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**Impact Study Shows AEDC Creates Jobs,
Generates Millions for Local Economy in 2005**

Loans made by Arcata Economic Development Corporation to small businesses on the Northcoast resulted in an estimate of \$41,974,055 in total output impact in 2005 according to the just-released AEDC Economic Impact Report.

"The report estimates the contribution of AEDC to the economic growth and stability of the North Coast by measuring the effect of loans on businesses, their employees, and suppliers, as funds progress through the local economy," says Humboldt State University economics professor Dr. Beth Wilson, author of the AEDC Economic Impact Report. "This report was created with a computer program that determines not only the direct effect of the goods and services produced by businesses that secure loans from AEDC, but also the secondary effects of employee spending and materials purchased from local suppliers."

A regional non-profit since 1978, AEDC makes business loans to companies who do not have access to capital through conventional commercial means. Borrower Steve McKay of McKay's Auto Collision Repair in Fortuna concurs "I'm really grateful to AEDC. You gave me a loan when the bank wouldn't. I would not be here today if it weren't for you."

In 2005, AEDC made three loans in Mendocino County, one in Trinity .Of the ten loans in Humboldt County, four were to new businesses who traditionally have the greatest difficulty finding funding. Their loans supported 173 jobs in 2005.

Dean Valero of Crescent City, who borrowed for his beauty salon and academy notes "In a rural area like this, these kinds of loans are very necessary. My loan with AEDC allowed me to keep going and really expand."

To date, AEDC has been involved in making or servicing a total of 553 small business loans worth a total of \$15.3 million dollars. AEDC has also partnered with the SBA and local banks to lend an additional \$14.8 million dollars to 35 local businesses through the SBA 504 program.

Borrower Dave Berman of Jessicurl in Arcata sums up his experience working with AEDC "I felt AEDCC was right for us. We were trying to invest in the community by bringing our business here. And through AEDC the community was investing in us."

In addition to loans, AEDC participates in community development through economic development projects. AEDC received a 2006 Headwaters Grant to develop planning for sustainability and capacity for local goat milk producers who sell product to local goat cheese producers. AEDC is also assisting the City of Rio Dell administer contracts for a brownfields assessment report on city center properties, which when contamination-free could be developed for commercial use.

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