



Report for the Oregon Legislature's Economic Development Committee

Oregon Small Business Stabilization Fund of Oregon Community Foundation

May 20, 2020

On March 23, 2020 OCF launched the Oregon Small Business Stabilization Fund and seeded it with \$300,000 to provide relief to small businesses in Oregon who are struggling due to the state's order to shut down to protect against the coronavirus. We invited donors, foundations, corporations and Business Oregon to donate to the Fund. To date, we have raised \$2,621,385 in commitments.

A week earlier, OCF began receiving applications for our COVID-19 emergency response effort. To date, over 40 applications have been received for small business support from cities, counties, economic development districts, credit unions and community development financial institutions.

OCF formed a Steering Committee and invited donors who contributed \$100,000 or more to the fund to serve on the Steering Committee. Other experts in capital access for small businesses were also invited. The Steering Committee met weekly to discuss applications and form grant recommendations. The grant recommendations were submitted to the OCF board of directors for grant approval on a weekly basis. The Steering Committee recommended \$1M in grants within the first two weeks. As of May 22, 2020, basically within two months since the fund launched, \$2,406,507 will have been awarded in grants from the Fund.

The Steering Committee is committed to serving the entire state and making sure funds are deployed to entities that are best positioned to withstand this pandemic. We prioritize organizations that have a history of making grants or loans to small businesses so they can redeploy funds quickly. We prioritize organizations that have a history of serving underrepresented/underserved communities and rural populations who have more difficulty accessing traditional financing from a bank. A list of the Steering Committee members is included in this report.

The funds have been used in a few ways. First, grants to intermediary organizations allow them to provide relief to their existing borrowers by letting them delay their loan payments for a few months until they can resume business operations. Second, grants to intermediary organizations allow them to provide small grants or low/no interest loans to businesses who need immediate financial assistance to make payroll and help them avoid payday loans. Third, grants to intermediary organizations allow them to remain fully staffed to underwrite loans and provide technical assistance to small business owners who are accessing their coaching and navigation services to identify potential sources of capital.

Please see the ledger below for a list of the contributing donors and grants that have been made to date. Grants range in size from \$25,000 to \$370,000 and serve all regions of the state. OCF has received approximately \$15M in requests so far. We are continuing to raise money for the fund as the need is great. Soon, we will reach out to the grantees and collect information about the impact this is having. We'll share that information when it is available.



Oregon Small Business Stabilization Fund

5/19/2020

Contributions

Contributions for Prosper Portland effort	Amount
Amazon	\$50,000
Bank of America	\$40,000
Columbia Bank	\$10,000
JP Morgan Chase Bank	\$50,000
KeyBank	\$35,000
NW Natural	\$5,000
Portland General Electric	\$50,000
U.S. Bank	\$50,000
Umpqua Bank	\$100,000
Wells Fargo	\$50,000
Subtotal for Portland commitments	\$440,000
Subtotal Received	\$380,500
Contributions for Central Oregon	\$62,500
Contributions for Southern Oregon	\$850
Contributions for Statewide Effort	
Comcast	\$15,000
Lemelson Foundation	\$100,000
Oregon Community Foundation	\$300,000
Oregon Growth Board/Business Oregon	\$700,000
Tillamook Creamery	\$100,000
Wells Fargo	\$75,000
U.S. Bank	\$50,000
The Ford Family Foundation Fund of OCF	\$585,000
OCF Donors (Other)	\$193,035
Subtotal for Statewide	\$2,118,035
Subtotal received for Statewide	\$2,118,035
Total Committed for Fund	\$2,621,385
Total received for Fund	\$2,561,885
Difference between committed and received for fund	\$59,500



EXPENSES

Fees

26,262

GRANTS PAID

Micro Enterprise Services of Oregon	370,000	Portland/Metro/Marion
Affiliated Tribes of Northwest Indians	60,000	Statewide
Community LendingWorks	310,000	Statewide
Coos Curry Douglas Business Development	60,000	Rural
Craft3	310,000	Portland & Statewide
Mercy Corps NW	170,000	Portland & Metro
Greater Eastern Oregon EDD	50,000	Rural
Hacienda CDC	100,000	Metro
Northeast Oregon EDD	50,000	Rural
Columbia Pacific Economic Development Corporation	50,000	Rural
Central Oregon Intergovernmental Council	212,500	Rural
Northwest Credit Union Foundation (fiscal agent) for Point West Credit Union	100,000	Statewide
Rural Community Assistance Corporation	50,000	Rural
Warm Springs Community Action Team	50,000	Rural
South Central Economic Development District	60,000	Rural
Greater Portland Partnership for Economic Advancement	100,000	Metro
Mid-Willamette Valley Council of Governments	50,000	Statewide
Business Impact NW (Seattle Economic Development Fund)	25,000	Metro
SORED	50,000	Statewide
Mid-Columbia Economic Development District	50,000	Rural

TOTAL GRANTS PAID AS OF 5-15-20

2,277,500

Grants Planned for 5-22-20

Oregon Native American Chamber	35,000	Statewide
Native American Youth and Family Center	94,007	Metro

SUBTOTAL GRANTS PLANNED for 5-22-20

129,007

TOTAL Grants Paid and Planned as of 5-22-20

2,406,507

NET RECEIVED (Received \$-(Fees + Grants Paid + Planned))

\$129,116

NET COMMITTED (Committed \$-(Fees + Grants Paid + Planned))

\$188,616

Difference between Committed and Received

\$59,500



Steering Committee:

Ricardo Lopez	Business Oregon Capital Strategist
Sayer Jones	Business Oregon's Oregon Growth Board Co-Chair
Patrick Maloney	Occam Advisors Principal
Kate Hammarback	Occam Advisors Principal
Melissa Freeman	OCF Director of Strategic Projects
Megan Loeb	OCF Associate Program Officer for Economic Vitality and Health
Kevin Christiansen	Oregon Bankers Association Vice President and Government Affairs Director
Noah Brockman	Oregon Small Business Development Center Network Capital Access Team Lead
Troels Adrian	Prosper Portland Manager, Business and Industry Team
Kathleen Flanagan	The Ford Family Foundation Senior Program Officer, Community Economic Development
Rachel Jagoda Brunette	The Lemelson Foundation Program Officer
Karen Kervin	U.S. Bank Vice President, Community Affairs Manager
Cobi Lewis	Umpqua Bank Senior Vice President, Director, Corporate Responsibility
Chabre Vickers	Wells Fargo Corporate Philanthropy and Community Relations, Vice President

Grants Recommended as of 5/22/2020	Population (000's)	Grants (\$000's)	Population (%)	Grants (%)
Grants by County	4,082	2,407	100%	100%
Baker	16	26	0%	1%
Benton	90	41	2%	2%
Clackamas	406	188	10%	8%
Clatsop	39	19	1%	1%
Columbia	51	90	1%	4%
Coos	63	67	2%	3%
Crook	22	77	1%	3%
Curry	23	29	1%	1%
Deschutes	181	80	4%	3%
Douglas	108	70	3%	3%
Gilliam	2	13	0%	1%
Grant	7	13	0%	1%
Harney	7	19	0%	1%
Hood River	23	26	1%	1%
Jackson	214	31	5%	1%
Jefferson	23	111	1%	5%
Josephine	85	34	2%	1%
Klamath	66	45	2%	2%
Lake	8	36	0%	2%
Lane	369	41	9%	2%
Lincoln	48	47	1%	2%
Linn	123	92	3%	4%
Malheur	30	13	1%	1%
Marion	336	109	8%	5%
Morrow	11	17	0%	1%
Multnomah	799	619	20%	26%
Polk	81	29	2%	1%
Sherman	2	23	0%	1%
Tillamook	26	19	1%	1%
Umatilla	77	19	2%	1%
Union	26	23	1%	1%
Wallowa	7	26	0%	1%
Wasco	26	57	1%	2%
Washington	582	163	14%	7%
Wheeler	1	13	0%	1%
Yamhill	104	77	3%	3%

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From the Portland Business Journal:

<https://www.bizjournals.com/portland/news/2020/04/27/a-coalition-born-of-crisis-delivers-critical.html>

A coalition born of crisis delivers critical relief to small business lenders

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Apr 27, 2020

For the past three years, Angela Benson has built Ladybugs Childcare into a state-certified home-business in Portland serving between 16 and 22 families. In mid-March, as social distancing orders took hold, Benson saw her monthly business revenue drop by more than 50%. While Ladybugs Childcare is still open for business, it is limited to provide care for a maximum of 10 children at a time under state requirements adjusted for COVID-19. Benson received a \$10,000 emergency grant to help her remain open from a partnership formed between Prosper Portland, Micro Enterprise Services of Oregon and Oregon Community Foundation.



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Small businesses in Oregon, such as state-certified home daycares, employ 55% of Oregon employees and make up 99.4% of Oregon businesses, according to the U.S. Small Business Administration.

Small businesses in Oregon employ 55% of Oregon employees and make up 99.4% of Oregon businesses, according to the U.S. Small Business Administration. In mid-March Built Oregon, a nonprofit that supports entrepreneurs in the consumer product sector, surveyed nearly 1,000 businesses across Oregon about COVID-related impacts. Fifty-three percent of responders said their primary concern was making lease payments and 52% were primarily concerned with making payroll. In

addition, 78% revealed weekly sales revenue losses of at least \$5,000 per week, totaling a minimum estimated loss of \$4.8 million statewide. That was a month ago.

We know many small businesses such as child care centers, restaurants, and manufacturers will not be able to recover after this shut down without immediate assistance to pay their operating costs and the Paycheck Protection Program just ran out of funding.

To help fill funding gaps, Oregon Community Foundation established the Oregon Small Business Stabilization Fund and many funding partners have stepped forward to support small businesses across the state. The fund provides grants to nonprofit community lending organizations such as community development financial institutions, economic development districts, credit unions and economic development agencies with city, county and tribal governments.

These organizations can quickly deploy resources to small businesses in the form of small grants and low or no interest loans. They also serve a higher percentage of women, people of color and rural business owners that can't access traditional financing from banks.

The purpose of the fund is to quickly deploy grants to nonprofit community lending organizations that can provide grants or low interest loans directly to small businesses in their region until more state or federal resources are available or business resumes to a pre-March 1, 2020 level.

The Oregon Small Business Stabilization Fund will operate for at least six months to provide immediate relief across the state. OCF launched the fund with \$300,000 and has attracted \$2.1 million in donations from several corporate and individual donors. Donors may direct funds to select a specific region to drive resources to their local businesses. Funding from large foundations and the state, such as The Ford Family Foundation, The Lemelson Foundation and the Oregon Growth Board which manages funds from the Oregon Lottery, are being directed to regions outside the Portland metro area that don't have as much capacity to raise corporate or individual donations.

OCF knows that small businesses are struggling and helping them now can prevent more people from becoming unemployed in the near future. "Without that money, I probably could have stayed open for another month but either would have had to

let employees go or would have had to reduce the number of families I could accommodate,” said Benson.

Learn how to contribute to the Oregon Small Business Stabilization Fund at oregoncf.org/COVID.

Oregon Community Foundation (OCF) puts donated money to work in Oregon – more than \$100 million in grants and scholarships annually. Since 1973, OCF grantmaking, research, advocacy and community-advised solutions have helped individuals, families, businesses and organizations create charitable funds to improve lives for all Oregonians.

Melissa D. Freeman

Director of Strategic Projects, Oregon
Community Foundation

