



Expanding high speed broadband to rural communities **Eclipse Communications**

Supporting 3X growth of a massage therapy business **Elemental Compass**

Implementing a Brand – 27 Businesses – 900 Jobs **Traverse Wine Coast**

Helping sustain a beverage & food stop on the main drag **Morsels**

Creating a new Northern Michigan destination **Northport Inn**

Aid for culinary palates **A Matter of Taste at Tap**

Preserving destination ice cream **The Tribune**

All about kids and their parents **Lilly and Friends Daycare**

Aiding a longtime salmon/trout charter to keep on fishin' **Tiny Bubbles**

Capital for an iconic Hallmark Store to see it through winter **Kelli's Hallmark**

Preserving wages and supplies for our mascot Alpacas **Crystal Lake Alpaca Farm**

Stabilizing a safe place for children to practice dance **Manistee Conservatory of Dance**

2021



Greetings!

Venture North Funding and Development is a 501(c) (3) nonprofit that loans money to small businesses so they can succeed.

We provide loans customized to fit needs. We offer Specialized Business Services to fill gaps for business start ups and small businesses in a growth transition. We are a certified Community Development Financial Institution (CDFI) that places priority on businesses that are in economically distressed areas owned by underrepresented populations.

Small businesses are the dominant economic force in northwest Michigan. We work at the grassroots with businesses in their communities to craft solutions that work.

The cover of this report reflects what Venture North Funding and Development is all about: making good things happen with businesses in ten counties.

This report summarizes our results for 2021 and lays a framework for the future. We've tried to strike a balance between reporting the numbers and capturing the spirit, generosity, and team work that are vital ingredients.

This report honors our wealth of supporters, clients, colleagues and friends that make Venture North a rewarding organization and great place to work. It is also intended to introduce new partners to Venture North – clients, other financing organizations, communities and financial supporters.

While we hope this helps you learn about us, we also want to learn about you – your businesses, communities, and how we can help. Contact us at 231-995-7115 or email - [info@venturenorthfunding](mailto:info@venturenorthfunding) - and let's begin that discussion.

With our best,

A handwritten signature in cursive script that reads "Laura".

Laura Galbraith  
President



Laura with Venture North clients and partners (L-to-R): Senator Debbie Stabenow and Eclipse Communications owner, Christopher Varenhorst; New Bohemian Café (Northport) co-owner, Amy Murphy; Jody Hayden, co-owner of Grocer's Daughter Chocolate (Empire).

# RESULTS & TRENDS

## COVID RELIEF GRANTS

We awarded Regional Resiliency Program (RRP) Covid relief grants in 2021, made possible by over \$1.0 million in philanthropic giving. In 2020-21, grants were awarded to over 300 small businesses, 177 in 2020 and 126 in 2021. We join northwest Michigan in expressing gratitude to the Consumers Energy Foundation that awarded \$450,000 for the program over less than one year. In addition to the data, we found that:

- 95 percent or more of RRP recipients are still operating.
- Local teams make the difference: they encouraged applications and made funding recommendations that we followed in making every grant award.
- Women owned businesses predominated as grant recipients.
- The resilience and creativity of small businesses with a dose of capital is unrelenting. Nothing beats grueling hard work and an iron-like will to succeed.

RRP DATA	2020	2021
No. Lifeline Grants Awarded	177	126
Total Grant Funding Awarded	\$503,465	\$526,260
No./% Women Owner Grantees	119/67%	91/72%
No./% Veterans Assisted	14/8%	12/9.5%

## RECOVERY TO GROWTH - BUSINESS LOANS

While COVID brought lending activity to a temporary halt in 2020, we saw an uptick in 2021. As we head into 2022, we are deploying loan capital and demand is increasing.

Examples include: a business that will complete a plan for adaptive reuse in Northport; an expanding business that provides early childhood education and support; an organization that supports over two-dozen wineries that needs an expansive strategy for brand roll out; a business succeeding in providing access to high-speed broadband; a company that makes and sells chocolate candy with the most sought-after chocolate in the world; and more.

	2020	2021
No. Loans	5	12
Total Funding Loaned	\$276,550	\$686,508
No./% Start Ups	1/20%	6/50%
No./% Women Business Owners	3/60%	6/50%



The team at Grocer’s Daughter Chocolate hard at work in Empire.

# RESULTS & TRENDS

## BUSINESS SUPPORT SERVICES

Venture North connects businesses with services they need. In 2021, we allocated 1,000 hours of staff time working with 152 Venture North clients helping with marketing, forecasting, understanding a balance sheet, and more.

It's part of our commitment to customize our response to fit the need. We are seeking more resources to expand these services because of the overwhelming need of businesses for short term help to fill gaps such as:

- Bookkeeping and accounting
- Legal services
- Additional professional services like: web site development, search engine optimization, social media; acquisition or merger steps, new product development and more.

We regularly connect clients with organizations like the Small Business Development Center, SCORE and other professional service organizations.

## SOURCES AND USES OF FUNDS

The below table shows data and trends for 2020 and 2021 and projections for 2022.

It reflects the discontinuation of Covid-relief grants under the Regional Response Program. In addition, while we know philanthropic contributions in 2022 will be significant, the exact amounts and purposes are yet to be finalized. For example, the DTE Energy Foundation generously awarded \$120,000 to Venture North with \$60,000 allocated for 2022. This is a wonderful example of philanthropic giving. We will have a more complete report later in the year. The chart shows increases in federal funds, lending fees and investments in business development. Increasing trend lines for Loan Program and Special Business Revenue are also solid indicators of the increase in services and support for small businesses.

	2020 Actual	2021 Actual	2022 Projected
<b>SOURCES (REVENUE)</b>			
Philanthropy	\$ 581,007.00	\$ 591,466.00	****
Federal Funding	\$ 85,487.00	\$ 156,082.00	\$ 235,000.00
Lending Fees	\$ 299,010.00	\$ 342,329.00	\$ 361,400.00
<b>Total</b>	<b>\$ 965,504.00</b>	<b>\$ 1,089,877.00</b>	<b>\$ 596,400.00</b>
<b>USES (EXPENSES)</b>			
Grants (RRP)	\$ 521,007.00	\$ 531,466.00	\$ -
Business Development *	\$ 209,899.00	\$ 267,512.00	\$ 399,235.65
General & Administrative **	\$ 127,359.00	\$ 141,665.00	\$ 177,778.35
Cost of Capital ***	\$ 18,780.00	\$ 18,299.00	\$ 23,001.00
<b>Total</b>	<b>\$ 877,045.00</b>	<b>\$ 958,942.00</b>	<b>\$ 600,015.00</b>

\*Estimated 85% of personnel cost

\*\*Estimated 15% of personnel cost

\*\*\*Loan interest to USDA, Rotary, NT

\*\*\*\*Philanthropic contributions are expected throughout 2022



# PHILANTHROPIC SUPPORT

With grateful appreciation to our Board of Directors, community friends, partners and the power of philanthropy, Venture North had a year like no other in 2021, boding well for the future. Philanthropic organizations and individuals discovered that a contribution to Venture North was an immediate, tangible way to support small enterprises, jobs, communities, families and all of northwest Michigan.

## WITH GREAT APPRECIATION TO OUR 2021 DONORS

Bellaire Chamber Foundation  
Benzie County Economic Development Corporation  
Cadillac Area Community Foundation  
Cadillac Visitor's Bureau  
CDFI Rapid Response Fund  
Cherryland Electric Cooperative  
Consumers Energy Foundation  
DTE Energy Foundation  
Fifth Third Bank  
Grand Traverse Regional Community Foundation  
Huntington Bank  
Individual Donor – Manistee County  
ITC Holdings Corporation  
Kalkaska County Economic Development Corporation  
Leelanau Township Community Foundation  
Manistee County Community Foundation  
Manistee Industrial Development Corporation  
Meijer Foundation  
Missaukee Area Community Foundation  
Opportunity Finance Network  
Petoskey-Harbor Springs Area Community Foundation  
TCF Bank (now Huntington Bank)  
Traverse City Downtown Development Authority  
USDA Rural Development  
West Shore Bank

## GRASSROOTS FOR THE WIN!

We confirmed in 2021 that we do our best work at the grassroots, with people, small businesses and communities. Why?

- **We listen** better working with people who rely on their small businesses and communities for their livelihood and well-being. We seek to understand their challenges and ideas and develop solutions together.
- By working in this fashion, **we develop the correct solutions** often providing capital as loans. Those loans usually have flexible terms and conditions because we understand the dynamics of the business, have faith in the people who own it and trust that community benefits will be meaningful.

While it smacks of cliché, it's true: **we win when our clients win.**



Laura visits with Mimi Heberlein, co-owner of Willowbrook Mill in Northport, a 2021 RRP grant recipient, and Joan Moore, Executive Director of the Leelanau Township Community Foundation.

# MUTUAL APPRECIATION

We received an overwhelming, mutually emotional flow of unsolicited testimonials of appreciation. Perhaps the ultimate, yet overlooked “metric”: saying thanks. We share some, like that from Christine Nelson, owner of Crystal Lake Alpacos, who received RRP grants: **“I am not inquiring about a loan or assistance. I just want to thank you.”**

hi ventureNorth,

I am so honored to have been chosen to receive additional funding to help keep my business afloat. It came at such a great time to help keep me from being buried in debt from the necessary inventory to get back up and running in the salon. Your organization is a true gift to many small businesses. Thanks for all you do.

♡ Jennifer Ludwigson

“What great news!! This will be a tremendous help to our business. Our building materials have gone up over 328% since last year. This will certainly help pay for the increased costs of replacing inventory.”

Sara Linke, Linke Lumber Co.

“Sincere thanks to all involved in this generous grant. The past year and a half have been the biggest challenge of my 18 year restaurateur career.

I can't express the gratitude for being chosen for this grant.

It's overwhelming.

You are making a difference!”

Julie Adams, Julienne Tomatoes



“I am certain I am saying thank you on behalf of many small business owners, like ourselves, who were thriving until this hit us all like a cosmic two by four.

How wonderful grants are available for a boost for those in need...Thank you for helping us rise to our challenges.”

Libby & Michael Robold, Yoga for Health Education, LLC

“Just wanted to say thank you so much. This grant is much appreciated! It will help me to fund my payroll for much of the summer season, which will enable me to use sales income to catch up on my other obligations.

Again, thank you to everyone! I am very grateful for the help I have received during this very difficult time.” Kellie Parkes, Kellie's Hallmark



## THANK-YOUS RECEIVED IN 2021:

Daniel Nedow & George Twine, **Abundance Catering**

Michelle Fox, **Bachmann's Store**

Joan Tiihonen, **Bayfront Park Café**

George Ranville, **Biere De Mac Brew Works, LLC**

Ciarra Claire, **Ciarra Claire Art**

Marilyn Well, **Cricket Salon**

Molly Hyde, **Daisy Jane**

Stanley Baca, **Farmers Insurance**

Forrest & Nicole Moline, **Forrest, A Food Studio**

**& Private Chef**

Stephanie Craker, **From Head to Toe**

Jeffrey Weaver, **The Iron Skillet**

Jennifer Ludwigson, **Jennifer's Hair Studio**

Julie Adams, **Julienne Tomatoes**

Kellie Parkes, **Kellie's Hallmark**

Sara Linke, **Linke Lumber Co.**

Adrienne Brunette, **Mama Lu's, The Flying Noodle**

Ginny McCallum, **A Matter of Taste at Tapawingo**

Cady Lowe, **Movement North Dance**

Barbara Bourgeau Richards,

**Myrtles of Northport/Studio 106**

Marcie Earl, **The Place Promotional**

**Products & Apparel**

Kristy Myhren, **Pond Hill Farm**

Rochelle Nevedal, **Quirky Crate**

Angela Bishop, **Taylor True Value Rental**

Tom and Lydia Woodruff, **Woodruff Designs**

Rebecca Rankin, **Yoga Bellaire**

Libby and Michael Robold, **Yoga for Health Education, LLC**

# 2021 GRANT & LOAN RECIPIENTS

## RRP GRANT RECIPIENTS

A Matter of Taste at Tap, Inc.  
 Abundance Catering LLC  
 Advanced Office Supply and Printing  
 Andy's Tacklebox  
 Bachmann's Store  
 Balanced Health and Fitness  
 Bar Harbor  
 Bayfront Park Cafe  
 Bear Claw Cafe  
 Bellaire Bed and Breakfast  
 Biere De Mac Brew Works LLC  
 Blue Pin Alley  
 Brew LLC  
 Bright Lane Gardens  
 Building Blocks Preschool  
 Cadillac Tuxedo LLC  
 Cafe 1907 LLC  
 Cbrutkow Enterprises LLC, dba The Cantina  
 Central Lake Pharmacy, Inc.  
 Charlevoix Pizza Company LLC  
 Charming North LLC  
 Chateau Fontaine  
 Cherry Hill Boutique  
 Chicos Taco House LLC  
 Ciarra Claire LLC  
 Cochon - Gourmet Market & Coffee House  
 Cornerstone Coffee  
 Cricket Salon and Boutique  
 Crystal Lake Alpacas Farm and Boutique  
 da Designs  
 Daisy Jane  
 Danu Hof LLC  
 dba Lilly and Friends Daycare  
 Dons Sporting Goods  
 Eclipse Tanning & Boutique  
 Erine Kaye LLC,  
 dba Arlettas Flowers and Gifts  
 F.O. Barden & Son, Inc.  
 Forest Area Early Learning Center  
 Forrest, A Food Studio & Private Chef  
 Freshwater Market LLC,  
 dba New Bohemian Café  
 From Head to Toe  
 Fuhrman Hospitality LLC, dba The Patio on Main  
 Green Spirit Living Farm  
 Hallstedt Homestead Cherries  
 Handz On Art  
 Hannah's  
 Harbor Shores Cleaning Company LLC  
 Hello Vino  
 Higher Art Gallery  
 Hilltop Soda Shoppe  
 Hodges Fastener Corporation

Idea Stream  
 Inspire Health Chiropractic and Wellness  
 Jennifer's Hair Studio  
 Julienne Tomatoes  
 Kellie's Hallmark Shop  
 Kingsley Dance Company  
 Lake City Enterprises Inc.  
 Reid's Town Pump  
 Lakeside Cafe  
 Lavender Floral  
 Leelanau Tea  
 Lilies Of The Alley  
 Little Shop of Tresses  
 Lucky Lizard  
 Main Street Spectacles  
 Merritt Auction House Bar and Grill  
 Milk and Mud LLC  
 MJC Linke, Inc., dba Linke Lumber Co.  
 Moses Window Cleaning  
 Movements North LLC  
 Northern Auto & Tire LLC  
 Northern Hospitality LLC,  
 dba Mama Lu's  
 Northern Lights Cleaning  
 Northern Natural Organics  
 Northpointe J&S LLC  
 dba J&S Hamburg  
 Northport Fitness  
 Northport Physical Therapy  
 Old Mission Multigrain LLC  
 Our Family Tradition  
 Overlook Orchards LLC  
 Pam Mervau Daycare  
 Pamela's Interior  
 Peace, Love & Little Donuts of Traverse City  
 Perry's Place TC LLC,  
 dba The Flying Noodle  
 Pitter Patter Preschool & Childcare  
 Polished on Main  
 Pond Hill Farm LLC  
 Quirky Crate  
 Redefined!  
 Shirley's Cafe  
 Small Town Girls Creative Studio  
 SPACE subsidiary of Influence  
 Design Forum LLC  
 Striketown Rec Inc.  
 Stu's Pub  
 Studio 106 of Myrtles of Northport, Inc.  
 SunDog Kennel LLC  
 Sweet Shannon's  
 T&E Truck and Auto Repair  
 Taylor True Value Rental  
 TC Mexican LLC

Team Jo Services LLC  
 The Baca Agency  
 The Betsie Current  
 The Crystal Lake Catering Co.  
 The Iron Skillet  
 The Little Fleet  
 The Next Food Group LLC,  
 dba The Dish Cafe  
 The Place Promotional Products & Apparel  
 The Tribune Ice Cream & Eatery  
 ThreeOhEight of Manton LLC  
 Ticconi Martial Arts  
 Tiny Bubbles Charters  
 Tippy Canoe Rental & Brew LLC  
 Townhouse Bar of Charlevoix  
 Transitions Women's Wellness Center LLC  
 Tree Company  
 Uptown Hair Care with Brandy Ball  
 Vista Ridge Vineyards  
 Votruba Leather Goods Co.  
 Willowbrook Mill  
 Yoga Bellaire LLC  
 Yoga For Health Education LLC

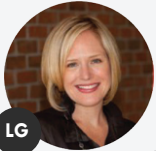
## VENTURE NORTH LOAN RECIPIENTS

Eclipse Communications  
 Elemental Compass  
 Grocer's Daughter Chocolate  
 Northport Inn  
 TC Golf Carts  
 TNT Lighting and Electrical Service  
 Traverse Wine Coast  
 White Bison Native Art  
 Wiggle Butts & Waggin Tails  
 Woodland Aussies LLC

2021 TOTALS	RRP	Loans
Antrim	\$47,000	
Benzie	\$28,500	\$175,000
Charlevoix	\$20,000	
Emmet	\$50,250	\$20,308
Grand Traverse	\$83,000	\$162,500
Kalkaska	\$33,000	\$50,500
Leelanau	\$73,500	\$276,650
Manistee	\$57,000	
Missaukee	\$22,500	
Wexford	\$27,500	\$1,550

# PEOPLE & 2022 ASPIRATIONS

In 2021 Venture North welcomed highly experienced, talented people to our team. People like Betsy Evans, Steve Brower, Johanna Gross and Annie Olds who develop new business, provide business services, and encourage understanding and awareness of Venture North. With this team we can reach all four corners of our ten-county region better than ever.



**Laura Galbraith**  
President

LG

Venture North finally has the capacity (the team) to be on the ground working in all 10 counties within the region. I feel it is my job to strengthen partnerships and build capacity in the more rural underserved communities in northwest Michigan.

I want us to work more intentionally with multiple stakeholders, such as other CDFIs, non profit entities, foundations, and municipalities to better understand the needs of small businesses and communities.



**Betsy Evans**  
Technical Assistance Coordinator

BE

I hope VN clients will benefit from my involvement in 2022 due to improved and increased outreach, quality technical assistance products and timely and appropriate connections and follow-up.

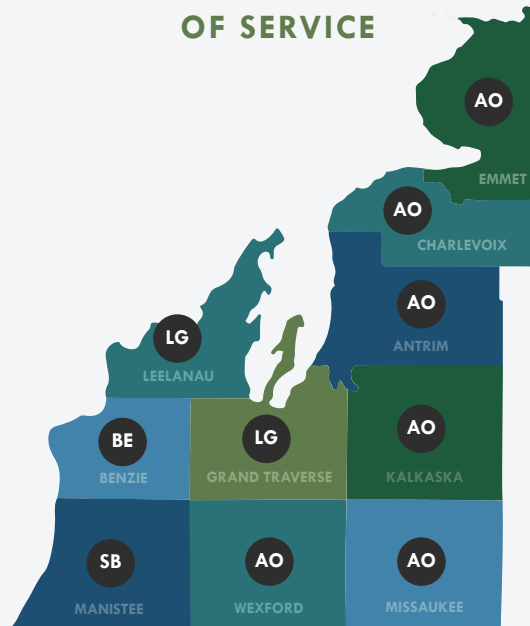


**Steve Brower**  
Business Development

SB

My goals in 2022 are to form new relationships to leverage our programs throughout the region, better identify the unique needs for each of our 10 counties and focus our programs accordingly.

## VENTURE NORTH 10-COUNTY REGION AND DIVISION OF SERVICE



**Annie Olds**  
Business Development Manager

AO

The struggles of 2020 extended well into 2021 and the business owners who have adapted and embraced the word 'resiliency' are getting ready to tackle 2022. I hope that my customers will trust and know that I am available as a resource to help them lead their businesses into the coming year with confidence and in a position of strength. Regardless of the phase in which a business is operating (i.e., start up, existing, growth, and even declining), I understand the unique challenges that each of these businesses are facing and the complexity of the entrepreneurial ecosystems around them. I'm an avid problem solver and I have the experience to help each one identify priorities, establish appropriate next steps, and make the necessary connections to other resources allowing each to move forward – one way or another.



**Sara Christensen**  
Portfolio Administrator

I hope Venture North customers will benefit in 2022 from my work because our alternative lending helps provide flexible, creative funding options. The small businesses we assist either do not yet qualify for a commercial loan or need our participation on a traditionally financed project. Without Venture North financing, our region would not see the variety of new businesses we help launch nor would it see the expansion of the established businesses whose growth we support. I believe 2022 will be a banner year for Venture North, our customers, and the ten-county Northwest Michigan region we serve.



**Johanna Gross**  
Marketing/  
Graphic Design

I hope that, in 2022, I can refine my design work and marketing efforts to better communicate Venture North's intention - and ability - to help people of color, women and vets realize their small business dreams. I would like to help make connections with groups that are already working with these populations and establish relationships that are educational and beneficial for everyone involved.



# PRIORITIES: 2022 & BEYOND

Our team will collaborate with small businesses and communities to forge ahead in important ways.

## START UPS - BRING IT ON

There will be a tsunami of start up businesses in the nation with one forecast projecting 17 million by year end.

We say, “bring it on.”

We will support start up businesses by:

- Helping them complete our lending application
- Lending them money.
- Steering them to other services, funding and programs
- Offering professional services to support the transition of a start-up or small business with critically important assistance.

## FROM RRP TO GROWTH

We will reach out to RRP grant recipients and other small businesses that have fought their way through the devastating Covid pandemic to understand their business, their plans and their needs and respond with help. We want them to grow, develop, prosper and create more jobs.

## THE SWEET SPOT OF OUR MISSION

As a Community Development Financial Institution (CDFI), one of our sweet spots is deploying loan capital to help small businesses in economically distressed areas in our ten counties – areas often starved of capital resources. We are seeking support from philanthropic partners to:

- Marshall resources and technology to pinpoint the location of small businesses that are in areas of economic distress or owned by people from underrepresented populations.
- Develop outreach and communication resources to foster grass roots discussions and understanding about needs, opportunities and how we can help.
- Foster 1:1 relationships and embed Venture North in these communities as a supportive, impactful resource
- Develop solutions for allocating financial and service resources so everyone wins.

We are excited by the prospects of making a material difference in communities and lives where the need is great.

Virginia and Hank Fields of **White Bison Native Art**, Tyler Vandemark of **TC Golf Carts** and Beverley Fryer of **Elemental Compass**: the faces behind just a few of the start-ups (and small businesses) we've been so excited to work with this past year.



## EARLY CHILDHOOD

We are identifying how Venture North can apply its services and programs to help address critical needs involving the ongoing early childhood education crisis. We have enlisted the assistance of early childhood education professionals – owners of small businesses – in assessing how we can dedicate our resources to help respond without duplicating what others are doing. We will report more on this through 2022.

## TELLING YOUR STORY

We will continue to tell the story of clients and the challenges and opportunities of small businesses throughout the ten county region. Our news articles and our newsletter – Northern Lights – are intended to pay tribute to the people and organizations that are making a big difference. Through this outreach – all available at [www.venturenorthfunding.org](http://www.venturenorthfunding.org) – we will continue to tell stories about the rainmakers we are privileged to work with. Examples of 2021's stories include:

### NORTHERN LIGHTS

Eclipse Communications Entrepreneur  
Bringing Broadband To NW Michigan

Philanthropy: Dedicated To  
Community Prosperity

Got Gifts? Nearby Retailers Ready

Honor: When It Takes A Village To Save A Village

People, Places And Struggles:  
The Priceless Care Of Our Children

### NEWS ARTICLES

A Stunning Plan! Elemental Compass Growth  
Means More Pain Relief

Entrepreneurial Duo Create New Destination in  
Village of Northport

A Mean Loaf of Bread...a Family's Path to Success

COVID Lifeline Grants to 302 Businesses  
with Nine or Fewer Employees

We'd love to hear your stories, too! **Contact us** and let's set a date to do just that!

## BOARD OF DIRECTORS

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Retired, DTE Energy

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CFO, Hagerty

**Lauren Harris**  
Employee Benefits Specialist,  
Advantage Benefits Group

**Sakura Takano**  
CEO, Rotary Charities

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**Warren Call**  
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**Alicia Maitland**  
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**Greg West**  
Program Manager, CDBG -  
Michigan Economic Development Corp.

**Laura Trudeau, Secretary**  
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