



# HOUSE of REPRESENTATIVES

## STATE OF MICHIGAN

### Appropriations Requests for Legislatively Directed Spending Items

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1. The sponsoring representative's first name:  
Jasper
2. The sponsoring representative's last name:  
Martus
3. The cosponsoring representatives' names. All cosponsors must be listed. If none, please type 'n/a.' A signed letter from the sponsor approving the co-sponsorship and a signed letter from the member wishing to co-sponsor are required. Attach letters at question #9 below.  
To be added and sent to the House Business Office
4. Name of the entity that the spending item is intended for:  
Michigan CDFI Fund at the MEDC
5. Physical address of the entity that the spending item is intended for:  
Michigan CDFI Fund at the MEDC
6. If there is not a specific recipient, the intended location of the project or activity:  
The MI CDFI Fund would award grants to CDFIs across the state of Michigan to help offer loans in every county.
7. Name of the representative and the district number where the legislatively directed spending item is located:  
Across every district
8. Purpose of the legislatively directed spending item. Please include how it provides a public benefit and why it is an appropriate use of taxpayer funding. Please also demonstrate that the item does not violate Article IV, S 30 of the Michigan Constitution.  
The MI CDFI Fund was created and originally funded in FY23 and has received an annual appropriation since then. The MI CDFI Fund, which is housed at the MEDC, provides grants to over 50 Michigan CDFIs to support increased lending capacity and technical assistance programs.

Community Development Financial Institutions (CDFIs) are mission-driven financial

institutions and lenders created to invest in underserved communities and to help them join the economic mainstream to improve the lives of Michigan residents. They are highly collaborative, regulated organizations that finance and support consumers, businesses, and real estate projects in areas where traditional financing is often not available. With responsible, affordable lending tools, repayment dollars that come back to the organization are then redeployed to other businesses and projects. This means philanthropic and grant dollars create ongoing impact. CDFIs strive to foster economic opportunity and revitalize neighborhoods. CDFIs lend to and support small and micro businesses; real estate projects, including mixed-use property and commercial and industrial; workforce development; affordable housing; and consumer and mortgage lending.

The funding for the MI CDFI Fund also helps these nonprofit organizations leverage other federal and private funding and capital to help stretch state funding even further.

CDFIs would use the funding to increase lending capacity as permitted under the individual charter of the CDFI, consistent with the purposes of a CDFI, and within the federal certification framework.

- ☐ At least 80% to be used for financial products and services
- ☐ Up to 10% could be used for administration and operations
- ☐ Up to 10% could be used to provide technical assistance
- ☐ Examples of financial products and services include loans, grants, interest buydown, equity investments, loan loss reserves, loan guarantees

The CDFIs in Michigan have grown their impact over recent years. In 2022, Michigan CDFIs deployed more than \$1.2B in loans and, since their inception, have deployed more than \$5.6B. According to the U.S. Department of Treasury, CDFIs leverage \$8 in private sector investment for every \$1 in public funding. CDFIs lending default rate is less than traditional financial institutions, with an average of less than 2%.

**9. Attach documents here if needed:**

Attachments added to the end of this file.

**10. The amount of state funding requested for the legislatively directed spending item.**

20000000

**11. Has the legislatively directed spending item previously received any of the following types of funding? Check all that apply.**

["State"]

**12. Please select one of the following groups that describes the entity requesting the legislatively directed spending item:**

As this request is for the preservation of the existing MI CDFI fund, and with the understanding that CDFI's are non-profit organizations, I have included the list of MI

CDFI's in section nine for who would be receiving these funds as a better way to answer this question.

13. For a non-profit organization, has the organization been operating within Michigan for the preceding 36 months?

Not applicable

14. For a non-profit organization, has the entity had a physical office within Michigan for the preceding 12 months?

Not applicable

15. For a non-profit organization, does the organization have a board of directors?

Not applicable

16. For a non-profit organization, list all the active members on the organization's board of directors and any other officers. If this question is not applicable, please type 'n/a.'

n/a

17. "I certify that neither the sponsoring representative nor the sponsoring representative's staff or immediate family has a direct or indirect pecuniary interest in the legislatively directed spending item."

Yes, this is correct

18. Anticipated start and end dates for the legislatively directed spending item:

10/1/2025-9/30/2026

19. "I hereby certify that all information provided in this request is true and accurate."

Yes

## About Us

The Michigan CDFI Coalition was launched in January 2024 to support Community Development Financial Institutions (CDFIs) in Michigan. The goal of the Coalition is to grow our work, provide crucial programming, and increase lending to Michigan communities.

The Coalition and its members advocate for critical policy priorities, work to increase collaboration across the CDFI community, share best practices, and help foster growth for small Michigan-based CDFIs.

## Find a CDFI Lender

Do you know someone looking for a loan?

Use our new tool to find a CDFI lender in your community!

All you need to know is the type of loan you're looking for and what community the investment will be located in.



Scan to find a CDFI lender near you.

[MICDFI.org](https://micdfi.org)

## What is a CDFI?

Community Development Financial Institutions (CDFIs) are mission-driven financial institutions created to invest in underserved communities where economic opportunity exists but traditional lending is scarce.

- They are highly collaborative, regulated organizations that finance and support consumers, businesses, and real estate projects in areas where traditional financing is often not available. With responsible, affordable lending tools, repayment dollars that come back to the organization are then redeployed to other businesses and projects. This means philanthropic and grant dollars create ongoing impact.
- CDFIs foster economic opportunity and revitalize neighborhoods.
- CDFIs lend to and support small and micro businesses; real estate projects including mixed-use properties, affordable housing; commercial and industrial; workforce development; and consumer and mortgage lending.

## Important Data about Michigan's CDFIs

### \$1.2 Billion+

In FY22 alone, Michigan CDFIs deployed more than \$1.2 billion. These funds provide jobs, affordable housing, financial health, and opportunity for all.

### \$5.6B

In loans deployed\*

### 41,000+

Jobs created and retained\*

### 16,000+

Housing units developed,  
72% of which are affordable\*

### 25,000

Small or micro-businesses supported\*

### \$1.78B

In NMTC investments,  
supporting 175 projects\*

### 27,000+

Unique consumer loans\*

## 2025 State Policy Priorities

**Make the Michigan CDFI Fund permanent and provide annual funding of \$25M** so that Michigan CDFIs can access grants that provide increased lending, technical assistance, and support operational expenses to help CDFIs grow their lending capacity to reach more borrowers.

**Create a state CDFI Capital Fund** so nonprofit CDFI loan funds can borrow low-cost capital to grow their lending programming and capacity. This would be a revolving fund that would recycle loan capital to CDFIs now and into the future.

**Support funding and programming for economic and community development** through the state, including housing, neighborhood redevelopment, and small and micro businesses.

## National CDFI Data

### \$1 public = \$8 private

According to the US Department of Treasury, **CDFIs make \$1 do the work of \$8**. CDFIs leverage \$8 in private sector investment for every \$1 in public funding.

### <2% average rate

**CDFIs lending default rate** is less than traditional financial institutions with an **average of less than 2%**.

### \$1.53 Billion

In PPP loans provided by MI CDFIs from 2005-2022 to Michigan businesses and nonprofits; preserving **165,000 jobs**.

## CDFIs Products

Some CDFIs specialize in certain products. Traditional product offerings include:



Small and micro business loans



Consumer mortgages



Consumer loans and banking products



Commercial loans for multi-family and mixed-use projects

## How many CDFIs operate in Michigan?

Michigan is home to more than 55 CDFIs with 47 headquartered in Michigan, including several multi-state CDFIs who have been investing in MI for several years.

24

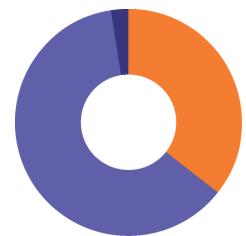
Loan Funds

30

Credit Unions

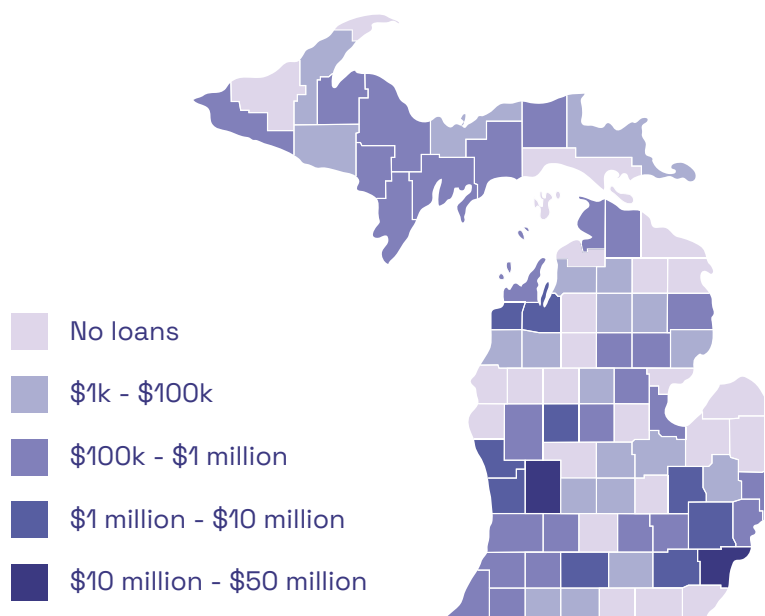
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CDFI Bank



## Loan Recipients By Michigan County

The following summary includes analysis of data from 10 nonprofit loan fund coalition member organizations that submitted data as of March 20, 2024.





REAL ESTATE

# Impact Stories

**MI** | Michigan  
**CDFI** | CDFI  
**Coalition**

Discover the inspiring individuals, businesses, and organizations that Community Development Financial Institutions (CDFIs) touch across the State of Michigan.

We are the Michigan CDFI Coalition.  
We are invested in community.



## The Brooke

### Borrower Name

Cliff Brown

### Project Location

Detroit

### Project Partners

Invest Detroit, Capital Impact Partners

The Brooke on Bagley is a \$23 million mixed-use project located in Southwest Detroit in the Hubbard/Vernor neighborhood, near the newly redeveloped historic Michigan Central Station. The project was supported through Invest Detroit's Strategic Neighborhood Fund, a public-private-philanthropic partnership that concentrates and coordinates high volumes of investment into 10 disinvested target neighborhoods.

[MICDFI.org/impact-stories](https://MICDFI.org/impact-stories)

Read the full  
story here >



## Cadillac Lofts

### Borrower Name

Michigan Community Capital

### Project Location

Cadillac

### Project Partners

Michigan Economic Development Corporation, Michigan Department of Environment, Great Lakes, and Energy, City of Cadillac, Wexford County

Cadillac Lofts is a transformative two-phase redevelopment project located in downtown Cadillac, Michigan, enhancing the vibrancy of the city's urban core. This redevelopment involved the transformation of an abandoned grocery store and single-story buildings, sparking new confidence in Cadillac's downtown real estate market.

[MICDFI.org/impact-stories](https://MICDFI.org/impact-stories)

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## The Grand on University

### Borrower Name

Communities First, Inc.

### Project Location

Flint

### Project Partners

ELGA Credit Union, Cinnaire, Federal Home Loan Bank of Indianapolis (FHLBI), Michigan State Housing Authority Low Income Housing Tax Credit (LIHTC) program, and City of Flint Payment in Lieu of Taxes (PILOT) program.

The Grand on University is a new construction project consisting of four buildings at the corner of N. Grand Traverse St. and University Ave in Flint's Carriage Town neighborhood. The buildings will be mixed-use with ground-floor commercial and community space. There will be 48 residential units, 43 of which will be targeted low-income.

[MICDFI.org/impact-stories](https://micdfi.org/impact-stories)

Read the full  
story here >



## Allen Neighborhood Center

### Borrower Name

Allen Neighborhood Center

### Project Location

Lansing

### Project Partners

Michigan Community Capital, Cinnaire, PNC Bank, Michigan Economic Development Corporation, Michigan Department of Environment, Great Lakes & Energy, City of Lansing, Lansing Board of Water & Light, Michigan Good Food Fund, Lansing Area Community Trust Fund, Consumers Energy Foundation, The Accident Fund, Capital Area Community Foundation, Comerica Foundation

The full project, including the new development of Allen Place apartments, redeveloped an existing, two-story building into a three-story mixed-use development consisting of affordable housing units, community-based health care services, a culinary training school, and an accelerator kitchen for food-based entrepreneurs.

[MICDFI.org/impact-stories](https://micdfi.org/impact-stories)

Read the full  
story here >





SMALL BUSINESS

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## Symmetry Concepts

### Borrower Name

Symmetry Concepts

### Project Location

Arcadia

### Project Partners

Venture North

Tom and Shannon Westgate know a bit about business.

They've owned and grown individual companies and jointly operate Arcadia's Pleasant Valley Resort, purchased in 2012. Now, with the help of Venture North Funding & Development, they're starting down a new path.

[MICDFI.org/impact-stories](https://MICDFI.org/impact-stories)

Read the full  
story here >



## Lily's and Elise Tea House

### Borrower Name

Kimberly Fisher

### Project Location

Detroit

### Project Partners

Invest Detroit, Detroit Development Fund,  
ProsperUS Detroit

The Lily's and Elise Tea House is a luxury tea lounge located on the Livernois Avenue of Fashion in Detroit with a mission to provide an exceptional, European-style afternoon tea experience. Lily's and Elise specializes in premium teas from around the world, pastries, and fresh flowers. The core values of Lily's and Elise are femininity, substantiality, and community inclusion.

[MICDFI.org/impact-stories](https://MICDFI.org/impact-stories)

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story here >







SMALL BUSINESS

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## RJ's Printing

### Borrower Name

Sean Hollins

### Project Location

Kalamazoo

### Project Partners

Northern Initiatives, LISC  
Kalamazoo, Rende Progress Capital

RJ's Printing is a 29-year-old business located in Kalamazoo's Edison neighborhood, the only Black-owned printing business in Southwest Michigan. After a three-year effort, Sean Hollins purchased the business in January 2023, with support from Northern Initiatives, Kalamazoo LISC, and Rende Progress Capital. "It was all happening during COVID," Hollins remembers. "People were pulling back at that point and weren't lending. I'm like, 'I guess this is over.' But (they) helped navigate through that space."

[MICDFI.org/impact-stories](https://micdfi.org/impact-stories)

Read the full  
story here >



## Last Mile Cafe

### Borrower Name

Sarah Davis and Arick Davis

### Project Location

Grand Rapids

### Project Partners

Michigan Women Forward

When Sarah and Arick Davis opened Last Mile Cafe in Grand Rapids in December 2022, they had a unique vision. They wanted to run a company that reflected their values — putting "people and planet" before profits. Their goal was to pay a living wage to their employees, give 10% of their profits to local charities and serve only ethically-sourced coffee to their customers.

[MICDFI.org/impact-stories](https://micdfi.org/impact-stories)

Read the full  
story here >





## Consumer Impacts



Learn how CDFI Credit Unions use Michigan CDFI Fund program dollars and provide impact lending tools to benefit low- to moderate-income borrowers in Michigan.

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We are invested in community.



In 2023, **ELGA Credit Union**, with funds from the **Michigan CDFI Fund**, helped construct affordable rental housing units in Flint, MI, through a project called Avon Rental Apartments. This project not only improved the quality of living for very low- and low-income residents but is also located in a minority neighborhood.



**Michigan CDFI grant funds** have been used to support consumer loans to members. Loans have gone to consumers who have a low probability of getting loan approval elsewhere. The receipt of grant funds has enabled **Public Service Credit Union** to continue to lend to low-income borrowers primarily in Wayne County.



**OMNI Community Credit Union** used the **Michigan CDFI Fund** grant funding to support auto loans, some of which are sub-prime. This allowed OMNI to provide access to auto loans that some low-to-moderate-income families who can't get loans elsewhere. And, if they can get access to loans they often pay here costs which finance the down payment and the car. OMNI is a low-cost alternative.



The **Michigan CDFI Fund** grant helped **Alpena Community** Credit Union provide qualified first-time homebuyers, low-income individuals and families, and veterans with 30-year mortgages at a reduced interest rate. The basis for the reduced rate is the current Applicable Federal Rate (AFR) + 1%. The credit union also offered qualifying low-income individuals and families a H.O.P.E. loan—an unsecured loan of up to \$2,000 with a 36-month term at a rate of 1% above the AFR short-term rate, regardless of their credit score.



**Astera Credit Union** used the **Michigan CDFI Fund** grant to offer multiple "Opportunity Loan" categories specifically designed for low-income households. They also implemented "EmpowerME!" – an outcomes-based, coach-guided, comprehensive financial health program designed to support financial health improvements in low-income households.



Read more about our members here > [MICDFI.org/members](https://micdfi.org/members)

**CDFIs in Michigan**

|   |
|---|
| Alpena Community Credit Union               |
| American 1 Credit Union                     |
| Astera Credit Union                         |
| Awakon Federal Credit Union                 |
| Bloom Credit Union                          |
| Capital Impact Partners                     |
| CASE Credit Union                           |
| Chi Ishobak, Inc.                           |
| Community First Federal Credit Union        |
| Community Promise FCU                       |
| CORE Community Partners                     |
| Credit Union One                            |
| Detroit Development Fund                    |
| ELGA Credit Union                           |
| Enterprise                                  |
| Financial Plus Credit Union                 |
| First Independence Bank                     |
| Frankenmuth Credit Union                    |
| Grand Rapids Opportunities for Women        |
| Great Lakes Womens Business Council         |
| IFF   |
| Ignite Credit Union                         |
| Invest Detroit Foundation                   |
| Lake Huron Credit Union                     |
| Lake Superior Community Development Corp.   |
| Lake Trust Credit Union                     |
| LISC  |
| Magnet Lending Corporation                  |
| Members First Credit Union                  |
| Metro Community Development, Inc.           |
| Michigan Community Capital                  |
| Michigan First Credit Union                 |
| Michigan Women's Foundation, The            |
| MUSKEGON FEDERAL CREDIT UNION               |
| Northern Great Lakes Initiatives            |
| Northern Shores Community Development, Inc. |
| OMNI Community Credit Union                 |
| One Detroit Credit Union                    |
| Opportunity Resource Fund                   |
| Prosperus Detroit Micro Lending             |
| Public Service Credit Union                 |
| Rende Progress Capital                      |
| Route 31 Federal Credit Union               |

|                                     |
|-------------------------------------|
| Security Credit Union               |
| Straits Area Federal Credit Union   |
| United Bay Community Credit Union   |
| University of Michigan Credit Union |
| Venture North Funding & Development |
| Wayne Westland Federal Credit Union |
| Zeal CU                             |