

Mayor Eric Garcetti's Office of Economic Development and Kiva.org Celebrate Small Business Owners Fueling Local Economic Growth

Partnership between City of Los Angeles and Kiva.org Has Accelerated Small Business Development in Los Angeles through Crowdfunded Loans to Small Business Owners and Aspiring Entrepreneurs

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May 14, 2014 -- Los Angeles Mayor Eric Garcetti's Office of Economic Development and Kiva.org announced a renewed partnership committed to the success and impact of Kiva City Los Angeles today. Launched in 2012, Kiva City Los Angeles is an initiative that gives anyone a chance to crowdfund loans as little as \$25 to small businesses of their choice while making a direct positive impact on local economies and jobs across Los Angeles.

The Mayor's Office of Economic Development, in conjunction with nine BusinessSource Centers across LA, is reinforcing its commitment to Kiva by becoming a Kiva Zip Trustee to help entrepreneurs across the city with funding to start, sustain and grow their businesses.

Both Kiva.org and Mayor Garcetti's Office of Economic Development will join other change-makers in the community to honor Kiva City LA small businesses in recognition of their entrepreneurial success and social impact at a special event at City Hall today. The entrepreneurs will share their journey on starting and maintaining their businesses and how they helped their local communities.

"I'm pleased to be expanding Kiva's reach into the business ecosystem of Los Angeles in partnership with my Office of Economic Development and the City's business source centers," said Mayor Garcetti. "Small businesses play a key roll in my agenda to put the recession in the rearview mirror and get Angelenos back to work."

Kiva City LA, through the Kiva.org platform, has brought crowdfunded loans to 106 entrepreneurs in the Los Angeles region that helped start or expand their businesses. More than 3,000 individuals in more than 30 countries have provided a loan to these entrepreneurs.

Through Kiva City LA, anyone can lend as low as \$25 to an entrepreneur of their choice at kiva.org/losangeles. Every dollar helps crowdfund an entrepreneur's microloan, which in turn supports local economies, communities and job creation. When the entrepreneur repays, the lender can relend the \$25 loan to another borrower or withdraw their money from the system.

The crowdfunded loans are offered with very generous terms and fill a critical lending gap faced by entrepreneurs who have the plans and the passion, but lack capital to start or expand. Small business loans crowdfunded through Kiva City LA can be offered as low as 0% interest with no fees.

"We know that behind every business there is a person, and like people, these businesses come from many walks of life in all shapes and sizes. A crowdfunding platform like Kiva.org goes a step beyond traditional loans and allows everyday people around the world to support this diverse group of entrepreneurs who share a commitment to the success of their communities," said Premal Shah, Kiva's co-founder and President.

How it Works

Kiva City Los Angeles is made possible by several area organizations joining the initiative as Partners and Trustees. Partners, such as VEDC and PACE in Los Angeles have their own lending programs and are responsible for administering Kiva loans. Kiva Zip Trustees are individuals or organizations that vouch for entrepreneurs they know and trust in their community. Once endorsed, entrepreneurs can post their loan request at zip.kiva.org and begin getting their loan crowdfunded by friends, community members and Kiva's growing global community of one million lenders. When the entrepreneur repays, they too, can become a Trustee on Kiva Zip and "pay it forward" by endorsing other small business entrepreneurs in their trust network.

Trustees in the Los Angeles area include the Business Source Centers (Barrio Planners, MCS, VSEDC), Asian Pacific Island Small Business Program, RISE Financial Pathways, West Coast Mobile Retail Association, LA Food Policy Council, Gumball Foundation, 626 Night Market, Slow Money SoCal, and Good Eggs LA. To become a Trustee, visit <http://www.kiva.org/losangeles>.

About Kiva.org

Kiva is the world's first and largest crowdfunding platform for social good. Kiva is a nonprofit organization that aims to connect people through lending to alleviate poverty and expand economic opportunity. Since 2005, Kiva and their growing global community of one million lenders have crowdfunded more than \$500 million in microloans to over one million entrepreneurs in 75 countries, with a 98% repayment rate. For more information, visit <http://www.kiva.org>.

About Mayor Eric Garcetti's Office of Economic Development

The Los Angeles Mayor's Office of Economic Development is organized to address major economic development themes in Los Angeles. There are teams focused on each of five major clusters and organized to work together in addressing the needs and opportunities for city-wide economic and workforce development. These major clusters are: (1) Sector initiatives that focus on major industries, (2) Education and Workforce Development, (3) International Trade, (4) Planning and Housing, and (5) Small & Minority Businesses. The City of Los Angeles funds eight BusinessSource Centers throughout the city to provide startup ventures and existing small business owners various cost effective or free tools to assist entrepreneurs plan, start and grow their businesses. The City also funds 18 Worksource Centers throughout the City that assist people in finding jobs and they also assist businesses hire and train new employees.