

CONTESTANT CAPACITY**1. ORGANIZATIONAL BACKGROUND**

The Economic and Community Development Institute's (ECDI's) mission is to invest in people to create measurable and enduring social and economic change. Since inception in 2004, ECDI's services have grown into a comprehensive "one-stop shop" designed to help underserved entrepreneurs start and expand small businesses. Programming includes foundational Financial Literacy Training, innovative Microenterprise Development training, industry specific training, capitalization programs, and business incubation services that provide clients access to new customers and markets.

As the 3rd largest SBA Intermediary Micro-lender in the country and a U.S. Treasury-certified Community Development Financial Institution (CDFI), ECDI serves all 88 Ohio counties. ECDI has assisted over 9,700 individuals, disbursed over \$36 million through over 2,100 loans, and created and retained over 6,400 jobs via our comprehensive suite of programs. Programs and services have been supported by over \$63 million in federal, state, local and private funds and have proven to create jobs, build human capital, and spur local and regional economic development.

Healing Companions Inc. (HC) is a non-profit organization established in 2013 committed to increasing awareness of and access to psychiatric service dogs (PSDs) as a form of treatment of mental illnesses, and assist those who do not have the financial resources to pay for this training. A second aspect of their work includes a commitment to increasing the "hard" and "soft" employment skillsets of incarcerated individuals before they are released, and introducing them to entrepreneurship as an attainable form of businesses and job creation for themselves. As their organization began to develop partnerships with inmates at Grafton Correctional Facility's Re-Integration Center teaching them to train shelter dogs, they quickly learned that their business model allowed for the use of related processes and skillsets to introduce the concept of entrepreneurship. Over the course of the training, HC also teaches the inmates relaxation/stress reduction techniques for themselves as well as the shelter dogs, incorporating canine massotherapy, Tellington TTouch Training, Reiki, meditation, breathing, visualization and more. To build on momentum, they reached out to ECDI in 2016 with a request for assistance (and a partnership) to formalize an Entrepreneurial Program to assist individuals before and after their release.

2. BACKGROUND OF MANAGEMENT TEAM

Carrie Rosenfelt, Executive Director of Northern, ECDI. Carrie came to ECDI from Huntington National Bank where she worked as a Vice President and Community Development Relationship Manager. Her commitment at Huntington as a Community Reinvestment Act (CRA) representative was to ensure access to capital barriers for low-to-moderate income (LMI) and minority individuals were mitigated through bank investment and community partnerships. Her transition to ECDI allowed her to take this work to the next level, developing and implementing best-practice programming that results in business and job creation through entrepreneurship. At ECDI, Carrie provides oversight of ECDI's Northern Ohio operations, including the Northern Ohio Women's Business Center, in addition to Cleveland, Akron, and Toledo Lending and Training programs.

Jane Miller, Executive Director Healing Companions Inc. Jane is a licensed independent social worker and an expert on psychiatric service dogs as a therapeutic best practice. Her lifelong passion for healing has emphasized the human-animal connection, culminating in her certification as a Canine Massotherapist and as a Certified Dog Behavior Consultant. She has lectured at dozens of venues, including national and local organizations, schools and dog training facilities, notably the Cleveland Clinic & Metro Health Medical Centers' Departments of Psychiatry & Psychology and NAMI Cleveland. She appeared in the PBS program "Health Visions – Animals as Healers" on the healing power of animals. In 2010, Jane published the book *Healing Companions: Ordinary Dogs and their Extraordinary Power to Transform Lives*. Most recently, she has learned that the therapeutic value of her business, including its workforce training aspects, is an effective setting for introducing inmates to entrepreneurship as a viable career path.

I personally have been training dogs in this institutional environment for the past 9 years. After the presentations, I really began to believe that I can use the skills I've learned in the outside world. I'd like to start my own business and feel a LOT more confident in doing that after receiving all of the information ECDI had to offer us. I'd like to take this opportunity to thank everyone involved and to say PLEASE COME BACK! Thank you!

-Willard Palmer

ENTREPRENEURIAL EDUCATION DELIVERY SOLUTION

OVERVIEW OF THE PROPOSED PROGRAM -- The goal of combining Healing Companions dog training and ECDI small business training will result in inmates and ex-offenders receiving the skillsets necessary to launch businesses such as dog training. Through this Pilot, inmates will learn about the day-to-day operations, marketing, and logistics from Healing Companions, and small business development skills from ECDI's proven entrepreneurship-training program.

The benefit of proposed programming will be threefold: 1) a shelter dog's life is saved; 2) the trained shelter dog provides a friend, family member, or neighbor who has mental illness with assistance that promotes a higher level of functioning and participation in society; and 3) ***the inmate gains "hard" and "soft skills," and is introduced to entrepreneurship as a viable option for their future once released.***

1. PILOT PARTICIPANT RECRUITMENT PLAN

Cohorts that enter into programming will be individuals that typically have planned release within 36 months, and a commitment to working with ECDI upon release. ECDI and Healing Companions will partner together to provide an innovative approach to inmate rehabilitation and entrepreneur development, building upon a pilot that has already integrated both organizations' services. Healing companions is currently working with a cohort of 20 inmates and has a waiting list of 7 individuals eager to join the program. Participation in the program is rolling and when individuals working with Healing Companions are released, someone from the waitlist moves into the program. The participants of this collaborative program will enter the program while still incarcerated and begin working with Healing Companions, developing "soft" and "hard" skills while training shelter dogs. Additionally, the inmate cohort will take ECDI's Entrepreneurial Readiness and Financial Literacy courses to introduce them to entrepreneurship and basic financial literacy.

I have been incarcerated since 2009. I truly found the information shared to be a benefit to my future plans. I intend to open my own business upon my release. I learned about a possible obstacle I will face -- to achieve funding. I also felt hopeful because of the opportunities to get help and education along this journey. I would be greatly appreciative of having the chance to get more of this information here in prison while I don't have the distractions from the outside world. I could use the time to create better plans and become more knowledgeable.

-Scott Berry

Familiarity with Jane's business model and the work of dog training will allow cohort members to begin considering business ownership more concretely. With an idea of what is required for this specific type of business, they will then create mock business plans and ideas with this industry as an example. Healing Companions began performing this work in 2014 and none of their participants have relapsed back to prison.

2. CLASSROOM INSTRUCTION -- Training will include five components:

- I. **Skills Training:** Inmates will begin by working with Healing Companions to train shelter dogs, learning skills that could help them attain employment or create their own business. The training process will be an experience in itself -- based on deep emotional bonds and a respectful professional relationship, the training process is empowering for inmates as they gain confidence, skills and commit to the care of another living creature. People unable to take proper care of themselves become aware that they are capable of caring for another living being, resulting in renewed self-worth and empowerment. It's hard to overstate the therapeutic benefits for these inmates that are able to work with these dogs. It is also noteworthy that over 98% of the dogs trained by inmates with Healing Companions stay in their adopted home, a remarkable achievement.
- II. **Financial Literacy:** ECDI will provide financial literacy training designed to provide inmates and ex-offenders with a comprehensive view of personal savings, hands-on budgeting, and expense tracking exercises, information about financial pitfalls to avoid, and credit scores. This course will be offered to inmates before they are released.

III. **Entrepreneurial Readiness:** Entrepreneurship starts with an idea, and ECDI's Entrepreneurial Readiness course will help inmates determine whether entrepreneurship is a match for their interests and skills. In particular, they will answer the following questions:

- Do you think like an entrepreneur?
- Have you considered the first ten steps to starting a business?
- Is your business idea feasible?
- Do you have the information needed to start writing a business plan?

This course will be conducted prior to the inmate being released after they complete Financial Literacy. They will then have the information they need to determine if entrepreneurship is a path they want to pursue upon release.

- IV. **The Small Enterprise Education Development (S.E.E.D):** The S.E.E.D Training Series is designed for entrepreneurs ready to enhance their business idea or expand a previous/existing small enterprise into a viable and profitable business. Ex-offenders taking this course will focus on four critical developmental areas – 1) business concept, 2) organization, 3) customer relations, and 4) operations. The curriculum utilizes an interactive tool that will help participants develop their business through an action-oriented process. Participants will complete homework assignments that assist them in developing a business plan and 30/60/90 day action plan. This course will be offered to inmates after their release.
- V. ECDI will also make available for participants four **FDIC Money Smart for Small Business** classes designed to address gaps in financial literacy of ECDI small business clients after they are released. The workshops utilize FDIC Money Smart for Small Business (MSSB), a comprehensive financial education curriculum designed to help low- and moderate-income individuals outside the financial mainstream enhance their financial skills. MSSB is designed to be delivered to new or operating small business owners - persons without formal business training. This course is typically administered by a banking professional and can provide attendees with a contact in the business community as well as provide them with personal banking assistance if the attendee is in need of depository services to avoid check cashers.

3. Mentoring

Following their release, and in concert/after S.E.E.D. training, ECDI will provide one on one mentoring to participants that completed Entrepreneurial Readiness and Financial Literacy Courses. ECDI Incubation, Training, and Lending staff will help with business plan development and access to capital. Additionally, receiving a loan from ECDI is different from a traditional banking institution in that we provide one on one technical assistance throughout the life of the loan, working with the client to overcome hurdles and obstacles that their business may face. ECDI is dedicated to working with this unique group of individuals and understands the particular needs that they may have. One on one sessions will play an important role in guiding newly released citizens into entrepreneurship.

4. **Community Connections** -- ECDI referral and service partners in Northeast Ohio that could be utilized during this Pilot Program include the following local and national business development organizations:

Partners	
Plexis, LGBT Chamber of Commerce	Growth Capital
Ariel Ventures	Hebrew Free Loan Association
Asia Inc.	Hispanic Business Center
Bad Girl Ventures	Inner Visions Giving Circles
Business Advisers of Cleveland	Jumpstart Inc.
Cleveland Neighborhood Progress	Operation Hope
Global Cleveland	SBDC's
Greater Cleveland Partnership	Sea Change NEO
Grow Cuyahoga County Fund	Small Business Majority
U.S. Small Business Administration	

ECDI has deep ties in communities throughout Ohio, with relationships with local business development centers, chambers of commerce, as well as many commercial banks. This extensive network of relationships allows ECDI to connect program participants to an appropriate expert on any number of issues and challenges.

Healing Companions has also been able to assist two past participants in acquiring full time work at doggie day cares that are associated with HC and which Jane has strong connections. While working with HC, inmates can become certified in k9 CPR techniques, a required skill if they are going to care for dogs when they are released. Both jobs provided livable wages so that the individuals could stay out of prison.

ACCESS TO CAPITAL

1. Access to micro-lending

ECDI is the SBA's largest intermediary lender in the state of Ohio, and through the use of SBA funds, is able to help formerly incarcerated individuals that have completed other aspects of the program (and other potential probationary goals) access lending capital. We are a one stop shop for small business development, training, technical assistance, and capital. We do not require a partner to provide capital. ECDI's loans range from \$500 to \$350,000, with startup business loans being capped at \$75,000. We understand that we work with a unique clientele and as such, our organization is able to provide flexibility in our lending efforts. Start-ups and young businesses often lack regular cash flow, collateral, or other factors sometimes disqualifying them from conventional financing. ECDI accepts non-traditional collateral such as older used vehicles, and can provide custom repayment schedules, deferred payments, long amortizations, and other features to enable businesses with sound plans and capacity to obtain financing. ECDI's financial products, which have an average interest rate of 8.5%, are less expensive than both conventional and online alternative lenders, supporting success and viability. ECDI also offers "Launch Loans" up to \$2500 for individuals struggling to improve their credit rating. These loans are ideal for small businesses in need of immediate cash flow, as they can be completed in a 2-week period and are payable over a 9-month term.

In contrast to traditional lending institutes, ECDI provides intensive pre- and post-loan technical assistance throughout the life of the loan (up to 60 months) and includes capability and feasibility assessments, assessment of credit worthiness, assistance with credit issues, solidifying business plans, quarterly on-site visits, and an annual review of financials. This true partnership and clear understanding of client business models, in addition to post-loan technical assistance that includes troubleshooting unforeseen circumstances, results in increased likelihood of success and minimizes default risk. It is for this reason that ECDI is able to lend to our target market that includes low-to-moderate income individuals, minority and refugee populations, women, those with little or no credit, and those unable to receive a loan from a traditional financial institution (and for this Pilot, formerly incarcerated individuals). It also enables us to support Main Street businesses (traditionally considered riskier for banks) and smaller loan amounts (not lucrative for traditional lenders).

Having started my experience in dog training using aversive and more forceful methods, I found it intriguing when Jane Miller showed me a gentler method. Her methods of positive reinforcement taught that you could train a dog and not damage the bond between trainer and dog. I have learned that the dog will follow cues willingly and not out of fear. Her tutelage and patience has given me a great respect for these wonderful animals.

Two weeks after my release from prison Jane assisted in getting me a full-time job at the Mutt Hutt. It's recognized as the premier facility by Cleveland magazine. This would never have happened without the training she provided me.

While still an employee at the Mutt Hutt, myself and another individual taught by Jane have launched our own business called: Everyday Dogs. We strive to use the methods she taught and provide a positive experience for our four legged friends.

Albert Klontz