



VENTURE NORTH  
ANNUAL REPORT 2022

Affordable Financing, Mini Grants and Free Consulting for Small Businesses  
Focused on Serving Low Income Individuals and Communities



# CONTEXT

## WITH GRATITUDE

Northwest Michigan has a family-like feel. Our small businesses are owned by neighbors. Our kids play with their kids and work in their businesses. We build relationships and help one another. We have a legacy of philanthropy, generously giving so others are better off. We share a natural environment second to none.

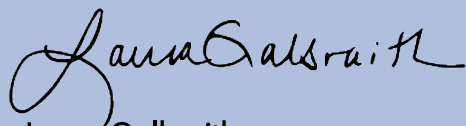
The Venture North team likes what we do.

We thank our agency and organizational partners that generously share their help and support. We are appreciative for the leadership and guidance of our volunteer Board.

We could not be more thankful for the people and businesses we serve. We provide what we can: affordable loans, mini grants, consulting to help small businesses – most with nine or fewer employees. Then you do the inspiring work by hiring people, managing growth and innovating, learning and redoubling your commitment to your business and this great corner of northern Michigan we share.

It is because of all of you and this place that we are passionate about our work.

Thank you.



Laura Galbraith

President, Venture North Funding and Development



Pictured, l-r: Sakura Takano, Executive Director, Rotary Charities of Traverse City and Venture North Board Member; Carla Gribbs, DTE Energy retired and Venture North Board Chair; Laura Galbraith, President, Venture North; Richard Lewis, Mayor, City of Traverse City; Carolyn Bloodworth, Consumers Energy Foundation Secretary/Treasurer; Douglas Deyoung, Community Affairs Regional Manager, Consumers Energy; Brandon Fewins, State Director, U.S.D.A. Rural Development; Eric Gustad, Public Affairs Area Manager, Consumers Energy and Venture North Board Member; Annie Olds, Venture North Business Development Manager.

# ROOTS

Venture North Funding and Development was founded as a byproduct of the 2008 recession by the Traverse City Area Chamber of Commerce to deploy financial and consulting resources to help small businesses. In 2017 we were certified as a Community Development Financial Institution (CDFI) by the U.S. Department of Treasury, formalizing our focus on serving low-income people and communities.

Because of our growth and distinct organizational focus, we spun off in 2020 to become a stand-alone nonprofit corporation that is tax-exempt under the Internal Revenue Service Code. In 2020 and 2021, we pivoted from much of our commercial lending to raising funds for a Regional Resiliency Program, awarding 300 urgent needs grants to help sustain businesses during the height of the Covid Pandemic.

In 2022, we returned to our core services: affordable loans, mini grants and business consulting to help small business grow.



“A nonprofit commercial lending organization representing 10 northern Michigan counties, Venture North has made \$1 million in loans to small businesses in the first five months of 2022, more than the organization has made in any twelve-month period from 2018 to 2021.”

*Traverse City Record Eagle, 5/29/22*

Eric Breithaupt of TNT Lighting and Electrical Service in Traverse City  
and Jinyoung Kim of Owl Eye Coffee Roasters in Cadillac

## WHAT MAKES US DIFFERENT?

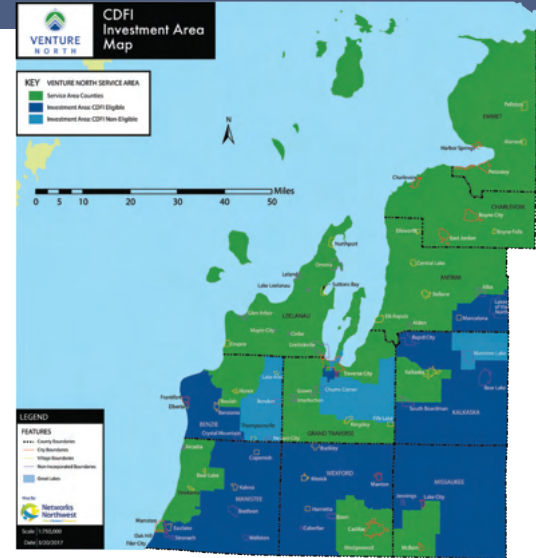
Several things make us different from other organizations:

- We target our services to **low income people and communities**.
- Our loans, grants and consulting are **customized** to fit the needs of each business we serve.
- Our **terms and conditions for business loans are flexible and based on plans** for the business, including loan terms, interest rates and amortization.
- We want to help **startup businesses** provided they have a plan and experience.
- The **“character”** of business owners has a strong influence in our financing decisions.
- The Venture North **team lives in the region we serve and our focus is exclusive to ten northwest Michigan counties**.

## OUR MARKET

Our primary market for our services are people and, geographic areas most in need. The Federal CDFI program delineates low income areas where a CDFI is required to deploy at least 60 percent of its resources. Surprising to many, about 60 percent of our ten-county region fits the low income or “economically distressed” classification as shown at the right (larger image available [here](#).)

We use data and on-site surveys to pinpoint the market for our resources with a goal of helping lift people and places out of poverty, ideally bridging the gap between median and low income.



County	% Population at or Below Poverty Level	Median Family Income	Low Income 1-Person Household
Antrim	10.3	\$67,100	\$37,600
Benzie	10.2	\$70,200	\$38,350
Charlevoix	9.7	\$70,700	\$39,600
Emmet	8.9	\$72,700	\$40,750
Grand Traverse	10.2	\$89,700	\$47,600
Kalkaska	16.4	\$55,500	\$36,150
Leelanau	6.4	\$78,900	\$44,200
Manistee	10.8	\$61,900	\$36,150
Missaukee	12.9	\$55,100	\$36,150
Wexford	13.7	\$53,900	\$36,150

## 2022 SERVICES PROVIDED

As 2021 wound to a close and with it, the Covid Pandemic, we entered 2022 knowing the need was to help businesses ramp up and grow. We saw a rapid shift, driven by pent-up demand, led by owners of small businesses to seek capital and other resources to scale. Entrepreneurs did some deep thinking during the pandemic and escalated their concepts, ideas and plans to grow or start up new businesses.

	2022	2017 - 2021
<b>Lending</b>		
Number of Affordable Loans	16	64
Affordable Loans Amount	\$1,226,250	\$3,638,030
Funds Leveraged (from other sources)	\$3,126,525	\$16,856,994
<b>Mini Grants *</b>		
Number of Businesses Assisted	17	354
Mini Grants Amount	\$14,164	\$1,105,329
<b>Business Consulting **</b>		
Hours	1,830	2,066
Number of Businesses Assisted	107	352

\*includes 2020-21 urgent needs grants during the Covid pandemic  
 \*\*totals are only for 2019 - 2022

“Our work with Venture North is a proven way to provide real help to small businesses.”

Carolyn Bloodworth, Secretary/Treasurer,  
Consumers Energy Foundation



## IMPACTS

Generalizing the impacts of how clients use our services diminishes the diversity and the remarkable progress that they achieve. For instance...

**Coastline Cycles**, owned by Meg Doby and Ethan Przekaza, knocked their financial projections out of the park for their startup business.

**Wolf Wellness**, owned by Beth Boher, went from 1 to 125 clients and just added 100 more for their startup.

**Action Glow** brothers, Garrett and Dakota Porter, made it to Shark Tank on their 4th try and secured a Shark, Robert Herjavec, to help guide their business.

**MI Farm Co-op** where 25 farms are increasing the volume and type of locally grown foods for Co-op customers, ranging from families to restaurants and more.

**Jessica Horness LLC** where Jessica is rising to the national and local crisis in mental health services by quickly hitting capacity with the number of clients she can help through therapy and counseling.

## FUNDING

In 2022, we realized revenues from three sources (Table 1.) About 60 percent of our funding for programs, services and people is derived through our lending services. The remainder is generated through grants and charitable giving. In fact, it is through the generosity of these lending partners that our “affordable” lending is possible (Table 2.)

1 Funding Source	2022	2017 - 2021
Lending Activities	\$469,454	\$1,495,668
Federal/State Grants	\$60,000	\$302,570
Philanthropy	\$180,000	\$1,754,104
<b>Totals</b>	<b>\$709,454</b>	<b>\$3,552,342*</b>

\*During 2020 - 2021, over \$1,000,000 was secured from philanthropy for urgent needs grants during the Covid pandemic.

2 Lending Capital Source	2022
Grand Traverse Regional Comm. Fndn. Social Impact Loan	\$500,000
TC Rotary Charities + Northern Trust reinvestment	\$1,000,000
CDFI Fund	\$580,300
<b>Total</b>	<b>\$2,080,300</b>

## 2022 LOAN AND MINI GRANT CLIENTS

- 45th Parallel Lighting
- 9 Bean Rows
- Blue Fish Early Learning Center
- Brick Wheels
- Care-O-Van
- Cherry Republic
- Coastline Cycles, LLC
- Cultured Kombucha
- Dana Winowiecki - In It to Win It
- Eclipse Communications
- Grocer's Daughter Chocolates
- J.bird Provisions
- Jessica Horness, LLC
- L'Chayim Delicatessen
- MI Farm Co-op
- Northport Inn
- Owl Eye Coffee Roasters, LLC
- Peace Love & Little Donuts
- PlayNorth Watersports
- Redefined
- Rough Pony
- TNT Lighting & Electric Service
- Traverse Wine Coast
- Wheels on Rails
- Wolf Wellness
- Woodland Aussies, LLC

## Partners for Affordable Lending:

### 2022 DONORS and GRANTORS

Consumers Energy Foundation  
DTE Energy Foundation  
Huntington Bank

ITC Corporation  
Petoskey Harbor Springs Community Foundation

CDFI Fund  
Grand Traverse Regional Community Foundation  
Northern Trust

Rotary Charities of Traverse City  
USDA

## TELLING YOUR STORIES

Our outreach and communications is aimed at educating and informing small businesses and communities about our purpose and programs. We often do this by telling stories about our client successes.

We do this in five ways:

- 1. We talk with people.** Existing and potential clients, partners in government, philanthropy, communities, and institutions. Nothing beats direct communication. We are accessible and easy to reach. We want to work together to shape plans that work.
- 2. Our website,** retooled to inform and educate, makes it easy for people to understand what we do and ask for our help ([www.venturenorthfunding.org](http://www.venturenorthfunding.org)).
- 3. A monthly newsletter under the theme “Northern Lights.”** Written by longtime business journalist Amy Lane, we tell stories about accomplishments, challenges and people that are making a difference for businesses and communities in our region.
- 4. Articles and News Releases,** sent to over 3,500 clients, business organizations, public agencies, business and economic development entities, local governments, Tribal governments and others. The purpose is to share information, stories and news of benefit to our clients, communities and partners.
- 5. Social Media.** We’re increasing use of social media to offer a real time alternative for reporting on stories and important news and programs of value to northwest Michigan businesses and communities and to gather ideas and insights that can improve Venture North’s services.



## SOME 2022 COMMUNICATION HIGHLIGHTS

### Northern Lights:

Philanthropy: Dedicated To Community Prosperity

Phenomenal Wines, Phenomenal Peninsulas: Traverse Wine Coast Speaks Volumes

Sparkling Start Ups A Whole New Way  
Leelanau County Closes In On High-Speed Internet Showing The Way For County and State

Consumers Energy Foundation: Making A World Of Difference In NW Michigan

Chocolates, Bikes, Massages and More: Venture North Entrepreneurs’ Great Gifts, Gratitude and Goals For 2023

### Articles/News Releases:

Elemental Compass Growth Means More Pain Relief

New Frankfort Business Preparing for Dry Roads, Customers

Venture North a Foundation of Funding

Venture North Tests New Way to Help Emmet County Businesses Most In Need

Wolf Wellness: Building Confidence, Strength and Mobility with Women in Mind

From Eagle Scouts to Shark Tank: Traverse City Brothers Dakota and Garret Porter Make Shark Tank Appearance Nov. 18

Stay informed and inspired!

Visit [our website](#), following us on [Facebook](#) or [Instagram](#) or signing up for [our newsletter](#)!

Have a good story idea? [Let us know!](#)

## CAPACITY AND ACCESS

Consistent with Venture North growth, our personnel base increased in 2022 to nine employees and contractors. They include:



**Laura Galbraith**, President. Laura has directed Venture North from its inception in 2008, including six separate loan funds across a ten-county region. As Traverse Magazine recently noted: "she is a doer." We agree. [laura@venturenorthfunding.org](mailto:laura@venturenorthfunding.org)



**Sara Christensen**, Portfolio Manager. A key member of the team since 2017. She manages the flow of information to loan applicants, the underwriting staff and the loan committee. She oversees financial monitoring and reporting for all grants. [sara@venturenorthfunding.org](mailto:sara@venturenorthfunding.org)



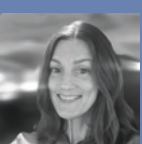
**Annie Olds**, Business Development Manager. Annie was formerly the Regional Director of the Northwest Michigan Small Business Development Center. She is recognized for expertise in deploying resources to benefit small businesses. [annie@venturenorthfunding.org](mailto:annie@venturenorthfunding.org)



**Betsy Evans**, Technical Assistance Coordinator. Betsy connects businesses with technical and financial assistance. She has extensive economic, business and community development experience. [betsy@venturenorthfunding.org](mailto:betsy@venturenorthfunding.org)



**Steve Brower**, Business Development Specialist. Steve is a liaison to small businesses in need of loan capital to grow. As a veteran business banker and analyst, he helps clients take steps to address their needs through financing. [steve@venturenorthfunding.org](mailto:steve@venturenorthfunding.org)



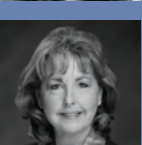
**Johanna Madden Gross**, Marketing and Communications Specialist. Johanna provides creative, marketing and packaging services to Venture North to support communications. She manages the website and social media. [jmaddengross@charter.net](mailto:jmaddengross@charter.net)



**Tim Ervin**, Resource Development and Communications. Tim brings experience in philanthropy, fund development and economic and community development to his work with Venture North. [timervinassoc@gmail.com](mailto:timervinassoc@gmail.com)



**Kristina Schnepf**, Marketing Contracting. Kristina is a small business owner and a marketing/communications expert and uses both roles to help with the marketing needs of Venture North clients. [plldtraversecity@gmail.com](mailto:plldtraversecity@gmail.com)



**Amy Lane**, Journalist. As author of Venture North's "Northern Lights" e-newsletter, Amy is a veteran Michigan business reporter whose background includes work with Crain Communications Inc., Crain's Detroit Business and serving as Capitol correspondent for nearly 25 years. [laneamyc@gmail.com](mailto:laneamyc@gmail.com)

**HOME GROWN!** The Venture North team, all longtime residents of northwest Michigan, bring a deep appreciation for our special corner of Michigan.

All have been involved in community and economic development or marketing and communications in our region and have hands-on experience with most of our communities and many small businesses. We're proud to be unified with our partners and clients to improve the health and economic well-being of the places we live, work and play!



# 2023

Venture North evolves as conditions change. With an improved economy we are providing services in 2023 at a record pace to keep up with demand.

Because of the dynamic economic environment, we are taking every opportunity to encourage proactive communication with clients. By being proactive, we can identify options and solutions needed to keep us moving forward and adapting to change.

We look forward to serving more people and businesses to support their prosperity and growth while moving our communities forward.

## BOARD OF DIRECTORS

**Carla Gribbs, Chair**  
Retired, DTE Energy

**Laura Reznich, Vice Chair/Treasurer**  
CFO, Plascon

**Laura Trudeau, Secretary**  
Principal, Trudeau Consulting

**Skip Simms, Loan Committee Chair**  
Senior Vice President, Ann Arbor Spark

**Bill Byrne**  
VP of Financial Planning and Acquisitions, Hagerty

**Warren Call**  
Director, Traverse Connect

**Todd Ciolek**  
Director, Cherry Republic

**Mary Clulo**  
Director of Treasury and Tax, Munson Healthcare

**Eric Gustad**  
Community Affairs Manager, Consumers Energy

**Lauren Harris**  
Director, Advantage Benefits Group

**Sakura Takano**  
Director, Rotary Charities

**Greg West**  
Program Manager, CDBG -  
Michigan Economic Development Corporation

Cover photo:

Traverse Magazine said it best in their **March 2023** edition:

“Ten years ago, Laura Galbraith got a call from Dakota and Garret Porter. The then 16- and 13-year-old Traverse City brothers had a big idea: LED lighting systems for sporting equipment like skis, bikes, stand-up paddleboards and kayaks. Galbraith, president of Venture North, a community development financial institution (CDFI), saw potential in their dream at a time when ‘banks wouldn’t even look at us,” Garret says. With the help of affordable loan capital from Venture North, the Porters founded ActionGlow, and have since worked with major brands like Jeep and Red Bull and even appeared on ABC’s reality television series ‘Shark Tank’ in November 2022.”

(And, yes, Shark Tank was a success, with Shark Robert Herjavec and an investment of \$200,000!)



[www.venturenorthfunding.org](http://www.venturenorthfunding.org)  
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Image Credit: @courtkentphoto for Traverse Magazine @mynorthmedia