



## NDC Receives \$1 Million Grant from Wells Fargo to Support Small Business Lending

*NDC's Community Impact Loan Fund targets lending in low- and moderate-income areas, especially businesses owned by women and minorities, and nonprofits that provide services to underserved populations*

February 23, New York—The National Development Council is honored to receive a \$1-million grant from Wells Fargo's Open for Business Fund to help small businesses that have been impacted by COVID-19. The grant funding will support [NDC's Community Impact Loan Fund \(CILF\)](#) in its efforts to provide flexible low-cost loans to small businesses in low- and moderate-income communities (LMIs)—especially those owned by women and minorities, and non-profits that serve low-income populations.

As a Community Development Financial Institution, NDC's CILF is a mission-driven loan fund that concentrates small business lending and hands-on support in NDC's targeted areas. To that end, CILF will utilize the grant funding to support and expand its lending activity in the following places:

- NY State: New York Forward Loan Fund
- DE: Delaware Stabilization Loan Fund
- OH: Cuyahoga County Stabilization Loan Funds
- St Louis: Areawide Stabilization and Recovery Loan Funds

“The Wells Fargo grant comes at a critical time,” says Ann Finnegan, President of CILF. “We are leading and as well as participating in numerous loan programs that require a lot of hands-on time and effort. The Wells Fargo grant allows us to keep loans very affordable and get funds out the door quickly.”

“We're trying to reach as many small businesses as we can to help them stay open and recover,” said Connie Smith, program manager on Wells Fargo's Open for Business Fund. “NDC knows how to get funding and technical expertise to entrepreneurs who are struggling, and particularly to those who have faced historical barriers to capital. It's so important that we work together to create an inclusive, sustainable recovery.”

Low-income entrepreneurs and businesses in LMI communities have been especially hard-hit during the pandemic, and traditionally have had difficulty accessing capital. But CILF has demonstrated it can reach businesses in underserved communities. For example, as one of five CDFIs participating in

the New York Forward Loan Fund, CILF has provided \$10M in loans, with more than 60% of those loans going to low-income entrepreneurs and non-profits, 45% to Black and Latinx businesses, and 45% to women-owned businesses. Similarly, in the first round of the Paycheck Protection Program (PPP), more than 70% of NDC's lending activity was in CDFI census tracts.

“We have been a small business lender for almost 30 years,” says Daniel Marsh, President and CEO of NDC. “We know what it takes to reach businesses that have traditionally been left behind. It is critical to develop relationships with local community partners, such as local Urban League affiliates and community development organizations. It's also important to concentrate resources in targeted areas to develop small business clusters that can become a thriving ecosystem. Providing hands-on training is another important factor. This is what it takes in normal times. The situation now is dire and businesses need as much hands-on help as possible.”

Since 1992, NDC has been a Preferred Lender with the Small Business Administration. NDC has provided loans to more than 800 small businesses across the country. NDC also provides free webinars for small business owners and local businesses development agencies to help with developing business plans, managing spreadsheets and right-sizing loans. NDC has also trained thousands of economic development professionals who work in their own communities to evaluate small business creditworthiness and assist them with access to capital.

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#### About NDC:

NDC is a national nonprofit that directs capital and financial expertise to local communities, governments, and agencies. Spanning all aspects of economic development, NDC invests in affordable housing; creates jobs through small business lending; advances livable communities through social infrastructure; and builds capacity with hands-on professional development training and technical assistance to the public and private sectors. Founded in 1969, NDC continues to evolve and innovate to meet the needs of today's challenges with an emphasis on low- and moderate-income communities, including COVID-19 recovery programs and services. Find us at [ndconline.org](http://ndconline.org) | [@NatlDevCouncil](https://twitter.com/NatlDevCouncil)

#### About Wells Fargo:

Wells Fargo & Company is a leading financial services company that has approximately \$1.9 trillion in assets and proudly serves one in three U.S. households and more than 10% of all middle market companies in the U.S. We provide a diversified set of banking, investment and mortgage products and services, as well as consumer and commercial finance, through our four reportable operating segments: Consumer Banking and Lending; Commercial Banking; Corporate and Investment Banking; and Wealth and Investment Management. Wells Fargo ranked No. 30 on Fortune's 2020 rankings of America's largest corporations. In the communities we serve, the company focuses its social impact on building a sustainable, inclusive future for all by supporting housing affordability, small business growth, financial health and a low-carbon economy. News, insights and perspectives from Wells Fargo are also available at [Wells Fargo Stories](#).

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