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Wells Fargo makes \$1M grant to LISC to fuel small businesses, economic recovery in Puerto Rico

LISC's new Kiva Puerto Rico Match Fund is making microloans to innovative local entrepreneurs

NEW YORK (May 10, 2019)—The Local Initiatives Support Corporation (LISC) is using a \$1 million grant from Wells Fargo to support economic recovery in storm-ravaged communities in Puerto Rico.

The grant is helping fund LISC's new Kiva Puerto Rico Match Fund, which is expected to finance 70 businesses across the island over the next two years. The fund is already beginning to deploy capital, with its first loan supporting Editorial Destellos, a children's book publisher featuring Puerto Rican illustrators and storytellers. Other loans are supporting a food production business, led by a local chemical engineer; an apparel business, driven by a trio of young designers; and a small gourmet mushroom farm, launched by an agricultural entrepreneur. Loan amounts under the program range from \$500 to \$10,000.

"We recognize that small business recovery after a natural disaster can be long and stressful," said Connie Smith, who leads Wells Fargo's Diverse Community Capital program, which provides funding to help diverse small business owners. "This grant puts more resources in place to help many talented entrepreneurs in Puerto Rico rebuild and to create new momentum in the small business community."

Small businesses make up 99.7 percent of all enterprises on the island, and 81 percent of their credit demand is for small dollar amounts, according to a [2018 survey by the Federal Reserve Bank of New York](#). What's more, the number of micro-enterprises, with revenues of \$50,000 or less, has been increasing, as has their need for capital, the New York Fed found.

"Puerto Rico has a great potential for economic growth through the activities of our small and medium-sized businesses," said Ana María Cintrón, director of Causa Local, Corp. and capital access manager for Kiva in Puerto Rico. "Having an access-to-capital alternative such as Kiva is a game changer in the area of financial support to existing and developing businesses that are looking for unconventional ways to fund their plans. The contributions of Wells Fargo and LISC are key in the development and growth of Kiva locally, and we're beyond grateful to have them as partners in the goal of achieving great economic impact in Puerto Rico."

Other supporters of LISC's Kiva Puerto Rico Match Fund include the fund's new trustees: Pathstone Corporation, Foundation for Puerto Rico, Centro para Emprendedores, Inc., Vitrina Solidaria, Inc., Santurce Pop, Grupo Guayacan, Inc., as well as Causa Local.

“Small businesses are the economic backbone of our communities,” said Javier E. Zapata-Rodríguez, deputy director for economic development at Pathstone and one of [LISC’s 2019 Rubinger Fellows](#), working on a documentary about disaster recovery on the island.

“These are business owners that would otherwise have a very difficult time borrowing because they are viewed as too small, too new or too innovative to assess their risk,” he explained. “The Kiva match fund recognizes their potential, understands how to evaluate micro-loan risk and can bridge that capital gap so these businesses can build and grow.”

In addition to the fund, the two-year Wells Fargo grant is also helping LISC expand its overall capacity to support disaster recovery. LISC has long been engaged in this work, including major response and rebuilding efforts following hurricanes in New York, Texas, and along the Gulf Coast. Given the increased number and severity of storms, LISC is building on that local experience with national tools to support future recovery efforts.

“We’re grateful to Wells Fargo for helping fuel small businesses and, by extension, the economic future of the communities where they operate,” said Maurice A. Jones, LISC president and CEO. “Targeted support for entrepreneurs is especially important in the wake of disasters, when the need to reopen businesses and restore jobs is so vital to recovery.”

LISC and Wells Fargo have a more than 30-year collaboration to invest in affordable housing, businesses and jobs that lift up urban and rural communities, and catalyze opportunity for thousands of residents.

To lend to a small business in Puerto Rico through LISC’s Kiva match fund, visit <https://www.kiva.org/lender/liscpuertorico4001>

About LISC

With residents and partners, LISC forges resilient and inclusive communities of opportunity across America – great places to live, work, visit, do business and raise families. Since 1979, LISC has invested \$20 billion to build or rehab 400,500 affordable homes and apartments and develop 66.8 million square feet of retail, community and educational space. To learn more, visit www.lisc.org.

About Wells Fargo

Founded in 1852 and headquartered in San Francisco, Wells Fargo & Company (NYSE:WFC) provides banking, investment and mortgage products and services, as well as consumer and commercial finance, through 7,800 locations, more than 13,000 ATMs, and the internet (wellsfargo.com). Wells Fargo’s vision is to satisfy customers’ financial needs and help them succeed financially. With approximately 259,000 team members, Wells Fargo serves one in three households in the United States. Wells Fargo & Company was ranked No. 26 on Fortune’s 2018 rankings of America’s largest corporations. In 2018, Wells Fargo donated \$444 million to

nearly 11,000 nonprofits in support of affordable housing, small business growth, financial education, and sustainability, among other community needs. For 10 consecutive years, Wells Fargo has held the honor of No. 1 in workplace giving by United Way Worldwide. Wells Fargo team members also make a difference by donating more than 2 million hours of volunteer time in the last year. News, insights and more information on the company's corporate responsibility are available at [Wells Fargo Stories](#).

About Kiva

Kiva is an international nonprofit with a mission to expand financial access to help underserved communities thrive. In the U.S., Kiva partners with local government, community development, and philanthropy stakeholders to advance financial inclusion and bring capital to fuel small businesses across the country. Since 2011, Kiva has lent \$27 million to 5,000+ borrowers in 50 states with the help of 800+ trustees, 13 market hubs, and 200,000+ lenders. Through Kiva U.S., loans are accessible to entrepreneurs, who are underserved and excluded from the traditional financial mainstream, including: 62 percent women-owned businesses, 60 percent to minority entrepreneurs, 36 percent to businesses in their first year of operations, and 71 percent to business owners who either have a credit score below 650 or that don't know their score.