



When the dust cleared Sportsman League player Derrick Butcher (5), had been tagged out by Irving Park second baseman Herman Hardin. The Sports-

man League team went on to win the game, played Sunday, at Kenton Park, by the score of 7-6. (Photo by: Richard J. Brown)

Minorities left out of loan fund

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their way to the loan committee."

Akom considers the process to be far too complicated, with too many agencies and employees involved. Also, the loan fund is not geared to the minority business because it can only be used for property and equipment and not for working capital, while the main problem facing most minority businesses is lack of working capital.

There is also question about real estate loans, Akom explained. A minority company was refused a short term construction loan, while the policy states the loan can be used for acquisition of construction of buildings. At the last EDAC meeting, John White of the City Bureau of Economic Development, said the fund is not for buildings, when a few days before the loan to Food Front for property and a building had been approved.

According to City policy the Revolving Loan Fund Committee is made up of seven members appointed by the Chairman of the Portland Development Commission: two members of the PDC board, one person with experience in commercial lending, one member with small business experience, one member with industrial lending experience, at least one minority selected from nominations by EDAC. Since this totals six, speculations are that the seventh member is the PDC Chairman. Although the Loan Committee receives loans and can deny them, they must be approved by PDC.

"We received letters from Broussard and Humberto Reyna expressing their concerns about the loan process. We asked them to speak to our committee, then requested that Bruce present the structure he had suggested to us to EDAC, which he did last week."

Broussard's plan would eliminate the involvement of the Bureau of Economic Development and PDC by placing the EDAC board, strengthened with business executives and minorities, in charge of monitoring the loan process. The money would go to co-operating banks who would accept applications and grant loans.

"This would take politics out of the process and put the money lending in the hands of the bankers where it belongs. They would make loans according to objective criteria set by EDAC and EDAC would monitor to insure minorities are included. In addition to providing loans, this structure would help the borrower establish a relationship with a banker and put him in position to go directly to his bank for future loans," Broussard explained.

Countercraft, a sole proprietorship owned by Dwight Edman, received a total loan of \$7,155. (\$3,577.50 from the bank and \$3,577 from the City). The loan will add space and equipment to the company, which manufactures kitchen and bathroom countertops. Located at 2360 N. Marine Drive, Edman anticipates adding one or

two employees. this loan is to be repaid in three years.

Harris Wine Cellars, LTD. of 2300 NW Thurman was granted a City loan of \$14,000 to be matched by the bank for business improvements. The loan is to be repaid in ten years.

Brightway Cleaning Inc. of 7310 N. Leavitt, was granted a loan of \$12,100, to be matched with a bank loan. The purpose of the loan, which is to be repaid in five years, is to buy two floor cleaning units.

The loan called most questionable by Broussard and Akom was made to the Real Good Food Store, Inc. dba Food Front. The loan is \$45,000 to be repaid in ten years. Benjamin Franklin made the matching \$45,000 loan.

Food Front is a non-profit co-op food store, specializing in fresh vegetables, bulk gains, bakery products and dairy products. The co-op was established in 1972 and must move from its present location because a housing project is being developed on the site by Tom Walsh Construction.

Walsh offered to sell the Food Front his property on 27th and Thurman and to build them a building on the property. The City loan is to pay for the lot and building. Tom Walsh, wrote to Louis Scherzer, Senior Executive Vice President of Benjamin Franklin and Chairman of the Portland Development Commission, "As part of my request for you that you consider making Food Front a \$55,000 mortgage loan, at a favorable rate, based on 25 year amortization with a 10 year balloon payment, I would be very willing to perform one or more of the following:

"1. Personally guarantee the note;
"2. Agree, in the event of default by Food Front, to take possession of the premises immediately and assume full responsibility for all indebtedness against the property;
"3. Reduce the amount of your loan exposure by deeding the land and building to Food Front, and taking a portion of the \$105,000 purchase price in the form of a third mortgage."

The total cost for the land and buildings is \$105,000. Benjamin Franklin S&L will loan \$45,000, due in ten years.

"What this loan is, in fact, is a subsidy to Walsh Construction Co. Tom Walsh has the credit rating and the experience to build the building without a City economic development loan. This is an arrangement made by Tom Walsh," Broussard said.

"The fact that the loan is questionable - that there is question whether the Food Front can pay these two loans, plus their additional indebtedness - is demonstrated by the fact that Tom Walsh has consigned for the loans and agreed to assume responsibility for them should Food Front default, and the fact that he designed the building for conversion to office space in case that does happen.

"I have nothing against Food Front, and I'm sure they are providing a service to their community, but this \$45,000 loan will possibly provide three new jobs. The loan fund guidelines say the loans are to provide jobs, provide financial assistance to minority owned businesses, and support business development in areas with adopted economic revitalization plans.

"There is supposed to be a new job created for each \$10,000 in City funds loaned."

The Oregonian announced on July 18th that Nel-Tech, a company co-owned by John Gray of Omark (Oregon Saw Chain) plans to move from Tualatin to Union Avenue and Tillamook. Nel-Tech has been endorsed by the Inner Northeast Economic Council. According to the Oregonian article, INEC chairman Larry Jackson expects Nel-Tech to receive a \$250,000 loan interest loan from the revolving loan fund. This company will gross \$2.5 million in 1980.

"This is news to me," Broussard said. "The loan application has not even come to the loan committee, yet it has been announced in the newspaper. A few weeks ago a businessman was told by several public officials that he had been granted a loan, yet that loan was subsequently denied.

"Nel-Tech projects that it will hire 15 to 20 people, but - does John Gray, who owns Omark, and who developed John's Landing and Salishar - really need a low interest city loan. Can't he go to the bank and get anything he wants?"

"The bottom line is that the \$1.6 million loan fund is gradually being eaten away and there still are no minority loans. I've talked to a number of successful Black businessmen who could expand if loan money were available, but none has been approached by the City.

"Still, we are being told that there are no minorities available."

Appointments available

County Executive Don Clark has announced that the following citizen advisory boards and commissions have vacancies for citizen volunteer members.

Building and Plumbing Board of Appeals, City-County Commission on Aging, Child Care Coordinating Council, Community Health Council, Economic Development Advisory Committee, Energy Task Force, Health Care Commission, Juvenile Services Commission, Metropolitan Youth Commission, Revenue Alternatives and Government Services Committee, Planning Commission.

Citizens of Multnomah County are encouraged to contact Maggie Pendleton, Room 136, Multnomah County Courthouse, 1021 S.W. 4th Avenue, Portland 97204, 248-3308.

Community honors Cawthorne

The community is invited to a Champagne Sip to honor School Board Chairman Herb Cawthorne. "For the first time, a black has stood up in an official capacity on behalf of Black people, on behalf of our most important and precious resource, our children," Harold Williams said, announcing the Champagne Sip.

"Since the dismissal of Superintendent Robert Blanchard by the Board, the School board members who voted against Blanchard have been threatened by a recall movement. Williams sees the recall as aimed at Cawthorne; he sees the danger as real.

"Without a person, such as Herb, who is from the heritage of those who have been denied the full advantage of the school system, there

will be no sensitivity on the School board. We must have representation. Herb Cawthorne has established a positive image -- one that can be admired by our children. He has shown courage, "Williams said, claiming that is the reason he is the main target of the recall movement.

Williams hopes that the community will respond. "Herb has stood up for us, and now we must stand up for him." Therefore, every element of the community is asked to contribute to the effort. The show of unity, mutual concern, and broad support will dampen the fires of the recall movement. The Champagne Sip is a means to acknowledge, as a community, that Herb Cawthorne's leadership has stimulated every Black individual to

think about and measure his or her commitment to public education."

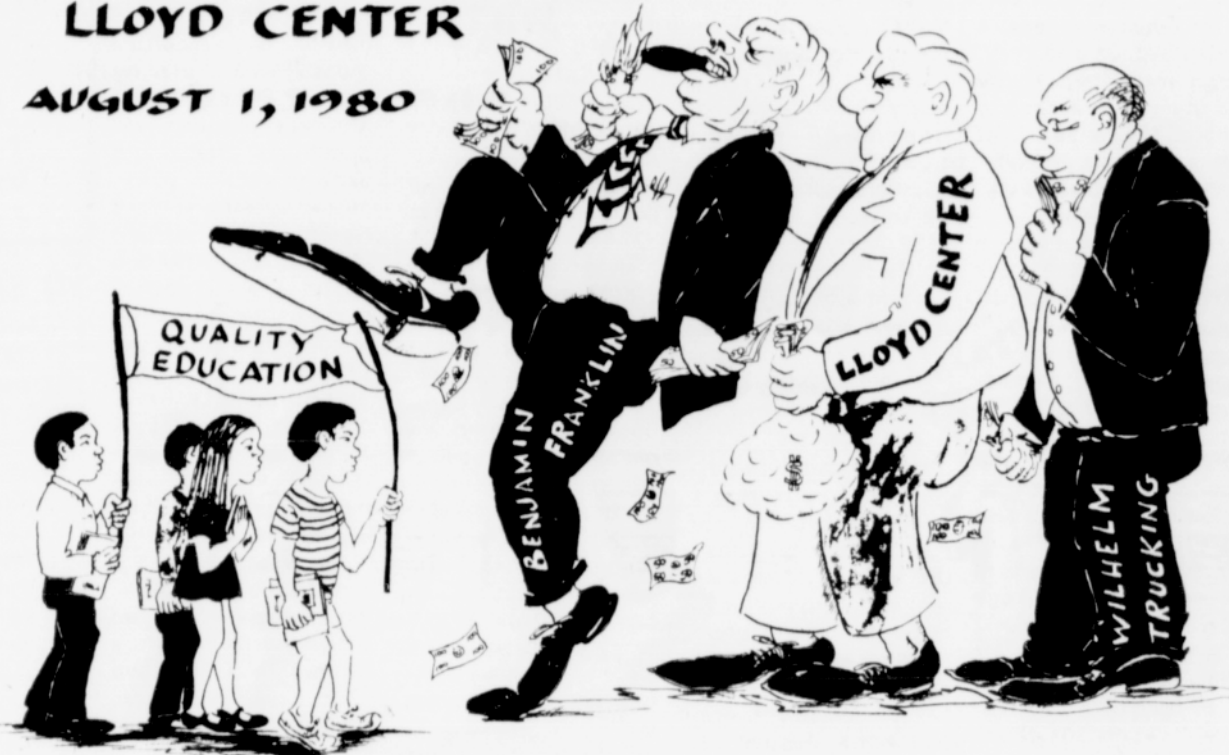
According to Williams, the lines have been drawn. The Black community, through the effort of many, especially the Black United Front, has begun to make long-overdue strides toward quality education. Herb Cawthorne has carried the message, produced the ideas, done the groundwork, and fought for the needs of the community. Now it is all threatened by people who are intent on using their power and influence against "even the possibility" of a quality education for Black children. We cannot allow this to happen, Williams asserts.

Sponsored by Z-Matt, a community development organization, the Champagne Sip will be held on August 9th, from 6:00 to 9:30 p.m. at 6124 NE 11th Avenue.

BOYCOTT

BENJAMIN FRANKLIN
LLOYD CENTER

AUGUST 1, 1980



BLACK UNITED FRONT

WHY BOYCOTT BENJAMIN FRANKLIN AND THE LLOYD CENTER?

1. Corporate leaders in Benjamin Franklin and the Lloyd Corporation are involved in a racist recall campaign which if successful, will remove even the possibility of Black children receiving a quality education.
2. The Black community must not give its money to corporations that work against our children.
3. The recall movement, "Citizens Committee for A Responsible School Board," is planned and financed by leaders of large Portland corporations. They want to show the Black community and Portlanders in general who really control the politics and economy of this city.

WATCH FOR THIS GROUP TOO!!

"The Committee For Good School Board Candidates" is comprised of many former school board members who vigorously supported Blanchard's racist policies, and other individuals who have no histories of showing genuine interest in helping the Black community. This group has arrogantly set itself up to screen candidates for the school board. Given the make-up of the committee, the Black community would never have representatives who are concerned about our children.

Remember, both movements will hurt Portland's Black community. We must remember the names of the people involved. They are considered by many to be so-called leading civic, corporate and business leaders.

Make-up of Citizen's Committee For A Responsible School Board:

Greg Baldwin - Architect; former school district employee
Joanne Bergmann - SW Portland resident; Committee Co-Chairperson; Member-Area I Citizen Advisory Committee
Elizabeth Cappe - Coordinator, Petition Drive; Teacher, Portland Public Schools
Robert Cameron - Former President, Portland Chamber of Commerce; Vice-President, Lloyd Corporation
Frank Chown - NW Portland resident; President, Portland Chamber of Commerce; Member-Board of Directors, Metropolitan Family Service; Owner, Chown, Inc.

(Charles Davis is no longer a member of the Committee)

Jeannette Gates (Mrs.) - SE Portland resident; unsuccessful Portland School Board candidate
Edith Green - Former U.S. Congressional Representative - 3rd District
John R. Hay - SE Portland resident; Lawyer
Robert H. Hazen - Palm Springs, CA resident; Board Chairman, Ben Franklin Savings & Loan Association; member, Portland Council of the Navy League
Harold Hart - Committee Co-Chairperson; Lawyer; former Director, Multnomah County Juvenile Court
Larry Lundborg - Former policeman; former investigator, State (Oregon) Department of Justice; conducts Private Security Firm; Member, Portland Council of the Navy League.

Roger Miles
Karen Paskill - SW Portland resident; Co-Chairperson, Petition Drive
Carlos Rivera - Committee consultant; State Director, John Connally's Presidential campaign
Emanuel Rose - SW Portland resident; Rabbi of Congregation Beth Israel
Rudie Wilhelm, Jr. - SW Portland resident; Vice-President, Rudie Wilhelm Warehouse Co., Inc.
Wendell Wyatt - Former U.S. Congressional Representative, 1st District; Attorney

Make-up of Committee for Good School Board Candidates:

Lloyd Anderson - Executive Director, Port of Portland; former Portland City Commissioner
John C. Beatty, Jr. - Multnomah County Circuit Judge; former Portland School Board member
Howard L. Cherry - N. Portland resident; State Representative - 14th District; Physician; Former Portland School Board member
Evie Crowell - NE Portland resident; former Portland School Board member
R.W. DeWeese - SW Portland resident; former Portland School board member
Rick Gustafson - Executive Director, Metropolitan Service District; former State Legislator
John R. Howard - President, Lewis & Clark College
Paul Howe - Former Portland School board member; Senior Vice-President, Northwest Natural Gas Co.
Norman L. Undstedt - Former member Portland School board; Attorney
Gladys McCoy - N. Portland resident; Commissioner, Multnomah County; former Portland School Board member
Jonathan U. Newman - SW Portland resident; Lawyer; Former Portland School board member; Member, Portland City Club
Robert L. Ridgley - Former Chairman, Portland School Board; Lawyer

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