



Entrepreneurship • Water/Wastewater • Lending • Community Sustainability • Technical Support



## Financing Smart Rural Places: Delta Region

By: Ines Polonius

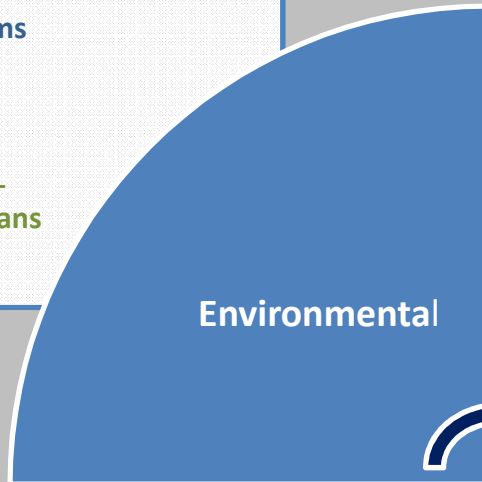
Date: February 12, 2016

**COMMUNITIES**Unlimited

Infrastructure. Entrepreneurship. Vibrant Communities.

# COMMUNITIES Unlimited

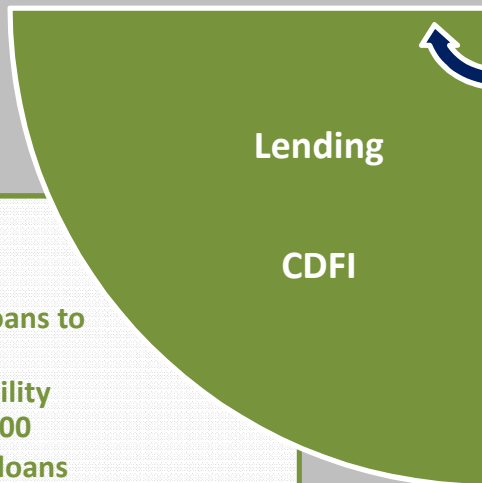
- TA to Water Systems
- TA to WW Systems
- Board Training
- Reg. Compliance Training
- Emergency / Pre-Development Loans



Community Sustainability

- Strong Community Leadership Teams
- Healthy Entrepreneurial Ecosystems
- Community Facility Loans

ALT SHOP



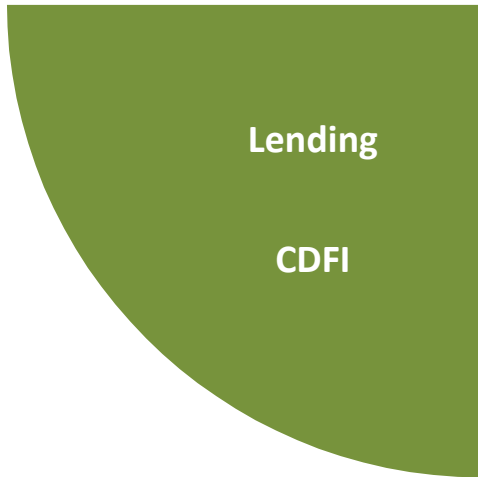
Entrepreneurship

- Growth
- Turnarounds
- Transitions
- Startup
- Working Capital Loans

- Water & WW loans to \$500,000
- Community Facility loans to \$250,000
- Small Business loans \$500 to \$100,000

# COMMUNITIES Unlimited

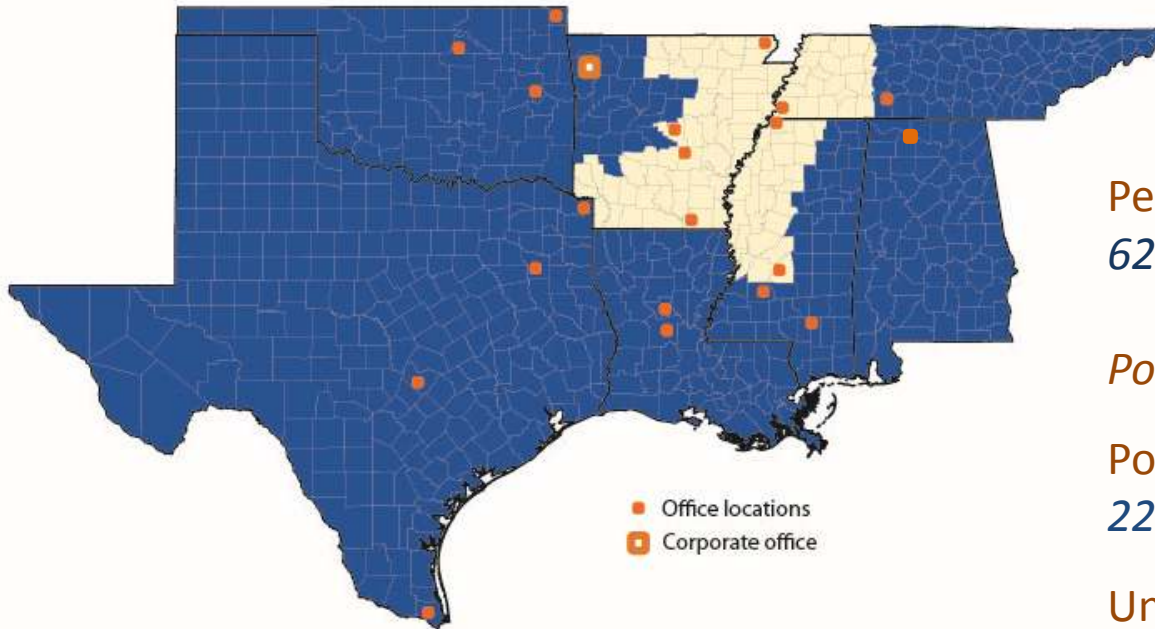
---



- Water & WW loans to \$500,000
- Community Facility loans to \$250,000
- Small Business loans \$500 to \$100,000

### Loan Fund Statistics

- \$16 million in assets
- \$42 million in loans made since 1992
- Sources: Federal loans, CDFI Fund, PRIs, private bank loans



Persistently poor US counties –  
*62% in CU service area*

*Poverty Regions – 4 regions*

Poverty –  
*22% - 34% people live in poverty*

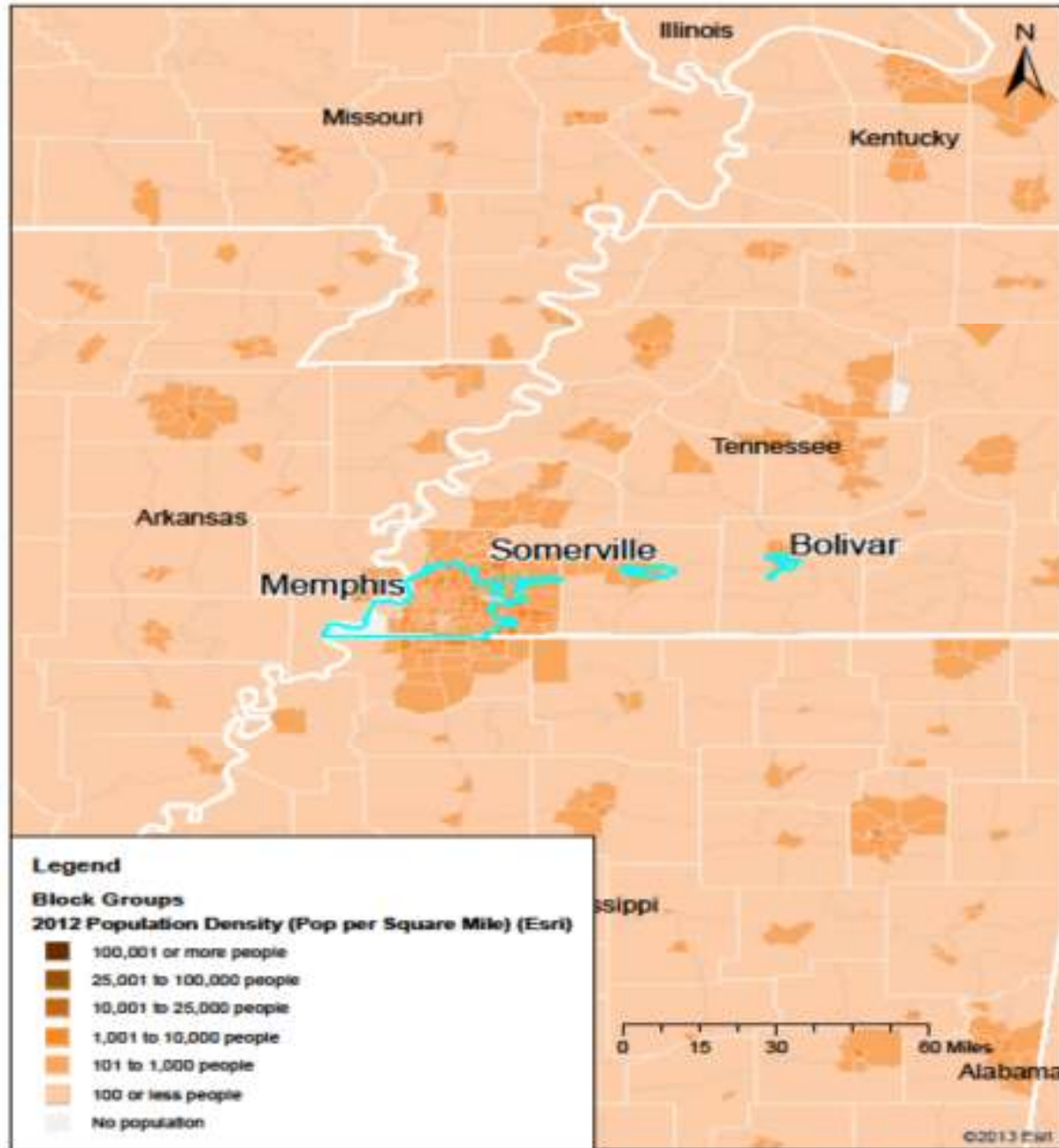
Unemployment –  
*10% - 14% people do not have  
and cannot find work*

Depopulation of Rural Places –  
*Lost between 4% - 20% (1990-2010)*

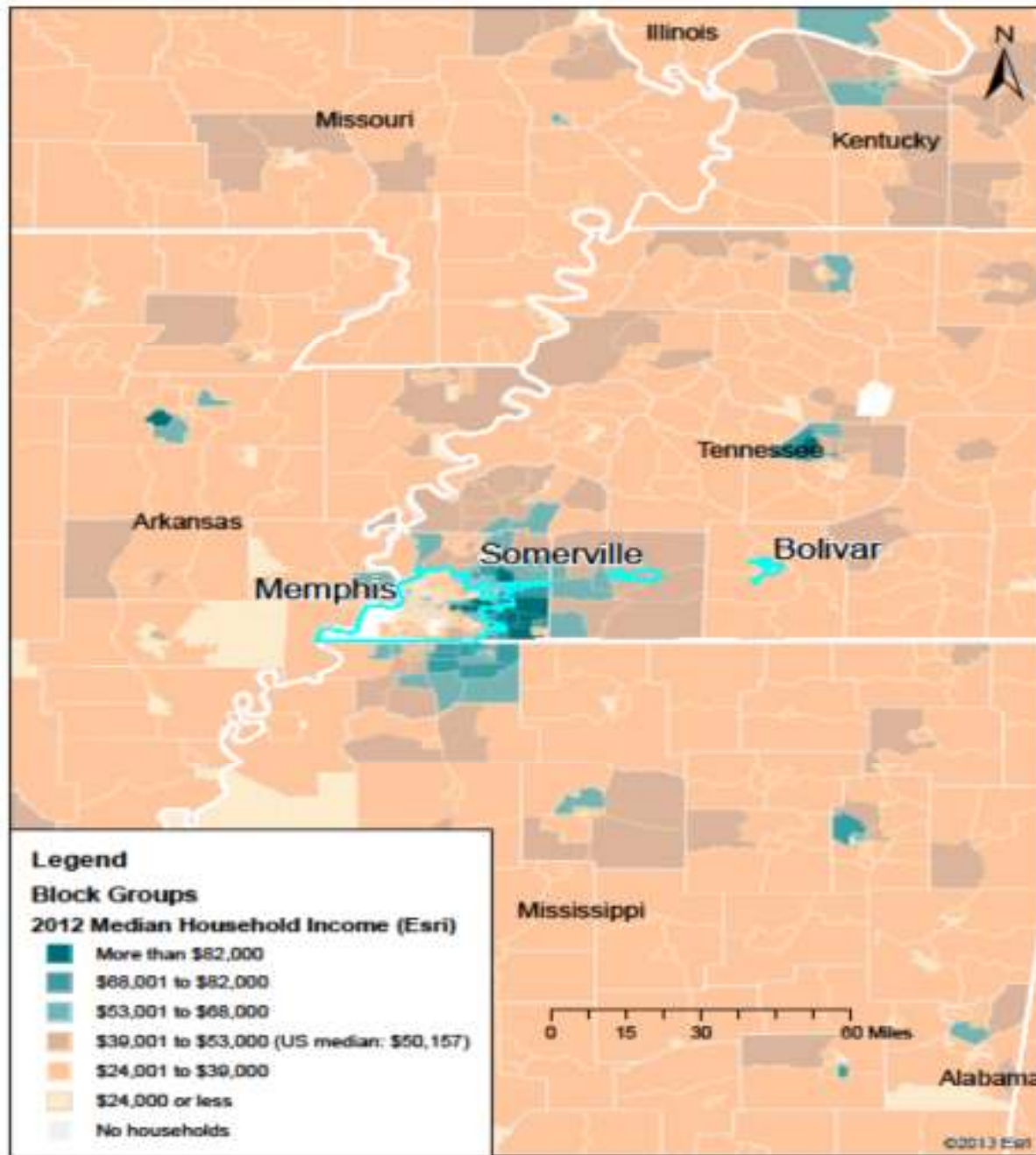
# Introducing Somerville and Bolivar, TN



# Population Density



# Median Household Income





Population: 3115  
African American: 35.1% of population  
Below Poverty Level: 31.6%  
College Degree: 14.2%  
Unemployment: 11.8%





**COMMUNITIES**Unlimited

## Introducing Bolivar, TN

Population: 5417

African American: 61.6% of pop.

Below Poverty Level: 24.1%

College Degree: 10.7%

Unemployment: 23.7%





## Rural Smart Growth: Microbusiness Retail Strategy

- Generate activity in downtown core
- Create strong sense of place and pride
- Direct development dollars toward existing infrastructure
- Encourage community collaboration in development decisions
- Promote walkable downtown core

- Create community selection and support team
- Identify available spaces in proximity to each other
- Engage landlords
- Recruit entrepreneurs
- Pre-application
- Internal initial selection for best fit in community
- Request full-application
- Choose 3 to 6 feasible ventures that are good fit with community and market interests



## Place-based microbusiness retail strategy

altShops provides each participant with:

- Short-term lease
- Rent assistance
- Intensive managerial assistance
- Start-up loan
- Marketing support
- Collective grand opening event



**Managerial Assistance**

- Develop detailed financial projections
- Determine capital needs
- Determine feasible amount of capital and structure
- Set up financial management systems
- Set up and provide training on cash register solution
- Develop marketing strategy
- Address staffing
- Provide training for managing sales and payroll tax



**Capital**

- Underwriting
- Provide capital in multiple phases to enable business to continue to grow and cashflow

COMMUNITIES Unlimited



# ALT SHOP

In Somerville

| Business Name                  | Owner Name(s)     | Stage of Business       | Type of Business |
|--------------------------------|-------------------|-------------------------|------------------|
| The Gin                        | Miki Bryant       | Existing/Had food truck | Restaurant       |
| Xtreme Dance                   | Anquisha Crutcher | Existing/Home-based     | Dance Company    |
| LaLuna Vintage Thrift Boutique | Erica Qualy       | Startup                 | Clothing store   |



..... Infrastructure. Entrepreneurship. Vibrant Communities.

**COMMUNITIES**Unlimited



# ALT SHOP

In Bolivar

| Business Name             | Owner Name(s)    | Stage of Business   | Type of Business |
|---------------------------|------------------|---------------------|------------------|
| Candyland Sweets & Treats | Tamekia Jones    | Existing/Home-based | Bakery           |
| Hailey's Boutique         | Shareta Hardaway | Startup             | Clothing store   |
| Hayes Soul Food           | Annette Current  | Startup             | Restaurant       |



ties.

# Challenges

- Risky Loans
  - No collateral
  - Low credit scores
  - Start-ups
- Finding the “right” entrepreneurs
  - Example: Youth apparel store in Sommerville
- Change mindset to bring people downtown
  - Events that bring traffic
  - Secondary development
- Traffic
  - Tractor trailer traffic through square in Bolivar





## 4 Memphis Neighborhoods impacted

- 2013 Broad Avenue – 6 retailers
- 2013 Crosstown – 1 retailer
- 2014 South Memphis – 2 retailers
- 2015 Heritage Trail (South Main) – 3 retailers

- 12 launched
- 8 signed long term leases
- 11 full time jobs, 5 part time jobs created
- Secondary development



## Support Available:

- Toolkit
- Coaching
- Virtual technical assistance to selected retailers

**Ines Polonius**

[ines.polonius@CommunitiesU.org](mailto:ines.polonius@CommunitiesU.org)

479-443-2700 ext 137

alt.Shops Program Director

**Cynthia Norwood**

[cynthia.norwood@CommunitiesU.org](mailto:cynthia.norwood@CommunitiesU.org)

901.312.9797

[www.CommunitiesU.org](http://www.CommunitiesU.org)



**Together**

**COMMUNITIES**  
Unlimited

