

# Credit Building Pilot Program 2025 Report



**In 2020, the Small Business Resiliency Network (SBRN) was established to help ensure small businesses and entrepreneurs furthest from opportunity were able to access important resources and programs while also building economic resiliency.**

During the COVID pandemic, the SBRN proved to be a vital resource for Washington's small businesses in equity-seeking communities who desperately needed relief funding, grants, loans, and other resources. Growing from 11 partners in April 2020 to 30 as of July 2023, SBRN's trusted community organizations are dedicated to a long-term vision of building intergenerational wealth in their communities. SBRN partners provide culturally and linguistically appropriate outreach, translation, assistance, and education to ensure business owners can receive ongoing support, training, referrals, and services they need from people and organizations they trust.

In 2023, funding was provided by the Washington State Legislature for the SBRN and credit unions to partner. The Washington Department of Commerce contracted with the GoWest Foundation to design and implement the Credit Building Pilot Program (CBPP) to address underlying barriers to conventional lending as identified by SBRN partner organizations. Some of those barriers include complex application processes, credit history, limited financial history and documentation, lack of trust in existing financial systems, and language barriers.

The Credit Building Pilot Program is being implemented and administered by GoWest Foundation in partnership with the SBRN and not-for-profit, member-owned credit unions to specifically assist Washington small businesses furthest from opportunity to overcome the identified barriers.

## Program Overview

In collaboration with SBRN partners and other stakeholders, GoWest Foundation co-created a loan program to address both access to capital and credit-building needs of businesses served by the SBRN.

Entrepreneurs and small businesses furthest from opportunity in Washington State were able to access an installment loan between \$500 and \$25,000 that could be used for any legal business expense. The interest rate for these loans was set at 4%, with a repayment period of 12 to 32 months. Once a loan has been fully repaid, through a minimum of 12 monthly payments, the small business gains access to grant funds equal to the amount of the original loan.

The process for accessing a loan through this program was significantly less complex than a traditional small business loan application. Small business owners worked with an SBRN partner to complete a multi-part application which included a simplified form with basic information about the business and business owner(s), a short business plan, budget worksheet, and identification documentation.



**TERM LOANS**  
**\$500 - \$25,000**

**RATE**  
**4%**

**REPAYMENT**  
**12 - 32 MONTHS**

## Loan Product Details

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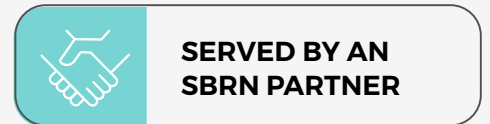
The Small Business Resiliency Loan (SBRL) product uses federal funds appropriated by the state to fully secure each loan. When a small business owner was approved for a loan, the GoWest Foundation transferred an amount equal to the loan plus the anticipated accrued interest into a savings account at a partnering credit union. Each borrower had a respective matched savings account set up on their behalf.

These funds remain in the savings account as 100% collateral until the borrower finishes repaying the loan. Because the loan is fully secured with matching funds, credit unions were able to offer low, below-market interest rates. This approach allowed the program to streamline the approval process, reducing the amount of paperwork typically required for small business loans.

## Eligibility

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The program utilized state and local Federal Relief Fund monies and was designed to support small businesses that were negatively impacted by the COVID-19 pandemic. Program requirements and eligibility criteria included the following:



The Washington Department of Commerce eligibility tool was used to:

- Confirm that a beneficiary's address was located within a federally designated low-income area; or
- Collect a statement from beneficiaries whose addresses were not in designated areas, attesting to negative impacts from the pandemic.

Entrepreneurs and small businesses were required to provide one of the following identifiers as part of the application:

- Federal Unique Entity Identifier (UEI)
- Social Security Number (SSN)
- Individual Taxpayer Identification Number (ITIN)

**All program participants were required to work with a Small Business Resiliency Network (SBRN) partner, who supported the entrepreneur throughout the loan and application process.**

## Process

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The roadmap of a loan in the Credit Building Pilot Program began with Small Business Resiliency Network partners promoting the loan to the communities they serve and identifying possible borrowers.

Once a candidate was deemed eligible, the SBRN partner guided the business owner through the loan application process. This involved collaborating with the entrepreneur to provide the necessary information and assemble the required documents. There were two budget tools in the application to help the SBRN partner and the small business determine a loan amount that was reasonable for the business' ability to repay the loan.

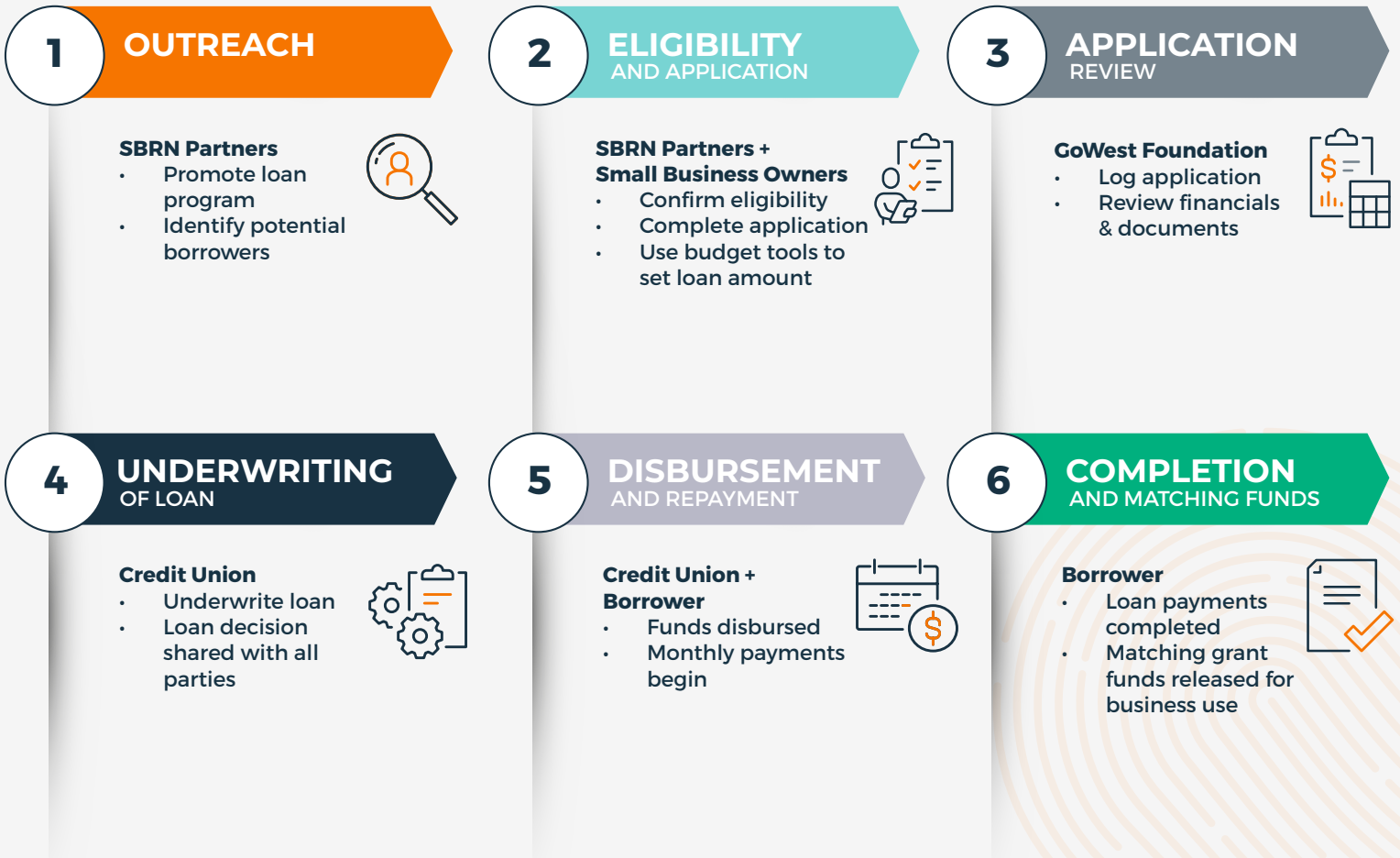
The completed application was then submitted by the SBRN partner to GoWest Foundation, the program administrator. Upon receiving the application, the GoWest Foundation logged the details and reviewed all elements of the application: the financial worksheet, application, and supporting documents.

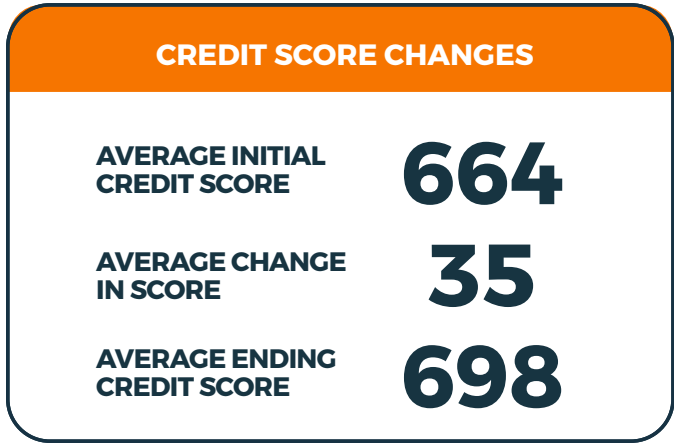
GoWest Foundation then routed the application to a partner credit union for underwriting. Following the underwriting process, the credit union communicated the outcome to GoWest Foundation, SBRN partner, and the small business owner.

The borrower then had access to the loan funds and began making payments according to the repayment terms agreed upon between the credit union and borrower. Once the borrower has repaid the loan in full with a minimum of 12 monthly payments (some loans may be for more than 12 months), they gain access to the matching funds in the credit union savings account to use for eligible business expenses.

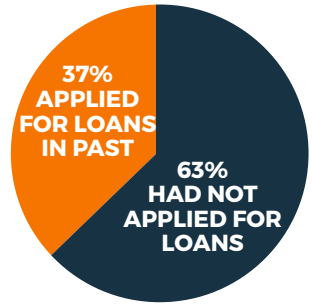
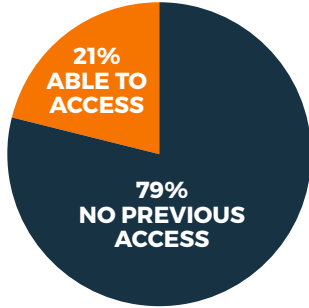
Throughout this process, GoWest Foundation has overseen the program's implementation, ensuring compliance with federal standards. Meanwhile, the Washington Department of Commerce, as an active participant in the Pilot Advisory Group, has provided strategic oversight. Their involvement has been crucial in addressing coordination challenges and ensuring that the program aligns with broader economic development goals.

## Loan Process

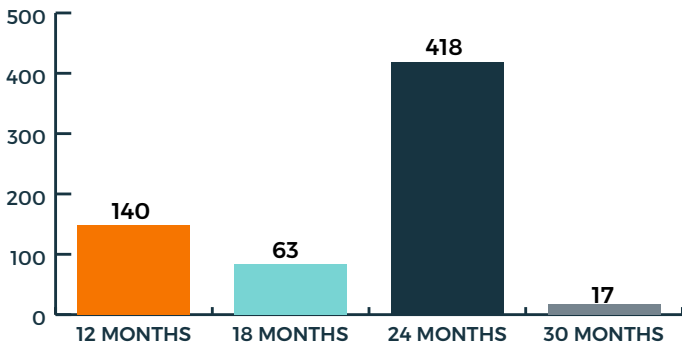




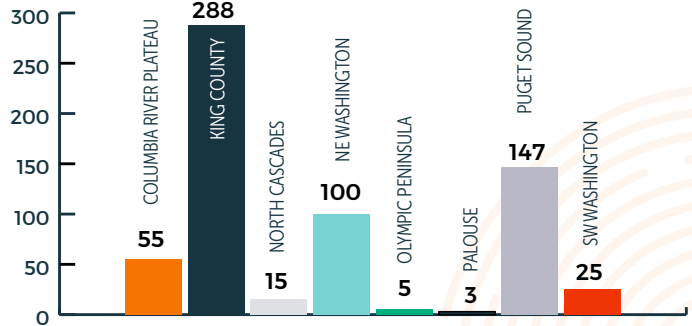
**PREVIOUS ACCESS TO CAPITAL**



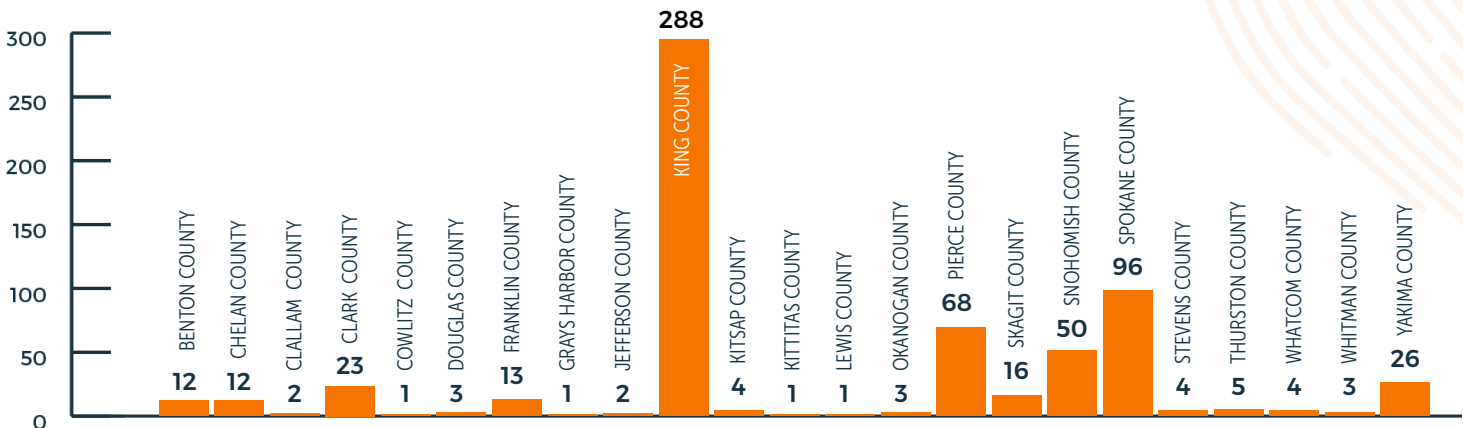
**LOAN TERMS**



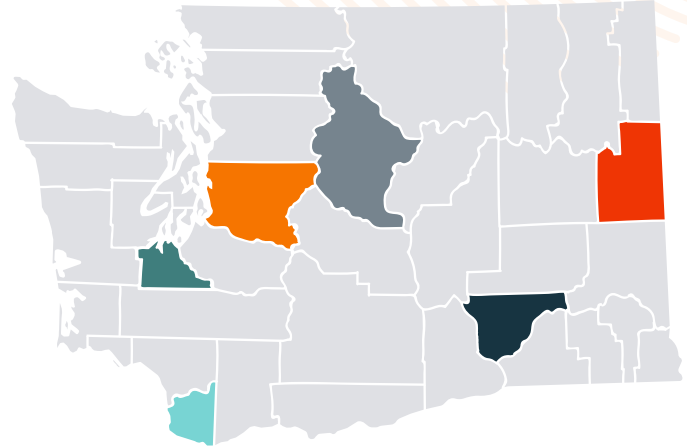
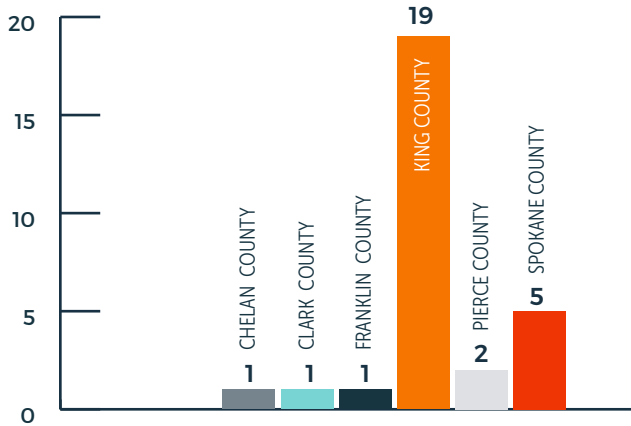
**LOANS BY REGION**



**LOANS BY COUNTY**



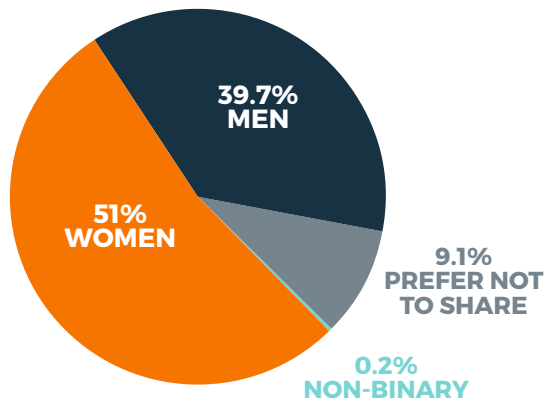
SBRN PARTNERS BY COUNTY



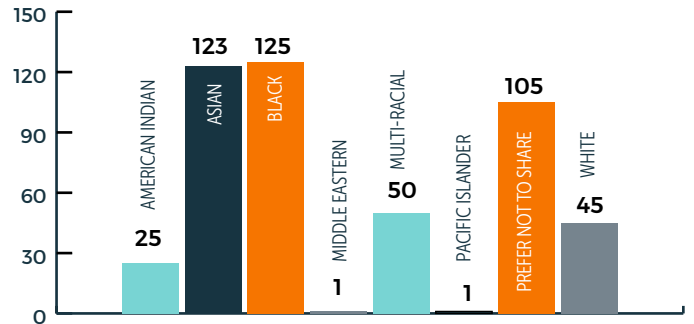
Self-Reported Demographics | 2024 - 2025 Statistics

The statistics below are based on the 475 program participants who submitted voluntary demographic surveys.

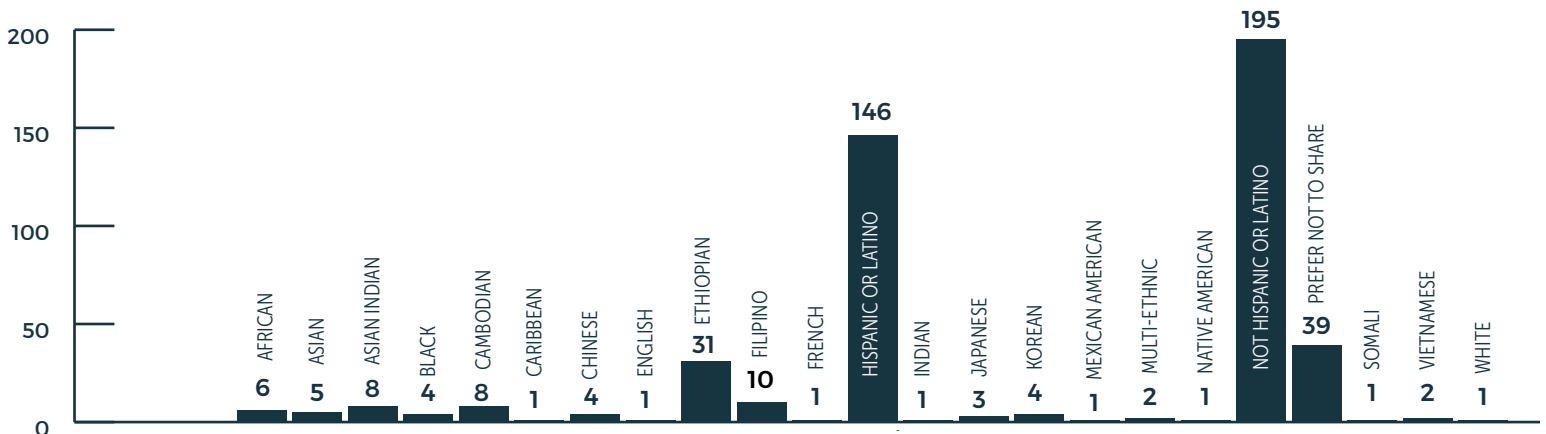
GENDER



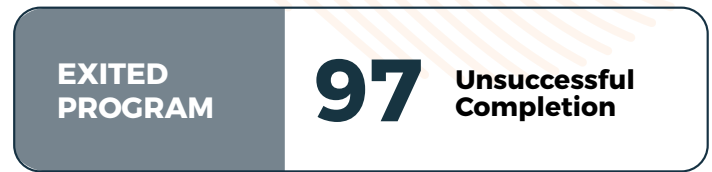
RACE



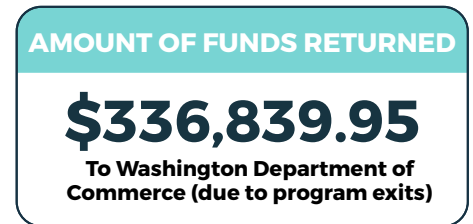
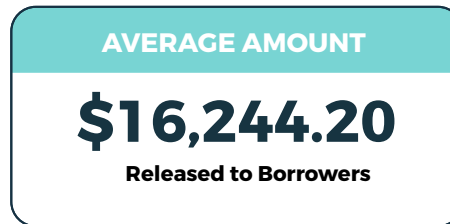
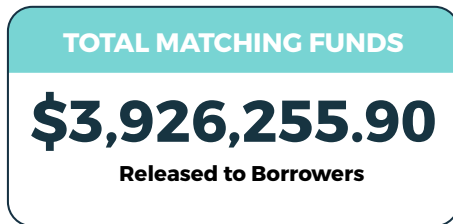
ETHNICITY



### LOAN COMPLETION IN 2025



### AMOUNT OF MATCHING FUNDS DISTRIBUTED IN 2025



## Impact Stories

### WRIGHTWAY BEAUTY SUPPLY

WrightWay Beauty Supply, the only Black veteran-owned beauty supply store in Spokane, which offers specialized hair and beauty products for the BIPOC community, partnered with the Asian, Hispanic, African, Native American Multi-Ethnic Business Association (AHANA) and Canopy Credit Union to secure a \$20,000 CBPP loan. “I was happy that there was a program like this, and I thought it was too good to be true,” said owner Shania Wright. After being unable to receive loans through traditional financial institutions and using credit cards to fund her business for years, Wright learned of and worked with AHANA to apply for and receive a CBPP loan. The funding allowed the business to purchase inventory and stabilize its finances, ultimately adding two staff positions at competitive wages to attract strong candidates.



Expanding her team has given Wright the opportunity – after eight years – to step back from working solely “in the business” and focus more intentionally “on the business.” The CBPP loan will be fully repaid in July 2026, and thanks to stronger cash flow and a more stable operation, Wright is able to set aside the grant funds as a safeguard – positioning the business for long-term resilience and growth.

### INCLUSIVE IMAGINATION

Inclusive Imagination designs and manufactures universally designed tabletop games and accessories for everyone, especially individuals with sensory or physical disabilities and those who are neurodivergent. By working with William Factory Small Business Incubator and O Bee Credit Union, the company secured a \$25,000 CBPP loan. Owner Garrett Whitmyre, a full-time teacher of students with visual impairments, used the funding for manufacturing setup and initial inventory of accessible dice featuring both print and braille, as well as the professional artwork, production, and launch of an original card game. After successfully completing the loan, Whitmyre received the matching grant in June 2025 and plans to use those funds to expand outreach and grow awareness of the business which aims to create games where all players can engage fully and equally – playing the same game, at the same table, together.



The loan gave me momentum, and then getting the grant amplified it in a great way,” Whitmyre said. “It’s been an incredible blessing to have the grant. It’s money to do exactly what I want with to help promote the business’ mission.”

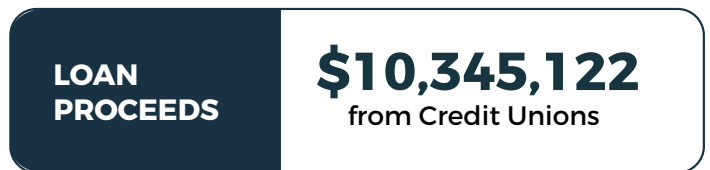
**Garrett Whitmyre**  
Small Business Owner

## LAS DELICIAS DE ISA

Las Delicias de Isa, a Spokane-based catering company, has been serving the community for nearly four years, catering events and participating in local markets and festivals. After struggling to secure traditional financing to grow, the business learned about the CBPP through Latinos en Spokane. They were approved for a CBPP loan through Canopy Credit Union, and it was the first funding opportunity that said yes, according the owner Maria Valera. The initial loan allowed them to purchase a food truck, trailer, branded canopy, and essential equipment, significantly increasing revenue by enabling the business to serve more events.

After successfully repaying the loan, the business is using the grant proceeds to help fund the buildout of a brick-and-mortar restaurant, which they hope to open by May 2026. Even as the restaurant launches, Las Delicias de Isa plans to continue catering and community events, create up to 12 local jobs in the coming years, source from Spokane-area vendors, and operate with a focus on sustainability and zero waste. “We’re trying to find a way to donate any food that doesn’t sell at the end of the day to a shelter or local organization instead of throwing it away,” added Valera. She describes the program as “an amazing opportunity” that came at the right time and helped turn a long-held dream into reality.

## Funding Sources



Credit unions provided the original loan amounts for the borrowers while the grant funding remained in share-secured savings accounts.

### CREDIT UNION PARTNERS

- Canopy Credit Union
- iQ Credit Union
- Newrizons Federal Credit Union
- North Coast Credit Union
- NorthWest Plus Credit Union
- O Bee Credit Union
- OnPoint Community Credit Union
- Peninsula Community Federal Credit Union
- Solarity Credit Union
- Sound Credit Union
- TAPCO Credit Union
- Unitus Community Credit Union
- WECU



## TIMELINE

1

### PLANNING PERIOD

#### June 2023 - March 2024

In April 2024, the beta test was initiated, and the first application of the program was received.

GoWest Foundation invoiced the Washington Department of Commerce for \$356,391.80.

2

### IMPLEMENTATION PERIOD

#### April 2024 - February 2025

The last loan in the pilot program was originated in February 2025.

GoWest Foundation invoiced the Washington Department of Commerce for \$340,122.28.

3

### REPORTING PERIOD

#### June 2023 - December 2025

Planning, implementation, and program run time covered in this report.

GoWest Foundation invoiced Washington Department of Commerce for total of \$826,132.02.

## COST & FUNDING

### Initial Investment:

GoWest Foundation invoiced the Washington Department of Commerce for costs related to software licensing, personnel, training, consultants, and legal fees.

### Operational Costs:

Ongoing expenses during the pilot phase include staffing and continued software licensing for programs used in the implementation, such as Adobe, Airtable, and Fillout.

## Challenges and Risks

During the implementation of the Credit Building Pilot Program, GoWest Foundation continually gathered feedback from participating credit unions and SBRN partners and used that feedback to make adjustments to better meet the needs of all the stakeholders.

For example, credit unions were originally being assigned loans based on equal distribution of funding, assuming most borrower-credit union interactions could be done remotely and that most borrowers had the language capacity and digital literacy to access the credit union virtually. As a direct result of feedback from the credit unions and the SBRN partners, GoWest Foundation changed this process to instead assign loan applications to the credit unions geographically closest to the borrower.

GoWest Foundation also increased the dollar amount the credit unions received to originate the loans because of the greater-than-anticipated administrative burden they faced and the additional staff time needed to communicate with borrowers who were much less responsive than anticipated.

## Outlook

While nearly half of borrowers are still moving through the program and the pilot program's completion is not expected until 2027, early performance indicators are encouraging. Delinquency rates are concentrated in the first three months of the loan term, suggesting that the majority of remaining borrowers will successfully complete their payments and receive the grant funds.

## SUSTAINABILITY LIMITATIONS

The GoWest Foundation initially proposed that the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) dollars be used for loan loss reserves. Due to the specific nature of the funding source, the Washington Department of Commerce determined that all SLFRF dollars had to be in the hands of beneficiaries by December 31, 2025. Thus, we were unable to use the funds in a way that would allow for funds to revolve or be leveraged in a more sustainable model.

Under this program design, loans are secured using grant funds provided by the Washington Department of Commerce. These funds remain locked in a credit union savings account for the duration of each loan and are disbursed to borrowers after they successfully complete their loan payments. As a result, the only funds that can be recycled back into the program are those associated with borrowers who do not complete their loan repayments and therefore do not receive matching grants. Because the program is designed for borrower success, with most participants expected to repay their loans and receive the grant, there is limited funding available to sustain or replenish the program over time.

## FUTURE CHANGES FOR SUSTAINABILITY

To expand the long-term capacity of this loan program and serve more businesses, future iterations could modify the grant structure. Rather than awarding the full loan principal as a grant upon completion, borrowers could instead receive an amount equal to the interest paid over the life of the loan, along with a modest completion stipend. This approach would preserve more funds for reinvestment while still providing meaningful borrower incentives.

After the current program concludes, GoWest Foundation will evaluate borrower performance and establish a historical completion ratio. Using this data, program funders could provide secured funds based on expected losses rather than the full loan principal, helping to mitigate risk for participating credit unions while significantly increasing the program's overall lending capacity.

## RIPPLE EFFECT

**Some SBRN partners and credit unions have begun designing and implementing new versions of small business loan programs.**

One example of a successful, new lending program adapted from the Credit Builder Pilot Program (CBPP) is from TAPCO Credit Union. After first implementing the CBPP at their credit union, TAPCO Credit Union immediately saw how this program directly helped small business owners, specifically borrowers who have historically been excluded from traditional financing. Through the CBPP, these borrowers were able to gain access to affordable capital at a low loan interest rate that allowed them to grow their businesses and build their capacity to continue to access more traditional banking products and programs into the future.

While they were helping borrowers reach their financial goals, TAPCO also worked to connect with each SBRN partner. Through this outreach, they connected with one SBRN organization that had raised \$250,000 and wanted to lend it to their borrowers rather than provide the funds as grants, as this model helps small businesses that our traditionally excluded from the banking system build their credit and gain long-term access to needed resources. After discussions, TAPCO was able to mirror the CBPP model for them. The SBRN organization deposited \$250,000 with TAPCO, and the credit union loaned it to their borrowers in the form of Share Secured Loans up to \$25,000. Interest rates were tiered based on the amount borrowed but did not exceed 5%.

Together, TAPCO and the SBRN partner have provided nine loans totaling \$215,000, with the most allocated to a single loan of \$25,000. These loans helped small businesses pay off high-interest debt, purchase work vehicles, establish payroll reserves for government contracts, and cover marketing expenses. The access to capital has helped many borrowers grow their business sustainably by creating an inclusive model providing access to funds that would not have otherwise been available without the program. TAPCO also provided entrepreneurs with needed education and resources to successfully run a small business. The credit union is

coming up on one year since originating the first loan, and all loans have been paid as agreed – none have been past due, even by a single day.

Given the success of the program and the minimal underwriting required compared with traditional lending due to the loans being share secured, additional grant funding would allow TAPCO to continue and expand this work. With more resources, they could reach even more underserved small business owners and deliver safe, affordable financing that strengthens both their operations and the local economy.

For more information about this loan product, contact Bethany Neiman, Business Services Manager at TAPCO Credit Union, at [bethany.neiman@tapcocu.org](mailto:bethany.neiman@tapcocu.org).

## Appendices

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**Time, Trust, Technology: Community first for small business opportunity - Technical Assistance Report**  
Click [HERE](#) for report.

## Contacts

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