



Update

Dear CAIC Members

By Valerie Lemieux, Outreach Coordinator

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AGM 2000

- **When:** Tuesday, December 5th, 2000.
- **Where:** Sisters of St. Joseph, 1486 Richmond Street North, London, Ontario.
- **Time:** 10 a.m. till 3:30 p.m.

Fall has always brought a sense of renewal or new beginnings for me. The same is the case for the Canadian Alternative Investment Cooperative (CAIC) because September is when the loan application review process begins after a summer break. This month we reviewed two new loan applications and continued the process begun in the spring with another. October is shaping up to be a busy month as well.

Both Beth Coates, Financial Manager and myself have spent the summer working on projects mandated by the board.

Getting ready for CAIC's AGM!

Ready to try something different? Well CAIC's Board of Directors is.

This year we are moving our Annual General Meeting out of Toronto and down the 401 to London, Ontario. By moving the AGM out of Toronto, more members will be able to

Beth has been hard at work developing an application geared specifically to Housing. I am pleased to report that it is finished and now available on our website or by request.

Speaking of our website. I have been making changes to it over the past few months and have added some new features. Please check it out at www.caic.ca.

The Outreach Committee has recently completed a mailing campaign to social justice contacts affiliated with our newest member—the United Church, Division of Mission in

Canada. You too can help spread the word that there is an alternative source of financing available. Suggest that interest parties contact either Beth or myself at the CAIC office. (*Our address is listed on the back page!*)



attend the AGM and find out how their investments are doing.

We are also planning an "Open House" format in the afternoon. A panel of speakers from the Community Economic Development and Cooperative sectors will stimulate and

challenge us to look at partnerships (the theme of our AGM) in a whole new way!

The afternoon will be open to members, non-members and potential borrowers by invitation only!

New Projects ~ Western, Central, Eastern Regions



Supporting community based programs.



Helping start new business initiatives



Meeting housing needs

ACCE\$\$ Riverdale Community Loan Fund ~ This loan fund, located in the east-end of Toronto, Ontario applied to CAIC in the fall of 1999 and was approved in November 1999. I am pleased to report that the first advance was made in late August 2000.

The loan fund has been set up to provide capital to new and merging small business enterprises. Like another CAIC loan, (WRED) ACCE\$\$ Riverdale provides step-up loans that take into account business growth.

Free business support services are provided to develop the necessary management skills to run a successful business.

Drouillard Place ~

Windsor, Ontario approached CAIC in June 2000 for a loan to provide construction financing for renovations they were making to their community center.

Drouillard Place provides crisis counselling, information and referral assistance to all area residents. It's purpose is to improve the quality of life. Their building could no longer meet the demands of the community and after determining that re-locating would not be an appropri-

ate choice, the Drouillard Place board decided to renovate and create more space within their current building.

Because this group clearly fit CAIC's mandate and appeared to be a good risk (collateral is a first mortgage on the property) the board combined two meetings in one and approved the loan at June's meeting. Funds were advanced in August.

CREECQ - Quebec City Community Loan Fund ~ The board made an additional advance to CREECQ as they had met another fundraising plateau. This loan fund provides capital for small businesses in the inner city.

LifeSpin (Margaret's Community Housing) ~ **London, Ontario** was approved in January 2000. Due to a number of delays, funds were not advanced until June.

A substantial amount of this loan was a bridge loan that has since been repaid through a grant that LifeSpin received from the City of London. The remaining loan will be repaid over a five year term.

Margaret's provides housing for ex-psychiatric patients. Janet Kreda, the Coordinator for Margaret's reports that two units are

already occupied with support workers in place. Renovations should be completed on the other units in the building by November 1st.

Hubbard Court Housing Cooperative ~ Toronto, Ontario approached CAIC in May of this year for a second mortgage. This newly-formed non-profit housing cooperative had the opportunity to purchase the building they were currently living in from the City of Toronto. The board approved a loan with a long list of conditions attached.

This loan provided the board with the opportunity to re-visit how CAIC looks at housing applications. In fact it led to the creation of a separate housing application and a great deal of discussion on what CAIC can and cannot support.

Editors Note: Due to political difficulties within the Hubbard Court Cooperative, this loan did not proceed.

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Financial Partner to the Social
Justice Community

WE'RE ON THE WEB!
www.caic.ca

The Canadian Alternative Investment Cooperative invests in groups working for positive social change and community economic development in Canada, that lack access to traditional financing. Of particular interest are investments that promote alternative economic structures and which act as a catalyst to structural change. We are committed to a fair rate of return and protecting our investors' capital.

Financing and funding available:

CAIC lends to groups, organizations and co-operatives that have a project of social benefit or economic development. We are not mandated to lend to individuals.

We currently operate with a three-fund structure:

Authorized Investment Fund (CMHC-backed co-operative housing projects);

Social Mortgage Fund (non-CMHC-backed mortgages);

Community Venture Fund (loans & equity investments to organizations assisting the economic development of disadvantaged peoples and alternative economic structures);

Size of fund and range of loans:

CAIC's investment pool has grown to \$6.5 million. We provide mortgages (\$200,000 to \$600,000), loans (\$10,000 to \$250,000) and equity investments (\$10,000 to \$20,000).

For more information contact: Valerie Lemieux, Outreach Coordinator and/or Beth Coates, Financial Manager.

Projects Declined



**Balancing social value
versus risk!**

1) A group from Toronto, Ontario approached CAIC in May 2000 for a capital loan. The goal of this group is to provide services to individuals and organizations which help the participants connect with nature/ecology and spirituality. The board decided not to proceed to a second meeting protocol at this time as they were not satisfied that the business plan presented was viable. They are willing to revisit the loan application when more actual funding is in place.

2) A newly-formed worker cooperative (Eastern Ontario) approached CAIC for a business start-up loan. The cooperative intends to operate a hair salon and spa offering various aesthetic services. The board felt that retail operations are inherently risky and in this case was compounded by the lack of experience of the principals both as practitioners and as business operators.

3) A group from Saskatche-

wan asked CAIC to assume the mortgage on two properties. CAIC declined as financing was available through conventional lenders.

4) A new loan fund from the Ottawa area asked CAIC to provide a loan to help start the loan fund. The board didn't feel that the model presented was viable.