

Creating Sustainable Chicago Companies

Community Based Small Business Development



Building Businesses That Build Communities

5/12/2006

Building Businesses That Build Communities

Chicago Community Ventures

Not-For-Profit organization, that provides innovative financing, consulting and economic development products to Chicago's (LMI) communities.

- Created in 2000
- CDFI and CDE
- Annual operating budget just over \$1.4 million
- 12 FTE's, 5 MBA's 3 MPP's and 1 JD
- 4 FTE's with international development experience
- Target market includes 564 LMI census tracts and encompasses 61% of the City of Chicago
- Operates Minority Business Enterprise Center (MEC)
- Operates Chicago Westside Entrepreneur Center (CWSEC)



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Programmatic Focus

- Three program areas
 - Neighborhood Transformation Loan Fund (NTLF)
 - \$1 million in equity capitalization
 - 8 loans averaging \$180,000
 - Started in 2002 with equity grant from City of Chicago
 - From 2002 to 2003 2% average delinquency rate and 0% loan loss
 - 2004- 2006 5% delinquency and 8% loss rates
 - Currently raising an additional \$1.5 million in capital in 2006
 - Makes loans from \$25,000 to \$250,000



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Programmatic Focus

- Business Advisory Services (BAS)
 - Organically growing community based high growth businesses
 - Over 1,800 clients served in various stages of business development
 - New focus on smaller number of existing firms with growth potential (most likely to have double bottom line impact)
 - Consulting has help strengthen NTLF
 - Value and impact driven consulting process
 - 2004, launched innovation competition with \$100,000 in awards for five firms in green, MBE, WBE manufacturing and service sectors. Over 50 firms applied, 2006 competition has 200 applications
 - Won department of commerce contract to operate minority business center, focus on moving high growth MBE's to scale



Programmatic Focus

- Economic Development Initiatives (EDI)
 - GIS Mapping and website of CCV's target market (Chicagopropector.org)
 - Community specific market research
 - Community specific small business development strategy and programs: Small Business Development Initiative
 - Development finance consulting



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Past Projects

- ChicagoProspector.com (GIS website)
- Small Business Strategy Development
 - North Lawndale
 - Bronzeville
- Small Business Development Initiative
 - Partnership for New Communities (CHA Transformation)
- Development Finance
 - Processed over \$20 million in development incentives
 - WVON (Chatman/Auburn Gresham)
 - Food For Less (Englewood)



Building Businesses That Build Communities



Chicago Community Ventures - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites Media Print Mail Stop

CHICAGO COMMUNITY VENTURES
building community businesses

Sites & Buildings | Chicago Community Ventures | Add Properties | Add Businesses for Sale | Contact Us

- search for available property
- neighborhood analysis
- search for business for sale
- project financing

MOVE MAP

ZOOM IN +

ZOOM OUT -

ZOOM IN ZOOM OUT MOVE IDENTIFY

show map

- Enterprise Zones
- Communities
- Empowerment Zones
- Enterprise Communities
- Renewal Communities
- Industrial Corridors
- TIF Zones

Display

FIND

Find available properties by type and size

Type: All Property Types

Minimum Size:

Maximum Size:

Units: Square Feet

- properties for lease
- properties for sale
- In Enterprise Communities
- In Renewal Communities
- In Empowerment Zones

Search

Find properties by Parcel Number

Parcel Number:

Search

Find properties by address

Address:

Search

DIRECTIONS:
To search for an available site or vacant building:

show map legend overview map

- Highways
- Chicago_eSAT15.tif
- Chicago
- Cook County
- Lake

The “Real World” of Community Based Businesses



Poverty

Market

Entrepreneurial Intelligence

Capitalization

- Resourcefulness/Tenacity
- Integral part of community
- Gives Back
- Self Financed
- Savvy Market Awareness

- Undercapitalized
- Poverty Factors Overwhelming
- No Local Connection
- Poor Market Awareness

A Framework for Growing Community Based Businesses



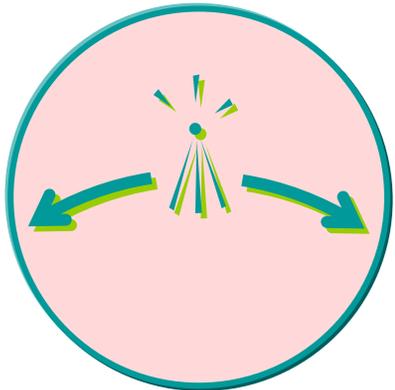
Project Outcomes

Building Businesses That Build Communities



Growing Businesses

- Impacts:**
- ✓ Job Creation
 - ✓ Increased Wealth Creation
 - ✓ Increased Investment
 - ✓ New Entrepreneurs



Stability Multipliers

- Impacts:**
- ✓ Poverty Shift
 - ✓ Community Organizing
 - ✓ Mutual Shared Interest
 - ✓ Community Perception Changes



Community Benefits

- Impacts:**
- ✓ Increased Purchasing Power
 - ✓ Higher Quality of Living
 - ✓ Housing Stability
 - ✓ City Begins to Care