

ELEVATE

SMALL BUSINESS GRANT



BUILDING PARTNERSHIPS.
SERVING COMMUNITIES.

DATE: March 2020 PRESENTED BY: Megan Coler-Hasser, Community Investment Outreach Partner



Elevate Small Business Grant

WHAT IS IT?



- Assists growth and development of small businesses in Indiana and Michigan
- 2020 Funding Total: \$375,000

Maximum Grant of \$25,000 for:

- Purchase of real property
- Improvements to property (owned or leased)
- Facility expansion
- Machinery, tools or equipment costs
- Workforce development or training costs
- Technology enhancements

Elevate Small Business Grant

WHO IS ELIGIBLE?



Only small businesses headquartered in Indiana or Michigan are eligible who:

- Have been in business under current ownership for at least 12 months, prior to June 1, 2020;
- Have annual gross revenue less than \$1 Million;
- Are a for-profit business;
- Clear Office of Foreign Assets Control (OFAC search);
- Partner with FHLBank Indianapolis Member
- Submit complete application with budget and signatures
- Expend funds between June 1, 2020 and January 31, 2021

Evaluation Factors:

DECISIONS, DECISIONS...



- Competitive application based on:
 - Threshold
 - Scoring Categories
 - Scoring Considerations



Evaluation Factors:

SCORING CATEGORIES



- AMI% of census tract where business is located:
 - ≤30% AMI = 8 points
 - 31-50% AMI = 6 points
 - 51-80% AMI = 4 points
 - 81-100% AMI = 2 points
 - 101-120% AMI = 1 point
 - 121% AMI + = 0 points
- Minority ownership (woman-, minority-, disabled- or veteran-owned at least 51% = 5 points
- Time in business under current ownership:
 - 5+years = 5 points
 - 4-5 years = 4 points
 - 3-4 years = 3 points
 - 2-3 years = 2 points
 - 1-2 years = 1 point
- Completed business plan or strategic plan = 5 points
- Completed small business development course = 5 points
- Member financial participation = 8 points

Evaluation Factors:

SCORING CONSIDERATIONS



- How will the use of Elevate funds:
 - Advance workforce skills and training
 - Incorporate area business participation through the project and increase local economic development
 - Improve the company's product and/or service delivery
 - Enhance company and productivity processes
 - Be used and leverage other resources

Applying for the Grant

APPLICATION PROCESS



- All small-business applications must be submitted by a member institution
 - One submission per small-business
 - Member must submit a Master Agreement
 - Member can submit multiple small-business applications
- Applications will be available on the Bank's website (www.fhlbi.com/elevate)

Elevate Key Dates	
Applications Due	June 1, 2020
Awards Announced	July 15, 2020
Eligible Expenses	June 1, 2020 – January 31, 2021
Disbursement Deadline	January 31, 2021

Funding Process

SELECTION, DISBURSEMENT & BEYOND



Selection Process

- Incomplete applications or applications do not meet program guidelines or not fully executed will be rejected.
- Members with awarded applications will be notified via phone and email and notify business
- Members and businesses not awarded will be emailed
- Awards posted on website

Disbursement Process

- Reimbursement basis
- Member submits Elevate Subsidy Agreement
- Small business works with Member to submit Disbursement Request (2 requests max.) with proof of dated expense documents
- FHLBI reviews and approves disbursement
- FHLBI wires Member requested funds

Reporting & Requirements

- By July 15, 2021, a project status report must be submitted to FHLBI
- Funds must be used as determined in application budget
- Any funds not requested by January 31, 2021, funds are forfeited
- Reimbursements are only eligible for expenses between June 1, 2020 and January 31, 2021

Elevate Small Business Grant

2019 STATISTICS



# of Awards	11 (92 applications)
Total Amount Awarded	\$255,595
# of Members Represented	10
Business Location	Indiana: 7 (64%) Michigan: 4 (36%)
Minority-, Women-, Veteran-, Disabled Owned Business	6 (55%)
New Jobs (proposed to be created):	30
Recipients with revenue <\$1Million	10
Business located in low/mod income census tract (120% AMI)	7 (64%)

Elevate Small Business Grant

2019 STATISTICS



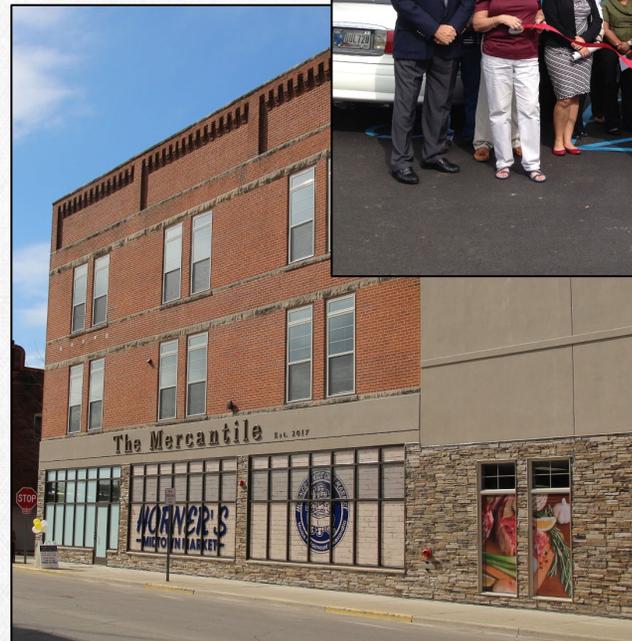
Awards	17 out of 71 applications
Total Amount Awarded	\$391,751
Awarded Members	10
Business Location	Indiana: 53% (9) Michigan: 47% (8)
Minority-, Women-, Veteran-, Disabled Owned Business	71% (12)
Average Number of Current Employees	3.0
Business located in low/mod income census tract (120% AMI)	94% (16)

Horner Foods, Inc.

FIRST FARMERS BANK AND TRUST



- Example of elevating and growing their business
- Elevate funds would help with competitive edge
- Community impact and leveraging funds
- Budget:
 - Digital/On-Line Ordering System Technology
 - Telephone System Upgrade
 - Air Curtain Humidity Control
 - Updated Display Shelving



Developing a Partnership

ADVICE FROM A MEMBER AND SMALL BUSINESS



Member	Small Business
Inquire	
<ul style="list-style-type: none"> Identify existing relationships connected to small businesses Ask for referrals 	<ul style="list-style-type: none"> Contact FHLBank Indianapolis Member www.fhlbi.com/member
Engage	
<ul style="list-style-type: none"> Meet partners and small business Inform them about opportunity and expectations 	<ul style="list-style-type: none"> Meet with Member Prepare materials and present about your business Explain your “why”
Assist	
<ul style="list-style-type: none"> Work with small business to develop application Highlight their eligibility, need, plans, goals and role in their community Identify other resources 	<ul style="list-style-type: none"> Complete application thoroughly Give details of who, what, when, where and why Describe history and impact on people, business, community Provide supportive and realistic data Incorporate feedback from Member Seek additional resources
Manage	
<ul style="list-style-type: none"> Prepare documents to submit to FHLBI Follow up on progress, expenditures, and compliance Other ways to support the business 	<ul style="list-style-type: none"> Provide documents to Member for FHLBI Maintain relationship with Member Let Member know about long term process and successes

Elevate Small Business Grant

QUESTIONS?



Contact an Elevate team member at:

elevate@fhlbi.com

www.fhlbi.com/elevate

Community Mentors

NEW PROGRAM OFFERING



FHLBank
INDIANAPOLIS

BUILDING PARTNERSHIPS.
SERVING COMMUNITIES.

DATE: March 2020 PRESENTED BY: Megan Coler-Hasser, Community Investment Outreach Partner



Community Mentors Program

WHAT IT IS



- One-day event
- Hosted by local community – through Member or community organization
- Addresses 3-4 community issues to discuss
- Community development experts (mentors) share their knowledge and experience
- Provides community dialogue to address issues
- Leave with strategies and \$10,000 to implement change

Community Mentors Program

HOW IT WORKS



- Members or Community Organization submits application that identifies:
 - 3-4 community topics to address
 - Work already completed in topic areas
 - Why a Community Mentors event would be beneficial
 - Group of interested/invested stakeholders
 - Plan for the \$10,000 award
 - Space to hold event

Community Mentors Event

EXAMPLES





COMMUNITY MENTORS SUMMIT

Wednesday, February 13, 2019
Lansing, Michigan



<p>Build Relationships. Learn Best Practices. Develop Strategies.</p> <p>Community Mentors Summit</p> <p>Wednesday, February 13 10am – 3:30pm</p> <p>Radisson Hotel Lansing at the Capitol Room: Capitol III & IV 111 N. Grand Avenue Lansing, MI 48933</p>	<h4>Agenda</h4>	<table border="0" style="width: 100%;"> <tr> <td style="width: 15%; vertical-align: top;">10:00-10:20am</td> <td style="width: 35%; vertical-align: top;">Welcome & Opening Remarks from City of Lansing</td> <td style="width: 50%; vertical-align: top;">Mayor Schor Brian McGrain <i>Director of Economic Development and Planning</i></td> </tr> <tr> <td style="vertical-align: top;">10:20-10:30am</td> <td style="vertical-align: top;">Introductions from FHLBank Indianapolis</td> <td style="vertical-align: top;">Deron Streitenberger <i>Chief Business Operations Officer</i></td> </tr> <tr> <td style="vertical-align: top;">10:30-11:00am</td> <td style="vertical-align: top;">Near East Area Renewal</td> <td style="vertical-align: top;">John Franklin Hay <i>Executive Director</i></td> </tr> <tr> <td style="vertical-align: top;">11:00-11:30am</td> <td style="vertical-align: top;">LISC Detroit</td> <td style="vertical-align: top;">Tahirih Ziegler <i>Executive Director</i></td> </tr> <tr> <td style="vertical-align: top;">11:30-12:00pm</td> <td style="vertical-align: top;">City of Detroit</td> <td style="vertical-align: top;">Jermaine Ruffin <i>Director of Development</i></td> </tr> <tr> <td style="vertical-align: top;">12:00-12:45pm</td> <td style="vertical-align: top;">Buffet Lunch</td> <td></td> </tr> <tr> <td style="vertical-align: top;">12:45-1:15pm</td> <td style="vertical-align: top;">Communities First</td> <td style="vertical-align: top;">Glenn Wilson <i>President/CEO</i></td> </tr> <tr> <td style="vertical-align: top;">1:15-1:30pm</td> <td style="vertical-align: top;">Roundtable Set Up & Instructions</td> <td style="vertical-align: top;">Mike Recker <i>AHP Compliance and Production Manager</i></td> </tr> <tr> <td style="vertical-align: top;">1:30-2:45pm</td> <td style="vertical-align: top;">Roundtable Working Groups</td> <td></td> </tr> <tr> <td style="vertical-align: top;">2:45-3:30pm</td> <td style="vertical-align: top;">Roundtable Report Out</td> <td></td> </tr> </table>	10:00-10:20am	Welcome & Opening Remarks from City of Lansing	Mayor Schor Brian McGrain <i>Director of Economic Development and Planning</i>	10:20-10:30am	Introductions from FHLBank Indianapolis	Deron Streitenberger <i>Chief Business Operations Officer</i>	10:30-11:00am	Near East Area Renewal	John Franklin Hay <i>Executive Director</i>	11:00-11:30am	LISC Detroit	Tahirih Ziegler <i>Executive Director</i>	11:30-12:00pm	City of Detroit	Jermaine Ruffin <i>Director of Development</i>	12:00-12:45pm	Buffet Lunch		12:45-1:15pm	Communities First	Glenn Wilson <i>President/CEO</i>	1:15-1:30pm	Roundtable Set Up & Instructions	Mike Recker <i>AHP Compliance and Production Manager</i>	1:30-2:45pm	Roundtable Working Groups		2:45-3:30pm	Roundtable Report Out	
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COMMUNITY MENTORS SUMMIT



<p>Build Relationships. Learn Best Practices. Develop Strategies.</p> <p>Monroe County Community Mentors Summit</p> <p>Friday, September 6, 2019 10am – 3pm</p> <p>Town Hall of Ellettsville 1150 W. Guy McCown Dr. Ellettsville, IN 47429</p>	<h4>Agenda</h4>	<table border="0" style="width: 100%;"> <tr> <td style="width: 15%; vertical-align: top;">10:00-10:20am</td> <td style="width: 35%; vertical-align: top;">Welcome & Opening Remarks from SCIHO</td> <td style="width: 50%; vertical-align: top;">Deborah Myerson <i>Executive Director</i></td> </tr> <tr> <td style="vertical-align: top;">10:20-10:30am</td> <td style="vertical-align: top;">Introductions from FHLBank Indianapolis</td> <td style="vertical-align: top;">MaryBeth Wott <i>Community Investment Officer</i></td> </tr> <tr> <td style="vertical-align: top;">10:30-11:00am</td> <td style="vertical-align: top;">Keller Development <i>Missing Middle-Income Housing</i></td> <td style="vertical-align: top;">Greg Majewski <i>Business Development Specialist</i></td> </tr> <tr> <td style="vertical-align: top;">11:00-11:30am</td> <td style="vertical-align: top;">IN Office of Community & Rural Affairs (OCRA) <i>Rural Development Opportunities</i></td> <td style="vertical-align: top;">Paul Smith <i>West Central Community Liaison</i></td> </tr> <tr> <td style="vertical-align: top;">11:30-12:00pm</td> <td style="vertical-align: top;">City of Rushville <i>Rural Development Opportunities</i></td> <td style="vertical-align: top;">Brian Sheehan <i>Director of Special Projects & Community Development</i></td> </tr> <tr> <td style="vertical-align: top;">12:00-12:45pm</td> <td style="vertical-align: top;">Buffet Lunch</td> <td></td> </tr> <tr> <td style="vertical-align: top;">12:45-1:15pm</td> <td style="vertical-align: top;">City of Washington <i>I-69 Land Use</i></td> <td style="vertical-align: top;">Mayor Joe Wellman</td> </tr> <tr> <td style="vertical-align: top;">1:15-1:45pm</td> <td style="vertical-align: top;">Prosperity Indiana <i>Rural Leadership Development</i></td> <td style="vertical-align: top;">Jessica Love <i>Executive Director</i></td> </tr> <tr> <td style="vertical-align: top;">1:45-2:00pm</td> <td style="vertical-align: top;">Roundtable Set Up & Instructions</td> <td style="vertical-align: top;">Megan Coler-Hasser <i>FHLBank Indianapolis</i></td> </tr> <tr> <td style="vertical-align: top;">2:00-2:40pm</td> <td style="vertical-align: top;">Roundtable Working Groups</td> <td style="vertical-align: top;">Mike Recker <i>FHLBank Indianapolis</i></td> </tr> <tr> <td style="vertical-align: top;">2:40-3:00pm</td> <td style="vertical-align: top;">Roundtable Report Out</td> <td></td> </tr> </table>	10:00-10:20am	Welcome & Opening Remarks from SCIHO	Deborah Myerson <i>Executive Director</i>	10:20-10:30am	Introductions from FHLBank Indianapolis	MaryBeth Wott <i>Community Investment Officer</i>	10:30-11:00am	Keller Development <i>Missing Middle-Income Housing</i>	Greg Majewski <i>Business Development Specialist</i>	11:00-11:30am	IN Office of Community & Rural Affairs (OCRA) <i>Rural Development Opportunities</i>	Paul Smith <i>West Central Community Liaison</i>	11:30-12:00pm	City of Rushville <i>Rural Development Opportunities</i>	Brian Sheehan <i>Director of Special Projects & Community Development</i>	12:00-12:45pm	Buffet Lunch		12:45-1:15pm	City of Washington <i>I-69 Land Use</i>	Mayor Joe Wellman	1:15-1:45pm	Prosperity Indiana <i>Rural Leadership Development</i>	Jessica Love <i>Executive Director</i>	1:45-2:00pm	Roundtable Set Up & Instructions	Megan Coler-Hasser <i>FHLBank Indianapolis</i>	2:00-2:40pm	Roundtable Working Groups	Mike Recker <i>FHLBank Indianapolis</i>	2:40-3:00pm	Roundtable Report Out	
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Community Mentors Program

HOW IT WORKS



- September 30, 2020 – Accepting applications from Members or Community Organizations
- December 1, 2020 – Two communities selected (1 in Michigan and 1 in Indiana)
- Spring/Summer 2021 – Community Mentors events hosted
- December 31, 2021 – Share results from \$10,000 implementation funds

Community Investment Program - CIP



BUILDING PARTNERSHIPS.
SERVING COMMUNITIES.

DATE: March 2020 PRESENTED BY: Rori Chaney, VP, Community Investment Dept. Manager



Community Investment Program



- FHLBI's lowest-cost funding
 - Available at FHLBI's cost of funds, plus a nominal administrative fee (non-competitive)
- Flexible terms/structure
 - Variable and fixed rates to 20 years (if available)
 - Up to 20-year amortization
- Same collateral, prepayment terms, and activity-based stock requirements as traditional advances.

CIP includes discounted advances and letters of credit, available to members on an on-going basis to support targeted housing and economic development.

Highlights of 2019 Program Year



Community Investment Program

- Advances: \$236 million for 14 projects
- Letters of Credit: \$36.4 million for 5 projects

Project Types

- Housing: \$245.6 million
- Economic Development: \$26.8 million

CIP Housing Project

QUALIFICATION



CIP can be used to support ownership *or* rental projects.

Ownership Residential

- Individual owner-occupied units owned or purchased
- All household incomes \leq 115% of Area Median Income (AMI)
- **REQUIRED Documentation:** List of originated mortgages

Rental Residential

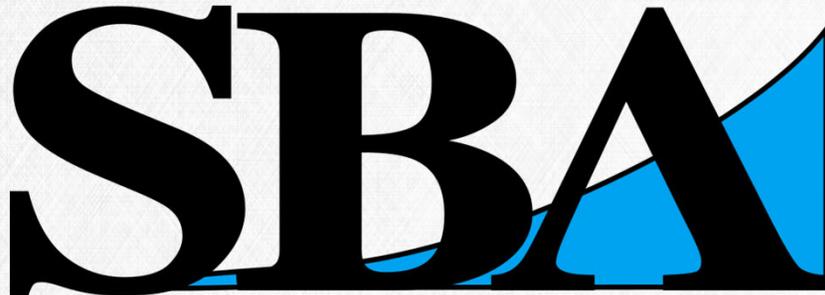
- Financing of rental units and cooperatives
- At least 51% of resident incomes \leq 115% of AMI or
- Rents affordable to at least 51% of residents whose incomes are \leq 115% AMI
- **REQUIRED Documentation:** Rent roll, FHLBI Rent Schedule, or Income Roll



CIP: Commercial/Economic Development QUALIFICATION



CIP can be used to support lending to small businesses or projects that create or retain jobs.



U.S. Small Business Administration

- **Certified by NAICS code**
 - # employees
 - Annual revenue

- **51% of jobs created or retained have annual salaries below specific AMI levels**



CIP: Commercial Economic Development

INCOME REQUIREMENTS



Provides services or benefits to urban or rural area

≤ 100% AMI for urban areas

Area population > 25,000

≤ 115% AMI for rural areas

Area population < 25,000

Project located in a targeted area (*income exemption*)

- ✓ Rural/urban Champion Community, Empowerment Zone, or Enterprise Community
- ✓ State of Michigan Renaissance Zone
- ✓ Native American area
- ✓ State of Indiana Enterprise Zone
- ✓ Area affected by a federal military base closing or realignment
- ✓ Federal Brownfield Tax Credit
- ✓ Federally declared disaster area

Contact Information

CIP APPLICATIONS OR QUESTIONS



Rori Chaney

VP, CID Manager

(317)465-0428

rchaney@fhlbi.com

For applications and forms, visit our website:

www.fhlbi.com



2020 Member Facility Financing Program



Voluntary program to assist members financing their own facility expansion:

- Fixed rate advances only
- Terms up to 10 years
- Annual Member limit of \$10 million
- Project must be located in census tract <120%AMI
- Offered at CIP rates

Additional information and applications can be obtained by contacting the FHLBI Advances Desk (800)442-2568