

Community funds crucial to bakery biz

Amy Hilliard is an example of how socially responsible investing works.

The longtime marketing executive decided in February 2001 to turn her pound cake recipe into a business. The company she created, ComfortCake Co. LLC, quickly lined up a contract to deliver 500,000 slices to United Airlines.

But when the Chicago-based bakery began supplying the Chicago Public Schools, Jewel Food Stores, and Cub Foods, Ms. Hilliard needed a loan for expansion.

She was turned down by several banks, largely because her business had no established track record, but finally secured a loan with Shorebank Corp., a small community bank group on Chicago's South Side.

Shorebank gave us our first break, said Ms. Hilliard. Without that loan, we wouldn't have been in a position to grow our company.

The loan to ComfortCake is an example of a socially responsible investing (SRI) niche called community investing. It consists of



Amy Hilliard - Founder, President, & CEO

small business loans, single-family home mortgages, loans for multifamily building construction, even funds for church construction.

There is no other socially responsible

investment where your money can have a more immediate impact, says Susan Davis, CEO of Capital Missions Co., and Elkhorn, Wisconsin-based financial consulting firm specializing in SRI's.

Large institutions involved in community investing include the General Board of Pensions of the United Methodist Church, the Fannie Mae Foundation and Domini Social Investments.

Individual investors also can deposit funds in these institutions, called community development banks, to advance their causes.

It's a competitive world, so our rates are comparable to (other banks) in the market. But our customers also have a feeling that they've done some good, says Robert A. Klamp, president and CEO of International Bank of Chicago, a community development bank headquartered in the Uptown neighborhood.

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