

The Insider

Sunny Money

A Midwest powerhouse offers cheap loans to help local nonprofits grow. by Jenny Marie Farris

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Nicholas Zook was young, resolute and, admittedly, naïve. The pastor of Chicago's Concordia Lutheran Church wanted to expand its day care program, but banks wouldn't lend money.

Enter IFF, formerly known as the Illinois Facilities Fund. Zook got enough help from IFF to eventually create three nonprofit sites. Besides the loans, Zook notes, "The expertise they brought to the task was invaluable."

IFF, itself a nonprofit, is the largest Community Development Financial Institution in the Midwest, with \$150 million in assets. For 20 years, it has helped nonprofits serving low-income neighborhoods in Illinois and a few surrounding states by offering below-market financing coupled with strategic advice.

"Our goal is to make nonprofits stronger," says Trinita Logue, president and CEO of IFF.

Working from Chicago, the IFF has already helped such Milwaukee groups as Seeds of Health Charter School, Stepping Stones Child Development and the Modjeska Theatre Project. But the organization plans to open an office here in January, making this the fourth Midwestern city where it has a local presence.

"We had a lot of entities in Milwaukee asking us to come," Logue notes. "I think we will be able to be much more engaged, to learn more quickly about the community. We want to have a real presence."

That's music to Mayor Tom Barrett's ears. "We're always looking for partners on projects that grow a stronger Milwaukee," he says. "A local office would mean a boost in resources."

CDFIs are certified by the U.S. Treasury and use funding from banks and government agencies to provide loans to underserved groups. Wisconsin has other CDFIs, like Legacy Bank, which has helped companies such as Lena's Food Market on the near North Side. But the size of IFF and the fact that it caters exclusively to nonprofits makes it stand out.

“IFF has built up expertise around certain areas, including child care, charter schools and facilities that serve the elderly community,” says Kathryn Dunn, community investment officer for the Helen Bader Foundation. “We have a lot of nonprofits they can help with.”

Odds are, they will be knocking on IFF's new Milwaukee door.