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Capital for Communities—
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Community Reinvestment Fund, USA Helps North Minneapolis Eatery Avoid Financial Indigestion

Small business loan from City of Minneapolis, Metropolitan Consortium of Community Developers and CRF ensures Tootie's On Lowry will remain a community asset for years to come

MINNEAPOLIS (April 13, 2010) – [Community Reinvestment Fund, USA](http://www.crfusa.com) (CRF), a nonprofit organization that connects community development lenders with the capital resources of Wall Street, announced it has partnered with the [City of Minneapolis Department of Community Planning and Economic Development](http://www.cityofminneapolis.org) (CPED) and the [Metropolitan Consortium of Community Developers](http://www.mccd.org) (MCCD) to provide business financing for [Tootie's On Lowry](http://www.tooties.com) in Minneapolis. The loan will allow the owners to purchase the building at 2706 Lowry Avenue that has housed the restaurant for decades, and free up much-needed cash to help build customer loyalty amid the continuing economic downturn.

"We are so grateful to CRF and the City of Minneapolis for helping us get the loan we needed to purchase our building," said Tootie's co-owner Lili Johnson, whose brothers first opened the restaurant in 1984. "As one of the few full-service restaurants in North Minneapolis, we are thrilled to have new opportunities for growth and success in our community."

A Beacon for Community Involvement

Tootie's is an important community-gathering place and a landmark in its tight-knit North Minneapolis neighborhood. Located blocks away from the bustling North Memorial Medical Center, Tootie's has become a cornerstone for the neighborhood and a gathering place for community leaders.

Unfortunately, Tootie's suffered heavy financial losses in 2006 and 2007 due to a combination of high neighborhood crime rates, a nearby problem property and years of access-limiting street repairs on adjacent Lowry



Avenue North. As a result, the Johnsons leveraged personal finances to keep Tootie's in business throughout 2008.

"At the time, we didn't think getting a loan was a viable option, given the lack of equity in the business and the declining state of the neighborhood," co-owner Nick Johnson said. "But as sales started to increase in 2009, we realized that Tootie's is more than just another restaurant – it is an institution our community can't afford to be without."

Turn-Around Bolstered by Community Partners

CRF and CPED, along with MCCD, provided financing for Tootie's to purchase its building and infuse much-needed cash into the business. This enhanced level of collaboration between nonprofit community development entities and borrowers is becoming more common as access to capital remains hampered by limited credit availability.

"Tootie's has overcome many challenges, but also enjoys wide support within the North Minneapolis community," said Bob Lind, manager, business finance for Minneapolis CPED. "Helping the owners purchase this building ensures a more stable neighborhood that will attract additional investment, particularly now that the Lowry Avenue reconstruction is complete."

"With CRF's roots in Minneapolis, we are proud to support a local eatery in a neighborhood that's full of opportunity," said Frank Altman, president and chief executive officer for CRF. "Tootie's represents the entrepreneurial promise shared by millions of Americans, and CRF is committed to helping businesses like Tootie's achieve their goals for growth and success by expanding access to affordable, responsible lending."

About CRF

Community Reinvestment Fund, USA (CRF), a nonprofit organization and certified Community Development Financial Institution (CDFI), is the nation's leader in bringing capital to public and private, nonprofit community development lenders through the secondary market for community development loans. Formed in 1988, CRF has injected more than \$1 billion into low-income and economically disadvantaged communities around the country to help stimulate job creation and economic development, provide affordable housing, and support community facilities. CRF is headquartered in Minneapolis, Minn. www.crfusa.com.



About the City of Minneapolis Department of Community Planning and Economic Development

The Department of Community Planning and Economic Development (CPED) works to grow a sustainable city. CPED is organized into three divisions: Planning, Housing and Economic Development. CPED executive administration provides leadership and support for all three divisions and also oversees the Minneapolis Empowerment Zone. www.ci.minneapolis.mn.us/cped.

About Metropolitan Consortium of Community Developers (MCCD)

MCCD is an association of nonprofit community development organizations committed to expanding the wealth and resources of neighborhoods through housing and economic development initiatives. For over twenty years, MCCD members have worked together to increase opportunities for development of quality, community-based projects through collaborative action on public policy issues, loan fund development, public education efforts, and long-term strategic planning. www.mccdmn.org.

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