



For every \$4,700 we have loaned, one job has been either retained or created

AOC'S Mission

- The mission of Albina Opportunities Corporation is to inspire business opportunities and create jobs and wealth for Portland's under-served small businesses and distressed neighborhoods.
- AOC's target market: Women, Minority, Immigrant and Disabled Owned existing successful small businesses in the Portland metro area. We also strive to lend to businesses in low-to-moderate income census tracts.

Albina OPPORTUNITIES CORPORATION

Terry Brandt, Executive Director
Albina Opportunities Corporation

2420 NE Sandy Blvd, Suite 101
Portland, OR 97232

(503) 227-3950

tbrandt@albinaopportunities.org



Albina OPPORTUNITIES CORPORATION

Creating
Small Business
Opportunities

www.albinaopportunities.org

AOC's History

- Small businesses are the backbone of Oregon's economy representing nearly 97% of Oregon's employers and almost 60% of its private sector workforce.
- AOC's genesis dates to 1998, when a group of successful Portland businesspeople collaborated to create opportunities for under-served entrepreneurs. The work of this group culminated in the creation of AOC, which opened its doors in January, 2009.
- AOC's seed capital came from local private investors and local foundations. AOC successfully deployed all of its initial \$1.2 million loan fund and continues to provide new loans to accommodate the growing demand for its lending and advisory services.



A Model Of Success

- AOC provides a springboard for qualified and deserving businesses to gain access to capital in order to expand and grow.
- AOC's revolving loan fund strengthens communities by taking care of small local businesses that employ local people who reinvest and spend in the local economy. As the loans are repaid, the money is reinvested back into the community through loans to new borrowers.
- AOC has demonstrated cost effective leveraging and re-investment into our community to create value, jobs and innovation.

AOC Advocates for Small Businesses

- AOC's Business Advisory Services provide one of the most effective tools for achieving success in the small business community – filling financial knowledge and networking gaps, with a passionate and dedicated group of volunteer Advisors.
- AOC works to create a community of borrowers, advisors, investors and lenders through its Quarterly Connect networking events.
- AOC is unique in its flexibility – offering creative solutions tailored to each borrower whose continued success depends on access to capital that otherwise would not be available.

The Measure of AOC'S Unique Impact

- AOC has been wise in its investments, with zero loans lost!
- AOC's loans have created and retained hundreds of jobs in the Portland community, at a very low cost of about \$4,700 per job.
- AOC is not a micro-lender, with an average loan size of \$77,000.
- AOC has very low overhead due to its lean administrative team and efficient use of funds, with almost no money spent on advertising – its success has been driven by word-of-mouth ambassadors in the community.
- AOC has achieved its mission – lending the majority of its loans to women and minority-owned businesses and businesses in low-to-moderate income census tracts.

Help Us Create More Opportunities

- Please consider donating or investing in our Capital Fund so AOC may continue to assist small businesses, to strengthen our communities, and to create jobs for those who have historically had the hardest time accessing such lending resources.
- AOC has a pipeline of qualified business owners who fulfill AOC's mission waiting for the critical services that will sustain their businesses and our local economy.



Borrower Profile:

Escuela Viva Community School

Angie Garcia, owner and director of Escuela Viva, was inspired to launch her business after her daughter was born. Angie, who has a master's degree in social work, wanted to enroll her child in a nurturing, bilingual pre-school program. When Angie couldn't find what she was searching for, she founded Escuela Viva, a dual language program consisting of an infant toddler class, preschool, and a pre-K/Kindergarten class with a mission to support and encourage children to be successful and happy human beings.

Angie's school was so successful that in 2010, operating at three locations, Escuela Viva was in desperate need for a new headquarters to allow expansion. AOC partnered with MercyCorps Northwest to provide the access to capital that allowed Angie to grow her business at a critical time in its growth. Without AOC, Angie may not have been able to finance her headquarters, create living-wage jobs in a community in need and provide children with a unique educational opportunity. After receiving her loan, Angie's school has continued to grow in its success – Escuela Viva is so popular it has waiting lists for attendance in its classes.

Albina OPPORTUNITIES CORPORATION

Albina Opportunities Corporation [AOC] was formed six years ago by a group of successful Portland business people, including Duncan Campbell, John Emrick, Jim Meyer, Jeff Lang, Robert Stoll, and others, with the Meyer Memorial Trust and Oregon Community Foundation. AOC is a non-profit, non-bank lender to businesses in Portland's underserved communities to expand their businesses, and hire more employees, but who cannot obtain needed funds from banks. It has been economically creating opportunity and hundreds of jobs in communities of Portland that are underserved by traditional commercial lenders. These community leaders saw that minority and women-owned small businesses could not obtain financing to expand their businesses, although such financing was available to businesses owned by white males. Over the last six years AOC has made dozens of loans to such small businesses to *expand*, creating over 500 *new* jobs. AOC does not give hand-outs; it helps people help themselves. AOC has done this without any loan losses in nearly 6 years of operation.

The supporters of AOC recognize that small businesses represent the backbone to building strong families and sustainable communities. Small businesses are locally owned by families. If those businesses are strong, the owners and their families have security and stability, and our overall community is strengthened. Local businesses hire local people, buy local materials, use local business services, and invest profits locally. Small businesses also account for the largest number of jobs created in Oregon. Many of these businesses want to expand, but do not qualify for traditional bank loan funds under current guidelines. Following the 2008 Financial Crisis, small business seeking less than \$350,000 in loans have had an incredibly difficult time in obtaining capital.

AOC's program is significantly enhanced by business advisors and technical assistance it provides to clients without charge. Specifically, AOC focuses its efforts on women- and minority-owned *growing* small businesses needing between \$50,000 and \$200,000 to expand and create jobs. AOC has approximately 30 volunteer business advisors who work with AOC clients on a one-to-one basis, assisting in bookkeeping/accounting, financial and strategic planning, and marketing.

Grants to AOC are tax-deductible and can be matched 3- or 4-to-1 with funds from institutional funders. Thus, a grant of \$25,000 may be matched with \$100,000 from institutional lenders to AOC and result in up to \$125,000 of lending to AOC's clients. At its average rate of job creation, this will result in over 15 new jobs created for one \$25,000 grant.

AOC is supported by many individual investors in Portland, and by the Meyer Memorial Trust, Oregon Community Foundation, the Collins Foundation, the Jay and Diane Zidell Family Foundation, the Oregon Growth Fund, and many others.

This sixth year of operations, AOC continued its successful record:

- A third year of *audited* financial reports was completed with another CPA "clean" opinion.
- Upon review of AOC's first five years of operations, the US Treasury re-certified AOC as a Community Development Financial Institution.

- Meyer Memorial Trust renewed, for another 5 year term, a \$500,000 loan to AOC, and gave AOC an additional \$165,000 in grant funds [this followed a thorough third-party "CARS" evaluation report commissioned by MMT].
- The Collins Foundation made a \$100,000 grant to AOC.
- The Oregon Growth Fund [recently created by the Oregon Legislature] made its very first grant/loan [totalling \$300,000 to AOC], finding that AOC's application was "very complete and more than we asked for."
- After an exhaustive credit due diligence analysis, Union Bank of California made a \$500,000 Community Reinvestment Act "EQ2" ["equity like"] 10 year investment into AOC.
- The demand from Portland small businesses for AOC's loan funds continues as small businesses in Portland are not able to get needed funds for expansion. AOC continually has upwards of \$1 million of loan requests outstanding.

AOC key lending results from 1/1/2009 to 6/30/2014:

• Total Loan Losses	\$ 0
• Average Loan Size	\$77,521
• Total Number of Loans Made	49
• Total Dollars loaned	\$3.75 million
• Total jobs when loans made [jobs retained]	320
• Total new jobs created after AOC loans	470
• Total Jobs retained and created	790
• Average loan amount for each new job <i>created</i>	\$7,917
• Average loan amount for each job retained and created	\$4,710
• Loans to women	65%
• Loans to ethnic minorities	49%
• "Green" carbon reduction loan dollars	\$834,000

The demand for AOC's loan funds, and its business advisory services remain very strong, with a current pipeline of nearly **\$1 million of unmet current requests**. AOC now needs grant funds to leverage institutional funds to meet this demand.

For more information:

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"Borrower Spotlight"



Nate Hartley Oil – As the only certified disadvantaged business enterprise delivering motor fuel to Oregon highway construction job sites, this African-American owned business has been a staple of the small business community in Portland for over 40 years. However, their need for a line of credit and money to buy additional trucks to grow their business was dire and virtually impossible to obtain from traditional lenders. With confidence, Nate and Gloria Hartley have reported that “AOC gives us the support we need.” [Learn more about Nate Hartley Oil at https://albinaopportunities.org/loan-program/borrowers-showcase/nate-hartley-oil/.](https://albinaopportunities.org/loan-program/borrowers-showcase/nate-hartley-oil/)



Ergo Errands- This woman-owned business started in 2008 when the owner lost her marketing and design job and needed to do something to get back on her feet. The business offers an array of services from house cleaning, to grocery shopping and personal assistant needs. Seeing the growth of her business the owner met with a national bank branch representative about financing who recommended AOC. Knowing she didn't have excellent credit but a successful business model the owner was happy to learn about AOC. She describes being approved for a loan with us as being given the “green light” to expand her company with the ability “to hire with flexibility, security, and a foundation to grow.” She further explained her appreciation that “AOC is invested to help change small business” and for her access to the business advisors who have helped her “delve deep and truly define her business goals.” [Learn more about Ergo Errands at https://albinaopportunities.org/loan-program/borrowers-showcase/ergo-errands/.](https://albinaopportunities.org/loan-program/borrowers-showcase/ergo-errands/)



Happy Cup Coffee - This is a specialty woman-owned coffee roaster in Portland that was created to fulfill three missions: 1. Offer employment with a competitive wage and a full life to adults with disabilities in our local community. 2. Help create a better future for the disabled by donating a percentage of profits to vocational and recreational programming for this community and, 3. Deliver a responsible, great-tasting cup of coffee. With a strong business plan and providing an important service to our community, AOC was able to provide a loan to this business to fund the purchase of equipment to run their second fully functioning coffee shop on NE MLK Blvd and provide additional jobs to those in need.



Peter Ahktar Trucking- This minority-owned company provides transportation of materials for the construction of roads, highways, and bridges in Oregon. PAT weathered the economic downturn and in 2013 business was almost back to pre-recession levels. In order to service increasing demand, Peter began looking for capital to expand his fleet of dump trucks. He visited several banks, but was discouraged by their loan terms including their need for proof of a good trailing 3-year operating history. Then he received a brochure in the mail from AOC. With a loan from AOC, Peter bought a new truck and quickly put it to work on a new construction job and hired new employees. [Learn more about Peter Ahktar Trucking at https://albinaopportunities.org/loan-program/borrowers-showcase/peter-akhtar-trucking-inc/.](https://albinaopportunities.org/loan-program/borrowers-showcase/peter-akhtar-trucking-inc/)



Munitor Construction- This Native-American owned company specializes in removal of contaminated and hazardous materials during demolition along with general excavation. After years of success, Munitor Construction eventually ran into a common problem among businesses; needing access to funds to support its own expansion and growing staff. After approaching three banks including one that already housed his company's profits, the owner was still turned away. “Traditional banks have strict policies and it's easy for them to say ‘No.’” he remarked. Doubling in staff over the past year the owner attributes the success in growth to AOC for “investing in us.” He appreciates our ability to see the whole picture. “It was a different situation with AOC, they looked at how long we had been in business and recognized our ability to pay things back. AOC can see past the automatic “No” that banks give you.” [Learn more about Munitor Construction at https://albinaopportunities.org/loan-program/borrowers-showcase/munitor-construction/.](https://albinaopportunities.org/loan-program/borrowers-showcase/munitor-construction/)



All About Flagging- This is a female African-American owned certified flagging business company started in 2012. She had challenges running her company and all the traditional financing rates she was able to find threatened the livelihood of her business. AOC was able to give this business a line of credit at an affordable rate along with technical support. Through our in-depth partnerships with other small business support organizations, this owner is learning fast and has been able to find more work for her

21 employees. The owner appreciates the services AOC offers and their reliability as a whole stating, "Whatever I ask for, they are there to help." [Learn more about All About Flagging at https://albinaopportunities.org/loan-program/borrowers-showcase/flagging/.](https://albinaopportunities.org/loan-program/borrowers-showcase/flagging/)



Bohemian Gourmet Food - This woman-owned as well as immigrant-owned company is a food business incubator providing kitchen space and support to emerging food businesses. They started in 2012 and according to the owners "We put everything we had into it, maxing out credit cards and borrowing money from friends to get the kitchen open, but it was still somewhat unfinished." In need of the dishwasher, industrial mixers, and kettles the couple searched for further financial support. They developed a solid business plan and approached multiple banks with their vision, but were turned away time and again because of a lack of profits. Then one bank recommended AOC and the owners describe the experience as a 180 turn

from what they had experienced with local banks. "AOC looked at the positives whereas banks only look at the negatives. They are more flexible mentally, and are focused on the future of your business." They soon began paying off their credit cards and started looking at equipment to round out their kitchen. "We are more self-reliant, more efficient now, and can gain customers that we previously couldn't." Furthermore, the owners had this to say about the Business Advisory Services Program - "You get much more than money from AOC. They offer support the banks don't." [Learn more about Bohemian Gourmet at https://albinaopportunities.org/loan-program/borrowers-showcase/bohemian-kitchen/.](https://albinaopportunities.org/loan-program/borrowers-showcase/bohemian-kitchen/)



Gingerbread Traditions- This is a woman-owned business that provides family and community fun through her sweat treat gingerbread houses for every holiday and occasion. In 2013, after almost a decade in business, with hopes to expand interest throughout the region, a sales and marketing member was hired to boost sales. Within a year the owner found herself in a situation where she had continued growth, but needed more financial backing to keep the business running smoothly. "We had financed everything up until that point," but there was now a need for additional support. Banks simply denied Gingerbread Traditions of financial support believing they were too small, risky (as a seasonal business), or not profitable enough. Then the owner found

AOC and said "It was a big change, I was most impressed how AOC quickly understood small business. They understood where we were at." Able to cover supply costs, labor, and manage general operations Gingerbread Traditions is moving forward with confidence and plans to start meeting with a business advisor after the busy holiday season. [Learn more about Gingerbread Traditions at https://albinaopportunities.org/loan-program/borrowers-showcase/gingerbread-traditions/.](https://albinaopportunities.org/loan-program/borrowers-showcase/gingerbread-traditions/)



DAM Salsa- This disabled, minority-owned business, established in 2006, offers an all-natural, gluten and preservative free product that is locally made in Oregon. This Salsa is a family recipe brought by the owner's parents from Mexico and originally served in their NE Portland family restaurant for over a decade. The business grew to a place where it needed a line of credit to provide working capital primarily for large orders from its national accounts. However, due to the one-person nature of the operation, inability to hire

without this reliable financing, and limited assets, there was no way this business could get financing through traditional means. Now approved for an AOC line of credit, the business owner is currently hiring for internal staff support, able to market and bring on even more customers and is able to access the type of technical support he needs to plan ahead for the growth of his business.

Northern Alliance Landscape- This is a woman-owned commercial based landscape company that specializes in habitat restoration, wetland enhancements and erosion control. Though the company has been profitable and has steadily increased revenues year over year, the owner could not get a yes from any banks for financing. However, based on her over 10 years of industry experience, a significant and provable job pipeline, strong understanding of the financial side of her business, and more, AOC was able to provide a line of credit to help pay for her current and expanding payroll as well as material costs. This owner has been excited about developing a mentoring relationship through AOC's Business Advisory Services Program to help her expand her technical skills while building future contracting opportunities.