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MAYOR EMANUEL HIGHLIGHTS SUCCESS OF CHICAGO MICROLENDING PROGRAM

*Program Has Helped 126 Small Businesses in 54 Neighborhoods and Supported 528 Jobs;
City's Program Serving as a Model for Other Cities Looking to Launch Microloan Programs*

During small business week, Mayor Rahm Emanuel recognized small business owners that have received funding through the Chicago Microlending Institute (CMI) raising awareness among entrepreneurs across Chicago on ways to grow their businesses and help strengthen Chicago's economy. To date, Chicago's microlending program has helped create or preserve 528 jobs in 54 Chicago neighborhoods and distributed \$1.1 million in loans to 126 businesses and the program has become a model for other cities looking to launch microloan programs.

"Small businesses are the engines of growth in our neighborhoods and the backbone of our economy, yet too many entrepreneurs report difficulty in obtaining the financing they need to start up or expand. The Chicago Microlending Institute continues to show success toward increasing access to capital for the small businesses that need it most," said Mayor Rahm Emanuel. "I am so pleased to see this program having such a positive impact on our small business owners and thrilled that it has become models for other similar programs around the country."

Small business owners who have obtained microloans have used them for things such as hiring additional staff to expanding into additional locations. The microloans have generally gone to business owners who have historically had a more difficult time securing funding - 77 percent of the borrowers are minority-owned businesses, while 57 percent are female-owned and 61 percent are also located in low-income neighborhoods.

"I would not have made payroll if I had not received the microloan," said Susanna Torres, the owner of *Smiles for Everyone Mobile Dentistry* a dentist that provides preventative dental care to Chicago Public Schools students and their families that cannot afford coverage. In 2014, Susanna has served a number of families and now has 12 employees.

"WBDC (one of the CMI lenders) made the loan process as stress-free and accessible as possible," said Chiquita White owner of *Kiwi's Boutique*. With the funds she received from the microloan she

was able to build an e-commerce platform to sell her merchandise, hire a financial advisor and accountant, purchase a more comprehensive Point-of-Sale system and promote her own clothing line.

“Following the success of the CMI program in expanding access to capital for Chicago small businesses, we are excited to announce that Sam’s Club provided additional capital to expand this effort to five more cities across the country,” said Jonathan Brereton, CEO Accion Chicago

Following the success of Chicago’s Microlending program, the Sam’s Club Giving Program recently announced it would provide Accion with an additional \$2.5 million to expand the CMI model nationally and help increase access to capital for small businesses around the country. Accion will train several Women’s Business Centers to become microlenders and provide women-owned businesses with solid financial literacy and loan readiness skills.

The City of Chicago launched the CMI by providing \$1,000,000 in loan capital while Citibank and the Searle Funds at The Chicago Community Trust with Accion Chicago to establish the CMI and train new microlenders. Microloans are smaller loans not offered by traditional financial institutions that serve as crucial financing tools for small business expansion and survival.

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