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“ We are really grateful to Northern Initiatives. Not only did we get financial support, but community support.

NADIA & SHATAWN BRIGHAM  
CO-OWNERS, GRNOIR  
OPENED MID-PANDEMIC,  
DECEMBER 2020

# 2020

ANNUAL REPORT



# A NOTE FROM ELISSA SANGALLI, PRESIDENT

This past year, my first as president of Northern Initiatives, has been full – full of learning, lending, awe, and gratitude.

While the world seemed to be simultaneously spinning out of control and standing still, Northern Initiatives stuck to our mission of helping underserved businesses survive and succeed.

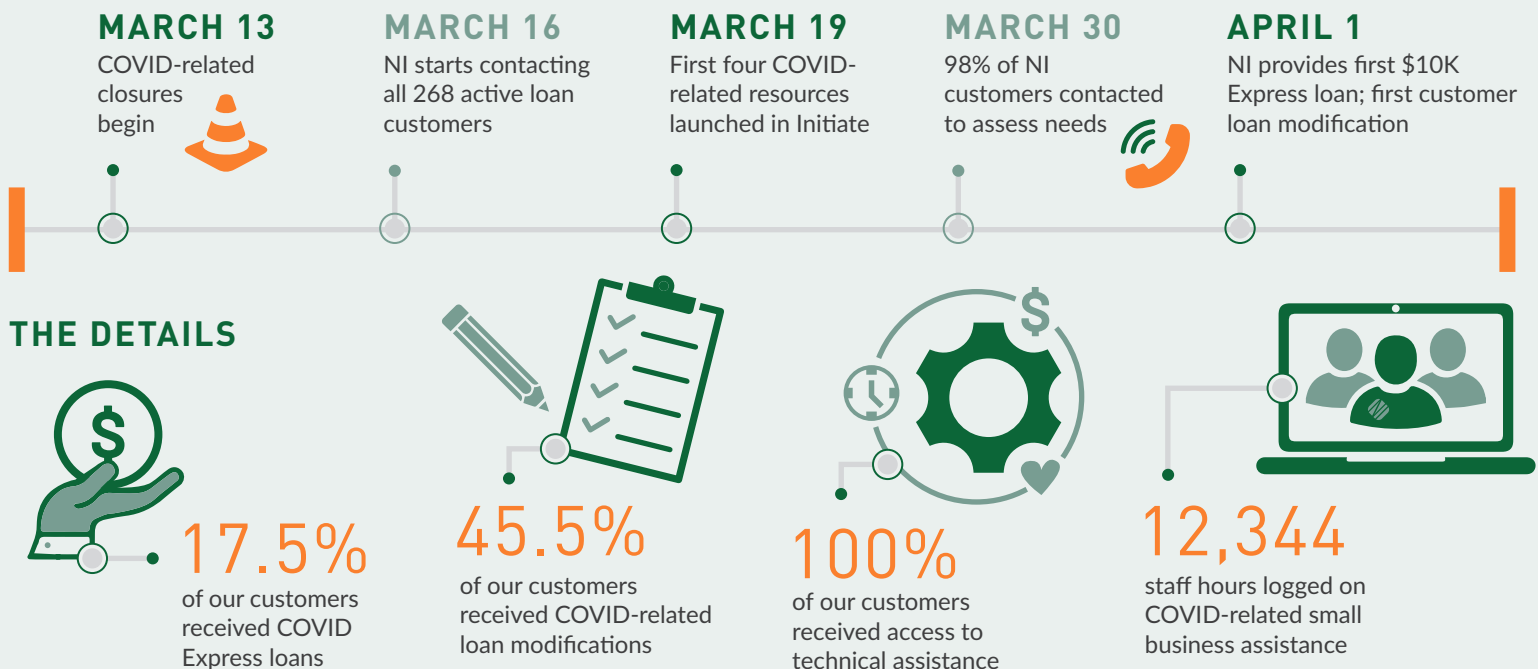
In 2020, we had a 25% increase in loans closed, making 212 loan modifications to support our 268 customers. We set a record for the amount of technical assistance we provided to small businesses. In addition, we more than doubled the number of subscribers to

Initiate, our TA platform. It is now being utilized across 33 states.

We've also created a new internal team that's offering PPP assistance to businesses who've been left out of previous rounds of support. Most qualify for less than \$10,000 in support – a dollar amount that is critical to their survival but less interesting to other lending institutions.

It is extremely gratifying to be able to alleviate some of the stress this pandemic has brought. Together, we'll keep moving through whatever lies ahead.

## A YEAR LIKE NO OTHER



### Resilience Personified

#### CAFÉ RICA

BATTLE CREEK, MI

Brothers Jackson and Tristan Bredehoft honor their heritage daily by serving Naranjo coffee from Costa Rica, their mother's home. When they were ready to turn their online and wholesale business into their own café, Northern Initiatives helped them open in downtown Battle Creek.

NI financed loans for equipment and working capital, as well as modifications and deferments during the pandemic. NI also provided coaching as Cafe Rica came up with clever ways to keep their customers happy, from curbside pickup to a coffee subscription program. Their quality food helps, too. And Café Rica is a breath of sweet smells in downtown Battle Creek.

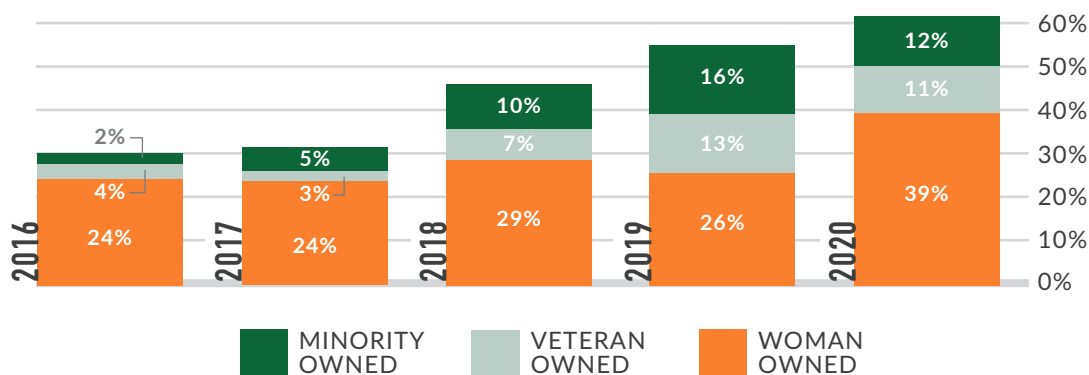


**EXPANDED** during COVID!  
Opened a new café and increased from 2 to 10 employees

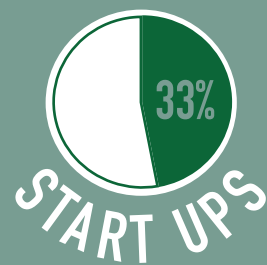
**COVID RESPONSE:**  
Offered curbside service, coffee subscriptions, new merchandise

**HOW NI HELPED:**  
Stabilized cash flow, direct coaching assistance

# OUR BORROWERS



2020  
CUSTOMERS  
THAT WERE



## Jobs, Jobs, Jobs

### PM POWER GROUP

WHITE PINE, MI

**POISED for GROWTH!**

**COVID RESPONSE:**  
Incorporated new safety protocols and continued operations

**HOW NI HELPED:**  
Attained a federal grant that supports \$695,000 in investment

“Essentially what we’ll be doing is taking environmental waste and creating pure copper cylinders for sale into the market,” said Zach Halkola, COO of PM Power Group of Ontonagon. A loan from Northern Initiatives is helping create at least 35 jobs in a county with one of the highest unemployment rates in Michigan.

Halkola is already thinking about his next round of hiring, as the White Pine Refinery prepares to install new boilers and tanks that will allow it to operate around the clock. Halkola also sees opportunity in recovery and recycling of more than copper. “What do we have that hits the trash that shouldn’t?” Could there be a more fitting rebirth for a coal mine?

## Stay On Course

### GRNOIR

GRAND RAPIDS, MI

Shatawn and Nadia Brigham had a longtime goal to run a business in keeping with their own values, including equitable and living wage pay and working with diverse vendors. They wanted to create a venue for Black professionals to network and relax in a warm environment after work - and to listen to wonderful music. They didn’t plan on opening during a global pandemic, but they made it work.

Although they’d planned a spring opening, the Brighams persisted. And persisted. They finally opened GRNoir in December - when customers weren’t even allowed inside the gorgeous setting - and they made it work by launching wine clubs, virtual tastings and carryout.



**OPENED**  
during COVID!

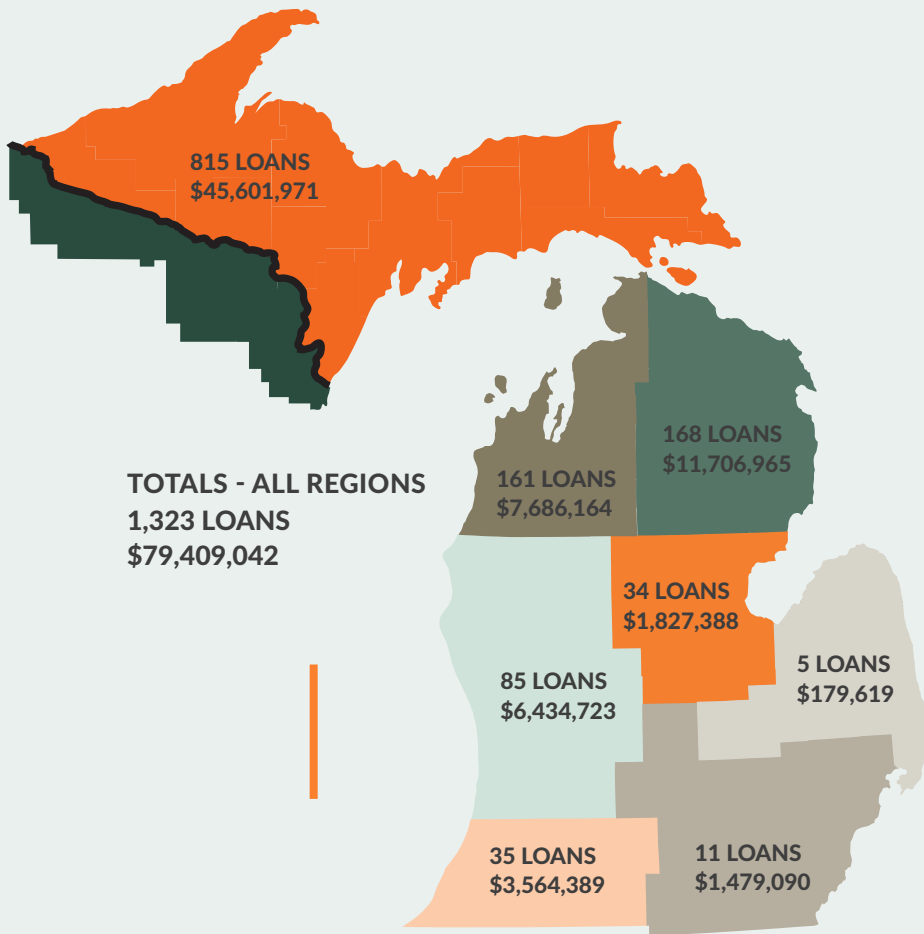
**COVID RESPONSE:**  
Offered curbside, wine subscriptions, virtual tastings

**HOW NI HELPED:**  
Stabilized cash flow, loan modifications

# 2020 TOP 20 COUNTIES SERVED

Kent	\$849,910	Missaukee	\$142,289
Ontonagon	\$695,000	Houghton	\$120,000
Crawford	\$450,125	Gladwin	\$97,800
Newaygo	\$429,142	Charlevoix	\$85,000
Calhoun	\$417,650	Manistee	\$84,254
Marquette	\$327,904	Iosco	\$75,000
Chippewa	\$225,350	Osceola	\$72,050
Kalamazoo	\$201,807	Ogemaw	\$69,300
Otsego	\$184,317	Luce	\$64,445
Oceana	\$165,000	Saginaw	\$60,000

## CUMULATIVE LOAN ACTIVITY BY REGION (Since 1994)



Northern Initiatives is a Community Development Financial Institution. We're in business to provide loans and business services to small business owners and entrepreneurs who create jobs and enable the communities of Michigan and neighboring Wisconsin to thrive.

Northern Initiatives is an equal opportunity provider, employer and lender.

## OUR SUPPORTERS

We couldn't do it without you!

Basilian Fathers of Toronto	Mercy Partnership Fund
Battle Creek Community Foundation	Michigan Certified Development Corporation
Battle Creek Unlimited	Michigan Department of Agriculture and Rural Development
Sara Bednarek	Michigan Economic Development Corporation
Guido A. and Elizabeth H. Binda Foundation	Michigan Good Food Fund
Amanda and Dan Blondeau	Michigan Manufacturing Technology Center
Judy and Kevin Boyle	Michigan State University
Capital Impact Partners	The Miller Foundation
Checker Transport	Northern Michigan University
Colleen and Scott Duflo	Opportunity Finance Network
Community Development Financial Institutions Fund	Michael Oman
Community Foundation for Muskegon County	Petoskey Harbor Springs Area Community Foundation
Community Foundation for the Upper Peninsula	Pam Porter
Community Reinvestment Fund	Kurt Peterson/Total Enterprise Consulting
Consumers Energy Foundation	Sara Proano
Department of Health and Human Services, Administration for Children and Families, Office of Community Services	Bob Rapoza
Robert Eslinger	Jen Ray and Tom Vear
Melissa Evans	Christine and Steve Rector
Fifth Third Bank	Rural Local Initiatives Support Corporation
Meredith Freeman	Quality Systems Associates
Fremont Area Community Foundation	Elissa Sangalli
Gogebic Range Bank	Rajib Sanyal
Terri Govern	Jesse Schramm
Grand Rapids Community Foundation	Deborah Schultz
Peter Graves	Brian Sheridan/Steward and Sheridan, PLC
Audrey and Ron Grzywinski	Kristin Smith
Mary Houghton	Sustainable Communities Fund
Huntington National Bank	Kate Teeter and Alec Lindsay
Chuck Hurst	TCF Bank
Kellie and Brian Hoffman	Trinity Health
Independent Bank	Chip Truscon
Ann and Fred Joyal	Upper Peninsula Power Company
Kellogg Corporation	US Small Business Administration
Natasha Koss	USDA Rural Development
Kathy and Tom Leone	Bob Valentine
Lundin Foundation	Mary and Chuck Van Loan
Kathy Mason and Sheldon Riner	Wells Fargo
Mary and Wesley Maurer Jr.	Kayla and Dennis West
James and Lucy McCraven	Mark Williams
Chandra McMillion	W.K. Kellogg Foundation
Janie McNabb and Chris Wendel	