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FOR IMMEDIATE RELEASE

LISC teams up with Northeastern University to launch model program investing in women and minority entrepreneurs

BOSTON (October 25, 2016)--Northeastern University has teamed up with the Local Initiatives Support Corporation (LISC) on a program that will drive loans and university contract opportunities to small businesses in Boston—with a particular focus on women- and minority-owned enterprises in low-income neighborhoods.

The initiative, called Impact Lending, will enable local entrepreneurs in nine zip codes near the university to secure loans at below-market interest rates so they can grow their businesses.

Northeastern has committed \$2.5 million in seed funding, which supports a revolving loan fund of more than \$6.5 million. The university is partnering with LISC, a national nonprofit that has invested \$16 billion to revitalize distressed communities across the country, to make and manage the loans, which will range from \$1,000 to \$1 million.

LISC considers Impact Lending a model for leveraging the buying power and community engagement of anchor institutions—one that could steer tens of millions of dollars in growth capital to underserved enterprises.

“Not everyone has benefitted equally from the recent economic upturn,” said Bob Van Meter, executive director of the LISC Boston, which has worked in disadvantaged Boston communities since 1981. “Our goal is to connect small businesses from low-income neighborhoods with the broader regional economy. In building up their capacity, local businesses will be able to take advantage of opportunities for business growth that were previously unavailable to them.”

Impact Lending expects to serve 85 small businesses and create 330 jobs in its first two years. In addition to capital, LISC will also provide advisory services to help business owners navigate new opportunities for university procurement contracts, scale up to better compete, and address other business issues that challenge their day-to-day operations.

“An entrepreneurial ecosystem must embrace innovation and support those who are one opportunity away from turning ideas and hard work into prosperity,” said Northeastern President Joseph Aoun. “It is part of Northeastern’s ethos to invest in innovation and celebrate the entrepreneurial spirit both within our own community and through our partnerships with the communities around us.”

Impact Lending can be tapped for a variety of business needs, including hiring new staff, obtaining new equipment and facilities and purchasing inventory.

This program, and others like it, is part of LISC's growing capacity to create and implement economic development initiatives, thanks in part to a \$1.5 million grant from the Citi Foundation. "We are pleased to support LISC as it drives innovation designed to help women- and minority-owned small businesses flourish," noted Brandee McHale, president of the Citi Foundation. "The lessons learned from this work in Boston will empower other cities to tap into the buying power of anchor institutions and help boost local economies."

"Boston is home to a diverse network of entrepreneurs and small business owners," said Mayor Martin J. Walsh. "Ensuring that these local small businesses are able to expand will contribute to Boston's economic growth. Diversity is key to our city's success, and I'm proud to support Northeastern and LISC in the Impact Lending program."

Impact Lending, which is accepting applications at <http://northeastern.liscsmallbusiness.org> is the latest example of Northeastern's close partnership with the city and the region, work that includes scholarships that support local youth, investments in city-owned parks and community spaces, community-based programs, and volunteer service work. <https://www.northeastern.edu/impact-lending/>.

The program also builds on LISC's extensive work across the city, which includes investments in 12,000 affordable homes and 2 million square feet of retail and community space, as well as \$20 million in operating support for 50 neighborhood nonprofits.

About LISC

LISC equips struggling communities with the capital, program strategy and know-how to become places where people can thrive. Since 1980, LISC has invested more than \$16 billion to build or rehab 348,000 affordable homes and apartments and develop 56 million square feet of retail, community and educational space. For more, visit www.lisc.org.