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MAYOR EMANUEL ANNOUNCES 100TH BUSINESS RECEIVES LOAN THROUGH CITY'S SMALL BUSINESS OPPORTUNITY CENTERS PROGRAM

Neighborhood Small Businesses Across Chicago Have Secured Nearly \$7 million in Capital Since 2015

Mayor Rahm Emanuel today announced the latest milestone from Chicago's Small Business Opportunity Centers (SBOCs) program, which provides access to capital for neighborhood businesses throughout the city. The program just helped its 100th business secure financing and has connected businesses with nearly \$7 million in capital since launching last year.

"Over the last five years, Chicago has taken unprecedented steps to ensure City Hall is a partner not a problem for our neighborhood businesses," Mayor Emanuel said. "This program is an important tool in our economic development toolkit, and early returns already show it is making a difference and creating opportunities in every part of Chicago."

SBOCs assist business owners to prepare for borrowing, connect with the right capital resource to suit their needs and provide one-on-one financial coaching to ensure success. Three out of four businesses that apply for loans with SBOC assistance are approved, at an average loan amount of \$80,000. Only one in five small businesses applying for capital at large banks is typically approved.

The 100th loan was secured by Jaewoo Kim, owner of Wig Town in Greater Grand Crossing. Kim connected with the Small Business Opportunity Center at SomerCor 504 in February 2016 through the Department of Business Affairs and Consumer Protection's Small Business Center on the Road event at Kennedy King College.

Kim was able to secure \$130,000 through a Small Business Administration Community Advantage loan to pay off a high interest rate merchant cash advance loan. The loan also supported an inventory expansion and provided working capital, two of the most common needs cited among SBOC participants.

The SBOCs program was launched with eight community partners in 2015, through a founding partnership with Citibank, to build a pipeline of capital-ready small businesses and connect them to traditional and mission-driven lenders. Earlier this year the program expanded to three additional partners, for a total of 11, improving services around credit readiness and building strong lender connections.

The program joins a number of other city initiatives designed to create jobs and support businesses in every Chicago neighborhood. The Chicago Microlending Institute (CMI) is a first-in-the-nation initiative that tripled the number of microlenders to assist businesses that would otherwise have difficulty accessing capital through mainstream lenders connect with loans of up to \$25,000.

To date, the CMI program has funded more than 255 loans, which have successfully offered businesses \$2.6 million in financing to help create or preserve over 1,000 jobs. Nearly 70 percent of loans have gone to businesses on the City's south and west sides, where many communities have seen below average lending activity from traditional banks, and over 90 percent of CMI loans have supported women or minority entrepreneurs.

Together the CMI and SBOCs programs have secured 368 loans for neighborhood businesses, totaling \$9.5million in capital that was previously not available.

More information about business resources is available on the city of Chicago's Small Business Center website at www.cityofchicago.org/SBC.

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