

CITY ALIVE

CASE STUDIES

May 2018



CITY ALIVE
THE FUTURE IS OURS



CO-OP CAPITAL CASE STUDY

Co-op Capital offers an “alternative to the alternatives” pathway for access to capital

Alignment with City Alive:

Create a more user-friendly support ecosystem

Develop alternative ways for businesses to access capital

Context:

Many business owners cannot secure loans from traditional or alternative lenders – even alternative lenders typically require moderate credit, citizenship / state residency, collateral, and financial / tax documentation

These challenges are particularly acute for entrepreneurs from historically marginalized groups that are more likely to have low or no credit, operate low collateral businesses, and have an aversion to debt



The Impact

Managed by Nusenda Credit Union, and funded by the McCune Charitable Foundation, Annie E. Casey Foundation, WK Kellogg Foundation and the Albuquerque Community Foundation, Co-Op Capital has made **\$600,000** in loans to **280+** entrepreneurs since 2012, with a delinquency rate of only **1%**. Co-Op Capital transcends “business as usual” formulas for eligibility, unlocking opportunity for entrepreneurs by:

1. Enabling businesses to overcome the challenges of no / low credit and lack of collateral through relationships;
2. Leveraging previously-untapped sources of collateral to encourage repayment;
3. Helping business owners build an initial relationship with a financial institution to accelerate their growth.

How it Works

Partner organizations—including nonprofits, community organizations or educational institutions—sponsor a low-interest loan through a credit union deposit account.

Nusenda Credit Union provides the origination, servicing and credit reporting.

Partner organizations decide whether to make the loan based on their own criteria.

Credit reports from potential borrowers are not required; instead, the relationship between the partner organization and the borrower drives the loan approval process.

Partner organizations work with Nusenda to provide comprehensive support and communication with borrowers to ensure repayment.





INNOVATE ABQ CASE STUDY

Innovate ABQ is a public-private partnership created to develop a seven-acre innovation district in downtown Albuquerque to foster economic development and job creation in New Mexico. The site is intended to help put the region on a path to higher growth by strengthening collaborations and economic opportunities.

Alignment with City Alive:

- Build a culture of entrepreneurship
- Create a more user-friendly support ecosystem
- Include underrepresented firms and founders

Impact:

Over \$15,000,000 has been leveraged in funding for construction from the public, private and philanthropic sectors.

In it's first year, the campus incubated over 55 new companies.

The Navajo Nation has leased the top two floors of the Rainforest dormitories to create a culturally sustaining environment for their students attending the University of New Mexico.

INNOVATE  ABQ

History



The idea for Innovate ABQ as the core site for downtown's innovation district for researchers, inventors and entrepreneurs hatched in 2012 to contribute to a dynamic and diversified economy and adding jobs. Founding partners included UNM, the City of Albuquerque, Bernalillo County and Nusenda Credit Union.



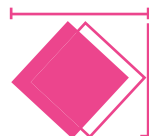
Ownership of land and buildings was transferred to the non-profit, 501(c)3, Innovate ABQ, to ensure the development of the seven-acre site to meet the specific job creation, economic development and underserved population outreach goals of the partnership.



The UNM Lobo Rainforest Building opened in August 2017. The Rainforest building includes 155, 2-bedroom dormitories for students of the University involved in entrepreneurship and entrepreneurial studies.



The Lobo Rainforest is home to STC.UNM, the Cecchi Venture Lab, the UNM Innovation Academy, UNM's entrepreneurial program, and the Air Force Research Lab tech engagement office and Sandia National Labs tech engagement office.



In October of 2017, the CNM's Fuse Makerspace opened on the Innovate ABQ site. With over 10,000 square feet of Makerspace, this innovative building allows entrepreneurs to rapidly prototype and produce small quantities of their products.



Work will begin in the summer of 2018 on the next phase of development, which includes the remodeling of two of the site's historic structures, the Church and the Office Tower.





MAYORS PRIZE FOR ENTREPRENEURSHIP CASE STUDY

The Mayor’s Prize for Entrepreneurship, funded by the Albuquerque Community Foundation and the Kauffman Foundation, awards grants and provides technical assistance to pilot and scale models to make Albuquerque a better place to start and grow ventures.

Alignment with City Alive:

Cultivate and encourage small business development

Build a culture of entrepreneurship and inclusion

Impact:

\$600,000

\$600,000 granted to entrepreneurial support organizations

100+

100+ businesses supported or started

650+

650+ jobs created or supported

1300+

1300+ entrepreneurs engaged by grantees

\$670,000

\$670,000 raised from 101 individuals and local business gives, many of whom made a first-time philanthropic gift

\$350,000

Grantees leveraged funding to secure \$350,000 in additional grants

History

EST. 2015

The Mayor’s Prize was launched in 2015 to help expand and enrich the community of organizations supporting entrepreneurs. The Prize was designed based on City Alive’s research on gaps in the entrepreneurial ecosystem, and asked entrepreneurial support organizations to focus on addressing key gaps in the ecosystem – serving the immigrant community, the high-tech sector, women entrepreneurs, and low-income entrepreneurs

\$600,000 GRANTED

Since its start, \$600,000 has been granted to entrepreneurial support organizations around Albuquerque

Additionally, Albuquerque Community Foundation restructured its priorities to include inclusive economic development

2017 Mayor’s Prize Grantee Profile: WESST

WESST’s La Escalera provides an accelerated pathway for immigrant entrepreneurs to: (1) formalize their business; (2) improve business skills in the areas of financial management, marketing and business compliance; (3) gain access to or improve use of banking services; and (4) join a network of support to start and grow their business.

