

DETROIT DEVELOPMENT FUND

Detroit, MI



OVERVIEW

The Detroit Development Fund (DDF) has been a trusted partner in the local entrepreneurship ecosystem, providing access to capital for over 25 years. Our journey began in 1996 as ShoreBank Enterprise Detroit, servicing the city's east side community. Today, we are a certified nonprofit CDFI with expanded financial products and services that stretch across the city of Detroit, with our microloans also including the cities of Hamtramck and Highland Park, Michigan. To date DDF has provided over \$85 million in small business loans to Detroit area entrepreneurs.

Our approach is centered on relationship building and customer empowerment. We are not just motivated by the number or value of approved loans, but motivated by their long-term success and sustainability. We are intentional about increasing the capacity of entrepreneurs, developers, building owners, contractors, and subcontractors through our loan and technical assistance programs. We prepare and empower entrepreneurs for growth and the next stage of their business by removing barriers.

Our focus on economic and racial equality has been unwavering with over 90 percent of our loans made to Black-owned businesses, entrepreneurs of color, and women-owned businesses. We established the Entrepreneurs of Color Fund (EOC Fund) in 2015 to address issues surrounding insufficient access to capital for minority (BIPOC) entrepreneurs, to provide pre/post-loan technical assistance and business knowledge, and to provide loan capital in low-to-moderate-income neighborhoods who primarily hire local residents. Since the inception of the EOC Fund, it has generated more than \$18 million in loans provided to BIPOC entrepreneurs, including 190 Black-owned businesses in the City of Detroit and 47 percent Black women-owned businesses. As a result, these businesses created 1,996 jobs, and retained 992 jobs in the City of Detroit. Moreover, there were over 209,443 sq. ft. of vacant commercial space filled by Black-owned and BIPOC companies in the City of Detroit.

DEANA NEELY, FOUNDER OF DETROIT VOLTAGE, LLC

Established in 2016, Detroit Voltage, LLC is a Black, woman-owned electrical contracting firm specializing in residential and commercial electrical installation, repair, remodeling, and renovation services. Detroit Voltage has successfully completed over 1,200 projects in the metro Detroit area. The business has experienced continuous growth year to year. Through 2018-2020, Detroit Voltage's sales revenue remained above \$100,000; in 2021, that grew to over \$334,000.

On April 22, 2022, Detroit Development Fund's Entrepreneurs of Color Fund provided a \$100K contractor's line of credit to be used for working capital and the much-needed support to help Neely's business continue to grow.

The EOCF helped Neely identify the capital needs for Detroit Voltage and helped her understand how to utilize debt to nurture its growth. Neely is now able to reach for larger commercial projects. Her experience underscores how access to alternative financing options can be transformative for small businesses and help revitalize the community it serves. Her company has retained seven jobs and created five jobs in the City of Detroit.

"The Entrepreneurs of Color Fund enabled me to secure a contractor's line of credit, which boosted my business significantly, allowing me to generate an additional six figures in just one year," Deana Neely said.

THREE-YEAR IMPACT

- ▶ \$8.95 million in loans
- ▶ 2 community facilities financed
- ▶ 87 total businesses financed (72 minority-owned, 39 women-owned)
- ▶ Jobs created via financing: 13 FTE construction jobs, 381 jobs created at businesses
- ▶ 19,805 sq. ft. of commercial real estate

Housing Financing:

- ▶ 35 affordable rental units