



# Dream Makers Fund

Economic & International Development

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**Goal 1**  
**CULTIVATE AN ENVIRONMENT**  
**CONDUCTIVE TO**  
**STRONG, SUSTAINABLE ECONOMIC**  
**DEVELOPMENT**

1.1 Stabilize and expand El Paso's tax base



## Mission

Deliver exceptional services to support a high quality of life and place for our community



## Vision

Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government



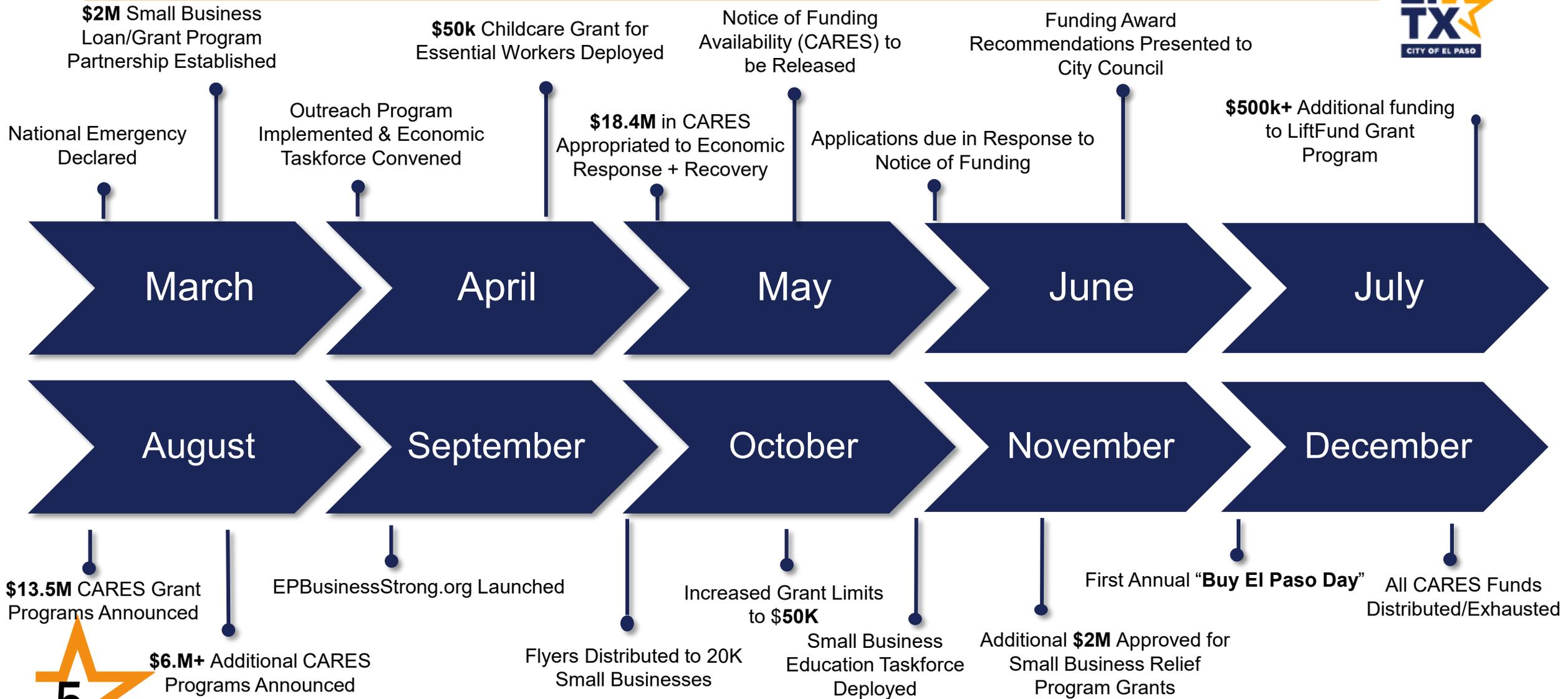
## Values

Integrity, Respect, Excellence, Accountability, People

# Discussion and Action Item

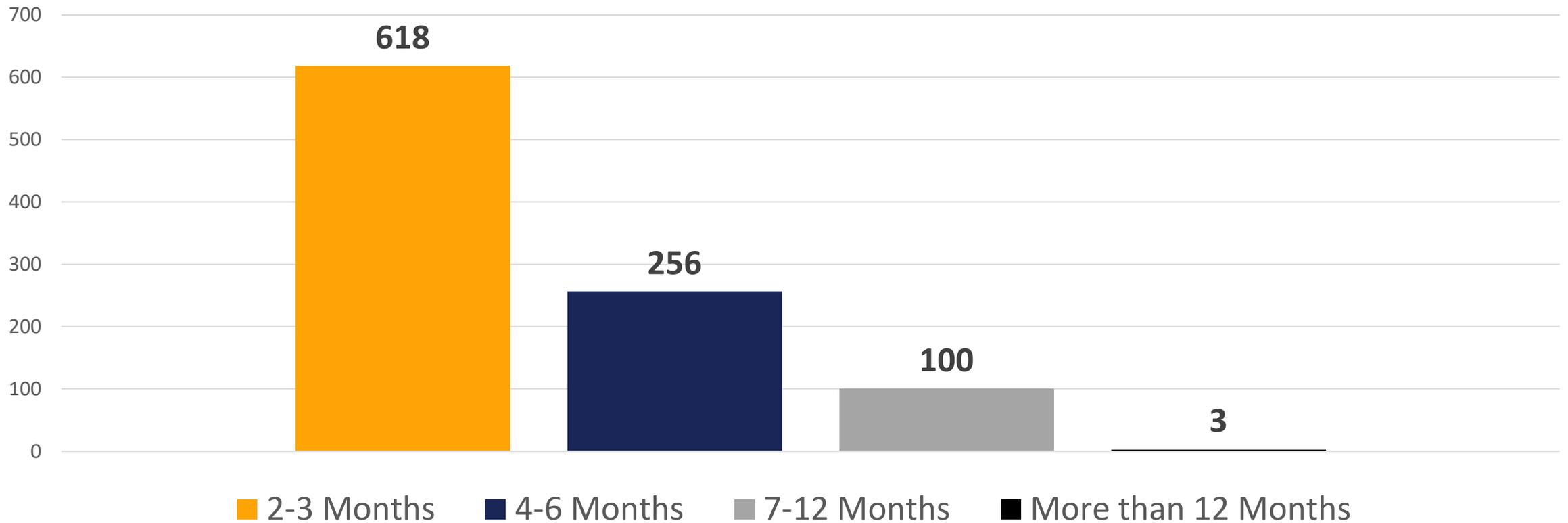
That the City Manager be authorized to sign a Chapter 380 Agreement by and between the CITY OF EL PASO, a Texas home rule municipal corporation, and LIFTFUND, INC., in support of the administration of the Dream Makers Fund, a revolving line of credit designed to administer small business loans within the City of El Paso.

# Recap of Small Business Assistance Timeline - 2020



**\$6.M+** Additional CARES Programs Announced

# How long can your business survive with current capital?



Source: COEP Survey: CARES Act Business Grant Recipients 2020





# Capital Needs

## Short-term

<b>Sum</b>	\$46,423,342
<b>Average</b>	\$57,740
<b>Median</b>	\$25,000

**Next 6 Months**

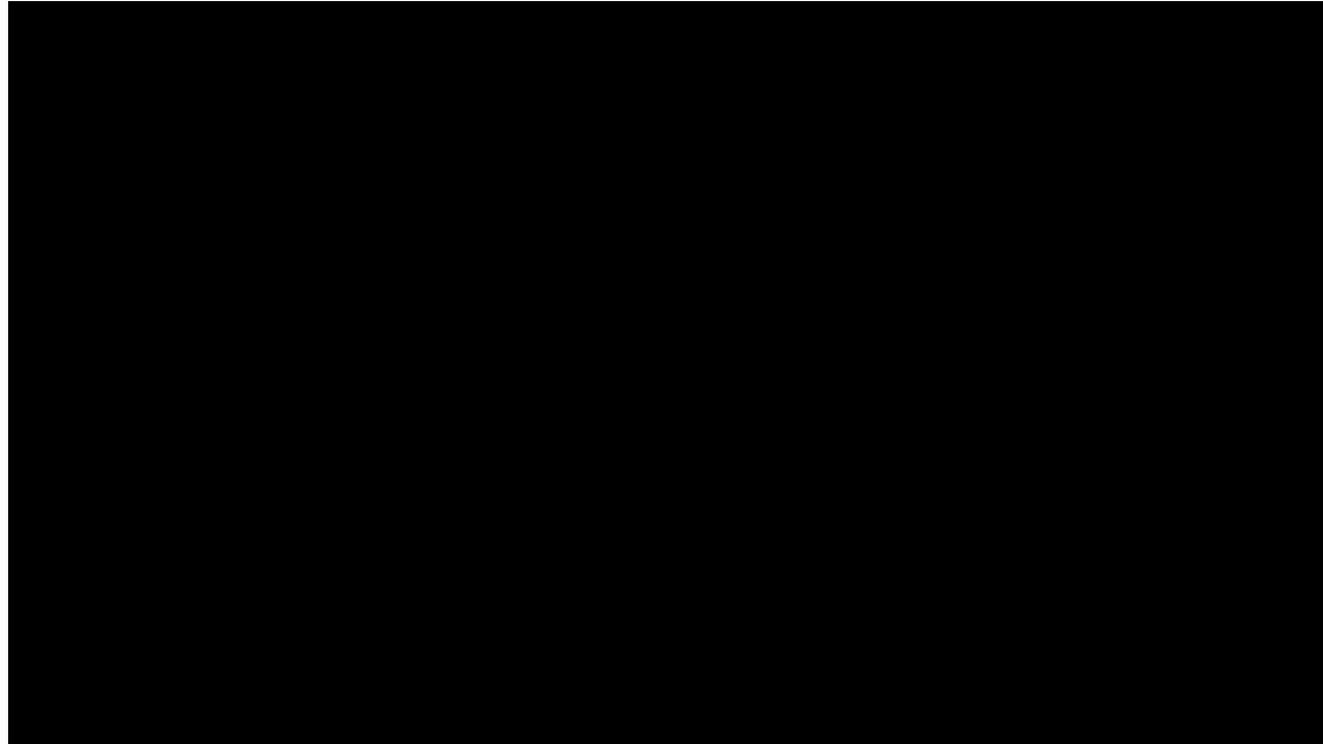
## Long-term

<b>Sum</b>	\$115,398,038
<b>Average</b>	\$114,598
<b>Median</b>	\$36,000

**Next 12-18 Months**



**LiftFund**  
DREAM IT. FUND IT.



**Help  
passionate  
entrepreneurs  
achieve their  
dreams**

# Dream Makers Fund

*The Dream Makers Fund transforms generations of entrepreneurs, families and communities through asset building and equity creation*





# City's Contribution

**\$540,000**



**Dream Makers Fund**  
Revolving Loan Fund –  
Available for business  
loans

**\$36,000**



**Interest Buy Down**  
Helps lower the  
borrowing cost to the  
small business

**\$600,000**



**Total City  
Contribution**



# Example of Interest Buy Down

		Current Rate	Buy Down Options
<b>Loan Amount</b>	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
<b>Term</b>	36 months	36	36
	<b>Interest Rate</b>	<b>10.00%</b>	<b>6%</b>
	Payment amount	\$ 484.01	\$ 456.33
	Monthly buy down		\$27.68
	Total buy down per loan		\$996.43

- Terms are based on size of loan:
- 24 months for loans up to \$10,000
  - 48 months for loans up to \$25,000

# Underwriting Criteria

LiftFund used over 8,000 application and repayment data to create its policies and procedures for underwriting and to determine the risk. The pre-screen proprietary models contributes to the successful default rate of 4% .

1. System generates an automatic Approval or Denial, based on risk score and application data
2. All “Denials” get a second review by a Loan Officer



# Application Process





LiftFund transforms lives by opening doors, leveling the financial playing field and building a community of shared success.



*LiftFund conducted an economic impact report, for every \$1 lent leads to \$14 in positive economic impact in a community.*

## 2019 El Paso Impact

**\$2.9 Million**

Funding Provided

**96**

Loans

**\$10.8 Million**

SBA 504 Project Lending

**\$30,000**

Average Loan Size

**191**

Jobs Created

**951**

Consultation Hours



Thank you

LiftFund

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