What is the Capital Access Fund of Greater Cleveland (CAF)?
Capital Access Fund of Greater Cleveland (CAF) is an $8 million programmatic initiative that seeks to provide African American and other minority business owners in Greater Cleveland with access to capital and pre- and post-loan counseling to ensure the success of those borrowers. CAF is born out of a unique collaboration of local and national institutions that are leaders in each of their fields, coming together to provide a viable, local solution to the national challenge of lack of access to capital for African American and other minority businesses.

Who are the collaborative of organizations and institutions that created CAF?

**Founding Partners**
- Morgan Stanley
- National Development Council (NDC)
- National Urban League (NUL)
- National Urban League’s Urban Empowerment Fund (NUL-UEF)
- Urban League of Greater Cleveland (ULGC)
- Cuyahoga County

**Local Partners**
- **Platinum**
  - Key Bank Foundation
- **Gold**
  - City of Cleveland
  - Cleveland Foundation
- **Silver**
  - Burton D. Morgan Foundation
  - PNC Bank
  - Fifth Third Bank

What is the difference between Founding Partners and Local Partners?
CAF Founding Partners are organizations and institutions that early on recognized the opportunity to leverage their national expertise to create local impact in the Greater Cleveland region by addressing the lack of access to capital for African American and other minority owned businesses. Founding Partners also committed to ‘seed’ dollars and resources to help initiate the
CAF effort to ensure it was able to begin in July 2016. Key Bank Foundation is the lead local funder and all local partners have made financial commitments to CAF in various amounts and periods of time as outlined below.

CAF Local Partners are organizations and institutions are recent additions to the effort. Their contributions are structured as follows:

- **Platinum Level** – $250,000 +
- **Gold Level** – $50,000 - $250,000
- **Silver Level** – under $49,999

**What is the goal of CAF?**
The goal of CAF is to provide a local solution to the national problem of lack of capital for African American and other minority businesses. Through loan counseling, CAF will help more than 300 businesses (300 will receive loan counseling and 50 will end up applying for capital), build capacity, “know how”, and wealth, which will strengthen them and their communities.

**Why does CAF focus on small and minority businesses?**
Small businesses allow the economy to thrive. The CAF supports African American and other minority business, as they are the most likely to have difficulty accessing traditional forms of capital. CAF ensures they can help grow the economy, create jobs and wealth for local entrepreneurs and their communities.

**How did the CAF program come about?**
The concept for CAF started with a conversation between the National Urban League (NUL) and Morgan Stanley. Soon thereafter the National Development Council (NDC) was engaged to help NUL craft a viable solution specific to the needs of African American and other minority businesses. Because of a history between NDC and Cuyahoga County with an existing small business loan program, as well as the strong leadership of the Urban League of Greater Cleveland, the group determined Cleveland would be a good place to launch the program.

**Will this program occur in other cities?**
The Founding Partners will plan evaluate the outcomes in the Greater Cleveland market and then determine next steps.

**What are the desired outcomes for CAF?**
The outcomes attached to the CAF effort during the three-year period are as follows:

- 50 loans
- 300 jobs created or maintained
- $8 million in total dollars loaned

**What are the CAF outcomes thus far?**
Outcomes thus far for CAF are as follows (from the start of the program in July 2016 through September 2016)

- 8 loans totaling $1.4 million
- 70 jobs created or maintained (range: $9/hour to $50,000 annually)
How is the CAF program structured and who funds it?
CAF offers the following two sources of capital and requires pre & post loan counseling for borrowers:

Community Impact Loan Fund – In partnership with Morgan Stanley, this $2 million loan fund will lend anywhere from $10,000 to $150,000 to African American and other minority small business owners. The loans will be structured to meet the needs of borrowers. These non-Small Business Administration (SBA) loans are an NDC product.

Grow Cuyahoga County Fund – an existing NDC small business lending loan program in conjunction with Cuyahoga County, Ohio ($2.5 million). Average loan size is currently around $700,000, but will eventually be around $300,000. These are SBA “7a” loans, so the loan proceeds may be used to establish a new business or to assist in the acquisition, operation, or expansion of an existing business. The Grow Cuyahoga County Fund offers affordable growth capital with a longer term and lower rate to borrowers who create jobs and investment in our community. In other words, loans with lower rates, a longer term and little or no capital down.

Pre & Post Loan counseling: Within CAF, The Urban League of Greater Cleveland, NUL-UEF and NDC provide pre- and post-loan counseling to help the borrowers obtain the right type of loan for their business and to follow them through the loan lifecycle to “get them to the finish line.” Through this process NDC will offer its expertise to the National Urban League’s Urban Empowerment Fund (NUL-UEF) so they can build their own capacity for the Urban League’s own Community Development Financial Institution (CDFI) certified by the United States Treasury.

What role does each Founding and Local Partner play in the CAF program?
• **Morgan Stanley**: Provided initial $2 million capital infusion to the Community Impact Loan Fund and operating support.
• **National Urban League**: Originator of the CAF concept along with Morgan Stanley. And building upon its legacy role as a social service intermediary to become a financial intermediary through the National Urban Empowerment Fund.
• **National Urban League’s Urban Empowerment Fund (NUL-UEF)**: National, experienced minority business partner that offers its expertise in engaging minority business and helping them advance their entrepreneurial goals.
• **Cuyahoga County**: Committed $2.5 million in capital through the Grow Cuyahoga Fund to support borrowers through SBA “7a” loans.
• **Urban League of Greater Cleveland (ULGC)**: Local partner with regional expertise among minority business owners and local funders for the CAF project.
• **National Development Council (NDC)**: National lender experienced in providing capital to minority and women owned businesses, provides financial products to support CAF loans and provides technical assistance to borrowers during pre- and post-loan counseling and provides capacity building expertise to the National Urban League Empowerment fund to help UEF deploy this project in other cities.
• **Local partners**: Key Bank Foundation is the lead local funder and the Cleveland Foundation, City of Cleveland, Burton D. Morgan Foundation, PNC Bank, and Fifth Third Bank have also contributed local operating dollars to the CAF effort.