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\$280,000 Awarded to Local Microloan Program to Benefit Albuquerque Entrepreneurs

ALBUQUERQUE, N.M. [December 7, 2018]—Local entrepreneurs now have greater access to small business loan opportunities thanks to two grants awarded to Nusenda Credit Union’s Co-op Capital microloan program. The Albuquerque Community Foundation announced a \$200,000 investment through its Impact Investment initiative, adding to an investment pool seeded by the W.K. Kellogg Foundation. Small business loans will be made through four local nonprofit organizations who also earned capacity funding to operate the loan program earlier this year. Collectively, \$80,000 was allocated by the W.K. Kellogg Foundation and Albuquerque Community Foundation’s Great Grant Giveaway to increase support of city entrepreneurs.

The South Valley Economic Development Center, University of New Mexico innovationAcademy, Three Sisters Kitchen and Street Food Institute were chosen as the newest partner organizations to offer Co-op Capital loans.

Co-op Capital is a relationship-based, microlending program that aims to widen access to affordable and equitable financial opportunities for lower-income entrepreneurs and entrepreneurs of color in Albuquerque. To date, Co-op Capital has dispersed over \$600,000 in loans across the state.

In July of this year, the program was named a [Top 25 Innovator in American Government](#) by the Harvard Ash Center; the program is also being celebrated in early 2019 with a National Credit Union Foundation’s Herb Wegner Memorial Award and the Louise Herring Philanthropy-in-Action Member Service Award by the Credit Union National Association.

“One of the biggest barriers in Albuquerque’s startup community is access to capital,” said Robin Brulé, Senior Vice President of Community Relations at Nusenda Credit Union and Nusenda Foundation Executive Director. “This new cohort of Co-op Capital partners will open new opportunities for local entrepreneurs and bolster our city’s entrepreneurial support network.”

The South Valley Economic Development Center, UNM innovationAcademy, Three Sisters Kitchen and Street Food Institute partners were awarded \$80,000 collectively to build internal capacity. In addition to capacity-building dollars, the \$200,000 grant from the Albuquerque Community Foundation increases the capital available for business loans to entrepreneurs.

"Three Sisters Kitchen's food business training program provides low-income, aspiring food business entrepreneurs with opportunities to learn, experiment and take risks as they develop viable food businesses," said Anzia Bennett, founder and CEO of Three Sisters Kitchen. "This support will allow us to help more food businesses grow and thrive."

Through Co-op Capital, loans are provided at a five percent interest rate. Since the program’s inception, Nusenda and its six original Co-op Capital partners have lent \$664,446 to 363 borrowers, averaging \$1,828 per loan. This new cohort of partners seeks to increase the Co-op Capital reach, helping bolster both small businesses and the local economy at large through more small business loans.

“Partnering with Co-op Capital provides huge economic opportunity for our students,” said Dr. Robert DelCampo, Executive Director of UNM innovationAcademy. “They will have an opportunity to build credit for their business while finishing their degree program. Not only will this build more businesses, but help build a more educated workforce and perhaps fund their entire education.”

Co-op Capital is a unique financing tool—credit reports from potential borrowers are not required; instead, the relationship between the partner organization and the borrower drives the loan approval process. The new cohort will create their own criteria, then collaborate with the philanthropy community to collateralize the loans to their community. These loans, which would be considered high-risk, currently have a default rate of only one percent.

“In partnership with Co-op Capital, we are creating creative alternative solutions that we believe will result in continued investment and growth within our South Valley business community,” said Josue Olivares, Executive Director of the South Valley Economic Development Center. “Our working relationship with the South Valley community positions us to tailor a micro-lending package that meets each individual entrepreneur’s needs.”

The newly elected partners were chosen through a rigorous RFP and peer review process, based on their demonstrated ability to foster and support minority and lower-income entrepreneurs through innovative strategies.

The Street Food Institute Executive Director Tina Garcia-Shams said, “We have been training, consulting, and offering hands-on internships to entrepreneurs interested in starting their own small food business since 2014. The Co-op Capital partnership will allow us to provide another level of support to our students as they start or scale their own business.”

The Co-op Capital program is funded and supported by the W.K. Kellogg Foundation, Albuquerque Community Foundation and Nusenda Credit Union, and is part of the City Alive collective impact initiative.

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