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OVERVIEW

The Economic and Community Development Institute (ECCI) is a 501(c)(3) nonprofit economic development organization; the third largest US Small Business Administration (SBA) intermediary microlender, serving all of Ohio; and a U.S. Treasury-designated Community Development Financial Institution (CDFI). ECCI has a mission of “investing in people to create measurable and enduring social and economic change.” ECCI achieves this mission by addressing the needs of entrepreneurs who are creating and expanding small businesses. It is headquartered in Columbus, Ohio, with satellite offices in Cleveland, Toledo, and Akron. ECCI has a service footprint in all 88 counties of Ohio. In 2013, ECCI provided 85% of all microloans in the state of Ohio.

OPPORTUNITY FOR SOCIAL IMPACT

ECCI was founded with the purpose of helping financially vulnerable individuals achieve economic self-sufficiency through asset development and entrepreneurship. To achieve its mission, ECCI fills a gap in the credit industry by offering loans ranging from \$500 to \$350,000 to underserved entrepreneurs. Since its inception in 2004, ECCI assisted over 6,500 individuals, disbursed over \$25 million through ~1,250 small business loans, and created or retained over 4,600 jobs.

In assisting ECCI on its mission to help underserved individuals achieve their dreams of financial independence, you will also be spurring job and business creation in the state of Ohio. ECCI works tirelessly to help support disadvantaged entrepreneurs develop and build the communities in which they live through economic empowerment.

NEED FOR CHANGE

The need for small business development services in Cleveland and throughout the state of Ohio is absolutely critical. To look at just one of our target demographics, we find that the portion of adult women who were employed in the state was at a twenty year low at the end of 2012, according to a “State of Working Ohio” report. Even more unsettling is that in 2013, Ohio ranked last in “growth of the numbers, revenues, and employment of women-owned firms.” According to 2010 census data, women are greatly underrepresented in business – only 27% of all firms in Ohio are women-owned, while the percent of women in the state is closer to 50%.

To list all of the challenges Ohio faces in expanding entrepreneurship opportunities to disadvantaged individuals is a daunting task, one which requires many pages of intensive scholarship. However, ECCI has a proven method of assisting these clients through counseling and one-on-one technical assistance. Our method helps these entrepreneurs to create jobs and businesses in the communities where they work and live. In 2013 alone, ECCI provided 85% of all microloans in the state of Ohio. We expect these trends to continue, so long as microenterprise and small business development services are given the attention they need by policymakers, funders, and concerned individuals such as yourself.

SOCIAL INNOVATION IN ACTION

What makes ECCI truly unique among microlenders is its comprehensive suite of services – catering to small businesses in all stages of their lifecycles. From idea stage to expansion stage, ECCI provides businesses with trainings and one-on-one counseling with experts in the field, which provide entrepreneurs with the resources they need to grow their businesses and reach financial independence.

Furthermore, ECCI also caters to specialty markets in ways that banks and other financial institutions do not. In response to the soaring demand for food-based businesses in the Cleveland area, ECCI helped develop the Cleveland Culinary Launch and Kitchen (CCLK), an innovative business

model which provides food entrepreneurs a fully-equipped and licensed kitchen space available for rent on an as-needed basis, drastically eliminating the cost of entry into the market.

ECCI also operates the only Women’s Business Center (WBC) in the State of Ohio, with offices in both Cleveland and Columbus. The WBC provides resources (such as internet access) for women entrepreneurs, as well as women-centric mentoring and training services. The WBC in Cleveland has been a tremendous success, helping women across Northeast Ohio achieve their dreams of owning their own businesses.

FINANCES

Based on ECDI's most recent audit, approximately 22% of ECDI's revenue originates in loan interest and service fees, with the remaining 78% coming from grants and charitable contributions. Investment in ECDI's existing loan funds through ECDI's Invest Local Ohio program, or through the creation of new loan funds by interested parties and communities will help ECDI become more self-sustaining, and generate additional revenue through interest.

Output/Outcome	FY2012	FY2013	FY2014
Total Enrolled (classroom)	1415	1435	1283
Total Completed (classroom)	1832	2110	1248
Technical Assistance Consultations	1075	1672	2434
Number of Loans	96	163	193
Total Amount Loaned	\$1,876,569	\$3,484,500	\$4,573,339
Average Loan Size	\$18,534	\$21,247	\$23,098
Median Loan Size	\$12,950	\$16,182	\$20,000
Number of Business Starts	43	80	110
Number of Business Expansions	53	83	83
Jobs Created/Retained	234/256	242.5/351	336.5/349

GOALS & PERFORMANCE

ECDI's organizational capacity is strong. Over the last three years we have expanded from our headquarters in Columbus to Cleveland, Toledo, and Akron, with a staff of ~65 individuals and over \$15.5 million in assets. In the upcoming years, we will also expand entrepreneurial services for women to Cincinnati and Dayton. ECDI has referral relationships with (and receives funding from) major banks in all of our service areas, and has an active Board of Trustees that includes executives from local banks, universities,

and corporations. ECDI additionally partners with local refugee resettlement agencies and immigrant service providers, driving the continued economic impact of immigrant entrepreneurs in Ohio communities.

Donations of time, skills, and funding will help ECDI meet its ambitious outcomes in the years to come. We expect to continue to raise our job creation and business creation numbers, as we have done in years past. This will, in turn, translate to economic prosperity

throughout Cleveland and the state of Ohio as a whole.

We also expect to continue our outreach to underserved clients throughout the region. In particular, our focus has turned to the growing refugee community in Cleveland, with staff members providing more time, technical assistance, training, and loan capital to these clients.

INVEST

As the demand for ECDI loans has skyrocketed, ECDI has realized the importance of seeking funds from new sources. This has led to the Invest Local Ohio program, which provides community members the opportunity to invest in small businesses in Ohio communities by investing in ECDI's Invest Local Ohio Fund. Every dollar invested will be loaned to a small business in Ohio communities, leveraged with at least two additional dollars from other existing ECDI loan funds. ECDI investors will receive a 2% ROI if they sign a 3 year note and a 3% return on a 5 year note.

FINANCIAL

- As determined by past performance, a **\$100** investment in small business development services will help us increase the profits of a woman entrepreneur over twofold.
- A **\$500** investment will allow ECDI to provide a loan to a refugee entrepreneur who wishes to start his/her own business.
- A **\$1,000** investment will support one networking event for local entrepreneurs.

IN-KIND

- **Office supplies** are needed for the Women's Business Center of Ohio.
- **One-on-one assistance** such as legal, marketing, or accounting services are of a tremendous benefit to our clients.
- **Computer equipment** is needed to help support incubation services in our Women's Business Center of Ohio.