

AFRICAN DEVELOPMENT CENTER OF MINNESOTA

Your guide to financial success in America



PERFORMANCE REPORT 2012 – 2014



The Mission of the African Development Center is to grow businesses, build wealth, and increase reinvestment in the African communities of Minnesota.

April 2015

Dear Stakeholders:

It is our great privilege and joy to provide you with this report on our last few years of service as the guide to financial success in America for thousands of Minnesota's African immigrants and refugees. After a more than a decade and several years of organizational challenges, we remain solidly devoted and capable of meeting the needs of our clients. As you will see in these pages, ADC is strong and serves as a key resource for clients from across Africa who are navigating the US financial system for the first time as customers, homebuyers and business owners in Minnesota.

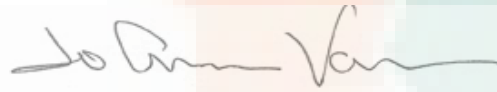
Our record speaks for itself. In the past 3 years, we have survived the loss of our founder, the cancellation of a large transformative grant and yet we continue to grow our capacity and capabilities to serve the ever-growing community of African immigrant and refugees in Minnesota. Today we have one of the most well trained staff of any community-based development corporation, we have lending capacity to serve hundreds of business owners and our homeownership and mortgage assistance efforts continue to expand to serve the financing needs of African immigrants and refugees, many of whose Muslim faith requires an alternative approach to lending.

Our success is only possible because of the support and confidence offered by our colleagues, volunteers, partners and sponsors. We are grateful for their dedication and proud to report our positive results.

ADC is honored to serve as a guide for African immigrants and refugees and as a bridge for the new community and the existing one to connect and work together. We invite you to engage with us as we continue our journey into the next decade.



Nasibu Sareva
Executive Director



Jo Ann Vano
President of ADC Board

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ADC Rochester · 415 16th Street SW Rochester, MN 55902 · Tel: 507-282-7333

ADC Willmar · 518 Litchfield Ave SW Willmar, MN 56201 · Tel: 320-262-8545

www.adcminnesota.org

COMMUNITY FOUNDED

ADC is dedicated to the economic empowerment and success of African immigrants. Minnesota is home to over one-hundred thousand African immigrants, many of whom face language, cultural, and religious barriers. Hundreds more refugees (500-700 each year since 2012) arrive in Minnesota each year. ADC actively works to reduce the barriers to their settlement as New Americans and create a path for African immigrants to achieve financial success.

History

Minnesota, like the nation, is struggling to deal with the economic pressures and opportunities of immigration. ADC's role in this big picture is to create answers on the opportunity side. Our work has corroborated studies showing that increasing the rates of self-employment and home ownership among "new Minnesotans" contributes to the revitalization of neglected neighborhoods and links mainstream businesses with the state's estimated \$6 billion ethnic economy.

According to a recent report by The Minneapolis Foundation, 13 percent of Minnesota's foreign-born residents in the 2000 Census were from Africa – a higher percentage than in any other US state. Most Africans have come to Minnesota over the past generation as refugees fleeing civil strife in Somalia, Liberia and the Sudan. Other relatively large African populations recently arrived include Nigerians, Ethiopians, and Eritreans. This influx will likely continue. Minnesota offers immigrants an established African population, a strong economy, a good quality of life, educational opportunities, and unskilled jobs that don't require fluency or literacy in English.

At our inception in 2005, existing community development corporations lacked the funds to expand their services to meet the complex needs of African immigrants. They often lacked the motivation and cultural understanding to serve non-traditional clients in business. Minnesota's available housing down-payment assistance funds were unable to meet existing demand. ADC was created at the request of the African community to fill these gaps. We have achieved spectacular early success. Both in providing services and building capacity, our hard-working staff and diverse board have transformed ADC from a one-person, half-time operation ten years ago to a highly networked corporation serving Minnesota with innovative financial products and services.

Our Work

Through workshops and counselling on financial literacy, business development, and home ownership, ADC provides culturally competent services to Minnesota's African community. ADC is a leader in micro lending to small businesses, outperforming even the largest banking institutions in the state of Minnesota. ADC has been recognized as the Number One small business lender of the City of Minneapolis. With the help of 8 dedicated full-time employees and professional volunteers, ADC provides services in 6 languages to communities throughout Minnesota.

HUSSEIN SAMATAR, FOUNDER AND LEADER



Hussein Samatar was the Founding Executive Director of the African Development Center. In this capacity, he created several culturally targeted alternative finance products, and was frequently engaged to address financial, governmental, and other community institutions on the topic of building wealth in emerging markets. Mr. Samatar regularly participated in broader conversations that address existing and emerging economic development issues that impact new American communities. He also provided timely analysis on entrepreneurship and small business development in immigrant communities. Mr. Samatar's story is a tremendously inspiring one for all, especially the new communities of Minnesotans.

Samatar completed his undergraduate studies from Somalia's National University in 1991. But just four days after graduating, he had to shelve his dreams of being an economist because of a civil war that erupted in his homeland. The bloodshed eventually claimed the lives of his sister, friends and classmates. "It makes you who you are, if you go through that humbling experience," Samatar said in an interview in 2010. "One day, you are on top of the world, and the other day, you are fleeing from shelling, killing and mayhem."

As part of the first wave of Somali refugees in Minnesota, he learned English with the help of a Minneapolis librarian. Eventually, he earned his Master's in business administration from the University of St. Thomas. Prior to his leadership with the African Development Center, Mr. Samatar worked as a commercial banker with Wells Fargo and Norwest Banks. He started ADC with extensive experience in banking institutions, as well as a deep regard for community economic development.

He was a Humphrey Institute Policy Fellow in 2003-2004 and a German Marshall Memorial Fellow in 2007, and successfully completed the Achieving Excellence in Community Economic Development program at the Harvard Kennedy School of Government. Additionally, Samatar first entered public office when Mayor R.T. Rybak appointed him to the Minneapolis Library Board of Trustees in 2006. Rybak remembers him as "an extraordinary leader" and real friend. In 2010, Samatar was the first Somali-American in Minnesota, and most likely the country, to be elected to public office when he won a seat on the Minneapolis school board.

In August of 2013, Hussein Samatar passed away due to complications of his battle with Chronic Lymphocytic Leukemia. We at ADC are grateful for the time we were able to spend with him – to witness his inspiration and drive. We continue to strive toward his vision of progress and transformational change. He told us many times that the African Development Center will be his legacy, and we will do all we can to ensure that it is.

In Loving Memory



It is with great sadness and heavy hearts that we inform you of the passing of our Founder and Leader, Hussein Samatar, from complications of his battle with Chronic Lymphocytic Leukemia, on August 25, 2013.

Hussein was a courageous and dedicated public servant and will be missed by many – well beyond those who have benefited from his ambitious initiatives here at ADC, the Minneapolis School Board, and throughout the community.

In all that he did, Hussein brought a level of energy, drive, and optimism that was the envy of many. We will miss him tremendously at the African Development Center, and hope to honor his dream of building economic opportunities and financial sustainability for the vibrant African communities across the state of Minnesota.

More than 1,000 individuals attended services to honor the work and life of this unique individual. In attendance were elected officials from the city, county, state, and national levels, as well as hundreds from the community and statewide organizations he so positively influenced. Hussein is survived by his wife Ubah and four children. Many have contributed to support the Samatar family with a contribution, to the **Hussein Samatar Memorial Fund** at Bremer Bank.

Thank you for your continued support of our work, and the vision of Hussein Samatar.

Sincerely,
ADC Board of Directors

ADC'S AWARDS, CERTIFICATIONS & AFFILIATIONS OF EXCELLENCE

CITY OF MINNEAPOLIS #1 SMALL BUSINESS LENDER – (LIST YEARS)

MEMBER: CREDIT BUILDERS NETWORK

MEMBER: OPPORTUNITY FINANCE

MEMBER: ASSOCIATION FOR ECONOMIC OPPORTUNITY

CERTIFIED CDFI BY US DEPT. OF TREASURY - 2012

CHARITIES REVIEW COUNCIL RATED

UNBOUNDED TALENT

Board of Directors



Jo Ann Vano
Board President



Abdikafar Aden
Board Treasurer



Leah Mtegha



Felicia Ravelomanantsoa



Christine Nsajja



Ubah Ali Jama

Loan Committee



Bamson Fadipe

No Photo Available
Sara Goettch



Felicia Ravelomanantsoa



Denise Favors



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Jean-Noël Kouamé



Soga Mbilima



Ali Bulhan



Mekbib Dersolign

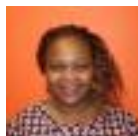
Staff



Nasibu Sareva
Executive Director



Abdulmalik Musoke
Program Assistant
Business Development



Emma Kasiga
Program Manager
Housing & Financial Education



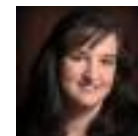
Rich Thomasgard
Property & Projects Manager



Ayan Abdinur
Program Administrator & Regional Manager



Yusuf Ahmed
Regional Manager – Central



Rochelle Gibbs
Fund Development Manager



Patti Walsh
Communications & PR Consultant

EXCEPTIONAL RESULTS

ADC DEEPENS COMMUNITY CONNECTIONS & MUTUAL UNDERSTANDING

	2012	2013	2014
Community Commerce Conversation Attendees	236	182	240
Periodic Community Outreach Sessions Attendees	276	330	350

ADC HELPS INDIVIDUALS & FAMILIES BUILD ASSETS AS NEW AMERICANS

OPENING DOORS TO FINANCIAL SUCCESS

Financial Literacy Clients Counseled	112	138	90
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PREPARING HOMEBUYERS

Homeownership Trainees	226	230	131
Counseling	123	151	119

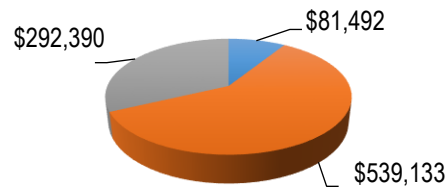
SEEDING BUSINESS DEVELOPMENT & FINANCE

Entrepreneurs Trained	78	41	22
Businesses Counseled	113	95	114
Businesses Started (w/in past 3 yrs.)	8	10	9
Businesses Expanded	4	3	6
New Projects Financed	12	13	15
ADC New Loans	\$230,000	\$355,500	\$480,000
Percent Alternative (Profit-Based) Loans	26.10%	43.00%	61.50%
Jobs Created/Retained	51	110	115
Loan Portfolio Outstanding - #	188	175	150
Loan Clients - #			
Loan Portfolio Outstanding - \$	\$1,964,016	\$1,789,838	\$1,533,991

FINANCIAL PERFORMANCE

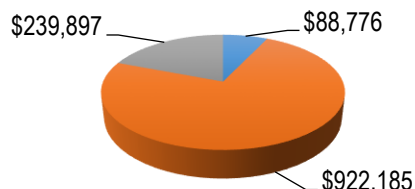
2012

REVENUE AND SUPPORT



■ Government ■ Grants & Contributions ■ Earned Income

EXPENSES



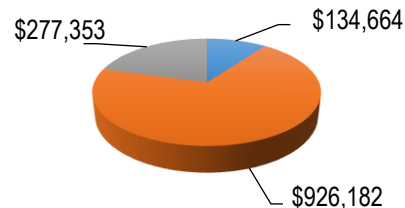
■ Fundraising ■ Program ■ Mgt. & General

LIABILITIES & NET ASSETS

Payable and Other Accruals	\$139,882
Loans Payable & Participations	\$1,409,320
Loans Payable, Real Estate	\$2,622,875
Total Liabilities	\$4,172,077
Unrestricted Net Assets	\$414,501
Temp Res. Net Assets	\$922,100
Total N.A.	\$1,336,601
Total Liabilities & Net Assets	\$5,508,678

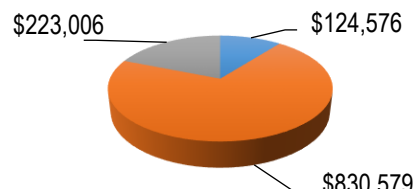
2013

REVENUE AND SUPPORT



■ Government ■ Grants & Contributions ■ Earned Income

EXPENSES



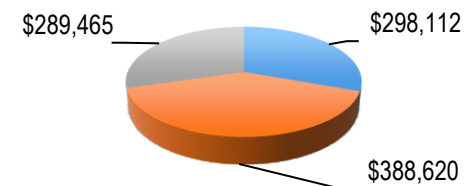
■ Fundraising ■ Program ■ Mgt. & General

LIABILITIES & NET ASSETS

Payable and Other Accruals	\$207,737
Loans Payable & Participations	\$1,112,909
Loans Payable, Real Estate	\$3,059,243
Total Liabilities	\$4,379,889
Unrestricted Net Assets	\$569,289
Temp Res. Net Assets	\$927,350
Total N.A.	\$1,496,639
Total Liabilities & Net Assets	\$5,876,528

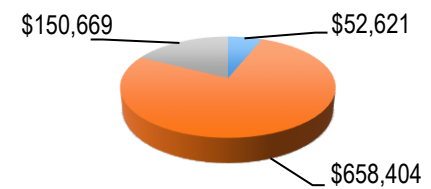
2014

REVENUE AND SUPPORT



■ Government ■ Grants & Contributions ■ Earned Income

EXPENSES



■ Fundraising ■ Program ■ Mgt. & General ■ Other

LIABILITIES & NET ASSETS

Payable and Other Accruals	\$85,481
Loans Payable & Participations	\$890,334
Loans Payable, Real Estate	\$3,022,730
Total Liabilities	\$3,998,545
Unrestricted Net Assets	\$898,782
Temp Res. Net Assets	\$345,000
Total N.A.	\$1,243,782
Total Liabilities & Net Assets	\$5,242,327

SUPERIOR SPONSORS, PARTNERS & SUPPORTERS

Aden Abdulle Osman School of Rochester
 Anthwin Foundation
 Augsburg College
 Blandin Foundation
 Blue Earth County Employment
 BMO Harris
 Bremer Bank of Marshall
 Carolyn Foundation
 CDC Associates
 Cedar-Riverside Business Association
 Center Point Energy
 Central Minnesota Housing Partnership of St. Cloud
 City of Mankato's Economic Development Authority (EDA)
 City of Minneapolis - Community Planning and Economic Development
 CliftonLarsonAllen
 Coalition of African Community Services of Kandiyohi County
 Comcast Foundation
 Common Bond Communities
 Community Housing Partnership of Rochester
 Community Neighborhood Housing Services
 Confederation of Somali Community in Minnesota
 Dorsey Law Firm
 Emerging Markets Homeownership Initiative (EMHI)
 F.R. Bigelow Foundation
 Federal Reserve Bank of Minneapolis
 First Children's Financial
 Freddie Mac
 Global African Food
 Habitat for Humanity of South Central Minnesota- Mankato Chapter
 Heartland Community Action Agency (HCAA) of Willmar
 Housing and Redevelopment Authority (HRA) of Owatonna
 Iftiin Incorporated of Marshall
 Immigrant Education Center of Owatonna
 Initiative Foundation's Little Falls Area Foundation
 KFAI Community Radio
 Lake Street Council

Latino Economic Development Center of Minnesota
 Leadership Empowerment and Development Group (LEAD)
 LegalCORPS
 Local Initiatives Support Corporation
 Lottsa Financial
 M.A. Mortenson Company
 Marbrook Foundation
 McKnight Foundation
 Metropolitan Consortium of Community Developers (MCCD)
 MicroGrants – Joe Selvagio
 Midwest Minnesota Community Development Corporation
 Minneapolis Foundation
 Minnesota African Women's Association (MAWA)
 Minnesota Community Foundation
 Minnesota Dept. of Employment and Econ. Dev.
 Minnesota Home Ownership Center
 Minnesota Housing Finance Agency
 Minnesota International NGO Network
 Neighborhood Development Center
 Nonprofits Assistance Fund
 Northwest Area Foundation
 Opportunity Finance Network
 Oromo Community of Minnesota
 Otto Bremer Foundation
 Paul Moore Communications
 PC AfterHours
 Powderhorn Park Neighb'rd Assoc.
 Powderhorn Resident Group
 Powderhorn/Phillips Cultural Wellness Center
 Project for Pride in Living
 Region Nine Development Commission of Mankato
 Riverside Resident Resource Center
 Sadia Hot Sauce Solutions Inc.
 Sara P. Barrow Family
 Smith Partners P.L.L.P.
 Somali Action Alliance
 Somali-American Self-Development Organization of Owatonna
 Southwest Minnesota Housing Partnership of Marshall

St. Cloud Area Somali Salvation Organization (SASSO)
 St. Paul Foundation
 TCF Foundation
 The Ashok & Mary Kumar Foundation
 The Homeownership Education, Counseling, and Training Fund (HECAT)
 Three Rivers Community Action Agency of Rochester
 Triangle Park Creative
 United Way
 University of Minnesota Extension Service
 US Bank
 US Department of Commerce SBA
 US Department of Housing and Urban Developmet (HUD)
 US Department of Treasury CDFI Fund
 Wells Fargo Corporation
 West Bank Community Development Corp.
 Western Bank
 Whitney Foundation
 Women's Foundation of Minnesota
 Abdikafar Aden
 Gilbert Ahlstrand
 Ruth Barrett
 Common Bond
 Mark Brose
 Candace Campbell
 Jill Christianson
 John Cowles III
 Sarah Curfman
 Jon Debra
 Abdul Dire
 Judith Donohue
 James Eaton
 Eunice Eckerly
 Betty Emarita via Mpls. Fdtn.
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 Sara Ferguson
 Amy Finnegan
 Daniel Flicek
 Tom Grossman
 Kristin Guild
 Janeth Hagburg
 Phil Hansen
 David Heagard
 James Hendrickson

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 Garry Hesser
 John Hinck
 Betsy Hodggers
 Nancy Hylden
 Ubah Ali Jama
 James Jerome
 Rebecca Johnson
 Jan Kleinman
 Michou F. Kokodoko
 Shoua Lee
 Richard Mammen
 Malcom Mclean
 Mary Mellen
 Douglas Winn/ Susan Moore
 Leah Mtegha
 Christine Nsajja
 Erica Perlman
 Patricia Phillips
 African Quilt
 Dromena Ramona
 Harvey Ratner
 Felicia Ravelomanantsoa
 Jane Reilly
 Jim Roth
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 R.T. Rybak
 Joe Salvagio
 Philomena Satre
 David Schapiro
 Emily Seifers
 Crispin Semakula
 Suad Sherif
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 Nena Street
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 Kay Thomas
 Ariella Tilsen
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 Mario & Jo Ann Vano
 Steven Wellman
 Joyce Wisdom
 Medora Woods
 Yusuf Yusuf

 Performance Report prepared by CDC Associates