



CELEBRATING

15 years

2004 – 2019



small business

BIG impact

ECDI 15-Year Impact Report

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2,550

Loans disbursed

\$56.4m

Capital deployed

3,739

Jobs created

4,597

Jobs retained

16,918

*Individuals assisted
since FY16*

This impact report includes numbers encapsulating the past 18 months. In an effort to align with funder needs and reporting standards, ECDI will be moving all data and metrics from fiscal year to calendar year.



INNA KINNEY
Founder
& CEO



STEVE FIREMAN
President
& General Counsel

**Dear Partners, Friends,
and Supporters,**

As ECDI celebrates 15 years of serving Ohio communities, we would like to take a moment and share some milestones. As one of the top U.S. Small Business Administration Microloan Intermediaries, ECDI provides loans and development services to small businesses throughout Ohio.

The economic impact of ECDI loans goes beyond initial capital infusion. ECDI-funded businesses hire employees, buy supplies, and contract out work to other businesses. These activities have a dramatic ripple effect on the local economy.

ECDI-funded businesses hire locally and spend locally, keeping a larger proportion of their dollars in the local economy. For example, locally-owned restaurants keep 48 cents of every dollar spent within the local economy, hiring and sourcing products locally, while chain restaurants only capture 14 cents per dollar.

**In other words,
small business equals
BIG local impact!**

ECDI received funding from MasterCard to quantify the economic impact of the one-stop-shop model we provide to small businesses. The study's results are outstanding: the total impact of ECDI-funded businesses exceeds \$1 billion annually.

We are so proud of ECDI's commitment to help entrepreneurs create quality jobs for local people and will continue to help all entrepreneurs navigate the small business ecosystem throughout Ohio.

From providing capital for entrepreneurs looking to expand their businesses to business-specific educational opportunities enhancing entrepreneurial skill sets, ECDI's services are tailored to meet individual needs. Whether the client is still in the idea stage seeking \$750 of seed capital or expanding to a fifth location in need of \$350,000, ECDI's "never say no" approach has resulted in significant economic impact across the State – creating or retaining more than 8,000 jobs.

The work of ECDI is broadly supported and ever-changing. We rely on many passionate supporters of our mission: funders, partners, and individuals who have invested to create measurable and enduring social and economic change. Just as our clients' entrepreneurial journeys move in different directions, we also adjust accordingly and continually to meet the needs of our growing client base.

Thank you for partnering with us to create long-lasting impact. This year's report illustrates our success through our clients' testimonials, as no one can illustrate the entrepreneurial path toward success better than them.

With gratitude,

Inna

Steve

DEFINING THE NEED

At ECDI, we invest in people by offering small business loans ranging from \$750 to \$350,000 to entrepreneurs when traditional lenders are not the solution.

ECDI provides responsible, affordable lending and comprehensive small business development services to help underbanked people and communities join the economic mainstream. ECDI's target population includes low-moderate income individuals, minorities, women, immigrants and refugees, and those otherwise precluded from funding from a traditional financial institution.

LENDING IMPACT

\$11,654,929
Capital Deployed

\$26,793
Average Loan Size

435
Loans Disbursed

67%
Minorities

43%
Low-to-Moderate Income

54%
Women



LORI WATSON: FLAG LADY, COLUMBUS

A Columbus tradition for almost 40 years, the Flag Lady's Flag Store is a one-stop-shop for all of your decorative flags and merchandise. Founded in 1980 by Mary Leavitt, the "Original Flag Lady," the title has since passed to her daughter, Lori Watson.

Since its inception, the Flag Lady's Flag Store has kept the notion of community as a central tenet of its core values. The concept for the store arose after Mary Leavitt learned that the "new" Veterans Memorial Building in Columbus had no budget for flags. Mary went on campaign to local businesses and secured enough flags for the unveiling of the new building. Knowing this was her passion, Mary turned her side project into a small business in her basement, eventually moving to brick-and-mortar, becoming a local Clintonville favorite!

In 2017, Lori had the opportunity to purchase the family business from her mother. Through a loan from the U.S. Small Business Administration, Lori took ownership but still required additional funds to turn the Flag Store into a business that could sustain itself in years to come.

"We are surviving due to God's grace, treating our customers like family, always changing things up and holding special events for our community. We love what we do and wear our passion on our sleeves," says Lori.

Realizing she was undercapitalized in her first loan, Lori met with her banker, who referred her to ECDI. Her loan from ECDI provided the support she required to put the plans she had for the future of the Flag Store into action. With the additional capital, Lori was able to pay down debt, and ease the pressure of cash-flow deficiencies she faces throughout the year.

By putting others' interests first, and providing great service and quality products, The Flag Lady's Flag Store is a model for successful small businesses.

BRAD CLEMENS & CHAD COLEY: HORIZON ATA, CLEVELAND

It's a friendship that formed in the martial arts studio as kids and developed into a successful entrepreneurial partnership for two of ECDI's youngest entrepreneurs, Brad Clemens and Chad Coley, owners of Horizon ATA.

After years of martial arts training, Brad and Chad decided to explore options for opening their own studio.

"We knew it would be difficult to get funding from anywhere. We were two teenagers with no business experience, no credit and still in college," says Brad.

An internet search led Brad and Chad to ECDI. Once connected to ECDI, the two jumped right into business training and coaching, perfecting their business plan and eventually becoming loan-eligible. After receiving a loan from ECDI, Horizon ATA opened its doors on Cleveland's west side, in the winter of 2017.

Next came the challenge of breaking into the market. With plenty of athletic options already available in Cleveland, Brad and Chad had to figure out how to make Horizon ATA the premier martial arts studio in town and become a trusted business.

"We've committed to this community. There was a lot of trial and error to establish ourselves, but through hosting free self-defense courses, attending local chamber meetings, and visiting the schools, people are excited to try martial arts. We are about to enter our third year, so something is working," says Brad.

Martial arts made such an impact on Brad and Chad's lives, they feel it's their privilege to pass on their training and knowledge to the students at their school.



Josephine Talieh, owner of Easton Healthcare, is the quintessential social enterprise hero with her business, Easton Healthcare.

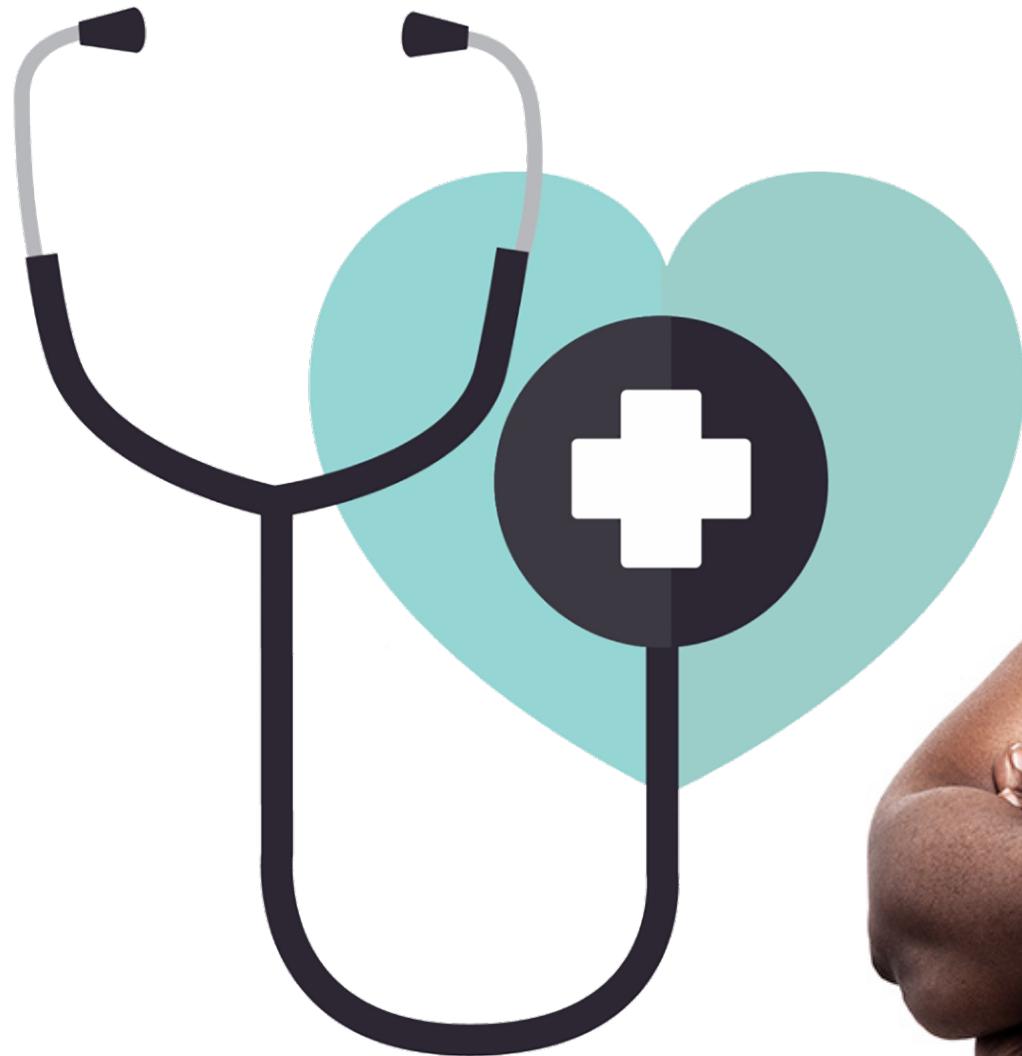
Josephine came to America from Cameroon in 1993 and fought hard to support her three children and launch her entrepreneurial dream. In 2002, with her own personal savings, she founded Easton Healthcare, an in-home nursing and personal care service that outdid the competition. Caretakers began helping with errands like groceries and even bringing clients to entertainment events and social gatherings, creating both a helpful and an enjoyable experience for the clients.

Extending beyond her administrative role at Easton Healthcare, Josephine connected with ECDI to start a nursing assistant training school as a way to help immigrants find their way into nursing programs and full-time positions.

In 2008 it was time to expand again, and Josephine sought additional capital from ECDI. Her revenue spiked 30 percent and she created more than 40 jobs seamlessly.

"I plan to continue my education, by eventually earning a Doctorate in Healthcare Management to prove that if you believe in your dreams, nothing can stop you no matter how difficult or long it takes," says Josephine.

Easton Healthcare is thriving today and a shining example of how a passionate entrepreneur matched with ECDI's funding and advising is a winning combination.



SCALABLE SOLUTIONS

As the needs of entrepreneurs became more diverse so did the programs and support offered by ECDI.

ECDI provides general microenterprise development training courses during which entrepreneurs are given the tools needed to start and successfully manage a business. Our signature microenterprise training programs are designed to assist clients who wish to start or expand their businesses.

In addition to general microenterprise development training, ECDI offers MBE Capital for Construction program, financial literacy and other targeted training geared towards specific industries such as food-based, retail, or home-based businesses.

TRAINING & TECHNICAL ASSISTANCE IMPACT

271 SEED Participants

27,017 Assistance hours provided

6,043 Training hours provided

3,073 Training attendees

The Women's Business Centers of Ohio address inequities that adversely affect women entrepreneurs:

The WBC, serving the Central Ohio, Northern Ohio, and Southern Ohio markets, is the only SBA-funded Women's Business Center (WBC) in the state.

The WBC's mission is to empower women entrepreneurs with resources and tools to create strong sustainable businesses. Female entrepreneurs access collaborative office space, a professional lounge where they can meet and network, a computer lab with Internet access and copying/printing capabilities, and a resource library.

Additionally, staff and expert advisors provide specialized one-on-one counseling sessions to clients within the areas of accounting, personal finance, marketing and legal matters.



Women's Business Centers of Ohio

WOMEN'S BUSINESS CENTERS IMPACT

607
Jobs created/retained

609
Active WBC members

\$4,815,125
Capital deployed to WBC members

934
Individuals that received coaching

319
Businesses created

KAREN ROSS: CLEVELAND COLD BREW, CLEVELAND

It's important to do what you love, and for Karen Ross, her passion is coffee. Nearly 20 years ago, Karen took that passion and opened her first coffee shop called Zanzabar Café. Unfortunately, the tiny café only lasted a year, but Karen's love for coffee and entrepreneurship never faded.

It wasn't until 2016 that Karen decided to give entrepreneurship another try.

"I wanted to be in control of my finances. I've followed the blueprint of working for someone else my entire career, but I see this as an opportunity for me to build WEALTH that will benefit me and future generations of my family, to where I'm not just relying on a finite amount of income from retirement savings or Social Security. And with the help of the Mayor's NTI Business Incubator I have a chance to be successful and profitable and make that happen," says Karen.

With a new strategy in hand, Karen started producing a ready-to-drink cold brew she called Cleveland Cold Brew. She started selling at local farmers markets, and the demand for her drinks got her thinking about expansion.

At this time, the City of Cleveland's Department of Economic Development launched a new program, the Mayor's Neighborhood Transformation Initiative, a retail incubator to help revitalize the Glenville neighborhood. The MNTI competition provided Karen an opportunity to once again try to build a full-service coffee shop and café. After weeks of competition, Karen won a space in the new Glenville Circle North.

To assist with the costs associated with her expanding business, Karen reached out to ECDI. ECDI partnered with the City of Cleveland during the MNTI competition to provide business coaching and training to the participants, and assist in additional financing.

Cleveland Cold Brew's full-service coffee shop is expected to open in early 2020!



AHMED QURAJA: ZAKI GRILL, COLUMBUS

Ahmed Quraja brings more than 10 years of culinary experience to the streets of Columbus through his ever-growing fleet of Mediterranean food trucks, Zaki Grill.

After emigrating from Palestine at 17 years old, Ahmed went straight to work in the food-service industry. While working at a Mediterranean eatery, Ahmed cultivated his culinary skills and dreamed of one day opening his own restaurant. Through a conversation with a customer, he learned about ECDI and their food incubation services. The next day, he toured The Food Fort.

To the community, the Food Fort is a 24/7 commissary kitchen and incubator for food trucks and other food-industry businesses in Central Ohio. To members, the Food Fort is so much more! For a new entrepreneur like Ahmed, the Food Fort served as a place of support where he could comfortably launch his business. Burgeoning food entrepreneurs have access to ongoing one-on-one assistance from staff and professional volunteers, including business plan development, marketing assistance, financial review, and networking.

"The Food Fort is home for my business and has taken us to where I am today. When I needed a safe spot for my truck, they provided one. When I needed help getting my business online, they provided marketing support. ECDI is always ready to jump in giving me the ability to grow my business," says Ahmed.

In 2015, Zaki Grill officially took to the streets and developed such a strong following in the Greater Columbus area that they expanded to include a second food truck in 2017.



FOOD FORT 2.0

Our goal is simply to encourage growth, sustainability, job creation, and employee retention while providing a functional home base.

In 2011, ECDI received a grant from the Office of Community Services to convert an 8,000 square foot warehouse in a neighborhood that was a USDA designated 'food desert' into an incubator that would be called the Food Fort. Through the Food Fort, we were able to holistically face down the all too common challenges of financing, training, and demand for operating space while continuing to focus on serving vulnerable populations. The Food Fort was so successful that we expanded the space into a second warehouse within two years.

Food Fortification

Through the years, we've tried to make Food Fort the most comprehensive solution available for nascent food businesses. Ongoing one-on-one technical assistance provided by Food Fort staff and professional volunteers includes business plan development, marketing and branding assistance, accounting and financial review, and networking — Food Fort enables business owners to test new ventures, recipes, and delivery systems without substantial upfront investment.

Importantly, we make these services available to our clients with affordable membership and access to new markets and capital, creating a like-minded instant community. And while the premises of the Food Fort are owned by ECDI, each occupant of the Food Fort retains 100% of their equity.

FOOD FORT IMPACT

50
Entrepreneurs served

\$677,691
Capital deployed to Food Fort clients



CfC

The Capital for Construction (CfC) program is entering its fourth year of operations. To date, the program has served more than 350 small minority-owned construction subcontracting firms (MBEs), and disbursed more than \$2,545,000 in loan capital to support the stability and growth of these firms.

Equitable participation of MBEs in the construction industry and allied fields has been a persistent challenge over many decades that has yet to be adequately addressed through diversity and inclusion requirements, government plans, or private-sector initiatives.

Specifically created for MBE subcontractors, CfC aims to move the obstacles that minority contractors face when starting and expanding their businesses. CfC provides industry focused training, one-on-one coaching, networking opportunities, and access to flexible and affordable short-term capital — services and products not readily available to MBEs in Central Ohio.

KATHY TATUM: TATUM LANDSCAPING, COLUMBUS

Entrepreneur, Kathy Tatum worked for over 20 years managing and operating landscaping projects before she took a leap of faith and started Tatum Landscaping, LLC in Columbus. Despite her considerable experience, Kathy's small business journey hasn't been easy. Working in an industry traditionally run by men, Kathy has had to overcome obstacles to have a seat at the table.

Since launching her own company ten years ago, Kathy has invested in both her business and herself in order to get to where she is today. She graduated from the Turner School of Construction Management and is a certified MBE, EDGE, and LEDE contractor through the City of Columbus and the State of Ohio. She also transitioned Tatum Landscaping from a primarily residential landscaping operation, into commercial contracts.

“Entering into the world of commercial projects presented anew set of challenges. Small businesses in this industry have a difficult time succeeding because of the bid pre-qualification requirements from contractors. These requirements are often extensive and expensive, that's when I turned to ECDI,” says Kathy.

Kathy utilized ECDI's Capital for Construction program to expand her business and get the spark she needed to take her business to the next level. The Capital for Construction program is specifically designed to assist minority and women subcontractors finance labor and material for projects. Participants in the program also have access to one-on-one coaching, industry specific training, and procurement opportunities.

After receiving three mobilization loans through the program, Kathy has been able to continue to grow Tatum Landscaping, providing quality services to customers throughout Central Ohio with honesty and integrity.



HOLLY YOUNG: PUZZLE PIECES, CINCINNATI

After Holly Young learned her son was on the autism spectrum, she struggled to find products, such as toys and furniture, that adapted to his needs.

“I was shocked that there was nowhere in Ohio for my son to test out products prior to purchase. For individuals on the spectrum, it's critical to test auditory, tactile & sensory stimulations,” states Holly.

Holly thought about this issue for quite some time, and this past spring, after serving more than 15 years on the police force, Holly opened Puzzle Pieces-A Sensory Sensation.

Puzzle Pieces is an autism and special needs retail store where families can come in and try out different items to see what works best for their child. Puzzle Pieces stocks games, puzzles, and sensory furniture. To further aid these families, they design sensory rooms for parents who can't afford the \$20,000+ designs that online companies charge. Thoughtful design – with attention paid to lighting, sound, color, patterns, and materials – can help create a space that is comfortable and conducive to learning for children with autism.

Since opening, Puzzle Pieces has seen considerable success. To keep up with demand, Holly needed capital as a lack of product delayed her orders. She used that capital to increase her inventory and fill existing purchase orders. Being a new small business, obtaining a loan from a bank was not an option, so the Cincinnati Small Business Administration Office directed her to ECDI and the Women's Business Center of Cincinnati and Southern Ohio.

Through ongoing one-on-one technical assistance and loan packaging assistance, Holly received a \$30,000 microloan for inventory.



OH3C

With a three-year commitment from JPMorgan Chase, four of Ohio's community development financial institutions (CDFIs) working across the state of Ohio, came together to help more neighborhood residents start and sustain businesses that create jobs and build wealth. OH3C targets core urban neighborhoods with capital to finance the development of more affordable housing and commercial space. ECDI is committed to its clients and understands the barriers impacting core city residents.

With blended learning resources and unique lending products, ECDI created place-based training throughout nine disinvested neighborhoods in Ohio resulting in 17 loans deploying more than \$300,000.



OVERALL ECONOMIC
IMPACT STUDY
OF ECDI'S LENDING
TO OHIO
ENTREPRENEURS *by Bill Lafayette, Ph.D.*
2018



\$1,000,000,000

ECDI's impact on the Ohio economy comfortably exceeds \$1 billion annually.

ECDI invests in the people who imagine, create, and grow the businesses that make up Ohio's economy and vibrant communities. Entrepreneurial activity supported by ECDI has a profound impact on the Ohio economy that reaches far beyond the small businesses it touches directly. ECDI clients create jobs, buy supplies, and contract with other businesses, producing a multiplier effect for every dollar that ECDI invests.

In 2018, with support from the Mastercard Foundation, ECDI commissioned a study to measure the overall economic impact of ECDI's lending to Ohio entrepreneurs. Bill Lafayette, Ph.D., a respected economist focusing on development strategy and local economies, set out to survey ECDI's active loan clients to better understand and quantify the economic impact of ECDI's work.

Lafayette designed a survey to measure impacts including output (production and spending), household earnings, and employment. Each of these impacts was measured at three levels:

1. **Direct Impact:** the impact on ECDI clients themselves;
2. **Indirect Impact:** the impact on supplier to the client;
3. **Induced Impact:** the impact of the household spending of the owners and employees of both client businesses and suppliers.

Based on survey results, Lafayette found that it is likely that the impact on the Ohio economy of ECDI's active clients comfortably exceeds \$1 billion annually. At the conclusion of his study, Lafayette notes that locally-owned, locally-serving businesses provide vital benefits to the broader economy.

"The share of sales that is spent with local suppliers is far greater for locally-owned businesses than it is for regional or national chains. Chain businesses centralize purchasing and business services, resulting in a much greater share of sales dollars leaking out of the economy and providing no local impact."

Why it matters — "As ECDI has grown, we have never lost sight of what and who we are fighting for—economic opportunity for everyone: low-income people, women, people of color, immigrants, everyone." Inna Kinney, Founder & CEO

The goal of inclusive growth has always been at the core of ECDI's mission, and ECDI understands that to achieve truly inclusive growth and prosperity here in Ohio, a focus on local businesses is essential.

Local businesses have a better understanding of the needs of their communities, and they have a vested interest in the wellbeing of the people around them. This relationship is necessarily reciprocal—goods and services and job creation provided by local small businesses are critical to building and maintaining a healthy community, and a strong and healthy community supports the viability and sustainability of local small businesses.



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 Mastercard
 Mirolo Charitable Foundation
 Northern Trust
 Office of Community Services, U.S. Administration for Children and Families
 Office of Refugee Resettlement
 Ohio Aerospace Institute
 Ohio Community Development Corporation Association
 Ohio Development Services Agency: Collateral Enhancement Program
 PNC Bank
 Samuel H. & Maria Miller Foundation
 U.S. Bank
 U.S. Department of Agriculture
 U.S. Small Business Administration
 United Way of Central Ohio
 Urban League of Greater Cleveland
 Wells Fargo
 Woodforrest National Bank

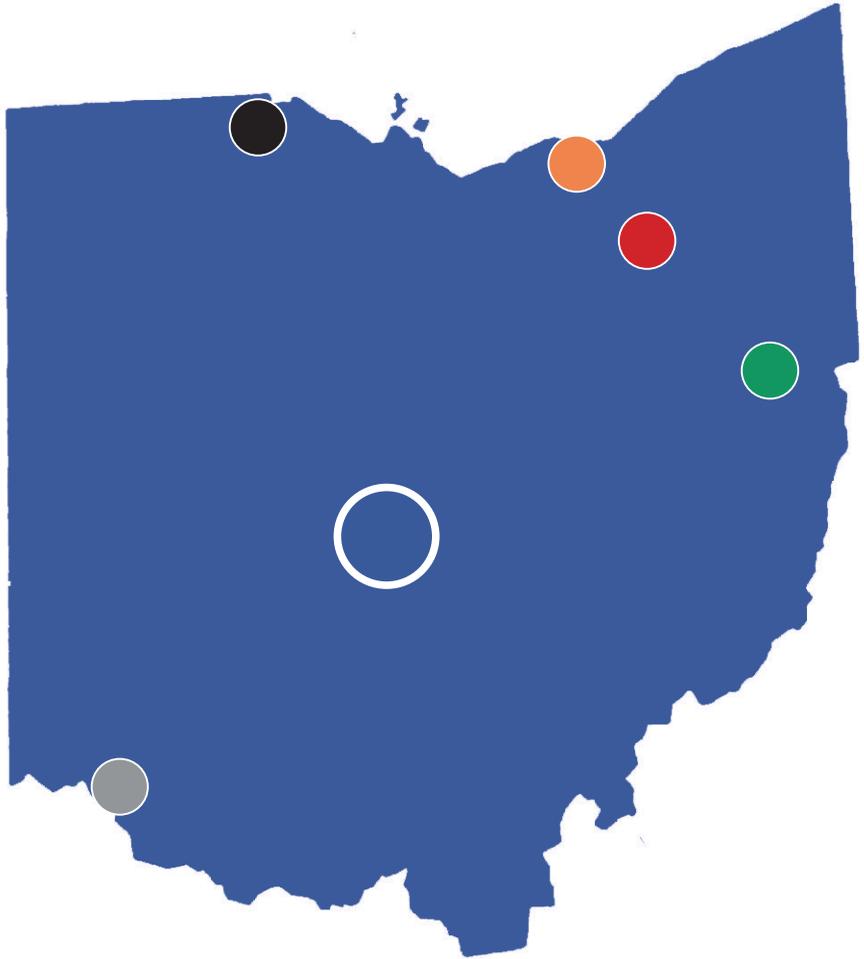


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MISSION STATEMENT

Investing
 in people
 to create
 measurable
 and
 enduring
 social and
 economic
 change.



ECDI COLUMBUS

1655 Old Leonard Avenue, Columbus, Ohio 43219

(614) 559-0115

ECDI AKRON

526 S. Main Street, Suite 518, Akron, Ohio 44311

(330) 888-3119

ECDI CANTON

Innovation District, 309 Court Ave NW, Canton, Ohio 44702

(330) 888-3119

ECDI CINCINNATI

1311 Vine Street, Cincinnati, Ohio 45202

(513) 608-6107

ECDI CLEVELAND

7000 Euclid Avenue, Suite 203, Cleveland, Ohio 44103

(216) 912-5655

ECDI TOLEDO

1 Maritime Plaza, Suite 202, Toledo, Ohio 43604

(419) 243-8251



PROUDLY MAKING A BIG IMPACT ACROSS THE STATE OF OHIO

www.ECDI.org