



FOR IMMEDIATE RELEASE

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**Contact:
Malissa Bodmann
216-536-7517
Lori McClung
216-832-5730**

URBAN LEAGUE, MORGAN STANLEY, NATIONAL DEVELOPMENT COUNCIL & CUYAHOGA COUNTY PARTNER TO LAUNCH HISTORIC INITIATIVE TO PROVIDE MINORITY OWNED BUSINESSES WITH GREATER ACCESS TO CAPITAL

Cleveland, OH – A unique collaborative of organizations and institutions has launched a small business lending program to help African American and minority businesses create and maintain jobs for residents and build community wealth. With a focus on bringing capital to underserved groups, the National Urban League’s Urban Empowerment Fund (NUL-UEF), Morgan Stanley, National Development Council (NDC) Urban League of Greater Cleveland (ULGC), and Cuyahoga County have come together to offer the Capital Access Fund of Greater Cleveland (CAF).

CAF is a three-year program that provides minority business owners with access to capital offering 50 loans totaling \$8 million as well as pre- and post-loan counseling to ensure the success of those small business borrowers. With a goal of creating or maintaining a minimum of 300 jobs within those three years, CAF already has completed 8 loans totaling \$1.4 million helping to create or maintain 70 local jobs.

“The level of interest we already have confirms what we already knew – there is a gap in the access to capital for minority businesses and we should not gloss over that,” said Marc H. Morial, President and CEO of the National Urban League. “Our partnership with Morgan Stanley, the expertise of NDC, the commitment of Cuyahoga County, and the strong leadership of the Urban League of Greater Cleveland already have made this a success.”

Within CAF there are two sources of capital: the Community Impact Loan Fund and the Grow Cuyahoga Fund. The Community Impact Loan Fund is a new NDC product established in partnership with \$2 million in start-up capital from Morgan Stanley to support minority small business owners. The Grow Cuyahoga Fund is supported with \$2.5 million from Cuyahoga County.

“We are proud to partner on this program with \$2 million in start-up capital for the Community Impact Loan Fund,” said Carla A. Harris, Vice Chairman, Global Wealth Management, and head of the Multicultural Client Strategy Group, Morgan Stanley. “Providing small businesses with access to capital and flexible terms leads to opportunities for these businesses to scale up and affords them the financial stability necessary for entrepreneurs to focus on their customers and contribute jobs to the local economy.”

“CAF will enable the capital we’re providing to have the greatest impact and reach among diverse small businesses in Cleveland,” said Alice Vilma, Executive Director, Morgan Stanley.” Partnering on this unique collaborative will give minority owned businesses a 360-degree boost from access to capital combined with the support services necessary to build community wealth.”

“As an experienced lender, we focus on providing capital to minority and women owned businesses, as well as to economically disadvantaged communities. NDC understands that a set of flexible financing tools and technical guidance throughout the life of the loan can be the difference between success and failure,” said Robert W. Davenport, President of NDC. “With the expertise of the CAF Collaborative and results shown thus far in Cleveland, ultimately we hope to change small lending opportunities in other cities around the country – ensuring African American and other minority small businesses secure access to much needed capital.”

Don Bowen, who leads the Urban League Empowerment Fund, said the CAF “allows the National Urban League to build upon its legacy role as a social service intermediary to become a financial intermediary. It’s another tool to help impact local communities and advance the mission of promoting economic parity.”

The second source of capital within CAF is the Grow Cuyahoga Fund, which is an existing NDC product (SBA “7a” loans) that will offer affordable growth capital with longer terms and lower rates to borrowers who create jobs and investment. The fund is possible through a grant and partnership with Cuyahoga County.

“Small business creation and retention is a priority for my administration,” said County Executive Armond Budish. “We’re all about jobs, good jobs, throughout the county. With the Grow Cuyahoga Fund, Cuyahoga County’s partnership in the CAF program allows us to continue to lead the way as a place to grow and thrive for African American and other minority businesses which will help ensure our county remains a vibrant, healthy and welcoming place.”

In addition to Cuyahoga County, Key Bank Foundation has made a long-term commitment to CAF and is the lead local funder. Other local funders include Cleveland Foundation, City of Cleveland, Burton D. Morgan Foundation, PNC Bank, and Fifth Third Bank

“We are proud of our local funders who have met the challenge to support a program that offers a long term, sustainable solution for local African American and other minority entrepreneurs when pursuing capital,” said Marsha Mockabee, President of the Urban League of Greater Cleveland. “As we enter into our second century as an organization, CAF is one element of the Urban League’s strategic vision moving forward and will be a cornerstone for empowering minority business owners so that they can improve their entrepreneurial know-how, refine their plans for growth, and improve the communities in which they live.”

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For more information about CAF Founding Partners please visit their websites:

Morgan Stanley: www.morganstanley.com

National Urban League & National Urban League’s Urban Empowerment Fund: www.nul.org

National Development Council: www.ndconline.org

Urban League of Greater Cleveland: www.ulcleveland.com

Cuyahoga County: www.cuyahogacounty.us