

Rural Business and Cooperative Service • Intermediary Relending Program

Small Family-owned Business Creates Jobs in Rural Community

For years, John and Alayna Black dreamed about opening their own business. John worked as a mechanic, repairing cars, motorcycles, and boats, but it was a struggle to make ends meet, especially after Alayna's back surgery. "I didn't know if we'd be able to pay the bills or have what we needed for our three kids," said Alayna. They had to start using food stamps so their family would have enough to eat.

The Blacks saw their opportunity when the rural town of Myrtle Point in southwest Oregon lost its only mechanic to retirement and the sole tire store in town closed. They went to the bank and applied for a business loan. The bank recommended they take a small business course that would help them create a business plan. They promptly attended the nine-week course, then returned to the bank with their more robust business proposal. They felt confident they would get a loan this time, but they were denied once again.



Outlaw Auto, a small, family-owned business in Myrtle Point, Oregon, is providing stable income for its owners and jobs for this rural community.

The instructor from their small business course then suggested that they talk to [CCD Business Development Corporation](#). The local nonprofit operates a revolving loan fund that was seeded by USDA Rural Development through its [Intermediary Relending Program](#). The fund provides financing to small and emerging rural businesses that are unable to qualify for a traditional bank loan. The nonprofit approved John and Alayna for a \$161,000 loan.

The Blacks purchased a derelict building that had been sitting empty for three years and hired a mechanic to work alongside John. Outlaw Auto, Tire, and Lube opened in April 2018. Since then, they have hired a second mechanic to keep up with demand, and are providing on-the-job training to their second high school student, who works part-time after school.

"It's a dream we never thought would happen," said Alayna. Their family no longer worries about money, and they are happy to be providing jobs for additional members of their small community.

Alayna says the most important lesson she has learned from this experience is "Don't ever give up on your dreams. That's what I teach my kids now," she said. "Sometimes it takes years, but if you work hard and have faith, you can make it happen."

Obligation Amount:	\$750,000 loan
Date of Obligation:	September 2017
Congressional District:	Representative DeFazio, District 4; Senators Wyden and Merkley
Demographics:	Coos, Curry, and Douglas counties; combined population of 193,289
Impact:	By operating a revolving loan fund, the nonprofit CDC Business Development Corporation is supporting economic growth in very small and distressed areas within Oregon's Coos, Curry, and Douglas counties. To date, 35 small businesses have received financing.
