



## NONPROFIT LOANS FOR SOCIAL IMPACT 2024 Request for Proposals

Deaconess seeks to create conditions where liberation is the lived reality within seven generations. A ministry of the United Church of Christ, Deaconess has invested more than \$100 million to improve the health of the St. Louis community since 1998. Our grants and cultivated relationships support the accelerated change in conditions through policy, advocacy, and/or organizing efforts building and wielding power to transform systems to respond to the will of the people. The Foundation's advocacy and grantmaking footprint includes St. Louis City, St. Louis, Jefferson, St. Charles and Franklin Counties in Missouri and Madison, St. Clair, and Monroe Counties in Illinois.

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Deaconess Foundation seeks to improve the St. Louis metropolitan community by providing below-market rate loan(s) to nonprofit organizations. The Foundation is seeking organization(s) who might need a loan up to \$450,000 that will strengthen their programs and further their mission. Unlike a grant, these funds are a loan that will be repaid with interest.

### Eligibility Criteria:

- An organization must be a non-profit organization that aims to improve conditions for community level well-being.
- Prospective partners may include, but are not limited to, nonprofits pursuing change through coalition and base-building, grassroots advocacy, community organizing or public policy development, community development including community development financial institutions or community development corporations, intermediaries, and non-profits with revolving loan funds.
- Project must impact the Eastern Region of Missouri (St. Louis City, St. Louis, St. Charles, Franklin, and Jefferson Counties) and Southern Illinois (St. Clair, Madison, and Monroe Counties).

In the past, Deaconess has considered requests for

- revolving loan funds in which money will be re-distributed either to businesses or nonprofits;
- bridge loans so that nonprofits can begin a project while waiting for cash or additional funding;  
or
- money that will provide a stable amount of cash to meet ongoing operations during times of variable cash flows.

### Loan Structure:

- Amount: A loan of up to \$450,000, with a minimum of \$100,000.

- Interest Rate: 3% per annum
- Payment Schedule: Quarterly interest payments with return of principal at the end of the period
- Timing: Range of 2-5 years.

**Selection Principles.** Proposals for the competitive process should demonstrate / incorporate the following elements:

- A need for a loan such as outlined in this request, and not a grant or a forgivable loan;
- Evidence of how funds would be leveraged to provide both a financial and a social return;
- An identified source of income or asset base for repaying the loan;
- A business plan and assessment of the viability of the program or project;
- Consistency with the Foundation's values of faith, healing, liberation, and justice
- Diversity in leadership, governance, and a range of stakeholders;

In addition to these concepts, Deaconess Foundation may evaluate applications with a view toward building a loan portfolio that reflects:

- Geographic diversity in the region;
- Diversification of social impact;
- Diversification of investee type.

**Timing.** Applicants interested in funding must send all materials by **5:00 p.m. (CDT) on September 13, 2024**. All applicants will be notified **by November 30, 2024**, and funds distributed in **January 2025**. All materials must be sent electronically to Matt Oldani, Vice President, Administration at [matto@deaconess.org](mailto:matto@deaconess.org).

**Application Information.** All proposals should be a black and white PDF document and include the following information:

- Organization: Name, Mailing Address, Phone, Fax, Website, Taxpayer Identification Number
- Executive Director/CEO/President: Name, Title, E-Mail
- Contact for this request: Name, Title, E-mail, Phone, Mailing Address
- Proposal –Narrative up to 1,000 words or less that including the following:
  - A description of your organization, including its mission, background, structure (financial intermediary, CDFI, and/or social enterprise), activities, geography, population served, strategic partners, and commitment to diversity in its leadership, governance, and range of stakeholders.

- An explanation of how your organization and the proposed loan will advance the organization's mission and how it connects with the work of Deaconess Foundation including social impact.
  - A description of your organization's qualifications to manage and repay a loan from Deaconess, key staff members (CEO, CFO, etc.) involved in the organization's general operation and in the specific activities the loan will support.
  - A description of your organization's financial capacity to repay a loan from Deaconess including expected revenues or other repayment source and operating reserves.
  - Description of the requested loan, including amount, business plan, exit strategy, key risks and risk mitigation.
- Attachments:
    - Most recent audited financial statements
    - Budget (Current year, and most recently completed fiscal year)

For more information, contact:

Matt Oldani

VP, Administration

[MattO@deaconess.org](mailto:MattO@deaconess.org)