

# Community Works

A publication of Community First Fund

## CFF Receives a \$1.23 Million Loan from the State

The Pennsylvania Department of Community and Economic Development has granted CFF a loan that will be used for debt financing so that CFF can offer clients larger loans that focus on economic development and job creation. In order to be applicable for a PCDB Loan, organizations must be state accredited Community Development Financial Institutions (CDFIs), which CFF is. For CFF, being able to offer larger loans is a necessary step not only because it is part of CFF's aggressive strategic growth plan, but more importantly, because larger loans are needed in

the community. Often the loans that CFF administers don't provide enough money for clients who must use other resources, such as their savings, to get their projects off the ground. In other cases, current clients are looking to grow their businesses and need larger loans. CFF is always happy to lend to an existing client as it has a nearly 97% rate of loan repayment.

One client who has benefited from a larger loan is Allan Schmidt, President of First Capital Powder Coating and Fabrication, Inc. in York, PA. Allan, along with his son Johnathan Schmidt who serves as Vice President of the company, has a \$70,000 working capital loan from CFF. The business, which they purchased three years ago with the assistance of partners and a bank loan, was a turn-key operation where Jonathon had worked as a production manager. As a result of Johnathan's prior knowledge of this relatively specialized business, he



Allan Schmidt, *President of First Capital Powder Coating and Fabrication* (left), son Jonathan Schmidt, *VP of First Capital* (center), and Fred Engle, *CFF's Business Counselor/Lender for York and Adams counties*.

was able to maintain customers and is now growing his base so much that First Capital needed a loan to buy more up-to-date and efficient machinery. Allan's relationship with York County Business Counselor/Lender, Fred Engle has been invaluable. "Fred is so knowledgeable and gets people to understand this business," said Allan.

*"State Loan" Continued on*

*"CFF has received several capacity building grants in the past from PCD Bank and as a result, is now in the position to make larger loans which is why PCD Bank decided to assist this reputable CDFI."*

*—Steven M. Drizos,*

*Director, Center for Private Financing, Pennsylvania Department of Community & Economic Development*

### **SAVE THE DATE** for CFF's Annual Friends of the Fund Luncheons!

Our annual luncheon is a celebration of CFF's past year of accomplishments and serves as a way to honor clients and community advocates. Registration begins at 11:30 am for each luncheon and the event generally ends by 2 pm. If you are interested in attending, please contact Tracy Smith at 717-393-2351 or [tsmith@commfirstfund.org](mailto:tsmith@commfirstfund.org)

**York:** October 27th at the Yorktowne Hotel. The keynote speaker is Darrell Auterson, *President, York County Economic Development Corporation*

**Harrisburg:** November 8th at the Hilton Harrisburg. The keynote speaker is David A. Schankweiler, *CEO and Publisher, Central Penn Business Journal*

**Reading:** November 17th at The Abraham Lincoln. The keynote speaker is Mike Quick, *Former Philadelphia Eagles and All-Pro wide receiver*

**Lancaster:** December 15th at Liberty Place. The keynote speaker is Anne Beiler, *Founder, Auntie Anne's, Inc.*

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## From the Desk of the President & CEO



*Daniel Betancourt*

### **Dear Friends of the Fund:**

I am pleased to inform you that we are well on the way to completing our first year goals outlined in our strategic plan. Many of our recent achievements intersect several strategic goal categories and are helping us to move forward at a steady pace.

In the areas of *Expansion and Growth* as well as *Capitalization* I am thrilled to announce that we have received our biggest investment ever from Bank of America in the amount of \$2,000,000. This significant addition to CFF's Loan Fund will allow us to make many loans to our clients and potential clients. We have also recently instituted two new loan programs for mid-sized businesses and commercial mortgages. We now have five different types of loans to offer entrepreneurs whose businesses may range from a small start-up to a large commercial development project.

Also in the area of *Expansion and Growth* we have hired six new staff members, as detailed on page four and are fortunate enough to have been selected as a sponsoring agency of six AmeriCorps VISTA members. VISTA (Volunteers in Service to America) provides full-time members to nonprofit, community organizations to create and expand programs that ultimately bring low-income individuals and communities out of poverty. These members will be with CFF for a full year, however at the moment we are still looking to fill three positions. As a result of gaining more personnel, CFF has expanded its Lancaster office onto the first floor of the building.

In the area of *Marketing and Branding*, we have completed a search process for a marketing and advertising agency that has resulted in two finalists at the time of this publication. The agency selected will help us to better understand the public perception of CFF and guide us in making sure our message is clear and communicated throughout our thirteen-county service area. CFF staff have recently updated our website and revamped and translated our brochure into Spanish.

In developing a *Business Model* and increasing *Organizational Impact*, CFF has begun working on formal loan and new employee orientation manuals and is continually training staff on fundraising and client tracking software. CFF has also been working to coordinate our databases to increase organizational efficiency.

I encourage you to stay connected to CFF and help us to meet our strategic goals. We will keep you updated throughout the year via newsletters. In October we will present our Annual Report at our first yearly *Friends of the Fund Luncheon* held in York. We will subsequently present the Report at our Harrisburg, Reading, and Lancaster Luncheons. If you are unable to attend, we will send you this report via mail.

As always, I extend my deepest thanks to you for your involvement with and continued support of Community First Fund.

Best Regards,

*Dan Betancourt*

# Client Success Stories

*"State Loan" Continued from page 1*

CFF President Dan Betancourt cites examples such as this when asked if CFF focuses solely on start-up businesses. "In the past we didn't have the resources to give large loans, so we did what we could with the loan money that we had available, which generally meant that we could only fund micro and start-up businesses. However, now we know there is a need for larger loans and we want to grow deeper into the markets we already serve." About 40 percent of the money CFF loans out goes to nonprofit groups and housing developers. Community First Fund helps nonprofits to expand services or to cover predevelopment costs for new construction. These predevelopment costs include money for land acquisition, architectural services and environmental studies. The fund also helps developers cover initial costs for affordable-housing projects. "I can say with confidence that CFF is here to stay and to help grow and better the communities we serve and the individuals who work and live there," says Betancourt. You can learn more about First Capital at [www.firstcapitalpcf.com](http://www.firstcapitalpcf.com)

## Sophia Seafood Restaurant

(Harrisburg, PA) Adriano Isneria, owner of Sophia Seafood Restaurant, moved to the United States three years ago from southern Italy. He immediately saw the need for a restaurant in Harrisburg specializing in the cuisine from his home. Shortly after arriving in Pennsylvania, Adriano learned of Community First Fund through the Mayor's Office of Economic Development. He contacted Fritz Knerr, who is now the Business Counselor /Lender for CFF's Chester office and they began a great working relationship.

Adriano's restaurant, which is named after his daughter and pays homage to Sophia Loren, is open for lunch and dinner. Meals are often prepared by Adriano himself. As a former business management professional in the computer and fashion industries, he is thrilled to be pursuing his passion for cooking. Adriano's other passion is jazz and he feels that there is not a place for mature audiences in Harrisburg to hear live music in a comfortable setting. Now that his restaurant is established, and with the help of a loan from CFF, Adriano just recently opened 405 Jazz on Walnut, a jazz

club in the building adjacent to his restaurant.

Adriano has been working with Ben Parra, CFF's Director, Small Business Lending and Counseling for the Capital Region and says that overall his experience with CFF has been great. He especially loves CFF's willingness to believe in a person's vision, not just the numbers. You can learn more about Sophia Seafood and 405 Jazz on Walnut at [www.sophiaharrisburg.com](http://www.sophiaharrisburg.com).



*Adriano Isneria, owner of both Sophia Seafood Restaurant (right) and 405 Jazz on Walnut (left).*

## ◆ ◆ G & H Gift Baskets ◆ ◆



*Gail Burford in her shop—G & H Gift Baskets.*

(Reading, PA) Gail Burford, owner of G & H Baskets, had always been a creative person. After working for ATT wireless for many years, she decided that she wanted to open her own business, though she wasn't sure what type. When researching business ideas in 2002 she decided that gift baskets were practical in that she could do work in her basement while recovering from back surgery. Furthermore, starting a business at home would cut down on her start-up costs.

Gail is a friend of the mayor of Reading who told her about CFF. She contacted Jim Hufford, Special Projects Coordinator and former Reading Area Lender and began working with him to move her business out of her house and into a store. After having her business in several locations, Gail is now situated at the Fairgrounds Mall. She is pleased with her locale and happy with all of Jim's continued support. Gail trusts Jim's judgment and said that he has guided her

through her biggest challenge: accounting.

Gail's store is filled with gifts of all sorts – from candy to candles, pasta to Pampers. Her business is unique in that people can design their own baskets or choose from her many pre-made ones for birthdays, holidays, and baby showers. Gail realizes that with more inventory she could provide additional options to clients, but that would require a bigger store. When she is ready to make that move, CFF will be there to assist her.

## Educational Opportunities

Training updates from Pennsylvania Women's Business Center and Community First Fund. To register for upcoming classes, please contact Miriam Soto at 717-393-2351 or msoto@commfirstfund.org.

**Federal Procurement:** On October 11<sup>th</sup> 16 people attended a Federal Procurement course held at the Lancaster Office. The course, sponsored by the US Small Business Administration, detailed ways in which small businesses could become government contractors and how woman-owned or minority-owned business could become certified. Additionally, the training provided information on federal purchasing procedures, marketing to federal agencies, and where to locate bid opportunities online.

**Core Four Courses** are held in all of the CFF's service areas and detail each area of the core business model: market and need assessment, operation and management, marketing and promotion, understanding financing, and financial literacy. Some course highlights include: characteristics of a successful business owner; financial planning and record keeping; key steps to understanding and building your business plan. Please check the website for dates, times and locales.

PENNSYLVANIA  
WOMEN'S  
BUSINESS  
CENTER

*Did you know?* According to the Center for Women's Business Research, as of 2002, there were an estimated 217,822 privately held, women-owned firms in PA, accounting for 26% of all privately held firms in the state. Furthermore, women-owned firms in PA employ more than 289,000 people and generate nearly \$41.1 billion in sales.



## Increasing our Capabilities: Welcome New CFF Staff Members!

**Michael A. Wolfe**, *Director, Small Business Lending and Counseling for the Capital Region*, has more than 10 years experience in financial services and lending. Most recently Mike was employed with Sterling Financial Corporation in Lancaster as a Small Business Underwriter. He also held the position of Commercial Credit Team Leader with Sterling and was a Senior Commercial Credit Analyst at Fulton Bank. When not at work, Mike enjoys spending all of his free time with his nine month-old son Dominic.

**Stephanie N. Kessler**, *Associate, Development Department* joins CFF after owning and operating a restaurant in Washington D.C. Prior to this experience, and while in Washington, she served as Director of Development at Ayuda, a social service nonprofit organization supporting immigrants. When not at work, Stephanie can be found trying to keep up with her 23 month-old daughter Sophia.

**Sara B. Riddle**, *Associate, Compliance and Loan Review* joins CFF after most recently working at COBYS Family Services in Leola, PA as a caseworker for the foster care program. She is a relatively recent graduate of Eastern University in St. David's, PA and holds a B.A. in both Spanish and Sociology. When not working Sara enjoys traveling, spending time with friends and family, and decorating/fixing up her recently purchased home.

**Jermaine D. Edwards**, *Business Counselor/Lender for Berks, Lebanon, Lehigh and Montgomery* joins CFF after most recently working as a Commercial Credit Analyst with Sterling Financial Corporation. Prior to his role in the credit department, Jermaine worked for two years as a Solution Support, Software Analyst at Sterling. On a personal note, Jermaine is an avid jazz fan and plays the piano and trumpet.

**Michelle Ramos**, *Part-time Business Counselor/Lender for Lancaster*, is currently attending Millersville University and is scheduled to graduate in December with a degree in Business Administration. Recently she was employed as Assistant Loan Officer at American Home Bank where she was a client liaison during the mortgage application process. Michelle likes to spend time with family and friends and lives for home made meals and non stop laughter.

**Kenneth J. Olson**, *Part-time Business Consultant in Lancaster*, has more than thirty years of experience in lending and management. Ken spent most of his career with the US Small Business Administration, managing both the lending and economic development programs for the Philadelphia District Office as Assistant District Director for Economic Development. After retiring from his career at the SBA, Ken now has time to enjoy traveling and, when at home, cooking and entertaining his friends.

## CAPITAL

## Loan Activity - February through September 2006, 81 Loans Totaling \$3,728,380.60

**Borrower**February 2006

The Fun-nest Toy Store Ever	Lancaster
Cielito Linda	Berks
Simply Shawna	Dauphin
Universal Service Enterprise, Inc.	Adams
Ramiro Rosada-Negron	Lancaster
Smart Truck Training	Berks
Early American Period Lighting, LLC	Lancaster
Split Your Wig Barber Shop & Beauty Salon	York
Maxim Logistics, Inc.	Berks

March 2006

Maxim Logistics, Inc.	Berks
Crisol Electric Service	Lancaster
Frank's Carpet Cleaning	Lebanon
Christopher G. Madara Real Estate	Berks
A.D. Anderson, Inc.	Lancaster
Inga's Hair Studio	Dauphin
Patterson & Associates, Inc.	Lancaster
First Capital Powder Coating & Fabrication, Inc.	York
Perfecto Nieves	Lancaster
Dirty Dog Hauling	Dauphin
Sabor Al Tropical	Chester
Iola Design L.L.C.	Chester

April 2006

Horner Associates, L.L.C.	Lancaster
PT Industries	York
Welcome's Bakery	Lancaster
Souley Auto Sales	Cumberland
Innovative Bowling	York
Lebron Enterprises	Lancaster
WE Magazine, Inc.	Lancaster
Mario A. Naranjo	Lancaster
Assets of Lancaster	Lancaster
Classique! Mohr Interior Designs	Cumberland

May 2006

Wiley's R/C Speedway & Hobby Shop	York
Jatmon Enterrprises Inc	York
Johnson, Charles Masonry Contractor	Reading
London Real Estate	Lancaster
Bueno Grocery Store	Reading
Hubler Communications	York

**County**June 2006

Brody & Brody	York
Genesis Stone	Berks
All Stars Hair Studio	Berks
Hi-Tech Entertainment Solutions LLC	York
Nelson Feliciano	Berks
David J. Meas	Berks
Keilholz Flooring, Inc.	Lebanon
T.J. Baker Funeral Home	Berks
Forge Advertising	York
A-One-Market	Dauphin
Lawrence Roofing	Reading
Gift Baskets by G&H	Reading
Metals Your Way	Reading
Northwest Swimming Association, Inc.	Reading
Lancaster Painting	Lancaster

July 2006

YAYAS Mexican Restaurant	York
A & M Grocery	Lancaster
Tom's Repair Services	Adams
Educational Breakthroughs	York
Magnolia Investments, LLC	Lancaster
Lancaster Arts Hotel	Lancaster
The Joshua Group	Dauphin

August 2006

AHEAD	York
Bock C.R.N.P Services, Inc.	Cumberland
Tan-Tigua Bay	Berks
St. Paul Missionary Baptist Church	Dauphin
Lebron Enterprises	Lancaster
Tuscan Sun LLC	Dauphin
Pennsylvania Khaki Co., Inc.	Lehigh
Dimencion	Berks
Dawn and Associates	Dauphin
Anytime Gifts, LLC	Lancaster
Michelle's Unisex Salon	Berks
Educational Breakthroughs	York

September 2006

London Real Estate	Lancaster
Brad Church Plumbing and Heating	York
Van Reed Massage Therapy	Berks
Dollar Alley	York
The Inner City Group	Lancaster
Express Photo Studio	Berks
Hammel Realty, L.P.	Lancaster
Salsa Move Dance Studio	Lancaster

# Thank You!

*CFF graciously acknowledges these contributors for their generous support of our programs and operations.  
(February – October 15, 2006)*

**Associations**

Pennsylvania Microenterprise Coalition

**Government**

Chester County Department of Community Development  
City of Lancaster  
City of York  
County of Lancaster  
Dauphin County Department of Community and Economic Development  
Lancaster County Housing and Redevelopment Authority  
Lancaster County Planning Commission  
Pennsylvania Commission on Crime and Delinquency – Weed and Seed Program  
Pennsylvania Department of Community and Economic Development  
SBA Microloan Program  
SBA Office of Women’s Business Ownership  
U.S. Department of Agriculture  
U.S. Department of Housing and Urban Development  
U.S. Department of Treasury – Community Development Financial Institutions (CDFI) Fund

**Investors**

Bank of America  
Opportunity Finance Network  
Pennsylvania Community Development Bank

**Banks and Corporations**

Bank of Hanover  
Bank of Lancaster County  
Citizens Bank  
Community Banks  
Fulton Bank  
J.C. Ehrlich  
M & T Bank  
PNC  
Sovereign Bank  
Susquehanna Bank  
Wagman Construction

**Individuals**

Nance Payne for Erika Lauffer  
William Daniels  
Louise Barnett  
Lois Herr  
Caroline Nunan  
Robert Hoppes  
Andrew Zourides  
Sandra Fluck  
Carl Pike  
Annalisa Crannell  
Solomon Wank

**Religious Organizations**

Grandview United Methodist Church  
Hamilton Park United Church of Christ

## Thanks also to our Board and Staff

**Board of Directors**

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	<b>Rev. Edgardo Rivera</b>
	<b>Phyllis Stellfox</b>
	<b>Deborah A. Stuart</b>

*Thanks to Eric Menzer for his leadership during his term as Board President.*

As a result of her hard work and dedication, staff member **Pamela Gatling** has been promoted from Business Counselor/Lender for the Lancaster region to the position of Associate, Accounting. Pam has been with CFF for four years and initially started as a temporary worker. Congratulations to Pam!



## ADVOCACY

# Community First Fund's Public Works

John Sigler, Miriam Soto, Stephanie Kessler, Ken Olson, Dan Betancourt, and Maria Spinozzi participated at the **2006 CommUnity Day**, held on August 12<sup>th</sup> on West Orange Street, Lancaster. The event was coordinated by the CommUnity Day Team which is a collaborative, diverse and culturally aware group striving for the betterment of Lancaster's neighborhoods and community relations. While not a typical venue for Community First Fund to showcase its services, the event allowed CFF staff to meet public safety officers and other civic leaders who may now be able to provide referrals to CFF. Several interested citizens took

information from the CFF table, and we hope that they will pursue their dreams with us.



On September 9, 2006, Tracy Smith, Maria Spinozzi, and Miriam Soto and her two daughters participated in the **United Way's Annual Day of Caring**. The CFF staff opted to volunteer at the Salvation Army in Lancaster where they did general house-keeping such as yard work, cleaning buses, and stocking inventory. Participating in the Day of Caring is just one small way CFF strives to build stronger communities.



On October 5, 2006, several CFF staff members participated in the **Lancaster County Housing Summit**, this year entitled, *Expanding Housing Choices...It's Good for Everyone*. The Summit addressed many concerns including the skyrocketing price of housing in Lancaster County, reduction in federal resources for housing, the decrease in available land for housing development, and featured workshops on ways to expand housing choices. The Summit was especially important to CFF as it has just received a U.S. Treasury Department CDFI award that will partially cover the salary of a new Affordable Housing Loan Officer.

## *CFF's In-House Advocates — VISTA Members*

*As mentioned in the Letter from the President, CFF is a sponsor agency of AmeriCorps VISTA members. We welcome these talented women who will help build our capacity and advocate for our clients.*

**Dougie Chon** is a 2006 graduate of Bucknell University where she received a Bachelor of Arts in International Relations and minored in International Politics. She will primarily be assisting the financial and loan department in Community First Fund's Harrisburg office and is looking forward to helping people so that they can help themselves. Dougie is quite proficient in Korean and is an avid music fan.

**Maria Spinozzi** is a 2006 graduate of University of Southern California where she received a B.S. in Aerospace Engineering and minored in Planning and Development. Maria will primarily be assisting the financial and loan department in Community First Fund's Lancaster office, however has she has recently been working on integrating our database programs. One of Maria's favorite books is *Suburban Nation: The Rise of Sprawl and the Decline of the American Dream*.

**Neela Lynn Nandyal** is a 2004 graduate of the University of Wisconsin-Madison where she received her Masters in Geography after receiving her B.A. with Honors in Geography in 2001. Neela works with Joan Brodhead at CFF's Lancaster office on developing the Pennsylvania Microenterprise Coalition, a trade association whose purpose is to strengthen the effectiveness of Microenterprise programs in PA. Neela had a fabulous summer which included getting married in Milwaukee and taking a honeymoon in the Greek Isles.



## CFF Staff Member Elected to Predatory Lending Task Force Board

Ben Parra, Director, Small Business Lending and Counseling of the Capital Region has recently been named the Treasurer of the South Central [PA] Assembly for Effective Governance's Predatory Lending Task Force. Predatory lending is the practice of imposing unfair and abusive loan terms on borrowers, often through aggressive sales tactics, tak-

ing advantage of borrowers' lack of understanding of extremely complicated transactions, and outright deception. Predatory loans turn the dream of homeownership into a nightmare, and in the worst instances end in foreclosure. Predatory loans are made in concentrated volume in poor and minority neighborhoods where better loans

are not readily available, and the loss of equity, and foreclosure can devastate already fragile communities. The Assembly's Predatory Lending Task Force is working hard to stop these abuses. If you feel you have been a victim of predatory lending, please call the toll-free hotline at 1-866-551-0239.



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**CFF Staff**

- Daniel Betancourt, *President & CEO*
- Joan M. Brodhead, *Vice President & COO*
- David B. Hendricks, *CPA, Controller*
- Miriam Soto, *Director of Training*
- James C. Hufford, *Special Projects Coordinator*
- John H. Sigler, *Director, Small Business Lending and Counseling (Lancaster Region)*
- Benjamin Parra, *Director, Small Business Lending and Counseling (Capital Region)*
- Michael A. Wolfe, *Director, Small Business Lending and Counseling (Capital Region)*
- Fred S. Engle, *Business Counselor/Lender (York & Adams)*
- Frederic J. Knerr, *Business Counselor/Lender (Chester Region)*
- Jermaine D. Edwards, *Business Counselor/Lender (Reading-Berks Region)*
- Nelson A. DeLeon, *Business Consultant (Reading-Berks Region)*
- Michelle Ramos, *Business Counselor/Lender (Lancaster Region)*
- Kenneth J. Olson, *Business Consultant, (Lancaster Region)*
- Pamela J. Gatling, *Associate, Accounting*
- Stephanie N. Kessler, *Associate, Development Department*
- Sara B. Riddle, *Associate, Compliance and Loan Review*
- Tracy A. Smith, *Administrative Assistant*



**Senior Loan Committee Members**

- Daniel Betancourt
- Joan M. Brodhead
- Raymond A. Davis
- Steven D. Flaherty, Esquire
- Cheryl D. Holland
- James C. Hufford
- James G. Shultz
- John H. Sigler

❖ *The Board of Directors is now listed on page 6* ❖

**Contact CFF**

30 West Orange St., P.O. Box 524 Lancaster, PA 17608-0524  
Phone: 717-393-2351 Fax: 717-393-1757



15 North Cherry Lane, P.O. Box 2644, York, PA 17405-2644  
Phone: 717-848-3863 Fax: 717-848-4438



505 Penn St., 2nd Floor P.O. Box 7936, Reading, PA 19603-7936  
Phone: 610-685-4940 Fax: 610-685-4941



140-B Strawberry Square Harrisburg, PA 17101  
Phone: 717-920-1520 Fax: 717-920-1521



Eagleview Corporate Center, 737 Constitution Dr., Exton, PA 19341  
Phone: 610-458-1695, ext. 255 Fax: 610-903-4261

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