

Lead Agency: Nondepartmental - All

Program Contact: John Tydlaska

Program Offer Type: Innovative/New Program

Related Programs:

Program Characteristics: One-Time-Only Request

Executive Summary

This program offer funds \$70,000 for outreach, financial education, training, and other support services for small businesses in Multnomah County that are eligible to receive financial assistance under Multnomah County's micro lending program.

Program Description

Many small businesses and new start-ups in our community lack adequate access to credit. While banks provide loan capital to the most credit worthy borrowers, many small and start-up businesses in our community cannot meet the necessary criteria to access traditional bank financing. In addition, county residents interested in starting or expanding small business ventures often lack specific business skills, necessitating that training & support be paired with the loan.

Micro lending organizations (which compete with credit cards, loans from family and friends, and even with disreputable 'loan sharks') fill this borrowing gap. In addition, the micro lending programs currently active in Multnomah County do not have resources to provide the technical assistance necessary to train and support a very small fraction of their potential clients adequately. Because most of the scarce technical assistance funding that is currently available can only be used after loans are made, there are even fewer resources available to help businesses get into the position where they can apply for and get a loan.

These funds will enable MercyCorps NW and Microenterprise Services of Oregon, the current providers of micro lending services under Multnomah County's micro lending program, increase outreach efforts and provide pre-loan assistance for prospective borrowers at some of the lowest income levels.

Performance Measures

Measure Type	Primary Measure	Previous Year Actual (FY11-12)	Current Year Purchased (FY12-13)	Current Year Estimate (FY12-13)	Next Year Offer (FY13-14)
Output	Number of borrowers who apply for Multnomah County micro loans.	0	0	0	30
Outcome	Number of borrowers < 50% MFI who receive loans.	0	0	0	15

Performance Measure - Description

The number of applicants who apply enables us to evaluate the effect of the increased outreach efforts. The number of borrowers who are below 50% MFI enables us to evaluate the effect of the increased technical assistance.

Legal/Contractual Obligation

None.

Revenue/Expense Detail

	Proposed General Fund	Proposed Other Funds	Proposed General Fund	Proposed Other Funds
Program Expenses	2013	2013	2014	2014
Contracts	\$0	\$0	\$0	\$70,000
Total GF/non-GF:	\$0	\$0	\$0	\$70,000
Program Total:	\$0		\$70,000	
Program FTE	0.00	0.00	0.00	0.00
Program Revenues				
Total Revenue:	\$0	\$0	\$0	\$0

Explanation of Revenues

This program is funded with one-time Video Lottery Fund resources.

Significant Program Changes

Last year this program was: