will see new CDFI financing of more than \$100 million over the next five (5) years.

Promoting equitable outcomes

CDFI Friendly Fort Worth (CDFIFFW) continued to explore strategies to expand financing investments within the designated geographic areas. During the reporting period (April 2025), a partnership launched with a CDFI partner LiftFund that projects to generate \$1.8MM in new financing for businesses. CDFIFFW, through its capital contribution (\$500K), provided a credit enhancement zero percent interest buy-down. LiftFund will utilize its credit infrastructure and resources not only to finance but also to provide the necessary resources for small business sustainability.

Community Engagement

The CDFIFFW and LiftFund partnership utilizes marketing to designated communities via social media networks, community forum opportunities, and local print media delivery systems. CDFIFFW also continues to engage with two previously invested cohort channels that included 30 businesses and partnership support from Amegy Bank, NA, through its local office staff operations.

Performance Report

CDFIFFW financing (given the infrastructure model) gets impact metrics through the voluntary self-reporting from CDFI partners. For this reporting period, 25 loans totaling \$8MM successfully funded. Financing activity was primarily through referrals to Texas Mezzanine, Momentous Capital (Small Business Finance Division), On the Road Lending, and LiftFund. YTD, self-reported financing includes 176 loans totaling over \$27MM. In addition, the CDFIFFW Executive Director and one of its Leadership Board Members were recognized honorees for the Fort Worth Inc. Most Influential People.

Example Project

- Project: CDFI Friendly Fort Worth Access to Capital Project
- Funding amount: \$3,000,000.00
- Project Expenditure Category: [2.7-Household Assistance: Services for Un/Unbanked]