PNC Bank Provides $10 Million To Help Ohio Entrepreneurs, Small Businesses Survive Impact Of COVID-19

Support to fund initial PPP loans through ECDI to Ohio small businesses often not able to participate in economic mainstream

COLUMBUS, Ohio, March 9, 2021 – PNC Bank has provided $10 million to the Columbus, Ohio-based Economic Community Development Institute (ECDI) to fund initial Paycheck Protection Program (PPP) loans to Ohio entrepreneurs and small businesses that often are not able to participate in the economic mainstream. This includes low- and moderate-income and low-wealth individuals, women, people of color, refugees and immigrants, and businesses that have been most vulnerable during the pandemic, including accommodation and food service, recreation and entertainment, retail, transportation, childcare, salons and construction subcontracting.

PNC's investment in ECDI comes from its Community Development Banking group, which makes strategic investments to boost the quality of life in low- and moderate-income communities.

"As a Main Street bank, PNC is committed to serving small businesses across the state," said Michael Taylor, PNC's senior vice president and west territory executive for Community Development Banking. "These entrepreneurs are the backbone of our communities and it is critical that we support the economic vitality that they provide. We're proud to partner with ECDI and other Community Development Financial Institutions to help Ohio's small businesses address the ongoing challenges caused by the pandemic."

Throughout the pandemic, it has been difficult for many of Ohio's small businesses to keep their doors open. From April through the end of 2020, the number of loans ECDI has provided to Ohio small businesses increased significantly when compared with the previous year, highlighting a sharp increase in demand as entrepreneurs have struggled with current economic conditions.

According to PNC's semi-annual Economic Outlook survey released March 1, small business owners feel left out of the broader economic recovery. Of those small and mid-sized business owners surveyed, 48% said they are facing challenges to stay in business and 43% of those who planned to apply for a PPP loan in 2021 viewed it as extremely important for their business.

"Small businesses are a critical component of business corridors across the state and are important contributors to how our neighborhoods look and function. The personalities of many neighborhoods may be very different post-pandemic if we don't work to protect these entrepreneurs," Taylor added.

Since Feb. 4, ECDI already has received more than 600 applications from small businesses in Ohio seeking PPP loans.

"Cash flow is the number one concern for small businesses," said ECDI Founder and CEO, Inna Kinney. "This is especially true for minority- and women-owned businesses, as they have traditionally had less

access to capital. We made the decision to participate in the second round of PPP because our top priority is assuring that these underserved communities have access to much-needed resources, including PPP funding. PNC is a long-time advocate for small businesses and we are beyond grateful for their partnership in assuring all entrepreneurs throughout Ohio are able to get the capital they need to survive the downturn and get back on a growth trajectory as the economy recovers."

Helping the Underserved

PNC has partnered with ECDI for several years. Last summer, the PNC Foundation provided $500,000 to ECDI's Working Capital Enhancement Loan, which is part of ECDI's COVID-19 response offerings. It enables small businesses to apply for a loan ranging from $750 to $350,000, to be repaid over 69 months at an interest rate of six percent. The 2020 involvement with ECDI was in the form of a Program Related Investment, which offers long-term, low interest rate financing. PNC is one of only a few banks that provide this type of financing, which is designed to spur community development. PNC's central community development banking office and each of PNC's seven Ohio markets – Akron, Cincinnati, Cleveland, Columbus, Dayton, Toledo and Youngstown – contributed an additional $150,000.

ECDI is a nonprofit organization, dedicated to assuring underserved and underbanked entrepreneurs – regardless of where they came from, where they live, their gender or their race – have access to funding and a range of business incubation services they need to succeed. Based in Columbus, with offices in Cleveland, Cincinnati, Akron and Toledo, we are a one-stop resource center, serving small businesses in Ohio, Kentucky and Indiana. As a leading SBA microloan intermediary, a certified Community Development Corporation, and Treasury-designated Community Development Financial Institution, we are proud to have assisted more than 262,000 individuals, disbursed over $76.5 million through nearly 3,400 loans, and created and retained more than 10,400 jobs since 2004. Learn more: www.ecdi.org.

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